VANCOUVER
DEC 10 2021
REGISTRY

No: S212302
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF ENCOREFX INC.

THIRD REPORT OF THE MONITOR

ERNST & YOUNG INC.,

December 9, 2021

TABLE OF CONTENTS
TO THE
THIRD REPORT OF THE MONITOR

LIST OF APPENDICES

THIRD REPORT OF THE MONITOR
IN THE CCAA PROCEEDINGS OF
ENCOREFX INC.
Effective as at December 9, 2021

INTRODUCTION AND PURPOSE OF THIS REPORT

1. On March 30, 2020 (the "**Bankruptcy Date**"), EncoreFX Inc. ("**EncoreFX**", the "**Petitioner**", or the "**Company**") filed an assignment into bankruptcy (the "**BIA Proceedings**"). Ernst & Young Inc. ("**EYI**") consented to act as the licensed insolvency trustee (the "**Trustee**") in the estate of EncoreFX (the "**Estate**").
2. A first meeting of creditors in the bankruptcy of EncoreFX occurred on May 7, 2020, at which point the creditors of EncoreFX, (a) affirmed the appointment of the Trustee, and (b) appointed inspectors in the Estate (the "**Inspectors**").
3. On March 11, 2021, EYI, as the proposed Monitor in these CCAA proceedings, filed a "**Proposed Monitor's Report**", in which it, *inter alia*:
    a) described the proposed transition of the BIA Proceedings to the CCAA Proceedings (as defined below);
    b) described a Plan of Compromise and Arrangement (the "**Initial Plan**") that had been developed by the Monitor in consultation with key stakeholders in the BIA Proceedings;
    c) sought the approval of:
        i. a "**Claims Process**" to determine the Claims of creditors and establish a claims bar date by which creditors must file a "**Proof of Claim**" in the CCAA Proceedings; and
        ii. a procedure for calling a "**Creditor's Meeting**" to consider and to vote on the Plan; and

d) provided the Proposed Monitor's recommendations with respect to the foregoing.

4. On March 30, 2021, the Supreme Court of British Columbia (the "**Court**") granted an initial order ("**Initial Order**") in accordance with the provisions of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the legislation being the "**CCAA**" and the EncoreFX CCAA proceedings being the "**CCAA Proceedings**") and EYI was appointed as the monitor of the Company (the "**Monitor**"). The Initial Order also authorized and directed the following:

   a) a Stay of Proceedings (the "**Stay**");

   b) a declaration that all orders pronounced by this Honourable Court in the BIA Proceedings (the "**Bankruptcy Orders**") apply to and be continued under the within CCAA Proceedings (except as amended by the terms of the Initial Order);

   c) an authorization of the filing of the proposed Plan (the "**Initial Plan**") pursuant to the provisions of the CCAA; and

   d) that the Monitor be granted enhanced powers to maintain possession and control of EncoreFX's property and to continue to carry on EncoreFX's business in a manner consistent with the preservation of the business and the property and other ancillary relief with respect to same.

5. The Monitor has retained the services of MLT Aikins LLP ("**MLT Aikins**") to represent it in the CCAA Proceedings.

6. The Monitor filed the Initial Plan with this Honourable Court on April 6, 2021.

7. On April 8, 2021 this Honourable Court granted the following Orders (collectively the "**April 8 Orders**") approving:

   a) a "**Claims Process Order**";

   b) a "**Creditors' Meeting Order**";

c) the form of notice and materials to be distributed to the Affected Creditors of the Plan (the "**Claims Process Materials**" and "**Creditor's Meeting Materials**").

8. On April 27, 2021, the Monitor amended the Initial Plan in accordance with the terms of the Initial Plan and the provisions of the Creditor's Meeting Order as further detailed below (the "**Amended Plan**" and together with the Initial Plan, the "**Plan**").

9. On May 11, 2021, the Monitor convened the Creditors' Meeting in accordance with the Creditor's Meeting Order for the purpose of, *inter alia*, allowing the Affected Creditors to vote on the Plan. The Affected Creditors voted overwhelmingly in favour of the Plan.

10. On May 18, 2021, the Monitor filed the First Report of the Monitor (the "**First Report**"), in which it described, *inter alia*, the following:

    a) the conduct and the results of the vote at the Creditor's Meeting;

    b) the Claims established against EncoreFX;

    c) the "**Disputed Claims**" (described below) and "**Disputed Claims Reserve**";

    d) the Monitor's view on the fairness of the Plan; and

    e) the Monitor's recommendations.

11. On May 21, 2021, this Honourable Court granted a "**Sanction Order**" which, *inter alia*: (i) sanctioned the Plan, (ii) approved the Disputed Claims Reserve, (iii) established and authorized an "**Oversight Committee**" as described in Paragraphs 80 to 83 of the First Report, and (iv) approved the activities of the Monitor to May 18, 2021.

12. On June 14, 2021, the Monitor filed the Second Report of the Monitor (the "**Second Report**"), providing information pertaining to, *inter alia*, the following:

    a) an update with respect to the conditions that must be satisfied or waived in order to achieve implementation of the Plan;

    b) an overview of other administration matters remaining in the within CCAA Proceedings;

c) an updated cash flow forecast for the Company;

d) the request for an extension to the Stay to December 17, 2021; and

e) the Monitor's recommendations.

13. On June 16, 2021, this Honourable Court granted an extension to the Stay (the "**Second Stay Extension Order**"), which extended the Stay to 4:00 pm (PST) on December 17, 2021.

14. Pursuant to Sections 11.02(1) and 11.02(2) of the CCAA, the Stay has been in effect with respect to EncoreFX since the date of the Initial Order and has been extended from time to time. The Stay is currently set to expire at 4:00 pm on December 17, 2021 (the "**Stay Period**").

15. On June 14, 2021 the Monitor filed the Plan Implementation Certificate with this Honourable Court, confirming that the Plan Implementation Date was June 17, 2021.

16. The purpose of this Third Report is to provide this Honourable Court with information pertaining to, *inter alia*:

a) an update of the Monitor's activities since the Second Report;

b) an overview of other administration matters in the within CCAA Proceedings;

c) the request for an extension to the Stay Period to June 17, 2022;

d) an updated cash flow forecast for the Company; and

e) the Monitor's recommendations.

17. The Monitor has published relevant materials in these CCAA Proceedings and the BIA Proceedings on a website it has set up at www.ey.com/ca/EncoreFX (the "**Website**"). The Monitor continues to make timely updates to the Website as these CCAA Proceedings progress to ensure all stakeholders have access to the most current information regarding the Company.

TERMS OF REFERENCE

18. In preparing this Third Report, the Monitor has reviewed the Company's books and records, and financial information prepared by the Company. The Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of such information and, accordingly, the Monitor expresses no opinion or other form of assurance in respect of such information contained in this Third Report.

19. Certain information referred to in this Third Report consists of forecasts and projections. The Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Monitor expresses no opinion or other form of assurance in respect of the Information.

20. Future oriented financial information referred to in this Third Report was prepared based on estimates and probable and hypothetical assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not readily and currently ascertainable, the actual results will vary from the projections, even if the assumptions materialize, and the variations could be material.

21. This Third Report has been prepared for the use of this Honourable Court and EncoreFX's stakeholders as general information relating to the Company. Accordingly, the reader is cautioned that this Third Report may not be appropriate for any other purpose. The Monitor assumes no responsibility or liability for losses incurred by the reader as a result of the circulation, publication, reproduction or use of this Third Report contrary to the provisions of this paragraph.

22. Capitalized terms not defined in this Third Report have the meaning ascribed to them in the Plan or any other Order referenced in the Proposed Monitor's Report, the First Report, the Second Report and this Third Report.

23. All references to dollars are in Canadian Currency unless otherwise noted.

BACKGROUND INFORMATION

24. Detailed information regarding the background of EncoreFX is contained in the Proposed Monitor's Report, the First Report, and the Second Report, and is not replicated herein.

CONDENSED SUMMARY OF THE PLAN

25. Various Claims including a Secured Claim and a number of Appealed Property Claims had been asserted against EncoreFX in the BIA Proceedings which were potentially subject to extensive and uncertain litigation in the BIA Proceedings. A description of these Claims is provided in the Proposed Monitor's Report.

26. The Plan sought to avoid depletion of the Estate's assets resulting from extensive and uncertain litigation and to achieve a balance of the equities of the stakeholders of EncoreFX. The Plan aimed to achieve this by providing a global resolution of the Affected Claims as against the Estate of EncoreFX by way of the distribution of all funds and other assets recovered by the Trustee, and that may be recovered by the Monitor.

27. The terms of the Plan contemplated that the Affected Creditors of EncoreFX will receive a partial payment of their Proven Claims in full satisfaction of their Proven Claims.

28. For voting and distribution purposes, the Plan had three (3) classes ("**Classes**" or "**Affected Creditor Classes**") of creditors (collectively, the "**Affected Creditors**"):

Class	Initial Proposed Settlement
General Unsecured Creditors	• Each General Unsecured Creditor with a Proven Claim, the amount of which is <u>equal to or less than $5,000</u>, shall receive a cash distribution in an amount equal to 100% of their Proven Claim ("**Convenience Creditors**"). • Each General Unsecured Creditor with a Proven Claim, the amount of which is <u>greater than $5,000 but below $31,250,</u> shall receive a cash distribution of:

	a) an amount equal to $5,000 if it has filed a Convenience Creditor Form with the Monitor before the Claims Bar Date; or b) a Percentage Distribution in an amount equal to 16% of their Proven Claim. In the event that a General Unsecured Creditor with a Proven Claim greater than $5,000 but less than $31,250 fails to file a Convenience Creditor Form with the Monitor on or before the Election Deadline, the General Unsecured Creditor shall be deemed to have elected to receive a Percentage Distribution. • Each General Unsecured Creditor with a Proven Claim, the amount of which is greater than $31,250, shall receive a cash distribution in an amount equal to 16% of their Proven Claim. • The Class of General Unsecured Creditors includes Affected Creditors with Claims regarding Margin Deposits.
Property Claimants[1]	• Each Property Claimant with an accepted Property Claim, shall receive a cash distribution in an amount equal to 66.67% of their respective Property Claim.
Secured Creditor	• $12,000,000.
(1) "**Property Claimants**" are comprised of Affected Creditors with **outstanding** Property Claims that properly filed in the BIA and are currently under appeal by the Claimant. A list of the Property Claims is posted to the Website. **The Plan does not allow for new Property Claims to be filed and does not include Affected Creditors with Claims regarding Margin Deposits as Property Claimants.**	

29. Any funds that are available following the payments summarized in the table above (the "**Remaining Funds**") shall be distributed as follows:

    a) first, to the Secured Creditor in an amount of $4,944,475; and

    b) second, proportionately to the Secured Creditor and the Property Claimants.

30. As is noted above, the Plan was sanctioned by this Honourable Court on May 21, 2021.

UPDATE OF MONITOR'S ACTIVITIES SINCE THE SECOND REPORT

31. Since the granting of the Second Stay Extension Order, the Monitor has implemented the Plan and filed a copy of the Monitor's Plan Certificate with this Honourable Court on June 14, 2021 which confirmed that the Conditions Precedent to the Plan Implementation had been satisfied or waived in accordance with the Plan.

Initial Distributions paid pursuant to the Plan

32. The Monitor has paid the Initial Distributions to the Affected Creditors in respect of their Proven Distribution Claims. The table below summarizes the Initial Distributions paid by the Monitor to the Affected Creditors:

	No. of Creditors	Claim Amount	Eligible Intial Distribution	% Recovery	Initial Distribution Payment	% of Eligible Initial Distribution
Secured Creditor	**1**	**35,887,159**	**12,000,000**	**33%**	**12,000,000**	**100.0%**
Property Claimants	**14**	**31,327,645**	**20,886,141**	**66.67%**	**20,886,141**	**100.0%**
General Unsecured Creditors						
Convenience Creditors	137	313,245	313,245	100%	313,245	100%
Convenience Creditors Electors	155	2,259,718	691,040	31%	691,040	100%
General Unsecured Creditors	107	25,986,394	4,157,823	16%	4,157,823	100%
	399	**28,559,357**	**5,162,109**	**18%**	**5,162,109**	**100%**
Total Initial Distributions Paid	**414**	**95,774,162**	**38,048,250**	**40%**	**38,048,250**	**100.0%**

Subsequent Distributions paid pursuant to the Plan

33. Once the Monitor paid the Initial Distributions, the Monitor distributed $3,669,384 of the Remaining Funds to the Secured Creditor as payment for partial satisfaction of the Secured Preferred Claim of $4,944,475.

Resolution of the Disputed Claims

34. The Monitor described in the Second Report that a Disputed Claims Reserve was required, and funds were held in escrow on account of the Disputed Claims noted in the table below.

Creditor Name	Estimated Proven Claim Amount
EncoreFX (Australia) Pty Ltd. ("**EFX AUS**")	$17,076,627
AgraCity Crop and Nutrition Ltd. ("**Agracity**")	$282,689
Total Estimated Proven Claim Amount	**17,359,316**
Distribution %	x16%
Total Disputed Claim Reserve	**$2,777,491**

35. The Monitor has since resolved and negotiated financial settlements (as approved by the Oversight Committee) with each of EFX AUS and Agracity. Once the Monitor resolved the Disputed Claims, the funds held on account of the Disputed Claims were released from escrow and made available for distribution in accordance with the Plan.

OTHER ADMINISTRATION MATTERS

Remaining Actions Commenced against the OTM Clients

36. In the Second Report, the Monitor noted that of the 288 OTM Clients whose open transactions were closed-out by the Trustee subsequent to the Bankruptcy Date that, nineteen (19) OTM Clients with total OTM positions of approximately $3.8 million had not paid or settled their OTM positions with the Monitor.

37. Since the Second Report, the Monitor has continued to settle or, with the approval of the Oversight Committee, determined to not continue to pursue collection efforts against, the OTM positions owing from seventeen (17) OTM Clients.

38. Should this Honourable Court grant an extension to the Stay Period, the Monitor will continue with its collection efforts on the two (2) OTM Clients with total OTM positions of

approximately $1,130,000 who, at the date of this Third Report, have not paid or settled their OTM positions with the Monitor.

39. The Monitor continues to be in correspondence with these OTM Clients in a final effort to reach an approved settlement. Should the Monitor not be able to reach an approved settlement with these OTM Clients in due course, the Monitor, with the approval of the Oversight Committee, will proceed with litigation for the recovery of these remaining OTM positions.

Action by Pipeline Foods

40. Pipeline Foods ULC ("**Pipeline**") is one of the two remaining OTM Clients yet to pay or settle their OTM position with the Monitor to date.

41. Pipeline is an OTM Client with a OTM position of $902,859. The Trustee filed a Notice of Civil Claim to collect the OTM position owing to EncoreFX by Pipeline. Pipeline disputes the OTM position and has filed materials in response thereto.

42. On or around July 8, 2021, Pipeline Foods ULC and Pipeline Holdings LLC filed for Chapter 11 bankruptcy in the United States. Subsequent to filing for Chapter 11 bankruptcy, Pipeline filed materials seeking to lift the Stay in the within proceedings in order to file a counterclaim for, *inter alia*, the return of the margin deposit paid to EncoreFX prior to the Bankruptcy Date.

43. The Monitor does not consent to the lift of the Stay due to, amongst other things, Pipeline having not filed a Property Claim Appeal in the BIA Proceedings or filing a Proof of Claim in the CCAA Proceedings in accordance with the provisions of the Claims Process Order. A date to have these matters heard by this Honourable Court has been set in January 2022.

Final Subsequent Distributions pursuant to the Plan

44. The Monitor, upon completing the administration of the within CCAA Proceedings, shall distribute the Remaining Funds, if any, as a final distribution as follows:

a) first, to the Secured Creditor an amount up to $1,275,091 ($4,944,475 - $3,669,384) relating to the unpaid portion of the Secured Preferred Claim; and

b) second, proportionately to the Secured Creditor and the Property Claimants.

THIRD CASH FLOW FORECAST

45. The Monitor, on behalf of the Company , has prepared a weekly cash flow projection (the "**Third Report Forecast**") for the period of December 7, 2021 to June 17, 2022 (the "**Third Report Cash Flow Period**") should this Honourable Court grant an extension to the Stay Period.

46. A copy of the Third Report Forecast along with the notes and assumptions is attached hereto as **Appendix "A"** and is summarized and compared to actual expenses incurred below:

	Forecast	Actual	Variance	Forecast
	June 5, 2021 to Dec 8, 2021			Dec 9, 2021 to June 17, 2022
OPENING CASH	**42,911,646**	**42,911,646**	**-**	**1,301,149**
RECEIPTS	**303,907**	**4,471,047 ***	**4,167,140**	**351,862**
DISBURSEMENTS	**(41,713,047)**	**(46,081,545)**	**(4,368,498)**	**(386,398)**
Professional Fees	(1,550,000)	(1,362,622)	187,378	(283,548)
Payroll and Other Administration Expenses	(250,000)	(223,203)	26,797	(102,500)
Bank Fees	(1,400)	(595)	805	(350)
Disputed Claims Reserve	(2,777,491)	(2,777,491)	-	-
Initial Distribution, Inclusive of Priority Payables	(37,134,156)	(38,048,250)	(914,094)	-
Subsequent Distribution	-	(3,669,384)	(3,669,384)	-
ADMINISTRATION RESERVE, ENDING CASH	**1,502,506**	**1,301,149**	**(201,358)**	**1,266,613**

** Funds released from Disputed Claims Reserve included in Actual Receipts*

47. The anticipated cash receipts in the Third Report Forecast include additional estimated collections of approximately $350,000 from previously approved settlements with OTM Clients with payment plans.

48. The Third Report Forecast provides no estimates with respect to the collection of unresolved claims against the remaining OTM Clients.

49. The Third Report Forecast assumes that the administration of the within CCAA Proceedings will be funded from the Administration Reserve. The funds in the Administration Reserve is sufficient for the Monitor to continue to wind-down these proceedings.

50. The Third Report Forecast has been prepared based on probable and hypothetical assumptions noted below. To the extent that actual events may vary from these assumptions the results will vary from the forecast and these variances may be material.

51. As is noted above, the Monitor will distribute any excess funds generated in the conduct of the within proceedings in accordance with the Plan.

REQUEST FOR AN EXTENSION OF THE STAY PERIOD

52. Pursuant to the Order dated June 16, 2021, the Stay Period is currently set to expire on December 17, 2021. The Monitor on behalf of the Company is seeking an extension of the Stay Period to June 17, 2022.

53. The Monitor has considered the burden of evidence that resides with the Company to demonstrate that an extension of the Stay Period by this Honourable Court is warranted having regard to:

    a) the circumstances that justify the making of an extension order; and

    b) the Company's actions, including whether the Company is acting in good faith and with due diligence.

Circumstances that justify the extension sought

54. In the Monitor's view, the extension of the Stay Period is necessary in order to:

    a) continue realization efforts on the remaining OTM Clients who have not paid or settled their OTM positions with the Monitor;

    b) to attend to other outstanding matters; and

    c) to finalize implementation and the administration of the Plan.

55. Moreover, as is shown in the Third Report Forecast, the Monitor will have sufficient liquidity and cash on hand in the Administration Reserve to fund its ongoing obligations through to June 17, 2022 should this Honourable Court grant an order extending the Stay Period to June 17, 2022.

Good Faith Efforts and Due Diligence

56. The Monitor, on behalf of EncoreFX, has been working in good faith and with due diligence to implement the Plan for the benefit of the Affected Creditors.

57. EncoreFX has complied with all of the requirements under the CCAA, as well as the various orders granted by this Honourable Court in these CCAA Proceedings.

58. Furthermore, given that EncoreFX is not operating and the Monitor remains in control of EncoreFX's assets, there is no material prejudice to the stakeholders of EncoreFX in granting the extension to the Stay Period.

Circumstances Regarding Name Change

59. On May 5, 2020, EncoreFX entered into an Asset Purchase Agreement with Global Reach Financial Solutions Inc. ("**Global Reach APA**"). The Global Reach APA was approved by this Honourable Court in the BIA Proceedings on May 11, 2020. A copy of the Global Reach APA is attached as Appendix "A" to the Second Report of the Trustee filed in the BIA Proceedings on May 6, 2020.

60. As required pursuant to Article 9.2 of the Global Reach APA, EncoreFX changed its legal name from EncoreFX Inc. to 9019235 Canada Inc. ("**9019**") on May 27, 2020 pursuant to the provisions of the Canada Business Corporations Act, RSC 1985, c C-44. Further, on June 15, 2020, 9019 registered its name change as an extra-provincial corporation in the Province of British Columbia. Copies of the governmental certificates evidencing the name change are appended to the First Affidavit of Zeena Cartwright as Exhibits "A" and "B".

MONITOR'S RECOMMENDATIONS

61. Based on the foregoing, the Monitor recommends that this Honourable Court grant an Order extending the Stay Period to June 17, 2022.

All of which is respectfully submitted this 9th day of December, 2021.

ERNST & YOUNG INC.
In its capacity as the Monitor of
EncoreFX Inc. and not in its personal capacity

Per:

Mike Bell, CPA, CA, CIRP, LIT
Senior Vice President

Peter Venetsanos, CPA, CA, CIRP, LIT
Vice President

APPENDIX "A"

APPENDIX A

In the CCAA Proceedings of EncoreFX Inc.
Third Report Cash Flow Forecast
For the Forecast Period December 9, 2021 to June 17, 2022

		1	2	3	4	5	6	7	8	9	10
		10-Dec-21	17-Dec-21	24-Dec-21	31-Dec-21	07-Jan-22	14-Jan-22	21-Jan-22	28-Jan-22	04-Feb-22	11-Feb-22
OPENING CASH BALANCE		1,301,139	1,301,149	1,304,624	1,332,624	1,102,351	1,142,351	1,142,826	1,267,826	1,266,101	1,274,101
RECEIPTS											
OTM Collections - Previously Approved	(3)	-	13,500	28,000	3,300	40,000	8,000	125,000	3,300	8,000	20,000
OTM Collections - Outstanding OTM Clients	(4)	-	-	-	-	-	-	-	-	-	-
Global Reach Earn-Out (Year 2)	(5)	-	-	-	-	-	-	-	-	-	-
		-	13,500	28,000	3,300	40,000	8,000	125,000	3,300	8,000	20,000
DISBURSEMENTS											
Professional Fees	(6)	-	-	-	(163,548)	-	-	-	-	-	(80,000)
Other Administration Expenses	(7)	-	(10,000)	-	(70,000)	-	(7,500)	-	(5,000)	-	(5,000)
Bank Fees		-	(25)	-	(25)	-	(25)	-	(25)	-	(25)
		-	(30,025)	-	(233,573)	-	(7,525)	-	(5,025)	-	(85,025)
NET CASH FLOW		-	3,475	28,000	(230,273)	40,000	475	125,000	(1,725)	8,000	(65,025)
ENDING CASH BALANCE		1,301,139	1,364,624	1,332,624	1,102,351	1,142,351	1,142,826	1,267,826	1,266,101	1,274,101	1,209,076

		11	12	13	14	15	16	17	18	19	20
		18-Feb-22	25-Feb-22	04-Mar-22	11-Mar-22	18-Mar-22	25-Mar-22	01-Apr-22	08-Apr-22	15-Apr-22	22-Apr-22
OPENING CASH BALANCE		1,209,076	1,219,276	1,214,251	1,217,551	1,217,526	1,217,526	1,192,501	1,195,801	1,195,776	1,195,776
RECEIPTS											
OTM Collections - Previously Approved	(3)	10,200	-	3,300	-	-	-	3,300	-	-	-
OTM Collections - Outstanding OTM Clients	(4)	-	-	-	-	-	-	-	-	-	-
Global Reach Earn-Out (Year 2)	(5)	-	-	-	-	-	-	-	-	-	-
		10,200	-	3,300	-	-	-	3,300	-	-	-
DISBURSEMENTS											
Professional Fees	(6)	-	-	-	-	-	(25,000)	-	-	-	-
Other Administration Expenses	(7)	-	(5,000)	-	-	-	-	-	-	-	-
Bank Fees		-	(25)	-	(25)	-	(25)	-	(25)	-	(25)
		-	(5,025)	-	(25)	-	(25,025)	-	(25)	-	(25)
NET CASH FLOW		10,200	(5,025)	3,300	(25)	-	(25,025)	3,300	(25)	-	(25)
ENDING CASH BALANCE		1,219,276	1,214,251	1,217,551	1,217,526	1,217,526	1,192,501	1,195,801	1,195,776	1,195,776	1,195,751

		21	22	23	24	25	26	27	28	
		29-Apr-22	06-May-22	13-May-22	20-May-22	27-May-22	03-Jun-22	10-Jun-22	17-Jun-22	Total
OPENING CASH BALANCE		1,195,751	1,189,051	1,189,026	1,189,026	1,189,001	1,189,001	1,223,976	1,227,576	1,301,149
RECEIPTS										
OTM Collections - Previously Approved	(3)	3,300	-	-	-	-	40,000	3,600	39,062	351,862
OTM Collections - Outstanding OTM Clients	(4)	-	-	-	-	-	-	-	-	-
Global Reach Earn-Out (Year 2)	(5)	-	-	-	-	-	-	-	-	-
		3,300	-	-	-	-	40,000	3,600	39,062	351,862
DISBURSEMENTS										
Professional Fees	(6)	(10,000)	-	-	-	-	(5,000)	-	-	(283,548)
Other Administration Expenses	(7)	-	-	-	-	-	-	-	-	(102,500)
Bank Fees		-	(25)	-	(25)	-	(25)	-	(25)	(350)
		(10,000)	(25)	-	(25)	-	(5,025)	-	(25)	(386,398)
NET CASH FLOW		(6,700)	(25)	-	(25)	-	34,975	3,600	39,037	(34,536)
ENDING CASH BALANCE		1,189,051	1,189,026	1,189,026	1,189,001	1,189,001	1,223,976	1,227,576	1,266,613	1,266,613

NOTES AND ASSUMPTIONS

(1) The purpose of the Third Report Forecast is to estimate the cash position over the Third Report Forecast Period should this Honourable Court extend the Stay Period to June 17, 2022.
(2) The Third Report Forecast has been prepared based on probable and hypothetical assumptions. To the extent that actual events may vary from the assumptions used, the results will vary from the forecast shown above and such variances may be material.
(3) OTM Collections - Previously Approved represent collections from OTM Clients with settlements previously approved and with payment plans.
(4) OTM Collections - Outstanding OTM Clients consist of two OTM Clients who have yet to pay or reach settlements on their outstanding OTM with the Monitor.
(5)The amount, if any, to be collected from Global Reach with respect to the Earn-Out (Year 2) is unknown at this time.
(6) Professional fees represent professional fees of the Monitor and the Monitor's legal counsel. Professional fees incurred over the remaining forecast will be dependent on the extent of litigation required to resolve outstanding administration matters.
(7) Other Administration Expenses include bi-weekly payroll paid to a former EncoreFX employee retained to assist the Monitor in the proceedings and other administration costs relating to IT services and general administration.