

CANADA

PROVINCE OF QUEBEC
DISTRICT OF QUEBEC

No. 200-11-025040

SUPERIOR COURT
(Commercial Chamber)

**IN THE MATTER OF THE ACT RESPECTING THE
REGULATION OF THE FINANCIAL SECTOR**

FINANCIAL MARKETS AUTHORITY
Plaintiff

v.

DOMINIC LACROIX
Defendant

and

**RAYMOND CHABOT ADMINISTRATEUR
PROVISOIRE INC.**
Provisional Administrator

REQUEST TO OBTAIN A DECLARATORY JUDGMENT
(Art. 142 of the *Code of Civil Procedure*)

**IN SUPPORT OF ITS REQUEST, THE PROVISIONAL ADMINISTRATOR PRESENTS
THE FOLLOWING:**

1. Terms beginning with a capital letter and that are not otherwise defined in the present request have the meaning given to them in the Plan (as this term is hereafter defined).

I. CONTEXT LEADING TO THE FILING OF THE DISTRIBUTION PLAN

2. On July 5, 2018, the Superior Court issued an order (the “**Order of appointment**”) naming Raymond Chabot Administrateur Provisoire, Inc., (the “**Provisional Administrator**”) as Provisional Administrator of the property of the defendant Dominic Lacroix (“**Lacroix**”) under the terms of Articles 19.1 and following of the *Act Respecting the Regulation of the Financial Sector*.
3. As appearing in the *Amended request presented ex parte and in closed session ordering the appointment of a provisional administrator* dated July 5, 2018 (the “**Request for appointment**”), the principal purpose of seeking the appointment of a Provisional Administrator was to allow this administrator to take possession of the cryptocurrency controlled by Lacroix resulting from the PlexCoin project and to take all relevant protective measures in this respect, all in the best interests of investors in the PlexCoin project.

4. The Request for appointment followed a variety of freeze orders issued by the Financial Markets Administrative Tribunal (the “**TMF**”) against Lacroix and Sabrina Paradis-Royer (“**Paradis-Royer**”) specifically intended to prevent them from disposing of funds, securities or other property including all bitcoins and/or all cryptocurrency under their control. As presented in the Request for appointment, the TMF had held that the *prima facie* proof showed that Lacroix had received at least 778.97 bitcoins from Plexcoin investors and that of this number, 314.75 had already been spent as of May 24, 2018.
5. The Request for appointment specifically listed the following regarding the Provisional Administrator’s assignment as well as the investors that the Financial Markets Authority (the “**AMF**”) sought to protect in obtaining the appointment of a provisional administrator:

55. This decision P-19 was rendered in the context of the investigation conducted by the Authority and more specifically, in what is referred to as the PlexCoin project which would have allowed Lacroix, through an Initial Coin Offering connected to the project, to collect, from Quebec, investments by the public on the order of several millions.

[...]

81. In light of the preceding, it is urgent and necessary that this honorable Court immediately order the appointment of a provisional administrator regarding the Bitcoins in possession of, controlled by, held or entrusted to Lacroix as concluded by the TMF.

82. It appears clear that Lacroix has done everything in his power to avoid obeying the law, the decisions rendered against him, and more specifically for the purpose of benefitting from the Bitcoins on which the investors may assert their rights.

83. The Authority requests that Lacroix be pursued by the Provisional Administrator considering that the investments were made in Bitcoins, in the context of the PlexCoin project and that these Bitcoins are in possession of, controlled by, held or entrusted to Lacroix and are the subject of specific freeze orders by the TMF dated May 24, 2018.

[...]

85. In addition, in this context, it is urgent and necessary that the Bitcoins subject to the freeze orders described above, decision P-19, be transferred and managed by a provisional administrator in the interest of investors.

[...]

90. The appointment of a provisional administrator is also necessary and urgent to ensure the protection and the management of investors’ Bitcoins, Bitcoins whose value is very volatile and unpredictable.

[emphasis ours]

6. There is no doubt that the investors who are referred to in the Request for appointment are those who purchased PlexCoins as part of the IPO.
7. Following his appointment and in accordance with the assignment entrusted to him under the terms of the Order of appointment, the Provisional Administrator proceeded to seize the cryptocurrency still controlled by Lacroix and proceeded to convert it into fiat (Canadian money).
8. The Provisional Administrator then pursued his investigation to recover any other cryptocurrency controlled by Lacroix as well as any other assets acquired from funds received from investors in the PlexCoin project (such as mining equipment) that were still not in his possession.
9. On July 24, 2019, as part of the extension of the freeze orders presented by the AMF before the TMF, Lacroix and Paradis-Royer admitted that nearly all of the amounts frozen by the TMF in case 2017-023 came from the PlexCoin project, as appearing in the Request for modification of powers (as this term is defined below) and exhibit P-33, the latter having been communicated in support of the present request as **Exhibit R-1**.
10. During this hearing, Lacroix and Paradis-Royer also consented to having these sums transferred to a third party for the purpose of reimbursing investors and signed a document to that effect, as appearing in exhibit P-34 in support of the Request for modification of powers, a copy of which is communicated in support of the present request as **Exhibit R-2**.
11. On or about August 30 2019, considering the advancement of the case, the AMF filed a request (the “**Request for modification of powers**”) to modify the Provisional Administrator’s powers to allow for the preparation of a distribution plan (the “**Plan**”) to reimburse PlexCoin project investors the amounts seized by the Provisional Administrator as well as the amounts frozen in TMF case 2017-023 and in case number 17 CIV 7007 (CBA)(RML) of the *United States District Court for the Eastern District of New York*.
12. In the Request for modification of powers, the AMF claimed as follows:

26. The plaintiff and the SEC intend to cooperate in the implementation of a redistribution plan for investors connected to the PlexCoin project, which would be submitted for the court’s approval by RCAP;

[...]

31. RCAP said it was disposed to produce for the court’s consideration no later than October 30, 2019, a redistribution plan to reimburse PlexCoin project investors the amounts frozen in TMF case number 2017-023 as well as in case number 17 CIV 7007 (CBA)(RML) of the United States District Court Eastern District of New York, in cooperation with the SEC.

[emphasis ours]

13. On September 12, 2019, the court received the Request for modification of powers according to its conclusions. The judgement specifically ordered the Provisional Administrator to file a “transaction and redistribution plan to reimburse PlexCoin project investors” [emphasis ours].
14. On October 31, 2019, the court agreed to delay until November 4, 2019 the plan’s filing, which was done by the Provisional Administrator.
15. The Plan’s definitions and clauses that are particularly relevant to the present request for declaratory judgment are as follows:

1.1.13 “Investor” designates all Persons having a Claim and may, if required by the context, include the assignee of a Claim, or a fiduciary, or a trustee, an interim receiver, a receiver or another Person acting on behalf of that Person. However, this term does not include an excluded Investor.

1.1.14 “Excluded investor” designates a Person with an excluded Claim.

1.1.9 “Reference date” designates, for each Investor, the date on which he/she made their investment to acquire PlexCoins through the IPO.

1.1.31 “Claim” designates, on the Reference Date, all rights of all persons against Lacroix, Paradis-Royer, PlexCorps, or any other persons connected with them, relative to the paid acquisition of PlexCoins in the specific context of the IPO, except for any excluded Claim and subject to evaluation on the merits by the Provisional Administrator.

2.3 Excluded claims

The Plan does not concern excluded Claims, whose holders are not entitled to any distribution whatsoever under the terms of the Plan. Excluded Claims are determined as follows:

- a) The Claims of any Persons who acquired PlexCoins by any other means than the IPO, including claims of any investor having acquired PlexCoins for free or by payment on the secondary market.
- b) The Claims of any Persons regarding PlexCoins that were sold on the secondary market.
- c) All Claims of less than CAN\$250 or resulting in a distribution of less than CAN\$50.
- d) Claims of any Persons who received PlexCoins for free, with the exception of heirs and legatees of any investor with a Claim.
- e) Claims of any persons having already received reimbursement of the purchase price of PlexCoins they hold.

f) Claims of any Persons concerning PlexCoins received as a bonus, as described in the White Book.

g) Claims of Lacroix, Paradis-Royer, PlexCorps, Yan Ouellet, Carole Bolduc, Pascal Lacroix, Raymond Plante and all Persons connected with these persons, also including all employees and former employees of companies connected with them.

h) Claims of any Persons having participated in the IPO in any capacity other than that of investor.

i) Claims of creditors of Lacroix or PlexCorps who are not investors, as well as any Persons connected with these creditors.

j) Claims of Governmental Authorities regarding Lacroix, Paradis-Royer or PlexCorps.

2.7 Surplus

[...]

Lacroix, Paradis-Royer, PlexCorps, Yan Ouellet, Carole Bolduc, Pascal Lacroix, Raymond Plante and all Persons connected with these persons, also including all employees and former employees of companies connected with them, may exercise no rights over any remaining balance following the final distribution.

16. The Provisional Administrator prepared the Plan, including the determination of the scope of the term “Claim” in cooperation with the AMF and the SEC.
17. As appearing in the Plan and in accordance with the judgment on the request for modification of powers, it is planned that the Fund be distributed to the “Investors”, that is, to any person having acquired PlexCoins for payment in the specific context of the IPO and still holding them (except for excluded Claims).
18. The Fund is comprised of the following: i) cryptocurrency recovered by the Provisional Administrator and converted into fiat, ii) Lacroix’s receivables recovered by the Provisional Administrator, iii) amounts and cryptocurrency held by Kraken (seized by the Provisional Administrator and subject to freeze orders), iv) sums held by third parties subject to freezes, and v) the proceeds of the liquidation of computer and mining equipment acquired by Lacroix and seized by the Provisional Administrator.
19. The Fund thus predominately consists of amounts originating from the IPO.

II. SUBSEQUENT CONTESTATION OF THE PLAN BY INTERVENING CREDITORS

20. Following the Plan’s filing, the Provisional Administrator was informed that several natural and legal persons (“**Intervening Creditors**”) that lent or invested money directly with Lacroix and the DL Innov incl, Micro-Prets Inc, and Finaone Inc. companies, of whom

Lacroix is the shareholder and administrator (the “**Associated companies**”), intend to contest specifically the definition of the term “Claim” as included in the Plan.

21. As such, November 21, 2019, the Intervening creditors filed a *voluntary aggressive act of intervention* (“**Act of intervention**”) to authorize them to participate in the proceedings.
22. More specifically, as appearing in the Act of intervention, the Intervening creditors claim to have granted loans or invested money directly with Lacroix and the Associated companies and, as such, claim rights to the Fund and request modifications to the Plan to allow them to be taken into consideration in the eventual distribution.
23. It is also Provisional Administrator’s understanding that the Intervening creditors’ assertion is that part of the money loaned to Lacroix or the Associated companies was used to finance the setup of the PlexCoin project. Consequently, the Intervening creditors are of the opinion that they contributed to the PlexCoin project and to its IPO and that they therefore have a right to participate in the distribution of the Fund. However, the Provisional Administrator has no information allowing him to confirm or deny such an assertion.
24. The Provisional Administrator also does not have any information on Lacroix’s or the Associated companies’ loans connected with the PlexCoin project beyond possible tax receivables.
25. The Provisional Administrator has been informed by the AMF and has found certain movements of funds originating from the PlexCoin project to certain Associated companies and vice-versa, without having any additional information on this.
26. On December 9, 2019, the Intervening creditors filed a *Voluntary aggressive request for intervention, request for the creation of a committee representing creditors/investors with Dominic Lacroix, DL Innov Inc., Micro-Prets Inc. and Finaone Inc. and for the issuance of an order designated the professionals (trustees and attorneys)*.
27. On December 19, 2019, the tribunal received the request of the Intervening creditors, with the exception of its conclusions on the payment of fees from the Fund.
28. On January 20, 2020, the Intervening creditors communicated their proposal for modifications with regard to certain terms defined in the Plan, as appearing in the Draft of new designations, modifications and additions (the “**Draft definitions**”), communicated in support of the present request as **Exhibit R-3**.
29. The Draft definitions propose the following new definitions:
 - 1.1.9 “Reference date” designates, for each investor, the date he/she made an investment for the acquisition of PlexCoins through the IPO, or, as applicable, the date payments due were made or loans solicited.

1.1.31 “Claim” designates, as of the Reference date, all rights of all persons against Lacroix, Paradis-Royer, PlexCorps, DL Innov Inc., Micro-Prets Inc. or Finaone Inc. relative to the paid acquisition of PlexCoin through the IPO or loans solicited by aforementioned individuals and/or companies in the context of the operations of said companies, except for any excluded claims and subject to an evaluation of the merits by the Provisional Administrator.

30. The Draft definitions also propose the following modifications to clauses 2.3 and 2.7 of the Plan, as follows:

2.3 Excluded claims

i) Claims of the creditors of Lacroix, PlexCorps, DL Innov Inc., Micro-Prets Inc., or FinaOne Inc. who are not investors, as well as all persons connected with these creditors.

j) Claims of governmental authorities with regard to Lacroix, Paradis-Royer, PlexCorps, DL Innov Inc., Micro-Prets Inc. or FinaOne Inc.

2.7 Surplus

[...]

Lacroix, Paradis-Royer, PlexCorps, Yan Ouellet, Carole Bolduc, Pascal Lacroix, Raymond Plante and all Persons connected with these persons, also including all employees and former employees of companies connected with them, except for a Person that may have a Claim, may exercise no rights over any remaining balance following the final distribution.

31. Finally, the addition of a subparagraph to Article 2.3 of the plan is proposed:

2.3 Excluded claims

k) Claims of all persons holding a security, a guarantee or any other lien published in the register of personal and real property (RDPRM) or the land registry with regard to the property of Lacroix, Paradis-Royer, PlexCorps, DL Innov Inc., Micro-Prets Inc., Finaone Inc. or any persons connected with them.

III. NEED TO DEFINE THE SCOPE OF THE TERM “CLAIM” INCLUDED IN THE PLAN

32. Modifications to the Plan suggest that the Intervening creditors do not agree with the Plan that the Provisional Administrator was required to file under the terms of the judgment on the Request for modification of powers or with the assignment given to him following the Order of appointment.

33. While the Plan responded initially to the concerns of the AMF and SEC and was in accordance with the judgment on the Request for modification of powers, there is now a significant gap between the Plan’s approach and the assertions advanced by

the Intervening creditors relative particularly to the scope of the term “Claim”. In this regard, it is important to emphasize that Lacroix and Paradis-Royer are of the opinion that the Fund originates from the amounts raised in the context of the IPO.

34. Moreover, the Provisional Administrator notes the following in the Draft definitions:

a) The proposed definition of the term “Claim” includes all persons (including an individual or any corporate or governmental entity) having granted loans to Lacroix, Sabrina Paris-Royer [TN: sic] or to Associated companies. All of these persons may thus file a Claim under to terms of the Plan on a *pro rata* basis of the amounts loaned/invested.

This definition is broad and covers thus not only all of Lacroix’s non-guaranteed creditors, but also those of Paradis-Royer and Associated companies with any connection whatsoever with the PlexCoin project.

b) The suggested modifications do not take into consideration interest payments or any other benefit that the Intervening creditors may have received over the course of their business relationship with Lacroix or the Associated companies.

c) The modification suggested to clause 2.7 of the Plan is contrary to the spirit of the Plan, particularly to the notion of a deadline for the filing of Claims.

35. Considering the preceding, the Provisional Administrator believes that it is necessary for the court to rule on the scope of the term “Claim” (clause 1.1.31 of the Plan) and on the scope of the terms “Investor (clause 1.1.13 of the Plan), “Excluded investor” (clause 1.1.14 of the Plan), “Reference date” (clause 1.1.9 of the Plan) and “Excluded claims” (clause 1.1.33 of the Plan) as well as on the methods of clauses 2.3 (Excluded claims) and 2.7 (Surplus) of the Plan prior to holding a hearing on the Plan’s approval.

FOR THESE REASONS, MAY IT PLEASE THE COURT TO:

[A] **DECLARE** that for the purpose of implementing the Plan, the definitions of the terms “Investor” (clause 1.1.13 of the Plan), “Excluded investor” (clause 1.1.14 of the Plan), “Reference date” (clause 1.1.9 of the Plan), “Claim” (clause 1.1.31 of the Plan), and “Excluded claims” (clause 1.1.33 of the Plan) as well as the methods of clauses 2.3 (Excluded claims) and 2.7 (Surplus) of the Plan are those found in the Plan in the version dated November 4, 2019;

[B] **ALL** without costs.

OR ALTERNATIVELY

- [C] **DECLARE** that for the purpose of implementing the Plan, the definitions of the terms “Reference date” (clause 1.1.9 of the Plan) and “Claim” (clause 1.1.31 of the Plan) as well as the methods of clauses 2.3 and 2.7 of the Plan are those found in the Draft definitions (Exhibit R-3);
- [D] **ACKNOWLEDGE** the Provisional Administrator’s commitment to file, within 20 days of the date the judgment is issued, a modified Plan incorporating the modifications contained in the Draft definitions (Exhibit R-3);
- [E] **ALL** without costs.

Montreal, January 31, 2020

[signature]

BORDEN LADNER GERVAIS S.E.N.C.R.L., s.r.l.

Attorneys for the Provisional Administrator,
Raymond Chabot administrateur provisoire Inc.

CANADA

PROVINCE OF QUEBEC
DISTRICT OF QUEBEC

No. 200-11-025040-182

SUPERIOR COURT
(Commercial Chamber)

**IN THE MATTER OF THE ACT RESPECTING THE
REGULATION OF THE FINANCIAL SECTOR**

FINANCIAL MARKETS AUTHORITY
Plaintiff

v.

DOMINIC LACROIX
Defendant

and

**RAYMOND CHABOT ADMINISTRATEUR
PROVISOIRE INC.**
Provisional Administrator

LIST OF EXHIBITS

- EXHIBIT R-1:** Request for modification of powers and supporting Exhibit P-33;
- EXHIBIT R-2:** Exhibit P-34 in support of the Request for modification of powers;
- EXHIBIT R-3:** Draft of new definitions, modifications and additions.

Montreal, January 31, 2020

[signature]
BORDEN LADNER GERVAIS S.E.N.C.R.L., s.r.l.
Attorneys for the Provisional Administrator,
Raymond Chabot administrateur provisoire Inc.

EXHIBIT R-1

CANADA

PROVINCE OF QUEBEC
DISTRICT OF QUEBEC

No. 200-11-025040-182

SUPERIOR COURT
(Commercial Chamber)

**ACT RESPECTING THE REGULATION OF THE
FINANCIAL SECTOR, RLRQ, c. E-6.1**

FINANCIAL MARKETS AUTHORITY
Plaintiff

v.

DOMINIC LACROIX
Defendant

and

SABRINA PARADIS-ROYER living and residing at 468,
Rue des Manitobains, Quebec (Quebec) G2M 0M6
Accused party

and

**RAYMOND CHABOT ADMINISTRATEUR
PROVISOIRE INC.**
Provisional Administrator

REQUEST TO MODIFY THE POWERS OF THE PROVISIONAL ADMINISTRATOR
(Article 49 of the *Code of civil procedure*, RLRQ, c. C-25.01 and Article 19.2 of the *Act
Respecting the Regulation of the Financial Sector*, RLRQ, c. E-6.1)

**TO THE HONORABLE JUDGE DANIEL DUMAIS, J.C.S., THE PLAINTIFF, THE
FINANCIAL MARKETS AUTHORITY, RESPECTFULLY PRESENTS THE
FOLLOWING:**

INTRODUCTION

1. The plaintiff, the Financial Markets Authority (the “**Authority**”) is the entity responsible for the application of the *Securities Act*, RLRQ, c. V-1.1 (the “**LVM**”) and performs the functions set forth in accordance with Article 7 of the *Act Respecting the Regulation of the Financial Sector*, RLRQ, c. E-6.1 (the “**LESF**”).
2. The Authority performs its functions and exercises its powers, as set forth in Article 7 and paragraphs 1 and 5 of Article 8 of the LESF:

7. The Authority is responsible for exercising the functions and powers assigned to it by the laws listed in Annex 1 or by other laws and for administering all laws or provisions of a law which the law or the government entrusts it to administer.

The Authority also acts as an information and reference center in all areas of the financial sector.

It also exercises the functions and powers assigned to it by the present law.

8. The Authority exercises its functions and powers so as to:

1. inspire the trust of persons and businesses regarding financial institutions and other actors in the financial sector as to their solvency and with regard to the competence of agents, counselors, brokers, representatives and other actors working in the financial sector;

(...)

5. ensure the protection of the public from unfair, abusive and fraudulent practices and give injured persons and businesses access to various means of settling differences.

3. Article 276 of the LVM provides as follows:

276. The Financial Markets Authority established in virtue of Article 1 of the *Act Respecting the Autorité des marchés financiers* [TN: the official title] (Chapter A-33.2) is responsible for the administration of the present law and exercises the functions and powers set forth therein.

In addition, the Authority's mission includes:

1. to promote the proper functioning of the securities market;

2. to ensure the protection of savers from unfair, abusive and fraudulent practices;

3. to regulate the information to be provided to holders of securities and to the public on persons making public calls for savings and on the securities issued by them;

4. to supervise the activities of securities market professionals and the organizations in charge of ensuring the functioning of a securities market.

4. In particular, the Authority may, in view of or in the course of an investigation, ask the Financial Markets Administrative Tribunal (the "TMF") to issue *ex parte* orders prohibiting securities transactions and freeze orders, in accordance with Articles 249 and 265 of the LVM.

5. When the Authority has reason to believe that a person is in one of the situations set forth in Article 19.1 of the LESF, it may also request that the Superior Court order the appointment of a provisional administrator given the powers set forth in Articles 19.2 and following of the LESF;
6. Articles 19.1, 19.2, 19.5, and 19.6 of the LESF list the following:

19.1 The Superior Court may order the appointment of a provisional administrator if the Authority demonstrates that it has reason to believe, regarding a person, a company, or another entity:

1. that the assets of this person, this company, or this other entity are insufficient with regard to its obligations, have been used for a purpose other than that for which they were destined, or parts thereof are inexplicably missing.
2. that there has been wrongdoing, abuse of trust or another offence committed by a director or administrator of this person, this company, or this other entity;
3. that the management, conducted in an inadmissible manner by the directors and administrators with regard to generally acceptable principles, is of a nature to endanger the rights of savers, members, or those insured by this person, this company, or this other entity, or that will lead to a depreciation of the shares or securities issued by it;
4. that this appointment is necessary to ensure the protection of the public in the context of an investigation begun in virtue of Article 116 of the *Derivatives Act* (2008, Chapter 24) or of Article 239 of the *Securities Act* (Chapter V-1.1).

(...)

The Authority recommends to the Court the names of persons who may act as provisional administrator.

19.2 The order may confer upon the provisional administrator the following powers:

1. take possession of all property of the person, the company, or the other entity or that it holds on behalf of third parties, in all places in which they are located, even if they are in possession of a bailiff, a creditor, or another person who claims them;
2. exercise, in the case of a legal person, powers relative to their business and, in other cases, the powers, if applicable, of shareholders, associates, administrators, directors and members of this person, this company, or this other entity;

3. pursue in whole or in part the business of the person, the company, or the other entity and take any applicable protective measures;
4. terminate or settle any contract to which the person, the company, or the other entity is a party;
5. initiate, or proceed without further action, any proceedings relative to the business or property of the person, the company, or the other entity to which it was or would have been a party, or take part in such an action;
6. investigate the activities of the person, the company, or the other entity;
7. retain the services of accountants, attorneys, or other persons to assist in the execution of its functions;
8. assign, on behalf of the person, the company, or the other entity, all their property for the benefit of creditors or act as a trustee, in accordance with all applicable federal laws on the subject of bankruptcy and insolvency;
9. proceed with the liquidation of the person, the company, or the other entity in accordance with, as appropriate, the *Winding-Up Act* (Chapter L-4), with all specific provisions set forth in an applicable law referred to in Article 7 or according to the means determined by the Superior Court;
10. exercise any other power or function that the Court finds appropriate to allow the provisional administrator to perform its functions.

[emphasis ours]

7. On July 5, 2018, the Superior Court ordered the appointment of Emmanuel Phaneuf of the Raymond Chabot Administrateur Provisoire Inc. (“RCAP”) firm as Provisional Administrator in the present matter;
8. As part of this judgment, the Court granted the Provisional Administrator the following powers:

[12] **ORDERS** the appointment of Emmanuel Phaneuf of the Raymond Chabot Administrator Provisoire Inc. firm to act as Provisional Administrator responsible for the administration of Bitcoins in the possession of, controlled by, held by or entrusted to Dominic Lacroix, granting the Provisional Administrator the following powers, to the exclusion of any other person, specifically to:

- a) Allow the Provisional Administrator to take possession of all Lacroix’s property, without being obliged to;

b) Allow the Provisional Administrator to take possession of all Bitcoins in the possession of, controlled by, held by or entrusted to Dominic Lacroix as well as all hard cash, or other bank accounts not specifically listed in the decision dated May 24, 2018 by the TMF;

c) Order the Provisional Administrator to proceed with the conversion of Bitcoins into Canadian money within ten (10) working days at the latest [...] from the contestation period set forth in Article 19.6 of the *Act Respecting the Autorité des marchés financiers*, it being understood that if Dominic Lacroix obeys the Court's order of May 24, 2018 in the interval and transfers the Bitcoins to the wallet address provided by the Authority for that purpose, the latter will transfer said Bitcoins to the Provisional Administrator;

d) Order the Provisional Administrator, in the interval, to ensure the protection of the Bitcoins transferred and converted, in a secure manner, it being specified that the Provisional Administrator may at no time execute any personal obligation whatsoever of Dominic Lacroix regarding third parties or otherwise from these Bitcoins;

e) Order the Provisional Administrator to protect the Bitcoins or the proceeds of their conversion into Canadian money in an account opened for that specific purpose until a competent court decides otherwise;

[13] **SECONDARILY** authorizes the Provisional Administrator at all times and in all places, including the residence of Dominic Lacroix, and even outside normal business hours, as well as in any other place where the property of Dominic Lacroix is located, and require that any proprietor of these locations provide him with two copies of keys, cards or access codes permitting the Provisional Administrator (or any person he designates for this purpose) to access the locations that the Provisional Administrator deems necessary to fulfill his assignment, to exercise all necessary powers to obtain, protect, secure and preserve the Bitcoins, specifically, but not limited to, the following powers:

a) Take possession of all property he believes necessary for this purpose, particularly, but not limited to, computers, cell phones, tablets, USB drives, hard drives, electronic cards, originals or copies of all documents containing corporate, financial, operational, contractual, legal, or other information of any nature whatsoever, concerning Lacroix's property that is in his possession or under his control, or in the possession or under the control of third parties, as well as any digital equipment, program, diskette, USB drive, hard drive or computer used to store such information and control access to it for the purpose of his assignment;

b) Retain the services of a locksmith or the police to allow him to have access at any time to the locations referred to in the preceding paragraphs;

c) Take any investigative measures relative to the Bitcoins or the activities and financial situation of Dominic Lacroix and/or any entity or person connected directly or indirectly to him, including, without limiting the scope of the preceding:

i. any power set forth in the first paragraph of Article 6 and of Articles 9 to 13 and 16 of the *Act respecting public inquiry commissions*, RLRQ, c. C-37, in accordance with Article 19.5 of the LAMF;

ii. the power to question any person who may have knowledge or have access to any information, document or thing dealing with the Bitcoins or the activities and the financial situation of Dominic Lacroix and/or of any entity or person connected directly or indirectly with him;

iii. the power to order any person who may have access to any information, document or thing dealing with the Bitcoins or the activities and the financial situation of Dominic Lacroix and/or of any entity or person connected directly or indirectly with him, to bring to the Provisional Administrator the original and/or a copy, according to the Provisional Administrator's instructions, of all such information, documents or things;

all, at places, days and times determined by the Provisional Administrator and by simple in-person delivery or by delivery by any means of communication whatsoever, including by mail, email and by bailiff, of a subpoena, it being understood that failure of any person to comply with such power and with such a subpoena will be held in violation of the order and liable to all legal sanctions, including contempt of court and the acquisition by the Provisional Administrator of a mandate to bring before a competent court, which must issue the mandate upon demonstration that the person named by the subpoena has not complied with it;

d) Retain the services of accountants, attorneys, or other persons to assist in the exercise of his functions;

e) Exercise any other power of function that the Court deems appropriate to allow the Provisional Administrator to execute his functions;

9. By judgment rendered August 31, 2018, the Court rejected the opposing opinion of the defendant in connection with the appointment of the Provisional Administrator as well as the request for revocation of the latter;

HISTORY OF DECISIONS RENDERED BY THE FINANCIAL MARKETS ADMINISTRATIVE TRIBUNAL

10. The judgement ordering the appointment of the Provisional Administrator was preceded by certain decisions rendered by the Financial Markets Administrative Tribunal in connection with what is referred to as the PlexCoin Project;

11. These decisions include freeze orders regarding the defendant, the accused party Sabrina Paradis-Royer (“**Paradis-Royer**”), Yan Ouellet and Pascal Lacroix;
12. Paradis-Royer is the defendant’s partner and resides at the same address as the latter, 468 Rue des Manitobains in Quebec;
13. Yan Ouellet is a former employee of DL Innov Inc., a company connected to the defendant;
14. Pascal Lacroix is the defendant’s brother and resides in Sherbrooke

Decision 2017-023-001

15. On July 20, 2017, the TMF rendered an *ex parte* prohibition order targeting, among others, the defendant, the reasoning of which was presented on September 13, 2017, as appearing in the decision rendered July 20, 2017 (2017-023-001) already produced as number P-13;
16. By this decision, the TMF held specifically that, in the context of the PlexCoin project, Lacroix undertook the activities of a securities broker by soliciting, among other things, through websites and social networks, investments from the public in the PlexCoin project, which investments constituted investment contracts covered by the LVM;
17. More precisely, the following orders were issued by the TMF:

PROHIBIT PlexCorps, PlexCoin, DL Innov Inc., Gestion Inc., and Dominic Lacroix from doing anything to carry out, directly or indirectly, any transaction on any form of investment described in Article 1 of the *Securities Act*, including the solicitation and prospecting of investors, in Quebec or from Quebec to areas outside Quebec;

ORDER PlexCorps, PlexCoin, DL Innov Inc., Gestion Inc., and Dominic Lacroix to withdraw any announcement or solicitation of the same sort it made on the websites www.plexcorps.com and www.plexcoin.com, Facebook, any internet discussion or other site, or in connection with securities or any form of investment, published or distributed, by internet or otherwise, directly or indirectly, by them;

ORDER PlexCorps, PlexCoin, DL Innov Inc., Gestion Inc., and Dominic Lacroix to close the websites www.plexcorps.com and www.plexcoin.com or any other website of the same type as these sites, published or distributed, directly or indirectly, by them or, failing that, to make them inaccessible for all IP addresses in Quebec to prevent any person residing in Quebec from visiting these websites and order the order rendered by the TMF to be posted on the home page of these sites;

ORDER Facebook Canada LTD to close the Facebook accounts of PlexCorps and Plexcoin;

Decision 2017-023-012

18. On September 21, 2017, the TMF issued *ex parte* freeze and prohibition orders targeted principally at the defendant and his partner, the reasoning of which was presented on October 31, 2017, as appearing in decisions of September 21, 2017 and October 31, 2017 (2017-023-002) already produced as number P-14;

19. More precisely, the following orders were issued by the TMF:

ORDER Dominic Lacroix, DL Innov Inc., and Sabrina Paradis-Royer in virtue of Article 249 of the *Securities Act*, to not, directly or indirectly, dispose of funds, securities, or other property that they have in their possession that were entrusted to them and to not, directly or indirectly, withdraw or appropriate funds, securities or other property in the hands of another person who has them on deposit or who is keeping or controlling such property for them at any location whatsoever;

ORDER the accused party, the Royal Bank of Canada, in virtue of Article 249 of the *Securities Act*, not to dispose of funds, securities, or other property it has on deposit or it is keeping and controlling for Dominic Lacroix, DL Innov. Inc. and Sabrina Paradis-Royer, and specifically, without limiting the extent of the present orders, with regard to the following accounts: 00775-003 4504189 and 00775-003 5096912;

ORDER the accused parties, Shopify Inc., Shopify Payments Canada, Wells Fargo Canada Corporation, in virtue of Article 249 of the *Securities Act*, not to dispose of funds, securities, or other property they have on deposit or they are keeping and controlling for Sidepay.ca, Dominic Lacroix, DL Innov. Inc. and Sabrina Paradis-Royer;

PROHIBIT Sabrina Paradis-Royer from doing anything to carry out, directly or indirectly, any transaction on any form of investment described in Article 1 of the Securities Act, including collecting or allowing to be collected any sum of money in connection with said activities.

20. Contestations of the decisions rendered on July 20, 2017 (2017-023-001) and September 21, 2017 (2017-023-002) were filed with the TMF, specifically by Lacroix, in accordance with Article 115.9 of the LAMF and a joint hearing regarding the two (2) decisions was held in November 2017 and January 2018, at the conclusion of which a decision was rendered by the TMF on September 20, 2018, as appearing in decision 217-023-012, **Exhibit P-32**;

21. This decision was the subject of an appeal to the Court of Quebec, to be heard on October 7 and 8, 2019.

Decision 2017-015-006/2017-023-007

22. On May 24, 2018, the TMF rendered several new orders specifically targeting the defendant, Paradis-Royer, Yan Ouellet, Pascal Lacroix, DL Innov Inc., Gap Transit Inc., and Interaxe Inc., as appearing in decisions 2017-015-006 and 2017-023-007 issued on that date already produced as number P-19;
23. More precisely, the following orders were issued by the TMF:

FOR THESE REASONS, the Financial Markets Administrative Tribunal, in virtue of Articles 93, 94, and 115.9 of the *Act Respecting the Autorité des marchés financiers* and Articles 249 and 250 of the *Securities Act*:

RECEIVES partially the *ex parte* amended request by the Financial Markets Authority;

ORDERS Dominic Lacroix, DL Innov Inc., Gestion Inc., Gap Transit Inc., Interaxe Inc., Sabrina Paradis-Royer, in virtue of Article 249 of the *Securities Act*, to not, directly or indirectly, dispose of funds, securities, or other property, including any bitcoins and/or other cryptocurrency that they have in their possession or under their control, of which they are the holders or which have been entrusted to them and to not, directly or indirectly, withdraw or appropriate funds, securities, or other property, including any bitcoins and/or other cryptocurrency located with another person, company, or exchange platform that they have on deposit, or that they are keeping or controlling for them at any location whatsoever and, more specifically, without limiting the extent of the present orders:

- Any bitcoins and/or other cryptocurrency located particularly at the following addresses:

```
1F3ZK4F6DgJdaoqaZAdCk77TE8V56srwhb
1DWXQVGhQnSyiHPZhnJJaDhmJC2LcW4k5V
1CbQwptoVSUzjurGFr1UdSEHABGoLfmaLS
1DmCsd333594QwfSHKWxHkJkNgXDgSol5T
1EKWGH259Xx1jk2zrN4GTs1LFXuD1nrZA4
17L8vng7b3YyPerDHCnfsWin9VQLZyTYfZ
1DfWrfRgUe5hs6zvGDEvUVGb8cbvtNeJsX
16eqWNUbHyPnMvb5CpxXjYrq9xoETw9bbq
39x2BDgcbisiGQhwEGAMh9DnwM4Ws6gjUoG
39wXS2otgDj6cnpchrG6PCppopYz8wMeb5
38WXpERPtN2VuHp7kkZ8v1uYQoehMyrMzU
1JNh6KEEVZxZ7UQCnphqdbppwGnw172UbP
1KktvguUsrrd7zydyep81LuTEozhnZQiCV
33gYAhec8oEvDhHCWW6cDHvkskrLEmtGr6
1AXTzLA5QBVBKbvJgfxZ13Wuwe1bZ8FREuJ
17VkkUVvbX5xhpCnmjU8jhUht4pYFxebkp
1FSMjtabHbHHxtbNxrK7PBs1vFEGhzbSz
```

- Any sum of money, any bitcoins and/or other cryptocurrency held with Kraken, Satoshi Portal Inc. – Bylls
- Real estate known and designated as lot number FIVE MILLION EIGHT HUNDRED FIFTY-FOUR THOUSAND TWO HUNDRED EIGHTY-SEVEN (5,854,287) of the Quebec cadaster, in the taxing jurisdiction of Quebec.
Containing a building numbered 468 Rue des Manitobains, Quebec (Quebec) G2M 0M8, conditions and outbuildings.

ORDERS the Officer of the Land Registry Office of the taxing jurisdiction of Quebec to proceed with the publication of the freeze order and the present decision relative to the property located at 468 Rue des Manitobains in Quebec, known and designated as lot number FIVE MILLION EIGHT HUNDRED FIFTY-FOUR THOUSAND TWO HUNDRED EIGHTY-SEVEN (5,854,287) of the Quebec cadaster, in the taxing jurisdiction of Quebec;

ORDERS Pascal Lacroix and Yan Ouellet, in virtue of Article 249 of the *Securities Act*, not to dispose of funds, securities or other property or other property [TN: sic] including any bitcoins and/or other cryptocurrency that they have in their possession or under their direct or indirect control, of which they are the holders on behalf of Dominic Lacroix, Sabrina Paradis-Royer and the Micro-Prets Inc., DL Innov Inc., Gap Transit Inc., and Interaxe Inc. companies.

ORDERS the accused party **BMO**, in virtue of Article 249 of the *Securities Act*, not to dispose of funds, securities, or other property that they have on deposit or which they keep and control for Dominic Lacroix and Gap Transit Inc. and specifically, without limiting the extent of the present orders, with regard to the following accounts:

- Dominic Lacroix: account number 2193 3927-054
- Gap Transit Inc.: account number 2193-1057-294

ORDERS the accused party **Tangerine**, in virtue of Article 249 of the *Securities Act*, not to dispose of funds, securities, or other property that they have on deposit or which they keep and control for Dominic Lacroix and Sabrina Paradis-Royer and, specifically, without limiting the extent of the present orders, with regard to the following accounts:

Dominic Lacroix	614	152	3008958766	30,06	CA
	614	152	3028117453	13,07	US
	614	152	3028143834	5,34	US
	614	152	4007290764	5657,55	CA
	614	152	4007469805	4523,27	CA
	614	152	3300635526	0	CA
	614	152	3300635731	0	CA
	614	152	4007835593		
Sabrina Paradis-Royer	614	152	4007295929	1549,33	CA

ORDERS the accused party **Caisse Desjardins de Charlesbourg**, in virtue of Article 249 of the *Securities Act*, not to dispose of funds, securities, or other property that they have on deposit or which they keep and control for Sabrina Paradis-Royer and, specifically, without limiting the extent of the present orders, with regard to account number 815-20030-185876;

ORDERS the accused party **CIBC**, in virtue of Article 249 of the *Securities Act*, not to dispose of funds, securities, or other property that they have on deposit or which they keep and control for Dominic Lacroix and, specifically, without limiting the extent of the present orders, with regard to account number 010-00105-7955332;

ORDERS the accused party **Satoshi Portal Inc. – Bylls**, in virtue of Article 249 of the *Securities Act*, not to dispose of funds, securities, or other property, including any bitcoins and/or other cryptocurrency that they have on deposit or which they keep and control for Dominic Lacroix, Pascal Lacroix, and Yan Ouellet and, specifically, without limiting the extent of the present orders, with regard to account numbers 4732, 7513, and 4476;

For the purposes of ensuring the freezing of amounts:

ORDERS Dominic Lacroix, within forty-eight (48) hours of notification of this decision, to transfer all bitcoins that he has in his possession or under his control or of which he is the holder or that have been entrusted to him, to the wallet address provided to him by the Financial Markets Authority at the time of notification of this decision and more precisely, without limiting the extent of the present orders:

- Any bitcoins located specifically at the following addresses:

1F3ZK4F6DgJdaoqaZAdCk77TE8V56srwhb
1DWXQVGHqNsyHPZhnJJaDhmJC2LcW4k5V
1CbQwptoVSUzjurGFr1UdSEHABGoLmaLS
1DmCsd333594QwfSHKWxHkJKNgXDgSoL5T
1EKWGH259Xx1jk2zrN4GTs1LFXuD1nrZA4
17L8vng7b3YyPerDHCnfsWin9VQLZyTYfZ
1DfWrfRgUe5hs6zvGDEvUVGb8cbvtNeJsX
16eqWNUbHyPnMvb5CpxXjYrq9xoETw9bbq
39x2BDgcbSiGQhwEGAMh9DnmM4Ws6gjUoG
39wXS2otgDj6cnpCxrG6PCppopYz8wMeb5
38WXpERPtn2VuHp7kkZ8v1uYQoehMyrMzU
1JNh6KEEVZxZ7UQCnphqdbppwGnw172UbP
1KKtvguUsrrd7zydyep81LuTEozhnZQiCV
33gYAhec8oEvDhHCWW6cDHvkskrLEmtGr6
1AXTzLA5QBVBvJgfxZ13Wuwe1bZ8FREuJ
17VkkUVvbX5xhpCnmjU8jhUht4pYFxebkp
1FSMjtabHbHHxtbNxrK7PBs1vFEGhzbSz.

It is understood that the bitcoins thus transferred to the address provided will remain subject to the freeze order for the property of Dominic Lacroix.

Legal proceedings initiated by the Securities and Exchange Commission

24. In December 2017, the Securities and Exchange Commission (“SEC”) initiated a civil suit before the United States District Court Eastern District of New York against the defendant, PlexCorps and Paradis-Royer following alleged violations of the Securities Exchange Act of 1934 and in connection with their activities in the PlexCoin project;
25. On June 25, 2019, the defendant, PlexCorps and Paradis-Royer reached a settlement without admission with the SEC, which must be submitted for approval of the United States District Court Eastern District of New York over the coming days, providing specifically for the payment of a redress for the sum of US\$4,563,468.62 destined to reimburse investors connected with the PlexCoin project;
26. The plaintiff and the SEC intend to cooperate in the establishment of a redistribution plan for investors connected with the PlexCoin project, which will be submitted for the approval of the tribunal by RCAP;
27. In this context, the SEC intends to transfer to the Provisional Administrator the balance of accounts frozen under their jurisdiction for the purpose of redistribution to investors;

The position of the defendant and Paradis-Royer

28. In the context of the extension of the freeze orders presented by the plaintiff before the TMF, the defendant and Paradis-Royer admitted that almost all the amounts frozen by the TMF in case number 2017-023 originated from the PlexCoin project, as appearing in the stenographer’s notes of the hearing of July 24,2019, **Exhibit P-33**;
29. On that occasion, the defendant and Paradis-Royer consented to these amounts being transferred to a third party for the purposes of reimbursing investors and signed a document in that respect dated July 27, 2019, as appearing in said acknowledgement document, **Exhibit P-34**;

Conclusions sought

30. The plaintiff submits that the intervention of the Provisional Administrator is required for the purposes of redistribution to the investors in the PlexCoin project considering particularly:
 - The complexity of the matter;
 - The investments made by credit card and by means of various cryptocurrencies;
 - The defendant’s declaration to the effect that he currently has no list of investors or any data in connection with investments in the PlexCoin project and that he destroyed all codes allowing access to any data whatsoever in this regard;
 - The anonymous nature of investment by means of cryptocurrencies;
 - The Provisional Administrator has the necessary expertise.
31. RCAP is said to be disposed to produce for this Court’s attention no later than October 30, 2019, a redistribution plan to reimburse investors in the Plexcoin project from the amounts frozen in TMF case number 2017-023 as well as in case number 17 CIV 7007 (CBA)(RML) of the United States Court Eastern District of New York, in cooperation with the SEC;
32. Consequently, the plaintiff requests, in virtue of Articles 19.1(4) and 19.1(10), an order to expand the Provisional Administrator’s powers described by the judgment issued July 5, 2018 in the present matter so that he is authorized to prepare and present such a redistribution plan;
33. The present request is well founded in fact and in law;

FOR THESE REASONS, MAY IT PLEASE THE COURT TO:

RECEIVE the present request;

ORDER the Provisional Administrator to submit to this Court’s case file, no later than October 4, 2019, a transaction and redistribution plan to reimburse investors in the PlexCoin project from the amounts frozen in the Financial Markets Administrative Tribunal case number 2017-023 as well as in case number 17 CIV 2002 (CBA)(RML) of the United States District Court Eastern District of New York, in cooperation with the Securities and Exchange Commission;

AUTHORIZE the Provisional Administrator to require from the plaintiff and the Securities and Exchange Commission all pertinent information in connection with the amounts frozen in the Financial Markets Administrative Tribunal case number 2017-023

as well as in case number 17 CIV 2002 (CBA)(RML) of the United States District Court Eastern District of New York;

Quebec, August 30, 2019

[Signature]

**LITIGATORS FOR THE
FINANCIAL MARKETS AUTHORITY**
(Ms. Nathalie Chouinard and Ms. Annie Parent)
Attorneys for the Plaintiff

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Ref. no.: DCT-1150-12/03

CANADA

PROVINCE OF QUEBEC
DISTRICT OF QUEBEC

No. 200-11-025040-182

SUPERIOR COURT
(Commercial Chamber)

**ACT RESPECTING THE REGULATION OF THE
FINANCIAL SECTOR, RLRQ, c. E-6.1**

FINANCIAL MARKETS AUTHORITY
Plaintiff

v.

DOMINIC LACROIX
Defendant

and

SABRINA PARADIS-ROYER
Accused party

and

**RAYMOND CHABOT ADMINISTRATEUR
PROVISOIRE INC.**
Provisional Administrator

**LIST OF THE PLAINTIFF'S EXHIBITS RELATED TO THE REQUEST TO MODIFY
THE POWERS OF THE PROVISIONAL ADMINISTRATOR**

EXHIBIT P-32: Decision 2017-023-012 dated September 20, 2018

EXHIBIT P-33: Stenographer's notes of the hearing of July 24, 2019 before the Financial
Markets Administrative Tribunal

EXHIBIT P-34: Acknowledgement document dated July 27, 2019 signed by Dominic
Lacroix and Sabrina Paradis-Royer
Quebec, August 30, 2019

[Signature] _____

**LITIGATORS FOR THE
FINANCIAL MARKETS AUTHORITY**
(Ms. Nathalie Chouinard and Ms. Annie Parent)
Attorneys for the Plaintiff

Ref. no: DCT-1150-12/03

No.: 200-11-025040-182

SUPERIOR COURT
(Commercial chamber)
ACT RESPECTING THE REGULATION OF
THE FINANCIAL SECTOR, RLRQ, c. E-6.1

PROVINCE OF QUEBEC
DISTRICT OF QUEBEC

FINANCIAL MARKETS AUTHORITY

Plaintiff

v.

DOMINIC LACROIX

Defendant

and

SABRINA PARADIS-ROYER

Accused party

and

RAYMOND CHABOT ADMINISTRATEUR
PROVISOIRE INC.

Provisional Administrator

N/D DCT-1150-12/03

**REQUEST FOR MODIFICATION OF THE
POWERS OF THE PROVISIONAL
ADMINISTRATOR, LIST OF EXHIBITS
AND EXHIBITS P-32 AND P-34**

BG4266

LITIGATORS FOR THE FINANCIAL
MARKETS AUTHORITY
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CANADA

PROVINCE OF QUEBEC
DISTRICT OF MONTREAL
TRIBUNAL

FINANCIAL MARKETS
ADMINISTRATIVE

Case nos.: 2017-015
2017-023

**IN THE PRESENCE OF: Ms. ELYSE TURGEON
Ms. LISE GIRARD**

**FINANCIAL MARKETS
AUTHORITY**
Plaintiff

10

v.

DL INNOV INC.
and
MICRO-PRETS INC.
and
GAP TRANSIT INC.
and
DOMINIC LACROIX
and
SABRINA PARADIS-ROYER
Respondents

15

HEARING
(JULY 24, 2019)

APPEARING:

20

Ms. ANNIE PARENT
Ms. NATHALIE CHOUINARD
Attorneys for the plaintiff

Ms. SARAH DESABRAIS
Attorney for the respondent Dominic Lacroix

Ms. SARA BROUILLETTE
Attorney for the respondent Sabrina Paradis-Royer

July 24, 2019

Case nos.: 2017-015
2017-023

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REPRESENTATIONS

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* * * * *

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July 24, 2019

Case nos.: 2017-015
2017-023

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1 In the year two thousand nineteen, this twenty-fourth day of
2 July
3 **THE CLERK**
4 10 The Financial Markets Administrative Tribunal, we
5 are on the 24th of July 2019, it is 9:49 a.m., the hearing
6 is presided over by Ms. Lise Girard, seconded by Ms. Elyse
7 Turgeon, for numbers 2017-023 and 2017-015,
8 the Financial Markets Authority v. Dominic Lacroix
9 et al. I invite the attorneys present to
10 identify themselves, please.
11 15 **MS ANNIE PARENT**
12 **For the plaintiff**
13 Good morning. Annie Parent for the Financial Markets
14 Authority. I am accompanied by my colleague,
15 Nathalie Chouinard.
16 **MS NATHALIE CHOUINARD**
17 **For the plaintiff**
18 Good morning.
19 20 **MS SARAH DESABRAIS**
20 **For the respondent Dominic Lacroix**
21 Good morning. Sarah Desabrais for Mr. Dominic
22 Lacroix.
23 **MS LISE GIRARD, PRESIDING JUDGE**
24 Good morning.
25 **MS SARAH BROUILLETTE**

July 24, 2019

Case nos.: 2017-015
2017-023

Representations

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1 **For the respondent Sabrina Paradis-Royer**
2 Good morning. Sarah Brouillette for Ms. Paradis-Royer,
3 more specifically in case 2017-023.
4 10 **MS LISE GIRARD, PRESIDING JUDGE**
5 Good morning.
6 **MS ELYSE TURGEON, JUDGE**
7 Good morning.
8 **MS LISE GIRARD, PRESIDING JUDGE**
9 So, this morning, we are here for the contestation
10 of the request for extension of the freeze.
11 15 **MS SARAH DESABRAIS**
12 **For the respondent Dominic Lacroix**
13 Right at the start, we are advising you that we are withdrawing
14 the contestation, for both cases 015 and 023
15 and we will, I'll explain why, I think
16 my colleague takes the same position.
17 **MS SARAH BROUILLETTE**
18 **For the respondent Sabrina Paradis-Royer**
19 20 Yes, completely. And Ms. Paradis-Royer will take the
20 same position as Mr. Lacroix.
21 **MS SARAH DESABRAIS**
22 **For the respondent Dominic Lacroix**
23 And the reason we came here today
24 it was worth the trouble, Mr. Lacroix, I
25 will explain to you, how this will play out. There were,

July 24, 2019

Case nos.: 2017-015
2017-023

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1 there were discussions, Mr. Lacroix will surrender
2 all the money in certain accounts so that
3 it can be transferred to a third party for purposes of
4 10 reimbursement.

5 So, as far as the orders, now, it's
6 illogical to contest them and there will be an admission
7 on the part, obviously, of the following requests, but
8 Mr. Lacroix, via Facetime, if you will allow me
9 to use Facetime on my tablet so that we
10 can see him and especially so that he can hear the
11 15 acknowledgement that I will make and also that he can consent to it
12 through audio in the Courtroom.

13 So, based on that, our colleagues can
14 start work, uh, obviously, other, to
15 reimburse the investors who want to be
16 reimbursed.

17 **MS ANNIE PARENT**
18 **For the plaintiff**

19 20 We have, in fact, we had (...) yesterday afternoon. They
20 told us about the desire to make us (...), to
21 make a declaration that was just made to you, but
22 this will be officially. Obviously, we can only
23 be happy about this declaration, because
24 the Authority, the goal of the freezes, was
25 the return of the money to the investors.

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2017-023

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1 So, as far as I know, obviously, we will, we will
2 (...) a procedural team so that this will be done
3 as quickly as possible. And the discussions, we
4 understand that the third party may ...
5 **MS LISE GIRARD, PRESIDING JUDGE**
6 Do we understand that the investigation is still underway?
7 **MS ANNIE PARENT**
8 **For the plaintiff**
9 The investigation is still underway and the reasons (...), in
10 fact, nothing has changed in that regard. And, obviously, in
11 the hearing, we understand that the third party may be
12 Raymond Chabot Grant Thornton.
13 **MS LISE GIRARD, PRESIDING JUDGE**
14 Very good. I, just to ensure that I understand
15 correctly, because our former colleague,
16 my colleague rendered two interim decisions
17 concerning the two cases, but in two separate
18 decisions, with separate dates.
19 **MS SARAH DESABRAIS**
20 **For the respondent Dominic Lacroix**
21 Yes.
22 **MS LISE GIRARD, PRESIDING JUDGE**
23 And there, do you agree that it should remain
24 as is?
25 **MS SARAH DESABRAIS**

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1 **For the respondent Dominic Lacroix**
2 Yes, it was for one year, I think, in May, it was
3 renewed for one year. Yes, obviously, we
4 could...
5 10 **MS LISE GIRARD, PRESIDING JUDGE**
6 There was another decision in which it was
7 July 2, it was July 2 2020.
8 **MS SARAH DESABRAIS**
9 **For the respondent Dominic Lacroix**
10 Yes, that is 015, that, I think, if I'm not mistaken.
11 15 And...
12 **MS LISE GIRARD, PRESIDING JUDGE**
13 There is one decision that has the two cases, then the other
14 decision, that's 015, but that deals with another issue.
15 **MS SARAH DESABRAIS**
16 **For the respondent Dominic Lacroix**
17 Yes. They were merged at a certain point, but
18 yes, that's for the whole. And what I want to
19 20 say to you relative, obviously, to 015, it's the
20 companies that are in bankruptcy, so, I can't
21 represent them, or act for them concerning these
22 cases. And Mr. Lacroix being in the
23 cases, so, there's no contestation
24 there either, relatively...
25 **MS ANNIE PARENT**

July 24, 2019

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2017-023

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1 **For the plaintiff**
2 For the next steps, Madam President,
3 of course, for the decision, if you intend
4 10 to render decisions and now the confirmation of the
5 interim decision, it would be perhaps appropriate to
6 unite them in one single and same decision, if only
7 for reasons of notification costs if
8 we ever need to ask for another
9 extension.
10 The renewal proceedings are much
11 15 simpler considering there are several articles that
12 are duplicated in the two cases. The rules of...
13 **MS SARAH DESABRAIS**
14 **For the respondent Dominic Lacroix**
15 I have no problem with that, it's just that,
16 on the other hand, since there is a portion that is
17 completely for the companies that have no connection
18 with the PlexCoin project, wouldn't that weigh down
19 20 the...
20 **MS ANNIE PARENT**
21 **For the plaintiff**
22 for the purpose of the freeze, yes. But no, and it's
23 really...
24 **MS SARAH DESABRAIS**
25 **For the respondent Dominic Lacroix**

July 24, 2019

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2017-023

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1 I have no problem.
2 **MS ANNIE PARENT**
3 **For the plaintiff**
4 10 ...to simplify, to avoid multiplying the
5 proceedings and the notifications...
6 **MS LISE GIRARD, PRESIDING JUDGE**
7 At present, in the decision covering the two case
8 numbers, so, 2017-015...
9 **MS SARAH DESABRAIS**
10 **For the respondent Dominic Lacroix**
11 15 Mm-hmm.
12 **MS LISE GIRARD, PRESIDING JUDGE**
13 ...and 2017-0233, decision rendered on May 30, 2019, the
14 expiration date that was planned for this issue is
15 June 20, 2020. So, if we make the decision
16 solely relative to case number 2017-015, it's
17 decision 2017-015-011 that was also issued on
18 May 30, 2019, the expiration date is July 2, 2020.
19 20 So, there are two different dates. What if, at
20 that point, we merge the two cases to
21 make them, uh, make them expire on the same date, such as
22 the date of July 2, 2020?
23 **MS SARAH DESABRAIS**
24 **For the respondent Dominic Lacroix**
25 I have no objection with this manner of

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Case nos.: 2017-015
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1 proceeding, it would be simpler.
2 **MS ANNIE PARENT**
3 **For the plaintiff**
4 10 We don't either.
5 **MS SARAH BROUILLETTE**
6 **For the respondent Sabrina Paradis-Royer**
7 But I have just one question. For us,
8 we have two decisions dated May 30, 2019, then
9 there's one that the expiration date, excuse me, is June
10 20, 2020, then the other seems to be June 13, 2020.
11 15 So that, I have the...
12 **MS LISE GIRARD, PRESIDING JUDGE**
13 What's the number of the decision?
14 **MS SARAH BROUILLETTE**
15 **For the respondent Sabrina Paradis-Royer**
16 Hold on, uh...
17 **MS LISE GIRARD, PRESIDING JUDGE**
18 Is it 2017-015-011?
19 20 **MS SARAH BROUILLETTE**
20 **For the respondent Sabrina Paradis-Royer**
21 Ah, I have, one, it's 012-014, then the other, it's 013.
22 I don't have 015.
23 **MS LISE GIRARD, PRESIDING JUDGE**
24 I have 011 at the end.
25 **MS SARAH BROUILLETTE**

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1 **For the respondent Sabrina Paradis-Royer**
2 Oh?
3 **MS LISE GIRARD, PRESIDING JUDGE**
4 10 That's right, rendered May 30, 2019.
5 **MS SARAH BROUILLETTE**
6 **For the respondent Sabrina Paradis-Royer**
7 Because the two here, 012-014, May 30, 013, May 30,
8 but I don't know what 011 is.
9 **MS SARAH DESABRAIS**
10 **For the respondent Dominic Lacroix**
11 15 I'll look on the...
12 **MS LISE GIRARD, PRESIDING JUDGE**
13 Because I, I'm on the Tribunal docket,
14 and I'll see...
15 **MS SARAH DESABRAIS**
16 **For the respondent Dominic Lacroix**
17 Is it in 015, the 011?
18 **MS LISE GIRARD, PRESIDING JUDGE**
19 20 I see two decisions in 011, then the 012 and the
20 014. I have 2017-015-011, July 2, and the decision that
21 merged 2017-023-014 and 2017-015-012 that is on June 20
22 2020. And you, you say you have the 013, but
23 I don't have it on the docket.
24 **MS SARAH DESABRAIS**
25 **For the respondent**

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1 (...) , she's in case 023
2 **MS LISE GIRARD, PRESIDING JUDGE**
3 She's in case 023. So there are three
4 10 decisions.
5 **MS SARAH DESABRAIS**
6 **For the respondent Dominic Lacroix**
7 The 013 isn't in case 023. I don't see it on the Tribunal site
8 It stops, the 023, it
9 stops at 012, the decision on the contestation.
10 **MS LISE GIRARD, PRESIDING JUDGE**
11 15 I think we'll suspend a few minutes, at
12 least, to clarify that.
13 **MS ANNIE PARENT**
14 **For the plaintiff**
15 Yes.
16 **MS LISE GIRARD, PRESIDING JUDGE**
17 And we, we'll discuss amongst ourselves how
18 we'll suspend, relative to the decision to be
19 20 rendered, then we'll get back to you. Do you have anything
20 else for us to hear?
21 **MS SARAH DESABRAIS**
22 **For the respondent Dominic Lacroix**
23 Would it be possible to do, perhaps, the
24 acknowledgement right now, since Mr. Lacroix
25 is waiting, on the other end, the call, with Ms. Paradis-

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1 Royer...
2 **MS LISE GIRARD, PRESIDING JUDGE**
3 Yes, we can do that.
4 10 **MS SARAH DESABRAIS**
5 **For the respondent Dominic Lacroix**
6 ... please.
7 **MS ANNIE PARENT**
8 **For the plaintiff**
9 If I have questions...
10 **MS LISE GIRARD, PRESIDING JUDGE**
11 15 Yes?
12 **MS ANNIE PARENT**
13 **For the plaintiff**
14 ... I'd like it we could address the questions before
15 getting Mr. Lacroix on the line, if I have
16 certain questions.
17 **MS SARAH DESABRAIS**
18 **For the respondent Dominic Lacroix**
19 20 OK.
20 **MS ANNIE PARENT**
21 **For the plaintiff**
22 I think that it's (...).
23
24 * SUSPENSION *
25 * RESUMPTION OF HEARING *

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1 **MS SARAH DESABRAIS**
2 **For the respondent Dominic Lacroix**
3 We have Mr. Lacroix who is present and Ms.
4 10 Paradis-Royer also.
5 **MS LISE GIRARD, PRESIDING JUDGE**
6 Good morning.
7 **MR. DOMINIC LACROIX**
8 Good morning.
9 **MS SABRINA PARADIS-ROYER**
10 Good morning.
11 15 **MS SARAH DESABRAIS**
12 **For the respondent Dominic Lacroix**
13 So, you have asked, everyone, for their
14 presence for the purposes of reading the
15 acknowledgment. Can you hear me well?
16 **MR. DOMINIC LACROIX**
17 Yes, we can hear very well.
18 **MS LISE GIRARD, PRESIDING JUDGE**
19 20 Perfect. So, I'll speak loudly, I will
20 read what you are ready to acknowledge and
21 afterwards, I will ask you the question, if you
22 understand the significance, if you understand what
23 is being said, if you agree with what has been said,
24 if you are ready to take the necessary measures
25 to implement what you just said.

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1 Perfect?
2 **MR. DOMINIC LACROIX**
3 Yes.
4 10 **MS SARAH DESABRAIS**
5 **For the respondent Dominic Lacroix**
6 And so, I'm speaking for Mr. Lacroix, there will be
7 certain adjustments that will be made for Ms.
8 Paradis-Royer ...
9 **MR. DOMINIC LACROIX**
10 Yes.
11 15 **MS SARAH DESABRAIS**
12 **For the respondent Dominic Lacroix**
13 ... afterwards by Ms. Brouillette.
14 **MS LISE GIRARD, PRESIDING JUDGE**
15 Alright.
16 **MS SARAH DESABRAIS**
17 **For the respondent Dominic Lacroix**
18 So, Mr. Lacroix acknowledges that the money in the
19 20 Shopify, RBC, CIBC and Tangerine accounts that is targeted
20 by the orders, I won't list the numbers,
21 but we covered them this morning together, so, we
22 agree ...
23 It's all the numbers.
24 **MS SARAH DESABRAIS**
25 **For the respondent Dominic Lacroix**

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1 ... all of the numbers, there will be some exceptions
2 for Ms. Paradis-Royer, on the other hand, are,
3 contain money that originates from the PlexCoin
4 10 project at 100%, the sums therein. He agrees to
5 the transfer of the sums in the accounts that I just
6 listed, to transfer the money.

7 He acknowledges that the money comes from the sale of
8 PlexCoin and that the purchasers received in exchange for
9 payment, either by credit card or in
10 cryptocurrency, PlexCoins.

11 15 He agrees that the sums be managed by
12 a third party for the purposes only of reimbursing
13 purchasers who want to be reimbursed.

14 This acknowledgement is made with no
15 admission whatsoever relative to his involvement or the legality
16 of the PlexCoin project. Mr. Lacroix reserves his
17 rights as to future requests concerning the
18 methods of reimbursement. Mr. Lacroix
19 20 reserves his rights over the remaining amount, if there is
20 one.

21 Relative to, specifically to the RBC account in the name
22 of Ms. Paradis-Royer, Mr. Lacroix acknowledges
23 that the money in Ms. Paradis-Royer's account,
24 is money that comes from the PlexCoin project...

25 **MS ANNIE PARENT**

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For the plaintiff

The accounts, Ms. Desabrais.

MS LISE GIRARD, PRESIDING JUDGE

Excuse me, there are two, the accounts that come from PlexCoin. Obviously, this acknowledgment is made with no acknowledgement whatsoever relative to Ms. Paradis-Royer's responsibility and, also, Mr. Lacroix advises the Tribunal that a settlement has occurred with the SEC relative to, among other things, a reimbursement of the purchasers.

This agreement is not yet approved, so, I can't file a copy, and I can't talk about the contents since it hasn't been approved by the Tribunal, but it's signed by Mr. Lacroix.

MS LISE GIRARD, PRESIDING JUDGE

That depends on the purchasers, is that what you're inferring?

20

MS SARAH DESABRAIS

For the respondent Dominic Lacroix

Unfortunately, I can't speak to that, but we can raise it before the Tribunal, but I would prefer...

MS LISE GIRARD, PRESIDING JUDGE

Mm-hmm.

MS SARAH DESABRAIS

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1 **For the respondent Dominic Lacroix**
2 ... that it be approved for, uh ...
3 **MS LISE GIRARD, PRESIDING JUDGE**
4 10 And I understand that the admissions, that the declaration
5 that you just read, that your client who will express himself
6 on that declaration, only targets the
7 bank accounts?
8 **MS SARAH DESABRAIS**
9 **For the respondent Dominic Lacroix**
10 Yes. The money that is ...
11 15 **MS LISE GIRARD, PRESIDING JUDGE**
12 But the freeze is general?
13 **MS SARAH DESABRAIS**
14 **For the respondent Dominic Lacroix**
15 Yes, yes, the freeze is general, but it's the money,
16 we admit that the money in the bank account is
17 targeted more specifically.
18 **MS LISE GIRARD, PRESIDING JUDGE**
19 20 The liquid money in the bank account?
20 **MS SARAH DESABRAIS**
21 **For the respondent Dominic Lacroix**
22 Correct.
23 **MS SARAH BROUILLETTE**
24 **For the respondent Sabrina Paradis-Royer**
25 So, as far as Ms. Paradis-Royer, there

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1 are two RBC accounts that we will also identify
2 later in which she acknowledges that the
3 amounts come from the PlexCoin project and that she
4 10 authorizes the withdrawal of the amounts in these accounts
5 to reimburse the purchasers.

6 She has other accounts, among others,
7 Desjardins and Tangerine, through credit cards for
8 which we do not ask for withdrawal in connection with
9 the reimbursement, for which she does not acknowledge
10 that the amounts come from the PlexCoin project.

11 15 We can, in another proceeding, talk
12 more specifically about these accounts, but for this
13 morning, it's these two RBC accounts.

14 **MS LISE GIRARD, PRESIDING JUDGE**

15 And which accounts are you talking about?

16 **MS SARAH BROUILLETTE**

17 **For the respondent Sabrina Paradis-Royer**

18 There is a Desjardins account and a Tangerine bank account
19 20 in which there are amounts
20 of about CA\$1,500 that are her personal amounts.

21 We will provide proof in another time and place,
22 but that's it. So, for these amounts, obviously,
23 there is no declaration to be made.

24 **MS LISE GIRARD, PRESIDING JUDGE**

25 So, Mr. Lacroix, did you just

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1 hear your attorney?
2 **MR. DOMINIC LACROIX**
3 Yes.
4 10 **MS LISE GIRARD, PRESIDING JUDGE**
5 What do you have to say following the declaration
6 she just made to us?
7 **MR. DOMINIC LACROIX**
8 I confirm that it is correct.
9 **MS LISE GIRARD, PRESIDING JUDGE**
10 So, you...
11 15 **MS SARAH DESABRAIS**
12 **For the respondent Dominic Lacroix**
13 Do you understand the significance of what has been said? It was
14 discussed ...
15 **MR. DOMINIC LACROIX**
16 Yes.
17 **MS SARAH DESABRAIS**
18 **For the respondent Dominic Lacroix**
19 20 ... it was discussed with me; you understand that you
20 are renouncing the amounts, since we're talking about millions of
21 dollars that will be sent to a third party for the purposes of
22 reimbursing investors in the project?
23 **MR. DOMINIC LACROIX**
24 Yes, I understand and I've also read the text before
25 (...), and I completely understand, I confirm.

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1 **MS LISE GIRARD, PRESIDING JUDGE**
2 And I understand that you are admitting it just as if
3 it was you yourself who had made this
4 10 declaration to the Tribunal?
5 **MR. DOMINIC LACROIX**
6 Yes, exactly.
7 **MS LISE GIRARD, PRESIDING JUDGE**
8 Very well. For Ms. Paradis-Royer?
9 **MS SARAH BROUILLETTE**
10 **For the respondent Sabrina Paradis-Royer**
11 15 Yes. So, Ms. Paradis-Royer, that's correct, for
12 your two RBC accounts, that you make the same
13 acknowledgement and that you authorize the same withdrawal
14 for the purposes of reimbursement?
15 **MS. SABRINA PARADIS-ROYER**
16 Yes, I confirm.
17 **MS LISE GIRARD, PRESIDING JUDGE**
18 And you understand what has been said and you
19 20 understand the significance of what has been said before the
20 Tribunal?
21 **MS. SABRINA PARADIS-ROYER**
22 Yes, I understand.
23 **MS LISE GIRARD, PRESIDING JUDGE**
24 Very well.
25 **MS SARAH DESABRAIS**

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1 **For the respondent Dominic Lacroix**
2 So ...
3 **MS LISE GIRARD, PRESIDING JUDGE**
4 10 For the Authority, do you state that you are
5 satisfied with...
6 **MS ANNIE PARENT**
7 **For the plaintiff**
8 It's perfect.
9 **MS LISE GIRARD, PRESIDING JUDGE**
10 ... the declarations that were just made and that
11 15 will also be noted in the Tribunal record?
12 **MS ANNIE PARENT**
13 **For the plaintiff**
14 Completely.
15 **MS LISE GIRARD, PRESIDING JUDGE**
16 Very well.
17 **MS ANNIE PARENT**
18 **For the plaintiff**
19 20 For the purpose of precision, the two accounts that were
20 excluded by Ms. Paradis-Royer, if you make the
21 decision, in fact, with number 012-014, on
22 page 6, you have the account in question, which is
23 listed for Ms. Sabrina Paradis-Royer, with
24 Tangerine, which is 6141524007295929 and the
25 paragraph following ...

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1 **MS SARAH DESABRAIS**
2 **For the respondent Dominic Lacroix**
3 That's it.
4 10 **MS ANNIE PARENT**
5 **For the plaintiff**
6 ... it's the Desjardins account.
7 **MS LISE GIRARD, PRESIDING JUDGE**
8 The Caisse de Charlesbourg.
9 **MS LISE GIRARD, PRESIDING JUDGE**
10 Alright, with account number 615230-
11 15 185876?
12 **MS ANNIE PARENT**
13 **For the plaintiff**
14 Correct.
15 **MS LISE GIRARD, PRESIDING JUDGE**
16 Alright.
17 **MS SARAH DESABRAIS**
18 **For the respondent Dominic Lacroix**
19 20 So, if the Tribunal will allow, I think that for
20 the next steps, we no longer need
21 Mr. Lacroix and Ms. Paradis-Royer's presence, does
22 that work for my colleagues?
23 **MS LISE GIRARD, PRESIDING JUDGE**
24 I prefer if they stay until the end for,
25 uh, after that, they'll be up to date with the decision

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1 that we will render, or at least, the proposal that will be
2 made relative to, considering your, uh, your
3 prior declaration, and your declarations, the two
4 10 attorneys, relatively to the withdrawal of the
5 contestations of the requests...
6 **MS SARAH DESABRAIS**
7 **For the respondent Dominic Lacroix**
8 Mm-hm.
9 **MS LISE GIRARD, PRESIDING JUDGE**
10 ...of the extension of the freeze, the Tribunal does not see
11 15 the relevance of rendering another decision considering that
12 the current decisions already have a period
13 of about a year,...

14 **MS SARAH DESABRAIS**
15 **For the respondent Dominic Lacroix**
16 Mm-hm.
17 **MS LISE GIRARD, PRESIDING JUDGE**
18 ...for the three dates we mentioned
19 20 earlier. Then maybe to clarify, it's
20 that the decision number 2017-015-011 and
21 only in case 015, while the decision
22 2017-023-013 was only for case 2017-
23 023, while the other decision 2017-023-014 and 2017-
24 015-012 is a common decision concerning
25 the two files and the three decisions, so, there are three

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1 decisions that target three different freezes.
2 So, under the circumstances and considering, at
3 least unless you have specific representations,
4 10 we don't see that it would be opportune to redo a
5 decision or to redo three decisions. It will be noted in the
6 record and so, the decisions already made
7 are valid until the dates listed in
8 these decisions.
9 **MS SARAH DESABRAIS**
10 **For the respondent Dominic Lacroix**
11 15 I have no objection.
12 **MS SARAH BROUILLETTE**
13 **For the respondent Sabrina Paradis-Royer**
14 Neither do I.
15 **MS LISE GIRARD, PRESIDING JUDGE**
16 Very well. So, we note the declarations of
17 Mr. Dominic Lacroix and of Ms. Sabrina Paradis-
18 Royer. And as to what's next, you told us that
19 20 there will be proceedings that will eventually
20 be presented to the Tribunal, so, we'll see about
21 ruling at a future time and place according to the requests.
22 Additionally, it's not in the three cases that,
23 it doesn't have the same impact in the three cases, so,
24 because of that, we will reserve the right based on the requests
25 that will be presented and see the impact of the

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1 respondents' declarations today on the eventual
2 requests. Alright?
3 **MS SARAH BROUILLETTE**
4 10 **For the respondent Sabrina Paradis-Royer**
5 Yes.
6 **MS SARAH DESABRAIS**
7 **For the respondent Dominic Lacroix**
8 Perfect.
9 **MS LISE GIRARD, PRESIDING JUDGE**
10 Is that all for today?
11 15 **MS ANNIE PARENT**
12 **For the plaintiff**
13 Could we have a record
14 of today's hearing that will document the
15 declarations, please?
16 **MS LISE GIRARD, PRESIDING JUDGE**
17 Yes.
18 **MS SARAH DESABRAIS**
19 20 **For the respondent Dominic Lacroix**
20 We'd like to ask for the same thing, please,
21 from our side.
22 **MS LISE GIRARD, PRESIDING JUDGE**
23 Yes, that will be filed in (...), and we can
24 send it to you.
25 **MS SARAH DESABRAIS**

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1 **For the respondent Dominic Lacroix**
2 And would it be possible to have, to make
3 available that portion of the audio on the, on the site
4 10 or to send it to us, I think that might be
5 pertinent.
6 **MS LISE GIRARD, PRESIDING JUDGE**
7 We could put it on the (...).
8 **MS SARAH DESABRAIS**
9 **For the respondent Dominic Lacroix**
10 Please, yes, just, yes.
11 15 **MS ANNIE PARENT**
12 **For the plaintiff**
13 In fact, I think that's a good suggestion. We'd
14 ask for the record to be able to, but in fact,
15 so that it be documented by the Tribunal, and,
16 possibly, the audio, because perhaps we'd
17 want to make a transcript of the declaration, and...
18 **MS LISE GIRARD, PRESIDING JUDGE**
19 20 Very well. The declaration that was read, one side and
20 the other or at least, that seems to be more read
21 on your side, Ms. Desabrais, do you have a copy
22 for...
23 **MS SARAH DESABRAIS**
24 **For the respondent Dominic Lacroix**
25 It's very much of a draft, I can clean it up,

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1 certainly.
2 **MS LISE GIRARD, PRESIDING JUDGE**
3 And also send it to us?
4 10 **MS SARAH DESABRAIS**
5 **For the respondent Dominic Lacroix**
6 Yes, certainly, that's what I'll do and I'll
7 have Mr. Lacroix sign it, if you'd like.
8 **MS LISE GIRARD, PRESIDING JUDGE**
9 Very good.
10 **MS SARAH DESABRAIS**
11 15 **For the respondent Dominic Lacroix**
12 Because we changed some things, constantly
13 since yesterday, so...
14 **MS LISE GIRARD, PRESIDING JUDGE**
15 Counselor, the same thing applies for Ms. Paradis-
16 Royer...
17 **MS SARAH BROUILLETTE**
18 **For the respondent Sabrina Paradis-Royer**
19 20 Yes.
20 **MS LISE GIRARD, PRESIDING JUDGE**
21 ...I think that, at this time, document it in the
22 record, because we want to ensure that
23 what is reproduced is correct.
24 **MS SARAH DESABRAIS**
25 **For the respondent Dominic Lacroix**

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1 Perfect.
2 **MS LISE GIRARD, PRESIDING JUDGE**
3 And then it will be attached to the record.
4 10 **MS SARAH DESABRAIS**
5 **For the respondent Dominic Lacroix**
6 And then you'll give me, as I explained to my colleagues,
7 my little girl starts daycare Monday, so, everything
8 will be easier for me, starting next
9 week, so I can, I'll be able to...
10 **MS LISE GIRARD, PRESIDING JUDGE**
11 15 So, we'll give you the record when we
12 receive...
13 **MS SARAH DESABRAIS**
14 **For the respondent Dominic Lacroix**
15 That will be done.
16 **MS LISE GIRARD, PRESIDING JUDGE**
17 Alright?
18 **MS SARAH DESABRAIS**
19 20 **For the respondent Dominic Lacroix**
20 Perfect. Thank you.
21 **MS LISE GIRARD, PRESIDING JUDGE**
22 Is there anything else?
23 **MS SARAH DESABRAIS**
24 **For the respondent Dominic Lacroix**
25 No, that's everything from our side.

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1 **MS LISE GIRARD, PRESIDING JUDGE**
2 Very well. Have a good day.
3 **MS SARAH DESABRAIS**
4 **For the respondent Dominic Lacroix** 10
5 Thanks very much, Mr. Lacroix, Ms. Paradis-
6 Royer, you can hang up now.
7 **MR. DOMINIC LACROIX**
8 OK.
9 **MS SARAH DESABRAIS**
10 **For the respondent Dominic Lacroix**
11 Thanks. 15
12 **MS SARAH BROUILLETTE**
13 **For the respondent Sabrina Paradis-Royer**
14 Thanks.
15
16
17 * * * * *
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1 I, the undersigned VINCENT PERRAULT, official stenographer,
2 certify, on my oath of office, that the preceding
3 pages are and contain the transcript of the
4 10 digital files made out of my control, and
5 are the best for the quality of said recording.
6

7 All according to the law.
8

9 And I have signed:
10

11 15
12

13
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16
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18
19 20 [signature]

20
21
22
23
24

VINCENT PERRAULT, s.o. GD

EXHIBIT R-2



LAVASSEUR
GAGNON
LANTHIER
Attorneys

Mr. Charles Levasseur
Mr. Jean-Philippe Lanthier
Ms. Sarah Brouillette
Mr. Philippe Levasseur
Ms. Kim Fortin

7/29/2019

Reading of the acknowledgement:

Mr. Lacroix acknowledges that the money in the Shopify, RBC CIBC and Tangerine accounts that are targeted by the orders (all of the numbers, there will be exceptions for Ms. Paradis Royer) contain money originating from the PlexCoin project at 100% the sums therein, he agrees with the transfer of the sums of the accounts that I just listed, to transfer the money and to acknowledge that the money comes from the sale of PlexCoins that the purchasers received in exchange for payment either by credit card or in cryptocurrency, PlexCoins. He agrees that the sums be managed by a third party for the sole purpose of the reimbursement of purchasers who want to be reimbursed. This acknowledgement is made without any admission whatsoever relative to his involvement or the legality of the PlexCoin project.

Mr. Lacroix reserves his rights as to future requests concerning the methods of reimbursement.

Mr. Lacroix reserves his rights over the remaining amount, if there is one. Relative to the RBC accounts in the name of Ms. Paradis-Royer, Mr. Lacroix acknowledges that the money in the accounts of Ms. Paradis-Royer is money that comes from the PlexCoin project. Obviously, this acknowledgment is made without any acknowledgement relative to the responsibility of Ms. Paradis-Royer and also, Mr. Lacroix advises the Tribunal that a settlement has occurred with the SEC relative to reimbursement of the purchasers. This agreement is not yet approved so I cannot file a copy, I cannot speak more about the content either since it is not approved by the Tribunal and it is signed by Mr. Lacroix.

As for Ms. Paradis-Royer, there are in fact two RBC accounts. We have also later identified in which ones she acknowledges that the amounts come from the PlexCoin project and she authorizes the withdrawal of the amounts in these accounts for reimbursement of the purchasers. She has other accounts in other Desjardins and Tangerine via credit cards for which we will not withdraw in connection with the reimbursement for which she does not acknowledge that these amounts come from the PlexCoin project.

[Signature]
Dominic Lacroix

[Signature]
Sabrina Paradis-Royer

2525 Boulevard Laurier, Suite 180, Quebec (Quebec)G1V 2L2
Telephone: 418-425-0851 Fax: 418-425-0852 Court box no.: 188
Cell phone: 581-308-0976 Email: sbrouillette@lglavocats.ca

EXHIBIT R-3

DRAFT OF NEW DESIGNATIONS, MODIFICATIONS AND ADDITIONS

INITIAL DESIGNATIONS APPEARING IN THE PLAN:

1.1.9 “**Reference date**” designates, for each Investor, the date on which he/she made their investment for the acquisition of PlexCoins through the IPO.

1.1.31 “**Claim**” designates, on the Reference Date, all rights of all persons against Lacroix, Paradis-Royer, PlexCorps, or any other persons connected with them, relative to the paid acquisition of PlexCoins in the specific context of the IPO, except for any excluded Claim and subject to evaluation on the merits by the Provisional Administrator.

DRAFT NEW DESIGNATIONS:

1.1.9 “**Reference date**” designates, for each investor, the date he/she made an investment for the acquisition of PlexCoins through the IPO, or, as applicable, the date payments due were made or loans solicited.

1.1.31 “**Claim**” designates, as of the Reference date, all rights of all persons against Lacroix, Sabrina Paradis-Royer, PlexCorps, DL Innov Inc., Micro-Prets Inc. or Finaone Inc. relative to the paid acquisition of PlexCoin through the IPO or loans solicited by aforementioned individuals and/or companies in the context of the operations of said companies, except for any excluded claims and subject to an evaluation of the merits by the Provisional Administrator.

INITIAL CLAUSES APPEARING IN THE PLAN:

2.3 Excluded claims

- i) Claims of the creditors of Lacroix or of PlexCorps who are not investors, as well as all persons connected with these creditors.
- j) Claims of governmental authorities with regard to Lacroix, Sabrina Paradis-Royer, or PlexCorps.

2.7 Surplus

[...]

Lacroix, Sabrina Paradis-Royer, PlexCorps, Yan Ouellet, Carole Bolduc, Pascal Lacroix, Raymond Plante and all Persons connected with these persons, also including all employees and former employees of companies connected with these Persons, may exercise no rights over any remaining balance following the final distribution.

DRAFT MODIFICATIONS:

2.3 Excluded claims:

- i) The Claims of the creditors of Lacroix, PlexCorps, DL Innov Inc., Micro-Prets Inc. or FinaOne Inc. who are not investors, as well as all Persons connected to these creditors.
- j) The Claims of the Governmental authorities concerning Lacroix, Sabrina Paradis-Royer, PlexCorps, DL Innov Inc., Micro-Prets Inc. or FinaOne Inc.

2.7 Surplus

(...)

Lacroix, Sabrina Paradis-Roy [TN: sic], PlexCorps, Yan Ouellet, Carole Bolduc, Pascal Lacroix, Raymond Plante and all Persons connected with these persons, also including all employees and former employees of companies connected with these Persons, except for a Person who may have a Claim, may exercise no rights over any remaining balance following the final distribution.

DRAFT ADDITION TO A SUB-PARAGRAPH OF ARTICLE 2.3:

2.3 Excluded claims

- “k) The claims of any persons holding a security, a guarantee, or any other lien published in the register of personal and real property (RDPRM) or the land registry regarding the property of Lacroix, Sabrina Paradis-Royer, PlexCorps, DL Innov Inc., Micro-Prets Inc., Finaone Inc., or any persons connected with them.”

For reference purposes only - designation of certain other definitions appearing in the Distribution Plan:

- Investor:** designates any Person having a Claim and may, if required by the context, include the transferee of a Claim, or a fiduciary, or a trustee, an interim receiver, a receiver, or another Person acting on behalf of that Person. However, this term does not include an excluded Investor.
- Person:** designates an individual, a company, a stock company, a limited or unlimited liability company, a partnership, a limited partnership, a trust, a trustee, an unincorporated body, a joint venture, a governmental body, or any other entity.
- IPO:** or “Initial PlexCoin Offering”, designates the raising of funds leading to the issuance of PlexCoins, as described in the White Book.
- Excluded claim:** designates the Claims described in paragraph 2.3 of the Plan whose holders are not entitled to receive any distribution whatsoever under the terms of the Plan.)

SUPERIOR COURT

Commercial Chamber
District of Quebec
Case no: 200-11-025040-182

**IN THE MATTER OF THE ACT RESPECTING
THE REGULATION OF THE FINANCIAL
SECTOR:**

FINANCIAL MARKETS AUTHORITY

Plaintiff

v.

DOMINIC LACROIX

Defendant

And

**RAYMOND CHABOT ADMINISTRATEUR
PROVISOIRE INC.**

Provisional Administrator

REQUEST TO OBTAIN A DECLARATORY
JUDGMENT (ART. 142 OF THE *CODE OF
CIVIL PROCEDURE*), AND EXHIBITS R-1 TO
R-3

ORIGINAL



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