



S1912424

NO. VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA  
IN THE MATTER OF  
SECTION 152 OF THE SECURITIES ACT, RSBC 1996, C. 418

BETWEEN:

BRITISH COLUMBIA SECURITIES COMMISSION

PETITIONER

AND:

EINSTEIN CAPITAL PARTNERS LTD.  
EINSTEIN EXCHANGE INC.  
EINSTEIN LAW CORPORATION  
MICHAEL ONGUN GOKTURK

RESPONDENTS

ORDER MADE AFTER APPLICATION<sup>1</sup>

BEFORE THE HONOURABLE )

MADAM JUSTICE BAKER )

) Friday, November 1, 2019  
)  
)  
)

ON THE EX PARTE APPLICATION of the Petitioner for an Order pursuant to section 152 of the *Securities Act*, R.S.B.C. 1996, c. 418, as amended (the “*Securities Act*”), appointing **Grant Thornton Limited** as Interim Receiver (in such capacity, the “*Interim Receiver*”) without security, of all of the assets, undertakings and property of the Respondents, (collectively, the “*Respondents*”) acquired for, or used in relation to a business carried on by the Respondents, coming on for hearing this day at **Vancouver**, British Columbia.

AND ON READING the Affidavit #1 of Sammy Wu sworn November 1, 2019, and the consent of **Grant Thornton Limited** to act as the Interim Interim Receiver; AND ON HEARING **William L Roberts**, counsel for the **British Columbia Securities Commission**

EINSTEIN CAPITAL PARTNERS LTD., EINSTEIN EXCHANGE INC., EINSTEIN LAW CORPORATION  
MICHAEL ONGUN GOKTURK

THIS COURT ORDERS AND DECLARES that:

### APPOINTMENT

1. Pursuant to section 152 of the Securities Act, Grant Thornton Limited is appointed Interim Receiver, without security, of all of the assets, undertakings and property, including cryptocurrency, of the Respondents, including all proceeds, and any such property in the possession or control of the Respondents (the "Property").

### INTERIM RECEIVER'S POWERS

2. The Interim Receiver is empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Interim Receiver is expressly empowered and authorized to do any of the following where the Interim Receiver considers it necessary or desirable:
  - (a) to take possession of and exercise control over the Property and any and all receipts and disbursements arising out of or from the Property;
  - (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, changing locks and security codes, relocation of Property, engaging independent security personnel, taking physical inventories and placing insurance coverage; *including forced entry into any of the Respondents' business premises;*
  - (c) to manage, operate and carry on the business of the Respondents, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Respondents;
  - (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Interim Interim Receiver's powers and duties, including, without limitation, those conferred by this Order;
  - (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Respondents or any part or parts thereof;
  - (f) to receive and collect all monies and accounts now owed or hereafter owing to the Respondents and to exercise all remedies of the Respondents in collecting these amounts, including, without limitation, enforcement of any security held by the Respondents;
  - (g) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Interim Receiver's name or in the name and on behalf of the Respondents, for any purpose pursuant to this Order;
  - (h) to report to, meet with and discuss with such affected Persons (as defined below) as the Interim Receiver considers appropriate on all matters relating to the Property

and the Interim Receivership, and to share information, subject to confidentiality terms as the Interim Receiver considers appropriate;

- (i) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (j) to enter into agreements with any trustee in bankruptcy appointed in respect of the Respondents, including, without limitation, the ability to enter into occupation agreements for any property owned or leased by the Respondents;
- (k) to exercise any shareholder, partnership, joint venture or other rights which the Respondents may have;
- (l) to open and maintain such accounts and wallets for the purpose taking possession and preserving any cryptocurrency in any the Respondents possession or control, and to transfer any such Property, including cryptocurrency, into those accounts or wallets; and
- (m) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

and in each case where the Interim Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Respondents, and without interference from any other Person. In particular, any person having knowledge or control of any codes or keys or other information allowing access or control of the Property, including the shall be prohibited from utilizing that information to transfer, encumber or in any way selling, alienating, transferring, assigning, encumbering otherwise dissipating any cryptocurrency or other assets in the possession or control of the Respondents.

#### **DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE INTERIM RECEIVER**

3. Each of (i) the Respondents; (ii) all of the Respondents' current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf; and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (collectively, "**Persons**" and each a "**Person**") shall forthwith advise the Interim Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Interim Receiver, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Interim Receiver upon the Interim Receiver's request.
4. In particular, any Persons having knowledge or control of any codes or keys or other information allowing access or control of the Property, shall immediately on request by the Receiver provide that information and related documentation to the Receiver.
5. All Persons, other than governmental authorities, shall forthwith advise the Interim Receiver of the existence of any books, documents, securities, contracts, orders, corporate

and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Respondents, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (collectively, the "**Records**") in that Person's possession or control. Upon request, governmental authorities shall advise the Interim Receiver of the existence of any Records in that Person's possession or control.

6. Upon request, all Persons shall provide to the Interim Receiver or permit the Interim Receiver to make, retain and take away copies of the Records and grant to the Interim Receiver unfettered access to and use of accounting, computer, software and physical facilities, provided however that nothing in paragraphs 4, 5 or 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Interim Receiver due to solicitor client privilege or statutory provisions prohibiting such disclosure.
7. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by an independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Interim Receiver for the purpose of allowing the Interim Receiver to recover and fully copy all of the information contained therein whether by way of printing the information or making copies of computer disks or such other manner of retrieving and copying the information as the Interim Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Interim Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Interim Receiver with all such assistance in gaining immediate access to the information in the Records as the Interim Receiver may require including, without limitation, providing the Interim Receiver with instructions on the use of any computer or other system and providing the Interim Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

#### **NO PROCEEDINGS AGAINST THE INTERIM RECEIVER**

8. No proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Interim Receiver except with the written consent of the Interim Receiver or with leave of this Court.

#### **NO PROCEEDINGS AGAINST THE RESPONDENTS OR THE PROPERTY**

9. No Proceeding against or in respect of the Respondents or the Property shall be commenced or continued except with the written consent of the Interim Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Respondents or the Property are stayed and suspended pending further Order of this Court; provided, however, that nothing in this Order shall prevent any Person from commencing a Proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such Proceeding is not commenced before the expiration of the stay provided by this paragraph and provided that no further step shall be taken in respect of the

Proceeding except for service of the initiating documentation on the Respondents and the Interim Receiver.

#### **NO EXERCISE OF RIGHTS OR REMEDIES**

10. All rights and remedies (including, without limitation, set-off rights) against the Respondents, the Interim Receiver, or affecting the Property, are stayed and suspended except with the written consent of the Interim Receiver or leave of this Court, provided however that nothing in this Order shall (i) empower the Interim Receiver or the Respondents to carry on any business which the Respondents is not lawfully entitled to carry on, (ii) affect the rights of any regulatory body as set forth in section 69.6(2) of the BIA,<sup>2</sup> (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien. This stay and suspension shall not apply in respect of any "eligible financial contract" as defined in the BIA.

#### **NO INTERFERENCE WITH THE INTERIM RECEIVER**

11. No Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Respondents, without written consent of the Interim Receiver or leave of this Court. Nothing in this Order shall prohibit any party to an eligible financial contract from closing out and terminating such contract in accordance with its terms.

#### **CONTINUATION OF SERVICES**

12. All Persons having oral or written agreements with the Respondents or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Respondents are restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Interim Receiver, and the Interim Receiver shall be entitled to the continued use of the Respondents' current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Interim Receiver in accordance with normal payment practices of the Respondents or such other practices as may be agreed upon by the supplier or service provider and the Interim Receiver, or as may be ordered by this Court.

#### **INTERIM RECEIVER TO HOLD FUNDS**

13. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Interim Receiver from and after the making of this Order from any source whatsoever including, without limitation, the sale of all or any of the Property and the collection of any accounts receivable, in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new

accounts to be opened by the Interim Receiver (the “**Post-Interim Receivership Accounts**”) and the monies standing to the credit of such Post-Interim Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Interim Receiver to be paid in accordance with the terms of this Order or any further order of this Court.

## **EMPLOYEES**

14. Subject to the employees’ right to terminate their employment, all employees of the Respondents shall remain the employees of the Respondents until such time as the Interim Receiver, on the Respondents’ behalf, may terminate the employment of such employees. The Interim Receiver shall not be liable for any employee-related liabilities of the Respondents, including any successor employer liabilities as referred to in Section 14.06(1.2) of the BIA, other than amounts the Interim Receiver may specifically agree in writing to pay or in respect of obligations imposed specifically on Interim Receivers by applicable legislation, including sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, S.C. 2005, c.47. The Interim Receiver shall be liable for any employee-related liabilities, including wages, severance pay, termination pay, vacation pay, and pension or benefit amounts relating to any employees that the Interim Receiver may hire in accordance with the terms and conditions of such employment by the Interim Receiver.

## **PERSONAL INFORMATION**

15. Pursuant to Section 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5 or Section 18(1)(o) of the *Personal Information Protection Act*, S.B.C. 2003, c. 63, the Interim Receiver may disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a “**Sale**”). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Interim Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Respondents, and shall return all other personal information to the Interim Receiver, or ensure that all other personal information is destroyed.

## **LIMITATION ON ENVIRONMENTAL LIABILITIES**

16. Nothing in this Order shall require the Interim Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, “**Possession**”) of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release, or deposit of a substance contrary to any federal, provincial or other law relating to the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to

the disposal of waste or other contamination (collectively “**Environmental Legislation**”), provided however that nothing herein shall exempt the Interim Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation.

17. The Interim Receiver shall not, as a result of this Order or anything done in pursuance of the Interim Receiver’s duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless the Interim Receiver is actually in possession.
18. Notwithstanding anything in federal or provincial law, the Interim Receiver is not personally liable in that position for any environmental condition that arises or environmental damage that occurred:
  - (a) before the Interim Receiver’s appointment; or,
  - (b) after the Interim Receiver’s appointment, unless it is established that the condition arose or the damage occurred as a result of the Interim Receiver’s gross negligence or wilful misconduct.
19. Notwithstanding anything in federal or provincial law, but subject to paragraph 17 of this Order, where an order is made which has the effect of requiring the Interim Receiver to remedy any environmental condition or environmental damage affecting the Property, if the Interim Receiver complies with the BIA section 14.06(4), the Interim Receiver is not personally liable for the failure to comply with the order and is not personally liable for any costs that are or would be incurred by any Person in carrying out the terms of the order.

#### **LIMITATION ON THE INTERIM RECEIVER’S LIABILITY**

20. The Interim Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except:
  - (a) any gross negligence or wilful misconduct on its part; or
  - (b) amounts in respect of obligations imposed specifically on Interim Receivers by applicable legislation.<sup>3</sup>

Nothing in this Order shall derogate from the protections afforded the Interim Receiver by Section 14.06 of the BIA or by any other applicable legislation.

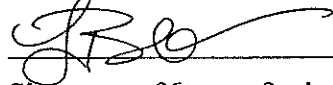
#### **GENERAL**

21. Any interested party may apply to this Court to vary or amend this Order on not less than seven (7) clear business days’ notice to the Service List and to any other party who may be affected by the variation or amendment, or upon such other notice, if any, as this Court may order.

- 22. The Interim Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
- 23. Nothing in this Order shall prevent the Interim Receiver from acting as a trustee in bankruptcy of the Respondents.
- 24. This Court requests the aid, recognition and assistance of any court, tribunal, regulatory or administrative body having jurisdiction, wherever located, to give effect to this Order and to assist the Interim Receiver and its agents in carrying out the terms of this Order. All such courts, tribunals and regulatory and administrative bodies are respectfully requested to make such orders and to provide such assistance to the Interim Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Interim Receiver and its agents in carrying out the terms of this Order.
- 25. The Interim Receiver is authorized and empowered to apply to any court, tribunal or regulatory or administrative body, wherever located, for recognition of this Order and for assistance in carrying out the terms of this Order and the Interim Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
- 26. The [Plaintiff/Applicant] shall have its costs of this motion, up to and including entry and service of this Order, as provided for by the terms of the [Plaintiff/Applicant]'s security or, if not so provided by the [Plaintiff/Applicant]'s security, then on a substantial indemnity basis to be paid by the Interim Receiver from the Respondents' estate with such priority and at such time as this Court may determine.
- 27. Endorsement of this Order by counsel appearing on this application other than the [Plaintiff/Applicant] is dispensed with.

THE FOLLOWING PARTIES APPROVE OF THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

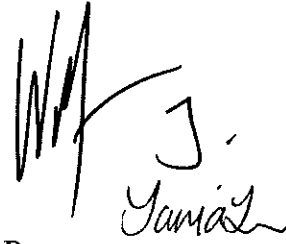
APPROVED BY:

  
\_\_\_\_\_

Signature of [type of print name] LAURA BEVAN

lawyer for [Plaintiff/Applicant]

BC SECURITIES COMMISSION BY THE COURT

  
J.  
Yamal

—DISTRICT REGISTRAR





NO.  
VANCOUVER REGISTRY  
**IN THE SUPREME COURT OF BRITISH COLUMBIA**

IN THE MATTER OF  
SECTION 152 OF THE *SECURITIES ACT*, RSBC 1996, C. 418

BETWEEN:

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EINSTEIN CAPITAL PARTNERS LTD.  
EINSTEIN EXCHANGE INC.  
EINSTEIN LAW CORPORATION  
MICHAEL ONGUN GOKTURK

RESPONDENTS

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**RECEIVERSHIP ORDER**

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Barristers & Solicitors  
1600 Cathedral Place  
925 West Georgia Street  
Vancouver, British Columbia  
V6C 3L2  
Phone: (604) 685-3456  
Attention: William L. Roberts