

TEMPORARY ORDER

made by the Bank of Canada (the “Bank”) under subsection 94(4) of the *Retail Payment Activities Act* (“RPAA”)

TO

XTM, Inc., a payment service provider having its head office in Toronto, Ontario (“XTM”)

RECITALS

Whereas:

- A. Parliament has delegated to the Bank authority to supervise payment service providers (“PSPs”) that are located in Canada or that direct their services to end users in Canada.
- B. Under s. 94(1), if the Managing Director responsible for retail payment supervision (the “Managing Director”)¹ is of the opinion that a payment service provider that performs retail payment activities is committing, or is about to commit, an act that could have a significant adverse impact on an individual or entity referred to in s. 94(2), the Managing Director may make an order directing the PSP to cease or refrain from committing the act or pursuing that course of conduct, and to perform any acts that, in the Managing Director’s opinion, are necessary to remedy the situation.
- C. Subsection 94(3) states that, subject to s. 94(4), no order is to be made in respect of a PSP under s. 94(1) unless the PSP is provided with an opportunity to make representations.
- D. Under s. 94(4), if, in the Managing Director’s opinion, the length of time for representations to be made in respect of an order under s. 94(1) might be prejudicial to the public interest, the Managing Director may make a temporary order that has the same effect as an order under s. 94(1). The temporary order ceases to have effect 30 days after the date on which it is made, unless no representations are made during that period, or, if representations are made, the Managing Director notifies the PSP that the Managing Director is not satisfied that there are sufficient grounds for revoking the order.
- E. XTM is registered as a PSP with the Bank of Canada.
- F. XTM, itself or through affiliated entities (as defined in s. 3(1) of the RPAA), provides a payment service for restaurant owners to aggregate and distribute tips to staff by way of pre-paid cards,

¹ In accordance with s. 15 of the RPAA, the Governor has delegated the authority to make orders under s. 94 of the RPAA to the Managing Director responsible for retail payments supervision (the “Managing Director”), by delegation order published in the Canada Gazette on June 15, 2024.

formerly branded as the AnyDay platform, also more recently referred to as the Everyday platform (hereinafter the “AnyDay platform”).

- G. XTM’s public financial statements confirm that, while operating as a PSP in providing the AnyDay platform services, XTM failed to safeguard end-user funds in its possession, and caused a significant shortfall in end-user funds to accrue. The Managing Director is concerned that a shortfall of this magnitude has caused harm to end users.
- H. XTM may be continuing to perform certain roles in relation to the AnyDay platform services that constitute retail payment activities as defined in the RPAA. It continues to hold itself out as a PSP.
- I. The Managing Director is concerned that XTM may have been and/or continues to be in violation of the RPAA, and in particular its end-user funds safeguarding obligations under the RPAA.
- J. The Managing Director is concerned that XTM’s on-going involvement, authorizations, and role in the AnyDay platform services could have a significant adverse impact on end users.
- K. On February 17, 2026, the Managing Director issued a Temporary Order under s. 94(4) to XTM (the “February 17 Order”).
- L. On February 27, 2026, Justice Black of the Ontario Superior Court of Justice (the “Court”) issued an order under the *Companies’ Creditors Arrangement Act* (“CCAA”) to commence proceedings in respect of XTM under that Act (the “CCAA Initial Order”). The Managing Director is satisfied that, based on the terms of the CCAA Initial Order, the AnyDay platform can be operated in compliance with the RPAA and in protection of the public interest, with the oversight of the Court and the appointed Monitor.
- M. Having considered the CCAA Initial Order and other information XTM has provided to the Bank, the Managing Director is replacing the February 17 Order with this Temporary Order (“Order”).
- N. The Managing Director is of the opinion that waiting for representations under s. 94(3) of the RPAA would be prejudicial to the public interest, and thus issues this Temporary Order (“Order”).

NOW THEREFORE, the Bank orders that:

1. XTM shall only perform retail payment activities to the extent necessary to enable the operation of the AnyDay platform by other parties.
2. XTM shall not, in its own name or in the name of its affiliates, direct any transactions or withdrawals from any trust accounts associated with the AnyDay platform.

3. XTM shall meet all requirements of the CCAA Initial Order, including by providing all necessary information and cooperation to the Court-appointed Monitor in respect of oversight and operation of the AnyDay platform.
4. XTM shall ensure that the AnyDay platform operates in accordance with the proposed processes, controls, and authorizations described in the CCAA Initial Order.
5. XTM shall preserve all documents, records and information, including electronically stored information, relevant to its activities as a PSP.
6. XTM shall have 14 days from the date of this Order to make representations to the Managing Director about whether this Order shall be revoked for failing to meet the criteria specified in s. 94(1) of the RPAA.
7. If XTM fails to make representations within 14 days, or if XTM makes representations, and the Managing Director is not satisfied that there are sufficient grounds for revoking the order, then this Order shall continue in place after the 30-day period, unless it is revoked.
8. This Temporary Order revokes and replaces the February 17 Order.

THIS TEMPORARY ORDER is made under subsection 94(4) of the RPAA this Friday, the 27th day of February, 2026, in the city of Ottawa, in the province of Ontario, Canada.

“Anne Butler”
Managing Director, Supervision
Bank of Canada