

CANADA  
Province of Quebec  
District of Québec  
Division No.: 01-Montréal  
Court No.: 500-11-055629-188  
Estate No.: 41-2449058

SUPERIOR COURT  
(Commercial Division)  
*Bankruptcy and Insolvency Act*

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IN THE MATTER OF THE NOTICE OF  
INTENTION TO MAKE A PROPOSAL OF:

**2964-3277 QUEBEC INC. (DBA CARPET ART  
DECO)**

legal person duly incorporated under the laws of  
Canada, having its registered office at 480 Lafleur,  
Montreal QC H8R 3H9

**Petitioner / Debtor**

-and-

**RICHTER ADVISORY GROUP INC.**

**Proposal Trustee**

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**FIRST REPORT OF THE TRUSTEE  
ON THE STATE OF PETITIONER'S BUSINESS AND FINANCIAL AFFAIRS**

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Richter Advisory Group Inc. ("**Richter**" or the "**Proposal Trustee**"), in its capacity as trustee with respect to the Notice of Intention to Make a Proposal ("**NOI**") filed by 2964-3277 Quebec Inc., doing business as Carpet Art Deco (the "**Debtor**" or the "**Company**"), an insolvent person, does hereby report to the Court the following:

**INTRODUCTION**

1. On November 29, 2018, the Debtor filed the NOI in accordance with Section 50.4(1) of the *Bankruptcy and Insolvency Act*, R.S. C. 1985, c. B.-3, as amended (the "**BIA**"), and Richter was appointed as Proposal Trustee under the NOI. A copy of the Certificate of Filing issued by the Superintendent of Bankruptcy is annexed hereto as **Exhibit "A"**.
2. On December 5, 2018, documents were sent by regular mail to all creditors of the Debtor, as identified by it, which included a copy of the Debtor's NOI, as annexed hereto as **Exhibit "B"**.

3. On December 6, 2018, the Debtor filed with the Official Receiver a Statement of Projected Cash Flow ("**Projections**") together with his report pursuant to Section 50.4(2)(c) of the Act, covering the period from November 29, 2018, to January 11, 2019, which included the major assumptions used in the preparation of the Projections. Concurrently therewith, the Proposal Trustee filed its Report on the reasonableness of the Projections in accordance with Section 50.4(2)(b) of the Act, all of which is annexed hereto as **Exhibit "C"**.
4. On December 10, 2018 the Debtor filed a motion entitled *Motion for the Issuance of an Order for an Administrative Charge, a Directors and Officers Charge, a Key Employee Incentive Program and Other Remedies* (the "**Charge and KEIP Motion**"). The Charge and KEIP Motion has been scheduled for hearing on December 13, 2018.
5. On December 11, 2018, Oriental Weavers International SAE filed a motion entitled *De Bene Esse Motion to Lift the Stay of Proceedings and for Additional Relief* (the "**OW Motion**"). The OW Motion has also been scheduled for hearing on December 13, 2018.
6. On December 12, 2018, the Debtor filed a motion entitled *Motion for the Extension of the Delay to File a Proposal* (the "**Stay Extension Motion**"). The Stay Extension Motion has also been scheduled for hearing on December 13, 2018.
7. In order to monitor the affairs and finances of the Debtor, the Proposal Trustee has been provided with access to the books, records and other important documents of the Debtor.

#### **PURPOSE OF THIS REPORT**

8. The purpose of this First Report is to provide this Court with information pertaining to:
  - a) A concise summary regarding the background and operations of the Debtor, its creditors and recent efforts undertaken to stabilize the Debtor's business operations;
  - b) The sale and solicitation process initiated by the Debtor on or about November 29, 2018;
  - c) The relief sought in the Charge and KEIP Motion;
  - d) The Debtor's statement of projected cash flow for the period from November 29, 2018 to January 11, 2019 and results for the period ended December 7, 2018;
  - e) The Debtor's request for an extension of the statutory delay to file a proposal (the "**Proposal Period**") to January 29, 2019; and
  - f) The Proposal Trustee's recommendations that this Court make orders, as requested by the Debtor:

- Approving the creation of the super-priority charges and the key employee incentive plan sought in the Charge and KEIP Motion; and
- Approving the extension of the Proposal Period to January 29, 2019 (“**Extension Order**”).

## **TERMS OF REFERENCE**

9. Unless otherwise noted, all monetary amounts contained in this First Report herein are expressed in Canadian dollars.
10. In preparing this First Report, the Proposal Trustee has relied upon certain unaudited financial information prepared by the Debtor’s representatives, the Debtor’s books and records, and discussions with the Debtor’s representatives and legal counsel (the “**Information**”).
11. Except as otherwise described in this First Report, the Proposal Trustee has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards (“**GAAS**”) pursuant to the Chartered Professional Accountant of Canada Handbook and, as such, the Proposal Trustee expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information.
12. Future oriented financial information relied upon in this First Report is based on the Debtor’s representatives’ assumptions regarding future events; actual results achieved may vary from the Information presented even if the hypothetical assumptions occur and these variations may be material. Accordingly, the Proposal Trustee expresses no assurance as to whether projections will be achieved.

## **GENERAL BACKGROUND INFORMATION OF THE DEBTOR**

13. The Company is a manufacturer and distributor of carpets and rugs which it sells to customers in both Canada and the United States.
14. The Company’s head office, principal showroom and manufacturing facilities are located in Montreal in premises owned by a related party. The Company also leases two nearby locations (one of which is from a related party) from which it distributes and warehouses its product. The Company also operates a showroom in New York City, leased from a third party.
15. At the time of the filing, the Debtor had approximately 112 full-time employees primarily located in Montreal. Employee wages and remittance of deductions at source were current at the time of the filing.

16. The NOI was filed in a context where the Debtor reported a net loss before taxes of approximately \$7 million for the eleven months ended August 31, 2018. The Debtor has attributed its significant operating losses to the difficulties arising from its efforts to expand its business in the United States and the modifications to the current international trade policies.
17. The Debtor's assets consist primarily of inventory and accounts receivable with a gross book value of approximately \$27.5 million and \$12.7 million respectively, as well as various fixed assets with a net book value of \$16.8 million at the time of the filing.

## THE DEBTOR'S CREDITORS

18. At the time of the filing of the NOI, the Debtor's books and records reflected the following amounts due to its creditors:
  - a) Secured Creditors:
    - The Canadian Imperial Bank of Commerce ("**CIBC**") - \$28.2 million. Subject to a full security review to be performed, the Proposal Trustee is informed that CIBC has registered a first ranking charge on the Debtor's accounts receivable and inventory and a second ranking charge on the Debtor's fixed assets. Approximately \$5.5 million (USD\$4.2 million) of the CIBC exposure relates to letters of guarantee for which the CIBC holds guarantees from the Export Development Corporation.
    - The Business Development Bank of Canada ("**BDC**") - \$10.7 million. Subject to a full security review to be performed, the Proposal Trustee is informed that BDC has registered a first ranking charge on the Debtor's equipment and a second ranking charge on the Debtor's accounts receivable and inventory. BDC has also registered a first ranking charge on real estate used in the Debtor's operations and owned by a related party, 9220-5749 Québec Inc. ("**9220**"). The Debtor did not include the \$10.7 million debt on its listing of creditors as all advances from BDC were made directly to 9220. An amended list of creditors will be filed with the Superintendent of Bankruptcy to reflect the contingent liability of the Company to the BDC.
  - b) Unsecured Creditors:
    - The Debtor's books and records reflect an amount of approximately \$25.7 million consisting of the following:
      - Trade creditors: approximately \$20.7 million;
      - Related entities: approximately \$4.5 million primarily in respect of funds advanced to the Debtor to purchase manufacturing equipment and to fund the leasehold improvements for the New York City showroom;
      - Employees: approximately \$0.5 million in respect of accrued vacation pay.

## **OBJECTIVES OF THE DEBTOR'S NOI PROCEEDINGS**

19. As noted above, as a result of a number of factors, the Debtor has suffered significant losses in the last year. Further, its line of credit with the CIBC formally expired in June 2018 and the Company is unable to meet its obligations as they come due. In the circumstances, the Debtor has determined that it is in the best interests of all stakeholders for the Debtor to commence this NOI process as well as the sale and solicitation process to determine if the business can continue on a going-concern basis or will be liquidated for the benefit of its stakeholders.

## **EFFORTS TO STABILIZE THE DEBTOR'S BUSINESS OPERATIONS**

20. Since the filing of the NOI, the Debtor, with the assistance of the Proposal Trustee, has been focused on a number of areas to stabilize the business and preserve its going concern value while the SSP (as defined below) is ongoing.
21. These efforts include, but are not limited to:
  - a) Communications with all major customers to explain the NOI filing, to assess current programs and inventory levels including the Company's ability to fulfill open orders;
  - b) In conjunction with the major customer review, the Company is assessing the collectability of existing accounts receivable and the risks of offsets that may be claimed by its customers;
  - c) Communications with the Company's employees to explain the process and to ensure their full cooperation during the filing period; and
  - d) Communications with its major inventory suppliers and service providers with respect to open orders and, goods in transit, the whole to ensure the continued supply of inventory to enable the Company to fulfill existing orders.
22. As noted below, both the Company and the Proposal Trustee are devoting significant resources to supporting the SSP to ensure interested parties have the necessary information to participate in the process.

## **SALE AND SOLICITATION PROCESS**

23. The Company, with the assistance of the Proposal Trustee launched a sale and solicitation process (the "**SSP**") on November 29, 2018, immediately following the filing of the NOI, with the issuance of a teaser (**Exhibit "D"**) to approximately 120 interested parties consisting of strategic buyers, financial investors and liquidators. The Proposal Trustee created a virtual data room with the necessary information to enable interested parties to evaluate all aspects of the Company's business.

24. To date, fourteen (14) parties have signed a confidentiality agreement and have been granted access to the digital data room, the majority of the fourteen interested parties consist of strategic or financial investors who could be interested in continuing the business on a going-concern basis. All of the fourteen (14) parties have been active in the data room. A further seven (7) parties have requested the confidentiality agreement but have not yet returned an executed copy. In addition, the Proposal Trustee and the Debtor are responding to information requests from interested parties as well as coordinating site visits to the Company's premises.
25. The bid deadline to submit an offer is December 19, 2018, at noon eastern time. Any offers received will be opened thereafter at the Proposal Trustee's offices. It is the intention of the Debtor to seek approval of a transaction by the CIBC and the BDC as well as by the Court on or about December 21, 2018, however, it is possible that additional time may be required to assess any offers that may be received, to negotiate the terms of a transaction and to seek court approval.

#### **THE CHARGE AND KEIP MOTION**

26. As noted above, the Debtor has filed the Charge and KEIP Motion which seeks the following relief:
- a) **Administration Charge**: An amount of \$75,000 in respect of the post-filing professional fees of Borden Ladner Gervais LLP, counsel for the Debtor, the Proposal Trustee and Stikeman Elliott LLP, counsel to the Proposal Trustee.
  - b) **Directors and Officers Charge**: An amount of \$250,000 in respect of potential post-filing claims including payroll and sales taxes. This charge will primarily benefit the president and sole director of the Company. The Proposal Trustee understands that the Company was unable to obtain a director and officer insurance policy given its financial situation.
  - c) **Key Employee Incentive Program ("KEIP")**: The KEIP was developed as a result of arm's length negotiations between the Company and CIBC, with the assistance of the Proposal Trustee, the whole to keep the three (3) most senior management employees fully focused on maximizing the realization of the assets of the Company through the SSP and any transaction that may result thereafter. These three (3) employees are the indirect shareholders of the Company and have been involved in all important aspects of the business for close to eighteen years and have the critical knowledge needed to execute and support the SSP including customer relationships, operations and distribution. Key terms of the KEIP are as follows:
    - As noted in the Charge and KEIP Motion, the potential incentive ranges from \$0.3 million up to a maximum of \$0.9 million depending on the values received for the inventory and receivables of the Company. In other words, the incentive payments will only increase if the realization increases. It is important to note that if the first or lowest threshold is not

met, there will be no incentive payments. Annexed as **Exhibit “E”** (filed under seal) is a schedule which sets out additional information related to the KEIP.

- The incentive payments will only be payable thirty (30) days following the date from which the Proposal Trustee determines the amount realized following any transaction or liquidation that may occur.
- d) The Administration Charge, the Directors and Officers Charge (collectively the “**Charges**”) and the KEIP shall have the ranking set out in the Charge and KEIP Motion.
27. The Proposal Trustee is supportive of the Charges and the KEIP. As relates to the Charges, the Administration Charge is relatively modest in comparison to the level of work being undertaken by the various professionals. The Directors and Officers Charge is reasonable in the circumstances and provides assurances to the sole director during the NOI process.
28. As relates to the KEIP, the Proposal Trustee is of the view that an incentive plan is essential to keep the senior management focused solely on maximizing the realization during a compressed SSP. It would be very difficult to replace the senior management’s specialized knowledge in all aspects of the business. As noted above, the KEIP is incentive based such that it will only be earned if various thresholds are met. Most importantly, the Proposal Trustee is informed that the two principal secured creditors of the Debtor, CIBC and the BDC, being the parties who are most affected by the KEIP, support it. The Company is also contemplating requesting permission to institute a Key Employee Retention Program (“**KERP**”) for certain critical employees. The terms of such program have not yet been finalized. If a KERP is requested, it will be the subject of a further motion to be heard at a later date.

#### **THE DEBTOR’S CASH FLOW FORECAST**

29. As noted above and annexed as Exhibit C are the Projections of the Debtor which cover the first forty-four days following the filing of the NOI. Annexed as **Exhibit “F”** are the reported results versus the Projections for the period November 29, 2018 to December 7, 2018. The results reflect a positive net cash flow variance of approximately \$152,000 attributable primarily to timing.
30. In support of the extension sought, the Debtor has prepared a statement of projected cash flow (**Exhibit “G”**) covering the period December 8, 2018 through February 1, 2019 which we summarize as follows:

2964-3277 Québec Inc.  
Statement of Projected Cash Flow  
For the period Dec 8, 2018 to Feb 1, 2019  
(\$000's)

|  | Total              |
|--|--------------------|
| <b>Cash Receipts</b>   | <b>\$ 4,376</b>    |
| <b>Disbursements</b>   |                    |
| Payroll  | (854)              |
| Rent & Utilities   | (631)              |
| General Expenses and Other                                   | (1,647)            |
| Filing Deposits  | (150)              |
| Sales Taxes  | (155)              |
| Interest   | (340)              |
| Professional Fees  | (550)              |
|  | <b>(4,327)</b>     |
| <b>Net Cash Flow</b>   | <b>\$ 50</b>       |
| <b>Opening Bank Indebtedness (Net of Cash and OS Checks)</b> | <b>\$ (21,863)</b> |
| Net Cash Flow  | 50                 |
| <b>Ending Bank Indebtedness (Net of Cash and OS Checks)</b>  | <b>\$ (21,814)</b> |

Bank Indebtedness does not include outstanding LGs of \$3,053K (US\$2,296K) and outstanding LCs of \$821K (US\$617K) which have not yet been drawn upon.

31. The statement of projected cash flow was prepared on the basis of continuing operations and does not take into account any proposed transaction that may occur following the SSP and the opening of offers on December 19, 2018. Accordingly, the statement of projected cash flow may need to be updated accordingly.

#### REQUEST TO EXTEND THE PROPOSAL PERIOD TO JANUARY 29, 2019

32. The Debtor is requesting the extension of the Proposal Period to January 29, 2019 (the “**Extension**”).
33. The Proposal Trustee supports the Debtor's request for the Extension for the following reasons:
- a) The SSP is currently ongoing and the opening of tenders is scheduled for December 19, 2018. At this stage it is premature to determine the nature of the offers to be received. While it is foreseen that the Company will return to Court to seek approval of a transaction by December 21, 2018, this will only be determined after the offers are opened and the possibility exists that the timeline may be extended, depending on the analysis of the offers received. It is thus prudent for the Debtor to seek an extension of the Proposal Period until after the opening of tender and the upcoming holiday period;
  - b) the Debtor is acting in good faith and with due diligence in taking steps to maximize the value of its assets for the benefit of its creditors, be it through a going-concern type transaction, some other sale of assets or a liquidation; and

- c) it is the Proposal Trustee's view that the Extension will not prejudice or adversely affect any group of creditors.
  - d) Both the CIBC and the BDC have been advised of the Extension and do not oppose the Extension sought herein.
34. While it is too early to determine whether a viable proposal will be presented by the Debtor to its creditors, in the Proposal Trustee's view, the Debtor's request for the Extension is appropriate in the circumstances.

#### **CONCLUSION AND RECOMMENDATION**

35. Based on all of the forgoing, the Proposal Trustee respectfully recommends that this Honourable Court grant the relief sought in the Charge and KEIP Motion and in the Stay Extension Motion, as summarized in paragraph 8(f) of this First Report.

Respectfully submitted at Montreal, this 12<sup>th</sup> day of December 2018.

**Richter Advisory Group Inc.**  
Licensed Insolvency Trustee



Olivier Benchaya, CPA, CA, CIRP, LIT



Andrew Adessky, CPA, CA, MBA, CIRP, LIT

# **Exhibit A**



Industry Canada  
Office of the Superintendent  
of Bankruptcy Canada

Industrie Canada  
Bureau du surintendant  
des faillites Canada

District of Québec  
Division No. 01 - Montreal  
Court No. 500-11-055629-188  
Estate No. 41-2449058

In the Matter of the Notice of Intention to make a  
proposal of:

**2964-3277 Québec Inc.**  
Insolvent Person

**RICHTER ADVISORY GROUP INC / RICHTER GROUPE  
CONSEIL INC.**  
Licensed Insolvency Trustee

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Date of the Notice of Intention: November 29, 2018

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CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL  
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the *Bankruptcy and Insolvency Act*.

Pursuant to subsection 69(1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: November 29, 2018, 10:00

E-File/Dépôt Electronique

Official Receiver

Sun Life Building, 1155 Metcalfe Street, Suite 950, Montréal, Québec, Canada, H3B2V6, (877)376-9902

**Canada**

District of:  
Division No. -  
Court No.  
Estate No.

- FORM 33 -  
Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of  
2964-3277 Québec Inc.  
Of the City of Montréal  
In the Province of Québec

Take notice that:

1. I, 2964-3277 Québec Inc., an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. Richter Advisory Group Inc/Richter Groupe Conseil inc of 1981 avenue McGill College, 11e étage, Montréal, QC, H3A 0G6, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the City of Montréal in the Province of Quebec, this 28th day of November 2018.

  
2964-3277 Québec Inc.  
Insolvent Person

To be completed by Official Receiver:

\_\_\_\_\_  
Filing Date

\_\_\_\_\_  
Official Receiver

# **Exhibit B**

CANADA  
Province of Québec  
District of: QC  
Division No. 01-Montréal  
Court No. 500-11-055629-188  
Estate No. 41-2449058

SUPERIOR COURT  
(Commercial Division)  
In Bankruptcy and Insolvency

**Affidavit of Mailing  
Notice to Creditors of Intention to Make a Proposal**

**In the Matter of the Notice of Intention to Make a Proposal of  
2964-3277 Québec Inc. (operating as Carpet Art-Deco)  
Of the City of Montréal  
In the Province of Québec**

I, the undersigned, of the Trustee's office of Richter Advisory Group Inc., 1981 McGill College, Montréal, QC H3A 0G6, a licensed trustee, hereby make oath (or solemnly affirm) and say:

1. That on December 5, 2018 I did cause to be sent by prepaid ordinary mail to all the known creditors of the Debtor and the officer of the insolvent person, whose names and addresses appear on the paper writing marked "**Creditor Mailing List**" annexed hereto, and to all parties whose names and addresses appear on the paper writing marked "**Supplementary Mailing List**" a copy of the following documents:

- Notice to Creditors of Intention to Make a Proposal
  - o Form 33 – Notice of Intention to Make a Proposal
  - o List of creditors
  - o Trustee Proposal Consent
  - o Certificate of Filing of a Notice of Intention to Make a Proposal

true copies of which are attached to this affidavit;

2. That at that same date, I did cause to be sent by email to all parties whose names and e-mail addresses appear on the paper writing marked "**Supplementary Mailing List by E-Mail**" a copy of the Form 01.1 and a copy of the above-mentioned documents, true copies of which are attached to this affidavit; and

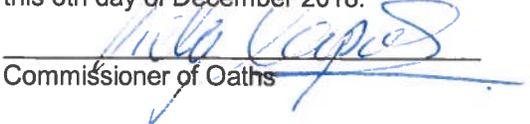
3. That at that same date, I did cause to be e-filed with the Office of the Superintendent of Bankruptcy a copy of Notice to Creditors of Intention to Make a Proposal, copy of which e-filing confirmation is attached to this affidavit.

Dated at Montréal in the Province of Québec, this 6<sup>th</sup> day of December 2018.

Richter Advisory Group Inc.  
Trustee acting *in re* the Proposal of  
2964-3277 Québec Inc.

  
Carol O'Donnell

SWORN (or SOLEMNLY DECLARED) before me  
in the City of Montréal in the Province of Québec,  
this 6th day of December 2018.

  
Commissioner of Oaths



**- Creditor Mailing List -**

In the Matter of the Notice of Intention to Make a Proposal of  
2964-3277 Québec Inc.  
Of the City of Montréal  
In the Province of Québec

| Creditor Type | Name   | Attention | Address  |
|---------------|--|-----------|--|
| Director      | Fadi Melki                                   |           | 480 Lafleur<br>Montréal QC H8R 3H9   |
| Secured       | CANADIAN IMPERIAL BANK OF<br>COMMERCE        |           | 1155 RENE LEVESQUE<br>MONTREAL QC H3B 3Z4  |
| Unsecured     | 9220-5749 QUEBEC INC.                        |           | 480 RUE LAFLEUR<br>LASALLE QC H8R 3H9  |
|               | 9220-5749 QUEBEC INC.                        |           | 480 RUE LAFLEUR<br>LASALLE QC H8R 3H9  |
|               | 9242-7624 QUEBEC INC.                        |           | 480, AV. LAFLEUR<br>LASALLE QC H8R 3H9   |
|               | ADT SECURITY SERVICES CANADA                 |           | 615-18TH STREET S.E<br>CALGARY AB T2E 6J5  |
|               | ADVANTAGE SALES & MARKETING *                |           | DBA BLUE OCEAN<br>PASADENA CA 91110-1691 USA   |
|               | AGENCE F. KASPARI INC.                       |           | 1305 RUE MAZURETTE<br>MONTREAL QC H4N 1G8  |
|               | AJIT TRANSPORT INC. DBA ATI                  |           | 2555 AV DOLLARD#114<br>LASALLE QC H8N 3A9  |
|               | AMEX BANK OF CANADA                          |           | P.O BOX 2000 WEST HILL<br>SCARBOROUGH ON M1E 5H4                                       |
|               | ANHUI Z&A IMPORT AND EXPORT<br>CO.,LTD *     |           | Z&A BLDG,251 JIXI ROAD<br>HEFEI ANHUI CHINA<br>wangsx@ahxcgs.com                       |
|               | ARCHE ADVISORS *                             |           | 1659 W. CHATEAU CIRCLE<br>ST. GEORGE UT 84770 USA                                      |
|               | ARNAULT THIBAUT CLÉROUX                      |           | 250 PLACE D'YOUVILLE, 2E ETAGE<br>MONTREAL QC H2Y 2B6                                  |
|               | ATLIER ROULEAU                               |           | 7717 RUE GEORGE<br>LASALLE QC H8P 1C5  |
|               | BALTA BELGIUM *                              |           | WAKKENSTEENWEG 2<br>SAINT-BAAFS VIJVE, B-8710<br>BELGIUM<br>hans.fossez@baltagroup.com |
|               | BALTA BELGIUM **                             |           | WAKKENSTEENWEG 2<br>SAINT-BAAFS VIJVE, B-8710<br>BELGIUM<br>hans.fossez@baltagroup.com |
|               | BANG INTERNET INC.                           |           | 1440 DE JAFFA<br>LAVAL QC H7P 4K9  |
|               | BDO CANADA S. R. L. /S.E.N.C.R.L./LLP        |           | 805 - 1100, BOUL CREMAZIE E<br>MONTREAL QC H2P 2X2                                     |
|               | BEE LINETRUCKING, INC *                      |           | PO BOX 172<br>ELLENBURG DEPOT NY 12935 USA   |
|               | BELL CANADA- CPTÉ # 300011823                |           | CP 11490, STATION CRNTRE VILLE<br>MONTREAL QC H3C 5R7                                  |
|               | BROCHEUSES MONTREAL (1992) INC.              |           | 9839 METROPOLITAIN EST<br>ANJOU QC H1J 0A4<br>pcastonguay@brocheusesmontreal.ca        |
|               | BUREAU VERITAS CONSUMER PROD.<br>SERV. INC.* |           | 14630 COLLECTIONS CENTRE DRIVE<br>CHICAGO IL 60693 USA                                 |

## - Creditor Mailing List -

In the Matter of the Notice of Intention to Make a Proposal of  
2964-3277 Québec Inc.  
Of the City of Montréal  
In the Province of Québec

| Creditor Type | Name  | Attention | Address  |
|---------------|---|-----------|--|
| Unsecured     | BUREAU VERITAS CONSUMER PROD.<br>SERV. INDIA*                           |           | 14631 COLLECTIONS CENTRE DRIVE<br>CHICAGO IL 60694   |
|               | BUREAU VERITAS HONG KONG<br>LIMITED *                                   |           | 1/F., PACIFIC TRADE CENTRE<br>2 KAI HING ROAD KOWLOON BAY<br>KOWLOON HK CHINA  |
|               | C.M.I.P.Q.  |           | 1665, RUE STE-CATHERINE O. 3EME<br>ETAGE<br>MONTREAL QC H3H 1L9  |
|               | CANADA BORDER SERVICES AGENCY   |           | 400 D'YOUVILLE PLACE<br>5TH FLOOR<br>MONTREAL QC H2Y 2C2   |
|               | CANADA BORDER SERVICES AGENCY<br>(CBSA)                                 |           | PLACE VANIER, TOWER A GROUND<br>FLOOR, R.1018<br>333 NORTH RIVER ROAD,<br>OTTAWA ON K1A 0L8  |
|               | CANADIAN DEALER LEASE SERVICES<br>INC.                                  |           | 2601-250 YONGE ST, BOX 50<br>TORONTO ON M5B 2L7  |
|               | CANSEW INC.   |           | 111 RUE CHABANEL O.<br>MONTREAL QC H2N 1C9<br>dscognamiglio@cansew.ca  |
|               | CAPITAL ONE, SERVICES DES CARTES  |           | P.O.BOX 4566 STN A<br>TORONTO ON M5W 0H9   |
|               | CASCADES EMBALLAGE<br>CARTON-CASSE DRUMMONDVILLE                        |           | 600 rue Janelle<br>Drummondville QC J2C 5Z3<br>Fax: (819) 758-0853<br>clients@cascades.com   |
|               | CERIDIAN CANADA LTD.  |           | 125 GARRY ST<br>WINNIPEG MB R3C 3P2  |
|               | CHEP CANADA INC.  |           | C/O TH1203 POSTAL STN A<br>P.O. BOX 4290<br>MISSISSAUGA ON M5W 0E1   |
|               | CHOMEDEY NISSAN INC.  |           | 4299 AUTOROUTE 440 OUEST<br>LAVAL QC H7P 4W6   |
|               | CIBC WORLD MASTERCARD   |           | P.O.BOX 4595 STN A<br>TORONTO ON M5W 4X9   |
|               | CITE INDUSTRIELLE LASALLE INC.  |           | 2555 DOLLARD AVE<br>LASALLE QC H8N 3A9   |
|               | COMMERCE HUB *  |           | P.O.BOX 15291, STATION A<br>TORONTO ON M5W 1C1   |
|               | CONSUMER TESTING<br>LABORATORIES, INC. *                                |           | 0<br>ATLANTA GA 31192-2766 USA   |
|               | CORP. DE SERVICES FIN. MERCEDES<br>BENZ CANADA<br>CORPORATION CREDILINX |           | 500-2680 MATHESON BLVD E.<br>MISSISSAUGA ON L4W 0A5<br>DECARIE MOTORS INC.<br>8225 BOUL. DECARIE<br>MONTREAL QC H4P 0B9<br>Fax: (514) 336-0548 |
|               | COURRIER PLUS INC   |           | 1950 RUE MOREAU<br>MONTREAL QC H1W 2L9   |
|               | COVTEX-FEIZY HALI<br>SAN.VE.TIC.LTD.STI.*                               |           | GAZIANTEP SERBEST BOL. 251 ADA<br>D 1 PARSEL BASPINAR MEVKII<br>BASPINAR TR 27500 TURKEY   |

**- Creditor Mailing List -**

In the Matter of the Notice of Intention to Make a Proposal of  
2964-3277 Québec Inc.  
Of the City of Montréal  
In the Province of Québec

| Creditor Type | Name   | Attention     | Address   |
|---------------|--|---------------|---|
| Unsecured     | CRITES & RIDDELL BASICS                      |               | 2695 AVENUE DOLLARD<br>LASALLE QC H8N 2J8<br>crites@crites-riddell.com                        |
|               | CTC TRADUCTION                               |               | 601 - 400, AV ATLANTIC<br>OUTREMONT QC H2V 1A5  |
|               | CUSTOMS US AND BORDER<br>PROTECTION *        |               | REVENUE DIVISION<br>100 - 6650 TELECOM DRIVE<br>IN 46278 USA                                  |
|               | DE LAGE LANDEN FINANCIAL<br>SERV.CANADA INC. |               | 3450 SUPERIOR COURT, UNIT 1<br>OAKVILLE ON L6L 0C4  |
|               | DECARIE MOTORS INC.                          | NICOLAS PATRU | 8255 BOUGAINVILLE ST.<br>MONTREAL QC H4P 2T3  |
|               | DOCUMENTSS XMA INC.                          |               | 450 - 5524 RUE SAINT-PATRICK<br>MONTREAL QC H4E 1A8   |
|               | DONG GUAN YUAN TAI DECORATION<br>CO. LTD.*   |               | CHINA, GUANGDONG, DONGGUAN,<br>YUANMEI RD<br>GUANGDONG PROVINCE HK CHINA<br>ceo@hok.world     |
|               | DOVERCO                                      |               | 2111 32ND AVENUE<br>LACHINE QC H8T 3J1<br>psin@doverco.com                                    |
|               | E.W. WILLIAMS PUBLICATIONS CO.*              |               | 2125 CENTER AVE<br>FORT LEE NJ 07024-5098 USA   |
|               | ECOLE DE SECOURISME DU QUEBEC<br>INC.        |               | 142, RUE BOURASSA, BUREAU SS<br>SAINT JEAN SUR RICHELIEU QC J2W<br>1G6                        |
|               | EDISOFT INC.                                 |               | 710 - 1210 SHEPPARD AVE EAST<br>TORONTO ON M2K 1E3  |
|               | EMPLOYEES                                    |               |   |
|               | ENERGIR                                      |               | C.P. 6115, SUCC. CENTRE VILLE<br>MONTREAL QC H3C 4N7  |
|               | ENSEIGNES AL                                 |               | 1261 CHEMIN DE LA GARE<br>MASCOCHE QC J7K 3L7   |
|               | EPILOBE INC.                                 |               | 2060, RUE SCOTT,<br>ARRONDISSEMENT ST-LAURENT<br>MONTREAL QC H4M 1S8                          |
|               | FEDERAL EXPRESS                              |               | P.O. BOX 4626, TORONTO STN A<br>TORONTO ON M5W 5B4  |
|               | FEDEX TRADE NETWORKS                         |               | TRANSPORT & BROKERAGE<br>CANADA, INC<br>BOX 916200, P.O. 4090 STATION A<br>TORONTO ON M5W 0E9 |
|               | FEDEX TRADE NETWORKS *                       |               | 128 DEARBORN ST<br>BUFFALO NY 14207 USA   |
|               | FIBRE NOIR INTERNET INC.                     |               | 320 - 550 AVE BEAUMONT<br>MONTREAL QC H3N 1V1   |
|               | FLEX-O-MARK INC.                             |               | 2633 DREW ROAD<br>MISSISSAUGA ON L4T 1G1<br>jerry.flexo@sympatico.ca                          |
|               | G N JOHNSTON EQUIP CO LTD                    |               | 5990 AVEBURY RD<br>MISSISSAUGA ON L5R 3R2   |

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**- Creditor Mailing List -**

In the Matter of the Notice of Intention to Make a Proposal of  
2964-3277 Québec Inc.  
Of the City of Montréal  
In the Province of Québec

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| Creditor Type | Name  | Attention | Address   |
|---------------|---|-----------|---|
| Unsecured     | GALILEO PARTNERS                                  |           | IMM.LAWYERS, TOWER A HERMES<br>BUILDING<br>350-1470 RUE PEEL<br>MONTREAL QC H3A 1T1               |
|               | GBC CANADA INC.                                   |           | 3489 RUE ASHBY<br>SAINT LAURENT QC H4R 2K3<br>callcentre@acco.com                                 |
|               | GENATECH  |           | 240 - 5929 ROUTE<br>TRANSCANADIENNE<br>SAINT LAURENT QC H4T 1Z6                                   |
|               | GENERAL BEARING SERVICE INC.                      |           | 490 KENT STREET<br>OTTAWA ON K2P 2B7  |
|               | GENFIR INC.                                       |           | 7663 CORDNER<br>LASALLE QC H8N 2X2  |
|               | GLOBALTEX BVBA *                                  |           | STIJN STREUVELSSTRAAT 99<br>WAREGEM, 8790 BELGIUM<br>philippe@globaltex.be                        |
|               | GROUPE ST-HENRI INC.                              |           | 8000 ST-PATRICK RUE<br>LASALLE QC H8N 1V1   |
|               | GXS   |           | PO BOX 8912 STATION A<br>TORONTO ON M5W 2C5   |
|               | HANAN TRANSPORT                                   |           | 2566 DOLLARD AV<br>LASALLE QC H8N 1T1   |
|               | HAR-G TRANSPORT                                   |           | 7921 ELMSLIE RUE<br>LASALLE QC H8N 2W6  |
|               | HEWLETT-PACKARD ENTREPRISE<br>CANADA CO.<br>HFN * |           | C/O T10424 PO BOX 4687 STN A<br>TORONTO ON M5W 6B5<br>333 SEVENTH AVENUE<br>NEW YORK NY 10001 USA |
|               | HK ET GROUP LIMITED *                             |           | RM.1902, EASEY COMM. BLDG.,<br>253-261 HENNESSY ROAD,<br>WANCHAI HONG KONG                        |
|               | HOK ASIA LTD.                                     |           | 12 CHEUNG UE STREET<br>UNIT 1606, 16/f, CORNWELL PLAZA<br>LAI CHI KOK, KOWLOON<br>HONGKONG CHINA  |
|               | HOME TEXTILES TODAY *                             |           | DEPT 101052 , P.O.BOX 150458<br>HARTFORD CT 06115-0458 USA  |
|               | HYDRO QUEBEC                                      |           | C.P 11022, SUCC. CENTRE-VILLE<br>MONTREAL QC H3C 4V6  |
|               | INDUSTRIE DE PALETTES STANDARD                    |           | 2400 RUE DE LIERRE<br>LAVAL QC H7G 4Y4<br>sc@palettesstandard.com                                 |
|               | INDUSTRIUM  |           | 555 LAFLEUR AV<br>LASALLE QC H8R 3J3  |
|               | INFORMATION RESOURCES, INC. *                     |           | 150 NORTH CLINTON STREET<br>CHICAGO IL 60661 USA  |
|               | INSIGHT CANADA INC.                               |           | PO BOX 15320 STATION A<br>TORONTO ON M5W 1C1  |
|               | KARTAL CARPETS *                                  |           | 4 ORGANIZE SANYI, BOLGESI<br>BASPINAR TR 27000 TURKEY   |
|               | KFB AND ASSOCIATES *                              |           | 2609 BEAVER BEND DRIVE<br>PLANO TX 75025 USA  |

**- Creditor Mailing List -**

In the Matter of the Notice of Intention to Make a Proposal of  
2964-3277 Québec Inc.  
Of the City of Montréal  
In the Province of Québec

| Creditor Type | Name  | Attention | Address   |
|---------------|---|-----------|---|
| Unsecured     | LA CAPITALE   |           | ASSURANCE<br>COLLECTIVES-GROUP102111<br>625 RUE JACQUES-PARIZEAU<br>QUÉBEC QC G1R 2G5                               |
|               | LACMARK INC.  |           | 3200 BOUL. DIONNE<br>SAINT GEORGES QC G5Y 3Y8   |
|               | LBEL INC.   |           | P.O.BOX 5060<br>5035 SOUTH SERVICE ROAD<br>BURLINGTON ON L7R 4C8  |
|               | LES DISTRIBUTRICES SYBCO                              |           | 2533 GUENETTE RUE<br>SAINT LAURENT QC H4R 2E9<br>info@sybco.com   |
|               | LES EMBALLAGES CARROUSEL INC.                         |           | 1401 RUE AMPÈRE<br>BOUCHERVILLE QC J4B 6C5  |
|               | LES ENTREPRISES CANBEC<br>CONSTRUCTION INC.           |           | 145 RUE RICHER<br>SAINT-PIERRE QC H8R 1R4   |
|               | LES SERVICES DE<br>PLACEMENTS-TELE-RESSOURCES<br>LTEE |           | 200 - 85, RUE SAINT-CATHERINE O.<br>MONTREAL QC H2X 3P4   |
|               | LIFTOW  |           | C.P. 8092, STN A<br>TORONTO ON M5W 3W5  |
|               | LJT AVOCATS   |           | 7100 - 380 RUE ST ANTOINE O<br>MONTREAL QC H2Y 3X7  |
|               | LJT AVOCATS *   |           | 7100 - 380 RUE ST ANTOINE O<br>MONTREAL QC H2Y 3X7  |
|               | LLH KNIGHSTBRIDGE                                     |           | 600 - 999, BOUL DE MAISONNEUVE<br>OUEST<br>MONTREAL QC H3A 3L4  |
|               | LOCATION D'AUTOS CN                                   |           | 2465 BOUL. CURE LABELLE<br>LAVAL QC H7T 1R3   |
|               | MAGNUS CHEMICALS LTD.                                 |           | 1271 RUE AMPÈRE<br>BOUCHERVILLE QC J4B 5Z5<br>sacmagnus@magnus.ca   |
|               | MANTORIA INC.   |           | 4492 SAINTE-CATHERINE WEST<br>WESTMOUNT QC H3Z 1R7  |
|               | MATERIAUX ET EQUIPEMENTS<br>MARINA                    |           | 40 BOUL SAINT-JOSEPH<br>LACHINE QC H8S 2L3  |
|               | MERCEDES-BENZ   |           | 8305 BOUL SAINT LAURENT<br>MONTREAL QC H2P 2M7  |
|               | MICHEL VAN DE WIELE **                                |           | MICHEL VANDEWIELSTRAAT 7<br>KORTRIJK MARKE, B-8510 BELGIUM<br>Maarten.Bonte@vandewiele.com                          |
|               | MILAT HALI SANAYI VE TICARET. A.S<br>*                |           | 5. ORGANIZE SANAYI BOLGESI,<br>NOLU CADDE NO. 21<br>TR 83539 TURKEY<br>huseyin.erdem@milathali.com                  |
|               | MINISTERE REVENU DU QUEBEC                            |           | C.P. 1070, SUCC.PLACE-DESJARDINS<br>MONTREAL QC H5B 1A2   |
|               | NANJING ELITE INDUSTRY DEV. CO.,<br>LTD *             |           | ROOM 1107, BUILDING 3<br>INTERNATIONAL TOWN 158,<br>LUSHAN ROAD<br>NANJING, JIANGSHU CHINA<br>philip@eliterapid.com |

**- Creditor Mailing List -**

In the Matter of the Notice of Intention to Make a Proposal of  
2964-3277 Québec Inc.  
Of the City of Montréal  
In the Province of Québec

| Creditor Type | Name                                     | Attention | Address   |
|---------------|--|-----------|---|
| Unsecured     | NATIONAL DISTRIBUTION CENTERS *          |           | P.O.BOX 417727<br>BOSTON MA 02241-7727 USA  |
|               | NEW MAC CARPET *                         |           | (B1-B3 & A6-FREE ZONE)<br>10TH RAMADAN, INDUSTRIAL ZONE<br>RAMADAN CITY, CAIRO 44635<br>EGYPT<br>mwanas@maccarpet.com |
|               | ORIENTAL WEAVERS *                       |           | 8 ZAKARIA KHALIL STREET<br>HELIOPOLIS CAIRO 11361 EGYPT<br>akamal@orientalweavers.com                                 |
|               | ORIENTAL WEAVERS TIANJIN<br>CO.,LTD *    |           | INDUSTRIAL AREA, DAKOUTUN<br>TOWN<br>TIANJIN 301801 CHINA<br>kamonim@ow-china.com                                     |
|               | PAZAZZ LABELS                            |           | 5584 CH DE LA CÔTE DE LIESSE<br>MONTREAL QC H4P 1A9<br>tsparkes@pazazz.com  |
|               | PORSCHE PRESTIGE                         |           | 3535 COTE DE LIESSE<br>SAINT-LAURENT QC H4N 2N5<br>Fax: (514) 404-4327  |
|               | PROVENTILAIR                             |           | 107 - 429 RUE BOURQUE<br>REPENTIGNY QC J5Z 5A2<br>proventilair@proventilair.com                                       |
|               | PUROLATOR COURIER LTD.                   |           | P.O.BOX 4800 STN MAIN<br>CONCORD ON L4K 0K1   |
|               | RAYMOND JOYAL                            |           | 110 - 1100 BOUL CREMAZIE E<br>MONTREAL QC H2P 2X2   |
|               | RCAP LEASING INC.                        |           | 300 - 5575 NORTH SERVICE RD<br>BURLINGTON ON L7L 6M1  |
|               | RCI ENVIRONNEMENT INC.                   |           | 9501, BOUL. RAY-LAWSON<br>ANJOU QC H1J 1L4  |
|               | RED GOLD INT'L TRADING CO.<br>LIMITED *  |           | FLAT/RM 1501(646)/15/F<br>SPA CENTRE 53-55 ,LOCKHART<br>ROAD<br>WANCHAI HK HONG KONG                                  |
|               | RED GOLD INT'L TRADING CO.<br>LIMITED *  |           | FLAT/RM 1501(646)/15/F<br>SPA CENTRE 53-55 ,LOCKHART<br>ROAD<br>WANCHAI HK HONG KONG<br>mark@redgoldculture.com       |
|               | RENGO DESIGN (USA) CORPORATION<br>*      |           | 53 N. MAIN STREET, SUITE 108 & 109<br>CROSSVILLE TN 38555 USA   |
|               | ROGERS                                   |           | 1, MOUNT PLEASANT<br>5TH FLOOR<br>TORONTO ON M4Y 2Y5  |
|               | RUGNEWS.COM *                            |           | P.O. BOX 18207<br>SARASOTA FL 34276 USA   |
|               | SDA TECHNOLOGIES INC.                    |           | 11796, BOUL. RIVIÈRE-DES-PRAIRIES<br>MONTREAL QC H1C 1P9  |
|               | SELECTCOM TELECOM                        |           | 300-5151, JEAN-TALON<br>SAINT LEONARD QC H1S 1K8  |
|               | SHANDONG LAIWU DONGWO CARPET<br>CO, *LTD |           | LAICHENG INDUSTRIAL ZONE<br>CHINA<br>selinafuhl2003@yahoo.com   |

**- Creditor Mailing List -**

In the Matter of the Notice of Intention to Make a Proposal of  
2964-3277 Québec Inc.  
Of the City of Montréal  
In the Province of Québec

| Creditor Type | Name  | Attention | Address  |
|---------------|---|-----------|--|
| Unsecured     | SHEN ZHEN JIA NENG TONG IND.CO.<br>LTD *          |           | SHI DAI PLAZA<br>SHANG WU GAN, ROOM #322<br>YIWU, ZHEJIANG CHINA<br>mazen@fit-cn.com                         |
|               | SOBEC ELECTRIQUE INC.                             |           | 852 RUE LAPOINTE<br>MASCOUCHE QC J7K 2K6   |
|               | SOCIETE PARC-AUTO DU QUEBEC                       |           | 201, CRÉMAZIE BOUL E, 5E ETAGE<br>MONTREAL QC H2M 1L3  |
|               | SOUDURE MOBILE MECA-FAB INC.                      |           | 1040, BOUL. LESAGE<br>LAVAL QC H7E 2Z2   |
|               | SSQ GROUP FINANCIER                               |           | C.P. 10500, SUCC. SAINTE-FOY<br>QUÉBEC QC G1V 4H6  |
|               | STAPLES BUSINESS ADVANTAGE                        |           | 1616 RUE EIFFEL<br>BOUCHERVILLE QC J4B 8N3<br>alexandre.grosse@staples.com                                   |
|               | STEELCASE FINANCIAL SERVICES<br>LTD.              |           | 2400-200 KING ST. W.<br>TORONTO ON M5H 3T4   |
|               | SYNERGIE CANADA INC.                              |           | 60 EMILIE MARCOUX<br>BLAINVILLE QC J7C 0B5   |
|               | SYNERGIE CANADA INC. *                            |           | 60 EMILIE MARCOUX<br>BLAINVILLE QC J7C 0B5   |
|               | TENAQUIP LMTEE.                                   |           | 22555 AUT TRANSCANADIENNE<br>SAINTE-ANNE-DE-BELLEVUE QC<br>H9X 3L7<br>info@tenaquip.com                      |
|               | TIANJIN RUNYA SCIENCE<br>TECHNOLOGY DEV.CO. LTD.* |           | WUQING DEVELOPMENT AREA<br>C01-6 EAST SIDE, BUSINESS<br>HEADQUARTERS<br>TIANJIN CHINA<br>fd02@xsdcarpets.com |
|               | TIANJIN TIANRUI CARPET CO. LTD.*                  |           | WU QING DISTRICT<br>YANG BAO ROAD (NORTH), CUI<br>HUANG KOU TOWN<br>TIAN JIN CHINA                           |
|               | TITAN BARATTO CORNELY **                          |           | AVENUE SLEECKX 41C-B-1030<br>BRUSSELS BELGIUM  |
|               | TOROMONT CAT (QUEBEC)                             |           | CASE POSTALE 1200<br>POINTE-CLAIRE QC H9R 4R6  |
|               | TRANSPORTATION BROKERAGE                          |           | C/O LOCKBOX 916880<br>PO BOX 4090, STN A<br>TORONTO ON M5W 0E9   |
|               | TREERING WORKFORCE SOLUTIONS *                    |           | 4780 ASHFORD DUNWOODY RD,<br>SUITE A-145<br>ATLANTA GA 30338 USA   |
|               | TRIUM STEELCASE FINANCIAL                         |           | 3200 RUE ST- PATRICK<br>MONTREAL QC H3K 3H5  |
|               | TRUE COMMERCE, INC.                               |           | NW 6199 PO BOX 1450<br>MINNEAPOLIS MN 55485-6199 USA   |
|               | TRUE COMMERCE, INC. *                             |           | NW 6199, PO BOX 1450<br>MINNEAPOLIS MN 55485-6199 USA  |
|               | TYCO INTEGRATED SECURITY<br>CANADA, INC.          |           | 40 SHEPPARD AVENUE WEST<br>NORTH YORK ON M2N 6K9   |

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2964-3277 Québec Inc.  
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In the Province of Québec

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|---------------|---|-----------|---|
| Unsecured     | UL RESPONSIBLE SOURCING INC.*                     |           | 333 PFINGSTEN ROAD<br>NORTHBROOK IL 60062-2096 USA  |
|               | UPS   |           | PO BOX 4900 STATION A<br>TORONTO ON M5W 0A7   |
|               | UPS SCS, INC *                                    |           | PO BOX 4901, STATION A<br>TORONTO ON M5W 0A8<br>jeannetteleblanc@ups.com                                  |
|               | VELOCITY TRADE CANADA LTD.                        |           | 210 - 99 YORKVILLE AVE<br>TORONTO ON M5R 3K5  |
|               | VENTURE SOLUTIONS CONSULTORIA<br>ITDA             |           | CEP.: 05423-020 SAO PAULO SP<br>HENRIQUE MONTEIRO STREET 234<br>CJ 33<br>PINHEIROS BRAZIL                 |
|               | VERBATEX NV**                                     |           | MELLESTRAAT 196 - B8501 HEULE<br>BELGIUM  |
|               | VILLE DE MONTREAL                                 |           | 275 NOTRE-DAME EST<br>MONTREAL QC H2Y 1C6   |
|               | VISA - CIBC                                       |           | P.O.BOX 4451 STATION A<br>TORONTO ON M5W 4A7  |
|               | VITESSE TRANSPORT CORP                            |           | 1111,46E AVENUE<br>LACHINE QC H8T 3C5   |
|               | WA NEW SOLUTION                                   |           | 7875 DE LA CÔTE-DE-LIESSE CH<br>SAINT LAURENT QC H4T 1G4<br>ppastore@wanewsolution.com                    |
|               | XEROX CANADA LTEE.                                |           | 900 - 3400 DE MAISONNEUVE OUEST<br>MONTREAL QC H3Z 3G1  |
|               | Z&Z INDUSTRY LIMITED *                            |           | NO.1305 MING HUI GUO JI JINYU<br>ROAD<br>NINGBO 315199 CHINA<br>sales@znzindustry.com                     |
|               | ZHEJIANG HEDING SANITARY WARE<br>TECHN.CO., LTD * |           | ECONOMIC AND TECHNOLOGY<br>DEVELOPMENT ZONE<br>LTDNO.2 YANDANG WEST ROAD<br>WENZHO, ZHEJIANG 325000 CHINA |
|               | ZHEJIANG PINGHU FOREIGN TRADE<br>CO. LTD *        |           | 208-238 EAST DANGHU RD<br>PINGHU, ZHEJIANG 314200 CHINA   |
|               | ZHEJIANG WATON HOME FURN.<br>CORP. LTD *          |           | NO.50, AOLICUN, SHUANGTA TOWN<br>JIANGSHAN CITY, ZHEJIANG CHINA<br>georgejiang@watonhome.com              |
|               | ZZ EXCHANGE EURO 1,5018 **                        |           |   |
|               | ZZ EXCHANGE US 1,3289 *                           |           |   |

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**2964-3277 Québec Inc.  
Supplementary Mailing List**

AGENCE DU REVENU DU CANADA  
CENTRE D'ARRIVAGE REGIONAL EN  
INSOLVABILITE  
25, RUE DES FORGES, BUREAU 111  
TROIS-RIVIERES QC G9A 2G4

CNESST  
COMPLEXE DESJARDINS, 5 BASILAIRE 1  
CENTRE, LOCAL A-12 CASE POSTALE 3,  
SUCC. DESJARDINS  
MONTRÉAL QC H5B 1H1

DUN & BRADSTREET DU CANADA LTÉE  
930-393 RUE ST JACQUES  
MONTRÉAL QC H2Y 1N9

EDC-EXPORT DEVELOPMENT CANADA  
151 O'CONNOR  
OTTAWA ON K1A 1K3

EULER HERMES  
1155 RENÉ-LÉVESQUE O.  
BUREAU 2810  
MONTRÉAL QC H3B 2L2

ÉNERGIR  
1717, RUE DU HAVRE  
MONTRÉAL QC H2K 2X3

HYDRO-QUÉBEC  
BUREAU DU RECOUVREMENT  
140, CRÉMAZIE O., 1<sup>ER</sup> ÉTAGE  
MONTRÉAL QC H2P 1C3

HYDRO-QUÉBEC  
C.P. 11022, SUCC. CENTRE-VILLE  
MONTRÉAL QC H3C 4V6

REVENU QUÉBEC  
DIRECTION PRINCIPALE DU  
RECOUVREMENT DE LA CAPITALE-  
NATIONALE  
1265 BOUL CHAREST OUEST -  
SECTEUR C65-6I  
QUÉBEC QC G1N 4V5

REVENU QUÉBEC  
DIRECTION PRINCIPALE DU  
RECOUVREMENT DE MONTRÉAL  
1600 RENÉ-LÉVESQUE O - 3<sup>e</sup> ÉTAGE  
SECTEUR R23-CPF  
MONTRÉAL QC H3H 2V2

# RICHTER

CANADA  
Province de Québec  
District de : QC  
No division : 01-Montréal  
No cour : 500-11-055629-188  
No dossier : 41-2449058

COUR SUPÉRIEURE  
(Chambre commerciale)  
*Loi sur la faillite et l'insolvabilité*

## **Avis aux créanciers de l'intention de faire une proposition (Paragraphe 50.4(6))**

### **Dans l'affaire de l'avis d'intention de faire une proposition de 2964-3277 Québec Inc. (faisant affaire sous Carpette Art-Déco) de la ville de Montréal en la province de Québec**

Avis est par la présente donné que, le 29 novembre 2018, la débitrice susmentionnée a déposé un Avis de l'intention de faire une proposition en vertu de la *Loi sur la faillite et l'insolvabilité*, dont copie est ci-jointe.

Avis est de plus donné qu'en conformité avec l'article 69 de la *Loi sur la faillite et l'insolvabilité*, toute procédure engagée contre la débitrice est suspendue. En conséquence, aucun créancier n'a de recours contre la débitrice ou contre ses biens, ni ne peut tenter ou continuer une action, exécution ou autre procédure pour le recouvrement de sa réclamation.

Une liste des créanciers ayant des réclamations de 250 \$ ou plus et le montant de ces réclamations, reflétées aux livres ou connues de la débitrice, est annexée aux présentes. Cette liste ne constitue pas l'acceptation d'une réclamation ou de réclamations.

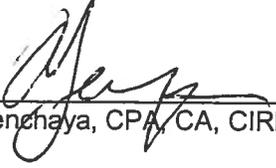
Lors du dépôt de la proposition envisagée, un **autre** avis sera envoyé aux créanciers comprenant :

- a) une copie de la proposition;
- b) les date, lieu et heure de la tenue de l'assemblée des créanciers visant à considérer la proposition;
- c) un état succinct des avoirs et obligations de la débitrice;
- d) les documents prescrits suivants à être complétés :
  - preuve de réclamation;
  - procuration;
  - formulaire de votation sur la proposition.

Si la débitrice n'est pas en mesure de déposer une proposition dans les délais prescrits, la faillite sera déclarée automatiquement, et le syndic convoquera immédiatement une assemblée des créanciers.

Fait à Montréal, province de Québec, le 5 décembre 2018.

Richter Groupe Conseil Inc.  
Syndic autorisé en insolvabilité  
Syndic agissant *in re* la proposition de  
2964-3277 Québec Inc.

  
Olivier Benchaya, CPA, CA, CIRP, LIT

T. 514.934.3400 / 1.888.805.1793

F. 514.934.8603

[reclamations@richter.ca](mailto:reclamations@richter.ca)

Richter Groupe Conseil Inc.

Richter Advisory Group Inc.

1981 McGill College

Montréal (QC) H3A 0G6

Montréal, Toronto

(English – Over)

# RICHTER

CANADA

Province of Québec

District of: QC

Division No.: 01-Montréal

Court No.: 500-11-055629-188

Estate No.: 41-2449058

SUPERIOR COURT

(Commercial Division)

*Bankruptcy and Insolvency Act*

**Notice to Creditors of Intention to Make a Proposal  
(Subsection 50.4(6))**

**In the Matter of the Notice of Intention to Make a Proposal of  
2964-3277 Québec Inc. (operating as Carpet Art-Deco)  
Of the City of Montréal  
In the Province of Québec**

Notice is hereby given that, on November 29, 2018, the above-mentioned Debtor filed a Notice of Intention to Make a Proposal under the *Bankruptcy and Insolvency Act*, as per a copy attached hereto.

Notice is further given that in accordance with Section 69 of the *Bankruptcy and Insolvency Act*, all proceedings against the Debtor are hereby stayed. Accordingly, no creditor has any remedy against the Debtor or its assets, nor shall it commence or continue any action, execution, or other proceedings for the recovery of a claim.

A list of the creditors with claims amounting to \$250 or more and the amounts of their claims as known or shown by the Debtor's books is annexed hereto. The enclosure thereof does not constitute the acceptance of any claim or claims.

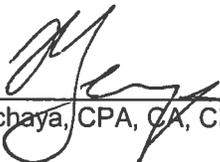
Upon the filing of the contemplated Proposal, a **further** notice shall be mailed to you providing you with the following:

- a) A copy of the Proposal;
- b) The date, time and place of a Meeting of Creditors to be held to consider the Proposal;
- c) A condensed statement of the assets and liabilities of the Debtor;
- d) The following prescribed forms, to be completed:
  - Proof of Claim;
  - Proxy;
  - Voting Letter on the Proposal.

Should the Debtor fail to file a Proposal within the prescribed delays, an automatic bankruptcy will ensue and the Trustee will forthwith convene a meeting of creditors.

Dated at Montréal, Province of Québec, December 5, 2018.

Richter Advisory Group Inc.  
Licensed Insolvency Trustee  
Trustee acting *in re* the proposal of  
2964-3277 Québec Inc.

  
Olivier Benchaya, CPA, CA, CIRP, LIT

T. 514.934.3400 / 1.888.805.1793

F. 514.934.8603

[claims@richter.ca](mailto:claims@richter.ca)

Richter Groupe Conseil Inc.

Richter Advisory Group Inc.

1981 McGill College

Montréal, QC H3A 0G6

Montréal, Toronto

(français - recto)

District of:  
Division No. -  
Court No.  
Estate No.

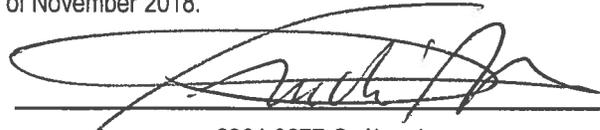
- FORM 33 -  
Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of  
2964-3277 Québec Inc.  
Of the City of Montréal  
In the Province of Québec

Take notice that:

1. I, 2964-3277 Québec Inc., an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. Richter Advisory Group Inc/Richter Groupe Conseil inc of 1981 avenue McGill College, 11e étage, Montréal, QC, H3A 0G6, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the City of Montréal in the Province of Quebec, this 28th day of November 2018.

  
\_\_\_\_\_  
2964-3277 Québec Inc.  
Insolvent Person

To be completed by Official Receiver:

\_\_\_\_\_  
Filing Date

\_\_\_\_\_  
Official Receiver

District de: Québec  
 No division: 01 - Montréal  
 No cour: 500-11-055629-188  
 No dossier: 41-2449058

- FORMULAIRE 33 -  
 Avis de l'intention de faire une proposition  
 (paragraphe 50.4(1) de la Loi)

Dans l'affaire de l'avis d'intention de faire une proposition de  
 2964-3277 Québec Inc.  
 de la ville de Montréal  
 en la province de Québec

Avis est donné de ce qui suit :

1. Je, 2964-3277 Québec Inc., personne insolvable signifie mon intention de faire une proposition à mes créanciers conformément au paragraphe 50.4(1) de la Loi.
2. Richter Advisory Group Inc/Richter Groupe Conseil inc de 1981 avenue McGill College, 11e étage, Montréal, QC, H3A 0G6, syndic autorisé, a accepté d'exercer les fonctions de syndic dans le cadre de la proposition. Une copie de son acceptation est annexée au présent avis.
3. Une liste portant les noms des créanciers connus ayant des réclamations d'une valeur de 250 \$ ou plus ainsi que le montant de ces réclamations, est également annexée.
4. Conformément à l'article 69 de la Loi, les procédures engagées contre moi sont suspendues à compter de la date du dépôt du présent avis auprès du séquestre officiel de ma localité.

Daté le 28 novembre 2018, à Montréal en la province de Québec.

signé

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2964-3277 Québec Inc.  
 Personne Insolvable

À remplir par le séquestre officiel:

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Date du dépôt

---

Séquestre officiel

District of:  
 Division No. -  
 Court No.  
 Estate No.

- FORM 33 -  
 Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of  
 2964-3277 Québec Inc.  
 Of the City of Montréal  
 In the Province of Québec

| List of Creditors with claims of \$250 or more. |   |          |              |
|---|---|----------|--------------|
| Creditor  | Address   | Account# | Claim Amount |
| 9220-5749 QUEBEC INC.                           | 480 RUE LAFLEUR<br>LASALLE QC H8R 3H9                 |          | 148,664.51   |
| 9220-5749 QUEBEC INC.                           | 480 RUE LAFLEUR<br>LASALLE QC H8R 3H9                 |          | 4,200,000.00 |
| 9242-7624 QUEBEC INC.                           | 480, AV. LAFLEUR<br>LASALLE QC H8R 3H9                |          | 119,573.81   |
| ADT SECURITY SERVICES<br>CANADA                 | 615-18TH STREET S.E<br>CALGARY AB T2E 6J5             |          | 796.05       |
| ADVANTAGE SALES &<br>MARKETING *                | DBA BLUE OCEAN<br>PASADENA CA 91110-1691 USA          |          | 11,282.00    |
| AGENCE F. KASPARI INC.                          | 1305 RUE MAZURETTE<br>MONTREAL QC H4N 1G8             |          | 63,832.50    |
| AJIT TRANSPORT INC. DBA<br>ATI                  | 2555 AV DOLLARD#114<br>LASALLE QC H8N 3A9             |          | 41,198.77    |
| AMEX BANK OF CANADA                             | P.O BOX 2000 WEST HILL<br>SCARBOROUGH ON M1E 5H4      |          | 13,358.41    |
| ANHUI Z&A IMPORT AND<br>EXPORT CO.,LTD *        | Z&A BLDG,251 JIXI ROAD<br>HEFEI ANHUI CHINA           |          | 10,612.34    |
| ARCHE ADVISORS *                                | 1659 W. CHATEAU CIRCLE<br>ST. GEORGE UT 84770 USA     |          | 1,650.00     |
| ARNAULT THIBAUT<br>CLÉROUX                      | 250 PLACE D'YOUVILLE, 2E ETAGE<br>MONTREAL QC H2Y 2B6 |          | 4,411.60     |
| BANG INTERNET INC.                              | 1440 DE JAFFA<br>LAVAL QC H7P 4K9                     |          | 838.86       |
| BDO CANADA S. R. L.<br>/S.E.N.C.R.L./LLP        | 805 - 1100, BOUL CREMAZIE E<br>MONTREAL QC H2P 2X2    |          | 74,929.21    |
| BEE LINETRUCKING, INC *                         | PO BOX 172<br>ELLENBURG DEPOT NY 12935 USA            |          | 16,330.00    |
| BROCHEUSES MONTREAL<br>(1992) INC.              | 9839 METROPOLITAIN EST<br>ANJOU QC H1J 0A4            |          | 385.75       |

District of:  
 Division No. -  
 Court No.  
 Estate No.

- FORM 33 -  
 Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of  
 2964-3277 Québec Inc.  
 Of the City of Montréal  
 In the Province of Québec

| List of Creditors with claims of \$250 or more.     |  |          |               |
|---|--|----------|---------------|
| Creditor  | Address  | Account# | Claim Amount  |
| BUREAU VERITAS<br>CONSUMER PROD. SERV.<br>INC.*     | 14630 COLLECTIONS CENTRE DRIVE<br>CHICAGO IL 60693 USA                                   |          | 4,965.00      |
| BUREAU VERITAS<br>CONSUMER PROD. SERV.<br>INDIA*    | 14631 COLLECTIONS CENTRE DRIVE<br>CHICAGO IL 60694                                       |          | 698.05        |
| BUREAU VERITAS HONG<br>KONG LIMITED *               | 1/F., PACIFIC TRADE CENTRE<br>2 KAI HING ROAD KOWLOON BAY<br>KOWLOON HK CHINA            |          | 2,697.00      |
| CANADA BORDER<br>SERVICES AGENCY                    | 400 D'YOUVILLE PLACE<br>5TH FLOOR<br>MONTREAL QC H2Y 2C2                                 |          | 298,508.07    |
| CANADA BORDER<br>SERVICES AGENCY (CBSA)             | PLACE VANIER, TOWER A GROUND FLOOR, R.1018<br>333 NORTH RIVER ROAD,<br>OTTAWA ON K1A 0L8 |          | 35,104.21     |
| CANADIAN IMPERIAL BANK<br>OF COMMERCE               | 1155 RENE LEVESQUE<br>MONTREAL QC H3B 3Z4  |          | 28,200,000.00 |
| CANSEW INC.   | 111 RUE CHABANEL O.<br>MONTREAL QC H2N 1C9   |          | 1,322.71      |
| CAPITAL ONE, SERVICES<br>DES CARTES                 | P.O.BOX 4566 STN A<br>TORONTO ON M5W 0H9   |          | 4,025.57      |
| CASCADES EMBALLAGE<br>CARTON-CASSE<br>DRUMMONDVILLE | M9075 C/U, SUC. CENTRE VILLE<br>PO BOX 11790, DEPT 23<br>MONTREAL QC H3C 0C4             |          | 58,507.47     |
| CERIDIAN CANADA LTD.                                | 125 GARRY ST<br>WINNIPEG MB R3C 3P2  |          | 2,716.85      |
| CHEP CANADA INC.                                    | C/O TH1203 POSTAL STN A<br>P.O. BOX 4290<br>MISSISSAUGA ON M5W 0E1                       |          | 5,841.72      |
| CHOMEDEY NISSAN INC.                                | 4299 AUTOROUTE 440 OUEST<br>LAVAL QC H7P 4W6   |          | 2,713.41      |

District of:  
 Division No. -  
 Court No.  
 Estate No.

- FORM 33 -  
 Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of  
 2964-3277 Québec Inc.  
 Of the City of Montréal  
 In the Province of Québec

| List of Creditors with claims of \$250 or more. |   |          |              |
|---|---|----------|--------------|
| Creditor  | Address   | Account# | Claim Amount |
| CIBC WORLD MASTERCARD                           | P.O.BOX 4595 STN A<br>TORONTO ON M5W 4X9  |          | 1,324.24     |
| CITE INDUSTRIELLE LASALLE INC.                  | 2555 DOLLARD AVE<br>LASALLE QC H8N 3A9  |          | 63,418.78    |
| COMMERCE HUB *                                  | P.O.BOX 15291, STATION A<br>TORONTO ON M5W 1C1  |          | 2,011.60     |
| CONSUMER TESTING LABORATORIES, INC. *           | 0<br>ATLANTA GA 31192-2766 USA  |          | 941.93       |
| CORPORATION CREDILINX                           |   |          | 1,923.49     |
| COVTEX-FEIZY HALI SAN.VE.TIC.LTD.STI.*          | GAZIANTEP SERBEST BOL. 251 ADA<br>D 1 PARSEL BASPINAR MEVKII<br>BASPINAR TR 27500 TURQUIE |          | 1,040.00     |
| CRITES & RIDDELL BASICS                         | 2695 AVENUE DOLLARD<br>LASALLE QC H8N 2J8   |          | 985.20       |
| CUSTOMS US AND BORDER PROTECTION *              | REVENUE DIVISION<br>100 - 6650 TELECOM DRIVE<br>IN 46278 USA                              |          | 66,796.00    |
| DE LAGE LANDEN FINANCIAL SERV.CANADA INC.       | 3450 SUPERIOR COURT, UNIT 1<br>OAKVILLE ON L6L 0C4  |          | 1,276.62     |
| DOCUMENTSS XMA INC.                             | 450 - 5524 RUE SAINT-PATRICK<br>MONTREAL QC H4E 1A8                                       |          | 1,190.39     |
| DOVERCO   | 2111 32ND AVENUE<br>LACHINE QC H8T 3J1  |          | 384.02       |
| E.W. WILLIAMS PUBLICATIONS CO.*                 | 2125 CENTER AVE<br>FORT LEE NJ 07024-5098 USA   |          | 2,150.00     |
| EDISOFT INC.                                    | 710 - 1210 SHEPPARD AVE EAST<br>TORONTO ON M2K 1E3  |          | 6,549.86     |
| EMPLOYEES                                       |   |          | 500,000.00   |



District of:  
 Division No. -  
 Court No.  
 Estate No.

- FORM 33 -  
 Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of  
 2964-3277 Québec Inc.  
 Of the City of Montréal  
 In the Province of Québec

| List of Creditors with claims of \$250 or more. |  |          |              |
|---|--|----------|--------------|
| Creditor  | Address  | Account# | Claim Amount |
| ENERGIR   | C.P. 6115, SUCC. CENTRE VILLE<br>MONTREAL QC H3C 4N7                                       |          | 663.39       |
| ENSEIGNES AL                                    | 1261 CHEMIN DE LA GARE<br>MASCOCHE QC J7K 3L7  |          | 2,335.54     |
| EPILOBE INC.                                    | 2060, RUE SCOTT, ARRONDISSEMENT<br>ST-LAURENT<br>MONTREAL QC H4M 1S8                       |          | 931.30       |
| FEDERAL EXPRESS                                 | P.O. BOX 4626, TORONTO STN A<br>TORONTO ON M5W 5B4   |          | 1,662.16     |
| FEDEX TRADE NETWORKS                            | TRANSPORT & BROKERAGE CANADA, INC<br>BOX 916200, P.O. 4090 STATION A<br>TORONTO ON M5W 0E9 |          | 4,129.53     |
| FEDEX TRADE NETWORKS<br>*                       | 128 DEARBORN ST<br>BUFFALO NY 14207 USA  |          | 10,528.62    |
| FIBRE NOIR INTERNET INC.                        | 320 - 550 AVE BEAUMONT<br>MONTREAL QC H3N 1V1  |          | 6,846.76     |
| FLEX-O-MARK INC.                                | 2633 DREW ROAD<br>MISSISSAUGA ON L4T 1G1   |          | 944.32       |
| G N JOHNSTON EQUIP CO<br>LTD                    | 5990 AVEBURY RD MISSISSAUGA<br>MISSISSAUGA ON L5R 3R2                                      |          | 1,657.70     |
| GALILEO PARTNERS                                | IMM.LAWYERS, TOWER A HERMES BUILDING<br>350-1470 RUE PEEL<br>MONTREAL QC H3A 1T1           |          | 2,299.41     |
| GBC CANADA INC.                                 | 3489 RUE ASHBY, SAINT-LAURENT, QC, H4R 2K3<br>SAINT LAURENT QC H4R 2K3                     |          | 301.45       |
| GENFIR INC.                                     | 7663 CORDNER<br>LASALLE QC H8N 2X2   |          | 344.34       |
| GLOBALTEX BVBA *                                | STIJN STREUVELSSTRAAT 99<br>WAREGEM, 8790 BELGIUM  |          | 43,598.93    |
| GROUPE ST-HENRI INC.                            | 8000 ST-PATRICK RUE<br>LASALLE QC H8N 1V1  |          | 2,296.63     |



District of:  
 Division No.  
 Court No.  
 Estate No.

- FORM 33 -  
 Notice of Intention To Make a Proposal  
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In the Matter of the Notice of Intention to Make a Proposal of  
 2964-3277 Québec Inc.  
 Of the City of Montréal  
 In the Province of Québec

| List of Creditors with claims of \$250 or more. |  |          |              |
|---|--|----------|--------------|
| Creditor  | Address  | Account# | Claim Amount |
| HANAN TRANSPORT                                 | 2566 DOLLARD AV<br>LASALLE QC H8N 1T1  |          | 4,150.00     |
| HAR-G TRANSPORT                                 | 7921 ELMSLIE RUE<br>LASALLE QC H8N 2W6   |          | 4,665.00     |
| HEWLETT-PACKARD<br>ENTREPRISE CANADA CO.        | C/O T10424 PO BOX 4687 STN A<br>TORONTO ON M5W 6B5                                 |          | 562.24       |
| HFN *   | 333 SEVENTH AVENUE<br>NEW YORK NY 10001 USA  |          | 7,400.00     |
| HK ET GROUP LIMITED *                           | RM.1902, EASEY COMM. BLDG.,<br>253-261 HENNESSY ROAD,<br>WANCHAI HONG KONG         |          | 40,229.00    |
| HOME TEXTILES TODAY *                           | DEPT 101052 , P.O.BOX 150458<br>HARTFORD CT 06115-0458 USA                         |          | 3,495.00     |
| HYDRO QUEBEC                                    | C.P 11022, SUCC. CENTRE-VILLE<br>MONTREAL QC H3C 4V6                               |          | 12,058.03    |
| INDUSTRIE DE PALETTES<br>STANDARD               | 2400 RUE DE LIERRE<br>LAVAL QC H7G 4Y4   |          | 24,379.01    |
| INDUSTRIUM                                      | 555 LAFLEUR AV<br>LASALLE QC H8R 3J3   |          | 367.39       |
| INFORMATION<br>RESOURCES, INC. *                | 150 NORTH CLINTON STREET<br>CHICAGO IL 60661 USA                                   |          | 6,750.00     |
| INSIGHT CANADA INC.                             | PO BOX 15320 STATION A<br>TORONTO ON M5W 1C1                                       |          | 427.24       |
| KARTAL CARPETS *                                | 4 ORGANIZE SANYI, BOLGESI<br>BASPINAR TR 27000 TURKISH                             |          | 2,613,701.25 |
| KFB AND ASSOCIATES *                            | 2609 BEAVER BEND DRIVE<br>PLANO TX 75025 USA                                       |          | 2,067.02     |
| LA CAPITALE                                     | ASSURANCE COLLECTIVES-GROUP102111<br>625 RUE JACQUES-PARIZEAU<br>QUÉBEC QC G1R 2G5 |          | 22,080.30    |



District of:  
Division No. -  
Court No.  
Estate No.

- FORM 33 -  
Notice of Intention To Make a Proposal  
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In the Matter of the Notice of Intention to Make a Proposal of  
2964-3277 Québec Inc.  
Of the City of Montréal  
In the Province of Québec

| List of Creditors with claims of \$250 or more.        |  |          |              |
|--|--|----------|--------------|
| Creditor   | Address  | Account# | Claim Amount |
| LACMARK INC.   | 3200 BOUL. DIONNE<br>SAINT GEORGES QC G5Y 3Y8                    |          | 2,060.35     |
| LBEL INC.  | P.O.BOX 5060<br>5035 SOUTH SERVICE ROAD<br>BURLINGTON ON L7R 4C8 |          | 3,360.28     |
| LES DISTRIBUTRICES<br>SYBCO                            | 2533 GUENETTE RUE<br>SAINT LAURENT QC H4R 2E9                    |          | 344.92       |
| LES EMBALLAGES<br>CARROUSEL INC.                       | 1401 RUE AMPÈRE<br>BOUCHERVILLE QC J4B 6C5                       |          | 8,012.93     |
| LES ENTREPRISES<br>CANBEC CONSTRUCTION<br>INC.         | 145 RUE RICHER<br>SAINT-PIERRE QC H8R 1R4                        |          | 1,954.58     |
| LES SERVICES DE<br>PLACEMENTS-TELE-RESSO<br>URCES LTEE | 200 - 85, RUE SAINT-CATHERINE O.<br>MONTREAL QC H2X 3P4          |          | 105,735.58   |
| LIFTOW   | C.P. 8092, STN A<br>TORONTO ON M5W 3W5                           |          | 4,656.68     |
| LJT AVOCATS  | 7100 - 380 RUE ST ANTOINE O<br>MONTREAL QC H2Y 3X7               |          | 264.70       |
| LJT AVOCATS *  | 7100 - 380 RUE ST ANTOINE O<br>MONTREAL QC H2Y 3X7               |          | 745.00       |
| LLH KNIGHTBRIDGE                                       | 600 - 999, BOUL DE MAISONNEUVE OUEST<br>MONTREAL QC H3A 3L4      |          | 3,046.84     |
| MAC CARPET *   | 10TH<br>RAMADAN CITY, CAIRO 44635 EGYPT                          |          | 648,557.97   |
| MAGNUS CHEMICALS LTD.                                  | 1271 RUE AMPÈRE<br>BOUCHERVILLE QC J4B 5Z5                       |          | 362.16       |
| MANTORIA INC.  | 4492 SAINTE-CATHERINE WEST<br>WESTMOUNT QC H3Z 1R7               |          | 41,132.58    |
| MATERIAUX ET<br>EQUIPEMENTS MARINA                     | 40 BOUL SAINT-JOSEPH<br>LACHINE QC H8S 2L3                       |          | 1,181.56     |

District of:  
 Division No. -  
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 Estate No.

- FORM 33 -  
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 (Subsection 50.4(1) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of  
 2964-3277 Québec Inc.  
 Of the City of Montréal  
 In the Province of Québec

| List of Creditors with claims of \$250 or more. |   |          |              |
|---|---|----------|--------------|
| Creditor  | Address   | Account# | Claim Amount |
| MERCEDES-BENZ                                   | 8305 BOUL SAINT LAURENT<br>MONTREAL QC H2P 2M7                                    |          | 2,914.93     |
| MICHEL VAN DE WIELE **                          | MICHEL VANDEWIELSTRAAT 7<br>KORTRIJK MARKE, B-8510 BELGIUM                        |          | 26,818.30    |
| MILAT HALI SANAYI VE<br>TICARET. A.S *          | 5. ORGANIZE SANAYI BOLGESI, NOLU CADDE NO.<br>21<br>TR 83539 TURKISH              |          | 1,114,940.12 |
| NATIONAL DISTRIBUTION<br>CENTERS *              | P.O.BOX 417727<br>BOSTON MA 02241-7727 USA  |          | 544.20       |
| ORIENTAL WEAVERS *                              | 8 ZAKARIA KHALIL STREET<br>HELIOPOLIS CAIRO 11361 EGYPT                           |          | 4,961,035.90 |
| PAZAZZ LABELS                                   | 5584 CH DE LA CÔTE DE LIESSE<br>MONTREAL QC H4P 1A9                               |          | 27,498.10    |
| PORSCHE PRESTIGE                                |   |          | 1,994.77     |
| PROVENTILAIR                                    | 107 - 429 RUE BOURQUE<br>REPENTIGNY QC J5Z 5A2                                    |          | 2,630.63     |
| RAYMOND JOYAL                                   | 110 - 1100 BOUL CREMAZIE E<br>MONTREAL QC H2P 2X2                                 |          | 2,049.37     |
| RCAP LEASING INC.                               | 300 - 5575 NORTH SERVICE RD<br>BURLINGTON ON L7L 6M1                              |          | 1,551.30     |
| RCI ENVIRONNEMENT INC.                          | 9501, BOUL. RAY-LAWSON<br>ANJOU QC H1J 1L4  |          | 879.56       |
| RED GOLD INT'L TRADING<br>CO. LIMITED *         | FLAT/RM 1501(646)/15/F<br>SPA CENTRE 53-55 ,LOCKHART ROAD<br>WANCHAI HK HONG KONG |          | 1,676,884.59 |
| RENGO DESIGN (USA)<br>CORPORATION *             | 53 N. MAIN STREET, SUITE 108 & 109<br>CROSSVILLE TN 38555 USA                     |          | 3,565.00     |
| ROGERS  | 1, MOUNT PLEASANT<br>5TH FLOOR<br>TORONTO ON M4Y 2Y5                              |          | 2,112.63     |

District of:  
 Division No. -  
 Court No.  
 Estate No.

- FORM 33 -  
 Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of  
 2964-3277 Québec Inc.  
 Of the City of Montréal  
 In the Province of Québec

| List of Creditors with claims of \$250 or more.      |  |          |              |
|--|--|----------|--------------|
| Creditor   | Address  | Account# | Claim Amount |
| RUGNEWS.COM *  | P.O. BOX 18207<br>SARASOTA FL 34276 USA  |          | 600.00       |
| SDA TECHNOLOGIES INC.                                | 11796, BOUL. RIVIÈRE-DES-PRAIRIES<br>MONTREAL QC H1C 1P9                           |          | 1,880.14     |
| SELECTCOM TELECOM                                    | 300-5151, JEAN-TALON<br>SAINT LEONARD QC H1S 1K8                                   |          | 1,097.00     |
| SHANDONG LAIWU<br>DONGWO CARPET CO,<br>*LTD          | LAICHENG INDUSTRIAL ZONE<br>CHINA  |          | 13,048.00    |
| SHEN ZHEN JIA NENG<br>TONG IND.CO. LTD *             | SHI DAI PLAZA<br>SHANG WU GAN, ROOM #322<br>YIWU, ZHEJIANG CHIINA                  |          | 27,300.00    |
| SOBEC ELECTRIQUE INC.                                | 852 RUE LAPOINTE<br>MASCOCHE QC J7K 2K6  |          | 4,232.78     |
| SOUDURE MOBILE<br>MECA-FAB INC.                      | 1040, BOUL. LESAGE<br>LAVAL QC H7E 2Z2   |          | 5,272.75     |
| SSQ GROUP FINANCIER                                  | C.P. 10500, SUCC. SAINTE-FOY<br>QUÉBEC QC G1V 4H6                                  |          | 2,489.07     |
| STAPLES BUSINESS<br>ADVANTAGE                        | 1616 RUE EIFFEL<br>BOUCHERVILLE QC J4B 8N3   |          | 1,320.33     |
| SYNERGIE CANADA INC.                                 | 60 EMILIE MARCOUX<br>BLAINVILLE QC J7C 0B5   |          | 9,015.25     |
| SYNERGIE CANADA INC. *                               | 60 EMILIE MARCOUX<br>BLAINVILLE QC J7C 0B5   |          | 52,193.57    |
| TENAQUIP LMTEE.                                      | 22555 AUT TRANSCANADIENNE<br>SAINTE-ANNE-DE-BELLEVUE QC H9X 3L7                    |          | 605.10       |
| TIANJIN RUNYA SCIENCE<br>TECHNOLOGY DEV.CO.<br>LTD.* | WUQING DEVELOPMENT AREA<br>C01-6 EAST SIDE, BUSINESS HEADQUARTERS<br>TIANJIN CHINA |          | 152,412.08   |

District of:  
 Division No.  
 Court No.  
 Estate No.

- FORM 33 -  
 Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of  
 2964-3277 Québec Inc.  
 Of the City of Montréal  
 In the Province of Québec

| List of Creditors with claims of \$250 or more. |  |          |              |
|---|--|----------|--------------|
| Creditor  | Address  | Account# | Claim Amount |
| TIANJIN TIANRUI CARPET CO. LTD.*                | WU QING DISTRICT<br>YANG BAO ROAD (NORTH), CUI HUANG KOU TOWN<br>TIAN JIN CHINA        |          | 2,452,459.46 |
| TOROMONT CAT (QUEBEC)                           | CASE POSTALE 1200<br>POINTE-CLAIRE QC H9R 4R6  |          | 3,672.84     |
| TRANSPORTATION BROKERAGE                        | C/O LOCKBOX 916880<br>PO BOX 4090, STN A<br>TORONTO ON M5W 0E9                         |          | 53,500.00    |
| TREERING WORKFORCE SOLUTIONS *                  | 4780 ASHFORD DUNWOODY RD, SUITE A-145<br>ATLANTA GA 30338 USA                          |          | 250.25       |
| TRIUM STEELCASE FINANCIAL                       | 3200 RUE ST- PATRICK<br>MONTREAL QC H3K 3H5  |          | 1,339.95     |
| TRUE COMMERCE, INC.                             | NW 6199 PO BOX 1450<br>MINNEAPOLIS MN 55485-6199 USA                                   |          | 1,989.80     |
| TYCO INTEGRATED SECURITY CANADA, INC.           | 40 SHEPPARD AVENUE WEST<br>NORTH YORK ON M2N 6K9                                       |          | 1,333.71     |
| UL RESPONSIBLE SOURCING INC.*                   | 333 PFINGSTEN ROAD<br>NORTHBROOK IL 60062-2096 USA                                     |          | 1,250.00     |
| UPS   | PO BOX 4900 STATION A<br>TORONTO ON M5W 0A7  |          | 4,619.93     |
| UPS SCS, INC *                                  | PO BOX 4901, STATION A<br>TORONTO ON M5W 0A8   |          | 43,727.34    |
| VENTURE SOLUTIONS CONSULTORIA ITDA              | CEP.: 05423-020 SAO PAULO SP<br>HENRIQUE MONTEIRO STREET 234 CJ 33<br>PINHEIROS BRAZIL |          | 1,170.00     |
| VERBATEX NV**                                   | MELLESTRAAT 196 - B8501 HEULE<br>BELGIUM   |          | 251,478.10   |
| VISA - CIBC                                     | P.O.BOX 4451 STATION A<br>TORONTO ON M5W 4A7   |          | 1,725.56     |



District of:  
 Division No. -  
 Court No.  
 Estate No.

- FORM 33 -  
 Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of  
 2964-3277 Québec Inc.  
 Of the City of Montréal  
 In the Province of Québec

| List of Creditors with claims of \$250 or more.      |  |          |                      |
|--|--|----------|----------------------|
| Creditor   | Address  | Account# | Claim Amount         |
| VITESSE TRANSPORT CORP                               | 1111,46E AVENUE<br>LACHINE QC H8T 3C5  |          | 68,890.00            |
| WA NEW SOLUTION                                      | 7875 DE LA CÔTE-DE-LIESSE CH<br>SAINT LAURENT QC H4T 1G4   |          | 17,964.84            |
| XEROX CANADA LTEE.                                   | 900 - 3400 DE MAISONNEUVE OUEST<br>MONTREAL QC H3Z 3G1   |          | 12,286.55            |
| ZHEJIANG HEDING<br>SANITARY WARE<br>TECHN.CO., LTD * | ECONOMIC AND TECHNOLOGY DEVELOPMENT<br>ZONE<br>LTDNO.2 YANDANG WEST ROAD<br>WENZHOU, ZHEJIANG 325000 CHINA |          | 4,304.54             |
| ZHEJIANG PINGHU<br>FOREIGN TRADE CO. LTD *           | 208-238 EAST DANGHU RD<br>PINGHU, ZHEJIANG 314200 CHINA  |          | 357,403.99           |
| ZZ EXCHANGE EURO<br>1,5018 **                        |  |          | 139,664.58           |
| ZZ EXCHANGE US 1,3289 *                              |  |          | 4,723,142.18         |
| <b>Total</b>   |  |          | <b>53,856,302.78</b> |

  
 \_\_\_\_\_  
 2964-3277 Québec Inc.  
 Insolvent Person

- Consentement -

Dans l'affaire de l'avis d'intention de faire une proposition de  
2964-3277 Québec Inc.  
de la ville de Montréal  
en la province de Québec

À qui de droit,

Nous consentons par la présente, à agir comme syndic, d'après la Loi sur la faillite et l'insolvabilité, à la présente proposition de 2964-3277 Québec Inc..

Daté le 28 novembre 2018, à Montréal en la province de Québec.

Richter Advisory Group Inc/Richter Groupe Conseil inc - Syndic autorisé en insolvabilité

Par:

\_\_\_\_\_ signé

Olivier Benchaya, CPA, CA, CIRP, LIT - Syndic autorisé en insolvabilité  
1981 avenue McGill College, 11e étage  
Montréal QC H3A 0G6  
Téléphone: (514) 934-3400 Télécopieur: (514) 934-8603

- Proposal Consent -

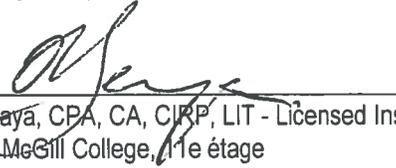
In the Matter of the Notice of Intention to Make a Proposal of  
2964-3277 Québec Inc.  
Of the City of Montréal  
In the Province of Québec

To whom it may concern,

This is to advise that we hereby consent to act as trustee under the Bankruptcy and Insolvency Act for the proposal of 2964-3277 Québec Inc..

Dated at the City of Montréal in the Province of Quebec, this 28th day of November 2018.

Richter Advisory Group Inc/Richter Groupe Conseil inc - Licensed Insolvency Trustee  
Per:



Olivier Benchaya, CPA, CA, CIRP, LIT - Licensed Insolvency Trustee  
1981 avenue McGill College, 1<sup>er</sup> étage  
Montréal QC H3A 0G6  
Phone: (514) 934-3400 Fax: (514) 934-8603



Industrie Canada

Industry Canada

Bureau du surintendant  
des faillites Canada

Office of the Superintendent  
of Bankruptcy Canada

District de QUÉBEC

No division : 01 - Montreal

No cour : 500-11-055629-188

No dossier : 41-2449058

Dans l'affaire de l'avis d'intention de  
faire une proposition de :

2964-3277 Québec Inc.

Personne insolvable

RICHTER ADVISORY GROUP INC / RICHTER GROUPE CONSEIL INC.

Syndic autorisé en insolvabilité

---

Date de l'avis d'intention : 29 novembre 2018, @ 09:09 am

---

CERTIFICAT DE DÉPÔT D'UN AVIS D'INTENTION DE FAIRE UNE PROPOSITION  
paragraphe 50.4(1)

Je soussigné, séquestre officiel pour ce district de faillite, certifie par les présentes que la personne insolvable susmentionnée a déposé un avis d'intention de faire une proposition en vertu du paragraphe 50.4(1) de la Loi sur la faillite et l'insolvabilité.

Conformément au paragraphe 69(1) de la Loi, toutes les procédures contre la personne insolvable susmentionnée sont suspendues à compter de la date du dépôt de l'avis d'intention.

---

E-File / Dépôt électronique

Séquestre officiel

Sun Life Building, 1155 Metcalfe Street, Suite 950, Montréal, QUÉBEC, H3B 2V6,  
877/376-9902

Canada



Industry Canada  
Office of the Superintendent  
of Bankruptcy Canada

Industrie Canada  
Bureau du surintendant  
des faillites Canada

District of Québec  
Division No. 01 - Montreal  
Court No. 500-11-055629-188  
Estate No. 41-2449058

In the Matter of the Notice of Intention to make a  
proposal of:

**2964-3277 Québec Inc.**  
Insolvent Person

**RICHTER ADVISORY GROUP INC / RICHTER GROUPE  
CONSEIL INC.**  
Licensed Insolvency Trustee

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Date of the Notice of Intention: November 29, 2018

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CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL  
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the *Bankruptcy and Insolvency Act*.

Pursuant to subsection 69(1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: November 29, 2018, 10:00

E-File/Dépôt Electronique

Official Receiver

Sun Life Building, 1155 Metcalfe Street, Suite 950, Montréal, Québec, Canada, H3B2V6, (877)376-9902

**Canada**



District of: Quebec  
Division No. 01 - Montréal  
Court No. 500-11-055629-188  
Estate No. 41-2449058

- FORM 01.1 -  
General Sender Identification for: Copies of all Prescribed Forms  
Sent to Creditor(s) Electronically

In the Matter of the Notice of Intention to Make a Proposal of  
2964-3277 Québec Inc.  
Of the City of Montréal  
In the Province of Québec

Dated at the City of Montréal in the Province of Quebec, this 5th day of December 2018.

Responsible Individual (Sender): Olivier Benchaya, CPA, CA, CIRP, LIT  
(Trustee)

Corporate Name : Richter Advisory Group Inc/Richter Groupe Conseil inc

Address: 1981 avenue McGill College, 11e étage  
Montréal QC H3A 0G6

Telephone: (514) 934-3400

Fax: (514) 934-8603

E-mail: reclamations@richter.ca

NOTICE

Please be advised that the above-noted individual is required to retain the signed original  
of the document as part of the official records of this proceeding.



Government  
of Canada

Gouvernement  
du Canada

### Update filing - update is confirmed

Welcome **Carol O'Donnell** | [Preferences](#) | [E-Filing helpdesk](#) | [Instructions](#) | [Logout](#)

## Estate Information

Please Note: The following estate(s) were updated:

- **Estate Number:** 41-2449058
- **Estate Name:** 2964-3277 Québec Inc.

## Document(s) submitted

The following document(s) have been successfully submitted

- Notice to Creditors of Intention to Make a Proposal

## Reference

- The Reference Number for this transaction is: **15148321**.
- Submitted by Carol O'Donnell.
- 2018-12-05 15:48 EST

[Submit another document for this estate.](#)

If you would like to submit a document against a different estate, please click on the **Update** link in the left hand side menu.

**Date modified:** 2018-09-28

SUPERIOR COURT  
(Commercial Division)  
In Bankruptcy and Insolvency

---

Court No. 500-11-055629-188  
Estate No. 41-2449058

---

In the Matter of the Notice of Intention to  
Make a Proposal of

2964-3277 Québec Inc.

Debtor

- and -

Richter Advisory Group Inc.

Trustee

---

**Affidavit of Mailing**

**Notice of Intention to Make a  
Proposal**

---

Richter Advisory Group Inc. - Trustee  
Olivier Benchaya, CPA, CA, CIRP, LIT  
1981 McGill College, 11<sup>th</sup> Floor  
Montréal, QC H3A 0G6  
Téléphone : 514.934.3400  
Télécopieur : 514.934.3504

# Exhibit C

District of: Quebec  
Division No. 01 - Montréal  
Court No. 500-11-055629-188  
Estate No. 41-2449058

-- FORM 29 --  
Trustee's Report on Cash-Flow Statement  
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of  
2964-3277 Québec Inc.  
Of the City of Montréal  
In the Province of Québec

The attached statement of projected cash flow of 2964-3277 Québec Inc., as of the 7th day of December 2018, consisting of November 29, 2018 to January 11, 2019, has been prepared by the management of the insolvent person (or the insolvent debtor) for the purpose described in the notes attached, using the probable and hypothetical assumptions set out in the notes attached.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by:  the management and employees of the insolvent person or  the insolvent person. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the projection. We have also reviewed the support provided by:  management or  the insolvent person for the probable assumptions and preparation and presentation of the projection.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects,

(a) the hypothetical assumptions are not consistent with the purpose of the projection;

(b) as at the date of this report, the probable assumptions developed are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or

(c) the projection does not reflect the probable and hypothetical assumptions.

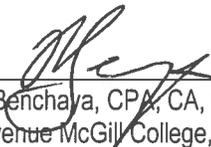
Since the projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

The projection has been prepared solely for the purpose described in the notes attached, and readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Montréal in the Province of Quebec, this 7th day of December 2018.

Richter Advisory Group Inc/Richter Groupe Conseil inc - Licensed Insolvency Trustee

Per:

  
\_\_\_\_\_  
Olivier Benchaya, CPA, CA, CIRP, LIT - Licensed Insolvency Trustee  
1981 avenue McGill College, 11e étage  
Montréal QC H3A 0G6  
Phone: (514) 934-3400 Fax: (514) 934-8603

District of: Quebec  
Division No. 01 - Montréal  
Court No. 500-11-055629-188  
Estate No. 41-2449058

\_FORM 29\_ - Attachment  
Trustee's Report on Cash-flow Statement  
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of  
2964-3277 Québec Inc.  
Of the City of Montréal  
In the Province of Québec

Purpose:

2964-3277 Québec Inc. filed a Notice of Intention to Make a Proposal on November 29, 2018. The purpose of this Statement of Projected Cash Flow is to present the estimated cash receipts and disbursements of 2964-3277 Québec Inc. (the "Company"), for the period from November 29, 2018 to January 11, 2019, relating to the filing of a Notice of Intention to Make a Proposal on November 29, 2018.

This Statement of Projected Cash Flow has been prepared by management on December 7, 2018, based on available financial information at that date in accordance with Section 50.4(2) of the Bankruptcy and Insolvency Act and should be read in conjunction with the Trustee's Report on the Cash Flow Statement. Readers are cautioned that this information may not be appropriate for other purposes.

Projection Notes:

The Statement of Projected Cash Flow has been prepared using probable assumptions supported and consistent with the plans of the Company for the period from November 29, 2018 to January 11, 2019, considering the economic conditions that are considered the most probable by management.

As the cash flow is based upon various assumptions regarding future events and circumstances, variances will exist and said variances may be material. Accordingly, we express no assurance as to whether the projections will be achieved.

Assumptions:

(a) Projected Cash Receipts

The projected cash receipts are estimated by management based upon current outstanding accounts receivable balances and expected sales during the period.

(b) Projected Cash Disbursements

The projected cash disbursements are based upon historical data adjusted to reflect the current level of activity and best estimates of the Company;

Payroll is based on current headcount levels adjusted to reflect management's restructuring plan;

Rent is based on rent agreements with lessors;

Filing Deposits reflects management's estimate of required deposits necessary to ensure continued service from certain critical suppliers.

General expenses are mainly composed of brokerage, freight, temporary labor and insurance. They are based upon historical data adjusted to reflect the current level of activity and management's best estimates;

The interest is based on current loan balances and interest rates;

The professional fees are related to the current restructuring and are based on management's estimate;

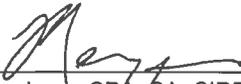
The current government remittances for source deductions and sales taxes are included in the disbursement assumptions.

The cash disbursements do not provide for the payment of arrears to unsecured creditors.

Dated at the City of Montréal in the Province of Quebec, this 7th day of December 2018.

Richter Advisory Group Inc/Richter Groupe Conseil inc - Licensed Insolvency Trustee

Per:



\_\_\_\_\_  
Olivier Benchaya, CPA, CA, CIRP, LIT - Licensed Insolvency Trustee

1981 avenue McGill College, 11e étage

Montréal QC H3A 0G6

Phone: (514) 934-3400 Fax: (514) 934-8603

District of: Quebec  
Division No. 01 - Montréal  
Court No. 500-11-055629-188  
Estate No. 41-2449058

- FORM 30 -  
Report on Cash-Flow Statement by the Person Making the Proposal  
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of  
2964-3277 Québec Inc.  
Of the City of Montréal  
In the Province of Québec

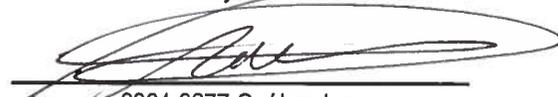
The Management of 2964-3277 Québec Inc., has/have developed the assumptions and prepared the attached statement of projected cash flow of the insolvent person, as of the 7th day of December 2018, consisting of November 29, 2018 to January 11, 2019.

The hypothetical assumptions are reasonable and consistent with the purpose of the projection described in the notes attached, and the probable assumptions are suitably supported and consistent with the plans of the insolvent person and provide a reasonable basis for the projection. All such assumptions are disclosed in the notes attached.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

The projection has been prepared solely for the purpose described in the notes attached, using a set of hypothetical and probable assumptions set out in the notes attached. Consequently, readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Montréal in the Province of Quebec, this 7th day of December 2018.

  
\_\_\_\_\_  
2964-3277 Québec Inc.  
Debtor

  
\_\_\_\_\_  
Name and title of signing officer

District of: Quebec  
Division No. 01 - Montréal  
Court No. 500-11-055629-188  
Estate No. 41-2449058

FORM 30 - Attachment  
Report on Cash-Flow Statement by the Person Making the Proposal  
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of  
2964-3277 Québec Inc.  
Of the City of Montréal  
In the Province of Québec

Purpose:

2964-3277 Québec Inc. filed a Notice of Intention to Make a Proposal on November 29, 2018. The purpose of this Statement of Projected Cash Flow is to present the estimated cash receipts and disbursements of 2964-3277 Québec Inc. (the "Company"), for the period from November 29, 2018 to January 11, 2019, relating to the filing of a Notice of Intention to Make a Proposal on November 29, 2018.

This Statement of Projected Cash Flow has been prepared by management on December 7, 2018, based on available financial information at that date in accordance with Section 50.4(2) of the Bankruptcy and Insolvency Act and should be read in conjunction with the Trustee's Report on the Cash Flow Statement. Readers are cautioned that this information may not be appropriate for other purposes.

Projection Notes:

The Statement of Projected Cash Flow has been prepared using probable assumptions supported and consistent with the plans of the Company for the period from November 29, 2018 to January 11, 2019, considering the economic conditions that are considered the most probable by management.

As the cash flow is based upon various assumptions regarding future events and circumstances, variances will exist and said variances may be material. Accordingly, we express no assurance as to whether the projections will be achieved.

Assumptions:

(a) Projected Cash Receipts

The projected cash receipts are estimated by management based upon current outstanding accounts receivable balances and expected sales during the period.

(b) Projected Cash Disbursements

The projected cash disbursements are based upon historical data adjusted to reflect the current level of activity and best estimates of the Company;

Payroll is based on current headcount levels adjusted to reflect management's restructuring plan;

Rent is based on rent agreements with lessors;

Filing Deposits reflects management's estimate of required deposits necessary to ensure continued service from certain critical suppliers.

General expenses are mainly composed of brokerage, freight, temporary labor and insurance. They are based upon historical data adjusted to reflect the current level of activity and management's best estimates;

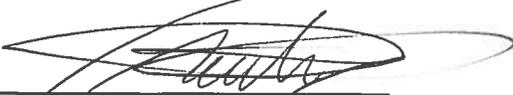
The interest is based on current loan balances and interest rates;

The professional fees are related to the current restructuring and are based on management's estimate;

The current government remittances for source deductions and sales taxes are included in the disbursement assumptions.

The cash disbursements do not provide for the payment of arrears to unsecured creditors.

Dated at the City of Montréal in the Province of Quebec, this 7th day of December 2018.



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2964-3277 Québec Inc.

2964-3277 Québec Inc.

Statement of Projected Cash Flow

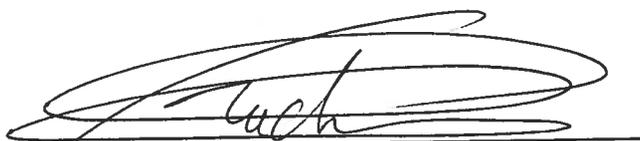
For the period Nov 29, 2018 to January 11, 2019

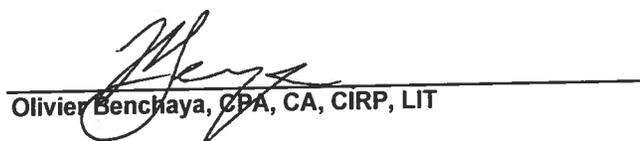
(\$000's)

Week ending

|  |       | 1           | 2           | 3           | 4           | 5           | 6           | 7           | Total       |
|--|-------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
|  | Notes | 30-Nov-18   | 07-Dec-18   | 14-Dec-18   | 21-Dec-18   | 28-Dec-18   | 04-Jan-19   | 11-Jan-19   | (44 days)   |
|  |       | (2 days)    | (7 days)    |             |
| <b>Cash Receipts</b>   |       | \$ 179      | \$ 601      | \$ 313      | \$ 454      | \$ 586      | \$ 539      | \$ 659      | \$ 3,331    |
| <b>Disbursements</b>   |       |             |             |             |             |             |             |             |             |
| Payroll  |       | -           | (253)       | -           | (228)       | -           | (209)       | -           | (690)       |
| Rent & Utilities   |       | -           | (95)        | -           | -           | (207)       | (106)       | (4)         | (412)       |
| General Expenses and Other                                   |       | (25)        | (103)       | (224)       | (195)       | (184)       | (147)       | (159)       | (1,037)     |
| Filing Deposits  |       | -           | -           | (50)        | (50)        | (50)        | -           | -           | (150)       |
| Sales Taxes  |       | -           | -           | -           | -           | -           | (55)        | -           | (55)        |
| Interest   |       | -           | (149)       | -           | -           | -           | (170)       | -           | (319)       |
| Professional Fees  |       | -           | (250)       | (100)       | (100)       | (50)        | (50)        | (50)        | (600)       |
|  |       | (25)        | (849)       | (374)       | (573)       | (491)       | (737)       | (213)       | (3,262)     |
| <b>Net Cash Flow</b>   |       | \$ 154      | \$ (249)    | \$ (61)     | \$ (119)    | \$ 95       | \$ (198)    | \$ 447      | \$ 69       |
| <b>Opening Bank Indebtedness (Net of Cash and OS Checks)</b> | 1     | \$ (23,899) | \$ (23,881) | \$ (21,901) | \$ (21,829) | \$ (21,811) | \$ (21,602) | \$ (21,800) | \$ (23,899) |
| Net Cash Flow  |       | 154         | (249)       | (61)        | (119)       | 95          | (198)       | 447         | 69          |
| Draw-Down on LGs   |       | (137)       | (115)       | -           | -           | -           | -           | -           | (251)       |
| LG Draw-Down Reimbursement by EDC                            | 2     | -           | 2,343       | 133         | 137         | 115         | -           | -           | 2,727       |
| <b>Ending Bank Indebtedness (Net of Cash and OS Checks)</b>  | 1     | \$ (23,881) | \$ (21,901) | \$ (21,829) | \$ (21,811) | \$ (21,602) | \$ (21,800) | \$ (21,353) | \$ (21,353) |

Note 1: Bank Indebtedness does not include outstanding LGs of \$3,065K (US\$2,296K) and outstanding LCs of \$824K (US\$617K) which have not yet been drawn upon.  
 Note 2: Represents the actual and projected reimbursements by Export Development Canada in respect of LGs which have already been drawn upon.

  
 Fadl Melki, President

  
 Olivier Benchaya, CPA, CA, CIRP, LIT

# **Exhibit D**

# *Investment Opportunity*

*Distributor and Manufacturing  
Carpet and Rug Business*

# CARPET ART DECO®

## *Request for Offers*



Inquiries concerning this request for offers  
should be directed to:

## **RICHTER**

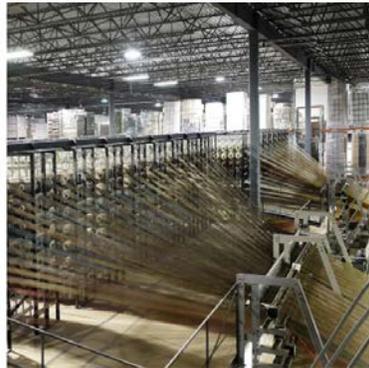
1981 McGill College  
12<sup>th</sup> Floor  
Montréal, Québec H3A 0G6

Olivier Benchaya, CPA, CA,  
CIRP, LIT  
(514) 934-8618  
[obenchaya@richter.ca](mailto:obenchaya@richter.ca)

Shawn Travitsky, CPA, CA,  
CIRP, LIT  
(514) 934-3505  
[stravitsky@richter.ca](mailto:stravitsky@richter.ca)

**BUSINESS OVERVIEW**

- Carpet Art Deco International Inc. (the "Company" or "CADI") is a privately held company and has been operating since 1995.
- CADI, based in Montreal, Quebec, is primarily a distributor (and some manufacturing) of carpets and rugs for Canadian and U.S. customers. The Company's product offerings include area and shag rugs, indoor / outdoor rugs and bath and scatter mats.
- CADI currently operates out of a state-of-the-art facility in Montreal, housing its headquarters, showroom, production facilities and an-house design team. In addition, the Company operates two additional warehouses in Montreal for some of their inventory. All three facilities are leased.
- In 2017, to accommodate growth in its U.S. business, the Company inaugurated a newly designed showroom in the Textile Building in New York City.
- CADI's wholesale business is anchored by strong relationships with major Canadian and American retailers.
- CADI's sales grew by more than 20%, to \$82M for the year ended September 30, 2018.
- The Company has an extensive network of overseas suppliers with whom they have built long standing relationships over the years.



**BUSINESS OPPORTUNITY**

Various acquisition/investment opportunities are presented to interested parties, including:

- An investment in, or acquisition of, the Company, its assets or the business;
- Experienced management and operational team. CADI is a family-owned and operated business since its founding in 1995, with roots in the carpet industry dating back to the 1940s;
- A well-established distribution business;
- Ongoing programs with major Canadian and American retailers;
- Strategically located distribution centers in Montreal, QC and Champlain, NY;
- Prime showroom sites in Montreal and New York;
- Opportunities to improve the Company's profitability;
- Possibility to structure the transaction to benefit from accumulated tax losses; and
- Tangible assets include inventory, accounts receivable, equipment and building.



## FINANCIAL INFORMATION

| Carpet Art Deco International<br>Financial Information <sup>(1)</sup><br>(\$000's) | F2018                  | F2017                | F2016                |
|--|------------------------|----------------------|----------------------|
|  | Unaudited<br>31-Aug-18 | Audited<br>30-Sep-17 | Audited<br>30-Sep-16 |
| Revenues   | \$ 78,752              | \$ 66,159            | \$ 53,786            |
| Gross Margin (\$)  | \$ 13,405              | \$ 14,513            | \$ 11,235            |
| Gross Margin (%)   | 17%                    | 22%                  | 21%                  |

(1): F2018 reflects YTD August 2018 financial information.

## SALES

| Carpet Art Deco International<br>Sales by Customer <sup>(1)</sup><br>(\$000's) | F2018 Unaudited  |               | F2017 Audited    |               |
|--|------------------|---------------|------------------|---------------|
|  | \$               | %             | \$               | %             |
| Customer A   | \$ 22,942        | 29.1%         | \$ 21,842        | 33.0%         |
| Customer B   | 20,429           | 25.9%         | 17,055           | 25.8%         |
| Customer C   | 6,417            | 8.1%          | 1,389            | 2.1%          |
| Customer D   | 4,945            | 6.3%          | 5,762            | 8.7%          |
| Customer E   | 3,663            | 4.7%          | -                | 0.0%          |
| Other  | 20,356           | 25.8%         | 20,112           | 30.4%         |
| <b>Total</b>   | <b>\$ 78,752</b> | <b>100.0%</b> | <b>\$ 66,159</b> | <b>100.0%</b> |

(1): F2018 reflects YTD August 2018 financial information.

## WORKFORCE

- The Company currently employs approximately 112 full time employees.
- All employees are non-unionized.



**TRANSACTION PROCESS**

- The Company filed a Notice of Intention ("NOI") under the *Bankruptcy and Insolvency Act* ("BIA") on November 29, 2018.
- Richter Advisory Group Inc. ("Richter" or "Trustee") was appointed Trustee.
- Richter is authorized to conduct a marketing and sale process, on behalf of the Company, for the Company's business and assets.
- The 90,000 square foot facility located at 480 Lafleur Ave, Montreal, Qc (the Company's headquarters) is also available for sale.
- Detailed information relating to the Company's operations and assets for sale will be made available, in a virtual data room, upon signature and receipt by Richter of the Confidentiality Agreement and the Terms and Conditions. All inquiries and any requests for additional information should be made directly to Richter.
- In view of the information contained in the data room, it is expected that offers would contain minimal conditions. Each offer will be subject to the terms and conditions included in the data room. All offers should clearly substantiate financial ability to conclude a transaction.
- Documents relating to the NOI are available on Richter's website at:  
<https://www.richter.ca/en/0-9/2964-3277-Quebec-Inc>
- **Offers must be submitted no later than 12 pm EDT on December 19, 2018, at the office of:**

Richter Advisory Group Inc.  
Attention: Olivier Benchaya, CPA, CA, CIRP, LIT  
1981 McGill College, 12<sup>th</sup> Floor  
Montréal, Québec H3A 0G6  
[obenchaya@richter.ca](mailto:obenchaya@richter.ca)

- Any ultimate transaction would be subject to approval by the Court, the owner of the Company's headquarters, and secured lenders;
- The Company reserves the right, in its sole discretion, to:
  - Suspend or modify the process for any reason, at any time;
  - Exclude any potential buyer from any further participation in the solicitation process;
  - Select the chosen potential buyer without any obligation to accept any offer; and
  - Reject any or all offers and shall have no obligation to disclose any reason therefor.

## ABOUT RICHTER

- Richter Advisory Group Inc. is a leader in the field of financial reorganization, distressed transaction services and insolvency, with a track record for finding practical solutions to complex problems. Our team has been involved in some of Canada's most significant restructurings.
- Richter is a financial consulting services firm offering strategic support and has been a recognized member of the business community since 1926. Our team is composed of more than 450 partners, specialists, high level professionals and administrative staff. In an increasingly complex global environment, our firm offers a range of financial advisory services and our delivery model supports a comprehensive and integrated approach in which our participation becomes a natural extension of each client.

## CONFIDENTIALITY AND DISCLAIMER

*This document has been prepared based on information provided by the Company and is intended to provide preliminary information to potentially interested third parties to formulate offers with regard to the purchase of the Company's assets and operations. The information contained herein, along with any accompanying materials, is confidential and proprietary to the Company. Accordingly, the reader agrees to treat all information as strictly confidential and shall not disclose, either in part or in whole, to any party not directly involved in this process.*

*This document is not intended for general circulation or publication and cannot be reproduced in any form without the written permission of the Company and of Richter Advisory Group Inc. This document does not constitute a prospectus, offering memorandum or public offering. No guarantees are made or implied with regard to any transaction that may ultimately result.*

**Exhibit E**

**Carpet Art Deco International  
Key Employee Incentive Program  
(filed under seal)**

# Exhibit F

2964-3277 Québec Inc.  
 Budget to Actual  
 For the period Nov 29, 2018 to Dec 7, 2018  
 (\$000's)

|  | Reported           | Projected          | Variance      |
|--|--------------------|--------------------|---------------|
| <b>Cash Receipts</b>   | <b>\$ 875</b>      | <b>\$ 780</b>      | <b>\$ 95</b>  |
| <b>Disbursements</b>   |                    |                    |               |
| Payroll  | (249)              | (253)              | 4             |
| Rent & Utilities   | (95)               | (95)               | 0             |
| General Expenses and Other                                   | (134)              | (128)              | (7)           |
| Interest   | (137)              | (149)              | 12            |
| Professional Fees  | (202)              | (250)              | 48            |
|  | <b>(817)</b>       | <b>(874)</b>       | <b>58</b>     |
| <b>Net Cash Flow</b>   | <b>\$ 58</b>       | <b>\$ (94)</b>     | <b>\$ 152</b> |
| <b>Opening Bank Indebtedness (Net of Cash and OS Checks)</b> | <b>\$ (23,899)</b> | <b>\$ (23,899)</b> | <b>\$ -</b>   |
| Net Cash Flow  | 58                 | (94)               | 152           |
| Draw-Down on LGs   | (287)              | (251)              | (36)          |
| LG Draw-Down Reimbursement by EDC                            | 2,269              | 2,343              | (74)          |
| <b>Ending Bank Indebtedness (Net of Cash and OS Checks)</b>  | <b>\$ (21,863)</b> | <b>\$ (21,901)</b> | <b>\$ 43</b>  |

# **Exhibit G**

2964-3277 Québec Inc.

Statement of Projected Cash Flow

For the period Dec 8, 2018 to Feb 1, 2019

Week ending

(\$000's)

|  | Note | 1<br>14-Dec-18<br>(7 days) | 2<br>21-Dec-18<br>(7 days) | 3<br>28-Dec-18<br>(7 days) | 4<br>04-Jan-19<br>(7 days) | 5<br>11-Jan-19<br>(7 days) | 6<br>18-Jan-19<br>(7 days) | 7<br>25-Jan-19<br>(7 days) | 8<br>01-Feb-19<br>(7 days) | Total<br>(56 days) |
|--|------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|--------------------|
| <b>Cash Receipts</b>   |      | \$ 313                     | \$ 454                     | \$ 586                     | \$ 589                     | \$ 603                     | \$ 568                     | \$ 664                     | \$ 599                     | \$ 4,376           |
| <b>Disbursements</b>   |      |                            |                            |                            |                            |                            |                            |                            |                            |                    |
| Payroll  |      | -                          | (228)                      | -                          | (209)                      | -                          | (209)                      | -                          | (209)                      | (854)              |
| Rent & Utilities   |      | -                          | -                          | (207)                      | (106)                      | (4)                        | -                          | (207)                      | (106)                      | (631)              |
| General Expenses and Other                                   |      | (304)                      | (275)                      | (299)                      | (220)                      | (167)                      | (116)                      | (114)                      | (153)                      | (1,647)            |
| Filing Deposits  |      | (50)                       | (50)                       | (50)                       | -                          | -                          | -                          | -                          | -                          | (150)              |
| Sales Taxes  |      | -                          | -                          | -                          | (55)                       | -                          | -                          | -                          | (100)                      | (155)              |
| Interest   |      | -                          | -                          | -                          | (170)                      | -                          | -                          | -                          | (170)                      | (340)              |
| Professional Fees  |      | (150)                      | (100)                      | (50)                       | (50)                       | (50)                       | (50)                       | (50)                       | (50)                       | (550)              |
|  |      | (504)                      | (653)                      | (606)                      | (810)                      | (221)                      | (374)                      | (371)                      | (788)                      | (4,327)            |
| <b>Net Cash Flow</b>   |      | \$ (191)                   | \$ (199)                   | \$ (20)                    | \$ (221)                   | \$ 382                     | \$ 194                     | \$ 293                     | \$ (189)                   | \$ 50              |
| <b>Opening Bank Indebtedness (Net of Cash and OS Checks)</b> | 1    | \$ (21,863)                | \$ (22,055)                | \$ (22,253)                | \$ (22,273)                | \$ (22,494)                | \$ (22,112)                | \$ (21,918)                | \$ (21,625)                | \$ (21,863)        |
| Net Cash Flow  |      | (191)                      | (199)                      | (20)                       | (221)                      | 382                        | 194                        | 293                        | (189)                      | 50                 |
| <b>Ending Bank Indebtedness (Net of Cash and OS Checks)</b>  | 1    | \$ (22,055)                | \$ (22,253)                | \$ (22,273)                | \$ (22,494)                | \$ (22,112)                | \$ (21,918)                | \$ (21,625)                | \$ (21,814)                | \$ (21,814)        |

Note 1: Bank Indebtedness does not include outstanding LGs of \$3,053K (US\$2,296K) and outstanding LCs of \$821K (US\$617K) which have not yet been drawn upon.

  
Fadi Melki, President

  
Olivier Benehaya, CPA, CA, CIRP, LIT

District of: Quebec  
Division No. 01 - Montréal  
Court No. 500-11-055629-188  
Estate No. 41-2449058

-- FORM 29 --  
Trustee's Report on Cash-Flow Statement  
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of  
2964-3277 Québec Inc.  
Of the City of Montréal  
In the Province of Québec

The attached statement of projected cash flow of 2964-3277 Québec Inc., as of the 12th day of December 2018, consisting of December 8, 2018 to February 1, 2019, has been prepared by the management of the insolvent person (or the insolvent debtor) for the purpose described in the notes attached, using the probable and hypothetical assumptions set out in the notes attached.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by:  the management and employees of the insolvent person or  the insolvent person. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the projection. We have also reviewed the support provided by:  management or  the insolvent person for the probable assumptions and preparation and presentation of the projection.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects,

(a) the hypothetical assumptions are not consistent with the purpose of the projection;

(b) as at the date of this report, the probable assumptions developed are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or

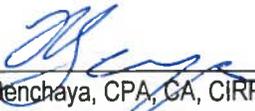
(c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

The projection has been prepared solely for the purpose described in the notes attached, and readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Montréal in the Province of Quebec, this 12th day of December 2018.

Richter Advisory Group Inc/Richter Groupe Conseil inc - Licensed Insolvency Trustee  
Per:

  
\_\_\_\_\_  
Olivier Benchaya, CPA, CA, CIRP, LIT - Licensed Insolvency Trustee  
1981 avenue McGill College, 11e étage  
Montréal QC H3A 0G6  
Phone: (514) 934-3400 Fax: (514) 934-8603

District of: Quebec  
Division No. 01 - Montréal  
Court No. 500-11-055629-188  
Estate No. 41-2449058

\_FORM 29\_ - Attachment  
Trustee's Report on Cash-flow Statement  
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of  
2964-3277 Québec Inc.  
Of the City of Montréal  
In the Province of Québec

Purpose:

2964-3277 Québec Inc. filed a Notice of Intention to Make a Proposal on November 29, 2018. The purpose of this Statement of Projected Cash Flow is to present the estimated cash receipts and disbursements of 2964-3277 Québec Inc. (the "Company"), for the period from December 8, 2018 to February 1, 2019, relating to the filing of a Motion to extend the delay to Make a Proposal.

This Statement of Projected Cash Flow has been prepared by management on December 12, 2018, based on available financial information at that date in accordance with Section 50.4(2) of the Bankruptcy and Insolvency Act and should be read in conjunction with the Trustee's Report on the Cash Flow Statement. Readers are cautioned that this information may not be appropriate for other purposes.

Projection Notes:

The Statement of Projected Cash Flow has been prepared using probable assumptions supported and consistent with the plans of the Company for the period from December 8, 2018 to February 1, 2019, considering the economic conditions that are considered the most probable by management.

As the cash flow is based upon various assumptions regarding future events and circumstances, variances will exist and said variances may be material. Accordingly, we express no assurance as to whether the projections will be achieved.

Assumptions:

(a) General

The Statement of Projected Cash Flow assumes the company will continue to ship to existing customers and does not reflect any transaction that may occur after the opening of tenders on December 19, 2018.

(b) Projected Cash Receipts

The projected cash receipts are estimated by management based upon current outstanding accounts receivable balances and expected sales during the period.

(c) Projected Cash Disbursements

The projected cash disbursements are based upon historical data adjusted to reflect the current level of activity and best estimates of the Company;

Payroll is based on current headcount levels adjusted to reflect management's restructuring plan;

Rent is based on rent agreements with lessors;

Filing Deposits reflects management's estimate of required deposits necessary to ensure continued service from certain critical suppliers.

General expenses are mainly composed of purchases, brokerage, freight, temporary labor and insurance.

They are based upon historical data adjusted to reflect the current level of activity and management's best estimates;

The interest is based on current loan balances and interest rates;

The professional fees are related to the current restructuring and are based on management's estimate;

The current government remittances for source deductions and sales taxes are included in the disbursement assumptions.

The cash disbursements do not provide for the payment of arrears to unsecured creditors.

Dated at the City of Montréal in the Province of Quebec, this 12th day of December 2018.

Richter Advisory Group Inc/Richter Groupe Conseil inc - Licensed Insolvency Trustee  
Per:

  
\_\_\_\_\_  
Olivier Benhaya, CPA, CA, CÍRP, LIT - Licensed Insolvency Trustee  
1981 avenue McGill College, 11e étage  
Montréal QC H3A 0G6  
Phone: (514) 934-3400 Fax: (514) 934-8603

District of: Quebec  
Division No. 01 - Montréal  
Court No. 500-11-055629-188  
Estate No. 41-2449058

- FORM 30 -

Report on Cash-Flow Statement by the Person Making the Proposal  
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of  
2964-3277 Québec Inc.  
Of the City of Montréal  
In the Province of Québec

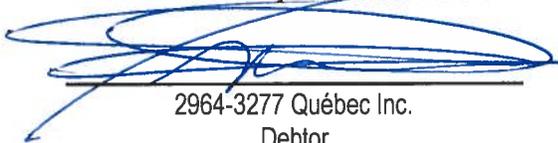
The Management of 2964-3277 Québec Inc., has/have developed the assumptions and prepared the attached statement of projected cash flow of the insolvent person, as of the 12th day of December 2018, consisting of December 8, 2018 to February 1, 2019.

The hypothetical assumptions are reasonable and consistent with the purpose of the projection described in the notes attached, and the probable assumptions are suitably supported and consistent with the plans of the insolvent person and provide a reasonable basis for the projection. All such assumptions are disclosed in the notes attached.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

The projection has been prepared solely for the purpose described in the notes attached, using a set of hypothetical and probable assumptions set out in the notes attached. Consequently, readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Montréal in the Province of Québec, this 12th day of December 2018.

  
2964-3277 Québec Inc.  
Debtor

Fadi Melki, President  
Name and title of signing officer

District of: Quebec  
Division No. 01 - Montréal  
Court No. 500-11-055629-188  
Estate No. 41-2449058

FORM 30 - Attachment  
Report on Cash-Flow Statement by the Person Making the Proposal  
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of  
2964-3277 Québec Inc.  
Of the City of Montréal  
In the Province of Québec

Purpose:

2964-3277 Québec Inc. filed a Notice of Intention to Make a Proposal on November 29, 2018. The purpose of this Statement of Projected Cash Flow is to present the estimated cash receipts and disbursements of 2964-3277 Québec Inc. (the "Company"), for the period from December 8, 2018 to February 1, 2019, relating to the filing of a Motion to extend the delay to Make a Proposal.

This Statement of Projected Cash Flow has been prepared by management on December 12, 2018, based on available financial information at that date in accordance with Section 50.4(2) of the Bankruptcy and Insolvency Act and should be read in conjunction with the Trustee's Report on the Cash Flow Statement. Readers are cautioned that this information may not be appropriate for other purposes.

Projection Notes:

The Statement of Projected Cash Flow has been prepared using probable assumptions supported and consistent with the plans of the Company for the period from December 8, 2018 to February 1, 2019, considering the economic conditions that are considered the most probable by management. As the cash flow is based upon various assumptions regarding future events and circumstances, variances will exist and said variances may be material. Accordingly, we express no assurance as to whether the projections will be achieved.

Assumptions:

(a) General

The Statement of Projected Cash Flow assumes the company will continue to ship to existing customers and does not reflect any transaction that may occur after the opening of tenders on December 19, 2018.

(b) Projected Cash Receipts

The projected cash receipts are estimated by management based upon current outstanding accounts receivable balances and expected sales during the period.

(c) Projected Cash Disbursements

The projected cash disbursements are based upon historical data adjusted to reflect the current level of activity and best estimates of the Company;

Payroll is based on current headcount levels adjusted to reflect management's restructuring plan;

Rent is based on rent agreements with lessors;

Filing Deposits reflects management's estimate of required deposits necessary to ensure continued service from certain critical suppliers.

General expenses are mainly composed of purchases, brokerage, freight, temporary labor and insurance. They are based upon historical data adjusted to reflect the current level of activity and management's best estimates;

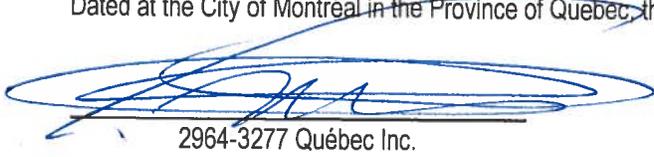
The interest is based on current loan balances and interest rates;

The professional fees are related to the current restructuring and are based on management's estimate;

The current government remittances for source deductions and sales taxes are included in the disbursement assumptions.

The cash disbursements do not provide for the payment of arrears to unsecured creditors.

Dated at the City of Montréal in the Province of Quebec, this 12th day of December 2018.

A handwritten signature in blue ink, consisting of several overlapping loops and strokes, positioned above a horizontal line.

2964-3277 Québec Inc.