

CANADA
Province of Quebec
District of Québec
Division No.: 01-Montréal
Court No.: 500-11-054804-188
Estate No.: 41-2388971

SUPERIOR COURT
(Commercial Division)
Bankruptcy and Insolvency Act

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

GREATEX MILLS INC.

legal person duly incorporated under the laws of
Canada, having its principal place of business at
1625 Chabanel St. West, Suite 201, Montreal QC
H4N 2S7

Petitioner / Debtor

-and-

RICHTER ADVISORY GROUP INC.

Trustee

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

I, Olivier Benchaya, CPA, CA, CIRP, LIT, of Richter Advisory Group Inc. ("**Richter**" or the "**Trustee**"), the trustee under the Notice of Intention to make a Proposal filed by Greatex Mills Inc. (hereinafter the "**Debtor**"), hereby report to the Court as follows:

INTRODUCTION

1. On June 13, 2018, the Debtor filed a Notice of Intention to make a Proposal (the "**NOI**") in accordance with Section 50.4(1) of the *Bankruptcy and Insolvency Act* (the "**Act**"), a copy of which is annexed hereto as **Exhibit "A"**.
2. On June 20, 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 Notice of Intention, as annexed hereto as **Exhibit "B"**.

3. On June 21, 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 the week ending June 15, 2018 to the week ending July 20, 2018, which included the major Assumptions used in the preparation of the Projections. Concurrently therewith, the 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 July 4, 2018, the Debtor sought, and the Court issued, an order authorizing a sale and solicitation process to market and sell the Debtor's assets and extending the delay under the NOI for the Debtor to make a proposal until August 20, 2018 (the "**SSP Order**"), attached hereto as **Exhibit "D"**
5. On August 20, 2018, the Debtor sought, and the Court issued, an order extending the delay under the NOI for the Debtor to make a proposal until October 4, 2018, attached hereto as **Exhibit "E"**.
6. On or about August 21, 2018, the Debtor will be filing a motion (the "**Sale Motion**") seeking approval to sell all of the inventory of the Debtor and all equity on other interests of the Debtor and its German subsidiary (the "**Purchased Assets**"). The Sale Motion will be presented to the Court as quickly as possible.
7. In order to monitor the affairs and finances of the Debtor, the Trustee has been provided with access to the books, records and other important documents of the Debtor.
8. The Debtor has been paying its suppliers and employees, on a timely basis, for goods and services provided subsequent to the date of the filing of the NOI, according to the current business terms. The Trustee has compared the actual results to those projected since the filing of the Notice of Intention. The actual results to date have been favorable.
9. The Trustee has made all motions and orders in this matter available on its website.

PURPOSE OF THIS REPORT

10. The purpose of this Report is to provide this Court with information pertaining to:
 - a) The proposed sale of the Purchased Assets of the Debtor and the Trustee's recommendation;
 - b) The wind-down of the Debtor's operations assuming the sale of the Purchased Assets is completed.

TERMS OF REFERENCE

11. In preparing this Report, the Trustee has relied upon 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 Trustee has not audited, reviewed, or otherwise attempted to verify the accuracy or completeness of such information. Future-oriented financial information reported or relied on in preparing this report is based on management's assumptions regarding future events; actual results may vary from the forecast and such variations may be material.
12. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.

BACKGROUND AND OPERATIONS OF THE DEBTOR

13. We refer to the Trustee's reports dated July 4, 2018 (the "**First Report**") and August 20, 2018 (the "**Second Report**") for a summary of the operations of the Debtor and the events which precipitated the filing of the NOI.
14. The Debtor's assets consist primarily of inventory with a book value of approximately \$4.4 million (\$1.4M located in Montreal, \$700,000 in the US and \$2.3M in Germany (owned by the Debtor's German subsidiary)) and accounts receivable with a book value of approximately \$3.9 million.
15. The above inventory values are at book value and are likely overly optimistic, given that the Debtor and the German subsidiary have been aggressively selling their inventory, leaving the least valuable inventory remaining unsold.

SECURED LENDERS

16. As noted in the Second Report, the Debtor has two secured creditors, the validity of whose security (on all of the assets of the Debtor) has been confirmed by independent legal counsel engaged by the Trustee. The amounts owing to the Debtor's two secured creditors are as follows:
 - a) TD Bank (first ranking) - approximately \$1.4M;
 - b) Business Development Bank of Canada ("**BDC**") (second ranking) - approximately \$670K.

OFFER TO PURCHASE THE INVENTORY OF THE DEBTOR

17. As more fully detailed in the Second Report, a Sale Process (as defined in the Second Report) was put in place, which process was supervised by the Trustee. Following a solicitation of interested parties, six parties performed due diligence on the Debtor which led to an offer from one of the parties. This offer (for the entire inventory, accounts receivable and all other property of the Debtor), from Crescent Commercial Corporation (the "**Purchaser**") was rejected by the Debtor and its secured creditors as being insufficient.
18. As disclosed to the Court on August 20, 2018, subsequent to the rejection of the above bid, the Purchaser continued to express interest in purchasing the assets of the Debtor.
19. Following discussions with the Purchaser, as well as consultation with the first and second ranking secured lenders, an offer to purchase dated August 20, 2018 ("**Offer to Purchase**") was received from the Purchaser. The Offer to Purchase can be summarized as follows:
 - a) Purchase price of \$400,000 of which \$300,000 is payable upon closing and \$100,000 is payable thirty days following closing;
 - b) Closing is to occur following the issuance of an order by the Court (which has been made executory notwithstanding appeal or which order has become final as more fully detailed in the Offer to Purchase) approving and ratifying the Offer to Purchase and the sale of the inventory free and clear, the whole as more fully detailed in the Sale Motion;
 - c) The Vendor will permit the Purchaser to use the Debtor's property and to occupy the Debtor's premises for a period of up to 120 days following closing, partially funded by the TD Bank but mostly funded by the Purchaser;
 - d) The Offer to Purchase does not include the accounts receivable of the Debtor, in particular, which have an estimated realizable value of \$800K as of the date of this report. The Debtor will continue to collect the receivables during the NOI process;
 - e) The TD Bank being the first ranking secured lender will agree to fund an amount of approximately \$191,000 to enable the Debtor to wind down its operations following the closing including the collection of the accounts receivable, payment of priority claims and other costs including professional fees. In addition, assuming that the amount owing to the TD Bank is reduced in aggregate to a minimum amount of \$300,000 (from the current level of \$1.1M plus the additional advances of \$191,000), the TD Bank agrees to release all guarantees and security provided by Sheldon Lewis, the main shareholder of the Company as well as all security provided by Benton Lewis.

20. It is the Trustee's understanding that the Purchaser does not intend to continue the business of the Debtor on a going-concern basis but rather, will liquidate the inventory of the Debtor and the German subsidiary. A copy of the Offer to Purchase is annexed hereto as **Exhibit "F"**.
21. Based on the terms of the offer and the estimated realizable value of the accounts receivable, it is expected that, if completed, the net result will be the collection of sufficient funds to pay the majority of the amount owing to the first ranking secured debt of the TD Bank. Should the Debtor collect more than \$1M of the \$3.9M outstanding receivables as of this date, a partial payment would be made to the secured debt of BDC. Attached hereto as **Exhibit "G"** is a revised weekly cash flow projection prepared by the Debtor to incorporate this latest information.
22. While the Purchaser and the Debtor are not related *per se*, the Trustee is aware of financial arrangements between the Purchaser and Benton Lewis, the father of the Debtor's main shareholder.

TRUSTEE'S RECOMMENDATION

23. The Trustee hereby supports the conclusions sought in the Sale Motion and the Debtor's therein explained rationale for seeking approval of the Proposed Sale for the following reasons:
 - a) the assets of the Debtor have been offered for sale pursuant to a court approved Sale Process and as a result, the Trustee is of the opinion that the Offer to Purchase combined with the Debtor's ongoing collection of outstanding receivables will serve to maximize the net realizable value of the Debtor's assets;
 - b) the acceptance of the Offer to Purchase will maximize value for the secured creditors enabling the TD Bank to, at a minimum, get repaid the majority of its debt and the potential for the BDC to be partially repaid, should collections exceed our estimates;
 - c) while the transaction will not result in a going-concern sale, the orderly liquidation of the inventory and collection of receivables will preserve jobs for a period of time;
 - d) once the assets of the Debtor have been realized upon, the Debtor and its principals will be in a better position to assess the value and accessibility of the Debtor's tax losses and the possibility of a proposal to the Debtor's creditors.

Respectfully submitted at Montreal, this 21st day of August, 2018

Richter Advisory Group Inc.
Licensed Insolvency Trustee



Olivier Benchaya, CPA, CA, CIRP, LIT

EXHIBIT A

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

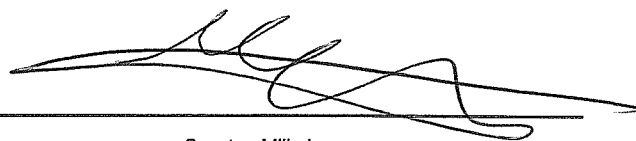
- FORM 33 -
Notice of Intention To Make a Proposal
(Subsection 50.4(1) of the Act)

In the Matter of the Notice of Intention to make a Proposal of
Greatex Mills Inc.
of the City of Montréal
in the Province of Québec

Take notice that:

1. I, Greatex Mills 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, of 1981 McGill College, 11th floor, 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 13th day of June 2018.



Greatex Mills Inc
Insolvent Person

To be completed by Official Receiver:

Filing Date

Official Receiver

EXHIBIT B

RICHTER

CANADA

Province of Québec

District of: Québec

Division No.: 01-Montréal

Court No.: 500-11-054804-188

Estate No.: 41-2388971

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 Greatex Mills Inc. of the City of Montréal in the Province of Québec

Notice is hereby given that, on June 13, 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, June 20, 2018.

Richter Advisory Group Inc.
Licensed Insolvency Trustee
Trustee acting *in re* the proposal of
Greatex Mills Inc.



Olivier Benchaya, CPA, CA, CIRP, LIT

T. 1.888.805.1793 - 514.934.3400

F. 514.934.8603

claims@richter.ca

Richter Groupe Conseil Inc.

Richter Advisory Group Inc.

1981 McGill College

Montréal, QC H3A 0G6

Montréal, Toronto

(français - recto)



CANADA

Province de Québec

District de : Québec

No division : 01-Montréal

No cour : 500-11-054804-188

No dossier : 41-2388971

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
Les Moulins Greatex Inc.
de la ville de Montréal
en la province de Québec**

Avis est par la présente donné que, le 13 juin 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 intenter 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 20 juin 2018.

Richter Groupe Conseil Inc.
Syndic autorisé en insolvabilité
Syndic agissant *in re* la proposition de
Les Moulins Greatex Inc.



Olivier Benchaya, CPA, CA, CIRP, SAI

T. 1.888.805.1793 - 514.934.3400

F. 514.934.8603

reclamations@richter.ca

Richter Groupe Conseil Inc.
Richter Advisory Group Inc.
1981 McGill College
Montréal (QC) H3A 0G6

Montréal, Toronto

(English – Over)



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

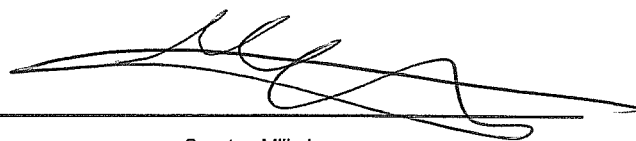
- FORM 33 -
Notice of Intention To Make a Proposal
(Subsection 50.4(1) of the Act)

In the Matter of the Notice of Intention to make a Proposal of
Greatex Mills Inc.
of the City of Montréal
in the Province of Québec

Take notice that:

1. I, Greatex Mills 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, of 1981 McGill College, 11th floor, 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 13th day of June 2018.



Greatex Mills Inc
Insolvent Person

To be completed by Official Receiver:

Filing Date

Official Receiver

District de:
No division:
No cour:
No dossier:

- 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
Les Moulins Greatex Inc.
de la ville de Montréal
en la province de Québec

Avis est donné de ce qui suit :

1. Je, Les Moulins Greatex Inc., personne insolvable signifie mon intention de faire une proposition à mes créanciers conformément au paragraphe 50.4(1) de la Loi.
2. 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.

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.

- Conformément à l'article 69 de la Loi, les procédures engagées contre moi sont suspendues à compter de la date du dépôt du
4. présent avis auprès du séquestre officiel de ma localité.

Daté le 13 juin 2018, à Montréal, en la province de Québec.

(signé)

Les Moulins Greatex Inc
Personne Insolvable

À remplir par le séquestre officiel:

Date du dépôt

Séquestre officiel

District of: Quebec
 Division No. 01 - Montréal
 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
 Greatex Mills 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
3310485 CANADA INC.	2 PLACE ALEXIS NIHON #1000 MONTREAL QC H3Z 3C1		600,000.00
AADVANTAGE INT'L FABRICS/	CAPITAL FACTORS, INC. P.O. BOX 628067 ORLANDO FL 32862-8067 USA		26,261.77
ANJI QIANGHONG FURNITURE CO	YISHITA INDUSTRIAL ZONE ANJI COUNTY ZHEJIANG CHN		307,376.65
APEX(ZHEJIANG) TEXTILE CO LTD	NO 16 PHASE TWO DAMA TEXTILE INDUSTRIAL ZONE TONGXIANG CITY ZHEJIANG CHN		51,053.51
ART NOVEL TEXTIL GMBH	RENNERWEG 5RM 16 D-96450 COBURG-CREIDLITZ COBURG GER		1,111.09
AYDIN TEKSTIL TICARET VE PAZ *	TURGUT OZAL CADDESİ NO. 38-3 INSTANBUL TURKEY		2,459.76
BDC	800 SQUARE VICTORIA TOUR DE LA PLACE VICTORIA MONTREAL QC H4Z 1C8		676,440.00
BENTON LEWIS	3150 TRAFALGAR HEIGHTS MONTREAL QC H3Y 1H2		100,000.00
BOLLORE LOGISTICS UK LTD	BERNARD HOUSE 52-54 PEREGRINE ROAD HAINAULT, ILFORD ESSEX, IG6 3SZ UK		42,487.75
BOLLORE LOGISTICS UK LTD	BERNARD HOUSE 52-54 PEREGRINE ROAD HAINAULT, ILFORD ESSEX, IG6 3SZ UK		76,335.47
CANPAR TRANSPORT	ATTENTION: CASH RECEIPT 201 WESTCREEK BLVD SUITE 102 BRAMPTON ON L6T 0G8		857.67



District of: Quebec
 Division No. 01 - Montréal
 Court No.
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- 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
 Greatex Mills 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
CANSEW INC.	111 CHABANEL O. MONTREAL QC H2N 1C9		285.97
CHANGSHU CHANGSHENG WARP	WANGQIAO VILLAGE HAIYU TOWN CHANGSHU CITY CHN		3,920.85
CLARKE TRANSPORT	201 WESTCREEK BLVD BRAMPTON ON L6T 5S6		252.38
DELMAR INTERNATIONAL INC	10636 COTE DE LIESSE MONTREAL QC H8T 1A5		16,798.25
DERWINS PLASTICS	2-611 XINCHENG DEVELOPMENT CENTER, 126 MIDDLE TIANYUAN RD JIANGNING DISTRICT, NANJING CHN		22,350.14
DURA TEXTILE LTD	110 RUE RICHER LACHINE QC H8R 1R2		2,098.52
ELITE TEXTILE CO LTD *	NO 8 WUZHOU ROAD LINPING HANGZHOU HANGZHOU CHN		1,808.33
EULER HERMES CANADA INS	1155 RENE LEVESQUE BLVD WEST SUITE 2810 MONTREAL QC H3B 2L2		1,258.61
FEDERAL EXPRESS CANADA	PO BOX 4626 TORONTO STN A TORONTO ON ON M5W 5B4		15,422.53
FIBRENOIRE INC	550 AVE BEAUMONT SUITE 320 MONTREAL QC H3N 1V1		632.36
GMX WORLDWIDE EXPRESS	19 DONEGANI POINTE CLAIRE QC H9R 2V6		4,897.34
HAINING BO YANG FURNITURE CO	NO.18 ZHIJIANG ROAD ZHOUWANGMIAO TOWN HAINING CHN		117,164.00

District of: Quebec
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Notice of Intention To Make a Proposal
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Creditor	Address	Account#	Claim Amount
HAINING CHENGSHANG TEXTILE CO	BUILDING 2 NO.3 LUHONG ROAD QIANJIANG IND PARK DINGQIAO TOWN HAINING ZHEJIANG CHN		8,908.13
HAINING HAN TEXTILE CO LTD *	NO.58 XINMIN ROAD, HAING WARP KNITTING INDUSTRIAL ZONE HAINING CHN		1,851.60
HAINING HUANYU WARP KNITTING *	NO 28 4TH JINGBIAN WARP KNIT INDUSTRIAL, ZONE HAINING CHN		281.75
HAINING MATCHWORLD TEXTILE CO	NO.28 1ST JINGDU ROAD HAINING WARP-KNITTING BUSINESS HAINING 314419 CHN		14,372.80
HAINING MEILI KNITTING CO LTD	32 2ND JINGBIAN ROAD JINBIAN INDUSTRIAL PARK HAINING CHN		18,987.15
HAINING RONGJIA CLOTHING IND	NO 25 XUCUN INDUSTRIAL ZONE HAINING CITY CHN		24,895.18
HAINING TEXTIME TEXTILE CO.LTD	NO 2, 2ND WARP KNITTING ROAD MAQIAO HAINING CHN		5,539.54
HAINING TIANLI TEXTILE CO LTD	NO.12 JINGDU 10 ROAD WARP KNITTING INDUSTRIAL ZONE HAINING CHN		115,240.37
HAINING ZHIDA TEXTILE WEAVING *	CO.LTD 873 XINGGUANG STREET YUHANG HANGZHOU HANGZHOU 311100 CHN		2,769.71
HANGRUN TEXTILE CO.LTD	HANGZHOU YANSHAN CHONGXIAN TOWN YUHANG DISTRICT HANGZHOU CHN		105,994.11
HANGZHOU ASSETEX FABRIC CO LTD *	130 RI HUI RD XINGWANG VILLAGE YUNHE TOWN,YUHANG DISTRICT HAINING 311102 CHN		2,595.79

District of: Quebec
 Division No. 01 - Montréal
 Court No.
 Estate No.

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Notice of Intention To Make a Proposal
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In the Matter of the Notice of Intention to make a Proposal of
 Greatex Mills 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
HANGZHOU BE TRUST IMP EXP CO	LTD 28 HONGDA ROAD YUHANG ECON OMIC DEVELOPMENT ZONE YUHANG DISTRICT HANGZHOU CHN		23,750.47
HANGZHOU BU SHENG TECHNOLOGY	ROOM 803 BUILDING 1, BAFANGJIEZUO MANSION NANYUAN STREET ZHEJIANG CHN		44,702.03
HANGZHOU BU SHENG TEXTILE CO	LTD, FLOOR1-2 BUILDING 3 NO 39 WANNIAN ROAD, YUHANG DISTRICT HANGZHOU CITY CHN		77,161.88
HANGZHOU CHAOYU TEXTILE PROD	CHONGXIAN INDUSTRIAL ZONE YUHANG DISTRICT HANGZHOU CHN		37,854.55
HANGZHOU CLOTH IMP & EXP CO	NO.19 TANGNING YUHANG ECONOMIC DEVELOPMENT ZONE, YUHANG DISTRICT, HANGZHOU CHN		6,393.08
HANGZHOU COACHE IMPORT&EXPORT	ROMM 807 BAFANGJIEZUO BUILDING NO.1 NANYUAN STREET YUHANG HANGZHOU CHN		34,594.17
HANGZHOU EASTERN FABRIC CO LTD	YUHANG ECONOMIC DEVELOPMENT ZONE HANGZHOU HANGZHOU CHN		177,064.91
HANGZHOU FUYANG KEYI HOME	CO.LTD. SHOUXIANG TOWN FUYANG CHN		134,479.90
HANGZHOU HELMTEX MILLS LTD *	CHONGXIAN INDUSTRIAL ZONE HANGZHOU CHN		590.58
HANGZHOU JANATEX COMPANY LTD	6 XINFANG ROAD, LINPING TOWN HANGZHOU CITY 311100 CHN		7,783.19
HANGZHOU PEITE TEXTILE CO LTD *	NO.650 WANGMEI ROAD YUHANG ECONOMIC AND TECHNOLOGY AREA YUHANG HANGZHOU CHN		1,577.50

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In the Matter of the Notice of Intention to make a Proposal of
 Greatex Mills 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
HANGZHOU SHUODIAN TEXTILE CO	JIULONG VILLAGE RENHE STREET YUHANG DISTRICT HANGZHOU CHN		13,685.07
HANGZHOU TENGSHI WEAVER CO LTD	XIANGYANG INDUSTRIAL ZONE CHONGXIAN YUHANG HANGZHOU CHN		41,566.93
HANGZHOU WEIZUO TRADE CO LTD	1210 BUILDING 3 MEILAI INTERNATIONAL CENTRE NANYUAN YUHANG DISTRICT,HANGZHOU CHN		8,278.45
HANGZHOU YANGTSE RIVER DELTA	B-9 FLOOR NANBEI BUSINESS CENT RE 69 WENZHOU ROAD HANGZHOU CHN		12,188.93
HANGZHOU YILIAO TEXTILE	LUJIAQIAO INDUSTRIAL DEVELOPING ZONE CHONGXIAN YUHANG DISTRICT,HANGZHOU CHN		22,955.89
HANGZHOU YITENA IMP&EXP *	NO.951 XINGGUANG ROAD DONGHU STREET YUHANG DISTRICT, HANGZHOU CHN		296.54
HANGZHOU YUANBI IMP&EXP CO LTD	RM 407 BUILDING NO 168 CENTRAL RD LINPING HANGZHOU CHN		8,621.69
HANGZHOU YUEYANG TEXTILE CO	NO.7,GROUP2, JIEFANG VILLAGE GUALI TWON XIAOSHAN DISTRICT CHN		5,046.08
HANGZHOU YUHANG FOREIGN TRADE	CO LTD 37 LONGHUANGTANG ROAD LINPING HANGZHOU CHN		4,960.75
HANGZHOU YUHANG LIGHT (FANGGE)	IND IMP & EXP 9/FL MAYA PLAZA NO3 JI DA DAO ROAD, LINPING HANGZHOU CHN		32,851.15
HANGZHOU YUHANG LIGHT(KAILONG)	IMPORT&EXPORT CO. NO 37 LONG WANG TANG ROAD LINPING HANGZHOU CHN		4,314.73



District of: Quebec
 Division No. 01 - Montréal
 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
 Greatex Mills 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
HANGZHOU YUHANG LIGHT(LULLABY)	IMPORT&EXPORT CO. NO 37 LONG WANG TANG ROAD LINPING HANGZHOU CHN		93,788.64
HANGZHOU ZHONGYA TEXTILE CO *	NANSHAN INDUSTRIAL ZONE YUHANG DISTRICT HANGZHOU CITY CHN		2,716.56
HIGHTEX CO LTD	HANGZHOU YUHANG ECONOMIC DEVELOPMENT ZONE HANGZHOU CHN		8,789.80
HYDRO QC	C.P. 11022 SUCC CENTRE-VILLE MONTREAL QC H3C 4V6		1,767.35
JIAXING GUANGXIN IMPORT&EXPORT	HAIYANG BUILDING NO918 NORTH FUXING RD WUTONG STREET TONGZIANG CHN		18,325.72
MANULIFE	CONTRACT ADMINISTRATOR P.O. BOX 1627 WATERLOO ON N2J 4P4		6,496.80
MB TEXTILES LIMITED	THE OLD CHAPEL MARKET STREET SOUTH NORMANTON, DERBYSHIRE, DE552AB UK		4,834.65
MILGRAM & COMPANY LTD	400-645 WELLINGTON MONTREAL QC H3C 0L1		27,191.73
MILGRAM INT'I SHIPPING	400-645 WELLINGTON MONTREAL QC H3C 0L1		30,033.49
MINIMAL	4710 ST-AMBROISE #319 A MONTREAL QC H4C 2C7		1,299.50
MINIMAX TRANSPORTATION	P.O. BOX 92 CORNWALL ON K6H 5R9		2,377.83
MNP SENCRL	1155 BOUL RENE-LEVESQUE O 19 ETAGE MONTREAL QC H3B 2J8		57,102.33

District of: Quebec
 Division No. 01 - Montréal
 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
 Greatex Mills 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
NASHEN + NASHEN CONSULTANTS IN	3400 RUE JEAN TALON BUREAU 203 MONTREAL QC H3R 2E8		1,230.23
OAKTREES LTD	MARKET STREET SOUTH NORMANTON DERBYSHIRE , DE55 2AB UK		205,596.36
PAYROLL + ACCRUED VACATION			125,000.00
PESTROY INC.	475 AVE MICHEL-JASMIN DORVAL QC H9P 1C2		482.90
PULSE INC.	MAINTENANCE SERVICE 3620 PERRON CHOMEDEY, LAVAL QC H7V 1P5		626.36
QUALITY PLUS PRODUCTS LIMITED	RM1902 EASEY COMM BLDG 253-261 HENNESSY ROAD WANCHI, HONGKONG CHN		200,561.66
ROGERS WIRELES INC	CP 11442 MONTREAL QC H3C 5J2		644.33
RYDER MATERIAL HANDLING ULC	3430 RUE GRIFFITH MONTREAL QC H4T 1A7		986.84
S&M FOOD SERVICES	3512 ASHBY VILLE ST-LAURENT QC H4R 2C1		458.64
SDL ATLAS LLC *	3934 AIRWAY DRIVE ROCK HILL SC 29732 USA		381.00
SHANGHAI GUAN CHENG INT'L *	LOGISTICS CO LTD ROOM 2A08 NO. 85 HONG JING RD SHANGHAI SHANGHAI 201103 CHN		349.00
SHANGHAI YUXINSHENG TRADING CO	LTD 23C QUINJIANG TOWER 971 DONFANG ROAD SHANGHAI CHN		6,015.39
SHELDON LEWIS	370 ROSLYN WESTMOUNT QC H3Z 2L6		100,481.00

District of: Quebec
 Division No. 01 - Montréal
 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
 Greatex Mills 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
SOLBEC ECLAIRAGE	3905 RUE ISABELLE #106 BROSSARD QC J4Y 2R2		627.76
SUZHOU AUDAY IMP & EXP .CO.LTD	NO.34 BULDING B SILK CORP MANSON FOREIGN TRADE BUSINESS, MARKET ROAD ,SHENGZE WUJIANG CHN		17,995.25
SUZHOU FURNITURE FABRICS CO	98 BAILONG ROAD SHENGZE TOWN WUJIANG CHN		105,093.75
SUZHOU MUYANG TEXTILE IMP&EXP	NO.2-303 DONGSHENG PEDESTRIAN STREET, SHENGZE WUJIANG SUZHOU 215228 CHN		7,052.69
SUZHOU PEKKOTEX IMP&EXP CO LTD	ROOM 305 BLOCK C 117 ZHU JIANG ROAD, SND SUZHOU CITY CHN		8,056.33
SUZHOU ROUFANG TEXTILE	TECHNOLOGY CO LTD. NO.1568 YUANQU ROAD,SHENGZE WUJIANG, CHN		4,487.00
TANGERINE SOFTWARE	555 DR.FREDERICK PHILIPS BUREAU 450 ST-LAURENT QC H4M 2X4		10,066.06
TD CANADA TRUST	433 CHABANEL OUEST #101 MONTREAL QC H2N 2J3		3,017,071.00
TONGXIANG AOTESI FABRICS CO	LTD NO 16, DONGSHENG GROUP GUANGMING VILLAGE DAMA TOWN TONGXIANG CITY CHN		97,151.98
TONGXIANG HUA AO IMP&EXP CO	DAMA TOWN TONGXIANG CITY CHN		43,182.25
TONGXIANG ORCHIDTEX CO,LTD	ZHOUCUAN TOWN TONGXIANG CITY CHN		26,967.99
UN APPEL SUFFIT	5820 RUE THEVENIN ST. LEONARD QC H1P 1H4		3,047.10

District of: Quebec
 Division No. 01 - Montréal
 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
 Greatex Mills 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
USF HOLLAND *	27052 NETWORK PLACE CHICAGO IL 606731270 USA		990.00
VISA/RBC ROYAL BANK	RBC ROYAL BANK P.O. BOX 4016 STATION A TORONTO ON M5W 2E6		7,942.91
VITESSES TRANSPORT CORP	1111 46E AV LACHINE QC H8T 3C5		7,140.00
VMX INC	3300 BOULEVARD PITFIELD ST LAURENT, QC H4S 1K6		1,122.61
WELFULL GROUP CO LTD	11F JINJIANG MANSION NO 111 HUSHU SOUTH ROAD HANGZHOU CHN		18,289.49
WELLS FARGO TRADE CAPITAL	SERVICES, INC RE: EDEN ROAD INT P.O. BOX 911794 DENVER CO 802911794 USA		3,671.60
WUJIANG DIYA TEXTILE BONDING	CO, LTD. 17-20 BALI SHENGZE TOWN WUJIANG, SUZHOU CHN		238,237.87
WUJIANG E-TEX CO LTD	1181 SHENGZHEN ROAD ZHENZE TOWN 21531 WUJIANG CITY CHN		18,092.41
WUJIANG J&D I/E CO LTD	RM 506 UNIT 3 JIULONG SQUARE JIANGXING RD WUJIANG CITY CHN		8,827.86
WUJIANG WANLONG TEXTILE CO	PINGWANG DEVELOPMENT ZONE WUJIANG CHN		47,454.33
WUJIANG WANSHIDA TEXTILE CO	LTD NO. 1-1 THE 3RD SECTION OF NANHUAN ROAD WUJIANG CITY CHN		24,067.58
WUJIANG YUHUA TEXTILE CO	NO 93 3F 2ND DISTRICT QINGFANG MARKET SHENGZE TOWN WUJIANG CHN		9,404.16

District of: Quebec
 Division No. 01 - Montréal
 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
 Greatex Mills 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
WUXI QUANSHENG TEXTILE CO LTD	NO. 52 YAN YU RD HUIZHAN DEVELOPMENT ZONE WUXI CHN		305,702.95
WUXI YUTONG FABRICS INDUSTRIES	YUQI TOWN 214183 WUXI WUXI CHN		8,336.25
ZHEJIANG FEIFAN TEXTILE(MEICO)	NO.16 PHASE TWO DAMA TXTILE IND ZONE TONGXIANG TONGXIANG CITY CHN		256,259.23
ZHEJIANG HUASHEN SILK (TAIYUE) *	3RD FLOOR, SILK BLDG ZHENXING ROAD TONGXIANG CITY CHN		2,436.63
ZHEJIANG HUASHEN SILK(FENGYUE)	SILK BLDG ZHEJIANG ROAD TONGXIANG CITY CHN		6,308.68
ZHEJIANG JENICE TEXTILE CO LTD	DAMA INDUSTRIAL ZONE TONGXIANG CITY CHN		6,013.04
ZHEJIANG JINDA TEXTILE CO.LTD	NO.25 XUCUN INDUSTRIAL ZONE HAINING CITY CHN		14,468.57
ZHEJIANG MAYA FABRIC CO LTD *	168 XUCUN ROADF IND ZONE XUCUN HAINING HAINING CHN		2,438.24
ZHEJIANG PIYI TEXTILE CO LTD	NO 1 EAST STREET YIQIAO HAIZHOU HAINING HAINING CHN		25,307.95
ZHEJIANG TONGHUI TEXTILE CO	LTD ZHICUN STREET CHONGFU TONGXIANG CHN		23,228.51
ZHEJIANG TONGX FOREIGN(AOTESI)	BUILD 21 JINGYA ROAD TONGXIANG CHN		19,808.37
ZHEJIANG TONGX FOREIGN(BDL) *	24TH FLOOR, FOREIGN TRADE BUILDING, 21 JINGYA RD TONGXIANG CHN		1,362.48

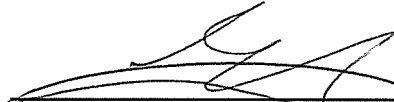


District of: Quebec
Division No. 01 - Montréal
Court No.
Estate No.

- 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
Greatex Mills 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
ZHEJIANG TONGX.FOREIGN-US BOOM	TRADE GROUP CO LTD. 42 PARK ROAD TONGXIANG CHN		8,669.91
ZHEJIANG TONGXING KNITTING	SCIENCE & TECHNOLOGY DEVELOP NO 156 HENGLE RD PUYUAN IND ZONE TONGXIANG CHN		66,698.74
ZZEURO EXCHANGE 1,5311			590.10
ZZGBR EXCHANGE 1,7398			155,676.86
ZZUS EXCHANGE 1,3004			1,035,748.94
Total			9,636,061.09



Greatex Mills Inc
Insolvent Person

- Proposal Consent -

In the Matter of the Notice of Intention to make a Proposal of
Greatex Mills Inc.
of the City of Montréal
in the Province of Québec

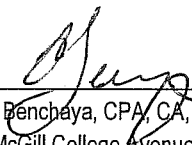
To whom it may concern,

This is to advise that we hereby consent to act as trustee under the Bankruptcy and Insolvency Act for the proposal of Greatex Mills Inc.

Dated at the City of Montréal, in the Province of Quebec, this 13th day of June 2018.

Richter Advisory Group Inc - Licensed Insolvency Trustee

Per:



Olivier Benchaya, CPA, CA, CIRP, LIT - Licensed Insolvency Trustee
1981 McGill College Avenue, 11th Floor
Montréal QC H3A 0G6
Phone: (514) 934-3400 Fax: (514) 934-8603

- Consentement -

Dans l'affaire de l'avis d'intention de faire une proposition de
Les Moulins Greatex 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 Les Moulins Greatex Inc.

Daté le 13 juin 2018, à Montréal en la province de Québec.

Richter Groupe Conseil inc - Syndic autorisé en insolvabilité

Par:

(signé)

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



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. 500-11-054804-188
Estate No. 41-2388971

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

Greatex Mills Inc
Insolvent Person

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

Date of the Notice of Intention: June 13, 2018

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: June 13, 2018, 16:17

E-File/Dépôt Electronique

Official Receiver

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

Canada



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 : 500-11-054804-188
No dossier : 41-2388971

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

Greatex Mills Inc
Personne insolvable

**RICHTER ADVISORY GROUP INC / RICHTER GROUPE
CONSEIL INC**
Syndic autorisé en insolvabilité

Date de l'avis d'intention : 13 juin 2018

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.

Date: 13 juin 2018, 16:17

E-File/Dépôt Electronique

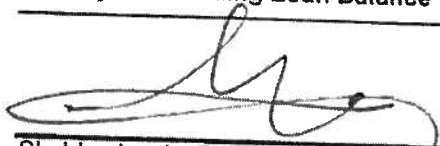
Séquestre officiel

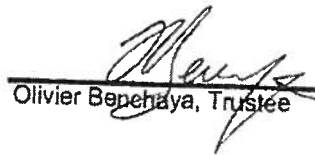
Sun Life Building, 1155 Metcalfe Street, Suite 950, Montréal Canada, H3B2V6, (877)376-9902

Canada

EXHIBIT C

Greatex Mills Inc.								
Projected Weekly Cash Flow (In \$000's)								
Week Ending	Week 1 15-Jun-18	Week 2 22-Jun-18	Week 3 29-Jun-18	Week 4 6-Jul-18	Week 5 13-Jul-18	Week 6 20-Jul-18	Total	Notes
Projected Receipts	\$ 203	\$ 161	\$ 236	\$ 399	\$ 206	\$ 334	\$ 1,538	1
Projected Disbursements								
Purchases	-	-	(6)	-	-	-	(6)	2
Operating Costs	(142)	(112)	(92)	(157)	(97)	(152)	(752)	3
Financing Costs	-	-	(21)	(1)	-	-	(22)	
Total	(142)	(112)	(119)	(158)	(97)	(152)	(780)	
Professional Fees	(15)	(15)	(15)	(15)	(15)	(15)	(90)	4
Projected Net Cash flow	46	34	102	226	94	167	668	
Opening Loan Balance	(3,017)	(2,971)	(2,938)	(2,836)	(2,610)	(2,516)	(3,017)	
Projected Ending Loan Balance	(2,971)	(2,938)	(2,836)	(2,610)	(2,516)	(2,349)	(2,349)	


 Sheldon Lewis, President


 Olivier Bepehaya, Trustee

Assumptions

Note 1 : Projected receipts were prepared on a client by client basis using historical payment patterns which were adjusted to take into account the potential collection lag from filing an NOI.

Note 2 : Minimal purchases were projected in the period and were assumed COD;

Note 3 : Projected operating costs primarily include rent, payroll and freight costs;

Note 4 : Projected professional fees are the estimated costs of the Trustee in the NOI and legal fees which may be incurred in the period.

District of: Québec
Division No.: 01-Montréal
Court No.: 500-11-054804-188
Estate No.: 41-2388971

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
Greatex Mills Inc.
of the City of Montréal
in the Province of Québec

The attached statement of projected cash flow of Greatex Mills Inc., as of the 13th day of June 2018, consisting of the period from June 11 to July 20 2018, has been prepared by the management of the insolvent person 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. 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 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,

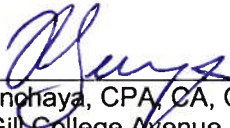
- (a) the hypothetical assumptions are not consistent with the purpose of the projection;
- (b) as at the date of this report, the probable assumptions developed are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given 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 21th day June 2018.

Richter Advisory Group Inc
Licensed Insolvency Trustee
Per:



Olivier Benhaya, CPA, CA, CIRP, LIT
1981 McGill College Avenue, 11th Floor
Montréal QC H3A 0G6
Phone: 514.934.8618 Fax: 514.934.8603

District of: Québec
Division No.: 01-Montréal
Court No.: 500-11-054804-188
Estate No.: 41-2388971

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
Greatex Mills Inc.
of the City of Montréal
in the Province of Québec

Purpose:

Greatex Mills Inc. filed a Notice of Intention to Make a Proposal on June 13, 2018. The purpose of this Statement of Projected Cash Flow is to present the estimated cash receipts and disbursements of Greatex Mills Inc. (the "**Company**"), for the period from June 11 to July 20 2018, relating to the filing of a Notice of Intention to Make a Proposal on June 13, 2018.

This Statement of Projected Cash Flow has been prepared by management on June 13 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 June 11 to July 20 2018, 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

Projected receipts were prepared on a client by client basis using historical payment patterns which were adjusted to take into account the potential collection lag from filing an NOI.


(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;

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

Dated at the City of Montréal, in the Province of Quebec, this 21th day June 2018.

Richter Advisory Group Inc
Licensed Insolvency Trustee
Per:


Olivier Benchaya, CPA, CA, CIRP, LIT
1981 McGill College Avenue, 11th Floor
Montréal QC H3A 0G6
Phone: 514.934.8618 Fax: 514.934.8603

District of: Quebec
Division No.: 01-Montréal
Court No.: 500-11-054804-188
Estate No.: 41-2388971

- 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
Greatex Mills Inc.
of the City of Montréal
in the Province of Québec

Purpose:

Greatex Mills Inc. filed a Notice of Intention to Make a Proposal on June 13, 2018. The purpose of this Statement of Projected Cash Flow is to present the estimated cash receipts and disbursements of Greatex Mills Inc. (the "Company"), for the period from June 11 to July 20 2018, relating to the filing of a Notice of Intention to Make a Proposal on June 13, 2018. This Statement of Projected Cash Flow has been prepared by management on June 13 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 June 11 to July 20 2018, 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:

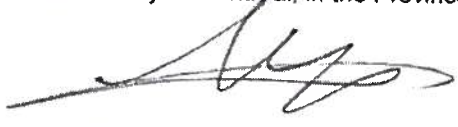
(a) Projected Cash Receipts

Projected receipts were prepared on a client by client basis using historical payment patterns which were adjusted to take into account the potential collection lag from filing an NOI.

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

Dated at the City of Montréal, in the Province of Quebec, this 21th day June 2018.



Greatex Mills Inc.
Debtor

SHELDON LEWIS - PRESIDENT
Name and title of signing officer

District of: Quebec
Division No.: 01-Montréal
Court No.: 500-11-054804-188
Estate No.: 41-2388971

- 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
Greatex Mills Inc.
of the City of Montréal
in the Province of Québec

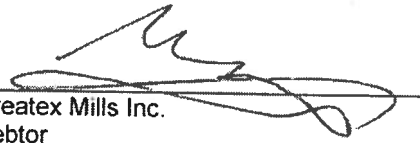
The management of Greatex Mills Inc. has developed the assumptions and prepared the attached statement of projected cash flow of the insolvent person, as of the 13th day of June 2018, consisting of the period from June 11 to July 20 2018.

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 21th day June 2018.


Greatex Mills Inc.
Debtor

SHELDON LEWIS - PRESIDENT
Name and title of signing officer

EXHIBIT D

SUPERIOR COURT
(Commercial Division)

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL
No. 500-11-054804-188
ESTATE NO.: 41-2388971
DATE: July 4, 2018

PRESIDING:

Me Chantal Flamand, registraire

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

GREATEX MILLS INC. / LES MOULINS GREATEX INC.

Debtor/Petitioner

-and-

RICHTER ADVISORY GROUP INC. / RICHTER GROUPE CONSEIL INC.

Trustee

**ORDER AUTHORIZING A SALE AND SOLICITATION PROCESS AND EXTENDING THE
DELAY TO MAKE A PROPOSAL**

- [1] **ON READING** the *Motion for the Authorization of a Sale and Solicitation Process and to Extend the Delay to Make a Proposal* (the "**Motion**") of Greatex Mills Inc. (the "**Debtor**"), the affidavit and the exhibits in support thereof;
- [2] **CONSIDERING** the notification/service of the Motion;
- [3] **CONSIDERING** the submissions of counsel;
- [4] **CONSIDERING** that it is appropriate to issue an order authorizing a sale and solicitation process in order to market the Debtor's business and related assets (the "**SSP**") and the related procedure produced as **Exhibit P-2** to the Motion (the "**SSP Procedure**") and to authorize Richter Advisory Group Inc. ("**Richter**") to conduct the SSP;

THE COURT:

- [5] **GRANTS** the Motion.

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NOTIFICATION/SERVICE

- [6] **ORDERS** that any prior delay for the presentation of this Motion is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further notification/service thereof.
- [7] **PERMITS** notification/service of this Order at any time and place and by any means whatsoever.

SALE AND SOLICITATION PROCESS

- [8] **APPROVES** and **AUTHORIZES** the SSP.
- [9] **APPROVES** and **AUTHORIZES** the SSP Procedure, with such non-material alterations, changes, amendments, deletions or additions thereto as may be agreed to with the consent of Richter.
- [10] **AUTHORIZES** Richter to conduct the SSP and to implement and perform any and all actions contemplated under the SSP Procedure or related thereto.

DELAY TO MAKE A PROPOSAL

- [11] **EXTENDS** the delay for the Debtor to make a proposal until August 20, 2018.

GENERAL

- [12] **DECLARES** that this Order shall have full force and effect in all provinces and territories in Canada.
- [13] **REQUESTS** the aid and recognition of any court or administrative body in any Province of Canada and any Canadian federal court or administrative body and any federal or state court or administrative body in the United States of America and any court or administrative body elsewhere, to act in aid of and to be complementary to this Court in carrying out the terms of the Order.
- [14] **ORDERS** the provisional execution of the present Order notwithstanding any appeal and without the requirement to provide any security or provision for costs whatsoever.

THE WHOLE WITHOUT COSTS.

KUGLER KANDESTIN LLP
Me Jeremy Cuttler
Attorneys for the Debtor/Petitioner

(s) me Chantal Flamand, registraire
Me Chantal Flamand, registraire

COPIE CERTIFIÉE CONFORME
AU DOCUMENT DÉTENU PAR LA COUR
[Signature]
Personne désignée par le greffier

REQUEST FOR OFFERS

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF GREATEX MILLS INC. / MOULINS GREATEX INC.

Richter Advisory Group Inc. ("**Richter**") acts as trustee to the notice of intention to make a proposal of Greatex Mills Inc. (the "**Debtor**") filed on June 13, 2018.

The Debtor has mandated Richter to initiate and conduct a sale and solicitation process to market the Debtor's business and the assets related thereto. Any transaction in connection with the Debtor's business and/or the assets will require Court approval.

As part of this solicitation process, Richter will allow Qualified Bidders to access (at Richter's choice, either through Richter's virtual data room or through other means chosen by Richter) all documents and information which the Debtor believes to be required in order for a Qualified Bidder to be in a position to make an offer or propose a transaction in connection with the Debtor's business or the Assets.

The present Request for Offers (the "**Request**") is subject to and governed by the following conditions and terms:

1. **VENDOR.** The Vendor of the Assets will be either the Debtor, a receiver to be appointed in respect of the Assets or, in the event of the Debtor's bankruptcy, the Debtor's bankruptcy trustee ("**Vendor**").
2. **ASSETS.** The assets forming the object of any Qualified Bid (the "**Assets**") will consist of the whole or any portion of all of the Debtor's corporeal and incorporeal, tangible and intangible property and any interests of the Debtor therein (to the extent of such interests) including, without limitation, all inventory, accounts receivable, leasehold rights, contractual rights under agreements, fixed assets, intellectual property, goodwill and shares in all of the Debtor's subsidiaries.
3. **QUALIFIED BIDDER.** The Debtor will only consider Qualified Bids from bidders who have provided to Richter a fully executed "Confidentiality and Non-Disclosure Agreement" (the "**NDA**") to the Debtor's complete satisfaction (a "**Qualified Bidder**").
4. **DUE DILIGENCE.** Upon request made by a Qualified Bidder to Richter, in order to allow the Qualified Bidder to complete its due diligence prior to submitting a bid and subject to and in accordance with the provisions of the NDA, the Qualified Bidder may be granted access to a virtual data room containing the following information with respect to the Debtor's business and assets (the "**Information**");
 - (a) the Debtor's financial statements for the past 2 years;

SWK

- (b) current accounts receivable listing without the names of customers;
 - (c) current customer list (including customers in the accounts receivable listing) without the names of the customers but including the annual volume of sales and payment history for each customer;
 - (d) current inventory listing by location; and
 - (e) copies of any and all leases and license agreements.
5. **QUALIFIED BID.** The Debtor shall only consider bids which meet the following conditions (a "**Qualified Bid**"), namely:
- (a) the bid is submitted by a Qualified Bidder;
 - (b) the bid is submitted by the Bid Deadline;
 - (c) the bid pertains to the acquisition or liquidation of the whole or any portion of the Assets or a transaction in connection with the investment or partnership in the Debtor's business;
 - (d) the bid indicates the consideration offered for the Assets to be purchased or the proposed transaction (the "**Purchase Price**") and the method of its payment;
 - (e) the bid is not conditional upon the outcome of unperformed due diligence or the obtaining of financing;
 - (f) the bid is conditional upon the issuance by the Commercial Division of the Quebec Superior Court for the District of Montreal (the "**Court**") of a judgment or order (the "**Approval Order**") which has been made executory notwithstanding appeal or which has become final as a result of the delay for appeal having expired without an appeal having been lodged or, an appeal having been lodged, the Order having been confirmed on appeal withdrawn which:
 - (i) authorizes Vendor (**A**) in the case of the sale of Assets, to sell the relevant Assets to the Qualified Bidder, free and clear of all hypothecs, prior claims, security interests, liens, charges and encumbrances whatsoever other than any expressly assumed by the Qualified Bidder in its Qualified Bid, and/or (**B**) to enter into and complete the proposed transaction with the Qualified Bidder, the whole in accordance with the terms and conditions of the Qualified Bid;
 - (ii) in the case of the Assets comprising leasehold rights, orders the assignment by Vendor to the Qualified Bidder of all of the Debtor's rights and obligations under some or all leases creating such leasehold rights; and

- (iii) in the case of Assets comprising contractual rights, orders the assignment by Vendor to the Qualified Bidder of all of the Debtor's rights and obligations under some or all agreements creating such contractual rights.
 - (g) in the case of a sale of the Assets, the bid is accompanied by a deposit equal to the lesser of \$100,000 or 5% of the Purchase Price (the "**Deposit**") in the form of a certified cheque, irrevocable electronic transfer of funds or bank draft, payable to "Richter Advisory Group Inc. – In Trust";
 - (h) the bid provides for a closing of the transaction envisaged by the Qualified Bid (the "**Contemplated Transaction**") by no later than **5 o'clock p.m.** (Montreal time) on **August 7, 2018** (the "**Closing Date**"); and
 - (i) the Qualified Bid provides for the following acknowledgments and representations from the Qualified Bidder, namely that:
 - (i) the Qualified Bidder has had the opportunity to conduct all due diligence regarding the Assets and/or the Debtor, before submitting its bid;
 - (ii) the Qualified Bidder acknowledges and recognizes that the Contemplated Transaction will be made on an "*as is / where is*" basis, at the Qualified Bidder's own risk and peril, without any representations or warranties of any nature whatsoever, implicit or explicit, legal or conventional, statutory or otherwise, with respect to the Assets and/or the Debtor;
 - (iii) the Qualified Bidder, in submitting its bid, has relied solely upon its own independent review, investigation and/or inspection of the Assets and the Information concerning the Assets and/or the Debtor;
 - (iv) the Qualified Bidder, in submitting its bid, has not relied upon any written or oral representations, warranties, guaranties or statements whatsoever, whether express or implied, statutory or otherwise, regarding the Assets and/or the Debtor or regarding any Information or the completeness thereof; and
 - (v) the bid is accompanied by such other information as may be reasonably requested by the Debtor and/or Richter.
6. **BID DEADLINE.** Qualified Bids accompanied by the Deposit must be received in a sealed envelope by Richter by no later than **noon** (Montreal time) on **July 25, 2018** (the "**Bid Deadline**"). Such sealed envelope must clearly be marked "**BID – GREATEX MILLS INC.**".
7. **OPENING OF QUALIFIED BIDS.** Qualified Bids will be opened at Richter's offices upon the expiry of the Bid Deadline. No bidder will be present at the opening of bids.

8. **WITHDRAWAL OF A QUALIFIED BID.** All Qualified Bids submitted constitute a firm offer and cannot be revoked, unless a written notice of withdrawal of the Qualified Bid is received by Richter prior to the expiry of the Bid Deadline.
9. **RETAINED BIDDER AND CONTEMPLATED TRANSACTION.** Richter, after consultation with the Debtor, and/or the Debtor, will determine which of the Qualified Bids, if any, is acceptable. Richter may elect to reject any or all of the Qualified Bids and is under no obligation to accept the highest Qualified Bid or to accept any of the Qualified Bids. The Qualified Bidders will be informed in writing by no later than **5 o'clock p.m.** (Montreal time) on **July 30, 2018** of the decision in respect of their respective Qualified Bids as follows:
- (a) if a Qualified Bid is accepted, the Qualified Bidder will receive a notice of acceptance from Richter (the "**Notice of Acceptance**") confirming that the Debtor agrees to complete the Contemplated Transaction with the Qualified Bidder (each a "**Retained Bidder**"), the whole subject to the issuance of the Approval Order (each a "**Retained Bid**"); and
 - (b) if a Qualified Bid is dismissed, the Qualified Bidder will receive notice of dismissal from Richter and the Deposit (without any accrued interest thereon) will be promptly returned by Richter to the Qualified Bidder. The Qualified Bidder recognizes and acknowledges that it has absolutely no recourse against Richter and/or the Debtor as a result of the dismissal of its Qualified Bid, save and except with respect to the return of its Deposit (without any accrued interest thereon).
- No transaction will be completed without the consent of the Debtor's senior secured lender, The Toronto-Dominion Bank.
10. **DEFINITIVE AGREEMENTS.** Following receipt of a Notice of Acceptance, the Retained Bidder, the Debtor and Richter undertake to negotiate in good faith to finalize the definitive agreements necessary to fully implement the Contemplated Transaction (the "**Definitive Agreements**").
11. **APPLICATION TO THE COURT.** Unless the Debtor otherwise agrees, the Application to the Court seeking issuance of the Approval Order will not be filed with the Court prior to the drafts of the Definitive Agreements having been approved in writing by each of the Debtor, Richter and the Retained Bidder.
12. **CLOSING.** Closing of the Contemplated Transaction(s) will occur no later than the Closing Date.
13. **LIABILITY FOR TAXES.** All applicable duties and taxes (including all sales taxes) that may be payable as a result of or in connection with the Contemplated Transaction will be paid by the Retained Bidder (in addition to the Purchase Price) in full at closing.

14. **WITHDRAWAL OF ACCEPTANCE.** The Debtor may withdraw its Notice of Acceptance at any time prior to the closing of the Contemplated Transaction. In the event of such withdrawal, Richter will immediately return the Deposit (without any accrued interest thereon) to the Retained Bidder and the Retained Bidder will have no further rights or recourses whatsoever against the Debtor and/or Richter.
15. **EXCLUSION OF WARRANTIES.** Any Contemplated Transaction will be made strictly on an "as is / where is" basis, without any representations or warranties on the part of the Debtor, any other Vendor or Richter, of any nature whatsoever, implicit or explicit, legal or conventional, statutory or otherwise with respect to the Assets and/or the Debtor, all such representations or warranties being expressly excluded from the Contemplated Transaction. Without limiting the generality of the foregoing, in connection with a sale of the Assets, the Qualified Bidder acknowledges (and will acknowledge in the Definitive Agreements) having examined the Assets in all respects and being completely satisfied with their existence, state, condition, saleability, quality and quantity in all respects. Additionally, in connection with a sale of the Assets, the Retained Bidder recognizes and acknowledges (and will recognize and acknowledge in the Definitive Agreements) that the Debtor and any other Vendor is not a professional seller of the Assets.
16. **POSSESSION.** Upon occurrence of closing on the Closing Date, in the event the contemplated transaction is in respect of the Assets, the Retained Bidder will take possession of the Assets strictly on an "as is / where is" basis, at its own cost and expense, without any liability on the part of the Debtor or Richter. The Retained Bidder will indemnify and hold each of the Debtor and Richter harmless for and against all claims in connection with any damages caused to any premises where the Assets are located as a result of the Qualified Bidder's taking possession thereof.
17. **TITLE.** Title to the Assets will not pass to the Retained Bidder nor will the Retained Bidder be entitled to possession thereof until the occurrence of closing on the Closing Date.
18. **DEFAULT OF A QUALIFIED BIDDER.** If a Qualified Bidder fails to comply with any of the terms, conditions and provisions of this Request, the NDA or its Qualified Bid, the Qualified Bidder will indemnify and hold harmless each of the Debtor and Richter for any damages incurred as a result of such failure.
19. **DEFAULT OF A RETAINED BIDDER.** If a Retained Bidder fails to complete the Contemplated Transaction or breaches the terms, conditions and provisions of this Request or the NDA, then:
 - (a) such Retained Bidder will be absolutely deemed to have completely forfeited its Deposit to and in favour of the Debtor and Richter shall immediately remit such Deposit to the Debtor, which the Debtor shall be entitled to retain as pre-

determined partial damages (and not as a penalty) resulting from such Retained Bidder's default; and

- (b) the Debtor and/or Richter, as the case may be, will be entitled to claim damages from the Retained Bidder resulting from such Retained Bidder's default in excess of the Deposit.

20. **NO ASSIGNMENT.** Neither a Qualified Bidder nor a Retained Bidder will be entitled to transfer or assign, in whole or in part, any of its rights, title and/or interest in or to its Qualified Bid and/or Retained Bid, except with the express prior written consent of the Debtor. If such consent is given by the Debtor, such Qualified Bidder, the Retained Bidder and the designated transferee/assignee will be solidarily (jointly and severally) liable towards the Debtor for all of the obligations of the Qualified Bidder and/or the Retained Bidder under its Qualified Bid and/or Retained Bid.

21. **NOTICE.** All communications (including, without limitation, all notices, acceptances, consents and approvals) provided for or permitted under this Request shall be in writing, sent by personal delivery, courier, facsimile or electronic transmission at the following coordinates:

- (a) For any Qualified Bidders: At the coordinates indicated in their respective bids;

- (b) For the Debtor: GREATEX MILLS INC.

1625 Chabanel Street West
Suite 201
Montreal, Quebec H4N 2S7
Attention: Sheldon Lewis
Jonah Lewis
E-Mail: slewis@greatex.com
jlewis@greatex.com

- (c) To Richter: RICHTER ADVISORY GROUP INC.

1981 McGill College
Montreal, Quebec H3A 0G6
Attention: Olivier Benchaya
E-Mail: obenchaya@richter.ca

22. **APPLICABLE LAW AND JURISDICTION.** This Request, the NDA, the Definitive Agreements and the Contemplated Transaction(s) will be subject to and governed by the laws of the Province of Quebec and the laws of Canada in force therein from time to time. Each Qualified Bidder, the Debtor and Richter attorns to the exclusive jurisdiction of the Court with respect to any and all legal proceedings or remedies related, directly or

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indirectly, to this Request, the NDA, the Definitive Agreements and the Contemplated Transaction(s).

23. **DELAYS.** If any delay provided for herein expires on a day that is not a business day (i.e. any day other than a Saturday, Sunday or statutory holiday in the Province of Quebec or any other day on which banks are generally closed for business in the Province of Quebec), the delay will be extended to the next business day. All delays set forth in this Request, including, without limitation, the Bid Deadline, the Closing Date and the delays set forth in Sections 7 and 9 hereof, may be extended by the Debtor, with the consent of Richter.
24. **WAIVER OR VARIANCE OF CONDITIONS.** All of the conditions set forth in this Request, the NDA and the Contemplated Transaction will enure to the exclusive benefit of the Debtor or any other Vendor and, accordingly, the Debtor or any other Vendor alone (and expressly not any Qualified Bidder or any Retained Bidder) will be entitled to waive or vary any of such conditions.
25. **LANGUAGE.** Each of the Debtor, Richter and the Qualified Bidders agree that this Request, the NDA, the Definitive Agreements, the Contemplated Transaction and all related documents be drawn up solely in the English language. / *Chacun des "Debtor", "Richter" et "Qualified Bidders" consentent à ce que ce "Request", "Confidentiality Agreement", "Definitive Agreements", "Contemplated Transaction" et tous les documents y afférents soient rédigés dans la langue anglaise.*

MONTREAL, July __, 2018

RICHTER ADVISORY GROUP INC., in its capacity as Trustee
to the Notice of Intention to Make a Proposal of
Greatex Mills Inc.



EXHIBIT E

20 août 2018
16.10
8h45

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CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL
NO.: 500-11-054804-188
ESTATE NO.: 41-2388971

SUPERIOR COURT
(Commercial Division)

(Bankruptcy and Insolvency Act, R.S.C.
1985, c. B-3)

20 AOUT 2018 A.16.10
Me Julie Bégin, registraire

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

GREATEX MILLS INC./LES MOULINS
GREATEX INC.;

Debtor/Petitioner

-and-

RICHTER ADVISORY GROUP INC./
RICHTER GROUPE CONSEIL INC.;

COPIE CERTIFIÉE CONFORME
AU DOCUMENT DÉTENU PAR LA COUR

Trustee

Personne désignée par le greffier

JULIO V. BERRIOS
GREFFIER ADJOINT C.S.M.

20 AOUT 2018

MOTION TO EXTEND THE DELAY TO MAKE A PROPOSAL

(Section 50.4(9) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3)

TO ONE OF THE HONOURABLE JUDGES OF THE SUPERIOR COURT, SITTING IN
THE COMMERCIAL DIVISION, IN AND FOR THE DISTRICT OF MONTREAL, OR TO
ONE OF ITS REGISTRARS, THE PETITIONER RESPECTFULLY SUBMITS AS
FOLLOWS:

I. INTRODUCTION

1. On June 13, 2018, Greatex Mills Inc. (the "**Debtor**") filed a Notice of Intention to Make a Proposal (the "**NOI**") pursuant to the relevant provisions of the *Bankruptcy and Insolvency Act*, Canada (the "**BIA**"), and named Richter Advisory Group Inc. (the "**Trustee**" or "**Richter**") as trustee thereto.
2. On July 4, 2018, the Debtor sought and this Honourable Court issued an order (the "**SSP Order**") authorizing a sale and solicitation process to market and sell the Debtor's assets (the "**SSP**") and extending the delay under the NOI for the Debtor to make a proposal until August 20, 2018 (the "**NOI Delay**"), the whole as appears of record herein.
3. Since the issuance of the SSP Order, other than the SSP efforts more fully described below, the Debtor has continued its operations and has consistently sold its inventory in order to maximize recovery during the fall selling season which is the Debtor's peak selling season.

Le 20 août 2018
Vu les allégations;
Vu les représentations;
Vu les pièces produites;
Par ces motifs:
Prolong le délai au
4 octobre 2018;

SANS FRAIS

Julie Bégin
Registraire

EXHIBIT F

OFFER TO PURCHASE

**TO: GREATEX MILLS INC./
LES MOULINS GREATEX INC.**
1625 Chabanel Street West
Suite 201
Montreal, Quebec
H4N 2S7

Attention: Sheldon Lewis, President

Gentlemen:

By this Offer to Purchase (the "**Offer**"), Crescent Commercial Corporation/Corporation Commerciale Crescent ("**Purchaser**") hereby offers to purchase from you ("**Vendor**") all of the following property owned by Vendor or in which Vendor has any interest (to the extent of such interest) as at **August 15, 2018**(the "**Reference Date**"), namely:

- (i) all of Vendor's goods, wares, merchandise and inventory, wherever located, as at the Reference Date (the "**Inventory**"); and,
- (ii) all of Vendor's shares, units, equity interests or any other rights or interests in Greatex Mills Inc. Niederlassung Deutschland (an entity subsisting under the laws of Germany),

(all of the foregoing property, collectively the "**Purchased Property**"), subject to and upon the following conditions and terms, namely:

1. Purchase Price

1.1 The aggregate purchase price for all of the Purchased Property will be **\$400,000.00** (the "**Price**"). Such Price will be paid as follows:

- (a) **\$300,000.00** (by way of certified cheque, bank draft or electronic transfer of immediately available funds) by Purchaser to Vendor's secured creditor, The Toronto-Dominion Bank (the "**Bank**") at and subject to occurrence of Closing (the "**Initial Payment**"); and
- (b) **\$100,000.00** (by way of certified cheque, bank draft or electronic transfer of immediately available funds) by Purchaser to the Bank no later than 30 days immediately following occurrence of Closing (the "**Final Payment**");

1.2 Payment of the Final Payment is hereby guaranteed by Stephen Kisber (by his co-signature hereto), waiving and renouncing to all benefits of division and discussion;

1.3 At Closing, in addition to the Price, Vendor will pay to Purchaser any and all Canadian goods and services tax and Quebec sales tax in respect of the sale and purchase of the Purchased Property envisaged hereby (collectively the "**Sales Taxes**").

2. **Excluded Liabilities and Excluded Property**

2.1 Purchaser will not assume, bear or be responsible for any debts, liabilities or obligations of Vendor of any nature or source whatsoever.

2.2 Purchaser will not purchase any of Vendor's property other than the Purchased Property.

3. **Exclusion of Warranties**

3.1 Purchaser acknowledges that all of the Purchased Property will be purchased without any representations or warranties, of any nature or form whatsoever, legal or conventional, express or implied, by Vendor in respect of any of the Purchased Property, Purchaser acknowledging that it has fully examined and is satisfied with the existence, location, state and condition of all of the Purchased Property such that Purchaser will purchase all of the Purchased Property on an *as is/where is* basis, at Purchaser's own risk.

4. **Closing Conditions**

4.1 The sale and purchase of the Purchased Property envisaged hereby are subject to the occurrence and fulfillment of each of the following conditions (collectively the "**Closing Conditions**") by no later than the Closing Date, namely:

4.1.1 the issuance by the Commercial Division of the Quebec Superior Court of for the District of Montreal (the "**Court**") of one or more judgments or orders which has/have been made executory notwithstanding appeal or which has/have become final as a result of the delay for appeal having expired without an appeal having been lodged or, if an appeal has been lodged, such judgment(s) or order(s) having been confirmed or such appeal withdrawn, which judgment(s) or order(s):

(a) approves and ratifies Vendor's acceptance of this Offer and authorizes Vendor to sell all of the Purchased Property to Purchaser in accordance with the provisions of this Offer; and

(b) orders that, subject only to occurrence of Closing and Purchaser's payment of the Price, all of the Purchased Property will absolutely vest in Purchaser, free and clear of all hypothecs, prior claims, security interests or any other third party rights whatsoever,

all in form and substance satisfactory to Purchaser;

4.1.2 the Bank's written agreement, subject only to occurrence of Closing and Purchaser's payment of the Price, that:

- (a) the Bank will, from and after the Reference Date, loan and advance to and/or on behalf of Vendor an additional \$191,126.00 (the "**Additional Loans**") in order to fund Vendor's payment of the expenses listed on the Annex hereto forming part hereof (the "**Expenses**"); and
- (b) subject to and upon the aggregate of (i) the total debt owing by Vendor to the Bank as at the Reference Date (fixed at the amount of \$1,137,235.00), plus (ii) the Additional Loans by the Bank (collectively the "**Aggregate Bank Debt**") being reduced to \$300,000.00, the Bank will completely release all guarantees furnished by Sheldon Lewis to the Bank for debts of Vendor as well as any and all security (including any life insurance policies) furnished by Sheldon Lewis and/or Benton Lewis to the Bank for debts of Vendor; and

4.1.3 Vendor, at Closing, agreeing in writing to permit Purchaser to fully use and benefit from all of Vendor's property (of any nature, form or location whatsoever) other than the Purchased Property, to use all of Vendor's computers, software and electronic and accounting systems and to occupy Vendor's premises (1625 Chabanel Street West, Suite 201, Montreal, Quebec) for a period of 120 days following Closing (or such lesser period as may, from time to time, be determined by Purchaser), free of any payments whatsoever by Purchaser. All costs and expenses for all of the foregoing will be, with the sole exception of the Expenses funded by the Additional Loans, be funded exclusively by Purchaser.

4.2 Each of the Closing Conditions will enure to the sole benefit of Purchaser and may be waived solely by Purchaser in its discretion.

5. Closing

5.1 Subject to the occurrence and/or fulfillment of all of the Closing Conditions (unless waived by Purchaser in its discretion) by **August 23, 2018** (or at such later date as may be agreed to by Vendor, Purchaser and the Trustee (the "**Closing Date**"), Closing of the sale and purchase of the Purchased Property contemplated hereby will occur on or before the Closing Date at the Trustee's offices (or at such other location as may be agreed to by Vendor and Purchaser) which will consist of the following (collectively "**Closing**"), namely:

5.1.1 the signature by Vendor and Purchaser of an agreement of sale effecting the sale and purchase of the Purchased Property envisaged hereby in accordance with the provisions of this Offer;

5.1.2 the signature by Stephen Kisber of the above agreement of sale (or such other document satisfactory to the Bank) in order to confirm his guarantee of the Final Payment as set forth in **Clause 1.2** hereof;

5.1.3 the payment by Purchaser to the Bank of the Initial Payment;

5.1.4 the payment by Purchaser to Vendor of the Sales Taxes; and

5.1.5 the signature by Vendor and Purchaser of all other documents and the doing by Vendor and Purchaser of all other things in order to give full and proper effect to the sale and purchase of the Purchased Property envisaged hereby.

6. General

6.1 No provisions whatsoever of the "Request for Offers" issued by the Trustee in respect of Vendor will be deemed to form part of this Offer or will bind Vendor and Purchaser.

6.2 The interpretation, validity and enforcement of this Offer and the sale and purchase of the Purchased Property envisaged hereby shall be subject to and governed by the laws of the Province of Quebec and the laws of Canada applicable therein.

6.3 These presents may be executed in one or more counterparts in photocopy, facsimile or pdf format, each of which shall be deemed to be an original and all of which together shall constitute one and the same document.

6.4 The Clause headings herein contained are for ease of reference only, do not form part hereof and shall not, in any manner, be used in the interpretation of the contents hereof.

7. Acceptance

7.1 This Offer will be and remain open for acceptance by Vendor's signing where indicated below and returning a signed copy of this Offer to Purchaser (in person, by messenger or by e-mail) at Purchaser's coordinates set forth below by no later than **5 o'clock p.m. on August 20, 2018** (or such later date to which Purchaser may, in its discretion, agree to in writing), failing which this Offer will lapse and become null, void and inoperative for all purposes.

8. **Language**

8.1 The parties hereto acknowledge that they have required that this offer and all related documents be prepared in English. *Les parties reconnaissent avoir exigé que la présente offre et tous les documents connexes soient rédigés en anglais.*

[Signature page follows]

Montreal, August 20, 2018.

Purchaser:

CRÉSCENT COMMERCIAL CORPORATION/
CORPORATION COMMERCIALE CRÉSCENT
Per:

Name: Stephen Kisber
Title: President

Guarantor:

STEPHEN KISBER

Coordinates of Purchaser:

5430 Royalmount Avenue
Montreal, Quebec
H4P 1H7

Fax no.: (514) 342-7874

Email: skisber@c3.com

ACCEPTANCE:

Vendor hereby accepts this Offer at 3 o'clock p.m. on August 20, 2018.

GREATX MILLS INC./
LES MOULINS GREATX INC.

Per:

Name: Sheldon Lewis
Title: President

ANNEX

Greatex Mills Inc.	
Projected Disbursements to be Incurred by the Bank	
Week Ending	Total
Projected Operating Disbursements	
Commissions	(28,126)
Operating Expenses	(10,000)
Payroll and Benefits	(44,000)
Payroll for AR Clerk (Including Severance)	(19,000)
Total Projected Operating Disbursements	(101,126)
Projected Non-Operating Disbursements	
Bank Legal Fees	(35,000)
Priority Claims	(35,000)
GST/QST Remittances	(20,000)
Total Projected Non-Operating Disbursements	(90,000)
Total Disbursements	\$ (191,126)

EXHIBIT G

Greatex Mills Inc.

Projected Weekly Cash Flow - Sale of Inventory

Week Ending	17-Aug-18	24-Aug-18	31-Aug-18	Projected 7-Sep-18	14-Sep-18	21-Sep-18	28-Sep-18	Total
Projected Cash Receipts								
Collections - Accounts Receivable	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000	\$ 72,000	\$ 792,000
Inventory Sale to Purchaser	-	300,000	-	-	-	-	100,000	400,000
Total Projected Cash Receipts (Note 1)	120,000	420,000	120,000	120,000	120,000	120,000	172,000	1,192,000
Projected Operating Disbursements								
Purchases	-	-	-	-	-	-	-	-
Commissions	(5,115)	(12,813)	(1,872)	(3,744)	(837)	(533)	(3,212)	(28,126)
Freight Out (Charged Back to Customers)	-	-	-	-	-	-	-	-
Operating Expenses	(10,000)	-	-	-	-	-	-	(10,000)
Payroll and Benefits	(22,000)	(22,000)	-	-	-	-	-	(44,000)
Payroll for AR Collections	-	-	(1,500)	(1,500)	(1,500)	(1,500)	(13,000)	(19,000)
Total Projected Operating Disbursements	(37,115)	(34,813)	(3,372)	(5,244)	(2,337)	(2,033)	(16,212)	(101,126)
Projected Non-Operating Disbursements								
Professional Fees	(35,000)	-	-	-	-	-	-	(35,000)
Interest and Bank Fees	-	-	-	-	-	-	-	-
Priority Claims	-	(35,000)	-	-	-	-	-	(35,000)
GST/QST Remittances	-	(20,000)	-	-	-	-	-	(20,000)
Total Projected Non-Operating Disbursements	(35,000)	(55,000)	-	-	-	-	-	(90,000)
Projected Net Cash flow	47,885	330,187	116,628	114,756	117,663	117,967	155,788	1,000,874
Opening Loan Balance	(1,157,000)	(1,109,115)	(778,928)	(662,300)	(547,544)	(429,881)	(311,914)	(1,157,000)
Projected Shortfall	\$ (1,109,115)	\$ (778,928)	\$ (662,300)	\$ (547,544)	\$ (429,881)	\$ (311,914)	\$ (156,126)	\$ (156,126)

Note 1: Given the historical collection terms, Management has advised us that the collection of receivables may extend beyond September 28, 2018.