

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)*

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

-and-

THE REGISTRAR OF PERSONAL AND
MOVABLE REAL RIGHTS;

-and-

THE PARTIES LISTED IN THE SERVICE
LIST;

Mises-en-causes

MOTION FOR AUTHORIZATION TO SELL CERTAIN ASSETS OF THE DEBTOR,
DIRECTIONS AND OTHER RELATED ORDERS

(Section 65.13 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. On August 20, 2018, the Debtor sought and this Honourable Court issued an order extending the NOI Delay until October 4, 2018, the whole as appears of record herein.
4. As will be explained in further detail herein, the present Motion seeks this Honourable Court's issuance of an Order, substantially in the form of the draft Approval and Vesting Order produced herewith as **Exhibit P-1** (the "**Draft Order**"), authorizing and approving the sale of certain of the Debtor's assets to Crescent Commercial Corporation/Corporation Commerciale Crescent (the "**Proposed Purchaser**"), pursuant to that certain Offer to Purchase submitted by the Proposed Purchaser and produced herewith as **Exhibit P-2** (the "**Proposed Offer**").
5. Under the Proposed Offer, the Proposed Purchaser seeks to purchase only the following property (the "**Purchased Assets**"), namely:
 - (a) all goods, wares, merchandise and inventory owned by the Debtor (the "**Inventory**"); and
 - (b) all shares, units, equity interests or any other rights or interests (the "**German Shares**") owned by the Debtor in Greatex Mills Inc. Niederlassung Deutschland, an entity existing under the laws of Germany (the "**German Subsidiary**").
6. While the Proposed Purchaser is not related to the Debtor *per se*, there appears to be a financial arrangement between the Proposed Purchaser and Benton Lewis, the father of the Debtor's main shareholder. The authorization of the Proposed Offer contemplated by the present Motion is being sought pursuant to Section 65.13 of the *Bankruptcy and Insolvency Act*, Canada ("**BIA**").

II. THE BUSINESS

7. The Debtor is a Montreal-based, three generation, family owned and operated business which imports and sells high quality fabrics for application in the furniture industry (the "**Business**"). The Debtor sells such merchandise locally and internationally to North American and European distributors and customers. Essentially, the Debtor is the intermediary between manufacturers of the Product and fabric distributors or customers who manufacture furniture.

8. The Business is heavily based on management's strategic partnerships and business relationships with its suppliers, distributors and customers.
9. The Debtor operates the Business from leased premises in Montreal located at 1625 Chabanel Street West, Suite 201. In order to operate the Business, the Debtor employs a workforce of approximately 15 people who work in various parts of the Business.
10. The Debtor also owns and operates the German Subsidiary, which has been established in order to make sales of the Product in Germany and owns its own inventory.

III. FINANCIAL DIFFICULTIES

11. The business of importing and selling its product as an intermediary has become increasingly challenging over the past few years given that, in an effort to decrease costs, furniture manufacturers and purchasers of the product are creating their own direct relationships with fabric producers, often the very same producers the Debtor deals with. Consequently, competition for the Debtor continues to surge and its position in the marketplace has been adversely impacted.
12. In addition to the aggressive competition faced by the Debtor, recently, a customer of the Debtor's US distributor claimed a negative quality issue with respect to product. These issues have resulted in losses to the Debtor.
13. As a result of the above, the Business has been negatively impacted and its performance has decreased to the point of rendering the Debtor insolvent.
14. Prior to the filing of the NOI, the Debtor had discussions with potential investors, purchasers and financial partners in order to obtain the financing required to restructure the Business without a formal insolvency proceeding. However, such discussions proved unsuccessful.
15. The Debtor's operations have been financed by its operating lender and its most significant secured creditor, The Toronto-Dominion Bank ("TD").
16. As a result of the foregoing and the Debtor's insolvency, the Debtor's most significant secured creditor, The Toronto-Dominion Bank ("TD"), transferred the Debtor's credit facility to its special loans division, which has demanded repayment of such loans and has issued a notice pursuant to Section 244 B/A of its intention to enforce its security on the Debtor's property. Pursuant to a forbearance agreement, TD agreed to forbear, for a limited period of time, from exercising its rights under its security, the whole with the understanding that TD would not remain the Debtor's operating lender.
17. Accordingly, it was determined that it was in the best interests of the Debtor to file the NOI and enter into a formal restructuring process.

IV. INDEBTEDNESS AND SECURITY

18. As appears from the search summary produced herewith as **Exhibit P-3** (the "**Search Summary**"), TD has published a hypothec in the Register of Personal and Movable Real Rights (the "**RDPRM**") charging all of the Debtor's movable property (the "**TD Security**").
19. The Business Development Bank of Canada ("**BDC**") is the Debtor's other secured lender. As appears from the Search Summary, BDC has published 3 hypothecs. Two such hypothecs charge the Debtors equipment, machinery, tools, vehicles and intellectual property while the other hypothec charges all of the Debtor's movable property (collectively the "**BDC Security**").
20. Other than the credit facilities provided by TD and BDC, certain parties have financed or leased equipment and a vehicle to the Debtor. As appears from the Search Summary, such parties have registered ownership retention rights in the RDPRM with respect to equipment and a vehicle financed or leased by the Debtor.
21. The following is the rank of the only hypothecs changing the Purchased Assets (which appears more fully from the Search Summary) and is not contested otherwise by such secured creditors:

CLASS OF PROPERTY	RANK
(a) Inventory:	1. TD 2. BDC
(b) German Shares:	1. TD 2. BDC

22. The Trustee has obtained an opinion confirming the validity of the TD Security and the BDC Security.
23. The indebtedness currently owing by the Debtor to TD is approximately \$1,400,000.00 and the indebtedness currently owing by the Debtor to BDC is approximately \$670,000.00.

V. SALE AND SOLICITATION PROCESS

24. As part of its formal restructuring, the Debtor mandated Richter to conduct the SSP in order to market the Business and related assets to one or more potential acquirers, investors or strategic partners.

25. The SSP was conducted over a period of 3 weeks beginning from July 5, 2018 with the ultimate date for submissions of offers being July 25, 2018 (the "**Offer Deadline**").
26. In order to attract interest in the sale of the Debtor and/or its assets, Richter sent teaser documents to a diversified group of potential purchasers including, without limitation, liquidators and competitors. The SSP welcomed offers proposing to acquire the Business as a going concern, all or any part of the Debtor's assets or to liquidate the Debtor's inventory
27. Certain parties were interested in obtaining more information with respect to the Debtor and as such, 6 non-disclosure agreements (each a "**NDA**") were executed and such parties were granted access to the Debtor's financial and operational information.
28. Despite the SSP and the interest it garnered, only one offer was received by the Offer Deadline. Such offer was refused by the Debtor due to its insufficiency and a notice was sent to the offeror informing it of such refusal.
29. As a result, the SSP terminated and the Debtor proceeded with the liquidation of its inventory and the German Subsidiary proceeded with the liquidation of its inventory in order to generate the greatest recovery possible in order to pay its secured creditors and possibly make a proposal to its ordinary creditors.

VI. INITIAL OFFER

30. During the week of August 6, 2018, the Proposed Purchaser contacted the Trustee in order to discuss the possibility of submitting an offer to purchase substantially all of the Debtor's assets.
31. Given the expiry of the SSP and the lack of any other interested party, the Debtor and the Trustee entered into discussions and negotiations with the Proposed Purchaser in order to establish a last resort option to obtain the greatest value for the Debtor's remaining assets.
32. On August 10, 2018, the Proposed Purchaser submitted an offer (the "**Initial Offer**"). Pursuant to the Initial Offer, the Proposed Purchaser offered to purchase all of the Debtor's property, the therein defined "Purchased Property" including, without limitation:
 - (a) claims and accounts receivable;
 - (b) the Inventory;
 - (c) the German Shares; and
 - (d) all of the Debtor's furniture, fixtures, machinery, equipment and intellectual property.

33. For a variety of reasons, each of TD and BDC, the secured creditors over the property which the Proposed Purchaser sought to purchase under the Initial Offer, indicated to the Trustee and the Debtor that they did not agree to and would not support the sale contemplated by the Initial Offer.
34. Accordingly, the Initial Offer was rejected and proceeded no further.

VII. PROPOSED OFFER

35. Subsequent to the secured creditors' rejection of the Initial Offer, the Debtor, with the assistance of the Trustee, began further discussions with the Proposed Purchaser for its purchase of only the Inventory and the German Shares.
36. By this time, it must be borne in mind that the value of the Inventory and the German Shares has significantly decreased as a result of:
 - (a) aggressive liquidation sales by the Debtor of its Inventory, leaving a balance of such Inventory being the least valuable; and
 - (b) the logistical difficulties and resulting expenses in order to sell and liquidate the inventories owned by the German Subsidiary, which inventories have also been aggressively liquidated by the Debtor, leaving the least valuable inventories currently owned by the German Subsidiary.
37. The Proposed Offer provides that the Proposed Purchaser will purchase the Purchased Assets for the aggregate purchase price of \$400,000, subject to adjustments and allocated as set forth therein.
38. The Proposed Transaction will significantly reduce the cost and expenses of liquidation to both TD and BDC, thus increasing their potential recoveries.
39. Under the terms of the Proposed Offer, all hypothecs granted by the Debtor and published at the RDPRM will not be assumed and as a result, pursuant to the Draft Order, are to be radiated and discharged upon the filing with the Court of a Trustee's Certificate in the form of such certificate annexed to the Draft Order. Such certificate will not be filed with the Court until there is a closing of the transaction contemplated by the Proposed Offer (the "**Transaction**").
40. An analysis of the Transaction is contained in the Trustee's report which will be imminently filed as **Exhibit P-4** (the "**Trustee's Report**").

VIII. GROUNDS FOR APPROVAL OF THE TRANSACTION

41. Section 65.13 *BIA* sets out certain factors that are to be considered, among other things, in deciding whether to grant authorization to approve a sale outside the ordinary course of business. These factors, and the Trustee's comments thereon in the Trustee's Report, are as follows:

- (a) *whether the process leading to the proposed sale or disposition was reasonable in the circumstances:* the Trustee conducted a formal solicitation process. Although the Proposed Offer was not submitted during the SSP, a process was nonetheless conducted and canvassed the market in a reasonable manner and the Proposed Offer was obtained following such process. The Proposed Offer was negotiated and obtained, with the Trustee's assistance, after the failed Initial Offer.
- (b) *whether the trustee approved the process leading to the proposed sale or disposition:* the formal solicitation process was conducted with the assistance and management of the Trustee and the discussions and negotiations regarding the Proposed Offer were conducted with the Trustee.
- (c) *whether the trustee filed with the court a report stating that in their opinion the sale or disposition would be more beneficial to the creditors than a sale or disposition under a bankruptcy:* as appears from the Trustee's report, the Trustee has concluded that the Transaction is reasonable and fair taking into account all of the circumstances and would be more beneficial to creditors and other stakeholders than a liquidation following a bankruptcy.
- (d) *the extent to which the creditors were consulted:* the Debtor's secured lenders, namely TD and BDC, were kept apprised of the sale and solicitation efforts and were provided with details of the Proposed Offer prior to the hearing of the present Motion. The Debtor's unsecured creditors that contacted the Debtor and/or the Trustee, including landlords and suppliers, have been informed of the Debtor's restructuring process.
- (e) *the effects of the proposed sale or disposition on the creditors and other interested parties:* given the Debtor's insolvency, the lack of interest in the acquisition of the Debtor as a going concern during the SSP, the failed Initial Offer and TD no longer agreeing to support the Debtor in its restructuring, the Transaction provides for the greatest recovery for the Debtor's secured lenders.
- (f) *whether the consideration to be received for the assets is reasonable and fair, taking into account their market value:* given the lack of interest in the purchase of the Debtor's assets during the SSP and given TD's position as set forth above, unless the Transaction takes place imminently, a full liquidation will ensue, resulting in further expenses less recovery for creditors. Accordingly, the consideration to be received is reasonable and fair in the circumstances,

and the additional factors that are to be satisfied should the proposed sale be to a person who is related to the Debtor:

- (g) *good faith efforts were made to sell or otherwise dispose of the assets to persons who are not related to the insolvent person:* as described in the Trustee's report, a comprehensive sale and solicitation process was conducted with the assistance and management of the Trustee canvassing a wide range of parties in the same or similar industry as the Debtor.

The Trustee and the Debtor spoke to and met with several parties and provided information pertaining to the Business to such parties so that such parties could make an offer to purchase, invest or become a strategic partner in the Business and/or the Debtor's assets.

Despite interest from parties other than the Proposed Purchaser, no negotiations were commenced and no offers were made by any parties that had expressed an interest during the SSP other than the Proposed Purchaser.

- (h) *the consideration to be received is superior to the consideration that would be received under any other offer made in accordance with the process leading to the proposed sale or disposition:* as previously indicated, despite the comprehensive SSP, no other offers were made by any party other than the Proposed Purchaser and it is unlikely that any further marketing efforts will result in the identification of any alternative purchaser that would make a superior offer for the Purchased Assets. Due to the position of the Debtor and the Proposed Purchaser as well as the lateness in the selling season, the SSP, which lasted approximately four (4) weeks, cannot be extended.

42. The Debtor and the Trustee, in consultation with TD, have come to the conclusion that the Transaction as set forth in the Proposed Offer represents the best solution in the present circumstances.

43. Accordingly, the Debtor respectfully submits that it is in the best interest of the Debtor, creditors and stakeholders that this Honourable Court approve the Transaction.

IX. URGENCY AND CONCLUSIONS SOUGHT

44. As appears from the Proposed Offer, the sale of the Purchased Assets must be completed with authorization from this Honourable Court authorizing the Debtor to conclude the Transaction and convey the Purchased Assets free and clear of certain hypothecs, security interests, encumbrances and other charges.

45. Additionally, given TD's position, the Transaction must occur imminently in order to avoid a full liquidation.

46. The failure to conclude the Transaction will result in a very poor scenario thereby causing significant prejudice to the Debtor's secured lenders.

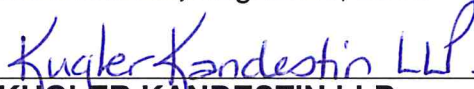
47. Accordingly, it is urgent that this Honourable Court grant the conclusions sought herein and order that the judgment to be rendered herein be executory notwithstanding appeal.
48. The present Motion is well founded in fact and in law.

WHEREFORE, PETITIONER PRAYS FOR JUDGMENT OF THIS HONOURABLE COURT:

- (A) **GRANTING** the present Motion;
- (B) **ISSUING** the order substantially in the form of the draft Order produced as **Exhibit P-1** in support of the present Motion;
- (C) **SHORTENING** the delays to serve/notify and present the present Motion;
- (D) **ISSUING** any other orders the Court deems appropriate.

THE WHOLE without costs, save in the event of contestation.

MONTREAL, August 21, 2018



KUGLER KANDESTIN LLP

Attorneys for Debtor/Petitioner

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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)

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

-and-

THE REGISTRAR OF PERSONAL AND
MOVABLE REAL RIGHTS;

-and-

THE PARTIES LISTED IN THE SERVICE LIST

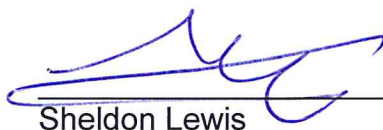
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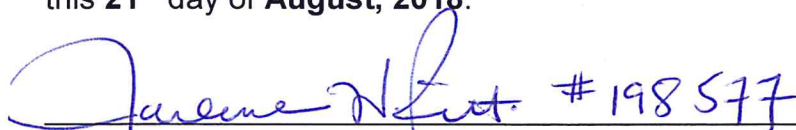
I, the undersigned Sheldon Lewis, domiciled for the purposes hereof at 1625 Chabanel Street West, Suite 201, Montréal, Québec, H4N 2S7, solemnly affirm the following:

1. I am the President of the Debtor, Greatex Mills Inc.;
2. I have knowledge of all the facts alleged in the annexed "Motion for Authorization to Sell Certain Assets of the Debtor, Directions and Other Related Orders" and all the facts alleged therein are true.

And I have signed, in Montréal, Québec


Sheldon Lewis

Sworn to and read aloud before me, in Montréal, Québec
this 21st day of August, 2018.

 #198577
Commissioner for Oaths for Québec



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.
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IN THE MATTER OF THE NOTICE OF
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Trustee

-and-

THE REGISTRAR OF PERSONAL AND
MOVABLE REAL RIGHTS;

-and-

THE PARTIES LISTED IN THE SERVICE LIST

Mises-en-causes

NOTICE OF PRESENTATION AND SERVICE LIST

TO:

KAUFMAN LLP

Attorneys for The Toronto Dominion Bank

Attention: Me Steven Shein

Me Martin Jutras

E-mail: sshein@klcanada.com

MJutras@klcanada.com

MORENCY SOCIÉTÉ D'AVOCATS

S.E.N.C.R.L.

Attorneys for Business Development Bank of
Canada

Attention: Me Tiziana Di Donato

Me Stéphanie Poitras

E-mail: tdidonato@morencyavocats.com

spoitras@morencyavocats.com

THE SUPERINTENDENT OF BANKRUPTCY

Sun Life Building

1155 Metcalfe Street

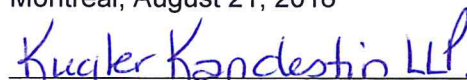
Suite 950

Montréal, QC

FAX: 514-283-9795

TAKE NOTICE that the "Motion for Authorization to Sell Certain Assets of the Debtor, Directions and Other Related Orders" will be presented for adjudication to a Judge of the Superior Court, of the Province of Québec, of the District of Montréal, or to the Registrar thereof, on **August 22, 2018** at **8:45 a.m.** in **room 16.10** of the Montréal Court House, 1 Notre Dame East, Montréal, Québec or so soon thereafter as counsel may be heard.

Montréal, August 21, 2018



KUGLER KANDESTIN LLP

Attorneys for Debtor/Petitioner

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)

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

-and-

THE REGISTRAR OF PERSONAL AND
MOVABLE REAL RIGHTS;

-and-

THE PARTIES LISTED IN THE SERVICE LIST

Mises-en-causes

LIST OF EXHIBITS

EXHIBIT P-1	Draft Order
EXHIBIT P-2	Proposed Offer
EXHIBIT P-3	Search Summary
EXHIBIT P-4	Trustee's Report

Montreal, August 21, 2018

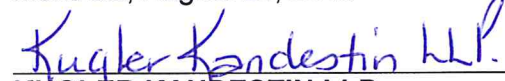

KUGLER KANDESTIN LLP
Attorneys for Debtor/Petitioner

EXHIBIT P-1

(Draft Order)

SUPERIOR COURT
(Commercial Division)

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL
No. 500-11-054804-188
DATE: August __, 2018

PRESIDING :

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.

Trustee

-and-

THE PARTIES LISTED IN THE SERVICE LIST

-and-

THE REGISTRAR OF THE REGISTER OF PERSONAL AND MOVABLE REAL RIGHTS

Mises-en-Cause

APPROVAL AND VESTING ORDER

- [1] **ON READING** Greatex Mills Inc.'s *Motion for Authorization to Sell Certain Assets of the Debtor, and Other Related Orders* (the "**Motion**"), the affidavit and the exhibits in support thereof, as well as the Report of the Trustee (the "**Report**");
- [2] **SEEING** the notification/service of the Motion;
- [3] **SEEING** the submissions of counsel;
- [4] **SEEING** that it is appropriate to issue an order approving the transaction (the "**Transaction**") contemplated by the Offer to Purchase (the "**Offer**") made on August

20, 2018 by Crescent Commercial Corporation (the "**Purchaser**"), as purchaser, and accepted on August 20, 2018, by the Debtor (the "**Debtor**" or "**Vendor**"), as Vendor, a copy of which was filed as **Exhibit P-2** to the Motion, and vesting in the Purchaser the assets described in the Offer (the "**Purchased Assets**");

WHEREFORE THE COURT:

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

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 APPROVAL

- [8] **ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Offer by the Vendor is hereby authorized and approved, with such non-material alterations, changes, amendments, deletions or additions thereto as may be agreed to but only with the consent of the Trustee.

EXECUTION OF DOCUMENTATION

- [9] **AUTHORIZES** the Vendor and the Purchaser to perform all acts, sign all documents and take any necessary action to execute any agreement, contract, deed, provision, transaction or undertaking stipulated in the Offer (**Exhibit P-2**) and any other ancillary document which could be required or useful to give full and complete effect thereto (including the execution of the "Agreement of Sale" contemplated by the Offer), subject to non-material alterations, changes, amendments, deletions or additions thereto as may be agreed by Vendor and Purchaser and to execute all other agreements, contracts, deeds or any other documents and do all other things necessary in order to give full and complete effect to the Transaction.

AUTHORIZATION

- [10] **ORDERS and DECLARES** that this Order shall constitute the only authorization required by the Vendor to proceed with the Transaction and that no shareholder or regulatory approval, if applicable, shall be required in connection therewith.
- [11] **ORDERS and DECLARES** that upon the issuance of a Trustee's certificate substantially in the form appended as **Schedule "A"** hereto (the "**Certificate**"), all rights, title and interest in and to the Purchased Assets shall vest absolutely and exclusively in and with the Purchaser, free and clear of and from any and all claims, liabilities (direct, indirect, absolute or contingent), obligations, interests, prior claims, security interests (whether contractual, statutory or otherwise), liens, right of retention, charges, hypothecs, mortgages, pledges, deemed trusts, assignments, judgments, executions, writs of seizure or execution, notices of sale, options, adverse claims, levies, rights of first refusal or other pre-emptive rights in favour of third parties, restrictions on transfer of title, contractual rights relating to the Purchased Assets, or other claims or encumbrances, whether or not they have been attached, perfected,

registered, published or filed and whether secured, unsecured or otherwise (collectively, the "**Encumbrances**"), including without limiting the generality of the foregoing all Encumbrances created by order of this Court and all charges, or security evidenced by registration, publication or filing pursuant to the *Civil Code of Québec* in movable property, and, for greater certainty, **ORDERS** that all of the Encumbrances affecting or relating to the Purchased Assets, be cancelled, expunged and discharged as against the Purchased Assets, in each case effective as of the applicable time and date of the Certificate.

- [12] **DECLARES** that upon issuance of the Certificate, the Transaction shall be deemed to constitute and shall have the same effect as a sale under judicial authority as per the provisions of the *Code of Civil Procedure* and a forced sale as per the provisions of the *Civil Code of Quebec*.
- [13] **ORDERS and DIRECTS** the Trustee to file with the Court a copy of the Certificate, forthwith after issuance thereof.

CANCELLATION OF SECURITY REGISTRATIONS

- [14] **ORDERS** that, upon the issuance of the Certificate, the Registrar of the Quebec Register of Personal and Movable Real Rights (the "**RDPRM**") shall, upon presentation of the required form with a true copy of this Order and the Certificate, strike, radiate and discharge the following publications in order to allow the transfer to the Purchaser of the Purchased Assets free and clear of such registrations and that, although it may not be all of the Vendor's assets that are being sold to the Purchaser, **ORDERS** that the following registrations be totally and entirely radiated in respect of all of the Vendor's assets and not only in respect of the Purchased Assets:

NATURE OF SECURITY REGISTRATION	PUBLICATION NO. (registration)	DATE OF PUBLICATION	SECURED PARTY
Conventional hypothec without delivery	14-0866564-0002	2014-09-17	The Toronto- Dominion Bank
Conventional hypothec without delivery	18-0209413-0001	2018-03-06	Banque de Développement du Canada

NET PROCEEDS

- [15] **ORDERS** that the entire proceeds from the sale of the Purchased Assets (the "**Net Proceeds**") shall be remitted to the Trustee and shall be distributed by the Trustee to The Toronto-Dominion Bank.
- [16] **ORDERS** that for the purposes of determining the nature and priority of the Encumbrances, the Net Proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that upon payment of the "Price" (as defined in the Offer) by the Purchaser, all Encumbrances shall attach to the Net Proceeds with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and

remained in the possession or control of the person having that possession or control immediately prior to the sale.

VALIDITY OF THE TRANSACTION

[17] **ORDERS** that notwithstanding:

- (i) the pendency of these proceedings;
- (ii) any petition for a receiving order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* ("**BIA**") and any order issued pursuant to any such petition; or
- (iii) the provisions of any federal or provincial legislation,

the vesting of the Purchased Assets contemplated in this Order, as well as the execution of the Offer pursuant to this Order, are to be binding on any trustee in bankruptcy that may be appointed, and shall not be void or voidable nor deemed to be a preference, assignment, fraudulent conveyance, transfer at undervalue or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, as against the Vendor, the Purchaser or the Trustee.

LIMITATION OF LIABILITY

- [18] **DECLARES** that, subject to other orders of this Court, nothing herein contained shall require the Trustee to occupy or to take control, or to otherwise manage all or any part of the Purchased Assets. The Trustee shall not, as a result of this Order, be deemed to be in possession of any of the Purchased Assets within the meaning of environmental legislation, the whole pursuant to the terms of the BIA.
- [19] **DECLARES** that no action lies against the Trustee by reason of this Order or the performance of any act authorized by this Order, except by leave of the Court. The entities related to the Trustee or belonging to the same group as the Trustee shall benefit from the protection arising under the present paragraph.

GENERAL

- [20] **ORDERS** that the Purchaser or the Trustee shall be authorized to take all steps as may be necessary to effect the discharge of the Encumbrances.
- [21] **DECLARES** that this Order shall have full force and effect in all provinces and territories in Canada.
- [22] **DECLARES** that the Trustee shall be authorized to apply as it may consider necessary or desirable, with or without notice, to any other court or administrative body, whether in Canada, the United States of America or elsewhere, for orders which aid and complement the Order and, without limitation to the foregoing, an order under Chapter 15 of the U.S. Bankruptcy Code, for which the Trustee shall be the foreign representative of the Debtor. All courts and administrative bodies of all such jurisdictions are hereby respectfully requested to make such orders and to provide such assistance to the Trustee as may be deemed necessary or appropriate for that purpose.
- [23] **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.

- [24] **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, SAVE IN THE EVENT OF CONTESTATION

SCHEDULE "A"
DRAFT CERTIFICATE OF THE TRUSTEE

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)*

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 SERVICES INC./
RICHTER GROUPE CONSEIL INC.;

Trustee

-and-

THE REGISTRAR OF PERSONAL AND
MOVABLE REAL RIGHTS;

-and-

THE PARTIES LISTED IN THE SERVICE LIST

Mises-en-causes

CERTIFICATE OF THE TRUSTEE

RECITALS:

WHEREAS on ●, 2018, the Superior Court of Quebec (the "**Court**") issued an order (the "**Vesting Order**") pursuant to the *Bankruptcy and Insolvency Act*, Canada (the "**BIA**") thereby, *inter alia*, authorizing and approving the execution by Greatex Mills Inc. (the "**Debtor**") of that certain offer to purchase made by Crescent Commercial Corporation (the "**Purchaser**") on August 20, 2018 and accepted by the Debtor on August 20, 2018 (the "**Offer**"), a copy of which was filed into the Court record, and all of the sale and other transactions contemplated therein (the "**Transaction**"), with such non-substantial modifications, changes, amendments, deletions or additions thereto as may be agreed by the Debtor, the Purchaser and the Trustee;

WHEREAS the Vesting Order contemplates the issuance of this Certificate of the Trustee once:

- (a) the agreement of sale contemplated by the Offer (the "**Agreement of Sale**") has been executed and delivered;
- (b) the "Initial Payment" of the "Price" (both as defined in the Offer) (the "**Initial Purchase Price**") has been paid; and
- (c) each of the "Closing Conditions" (as defined in the Offer) (the "**Closing Conditions**") have been satisfied or waived by all parties thereto.

THE TRUSTEE CERTIFIES THAT IT HAS BEEN ADVISED BY THE VENDOR AND THE PURCHASER OF THE FOLLOWING:

- (a) the Agreement of Sale has been executed and delivered;
- (b) the Initial Purchase Price has been paid; and
- (c) each of the Closing Conditions have been satisfied or waived by the parties thereto.

This Certificate was issued by the Trustee at ____ **[TIME]** on _____, 2018 **[DATE]**.

RICHTER ADVISORY GROUP INC. in its capacity as Trustee to the Notice of Intention to Make a Proposal of Greatex Mills Inc., and not in its personal capacity.

Name: Olivier Benchaya, CPA, CA, CIRP, LIT

EXHIBIT P-2

(Proposed Offer)

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:

CRESCENT COMMERCIAL CORPORATION/
CORPORATION COMMERCIALE CRESCENT

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

EXHIBIT P-3

(Search Summary)

SUMMARY OF SEARCH RESULTS

GREATEX MILLS INC./ LES MOULINS GREATEX INC.

1. Corporate Searches

Our searches conducted at the records of Industry Canada as at June 22, 2018 and at the records of the Registraire des Entreprises (Quebec) as at June 22, 2018 reveal the following information:

Current name: **GREATEX MILLS INC./
LES MOULINS GREATEX INC.**

Incorporated: *Canada Business Corporations Act*
March 29, 1990

Former Names: **172673 CANADA INC.**

Amalgamations: None

Current Trade Names: None

Former Trade Names: None

Registered Office: 1625 Chabanel Street West
Suite 201
Montreal, Quebec
H4N 2S7

Other Establishments: None

Sole Director: Sheldon Lewis

Officers: Sheldon Lewis, President

Majority Shareholder: 3310485 CANADA INC.

2. Bank Act (Canada)

Our search at the Canadian Securities Registration System with respect to notices of intention filed at the Bank of Canada, Montreal Branch, in connection with security granted under Section 427 of the *Bank Act* (Canada), reveals the following registrations in respect of searches

conducted current as at June 26, 2018 under the names **Greatex Mills Inc., Les Moulins Greatex Inc.** and/or **172673 Canada Inc.:**

Name:	Greatex Mills Inc./ Les Moulins Greatex Inc.
Registration number:	01295016
Date of Registration:	September 23, 2014
Expiry date:	December 31, 2019
Bank:	The Toronto-Dominion Bank (Transit no. 42801) 433 Chabanel Street West Montreal, Quebec H2N 2J3

3. Register of Personal and Movable Real Rights

The registrations described below are only a summary of the registrations and the statements of rights consulted should be referred to for a complete description of the registrations and charged property. A copy of the said statements of rights is available upon your instructions.

Please note that the statements of rights of the movable register we consulted are not certified and do not disclose rights that may have been presented for registration but have not yet been indexed, rights that are not required to be registered or for which the delay to register has not yet expired (such as prior claims, pledges or movable hypothecs with delivery, rights in respect of taxes and security on movable property not subject to registration under the *Civil Code of Lower Canada*, movable hypothecs on claims, or property represented by a bill of lading or other negotiable instruments whereby the creditor has given value but has not registered its hypothec within ten days of giving the value, or movable hypothecs granted in favour of a vendor of movable property acquired by the searched names since January 1, 1994), nor any rights registered or filed under the names of the parties other than the searched names.

The information for our searches was obtained through public office records and the searches were conducted by using computer systems and we do not warrant the accuracy of the data generated by the computer systems.

This research memorandum reports only on the results of the searches carried out by us and does not constitute an opinion with respect to title to property or the validity of any registration nor with respect to the rank of any charges and security mentioned therein

We have set out below a table of the results of our search at the Register of Personal and Movable Real Rights conducted current as at June 21, 2018.

Names searched:

Greatex Mills Inc.

Les Moulins Greatex Inc.

172673 Canada Inc.

	Parties	Registration No.	Date	Nature of Right
1.	<p><u>Grantor:</u></p> <p>Greatex Mills Inc./Les Moulins Greatex Inc.</p> <p>Les Moulins Greatex Inc.</p> <p>Greatex Mills Inc.</p> <p><u>Creditor:</u></p> <p>Banque de Développement du Canada</p>	18-0209413-0001	2018-03-06 14h14 p.m.	<p><u>Conventional Hypothec Without Delivery</u> in the amount of \$600,000 (including a 20% additional hypothec) with interest at the rate of 25% per annum (<u>charging the universality of all present and future movable property, corporeal and incorporeal, of the Debtor including insurance and proceeds relating thereto</u>);</p> <p><u>Expiry date:</u> March 1, 2028</p> <p><u>Rectification</u> registered on March 8, 2018 under number 18-0218270-0001 whereby the above registration is corrected to add an "Autre Mention" as follows:</p> <p>"The present hypothec will rank junior to any hypothec granted in favour of any bank or financial institution providing operating loans to the Debtor, <u>BUT ONLY WITH RESPECT TO CLAIMS AND INVENTORY.</u>"</p>
2.	<p><u>Lessee:</u></p> <p>Les Moulins Greatex Inc.</p> <p>LEWIS, Alex Benton (1934-10-11)</p> <p><u>Lessor:</u></p> <p>Automobiles Silver Star Motors Inc.</p> <p><u>Assignee:</u></p> <p>La Corporation de Services Financiers Mercedes-Benz Canada (doing business as "Services Financiers Mercedes-Benz")</p>	17-0608363-0002	2017-06-14 9h00 a.m.	<p><u>Rights arising under a lease and assignment</u> (2017 Mercedes-Benz C43A 4M, VIN no. WDDWK6EB9HF571826 and all attachments and accessories);</p> <p><u>Expiry date:</u> June 12, 2021</p> <p><u>Assignment of Rights</u> registered on April 18, 2018 under number 18-0382670-0001 by La Corporation de Services Financiers Mercedes-Benz Canada in favour of MBARC Credit Canada Inc.;</p>

3.	<p><u>Lessee:</u></p> <p>Les Moulins Greatex Inc.</p> <p>Greatex Mills Inc.</p> <p><u>Lessor:</u></p> <p>IBM Global Financing Canada Corporation</p>	17-0483837-0002	2017-05-17 9h50 a.m.	<p><u>Rights arising under a leasing agreement or finance lease</u> (one (1) 3580 H6S TS2260 Tape Drive Model H6S, serial no. 95RR329 and one (1) 8286 41A Power S814, serial no. 780231X);</p> <p><u>Expiry date:</u> May 9, 2027</p> <p>IBM contract no. 0141005VT</p>
4.	<p><u>Lessee:</u></p> <p>Les Moulins Greatex Inc.</p> <p>Greatex Mills Inc.</p> <p><u>Lessor:</u></p> <p>IBM Global Financing Canada Corporation</p>	17-0483837-0001	2017-05-17 9h50 a.m.	<p><u>Rights arising under a lease</u> (one (1) 3580 H6S TS2260 Tape Drive Model H6S, serial no. 95RR329 and one (1) 8286 41A Power S814, serial no. 780231X);</p> <p><u>Expiry date:</u> May 9, 2027</p> <p>IBM contract no. 0141005VT</p>
5.	<p><u>Lessee:</u></p> <p>Greatex Mills Inc./Les Moulins Greatex Inc.</p> <p>Les Moulins Greatex Inc.</p> <p>Greatex Mills Inc.</p> <p><u>Lessor:</u></p> <p>The Toronto-Dominion Bank</p> <p>TD Equipment Finance Canada, a division of The Toronto-Dominion Bank</p>	16-0848583-0007	2016-08-30 11h58 a.m.	<p><u>Rights arising under a leasing agreement or finance lease</u> with respect to the following property:</p> <p>One (1) 2016 new pillgrade automated 3d pilling and fuzzing grading system -serial no. v630 and model no. m227g 110v 60hz scans 3 dimensions (x, y, z) of woven, non-woven, knit, fleece or other fabric samples in any weight, color and pattern to measure and grade in accordance with astm d3512, iso 12945 and other standards including all attachments and accessories;</p> <p>One (1) new 2016 lloyd machine 1kn model no. ls1h-115v serial no 201449, standard travel, hand remote console, us power cord, assy dwg #01/3673;</p> <p>One (1) new 2016 ylc-1000-a1, model no. 01/3878 and serial no 1kn1042 precision loadcell class a1, 0.5% accuracy, 1000n adjustable eye; nexygen plus 3.0 software;</p> <p>One (1) st101 set of pneumatic grip;</p>

				<p>Together with all attachments, accessories, replacements, substitutions, additions and improvements thereto and all proceeds in any form derived directly or indirectly from any sale and or dealings with the collateral and a right to an insurance payment or other payment that indemnifies or compensates for loss or damage to the collateral or proceeds of the collateral.</p> <p><u>Expiry date:</u> August 30, 2022</p>
6.	<p><u>Lessee:</u></p> <p>Les Moulins Greatex</p> <p><u>Lessor:</u> Automobiles Silver Star Motors Inc.</p> <p><u>Assignee:</u> La Corporation de Services Financiers Mercedes-Benz Canada</p>	16-0505402-0005	2016-05-30 9h32 a.m.	<p><u>Rights arising under a lease and assignment</u> (2016 Mercedes-Benz CLS400 4M, VIN no. WDDLJ6HB8GA178901 and all attachments and accessories);</p> <p><u>Expiry date:</u> May 17, 2019</p> <p><u>Assignment of Rights</u> registered on October 6, 2016 under number 16-0984028-0001 by La Corporation de Services Financiers Mercedes-Benz Canada in favour of MBARC Credit Canada Inc.</p>
7.	<p><u>Grantor:</u></p> <p>Les Moulins Greatex Inc.</p> <p>Greatex Mills Inc.</p> <p><u>Creditor:</u></p> <p>The Toronto-Dominion Bank</p>	14-0866564-0002	2014-09-17 12h01 p.m.	<p><u>Conventional Hypothec Without Delivery</u> in the amount of \$14.4 Million (charging the universality of all movable property, present and future, corporeal and incorporeal);</p> <p><u>Expiry date:</u> September 12, 2024</p>
8.	<p><u>Grantor:</u></p> <p>Les Moulins Greatex Inc.</p> <p>Greatex Mills Inc.</p> <p><u>Creditor:</u></p> <p>Banque de Développement du Canada</p>	12-0916767-0001	2012-11-07 9h00 a.m.	<p><u>Conventional Hypothec Without Delivery</u> in the amount of \$72,000 (including a 20% additional hypothec) with interest at the rate of 25% per annum (charging the universality of all present and future equipment, machinery, tools, vehicles and intellectual property, including insurance and proceeds relating thereto);</p> <p><u>Expiry date:</u> November 4, 2022</p>

9.	<u>Grantor:</u> Greatex Mills Inc./Les Moulins Greatex Inc. <u>Creditor:</u> Banque de Développement du Canada	11-0084675-0001	2011-02-09 14h08 p.m.	<u>Conventional Hypothec Without Delivery</u> in the amount of \$360,000 (including a 20% additional hypothec) with interest at the rate of 25% per annum (<u>charging the universality of all present and future equipment, machinery, tools, vehicles and intellectual property, including insurance and proceeds relating thereto</u>); <u>Expiry date:</u> January 29, 2021
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4. Canadian Intellectual Property Office

(a) Our search of the computerized records of the Canadian Trademarks database (current as at June 19, 2018) reveals the following trademarks involving **Greatex Mills Inc., Les Moulins Greatex Inc.** and/or **172673 Canada Inc.** as the old and/or current owner name:

- (i) Trade mark: **OEKOPELLE**
Owner: Greatex Mills Inc.
Application no.: 1285467
Registration no.: TMA677213
Status: REGISTERED
Security Agreement: None
- (ii) Trade mark: **NOBLE DISTRICT & Design**
Owner: Greatex Mills Inc.
Application no.: 1826377
Registration no.: N/A
Status: SEARCHED
Security Agreement: None

(b) Our search of the computerized records of the Canadian Patents database (current as at June 26, 2018), reveals no patents found involving **Greatex Mills Inc., Les Moulins Greatex Inc.** and/or **172673 Canada Inc.**

EXHIBIT P-4

(Trustee's Report)

N°.: 500-11-054804-188
ESTATE N°.: 41-2388971

SUPERIOR COURT
(Commercial Division)
(Bankruptcy and Insolvency Act, Canada, R.S.C.
1985, c. B-3)

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

MOTION FOR AUTHORIZATION TO SELL CERTAIN
ASSETS OF THE DEBTOR, DIRECTIONS AND OTHER
RELATED ORDERS
(Section 65.13 of the *Bankruptcy and Insolvency Act*,
R.S.C. 1985, c. B-3)

COPY

Me Gerald F. Kandestin
Me Jeremy Cuttler

KuglerKandestin

1, Place Ville Marie, Suite 1170
Montréal (Québec) Canada H3B 2A7
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gkandestin@kklex.com
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BG 0132

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