

Clerk's Stamp

COURT FILE NUMBER 1801-16809

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*

AND IN THE MATTER OF THE PROPOSAL OF COMMERX CORPORATION

DOCUMENT **FIRST REPORT OF THE PROPOSAL TRUSTEE, HARDIE & KELLY INC. MARCH 29, 2019**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

PROPOSAL TRUSTEE
Hardie & Kelly Inc.
110, 5800 - 2nd Street SW
Calgary, AB T2H 0H2

Attention: Marc Kelly
Telephone: 403-536-8510
Email: mkelly@insolvency.net
Fax: 403-640-0591

PROPOSAL TRUSTEE'S COUNSEL
Bennett Jones LLP
4500 Bankers Hall East
855 - 2nd Street SW
Calgary, Alberta T2P 4K7

Attention: Chris Simard / Michael Selnes
Telephone: 403-98-44853 / 403-298-3311
Email: SimardC@bennettjones.com/ SelnesM@bennettjones.com
Fax: 403-265-7219

**FIRST REPORT OF THE PROPOSAL TRUSTEE
HARDIE & KELLY INC.
MARCH 29, 2019**

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INTRODUCTION

1. On March 7, 2019 (the “Filing Date”), Commerx Corporation (“Commerx” or the “Company”) filed a Notice of Intention to Make a Proposal (the “NOI”) pursuant to the *Bankruptcy & Insolvency Act* (the “Act”). Hardie & Kelly Inc. consented to act as trustee (the “Proposal Trustee”) pursuant to the proceedings (the “Proposal Proceedings”).
2. On March 15, 2019, the Proposal Trustee filed the following documents with the Office of the Superintendent of Bankruptcy (the “OSB”):
 - a. the Cash Flow Statement prescribed by S.50.4(2)(a) of the Act covering the period beginning March 7, 2019 through to June 7, 2019 (the “Initial Forecast”), a copy of which is attached as Appendix “A”;
 - b. the *Trustee’s Report on Cash Flow Statement* as prescribed by S.50.4(2)(b) of the Act, a copy of which is attached as Appendix “B”; and
 - c. the *Report on Cash Flow Statement by the Person Making the Proposal* as prescribed by S.50.4(2)(c) of the Act, a copy of which is attached as Appendix “C”.
3. The purpose of this first report (the “First Report”) is to provide an update to the Court with respect to the following:
 - a. Background information with respect to Company;
 - b. The Company’s operations since the commencement of the Proposal Proceedings;
 - c. The notices issued by the Proposal Trustee to the Company’s creditors;
 - d. The Company’s financial performance since the commencement of the Proposal Proceedings;
 - e. The Company’s revised cash flow forecast for the period March 25 - June 23, 2019;
 - f. The Company’s restructuring activities; and

- g. The Company's request for an extension of the time required to file a proposal and a corresponding extension of the stay of proceedings (the "Stay") through to May 20, 2019 and the Proposal Trustee's recommendation with respect thereto.

TERMS OF REFERENCE

4. In preparing this First Report, the Proposal Trustee has been provided with, and has relied upon unaudited financial information, certain books and records of the Commerx and discussions with management ("Management") (collectively the "Information"). Except as described in this First Report, the Proposal Trustee has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of such Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards ("GAAS") pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Proposal Trustee expresses no opinion or other form of assurance contemplated under GAAS in respect of such information.
5. Some of the Information referred to in this First Report consists of forecasts and projections. An examination or review of any financial forecast and projections, as outlined in the Chartered Professional Accountants Canada Handbook, has not been performed.
6. All monetary amounts noted herein are expressed in Canadian dollars.

COMPANY BACKGROUND

7. Commerx is a private company headquartered in Calgary, Alberta and incorporated pursuant to the laws of the Province of Alberta. The Company is a global provider to digital and telecommunications customers providing software development, I.T. and telecommunications equipment installation, support and maintenance services.
8. Commerx currently has 77 employees but also engages 10 individuals on a full-time contract consulting basis.

9. Although the Company's head office is located in Calgary, Commerx also has 100% owned subsidiaries located in Mexico and the United States (the "Subsidiaries"). The Subsidiaries are not the subject of these or any restructuring proceedings.

ONGOING OPERATIONS

10. The Company has stabilized and continued its operations since the Filing Date. To date, Management, with the assistance of the Proposal Trustee, has been able to communicate with creditors and suppliers to make mutually satisfactory payment arrangements to ensure the uninterrupted supply of goods and services. The Company reports that its core operations are currently cash-positive.

NOTICE TO CREDITORS

11. Pursuant to S. 50.4(1) of the Act, the Proposal Trustee mailed copies of the NOI, the Proposal Trustee's executed consent and the listing of creditors (the "Initial Filing Documents") to all known creditors as represented by the Company. Copies of the Initial Filing Documents are attached as Appendix "D" and have also been posted on the Proposal Trustee's website at <https://relieffromdebt.ca/commerx-corporation/>. A small number of additional creditors identified by the Company subsequently have also been mailed copies of the Initial Filing Documents.

FINANCIAL PERFORMANCE

12. A variance analysis of the Company's actual receipts and disbursements since the Filing Date through to March 24, 2019 versus the corresponding period in the Initial Forecast is set out in the following table:

Commerx Corporation			
Forecast to Actual Analysis			
For the period of March 7 - 24, 2019			
	Actual	Forecast	Variance
<u>RECEIPTS</u>			
Collection of accounts receivable	93,397	18,519	74,878
Advances from US subsidiary	15,756	20,756	(5,000)
Foreign exchange gain (loss)	158	0	158
	<u>109,311</u>	<u>39,275</u>	<u>70,036</u>
<u>DISBURSEMENTS</u>			
General and administrative	(20,538)	(16,565)	(3,973)
Wages and benefits	(83,202)	(89,002)	5,800
Direct costs re subcontractors	<u>(18,023)</u>	<u>(14,059)</u>	<u>(3,964)</u>
	<u>(121,763)</u>	<u>(119,626)</u>	<u>(2,137)</u>
Net cash flow	(12,452)	(80,351)	67,899
Opening cash	<u>82,221</u>	<u>82,221</u>	
Closing cash	<u>69,769</u>	<u>1,870</u>	<u>67,899</u>

13. Commerx experienced a negative cash flow of approximately \$12,000 over the period March 7 - 24, 2019 versus an anticipated deficit of approximately \$80,000, for a positive variance of approximately \$68,000. The Proposal Trustee notes that the positive variance is primarily attributed to timing differences with respect to the collection of accounts receivable.
14. The Company maintained a cash balance of approximately \$70,000 as at March 24, 2019.

CASH FLOW FORECAST

15. Management, with the assistance of the Proposal Trustee, has prepared an updated 13 week cash flow forecast for the period March 25, 2019 through to June 23, 2019 (the "Revised Forecast") which is attached as Exhibit "C" to Affidavit of Robert Kulhawy, sworn on March 28, 2019 and filed in the Proposal Proceedings.

16. A summary of the Revised Forecast is set out in the table below:

	Forecast
<u>RECEIPTS</u>	
Accounts receivable collection	311,046
Revenues	420,000
Interim financing	150,000
Term loan or line of credit	500,000
Advances from US subsidiary	35,500
	<u>1,416,546</u>
<u>DISBURSEMENTS</u>	
General and administrative	(48,000)
Wages and benefits	(566,810)
Rent	(33,900)
Pre-NOI GST	(23,637)
Post-NOI GST	(30,000)
Direct costs re: subcontractors	(56,949)
Direct costs re: data centre	(6,000)
Interest on DIP #1	(32,602)
Interest on DIP #2	(4,500)
Restructuring fees	(125,000)
Term loan repayment	(500,000)
	<u>(1,427,398)</u>
Net Cash Flow	(10,852)
Opening cash	69,769
Closing cash	<u>58,917</u>

17. The Revised Forecast reflects negative cash flow of approximately \$11,000 over the forecast period, leaving a forecast cash balance of approximately \$59,000 at June 23, 2019. The Proposal Trustee offers the following additional comments in respect of the Revised Forecast:
- a. As a result of favourable collection results and additional billings prepared by the Company in respect of pre-NOI revenues, the Company has increased its overall forecast (when amounts already collected are included) regarding accounts receivable in comparison to the Initial Forecast;
 - b. As a result of the increased forecasted accounts receivable collections, the Company has reduced its forecasted receipt of advances from its United States subsidiary, as these are no longer forecast to be required at the same level;

- c. Additional revenues and operating expenses have been added due to two additional weeks being included in the forecast period in comparison to the prior forecast; and
 - d. The Company has included in its revised forecast the fact that a term loan will become due on June 1, 2019, and therefore they will be required to re-pay this loan. The Company has forecast that it will fund the repayment by way of receipt of new funds loaned to the Company in the form of a term loan or a line of credit.
18. It is important to highlight that the Revised Forecast and the Company's ability to continue operations while working through a restructuring period is dependent upon the receipt of additional debtor-in-possession financing ("DIP Financing") of \$150,000, which has not yet been approved by the Court. The Company advises that it has not yet scheduled an application for Court approval of such DIP Financing as it has not yet finalized the details of the funding, although Management advises that progress is being made and anticipates this will be completed and an application for approval of a further DIP financing charge to be scheduled in the near future. Absent this additional DIP financing being secured, or the Company otherwise being able to access an additional \$150,000, the Company would be unable to fund its forecast expenditures from operational revenues during the restructuring period, although it may be able to receive further advances from its United States subsidiary.
19. Likewise, the Company's ability to continue operations past May 31, 2019 is dependent on its ability to obtain new funding to allow it to re-pay the term loan that is due June 1, 2019 or negotiate revised terms with its term loan lender.
20. Subject to the Company satisfying the requirements as outlined in Paragraphs 18 and 19 above, the Proposal Trustee is satisfied that the Revised Forecast is reasonable in the circumstances.

RESTRUCTURING EFFORTS

21. The Proposal Trustee is satisfied that Management has been acting with due diligence and in good faith and has been working towards ultimately presenting a proposal to its creditors. Since the filing of the NOI, Management has:

- responded to inquiries from various creditors regarding the status of the Proposal Proceedings;
- continued to engage in positive discussions with Super G Capital, LLC (“Super G”) with respect to the removal of Super G’s registration at the Alberta Personal Property Registry which encumbers all present and after-acquired property of the Company (the “Super G Registration”). The ultimate removal of the Super G Registration is an important factor that will pave the way towards the Company filing a viable proposal;
- continued to work at securing additional DIP Financing; and
- held preliminary discussions with legal counsel and the Proposal Trustee in regard to alternatives with respect to the structure of a proposal.

RECOMMENDATION

24. The Proposal Trustee is of the view that a further extension of the Stay to May 20, 2019 is warranted to allow the Company the opportunity to continue to work with Super G towards the removal of the Super G Registration and the formulation of the terms of its proposal.

25. The Proposal Trustee is satisfied that:

- Management continues to act in good faith and with due diligence with a view towards ultimately preparing a proposal for presentation to its creditors;
- provided that the Company is able to secure the funding referenced in Paragraphs 18 and 19 above and the Super G Registration is discharged, the Company will likely be able to formulate a viable proposal; and

- no creditor would be materially prejudiced if a further extension is granted.

All of which is respectfully submitted this 29th day of March 2019.

Hardie & Kelly Inc.
in its capacity as the Proposal Trustee of Commerx Corporation
and not in its personal capacity

Per:

Marc Kelly
Senior Vice President

APPENDIX "A"

Commerx Corporation
Cash Flow Forecast
for the period March 7, 2019 to June 7, 2019 (13 weeks)
(unaudited)

	Stub Mar 10	Week Mar 11 to Mar 17	Week Mar 18 to Mar 24	Week Mar 25 to Mar 31	Week Apr 1 to Apr 7	Week Apr 8 to Apr 14	Week Apr 15 to Apr 21	Week Apr 22 to Apr 28	Week Apr 29 to May 5	Week May 6 to May 12	Week May 13 to May 19	Week May 20 to May 26	Week May 27 to June 2	Week June 3 to June 7	Total
RECEIPTS															
Receipts from Trade Accounts Receivable	\$0	\$12,516	\$6,001	\$49,979	\$12,176	\$52,951	\$14,180	\$55,771	\$66,858	\$0	\$0	\$0	\$0	\$0	\$311,582
Principal source of revenue	0	0	0	0	0	0	0	0	0	60,000	60,000	60,000	60,000	60,000	300,000
Inexim/DIP financing #2	0	0	0	150,000	0	0	0	0	0	0	0	0	0	0	150,000
Advances from U.S. subsidiary	0	15,755	5,000	0	10,000	0	0	30,000	0	0	0	0	0	0	55,755
Total receipts	0	28,274	11,001	199,979	22,176	62,951	14,180	86,771	66,858	60,000	60,000	60,000	60,000	60,000	647,268
DISBURSEMENTS															
General and administrative	439	8,125	8,000	0	8,000	0	8,000	0	8,000	0	8,000	0	8,000	0	56,565
Wages and benefits	0	83,202	5,800	80,000	11,300	76,000	5,800	76,000	0	76,000	5,800	78,000	0	80,000	584,602
Rent	0	0	0	0	0	0	0	0	11,300	0	0	0	0	0	33,900
Due to CRA - pre-NOI GST	0	0	0	0	0	0	0	0	0	0	0	0	0	0	23,637
Monthly GST	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30,000
Other - direct costs (revenue producing subcontractors)	0	14,059	0	7,000	5,000	0	0	7,000	10,000	0	0	0	10,000	0	50,059
Other - direct costs (dial centre)	0	0	0	2,000	2,000	0	0	0	2,000	0	0	0	2,000	0	6,000
Interest on DIP (funding #1)	0	0	0	17,802	0	0	0	0	7,500	0	0	0	0	0	32,602
Interest on DIP (funding #2)	0	0	0	0	0	0	0	0	2,250	0	0	0	0	0	4,500
Restructuring costs	0	0	0	75,000	0	0	25,000	0	0	0	25,000	0	0	0	125,000
Total disbursements	439	105,397	13,800	159,652	26,000	75,000	38,000	63,000	40,050	76,000	38,800	76,000	41,750	124,537	626,965
Net cash flow	(400)	(77,123)	(2,799)	(60,673)	(4,824)	(12,049)	(23,820)	(3,229)	(23,192)	(16,000)	(18,800)	(16,000)	(18,750)	(27,537)	(12,717)
Opening bank balance	56,221	83,782	4,000	1,870	12,246	3,123	26,074	4,454	4,000	25,151	9,131	30,351	16,331	32,361	82,251
Closing bank balance	\$57,782	\$4,659	\$1,201	\$12,246	\$5,123	\$3,074	\$2,254	\$1,225	\$85,101	\$9,131	\$30,351	\$14,351	\$32,581	\$2,824	\$2,534

Commerx Corporation


14-Mar-19

This Statement of Projected Cash Flow of Commerx Corporation prepared pursuant to S.50.4(2)(e) of the Bankruptcy and Insolvency Act should be read in conjunction with the Trustee's Report on Cash Flow Statement dated the 7 day of March, 2019.

Hardia & Kelly Inc., Trustee of the Proposal of
 Commerx Corporation

 Mr. Charles Smith
 Vice President

Commerx Corporation
Assumptions for Cash Flow Forecast
for the period March 7, 2019 to June 7, 2019 (13 weeks)
(unaudited)

Receipts of Cash

- From March 7, 2019 through to the week ending May 3, 2019, cash receipts are derived from past billings and represent collection of collectible accounts receivable based on historical timelines and analysis of existing accounts.
- From the week commencing May 6, 2019 and onward, expected cash receipts are derived from estimated earned revenue in March and April 2019 based on existing contracts and average collection timelines.

DIP #2 Funding

- Subject to approval by virtue of an application to the court expected to be heard on March 22, 2019, \$150,000 expected to be received during the week of March 25 - 31. Use of funds are as follows:
 - \$25,000 to be reimbursed for amounts already disbursed to trustee pre-NOI.
 - \$75,000 for legal and trustee fees for restructuring expected to be disbursed in the week of March 25 - 31.
 - \$25,000 for legal and trustee fees for restructuring expected to be disbursed in the week of April 15 - 21.
 - \$25,000 for legal and trustee fees for restructuring expected to be disbursed in the week of May 13 - 19.

Administrative Expenses

- The estimated costs for administrative expenses are derived from analysis of previous monthly income statements and adjusted based on revised financial forecasts.
- See attached schedule for breakdown of monthly costs.

Wages and Benefits

- The estimated bi-weekly payroll is derived from actual total gross payroll costs incurred in February 2019 and adjusted for terminations & temporary layoffs of various employee
- Amounts include employer loading costs such as employer CPP, EI and health benefits plan.

Office Rent

- The cost for office rent is as per the existing lease agreement

Past GST - Pre NOI

Nov-18 7093.36

Dec-18 9576.38

Jan-19 6967.94

- Scheduled payment date is June 2019. These are forecast to be paid despite the stay of proceedings based on discussions with CRA.

Ongoing Monthly GST

- The estimated monthly GST payable to CRA is \$10,000 and is based on historical amounts (GST collectible minus GST ITC)

Direct Costs (revenue producing resources)

- Two contracted staff working in Indonesia and three contracted staff working in India

Direct Costs (data centre)

- Estimated monthly cost to maintain data centre which is revenue generating.
- Amounts are based on current infrastructure in place and include monthly cost of \$CAD 1,300 for Shaw fibre internet connectivity to in-house data centre and \$CAD 700 Hubsp

Advances and repayments - U.S. subsidiary

- From time to time, funds are transferred between Commerx Corporation and Commerx US Inc in order to balance cash requirements.
- Amounts and timing of advances are based on cash requirements and available cash of the U.S. subsidiary based on projected operating results.

Restructuring Costs

- See assumptions noted above under DIP funding.

Interest on DIP advance

- DIP #1 interest is calculated, forecasted and payable on the basis \$500,000. Funds were received prior to the forecast period. Calculation and payment schedule is based on the contractual agreement.
- DIP #2 interest is calculated and forecasted on the basis of borrowing \$150,000.

Commerx Corporation
Schedule for SG&A Expenses for Cash Flow Forecast
for the period March 7, 2019 to June 7, 2019 (13 weeks)
(unaudited)

Monthly Costs	\$CAD
Bank Service Fees	1,000
Insurance - Corporate	5,100
Telephone, Cellular and Internet	2,000
Office Supplies and Costs	600
Meal and Entertainment (Sales Department)	1,300
Travel (Sales Department)	2,500
IT Support Costs	2,000
Memberships, Dues and Subscriptions	1,000
Miscellaneous	500
Total Monthly Costs	16,000

APPENDIX “B”

District of: Alberta
Division No. 02 - Calgary
Court No. 25-2483059
Estate No. 25-2483059

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

The attached statement of projected cash flow of Commerx Corporation, as of the 7th day of March 2019, consisting of the projected cash flows through to June 7, 2019, has been prepared by the management of the insolvent person (or the insolvent debtor) for the purpose described in the notes attached, using the probable and hypothetical assumptions set out in the notes attached.

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

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

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

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

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

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

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

Dated at the City of Calgary in the Province of Alberta, this 15th day of March 2019.

Hardie & Kelly Inc. - Licensed Insolvency Trustee

Per:



Charla Smith - Licensed Insolvency Trustee
110, 5800 2nd Street SW
Calgary AB T2H 0H2
Phone: (403) 777-9999 Fax: (403) 640-0591

APPENDIX “C”

District of:
Division No. -
Court No. 25-2483059
Estate No. 25-2483059

- 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)

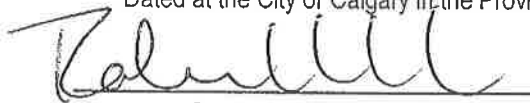
I, Commerx Corporation, have developed the assumptions and prepared the attached statement of projected cash flow of the insolvent person, as of the 7 day of March, 2019, consisting of .

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 Calgary in the Province of Alberta, this 14th day of March 2019.



Commerx Corporation
Debtor

Robert Kulhavy President
Name and title of signing officer

Name and title of signing officer

APPENDIX “D”

March 7, 2019

To the Creditors of Commerx Corporation

Dear Sirs/Mesdames:

Re: Proposal under the Bankruptcy and Insolvency Act

We are writing to advise that on March 7, 2019, Commerx Corporation (the "Company") filed a *Notice of Intention to Make a Proposal* pursuant to the *Bankruptcy and Insolvency Act* (the "BIA"). Hardie & Kelly Inc. was appointed as trustee under the proceedings (the "Proposal Trustee"). Enclosed are the following documents in connection with the proceedings:

- Certificate of Filing of a Notice of Intention to Make a Proposal;
- Notice of Intention to Make a Proposal;
- Proposal Trustee's Consent; and
- Listing of creditors with claims greater than \$250.

S. 69(1) of the BIA provides the Company certain relief including the imposition of an initial 30-day *Stay of Proceedings* against the Company and its assets. Claims against the Company for payment of goods and services supplied to the Company prior to March 7, 2019 are suspended and creditors are prohibited from continuing or commencing any actions or exercising any rights against the Company except with leave of the Court of Queen's Bench of Alberta.

You are not required to file a proof of claim at this time. Outstanding claims will be addressed as part of the Company's restructuring plan to be developed and forwarded to you for your consideration in due course.

Further information will be distributed to you in due course. Creditors are encouraged to periodically check the Proposal Trustee's website at <https://relieffromdebt.ca/commerx-corporation/> (the "Website") for updates as to the status of the proceedings as additional materials will be posted to the Website from time to time.

Should you have any questions or concerns, please contact Mr. Perry Bennett, COO/CFO of the Company at 403-301-3883 ext 266, or the undersigned at 403-536-8510.

Yours truly,

Hardie & Kelly Inc., in our capacity
as Trustee of the Proposal of Commerx Corporation


Per: Marc Kelly
Senior Vice President

enclosures: as above



Industry Canada
**Office of the Superintendent
of Bankruptcy Canada**

Industrie Canada
**Bureau du surintendant
des faillites Canada**

District of Alberta
Division No. 02 - Calgary
Court No. 25-2483059
Estate No. 25-2483059

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

Commerx Corporation
Insolvent Person
HARDIE & KELLY INC.
Licensed Insolvency Trustee

Date of the Notice of Intention: March 07, 2019

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: March 07, 2019, 13:20

E-File/Dépôt Electronique

Official Receiver

Harry Hays Building, 220 - 4th Ave SE, Suite 478, Calgary, Alberta, Canada, T2G4X3, (877)376-9902

Canada

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
COMMERX CORPORATION
of the City of Calgary, in the Province of Alberta

Take notice that:

1. COMMERX CORPORATION, an insolvent person, states, pursuant to subsection 50.4(1) of the Act, that it intends to make a proposal to its creditors.
2. Hardie and Kelly Inc., of 110, 5800 2nd Street SW, Calgary, Alberta T2H 0H2, 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 CALGARY, this 5th day of MARCH, 2019

COMMERX CORPORATION

Per: 

Name: Robert Kulhawy

Title: President

Commerx Corporation
4228 Manilla Road SE
Calgary, AB T2G 4B7

Attention: Mr. Robert Kulhawy

March 5, 2019

Dear: Mr. Kulhawy

Re: Proposal pursuant to the Bankruptcy and Insolvency Act

Please accept this letter as confirmation of our consent to act as Proposal Trustee regarding your proposal to creditors pursuant to the Notice of Intention to make a proposal dated March 5, 2019.

Yours very truly,
Hardie & Kelly Inc.


Per: **Marc Kelly**
Senior Vice President

List of Creditors

<u>Creditor</u>	<u>Address</u>	<u>Claim Amount</u>
642111 ALBERTA INC.	4428 MANILLA ROAD SE Calgary AB T2G 4B7	11,303.22
ADMIRAL LAW	301, 522 - 11 AVE. SW Calgary AB T2R 0C8	2,881.80
ANIXTER CANADA	200 FOSTER CRESCENT Missauga ON L5R 3Y5	935.18
BALINHARD CAPITAL CORPORATION DAVID LEGEYT	C/O BURNET, DUCKWORTH & PALMER 2400, 525 - 5TH AVE. SW Calgary AB T2P 1G1	500,000.00
BENNETT JONES LLP	4500, 855 - 2ND STREET SW Calgary AB T2P 4K7	11,939.36
CHILD AND CHILD	NOVE NORTH 11 BRESSEDED PLACE London United Kingdom	1,055.06
Desjardins Card Services	c/o FCT Default Solutions PO Box 2514 Stn B London ON N6A 4G9	680.50
HOFFMAN DOECHIK	600, 5920 MACLEOD TRAIL SOUTH Calgary AB T2H 0K2	253.75
MEMORY EXPRESS	3333 34TH AVE NE Calgary AB T1Y 6H2	1,107.11
OXFORD TECH	37047 MAYLAND HTS. Calgary AB T2E 9A7	860.92
PERRY BENNETT	C/O COMMERX CORPORATION 4428 MANILLA ROAD SE Calgary AB T2G 4B7	23,335.00
PETER TRANT KEITH D. MARLOWE	C/O BLAKE, CASSELS & GRAYDON LLP 3500, 855 - 2ND STREET SW Calgary AB T2P 4J8	147,777.84
RICOH CANADA INC	PO BOX 1600 STREETSVILLE RPO Mississauga ON L5M 0M6	716.47
ROBERT KULHAWY	C/O COMMERX CORPORATION 4428 MANILLA ROAD SE Calgary AB T2G 4B7	126,041.60
RODPREST CLEANERS	229 CHAPALINA MEWS SE Calgary AB T2X 0A7	6,930.00
SUNLIFE FINANCIAL	PO BOX 11010 STATION A Montreal PE H3C 4T9	21,692.88
SUPER G CAPITAL, LLC BAHAR HAFIZI	C/O BH LEGAL 1012 - 1030 WEST GEORGIA STREET Vancouver BC V6E 2Y3	0.00
TRAGICALLY VITAL	4, 2807 - 107TH AVE SE Calgary AB T2Z 4M2	1,419.09

URBANCORE	2632 24TH ST. SW Calgary AB T2T 5H9	745.50
WASTE CONNECTIONS	285122 BLUEGRASS DRIVE Rocky View AB T1X 0P5	1,090.26
WHITE PAPER	9990 RIVER WAY Delta BC V4G 1M9	1,714.45
Total		863,679.79