

October 22, 2014

To: The Creditors of IPSMARX TECHNOLOGY INC.

Re: Notice of Intention to Make a Proposal

TAKE NOTICE THAT IPSMARX TECHNOLOGY INC. (“IPX” or the “Company”) filed a Notice of Intention to Make a Proposal (“NOI”) under Division I, Part III, of the Bankruptcy and Insolvency Act (“BIA”) on October 21, 2014.

LINK & ASSOCIATES INC. Receivers + Trustees has consented to act as trustee under the NOI (the “Proposal Trustee”).

Pursuant to Section 69 of the BIA, all proceedings against IPX are stayed effective October 21, 2014.

Attached please find the following documents:

1. Notice of Stay of Proceedings
2. A copy of the NOI and a list of creditors owed \$250 or more
3. Certificate of Filing of the Notice of Intention
4. Consent of the Trustee

IPX expects to file a proposal (the “Proposal”) within 30 days of the filing of the NOI, in accordance with the requirements of the BIA, and subject to any extension(s) to the time period for filing of the Proposal that may be granted by the Court. A copy of the Proposal, when filed, will be sent to each of the creditors together with a notice calling a meeting of creditors to consider the Proposal, such meeting to be held within 21 days of the Proposal being filed. A report of the Trustee will also be provided to the creditors.

It is important for all creditors to know that IPX has *not* filed for bankruptcy. Rather, it is in the process of developing a Proposal to its creditors which is intended to result in a better recovery to the creditors than would otherwise be available in a bankruptcy.

During the Proposal proceedings:

- (i) No person or creditor can commence or continue any action, execution or other proceedings for the recovery of a debt until the Trustee has been discharged, or until the Proposal has been refused, without leave of the Court and on such terms as the Court may impose.

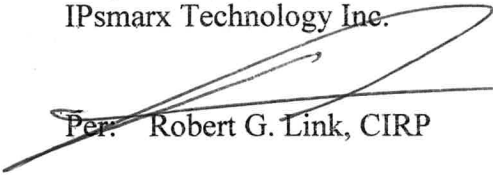
- (ii) No person or creditor may terminate or amend any agreement with IPX, or claim an accelerated payment, or a forfeiture of the term, under any agreement with IPX by reason only that IPX is insolvent or by reason of the filing of the NOI;
- (iii) Suppliers of goods and services to IPX should discuss directly with IPX management the terms of payment for goods and/or services that they will provide to IPX after the date of filing of the NOI.

At present, creditors are not required to file a proof of claim. The Trustee will provide you with further information and a proof of claim form and voting letter at a later date, once the Proposal has been filed.

During these Proposal proceedings, IPX continues to be under the direction of its management.

The above measures are mandated by the BIA and are necessary to ensure that all creditors of IPX are treated equitably in the Proposal process, and no creditor exercises remedies in a manner that it receives preferential treatment relative to other creditors.

Yours truly,
LINK & ASSOCIATES INC.
Proposal Trustee in re
IPsmarx Technology Inc.


Per: Robert G. Link, CIRP

Email: rlink@linkassociates.ca
Phone: (416) 862-7785
Fax: (416) 862-2136

District of Ontario
Division No. 9 - Toronto
Court No.: 31-1923787
Estate No.:31-1923787

NOTICE OF STAY OF PROCEEDINGS
IN THE MATTER OF THE PROPOSAL OF
IPSMARX TECHNOLOGY INC.
OF THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO

DATE OF FILING OF NOTICE OF INTENTION: October 21, 2014

NOTICE IS HEREBY GIVEN that the above-noted debtor filed a Notice of Intention to Make a Proposal on October 21, 2014 (the "NOI"). Every NOI or Proposal made in pursuance of the Bankruptcy and Insolvency Act (the "BIA") takes precedence over all judicial or other attachments, garnishments, certificates having the effect of judgments, certificates of judgment, judgments operating as hypothecs, executions or other process against the property of a debtor, except such as have been completely executed by payment to the creditor or his agent, and except also the rights of a secured creditor.

UPON the filing of an NOI or a Proposal made by an insolvent person or upon the bankruptcy of any debtor, no creditor with a claim provable in bankruptcy shall have any remedy against the debtor or its property or shall commence or continue any action, execution or other proceedings for the recovery of a claim provable in bankruptcy until the Trustee has been discharged or until the Proposal has been refused, unless with the leave of the Court and on such terms as the Court may impose.

WHERE an NOI has been filed or a Proposal has been made, the Sheriff or other officer of any Court or any person having seized property of the debtor under execution of attachment or any other process shall, upon receiving a copy of the NOI or the Proposal certified by the Trustee as a true copy thereof, forthwith deliver to the Trustee all the property of the debtor in his hands.

WHERE the Sheriff has sold the property of the debtor or any part thereof, he shall deliver to the Trustee the money so realized by him, less his fees and the costs referred to in subsection 70(2).

ANY property of a debtor under seizure for rent or taxes shall on production of a copy of the NOI or the Proposal certified by the Trustee as a true copy thereof be delivered forthwith to the Trustee, but the costs of distress are a first charge thereon, and, if such property or any part thereof has been sold, the money realized therefrom, less the costs of distress and sale, shall be paid to the Trustee.

DATED AT Toronto, this 22nd day of October, 2014.

LINK & ASSOCIATES INC.

Per: 

Robert Link, CIRP

77 King Street West, Suite 3000
PO Box 95, Toronto, ON
M5K 1G8
Phone: (416) 862-7785 Fax: (416) 862-2136


District of: Ontario
Division No. 09 - Toronto
Court No.
Estate No.

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

Take notice that:

1. I, IPSMARX TECHNOLOGY 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. Link & Associates Inc. of PO Box 95, Suite 3000, 77 King Street West, PO Box 95, Toronto, ON, M5K 1G8, 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 Toronto in the Province of Ontario, this 21st day of October 2014.



IPSMARX TECHNOLOGY INC.
Insolvent Person

To be completed by Official Receiver:

Filing Date _____

Official Receiver

Court No.

File No.

Form 33
Notice of intention to make a proposal

Link & Associates Inc. - Trustee
Per:

Robert G. Link
PO Box 95
Suite 3000, 77 King Street West, PO Box 95
Toronto ON M5K 1G8
Phone: (416) 862-7785 Fax: (416) 862-2136

List of Creditors with claims of \$250 or more.

Creditor	Address	Account#	Claim Amount
Arash Vahidnia	7 King Street East, Suite 1411 Toronto ON M5C 3C6		89,913.80
Business Development Bank of Canada	121 King St West, Suite 1200 Toronto ON M5H 3T9		104,382.00
Canada Revenue Agency Attn: Insolvency Collection	Toronto Centre Tax Services Office 1 Front Street West Toronto ON M5J 2X6	865170450	1,000.00
Chitiz Pathak LLP	320 Bay Street, Suite 1600 Toronto ON M5H 4A6		6,750.00
GSM VOIP Telecom c/o Wise & Associates	80 Bloor Street West, Suite 602 Toronto ON M5S 2V1	Court File CV-08-352205	10,000,000.00
JETWAVE INC. c/o Klein and Schonblum Associates	PO Box 2406 2300 Yonge Street, Suite 2901 Toronto ON M4P 1E4	Court File CV-11-442449	2,000,000.00
JETWAVE INC. c/o Klein and Schonblum Associates	PO Box 2406 2300 Yonge Street, Suite 2901 Toronto ON M4P 1E4	Court File CV-11-442449	16,087.10
MNP LLP	3100 Steeles Avenue East, Suite 700 Markham ON L3R 8T3		9,305.00
Raghurai Inc.	3 Guildcrest Drive Scarborough ON M1E 1E2		30,510.00
Royal Bank of Canada	260 East Beaver Creek Rd., Suite 201 Richmond Hill ON L4B 3M3		445,000.00
Saghar Zand	929 Redbird Crescent Pickering ON L1V 5K8		150,790.00
Triovest	141 Adelaide Street West, Suite 510 Toronto ON M5H 3L5		28,700.00
Total			12,882,437.90



Industry Canada
Office of the Superintendent
of Bankruptcy Canada

Industrie Canada
Bureau du surintendant
des faillites Canada

District of Ontario
Division No. 09 - Toronto
Court No. 31-1923787
Estate No. 31-1923787

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

IPSMARX TECHNOLOGY INC.
Insolvent Person

LINK & ASSOCIATES INC.
Trustee

Date of the Notice of Intention: October 21, 2014

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: October 22, 2014, 09:50

E-File/Dépôt Electronique

Official Receiver

25 St. Clair Avenue East, 6th floor, Toronto, Ontario, Canada, M4T1M2, (877)376-9902

Canada

District of Ontario
Division No. 9
Court No.
Estate No.

**IN THE MATTER OF THE PROPOSAL OF
IPSMARX TECHNOLOGY INC.
OF THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO**

CONSENT

LINK & ASSOCIATES INC. hereby consents to act as the Proposal Trustee of IPSMARX TECHNOLOGY INC.

DATED at Toronto this 21 day of October, 2014.

LINK & ASSOCIATES INC.

Per: _____

Robert G. Link, CIRP