SUPERIOR COURT

C A N A D A PROVINCE OF QUÉBEC DISTRICT OF MONTRÉAL

NO: 500-11-028119-069 Estate No.: 41-336505

DATE: May 23, 2006

PRESENT: Me Chantal Flamand, Registrar

IN THE MATTER OF THE NOTICE OF INTENT TO FILE A PROPOSAL OF:

D. & F. FURNITURE LTD.,

Debtor-Petitioner

- and -

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RSM RICHTER INC.,

Interim Receiver

- and -

CENTURY SERVICES INC.,

Mise en cause

ORDER

- [1] **CONSIDERING** the Debtor-Petitioner's Motion for the *Appointment of an Interim Receiver and for Authorization to Enter into an Agency Agreement* as well as the Affidavit in support thereof;
- [2] **CONSIDERING** the representations made by Counsel to the parties present at the hearing;

- [3] FOR THESE REASONS, THE COURT:
- [4] **GRANTS** the Debtor-Petitioner's Motion for the Appointment of an Interim Receiver and for Authorization to Enter into an Agency Agreement (the "Motion");
- [5] ABRIDGES and SHORTENS any delay for the service and presentation of the Motion;
- [6] AUTHORIZES D. & F Furniture Ltd. (the "Debtor") to enter into the Agency Agreement with Century Services Inc., Exhibit M-2 (the "Agency Agreement");
- [7] **ORDERS** that the Agency Agreement be kept under seal, subject to any further order of the Court made on prior notice to the Debtor, Century Services Inc., RSM Richter Inc. and HSBC Bank Canada;
- [8] APPOINTS RSM Richter Inc. (the "Interim Receiver"), licensed trustee, as Interim Receiver to the Debtor's property;
- [9] AUTHORIZES the Interim Receiver to intervene into the Agency Agreement;
- [10] AUTHORIZES the Debtor, Century Services Inc. and the Interim Receiver to make such minor or technical amendments to the Agency Agreement as may be necessary, subject to the prior written consent of all parties thereto;
- [11] **GRANTS** to the Interim Receiver the following rights and powers:
 - a) monitor the affairs of the Debtor;
 - b) act in accordance with the terms and conditions of the Agency Agreement;
 - c) control the receipts and disbursements of the Debtor;
 - d) to have full access to premises, assets, books and records, personnel, analysis, computers, data storage media, software or other information, compilations and documentation related to or completed by the Debtor and/or its representatives and to make, retain and take away copies thereof;
 - e) place such insurance coverage as the Interim Receiver may deem necessary or desirable;
 - f) engage consultants, appraisers, agents, experts, auditors, accountants, managers, solicitors and counsel and such other advisors or professionals from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the powers and duties conferred by this order;
- [12] **DECLARES** that the Debtor shall remain the employer of and that the Interim Receiver shall not, as a result of this order or anything done in pursuance of the Interim Receiver's

duties and powers under this Order, be deemed the employer of - any employee of the Debtor;

- ORDERS that nothing herein contained shall require the Interim Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the property of the Debtor and that the Interim Receiver shall not, as a result of this Order or anything done in pursuance of the Interim Receiver's duties and powers under this Order, be deemed to be in Possession of any of the property of the Debtor within the meaning of the Canadian Environmental Protection Act, the Environment Quality Act or any similar environmental legislation;
- ORDERS that the sale of any of the property of the Debtor pursuant to the Agency Agreement by Century Services Inc. be made free and clear of any security, hypothec, charge or right, subject to the right of any secured creditor to be ranked according to its rights on distributions provided under the Agency Agreement;
- [15] **ORDERS** provisional execution of the judgment to be rendered pursuant hereto notwithstanding any appeal therefrom;
- [16] THE WHOLE WITHOUT COSTS.



