

August 19, 2009

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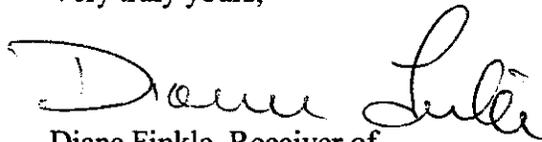
and assets for the benefit of creditors. In view of these proceedings and the Court's supervision and control of Wardwell's business and assets, creditors are enjoined from taking any further collection efforts against Wardwell or its assets, and may protect their interests by filing a Proof of Claim with the Receiver, as indicated above.

No sale of assets and no approval of claims, including secured claims, will take place without notice to all creditors and other parties in interest who file a Proof of Claim with the Receiver, after a Hearing thereon before the Rhode Island Superior Court.

As indicated in the enclosed Order, the Rhode Island Superior Court has scheduled a Hearing on continuation of the undersigned as Permanent Receiver, for 9:30 a.m. on September 3, 2009. Creditors and other interested parties are welcome to attend, but are not required to do so.

If you have any questions regarding any aspect of the foregoing, please feel free to contact the undersigned Receiver.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Diane Finkle".

Diane Finkle, Receiver of  
Wardwell Braiding Machine Company

DF/jmg  
Enclosures

STATE OF RHODE ISLAND  
PROVIDENCE, SC.

SUPERIOR COURT

PB 09-4697

2009 AUG 21 AM 10:37

JOHN N. TOMAZ  
Plaintiff

v.

WARDWELL BRAIDING MACHINE COMPANY  
Defendant

**ORDER APPOINTING TEMPORARY RECEIVER**

This cause came on to be heard upon the Plaintiffs Petition for Appointment of a Receiver and, upon consideration thereof, it is hereby

**ORDERED, ADJUDGED AND DECREED**

1. That, Diane Finkle of Providence, Rhode Island be and hereby is appointed Temporary Receiver (the "Receiver") of the Defendant.

2. That said Receiver shall, no later than five (5) days from the date hereof, file a bond in the sum of \$ 10,000 with any surety company authorized to do business in the State of Rhode Island as surety thereon, conditioned that the Receiver will well and truly perform the duties of said office and duly account for all monies and property which may come into the Receiver's hands and abide by and perform all things which the Receiver will be directed to do by this Court.

3. That said Receiver is authorized to take possession and charge of the property and assets of the Defendant, to collect the debts and property belonging to it and to preserve the same until further Order of this Court.

4. That said Receiver is authorized, until further Order of this Court, in the Receiver's discretion and as said Receiver deems appropriate and advisable, to conduct the business of said Defendant, to borrow money from time to time, to purchase, for cash or upon credit, merchandise, materials and other property, to engage appraisers and/or employees and assistants, clerical or otherwise, and to pay all such individuals and entities in the usual course of business, and to do and perform or cause to be done and performed all other acts and things as are appropriate in the premises.

SUPERIOR COURT  
FILED  
HENRY S. KINCH JR., CLERK

2009 AUG 17 P 2:16

5. That, pursuant to and in compliance with Rhode Island Supreme Court Executive Order No. 95-01, this Court finds that the designation of the aforescribed person for appointment as Receiver herein is warranted and required because of the Receiver's specialized expertise and experience in operating businesses in Receivership and in administrating non-routine Receiverships which involve unusual or complex legal, financial, or business issues.

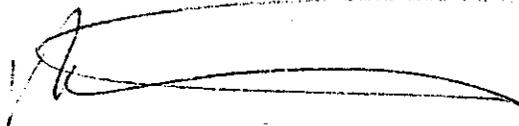
6. That the commencement, prosecution, or continuance of the prosecution, of any action, suit, arbitration proceeding, hearing, or any foreclosure, reclamation or repossession proceeding, both judicial and non-judicial, or any other proceeding, in law, or in equity or under any statute, or otherwise, against said Defendant or any of its property, in any Court, agency, tribunal, or elsewhere, or before any arbitrator, or otherwise by any creditor, stockholder, corporation, partnership or any other person, or the levy of any attachment, execution or other process upon or against any property of said Defendant, or the taking or attempting to take into possession any property in the possession of the Defendant or of which the Defendant has the right to possession, or the cancellation at any time during the Receivership proceeding herein of any insurance policy, lease or other contract with Defendant, by any of such parties as aforesaid, other than the Receiver designated as aforesaid, or the termination of telephone, electric, gas or other utility service to Defendant, by any public utility, without obtaining prior approval thereof from this Honorable Court, in which connection said Receiver shall be entitled to prior notice and an opportunity to be heard, are hereby restrained and enjoined until further Order of this Court.

7. That a Citation be issued to said Defendant, returnable to the Superior Court sitting at 250 Benefit Street, Providence, Rhode Island on , 9-8 2009, at 9:30 a.m. at which time and place this cause is set down for Hearing on the prayer for the Appointment of a Permanent Receiver; that the Clerk of this Court shall give Notice of the pendency of the Petition herein by publishing this Order Appointing Temporary Receiver once in The Providence Journal on or before 8-24, 2009, and the Receiver shall give further notice by mailing, on or before 8-31, 2009, a copy of said Order Appointing Temporary Receiver to each of Defendant's creditors and stockholders whose address is known or may become known to the Receiver.

ENTERED as an Order of this Court this 17<sup>th</sup> day of August, 2009.

ENTER:

BY ORDER:



Michael A. Silverstein  
Associate Justice/Business Calendar  
Dated:

8/17/09

