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STATE OF RHODE ISLAND  
PROVIDENCE, SC.

SUPERIOR COURT

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SECRETARY OF STATE  
CORPORATIONS DIV

SBER Development Holdings, LLC :  
Plaintiff :

vs. :

P.M. No: PB 09-5779

Cotton Shed State, LLC and :  
SBER Royal Mills Cotton Shed, LLC :  
Defendant :

ORDER APPOINTING TEMPORARY RECEIVER

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

**ORDERED, ADJUGED AND DECREED**

1. That Jonathan Savage, Esq. of Shechtman Halperin Savage, LLP, Rhode Island be and hereby is appointed Temporary Receiver (the "Receiver") of the Defendant SBER Royal Mills Cotton Shed, LLC.

2. That said Receiver shall, no later than five (5) days from the date hereof, file a bond in the sum of Ten Thousand (\$10,000.00) Dollars 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 employees and assistants, clerical or otherwise, and to do and perform or cause to be done and performed all other acts and things as are appropriate in the premises.

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 afore-described person for appointment as Receiver herein is warranted and required because of the Receiver's specialized

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expertise and experience in operating businesses in Receivership and in administering 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 the Defendant's property, in any Court, agency, tribunal, or elsewhere, or before any arbitrator, or otherwise by any creditor, member, 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 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 Providence, Rhode Island on 10-23, 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 10-9, 2009 so long as the Receiver's Bond has been filed, and the Receiver shall give further notice by mailing, on or before 10-16, 2009, a copy of said Order Appointing Temporary Receiver to the Defendant's creditors and members whose address is known or may become known to the Receiver.

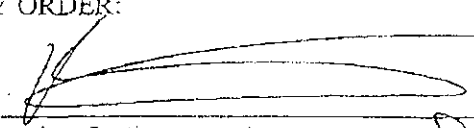
8. The appointment herein is conditioned upon the Petitioner depositing thirty-five thousand (\$35,000.00) Dollars with the Temporary Receiver on or before October 9, 2009. Rockland shall continue the foreclosure sale, presently scheduled for October 15, 2009, for up to three (3) weeks after October 15, 2009, unless further order enters appointing the Permanent Receiver, or this Court orders otherwise. The hearings for Permission to Foreclose Mortgages, scheduled for October 9, 2009 in *Advantage Glass Company v. SBER Royal Mills Cotton Shed, LLC, Cotton Shed Federal, LLC, Royal Mills Federal, LLC, Struever Bros. Eccles & Rouse, Inc., C.A. No. KM-09-0414* and *Douglas Lumber Corporation v. SBER Royal Mills, LLC, C.A. No. KM09-0575* shall proceed; however, any foreclosure allowed thereby is subject to this Order.

9. This Order is entered by virtue of and pursuant to this Court's equity powers and pursuant to its powers as authorized by the laws and statutes of the State of Rhode Island.

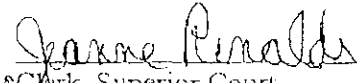
ENTERED as an Order of this Court this \_\_\_ day of October, 2009.

BY ORDER:

ENTER:

  
Associate Justice

*Silverstein*  
*10/2/08*

  
Deputy Clerk, Superior Court  
*10-2-08*



2009 OCT 19 AM 11:43

RECEIVED  
SECRETARY OF STATE  
CORPORATIONS DIV

October 16, 2009

**NOTICE TO ALL CREDITORS AND PARTIES IN INTEREST**

**RE: SBER Royal Mills Cotton Shed, LLC**

**Business Address: 166 Valley Street  
Providence, RI 02909**

**Property Address: 186 Providence Street  
West Warwick, RI 02893**

On October 2, 2009 the Rhode Island Superior Court serving Providence County entered an Order appointing the undersigned Temporary Receiver of the assets and business of SBER Royal Mills Cotton Shed State, LLC. ("SBER"). A copy of said Order is enclosed for your reference.

A Receivership is a state court insolvency proceeding. A Receiver is an officer of the Court, appointed for the purpose of representing the interests of all creditors. Our office does not and has not represented SBER or its principals, and I have been appointed as a neutral, impartial Receiver for the purpose of stabilizing SBER's financial affairs and ultimately marketing and selling SBER's assets for the highest value with the purpose of maximizing recovery for creditors.

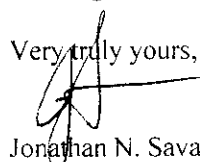
**No private sale of assets, no approval of secured or any other claims, and no distribution to creditors will take place without notice to all creditors and other parties in interest who file a Proof of Claim with the Receiver and after a hearing thereon before the Providence County Rhode Island Superior Court.**

Please note that a hearing with respect to the appointment of a Permanent Receiver is scheduled for **October 23, 2009, at 9:30 a.m.** in the Providence County Superior Court. You will receive a Proof of Claim to be completed along with additional instructions within a few weeks following the appointment of Permanent Receiver. Creditors and other interested parties are welcome to attend, **but are not required to do so.**

In connection with the Receivership, as set forth in Paragraph 6 of the enclosed Order, creditors are restrained and enjoined from taking any action to enforce any and all claims that they may be entitled to assert against SBER and/or its assets.

Should you have any questions regarding any aspect of the foregoing, please feel free to contact the undersigned or Attorney Stephen F. Del Sesto at (401) 272-1400.

Very truly yours,

  
Jonathan N. Savage, Esq.  
Temporary Receiver of  
SBER Royal Mills Cotton Shed, LLC,  
and not individually

Enclosure

352 Newbury Street  
Boston, MA 02115  
p 617.267.7000  
f 617.267.7011

1080 Main Street  
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