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STATE OF RHODE ISLAND
PROVIDENCE, SC.

SUPERIOR COURT

Freedom National Bank

Petitioner

vs.

P.B. No. 10-5822

Homeco International, Inc.

Respondent

ORDER APPOINTING TEMPORARY RECEIVER

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

ORDERED, ADJUDGED AND DECREED that:

1. Ted Orson, of Providence, Rhode Island be and hereby is appointed Temporary Receiver (the "Receiver") of the Respondent.

2. 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. Said Receiver is authorized to take possession and charge of the property and assets of the Respondent, to collect the debts and property belonging to it and to preserve the same until further Order of this Court.

4. 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 Respondent, 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 necessary and appropriate in the premises.

5. Pursuant to and in compliance with Rhode Island Supreme Court Executive Order No. 95-01, this Court finds that the designation of the aforesaid person for appointment as

SUPERIOR COURT
FILED
HENRY S. KINCH JR., CLERK

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6. 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 Respondent 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 Respondent, or the taking or attempting to take into possession any property in the possession of the Respondent or of which the Respondent 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 Respondent, 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 Respondent, 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.

ENTERED as an Order of this Court this 7th day of October, 2010.

BY ORDER:

Dated:

Clerk, Superior Court

True Copy After

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STATE OF RHODE ISLAND
PROVIDENCE, SC.

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Vs.

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Respondent

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RECEIVERSHIP PROOF OF CLAIM FORM

I, _____, being duly sworn, depose and say:

_____ (INDIVIDUAL) I am the claimant herein.

_____ (PARTNERSHIP) I am a partner of _____ which
is the claimant herein.

_____ (CORPORATION) I am an officer, to wit, _____, of
_____ which is the claimant herein.

The full address of the claimant is _____
(complete address, including zip code) _____.

That on the 7th Day of October, 2010, **Homeco International, Inc.** doing business at 90
Industrial Circle, Lincoln, Rhode Island 02865, did owe and still does owe the claimant a
balance of \$ _____ dollars, a statement of which account is attached hereto.

That such account is just, true and correct, and said balance is now due claimant from debtor.

That no part thereof has been paid or satisfied, and that there are no set-offs, or counterclaims
thereto, to the knowledge or belief of deponent and that no security exists for said debt.

That the attorneys named on this Proof of Claim are hereby made and constituted attorneys for
all purposes whatsoever in connection with this claim with full power of substitution (if an
attorney is filing for you).

(Signature of Claimant)

STATE OF _____
COUNTY OF _____

Subscribed and sworn to before me on this _____ day of _____, 2010.

Notary Public
My Commission Expires: _____

Please send this Proof of Claim, and any documentation supporting your claim, to:
Theodore Orson, Receiver, Orson and Brusini Ltd., 325 Angell Street, Providence, RI
02906.

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OFFICE OF THE
CLERK OF THE
SUPERIOR COURT



October 21, 2010

TO CREDITORS AND OTHER PARTIES IN INTEREST:

Re: Homeco International, Inc.

On October 7, 2010, the Rhode Island Superior Court, sitting in Providence County (the "Court"), entered an Order appointing the undersigned as Temporary Receiver of the assets of Homeco International, Inc. ("Homeco"). Homeco operated an importing and distribution business of paint supplies and hand tools with an office located at 90 Industrial Circle, Lincoln, Rhode Island. All business operations terminated prior to the appointment of a Receiver.

As the Receiver, I am an Officer of the Court, appointed to represent the interests of all creditors and parties in interest. I do not now, nor have I ever represented Homeco or its stockholders. I have been appointed as a neutral and impartial Receiver for the purpose of marketing and selling the assets of Homeco for the highest value, in order to maximize recovery for creditors.

Preliminarily, it appears that Homeco has secured debt of approximately \$444,000, no priority tax debt, and general unsecured debt in the amount of approximately \$650,000.

In connection with the Receivership, as set forth in Paragraph 6 of the enclosed Order Appointing Temporary Receiver, all creditors are enjoined and stayed from taking any action to enforce their claims against Homeco and/or its assets.

No claims will be approved 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, after a Hearing thereon before the Rhode Island Superior Court.

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PROVIDENCE, RHODE ISLAND

INTERESTED PARTIES

October 21, 2010

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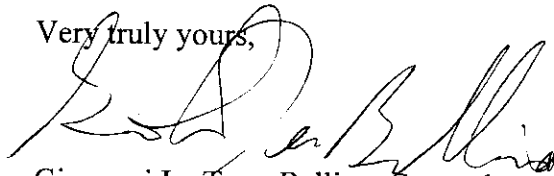
According to the books and records of Homeco, you were at one time a creditor and may be owed money. If you are a owed money from Homeco, in order that your interests be protected and to make sure that you receive notice of all appropriate court filings in connection with this case, I am taking the liberty of enclosing a Proof of Claim form which I suggest that you complete, execute before a Notary Public, and return to me at the earliest possible date.

If you are not owed money by Homeco and would prefer not to receive future notices please contact Ann Marshall at (401) 223-2100 ext. 107 or amarshall@orsonandbrusini.com.

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 **October 28, 2010**. 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.

Very truly yours,



Giovanni La Terra Bellina, Counsel to
Receiver of Homeco International, Inc.

Enclosures