STATE OF RHODE ISLAND PROVIDENCE, SC

SUPERIOR COURT

BANK RHODE ISLAND
Petitioner

V311V

**VS** 

C.A. No. PB 09

ALLSTATE PAINTING & WALLCOVERING, INC.
Respondent

ORDER APPOINTING TEMPORARY RECEIVER

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

## ORDERED, ADJUDGED AND DECREED

- 1. That Stephen F. Del Sesto, Esq., be and hereby is appointed Temporary Receiver (the "Receiver") of the Respondent.
- 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 Respondent, 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 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 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 aforementioned 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

SUPERIOR COURT FILED HENRY S. XINGHURL CLERK

2009 OCT 13 P 2: 49

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 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.
- 7. That a Citation be issued to said Respondent, returnable to the Superior Court sitting at Providence, Rhode Island on the 3<sup>rd</sup> day of Neventage 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 10-20, 2009, and the Receiver shall give further notice by mailing, on or before 10-27, 2009, a copy of said Order Appointing Temporary Receiver to each of Respondent's creditors and members whose address is known or may become known to the Receiver.

ENTERED as an Order of this Court on this /3 day of Ottober, 2009.

ENTER:

Associate Justice Jeffrey A. Lanphear

By Order,

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Presented By:

Daniel E. Burgoyne (#7541)

Attorney for Petitioner

ROBERTS, CARROLL, FELDSTEIN

& PEIRCE, INC.

Ten Weybosset Street Providence, RI 02903

(401) 521-7000; Fax: (401) 521-1328 dburgoyne@rcfp.com

2116-430 (444353) 10/1/2009





October 26, 2009

## NOTICE TO ALL CREDITORS AND PARTIES IN INTEREST

63116

RE: Allstate Painting & Wallcovering, Inc.
141 Industrial Drive
North Smithfield, Rhode Island 02896

On October 13, 2009 the Rhode Island Superior Court serving Providence County entered an Order appointing the undersigned Temporary Receiver of the assets and business of Allstate Painting & Wallcovering, Inc. ("Allstate"). 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 Allstate or its principals, and I have been appointed as a neutral, impartial Receiver for the purpose of stabilizing Allstate's financial affairs and ultimately marketing and selling Allstate'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 November 3, 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 Allstate and/or its assets.

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

Very truly yours,

Stephen F. Del Sesto, Esq. Temporary Receiver of

Allstate Painting & Wallcovering, Inc.,

and not individually

Enclosure

352 Newbury Street Boston, MA 02115 p 617.267.7000 f 617.267.7011 1080 Main Street Pawtucket, RI 02860 p 401.272.1400 f 401.272.1403

One North Broadway, Suite 1004 White Plains, NY 10601 p 914.946.1888 f 914.946.1822