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May 9, 2002

TO CREDITORS AND OTHER PARTIES IN INTEREST:

Re: V.F. Capaldi Construction Corporation  
265 George Washington Highway  
Smithfield, Rhode Island

RECEIVED  
MAY 15 2002  
5:50 AM '02

On May 6, 2002, the Rhode Island Superior Court entered an Order, a copy of which is enclosed, appointing Allan M. Shine Receiver of the assets and business of V.F. Capaldi Construction Corporation ("Capaldi").

A Receivership is a State Court insolvency proceeding. The Receiver is an Officer of the Court, appointed to represent the interests of all creditors. Our office does not and has not represented Capaldi or its principals. The Receiver has been appointed as a neutral, impartial Receiver, for the purpose of stabilizing the financial affairs of Capaldi, continuing the business operations, if possible, and, subject to Court approval, after notice to all creditors, seeking to market and sell the business and assets of Capaldi for the highest value in order to maximize recovery for all creditors.

Preliminarily, it appears that Capaldi owes secured creditors approximately \$900,000 and approximately \$600,000 to vendors and all other general, unsecured creditors.

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

In order that your interests be protected and that you 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 for Capaldi. I suggest you complete, execute before a Notary Public, and return to me at the earliest possible date the applicable Proof of Claim form for the particular company that owes you money.

No 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

CREDITORS

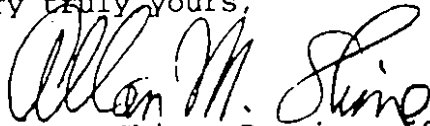
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the Receiver, after a Hearing thereon before the Rhode Island Superior Court.

As indicated in the enclosed Order, the Rhode Island Superior Court has scheduled a Hearing on continuation of Allan Shine as Permanent Receiver, for 9:30 a.m. on May 29, 2002. 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,

A handwritten signature in cursive script that reads "Allan M. Shine".

Allan M. Shine, Receiver of  
V.F. Capaldi Construction Corporation

AMS/eg  
Enclosures

STATE OF RHODE ISLAND  
PROVIDENCE, SC.

SUPERIOR COURT

Rosalyn A. Capaldi  
Plaintiff

vs.

P.M. # 02-2361

V.F. Capaldi Construction Corporation  
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, ADJUDGED AND DECREED

1. That Allan M. Shine, Esq., 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.

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 administering non-routine Receiverships which involve unusual or complex legal, financial, or business issues.

**PROOF OF CLAIM**  
**- RECEIVERSHIP -**

1. I, \_\_\_\_\_, being duly sworn, depose and say:

a) (CORPORATION) I am an officer, to wit,

\_\_\_\_\_ of \_\_\_\_\_  
(Your Title) (Name of Creditor)  
which is the creditor herein,

OR

b) (PARTNERSHIP) I am a partner of \_\_\_\_\_  
(Name of Creditor)  
which is the creditor herein, OR

c) (INDIVIDUAL) I am the creditor herein.

2. The full address of the creditor is

\_\_\_\_\_  
\_\_\_\_\_  
(complete address, including zip code)

3. That on the 6<sup>th</sup> day of May, 2002, **V.F. Capaldi Construction Corporation**, recently doing business at 265 George Washington Highway, Smithfield, Rhode Island, did owe and still does owe the creditor a balance of \$\_\_\_\_\_ Dollars, as set forth in the attached statement or invoices.

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

5. That no part of said sum has been paid or satisfied, and that there are no set-offs, or counter-claims against said sum, to the knowledge or belief of deponent, and no security exists for said debt. Unless otherwise indicated on this Proof of Claim, this claim is filed as a general, unsecured claim.

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 2002.

\_\_\_\_\_  
Notary Public

Mail claim form to:  
Winograd, Shine & Zacks, P.C.  
123 Dyer Street  
Providence, RI 02903

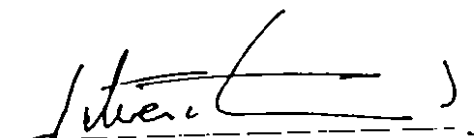
6. That the commencement, prosecution, or continuance of the prosecution, of any action, suit, arbitration proceeding, hearing, or any foreclosure, reclamation or repossession proceeding, both judicial and non-judicial, or any other proceeding, in law, or in equity or under any statute, or otherwise, 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 Providence, Rhode Island on May 29, 2002, 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 May 13, 2002, and the Receiver shall give further notice by mailing, on or before May 20, 2002, 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 6th day of May, 2002.

ENTER:

BY ORDER:

  
Associate Justice

  
Clerk, Superior Court

Dated: 5/6/02