

2, Place Alexis Nihon  
Suite 2200  
Montréal (Québec) H3Z 3C2  
Téléphone : (514) 934-3497  
Télécopieur : (514) 934-3504

Ligne directe (514) 934-3514

Courriel : [bgingues@richter.ca](mailto:bgingues@richter.ca)

May 4, 2004

**TO: THE CREDITORS OF LES BOUTIQUES SAN FRANCISCO INCORPORÉES,  
LES AILES DE LA MODE INCORPORÉES AND  
LES ÉDITIONS SAN FRANCISCO INCORPORÉES (“Debtors”)**

Dear Madam/Sir,

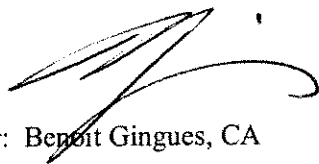
We refer to our first notice advising you that, on December 17, 2003, the Quebec Superior Court (“Court”), sitting as Tribunal designated under the *Companies’ Creditors Arrangement Act* (“CCAA”), had issued an Order (“Initial Order”) granting the Debtors protection under the CCAA and that RICHTER & ASSOCIÉS INC. had been appointed Monitor by the Court and to our subsequent notices.

Be advised that, on April 23, 2004, the Debtors filed a third Motion for the extension of the Amended Initial Order. The Court issued that same day an order extending the Amended Initial Order until May 21, 2004. We enclose for your information a copy of the order dated April 23, 2004.

We wish to confirm that, at the present time, creditors are not required to file a Proof of Claim and that, in due course, we will be forwarding to the creditors the Plan of Arrangement filed by the Debtors as well as convening a creditors’ meeting to vote on same.

Yours very truly,

RICHTER & ASSOCIÉS INC.  
Court-Appointed Monitor



Per: Benoit Gingues, CA

Encl.

[UNOFFICIAL TRANSLATION]

**SUPERIOR COURT**

CANADA  
PROVINCE OF QUEBEC  
DISTRICT OF MONTREAL

No: 500-11-022070-037

DATE: APRIL 23, 2004

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**IN THE PRESENCE OF: THE HONOURABLE MR. JUSTICE CLÉMENT  
GASCON, J.S.C.**

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**IN THE MATTER OF THE ARRANGEMENT PLAN OF:  
LES BOUTIQUES SAN FRANCISCO INCORPORÉES  
LES AILES DE LA MODE INCORPORÉES  
LES ÉDITIONS SAN FRANCISCO INCORPORÉE**  
Debtors (Petitioners)

and  
**RICHTER & ASSOCIÉS INC.**  
Monitor

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**THIRD AMENDED INITIAL ORDER**

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[1] Groupe BSF requests a third extension of the Initial Order issued on December 17, 2003 in this file and amended on January 15, 2004. A first extension was authorized until March 16, 2004 and the second expires today, April 23, 2004.

[2] The extension requested here until May 21, 2004 appears justified and the Court authorizes it on the following grounds:

1. As was the case for the previous requests of this type, Groupe BSF continues to operate its boutiques and pay its employees while keeping them, and the creditors, duly informed of the progress of its situation;
2. Although things have recently progressed less quickly than expected, Groupe BSF continues to show good faith and clear diligence in pursuing its goal of submitting an arrangement plan to its creditors;

3. The reasons put forward for the additional extension are valid and serious:
  - Liquidation of the downtown store should be completed by the end of April;
  - The sale of the head office building is not yet completed;
  - The process for receiving and analysing offers of financing, recapitalization or purchase of its assets will likely only be resolved during the week of May 3, 2004;
4. Groupe BSF explains that following receipt and analysis of the offers it will be in a position to define the subsequent steps leading to the filing of its arrangement plan. The Court understands that the creditors should finally be set on this crucial point on May 21, 2004;
5. The extension sought receives the approval of the comptroller in its sixth report dated April 22, 2004. In addition, the application was sent to all known creditors or interested parties according to the notice of presentation of the motion and none of them opposed the extension.

**[3] FOR THE REASONS GIVEN ORALLY AND REGISTERED, THE COURT:**

**[4] GRANTS** the Motion for the Extension of the Initial Order of the Petitioners;

**[5] DECLARES** that the Initial Order of the Court rendered on December 17, 2003 and the Amended Initial Order of the Court rendered on January 15, 2004 in the present matter remains in full force and effect and that the "Stay Termination Date, as defined in paragraph 41 of the Initial Order, is extended to May 21, 2004;

**[6] RECOVENES** the parties before this Court on May 21, 2004 at 9:30 a.m., in a room to be determined at a later time, to reassess the situation;

**[7] DECLARES** valid and sufficient the prior notice given of presentation of this motion;

**[8] ORDERS** provisional execution of this third amended initial order, notwithstanding any appeal and without the need to provide security;

**[9] WITHOUT COSTS.**

(signed)

**CLÉMENT GASCON, J.C.S.**

Mtre. Alain Riendeau, Mtre. Marianne Messier and Mtre. Stéphanie Lapierre  
Fasken Martineau DuMoulin  
Attorneys for the Debtors (Petitioners)

Mtre. Laurent Debrun  
Davies Ward Phillips & Vineberg  
Attorneys for the Monitor

Mtre. Denis St-Onge and Mtre. Patrice Benoit  
Gowling Lafleur Henderson  
Attorneys for the Bank Syndicate

Mtre. Stephen Raicek and Mtre. Matthew Liben  
Stikeman Elliott  
Attorneys for Ivanhoe Cambridge

Mtre. Frederic Harvey  
Nicholl Paskell-Mede  
Attorneys for St-Paul Guarantee

Mtre. Francois Beauchamp  
De Grandpré Chait  
Attorneys for Axa Assurances Inc.

Mtre. Alexandre Brosseau-Wery  
Kugler Kandestin  
Attorneys for the Ad Hoc Committee of Unsecured Creditors

Mtre. Nicholas Plourde  
Heenan Blaikie  
Attorneys for L'Oréal Canada Inc.

Mtre. Marco Veilleux  
Cain Lamarre Casgain Wells  
Attorneys for the directors

Mtre. Stéphane Dansereau  
Fraser Milner Casgrain  
Attorneys for Rosemere Place

Mtre. Francis Gervais  
Deveau Lavoie & Associés  
Attorneys for Claudel Lingerie and Vanessa Lingerie

Date of hearing: APRIL 23, 2004