

[UNOFFICIAL TRANSLATION]

SUPERIOR COURT

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL

No: 500-11-022070-037

DATE: APRIL 23, 2004

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

**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

THIRD AMENDED INITIAL ORDER

[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