

CANADA
PROVINCE OF QUÉBEC

DISTRICT OF MONTREAL
No.: 500-11-035903-091

SUPERIOR COURT
(Commercial Division)
The Companies' Creditors Arrangement Act

Montreal, November 12, 2009

Present: The Honourable Jean-François
Buffoni, S.C.J.

IN THE MATTER OF THE PLAN OF
ARRANGEMENT AND COMPROMISE
OF:

BLUE MOUNTAIN WALLCOVERINGS
GROUP INC.

-and-

BLUE MOUNTAIN WALLCOVERINGS
INC.

-and-

BLUE MOUNTAIN WALLCOVERINGS
CANADA INC.

-and-

BLUE MOUNTAIN WALLCOVERINGS
USA INC.

Petitioners

-and-

RSM RICHTER INC.

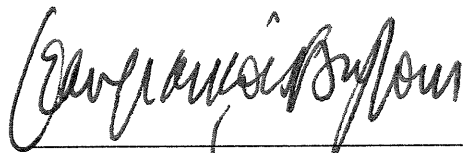
Monitor

ORDER

- [1] SEEING Blue Mountain Wallcoverings Group Inc., Blue Mountain Wallcoverings Inc., Blue Mountain Wallcoverings Canada Inc. and Blue Mountain Wallcoverings USA Inc. (collectively, the "**Petitioners**")'s petition to extend the stay period pursuant to Section 11 of the *Companies' Creditors Arrangement Act* R.S.C. (1985), c. C-36, as amended ("**CCAA**"), dated November 11, 2009, and the exhibits and the affidavit of Michel Megelas filed in support thereof (the "**Petition**");
- [2] GIVEN the provisions of the CCAA;

WHEREFORE, THE COURT:

- [3] **GRANTS** the Petition;
- [4] **EXEMPTS** Petitioners from having to serve the Petition and from any notice of presentation;
- [5] **EXTENDS** the Stay Period and the Stay Termination Date (as these terms are defined in the order rendered on March 20, 2009, by the Honourable Jean-François Buffoni, S.C.J. (the "**Initial Order**")), up to and including December 18, 2009;
- [6] **ORDERS** that the current stay of proceedings against MCAP Financial Corporation be lifted only to the extent necessary to enforce its security against the property located at 15 Akron Road, Etobicoke, Ontario (the "**Toronto Facility**"), as follows:
- (a) send a letter of demand for repayment of its mortgage on the Toronto Facility;
 - (b) serving a notice pursuant to Section 244 of the *Bankruptcy and Insolvency Act* (R.S., 1985, c. B-3); and
 - (c) issue a power of sale proceedings and complete any sale proceedings under its notice of sale pursuant to the *Mortgages Act* of Ontario (R.S.O. 1990, c. M.40);
- [7] **RENEWS** in full, but with the necessary adaptations, the Initial Order;
- [8] **APPROVES** RSM Richter Inc. (the "**Monitor**")'s activity, as described in the Monitor's Fourth Report, Exhibit R-1 to the Petition;
- [9] **ORDERS** the provisional execution of this order notwithstanding any appeal and without the necessity of furnishing any security;
- [10] **THE WHOLE** without costs.



Jean-François Buffoni, S.C.J.