



LES MEUBLES **D & F** FURNITURE LTÉE

Montreal, May 1, 2006

RE : AUTHORIZED DEALER RELATIONSHIP

As you know, you have been one of our Authorized Dealers for the last several years.

In view of today's economic realities, our company has had to make some difficult decisions of which we wish to advise you.

D & F Furniture Ltd. has decided to wind down its domestic manufacturing operations on an orderly basis and focus on its importing activities.

To minimize the impact of this decision on our dealer network and to aid in the transition, during the last few months, we have concentrated our manufacturing activities on completing goods that would permit us to fulfill, to the fullest extent possible, tagged orders which are received by us up to and including May 12, 2006 and to supply those Authorized Dealers who are prepared to respect their financial commitments to our company.

In view of the foregoing, we will fill the orders of those dealers who are prepared to respect the following conditions:

1. Immediately pay in full all outstanding accounts receivable owing to our company in respect of previously shipped orders or pursuant to terms as mutually agreed;
2. Pay, in advance, the full amount in respect of the tagged orders for which shipment is being requested.
3. All payments referred to above must be remitted to us by wire transfer (details to be provided) for the full amount referred to in 1 and 2 above prior to any future shipments;

4. All tagged orders will be subject to availability of goods that we can confirm to you prior to shipment and the payments referred to in 1 and 2 above;

This offer is for a limited period only, and we require that you provide us with your response to this offer by no later than May 12, 2006, after which date we will no longer be able to guarantee that your orders will be filled.

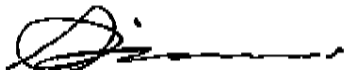
We sincerely believe that the above offer is one, which minimizes the impact of our decision to our dealer network by permitting you to meet your respective customer demands while at the same time providing you with a generous financial incentive. We hope that you will take us up on our offer.

We have made every effort to remain in the market as a first class high-end baby and juvenile furniture manufacturer and to continue to supply our valued Authorized Dealers.

We thank you for the patronage and confidence that you have provided us with over the years and hope that you see this arrangement as further proof of the value we have always had and continue to have on our business relationship together.

Yours very truly,

D & F FURNITURE LTD. / LES MEUBLES D & F LTÉE



PER : _____
Armando Dinucci, President

cc: JEMITA / HANDS ON MARKETING, INC.