

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

In re)	Chapter 11
)	
Quality Stores, Inc., <u>et al.</u> , ¹)	Case No GG-01-10662
)	(Jointly Administered)
Debtors)	
)	Hon James D Gregg

**ORDER AUTHORIZING THE DEBTORS TO
PAY ADMINISTRATIVE EXPENSE CLAIMS RELATING
TO GIFT CERTIFICATES PURCHASED AFTER THE COMMENCEMENT DATE OR,
IN THE ALTERNATIVE, TO REIMBURSE THE JOINT VENTURE FOR
HONORING THE GIFT CERTIFICATES AT THE DEBTORS' REMAINING STORES**

Upon the motion (the "Motion") of the debtors and debtors in possession in the above-captioned chapter 11 cases, seeking an order Authorizing the Debtors to Pay Administrative Expense Claims Relating to Gift Certificates Purchased after the Commencement Date or, in the Alternative, to Reimburse the Joint Venture for Honoring the Gift Certificates at the Debtors' Remaining Stores, and it appearing that the relief requested is in the best interest of the Debtors² estates and creditors and adequate notice of the Motion having been given, and it appearing that no other notice need be given, and after due deliberation and sufficient cause appearing therefor, it is hereby

ORDERED that the Motion is granted, and it is further

¹ The Debtors are the following entities QSI Holdings Inc (f/k/a CT Holdings Inc) Quality Stores Inc (f/k/a Central Tractor Farm & Country Inc) Country General, Inc F and C Holding Inc FarmandCountry.com LLC QSI Newco Inc QSI Transportation Inc Quality Farm & Fleet Inc Quality Investments Inc Quality Stores Services, Inc and Vision Transportation Inc

² Unless otherwise described herein capitalized terms have the meaning ascribed to them in the Motion

ORDERED that the Debtors are authorized and directed to immediately pay the Gift Certificate Claims pursuant to section 105(a) and 503 of the Bankruptcy Code in accordance with the procedure set forth below

- 1 Any Holders seeking to receive the cash value of their Gift Certificates must send their Gift Certificates to the Debtors at the following address

Quality Stores, Inc
455 E Ellis Road
P O Box 3315
Muskegon, MI 49443-3315
Attn Gift Certificate Redemption Center

- 2 Once received, the Gift Certificates will be reviewed to verify
 - (a) whether the Gift Certificate was purchased on or after November 1, 2001 and on or before December 31, 2001, and
 - (b) whether the Gift Certificate has a clearly legible register validation on the back qualifying it for redemption
- 3 After confirming the foregoing, the Debtors will send a check made payable to the Holders for the full amount of their Gift Certificate Claims within ten (10) business days

ORDERED that the Debtors are authorized pursuant to section 363(b) of the Bankruptcy Code, to modify the Agency Agreement to (a) provide for the reimbursement of the Joint Venture for honoring the Gift Certificates at the remaining stores and (b) enable Holders to redeem their Gift Certificates for merchandise in accordance with the following procedures

- 1 All redeemed Gift Certificates must be presented, verified, and approved by the store manager BEFORE they are processed. The manager accepting the gift certificate will sign the back with his or her full name certifying this gift certificate meets the above noted criteria,
- 2 The gift certificate will be processed through the register as normal. The gift certificate will be placed in the register, and

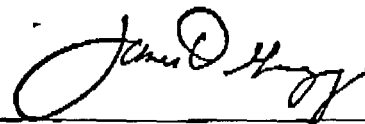
- 3 After the register is reconciled, the closing manager will collect all redeemed gift certificates and forward them to the Debtors' headquarters for reimbursement to the Joint Venture

ORDERED that the Debtors are authorized, in their sole discretion, to publish notice of the procedures set forth herein in certain publications they deem to be reasonable and necessary for providing notice to the Holders, and it is further

ORDERED that to the extent customers of the Debtors have filed with the Court proofs of claim with original gift certificates annexed thereto, Bankruptcy Management Corporation, the Debtors' claims agent, hereby is directed to (i) remove the original gift certificates from each proof of claim, (ii) replace the original gift certificate removed from each proof of claim with a copy of the original gift certificate attached to such proof of claim and (iii) send the original gift certificate and a copy of the proof of claim to the Debtors to be processed in accordance with the refund procedures set forth herein, and it is further

ORDERED that this Court shall retain jurisdiction to hear and determine all disputes arising from the implementation of this Order

Dated January 17, 2002



The Honorable James D. Gregg
United States Bankruptcy Judge