

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

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In re	:	Chapter 11
	:	
Contech U.S., LLC, <i>et al.</i> , ¹	:	Case No. 09-42392 (SWR)
	:	
Debtors.	:	(Jointly Administered)
	:	
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**ORDER (I) APPROVING PROCEDURES IN CONNECTION WITH THE SALE OF
THE DEBTORS' ASSETS; (II) SCHEDULING THE RELATED AUCTION AND
HEARING TO CONSIDER APPROVAL OF SALE; (III) APPROVING
PROCEDURES RELATED TO THE ASSUMPTION OF CERTAIN EXECUTORY
CONTRACTS AND UNEXPIRED LEASES; (IV) APPROVING THE FORM AND
MANNER OF NOTICE THEREOF; AND (V) GRANTING RELATED RELIEF**

This matter coming before the Court on the motion of the above-captioned debtors and debtors in possession (collectively, the “Debtors”), for the entry of an order pursuant to sections 105(a), 363 and 365 title 11 of the United States Code (the “Bankruptcy Code”) and Rules 2002-1 and 6004-1 of the Local Rules of the Bankruptcy Court for the Eastern District of Michigan (the “Local Rules”) for an order (i)(a) approving procedures in connection with the sale of the Debtors’ assets; (b) scheduling the related auction to consider approval of sale; (c) approving procedures related to the assumption of certain executory contracts and unexpired leases; (d) approving the form and manner of notice thereof; and (e) granting related relief; and (ii)(a) authorizing the sale of such assets pursuant to the modified purchase agreement free and clear of liens, claims, encumbrances, and other interests; (b) approving the assumption and

¹ The Debtors are the following three entities (the last four digits of their respective taxpayer identification numbers follow in parentheses): MAG Contech, LLC (5469), Contech, LLC (5470) and Contech U.S., LLC (5471). The mailing address of each of the Debtors is 950 Trade Centre Way, No. 200, Portage, Michigan 49002.



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assignment of certain executory contracts and unexpired leases related thereto; and (c) granting related relief (the “Motion”);² the Court having reviewed the Motion and the Court having found that (i) the Court has jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334, (ii) venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409; (iii) this is a core proceeding pursuant to 28 U.S.C. § 157(b); (iv) notice of the Motion was sufficient under the circumstances; and after due deliberation the Court having determined that the relief requested in the Motion is in the best interests of the Debtors, their estates and their creditors; and good and sufficient cause having been shown;

AND FURTHER FOUND AND DETERMINED THAT:

A. The Debtors’ proposed notice of the Bidding Procedures, the Cure Procedures, the Auction and the hearing to approve any sale of the Debtors’ Assets (the “Sale Approval Hearing”) is appropriate and reasonably calculated to provide all interested parties with timely and proper notice, and no other or further notice is required.

B. The Bidding Procedures substantially in the form attached hereto as Exhibit 1 are fair, reasonable, and appropriate and are designed to maximize the recovery from the Sale of the Debtors’ SPG Assets.

C. The findings and conclusions set forth herein constitute the Court’s findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014.

D. To the extent any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

² Capitalized terms used herein shall have the meaning ascribed to them in the Motion.

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED.
2. The Bidding Procedures attached hereto as Exhibit 1 are APPROVED.
3. The Bid Deadline shall be set for March 25, 2009, at 4:00 p.m.

(prevailing Eastern Time).

4. The Debtors, after consulting with counsel for the Committee and its postpetition lenders (the “DIP Lenders”), shall determine whether a bid is a Qualifying Bid.

5. The Auction, if necessary, shall be held on March 27, 2009 beginning at 9:00 a.m. (prevailing Eastern Time), at the offices of Carson Fischer PLC, 4111 Andover West – Second Floor, Bloomfield Hills, Michigan 48302, or at such other place, date and time as may be designated in writing by the Debtors and served on Qualified Bidders via electronic mail.

6. At such Auction, each Qualified Bidder shall be required to confirm that it has not engaged in any collusion with respect to the bidding or the sale and the Auction shall be open to all creditors, conducted openly and transcribed.

7. The Debtors, after consulting with counsel for the Committee and the DIP Lenders, shall determine which offer is the highest and best offer for the Debtors’ assets.

8. The Sale Approval Hearing shall be held on March 31, 2009 at 2:30 p.m. (prevailing Eastern Time) before this Court, the U.S. Bankruptcy Court for the Eastern District of Michigan, Southern Division, 211 W. Fort St., Suite 1800, Detroit, Michigan 48226, Courtroom 1825. The deadline to object to the Sale is March 30, 2009 at 4:00 p.m. (prevailing Eastern Time)

9. The Sale Approval Hearing may be adjourned from time to time without further notice to creditors or parties in interest other than by announcement of the adjournment in open court on the date scheduled for the Sale Approval Hearing, and the Debtors shall have the exclusive right, in the exercise of their fiduciary obligations and business judgment, to cancel the Sale at anytime.

10. The following forms of notice are approved: (a) Notice of Sale Procedures, Auction Date, and Sale Approval Hearing, in the form substantially similar to that attached hereto as Exhibit 2 (the “Procedures Notice”); (b) the Notice of Auction and Sale Approval Hearing (the “Creditor Notice”), in the form substantially similar to that attached hereto as Exhibit 3; and (c) the Notice to Counterparties to Executory Contracts and Unexpired Leases That May be Assumed and Assigned (the “Cure Notice”), in the form substantially similar to that attached hereto as Exhibit 4.

11. The Debtors will serve a copy of the Procedures Notice together with the Bidding Procedures Order, when entered, on the following parties: (a) the U.S. Trustee for the Eastern District of Michigan, (b) counsel to the Committee, (c) counsel to the Debtors’ prepetition and postpetition lenders, (e) counsel to the parties to the Accommodation Agreements, (f) any parties requesting notices in these cases pursuant to Bankruptcy Rule 2002, (g) all creditors or their counsel known to the Debtors to assert a lien (including a security interest), claim, right interest or encumbrance of record against all or any portion of the SPG Assets, and (h) all parties reasonably known by the Debtors to have an interest in or claim against the SPG Assets (collectively, the “Notice Parties”).

12. The Debtors shall mail a copy of the Creditor Notice to all known creditors, or counsel to such creditors, of the Debtors.

13. The Debtors shall serve the Procedures Notice and the Creditor Notice within three (3) business days following entry of this Order, by first-class mail, postage prepaid as set forth above.

14. The Debtors will serve the Motion and the Cure Notice upon each counterparty to the Assumed Executory Contracts, and their counsel (if known), by facsimile no later than March 20, 2009. The Cure Notice will state the date, time and place of the Sale Approval Hearing as well as the date by which any objection to the assumption and assignment of Assumed Executory Contracts must be filed and served. The Cure Notice also will identify the amounts, if any, that the Debtors believe are owed to each counterparty to an Assumed Executory Contract in order to cure any defaults that exist under such contract (the “Cure Amounts”). The Debtors also will serve upon all Notice Parties a complete list of Assumed Executory Contracts as set forth in the Asset Purchase Agreement and the corresponding Cure Amounts by no later than March 23, 2009. If a Contract or Lease is assumed and assigned pursuant to Court Order, then unless the Assumed Executory Contract counterparty properly files and serves a timely objection to the Cure Amount contained in the Cure Notice on or before March 27, 2009 at 12:00 p.m. (prevailing Eastern time), the Assumed Executory Contract counterparty will receive no later than three (3) business days following the Closing of the Sale, the Cure Amount as set forth in the Cure Notice, if any. If an objection is filed by a counterparty to an Assumed Executory Contract with respect to the Cure Amounts, such objection shall attempt to set forth a specific default in any executory contract or unexpired lease and claim a specific monetary amount that differs from the amount, if any, specified by the Debtors in the Cure Notice.

15. If any counterparty objects for any reason to the assumption and assignment of an Assumed Executory Contract, including, but not limited to, whether such contract may be assumed and assigned (an “Assumption and Assignment Objection”), the counterparty must file the objection by no later than (i) 12:00 p.m. (prevailing Eastern Time) on March 27, 2009 or (ii) the date otherwise specified in the Cure Notice (or, alternatively, the date set forth in the motion to assume such Assumed Executory Contract if such contract is to be assumed and assigned after the Sale Approval Hearing), provided, however, that any counterparty may raise at the Sale Approval Hearing an objection to the assumption and assignment of the Assumed Executory Contract solely with respect to the Prevailing Bidder’s ability to provide adequate assurance of future performance under the Assumed Executory Contract. In the event that the Debtors and the non-debtor party cannot resolve the Assumption and Assignment Objection, the Debtors may, in their discretion, segregate any disputed Cure Amounts pending the resolution of any such disputes by the Court or mutual agreement of the parties.

16. The Prevailing Bidder shall satisfy any requirements regarding adequate assurance of future performance that may be imposed under section 365(b) of the Bankruptcy Code in connection with the proposed assignment of any Assumed Executory Contract, and the failure to provide adequate assurance of future performance to any counterparty to any Assumed Executory Contract shall not excuse the Prevailing Bidder from performance of any and all of its obligations pursuant to the Prevailing Bidder’s Modified Purchase Agreement. The Court shall make any and all determinations adequate assurance of future performance under the Assumed Executory Contracts pursuant to section 365(b) of

the Bankruptcy Code at the Sale Approval Hearing. Cure Amounts disputed by any counterparty will be resolved by the Court at the Sale Approval Hearing.

17. Except to the extent otherwise provided in the Modified Purchase Agreement with the Prevailing Bidder, the Debtors shall be relieved of all liability accruing or arising after the assumption and assignment of the Assumed Executory Contracts pursuant to section 365(k) of the Bankruptcy Code.

18. Nothing in this Order, the Bidding Procedures, any of the attached forms of Notices or otherwise, shall be construed to modify, impair or adversely affect, in any way, any of the liens, claims, rights, protections and interests granted in favor of the postpetition lenders as set forth in (i) the DIP Credit Agreement, and (ii) the Orders entered by the Court approving the DIP credit agreement, including, without limitation, the right of the postpetition lenders and the agent to the postpetition lenders to consent to any sale arising or resulting from the Bidding Procedures.

19. Nothing in this Order, the Bidding Procedures, any of the attached forms of Notices or otherwise shall be construed to modify, impair or adversely affect in any way, any of the liens, claims, rights, protections and interests granted in favor of the parties to the Accommodation Agreements as set forth in (i) the accommodation agreements, and (ii) the Orders Entered by the Court approving the Accommodation Agreements.

20. Nothing in this Order, the Bidding Procedures, any of the attached forms of Notices or otherwise shall be construed to modify, impair or adversely affect in any way, the rights of the Committee to object to the terms of the sale that the Debtors seek approval of at the Sale Approval Hearing.

21. Pursuant to Rules 6004(h) and 6006(d) of the Federal Rules of Bankruptcy Procedure, this Order shall be immediately effective and enforceable upon its entry.

22. The Court shall retain jurisdiction over all matters arising from or related to the interpretation and implementation of this Order.

Signed on March 3, 2009

/s/ Steven Rhodes
Steven Rhodes
Chief Bankruptcy Judge