

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re:	)	Chapter 11
)	
Interlake Material Handling, Inc., <i>et al.</i> , ¹	)	Case No. 09-10019 (KJC)
)	
Debtors.	)	Jointly Administered

Hearing Date For Bidding Procedures: TBD
Objection Deadline for Bidding Procedures: TBD
Sale Hearing Date: TBD
Objection Deadline for Sale Hearing: TBD

DEBTORS' MOTION FOR ORDERS: (I)(A) APPROVING BID PROCEDURES FOR THE SALE OF A PORTION OF DEBTOR J&D's ASSETS, (B) SCHEDULING THE AUCTION, (C) AUTHORIZING PAYMENT OF THE BREAK-UP FEE, (D) APPROVING THE DEPOSIT, (E) SCHEDULING THE SALE HEARING, (F) APPROVING THE ASSUMPTION AND ASSIGNMENT PROCEDURES RELATED TO THE SALE AND (G) APPROVING THE FORM OF THE SALE NOTICE; AND (II) (A) AUTHORIZING THE SALE OF SUCH ASSETS FREE AND CLEAR OF LIENS, CLAIMS, ENCUMBRANCES, AND OTHER INTERESTS; (B) AUTHORIZING AND APPROVING PURCHASE AGREEMENT; (C) APPROVING THE ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES RELATED THERETO; AND (D) GRANTING RELATED RELIEF

The above-captioned debtors and debtors in possession (the "Debtors", or "Seller"), hereby move the Court, pursuant to sections 105(a), 363 and 365 of title 11 of the United States Code (11 U.S.C. §§ 101 et seq., the "Bankruptcy Code") and rules 2002, 6003, 6004, 6006 and 9006 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), for entry of orders (I)(A) Approving Bid Procedures for the Sale of a Portion of J&D's Assets, (B) Scheduling the

¹ A motion for joint administration of the bankruptcy case number 09-11571 of J&D Company, LLC ("J&D") with the jointly administered case number 09-10019 (the "Joint Administration Motion") has been filed. If the Joint Administration Motion is approved by the Bankruptcy Court, the Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Interlake Material Handling, Inc. (9435) ("IMH"); United Fixtures Company, Inc. (2048) ("UFC"); UFC Interlake Holding Co. (9905) ("UFC Holding"), Conco-Tellus, Inc. (9950) ("CT") and, together with IMH, UFC and UFC Holding, the "Original Debtors", J&D Company, LLC (6376). The address for all of the Debtors is 1230 E. Diehl Road, Suite 400, Naperville, Illinois 60563, except for United Fixtures Company, Inc., whose address is 4300 Quality Drive, South Bend, Indiana 46628 and J&D Company, LLC whole address is 600 Hunter Lane, Middletown, PA 17057.



Auction, (C) Authorizing Payment of the Break-Up Fee, (D) Approving the Deposit, (E) Scheduling the Sale Hearing, (F) Approving the Assumption and Assignment Procedures Related to the Sale and (G) Approving the Form of the Sale Notice; and (II) (A) Authorizing the Sale of Such Assets Free and Clear of Liens, Claims, Encumbrances, and Other Interests (the “Sale”); (B) Authorizing and Approving Purchase Agreement; (C) Approving the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases Related Thereto; and (D) Granting Related Relief (the “Sale and Bid Procedures Motion”). The facts and circumstances supporting this Motion are set forth in the Declaration of Daniel P. Wikel, Chief Restructuring Officer of each of the Debtors, in support of first-day motions filed concurrently herewith (the “Wikel Declaration”). In support of this Motion, the Debtors further represent as follows.

JURISDICTION

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334.
2. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).
3. Venue of these cases is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409.
4. The statutory bases for the relief requested herein are sections 105, 363 and 365 of the Bankruptcy Code and Bankruptcy Rules 2002, 6003, 6004, 6006 and 9014.

INTRODUCTION

5. On January 5, 2009 (the “Original Petition Date”), each of the Original Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. On the date hereof (the “J&D Petition Date”), J&D filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. On the J&D Petition Date, proposed counsel for J&D likewise filed a Motion of the Debtor for an Order Directing Joint Administration of Cases Pursuant to

Bankruptcy Rule 1015(b) for, inter alia, joint administration of the J&D bankruptcy case with the Original Debtors' bankruptcy case. The Debtors are continuing in possession of the property of J&D.

BACKGROUND

6. J&D is a wholly owned subsidiary of United Fixtures Company, Inc. (“UFC”) which, in turn, is a wholly owned subsidiary of UFC Interlake Holding Co (“UFC Holding”). The chapter 11 cases of UFC and UFC Holding are being jointly administered in this Court with the chapter 11 cases of Interlake Material Handling, Inc. and Conco-Tellus, Inc. under bankruptcy case number 09-10019 filed in this Court.

7. J&D has two divisions – Retail Service Solutions (referred to herein, from time to time, as “RSS” or the “RSS Division”) and J&D Manufacturing (“JDM”). RSS is a rapidly-growing service provider to multi-location retailers and property managers with service offerings including electromechanical services, lighting maintenance and retrofits, fixture installations and safety installations. JDM is an industry leader in the manufacturing of vertical storage and carousel systems. JDM also manufactures rack and shelving for industrial applications.

8. As a consequence of the decline in activity in the residential and commercial construction industry and the decline in economic growth across most sectors of the United States economy, J&D and its parent company, UFC, experienced a reduction in business across all market segments. In addition to the decline in customer orders, increases in commodity prices, particularly steel, had a significant negative impact on UFC’s profitability during the second half of calendar year 2008. A subsequent decrease in steel prices (and a corresponding decrease in the value of UFC’s inventory) led to a tightening of credit availability

under the group's pre-petition working capital facility. These and other events led to UFC operating losses that could not be sustained over an extended period of time without creating liquidity constraints that ultimately would prevent UFC, and therefore, J&D, from continuing to operate.

9. The Debtors formulated a plan to consolidate their operations and return to profitability without the need to commence these chapter 11 cases, but they were unable to obtain the capital necessary to implement that plan.

10. The Debtors have been marketing the assets of J&D since January 5, 2009. The Debtors' marketing attempts will be more fully described in the declaration of Scott H. Lang, which declaration will be filed prior to this Court's hearing on the motion requesting an order approving the Bid Procedures (as defined and described below).

11. To preserve the going concern value of their businesses, the Debtors negotiated an agreement for the sale of a significant portion of their assets including, but not limited to, the Sale. J&D commenced its chapter 11 case in order to effectuate the Sale.

RELIEF REQUESTED

12. The Debtors are requesting, pursuant to sections 105, 363, and 365 of the Bankruptcy Code and Bankruptcy Rules 2002, 6003, 6004, 6006, and 9006, entry of (i) an order (the "Bid and Sale Procedures Order") substantially in the form attached hereto as **Exhibit A** (a) setting the time, date, and place of a hearing (the "Sale Hearing") to consider the sale of the substantial majority of J&D's assets to the Purchaser (as defined below) or to the qualified bidder with the highest or otherwise best bid at an auction (the "Auction") to be conducted at a date to be determined by this Court, (b) approving the Bid Procedures (as defined and described

below) for the conduct of the Auction, and (c) approving the Break-Up Fee (as defined below), and (ii) an order substantially in the form attached hereto as **Exhibit B** (the “Sale Order”) approving (a) the Sale to either the purchaser under that certain Acquisition Agreement (the “Acquisition Agreement”)² between RSS Holdings, LLC (the “Purchaser”) and J&D dated May 20, 2009, a copy of which is attached hereto as **Exhibit C**, or to the qualified bidder with the highest or otherwise best bid at the Auction (including, possibly, the Purchaser, the “Successful Bidder”), in either case free and clear of all Liens, claims, encumbrances, and other interests, (b) the assumption and assignment of executory contracts and unexpired leases identified in the Acquisition Agreement or the purchase agreement of another Successful Bidder, pursuant to section 365 of the Bankruptcy Code.

13. Consummation of the Sale is critical in these chapter 11 cases. J&D does not have the financial wherewithal to continue operations without additional financing. Moreover, as set forth in the Debtors’ motion seeking approval of debtor-in-possession financing, the Debtors do not believe that they will be able to secure alternate debtor-in-possession financing over the objection of their existing senior secured lenders.

14. The Sale to the Purchaser or another Successful Bidder will maximize the value of the Debtors’ estates for the benefit of all of the Debtors’ stakeholders and, accordingly, is in the best interests of the Debtors, their creditors, and their other economic stakeholders. The relief requested in this Sale and Bid Procedures Motion should be granted.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Acquisition Agreement.

DESCRIPTION OF THE PROPOSED SALE AND BIDDING PROCEDURES

A. The Acquisition Agreement

15. Pursuant to the Acquisition Agreement, Purchaser has agreed to purchase, for a purchase price of approximately \$3,200,000, comprised of \$900,000 in cash (subject to adjustment as provided in the Acquisition Agreement) and the assumption of specified Assumed Liabilities as defined in the Acquisition Agreement, the assets related to Debtors' RSS Division, including without limitation inventory, accounts receivable, fixed assets, permits, and intellectual property related thereto, all as more fully described in Section 2.1(b) of the Acquisition Agreement, including, but not limited to the Purchased Contracts (referred to herein as the "RSS Assigned Contracts") and all such Purchased Assets collectively referred to herein as the "RSS Purchased Assets"). If the Purchaser is the Successful Bidder, certain avoidance actions and preference and other claims (whether under chapter 5 of the Bankruptcy Code or otherwise) of the Debtors' estates which are included in the RSS Purchased Assets will be sold to the Purchaser, and the sale, assignment and transfer of such claims and actions will be approved.

16. The RSS Purchased Assets do not include the Debtors' JDM division (except for specific assets listed in the Acquisition Agreement), cash, and other miscellaneous assets as more fully described in Section 2.2 of the Acquisition Agreement.

17. Other than liabilities under RSS Assigned Contracts first arising after the Closing and other liabilities specifically listed in the Acquisition Agreement, the Purchaser is not assuming any of the Excluded Liabilities, as more fully described in Section 2.4 of the Acquisition Agreement. The Debtors are responsible for paying all cure claims related to the RSS Assigned Contracts.

18. The Acquisition Agreement provides bid protections to the Purchaser in the form of a break-up fee in the amount of \$55,000 (the “Break-Up Fee”), which amount includes compensation to Purchaser for its expenses incurred in connection with the Acquisition Agreement in the event the Purchaser is not the Successful Bidder or the transaction fails to close for other specified reasons not caused by the Purchaser’s breach of the Acquisition Agreement.

19. In connection with the Acquisition Agreement, the Purchaser has made a good faith deposit of \$125,000 into an escrow account maintained by the Escrow Agent. The Acquisition Agreement sets forth the parameters under which the Deposit will be paid to Purchaser or the Debtors, as applicable

B. Insiders’ Role in Transaction

20. As of the consummation of the Sale, two insiders of J&D will be minority owners of Purchaser: Jeff Nicklaus, the current President of J&D; and Robert Blake-Ward, a current Vice President of J&D. In addition to holding a minority interest in Purchaser, Messrs. Nicklaus and Blake-Ward will both also hold officer positions in Purchaser upon consummation of the Sale.

21. The Debtors will present evidence at the Sale Hearing demonstrating that (i) upon learning of their interest in potentially purchasing the RSS Assets, both Mr. Nicklaus and Mr. Blake-Ward ceased to have any involvement in the marketing and sale efforts on behalf of the Debtors; (ii) the Debtors believe that the proposed transaction with the Purchaser represents the highest and best potential bid for the RSS Assets, a conclusion the Debtors’ reached without regard to the insider status of Messrs. Nicklaus and Blake-Ward.

C. The Proposed Bid Procedures

22. While the Debtors believe that the Acquisition Agreement is fair and reasonable, the Debtors believe that the best interests of their estates are served by conducting a public Auction to identify the highest or otherwise best offer for their assets. Accordingly, the Debtors will seek approval of the Acquisition Agreement with the Purchaser only in the event that the Auction does not yield an offer that is higher or otherwise better than the Acquisition Agreement. To determine if a higher or otherwise better offer exists, the Debtors seek the Court's approval of the following Bid Procedures (the "Bid Procedures"), which also are attached as **Exhibit 1** to the proposed Bid and Sale Procedures Order.³

BID PROCEDURES

I. The Bidding Process

Set forth below is the general process to be employed by the Sellers with respect to the proposed Sale of the RSS Purchased Assets:

- A. Any person interested in making an offer to purchase the RSS Purchased Assets shall comply with these procedures.
- B. Only Qualifying Bids (as defined below) shall be considered by the Debtors.
- C. If the Debtors do not receive another Qualifying Bid prior to the Bid Deadline (as defined below) then RSS Holdings, LLC's (the "Purchaser") offer to acquire the RSS Purchased Assets under the Acquisition Agreement shall constitute the highest or otherwise best Qualifying Bid (the "Successful Bid").
- D. If the Debtors receive another Qualifying Bid prior to the Bid Deadline, then the Debtors shall select a Qualifying Bid as the Successful Bid after the Debtors have conducted an Auction (as defined below) and considered, among other things, the total consideration to be received by their estates as well as other financial and contractual terms relevant to the proposed Sale, including those factors affecting speed and certainty of consummating the proposed Sale.

³ To the extent the description of the Bid Procedures set forth herein differs from those set forth in Exhibit A to the Bid and Sale Procedures Order, the terms of Exhibit A to the Bid and Sale Procedures Order shall control.

- E. Upon failure to consummate the proposed Sale because of a breach of the Acquisition Agreement (or Qualifying Bidder Purchase Agreement, as applicable) on the part of the Successful Bidder after an order entered at the Sale Hearing, the Debtors shall be permitted to select the next highest or otherwise best bid to be the Successful Bid and to consummate such transaction without further order of the Bankruptcy Court.
- F. If the Successful Bidder (other than the Purchaser) fails to consummate the Sale, and such failure is the result of a breach of the Acquisition Agreement by the Successful Bidder, such Successful Bidder's Good Faith Deposit shall be forfeited to the Sellers and, except to the extent provided in such bidders' asset purchase agreement, the Sellers specifically reserve the right to seek all available damages from such person.
- G. The Good Faith Deposits of all Qualifying Bidders for the RSS Purchased Assets shall be retained by the Sellers and held in escrow in an interest bearing account and all Qualifying Bids will remain open, notwithstanding Bankruptcy Court approval of a sale pursuant to the terms of a Successful Bid by a Qualifying Bidder, until the earlier of (X) the closing of the sale of the RSS Purchased Assets, and (Y) the date that is 15 days after the Sale Hearing (or such later date specified in the Qualifying Bid) (the "Return Date"). On the Return Date, the Sellers shall return the Good Faith Deposits of all Qualifying Bidders, except the Successful Bidder, with the accrued interest. The provisions of the Acquisition Agreement regarding the Deposit by the Purchaser (as defined therein) shall control over the procedures set forth herein as to Purchaser, including without limitation, the exclusive remedy provisions set forth in Section 3.1 of the Acquisition Agreement.

II. Participation Requirements

- A. Unless otherwise ordered by the Bankruptcy Court for cause shown, to participate in the sale process, each person other than the Purchaser (a "Potential Bidder") shall deliver to the Debtors:
 - 1. an executed confidentiality agreement in form and substance satisfactory to the Debtors; and
 - 2. current audited financial statements or other financial information of the Potential Bidder, or, if the Potential Bidder is an entity formed for the purpose of acquiring the RSS Purchased Assets, current audited financial statements or other financial information of the equity holder(s) of the Potential Bidder, or such other form of financial disclosure acceptable to the Debtors, demonstrating such Potential Bidder's ability to close the proposed transaction and to provide adequate assurance of future performance to counterparties to any executory contracts and unexpired leases to be assumed and assigned.

- B. “Qualifying Bidder” is (i) the Purchaser, for all purposes, notwithstanding any other conditions or requirements set forth herein, (ii) a Potential Bidder that delivers the documents described in subparagraphs A.1 and A.2 above and that the Debtors determine is reasonably likely (based on the availability of financing, experience and other considerations) to submit a Qualifying Bid and to be able to consummate the proposed Sale if selected as a Successful Bidder. Two or more Potential Bidders may be deemed a Qualifying Bidder if such Potential Bidders, considered in the aggregate, otherwise meet the foregoing criteria.
- C. The Debtors shall, in consultation with the Committee, determine whether a Potential Bidder is a Qualifying Bidder and shall provide written notice of its determination to such Potential Bidder and to each then existing Qualifying Bidder.

III. Due Diligence

The Debtors may afford each Qualifying Bidder due diligence access to the assets of J&D. The Sellers shall not be obligated to furnish any due diligence information after the Bid Deadline (as defined below).

IV. Bid Deadline and Requirements

- A. “Qualifying Bid” is (i) the Purchaser’s offer to acquire the RSS Purchased Assets pursuant to the Acquisition Agreement, for all purposes, notwithstanding any other conditions or requirements set forth herein, (ii) another Qualifying Bidder’s offer to acquire some or all of the assets of RSS if such offer was received prior to the Bid Deadline and included each of the following (collectively, a “Bid Package”):
1. An executed clean copy of an asset purchase agreement (including schedules and exhibits, the “Qualifying Bidder Purchase Agreement”) together with a copy of such Qualifying Bidder Purchase Agreement marked to reflect changes to the Acquisition Agreement, and which shall be (i) irrevocable until the earlier of fifteen (15) days from the date of the Sale Hearing or two (2) business days after a proposed Sale is consummated and (ii) for the purchase of the RSS Purchased Assets, “as is, where is,” in exchange for a cash purchase price that exceeds the purchase price for the RSS Purchased Assets by at least \$62,500 (representing the Break-Up Fee plus a \$7,500 increment, the “Minimum Cash Amount”) and the assumption or otherwise equivalent value of at least the Assumed Liabilities. Executed copies of two or more asset purchase agreements may be deemed a Qualifying Bidder Purchase Agreement if, considered in the aggregate, such asset purchase agreements otherwise meet the foregoing criteria.

2. Financial and other information setting forth adequate assurance of future performance under Bankruptcy Code § 365 in a form requested by the Debtors to allow the Debtors to serve such information within one (1) business day after such receipt on counterparties to any executory contracts and unexpired leases being assigned in connection with the proposed transaction that have requested, in writing, such information.
 3. A good faith cash deposit (the “Good Faith Deposit”) in the form of a bank or certified check (or other form acceptable to the Debtors in their sole discretion) payable to such party as the Debtors may determine, which Good Faith Deposit shall be held in escrow and must be in an amount at least equal to the greater of (i) 10% of the cash purchase price under the Qualifying Bidder Purchase Agreement, and (ii) the amount of the Deposit (which for clarity is \$125,000).
 4. A written statement that the bid is not conditioned on (i) obtaining financing or other financing contingencies or (ii) the outcome of unperformed due diligence by the bidder or any other due diligence contingencies.
- B. In order to be considered, complete Bid Packages must be actually received on or before 4:00 p.m., prevailing eastern time, on [_____, 2009] (the “Bid Deadline”) and, except as may be instructed otherwise with respect to the Good Faith Deposit, should be delivered to:

Scott Lang
City Capital Advisors
444 North Michigan Avenue, Suite 3200
Chicago, IL 60611
Telephone: (312) 494-9808
Facsimile: (312) 494-9885
slang@city-cap.com

Sharon M. Johnson
Womble Carlyle Sandridge & Rice, PLLC
271 17th Street, NW
Suite 2400
Atlanta, Georgia 30363
Telephone: (404) 888-7469
Facsimile: (404) 870-4825
sharon.johnson@wcsr.com

V. Bid Protection

Recognizing the Purchaser’s expenditure of time, energy and resources in connection with the negotiation of the Acquisition Agreement as well as the risk associated with acting as the stalking horse, the Sellers have agreed to provide certain bidding protections to the Purchaser. In the event that the Purchaser is not in default of the Acquisition Agreement and if

the Court approves a Qualifying Bid from a Qualifying Bidder other than the Purchaser, then Sellers shall pay the Purchaser the Break-Up Fee in cash as an administrative expense of Sellers with priority over any and all administrative expenses. The provisions of the Acquisition Agreement specify other circumstances in which the Break-Up Fee is payable and shall survive termination of the Acquisition Agreement and the entry of the Bid Procedures Order.

VI. Auction

If the Debtors receive a Qualifying Bid other than that of the Purchaser, the Debtors will conduct an auction (the "Auction"). The Auction shall take place at [_____] on [_____, 2009] commencing at [__:0_m] prevailing eastern time. Subject to the "Reservation of Rights" set forth below, the Auction shall be governed by the following procedures:

- A. Only a Qualifying Bidder who has submitted a Qualifying Bid (including the Purchaser) shall be eligible to participate at the Auction.
- B. Each Qualifying Bidder shall be required to confirm that it has not engaged in any collusion with respect to the bidding or the proposed Sale.
- C. Each bid at the Auction must meet each of the criteria of a Qualifying Bid, other than the requirement that it be received prior to the Bid Deadline. At the Auction, any Qualifying Bids for the RSS Purchased Assets after a Qualifying Bid has been received for the Minimum Cash Amount (plus the Assumed Liabilities or otherwise equivalent value therefor), must improve each preceding bid by at least \$25,000. The Seller shall continue the Auction until no Qualifying Bidders are willing to improve upon their most recent bids.
- D. The amount of the Break-Up Fee will be added to and deemed a part of any bid of the Purchaser.
- E. All bids shall be placed on the record and each bidder shall be informed of the identity, amount and terms of the previous bid.
- F. In determining which Qualifying Bid(s) to select as the Successful Bid(s), the Debtors shall consider, among other things, (i) the amount of the purchase price, (ii) the form of consideration being offered, (iii) the likelihood of the Qualifying Bidder's ability to close a transaction and the timing thereof and (iv) the net benefit to the Debtors' estates and their creditors. The Debtors shall present the Successful Bid(s) to the Bankruptcy Court for approval at the Sale Hearing.
- G. The Debtors, in their reasonable discretion, may adopt procedural rules for the Auction at or prior to the Auction that, in their reasonable discretion, will better promote the goals of the Auction and that are not inconsistent with any of the provisions of these Bid Procedures or the Bidding Procedures Order. In the event that the Debtors adopt any such rules, they shall promptly communicate all such rules to all Qualifying Bidders.

- H. The Debtors, in their reasonable discretion, may adjourn without further notice the Auction (and Sale Hearing) if in their reasonable discretion, an adjournment will better promote the goals of the Auction.

VII. Sale Hearing

The Sale Hearing shall take place in the courtroom of the Honorable Kevin J. Carey in the United States Bankruptcy Court for the District of Delaware, 824 N. Market Street, 5th Floor, Courtroom No. 5, Wilmington, Delaware 19801 on [_____, 2009 at __:00 a.m.] prevailing eastern time. With the consent of the Successful Bidder or Bidders, the Sale Hearing may be adjourned or rescheduled without notice by an announcement of the adjourned date at the Sale Hearing or otherwise. At such Sale Hearing, the Debtors shall present the Successful Bid(s) to the Bankruptcy Court for approval.

VIII. Reservation of Rights

The Debtors may after consultation with counsel to the Creditors' Committee, counsel to National City Business Credit, Inc. and counsel to Roynat Business Capital, Inc., modify these Bid Procedures or impose, at or prior to the Auction, additional customary terms and conditions on the proposed Sale of the assets of J&D if in their reasonable judgment such modifications would be in the best interest of the Debtors' estates and promote an open and fair sale process, so long as such modifications and/or additional terms are consistent with these Bid Procedures and the provisions of the Bid Procedures Order, provided that no such modifications, terms or conditions shall modify the amount of the Good Faith Deposit or the Break Up Fee.

D. The Proposed Assumption and Assignment Procedures

23. To facilitate and effect the Sale of the RSS Purchased Assets to the Purchaser, and likely any other Successful Bidder, the Debtors seek authorization to assume and assign certain contracts and unexpired leases in connection with the Sale. The Purchaser has identified the RSS Assigned Contracts as the contracts and leases of which it requires assignment as part of the Acquisition Agreement and it is likely that any other Successful Bidder will also require the Debtors to assume and assign to it certain executory contracts and unexpired leases in order to realize the maximum going-concern value of the Debtors' business enterprise. In order to provide counterparties with adequate notice of such assumption and proposed adequate cure amounts (the "Cure Amounts"), the Debtors and/or the Successful Bidder propose the following

procedures (the “Assumption & Assignment Procedures”), which also are attached as **Exhibit 2** to the proposed Bid and Sale Procedures Order:

- A. Within three business days of approval of the Assumption & Assignment Procedures, the Debtors shall file a schedule of cure obligations (the “Contract & Cure Schedule”) listing the RSS Assigned Contracts and the amount, if any, that the Debtors propose to pay to cure such RSS Assigned Contracts pursuant to Bankruptcy Code § 365 (the “Cure Amounts”).
- B. Upon filing, a copy of the Contract & Cure Schedule, the Sale Motion and all exhibits related thereto, the Auction Notice, the Bid Procedures Order, the Bid Procedures and these Assumption & Assignment Procedures, will be served on each of the counterparties to the RSS Assigned Contracts listed on the Contract & Cure Schedule.
- C. Any objections (“Assignment Objections”) to the assumption and assignment of any Assigned Contract, including, but not limited to, objections relating to adequate assurance of future performance or to the cure amount set forth in the Contract & Cure Schedule must be filed with the Bankruptcy Court and served upon the Notice Parties on or before _____ at 4:00 p.m. (ET) (the “Assignment Objection Deadline”).
- D. Any counterparty failing to file an Assignment Objection by the Assignment Objection Deadline shall be forever barred from (1) objecting to the Cure Amount set forth on the Contract & Cure Schedule with respect to its Assigned Contract; (2) seeking additional amounts arising under its Assigned Contract prior to the Closing from the Debtors, the Purchaser or other Successful Bidder; and (3) objecting to the assumption and assignment of its Assigned Contract to the Purchaser or other Successful Bidder.
- E. Any Assignment Objections not consensually resolved prior to the Sale Hearing shall be heard at the Sale Hearing with any related Cure Amounts or adequate assurance of future performance being fixed by the Bankruptcy Court. All other objections to the proposed assumption and assignment of the RSS Assigned Contracts will be heard at the Sale Hearing.
- F. Except as may otherwise be agreed to by all parties to an Assigned Contract, on or before the Closing, the cure of any defaults under RSS Assigned Contracts necessary to permit assumption and assignment thereof in accordance with Bankruptcy Code § 365(b), shall be by (i) payment of the undisputed Cure Amount, and/ or (ii) establishment of a reserve with respect to any disputed Cure Amount. The party responsible for paying Cure Amounts shall be as set forth in the Acquisition

Agreement or, if applicable, in an agreement between the Successful Bidder and the Seller.

24. The Debtors believe that the proposed Assumption & Assignment Procedures will provide the counterparties to the RSS Assigned Contracts a full and fair opportunity to be heard with respect to issues concerning the proposed assumption and assignment of the RSS Assigned Contracts, whether to the Purchaser or another Successful Bidder.

LEGAL ARGUMENT

A. This Court Has The Authority To Approve The Bid Procedures

25. Courts have indicated that a debtor's business judgment is entitled to substantial deference with respect to the procedures to be used in selling assets from the estate. *See, e.g., Official Committee of Subordinated Bondholders v. Integrated Resources, Inc. (In re Integrated Resources, Inc.)*, 147 B.R. 650, 656-57 (S.D.N.Y. 1992) (noting that overbid procedures and break-up fee arrangements that have been negotiated by a debtor are to be reviewed according to the deferential "business judgment" standard, under which such procedures and arrangements are "presumptively valid"); *In re 995 Fifth Ave. Assocs., L.P.*, 96 B.R. 24, 28 (Bankr. S.D.N.Y. 1989) (same).

26. Here, the proposed Bid Procedures are reasonable, appropriate, and within the Debtors' sound business judgment under the circumstances because they will serve to maximize the value that the Debtors will recover on account of the sale.

B. The Bid Procedures Are Appropriate

27. The paramount goal in any proposed sale of property of the estate is to maximize the proceeds received by the estate. *See, e.g., Four B. Corp. v. Food Barn Stores, Inc. (In re Food Barn Stores, Inc.)*, 107 F.3d 558, 564-65 (8th Cir. 1997) (in bankruptcy sales, "a

primary objective of the Code [is] to enhance the value of the estate at hand); *Integrated Resources*, 147 B.R. at 659 (“It is a well-established principle of bankruptcy law that the . . . debtor’s duty with respect to such sales is to obtain the highest price or greatest overall benefit possible for the estate.”) quoting *Cello Bay Co. v. Champion Int’l Corn. (In re Atlanta Packaging Products, Inc.)*, 99 B.R. 124, 131 (Bankr. N.D. Ga. 1988)).

28. To that end, courts uniformly recognize that procedures intended to enhance competitive bidding are consistent with the goal of maximizing the value received by the estate and therefore are appropriate in the context of bankruptcy sales. *See, e.g., Integrated Resources*, 147 B.R. at 659 (such procedures “encourage bidding and maximize the value of the debtor’s assets”); *In re Financial News Network, Inc.*, 126 B.R. 152, 156 (S.D.N.Y. 1991) (“court-imposed rules for the disposition of assets [should] provide an adequate basis for comparison of offers, and [should] provide for a fair and efficient resolution of bankrupt estate”).

29. The Debtors believe that the Bid Procedures establish the parameters under which the value of the RSS Purchased Assets may be maximized at the Auction and ensuing Sale Hearing. Such procedures unquestionably will increase the likelihood that the Debtors will receive the greatest possible consideration for such assets because they will ensure a competitive and fair bidding process.

C. The Initial And Subsequent Overbids Are Appropriate

30. One important component of the Bid Procedures is the “overbid” provision, pursuant to which any initial offer for the RSS Purchased Assets must be in an amount of at least \$62,500 more than the purchase price of \$900,000 in cash plus the assumption of the Assumed Liabilities offered by the Purchaser; which amount includes the amount of the Break-up Fee. Accordingly, there is an initial approximate 2.0% overbid for the RSS Purchased Assets. Indeed, a minimum initial overbid is necessary not only to compensate the Debtors for the risk

that they assume in foregoing a known, willing, and able purchaser for a new potential acquirer, but also to ensure that there is an increase in the net proceeds received by the estates, after deducting the Break-Up Fee to be paid to the Purchaser in the event of a prevailing overbid. Case law also supports minimum overbids that are up to 10% of the initial purchase price as fair and reasonable. As the court stated in *In re Wintex, Inc.*, 158 B.R. 540 (D. Mass. 1992):

A debtor may avoid the increased costs and complexity associated with considering additional bids unless the additional bids are high enough to justify their pursuit. The 10% increase requirement is one example of a reasonable litmus test.

Id. at 543. See e.g., *In re Financial News Network*, 126 B.R. 152, 154 (S.D.N.Y. 1991) (requiring minimum overbids to exceed purchaser's offer of \$105 million by at least \$10 million (9.5%)); *In re Colony Hill Associates*, 111 F.3d 269 (2d Cir. 1997) (requiring minimum overbids to exceed purchaser's initial offer of \$7.5 million by at least \$650,000 (8.6%)); *In re Tempo Technology Corp.*, 202 B.R. 363, 369 (D. Del. 1996) (requiring minimum overbids of \$1.4 million in cash where original purchase price was \$150,000 cash plus \$3 million in stock of the purchaser and \$500,000 of assumed liabilities).

31. Here, the initial overbid amount is approximately 2.0% of the Purchaser's purchase price; thus, such amount is more than reasonable under the circumstances.

D. The Break-Up Fee And Expense Reimbursement Are Appropriate

32. To compensate the Purchaser for the time, effort, expense, and risk that it has incurred and will incur in negotiating, documenting, and seeking to consummate the Sale under the Acquisition Agreement, the Bid Procedures also provide that if the Purchaser is not the Successful Bidder, it will be entitled to a Break-Up Fee of \$55,000 (the "Bid Protections"). Accordingly, the maximum aggregate of the Bid Protections equals approximately 2.0% of the Purchaser's aggregate purchase price. Moreover, approval of the Bid Procedures, including the

Bid Protections, is a condition to the Purchaser going forward with the Sale under the Acquisition Agreement.

33. Bid Protections are a normal and, in many cases, necessary component of significant sales conducted under section 363 of the Bankruptcy Code:

Break-up fees are important tools to encourage bidding and to maximize the value of the debtor's assets In fact, because the... corporation ha(s) a duty to encourage bidding, break-up fees can be necessary to discharge [such] duties to maximize values.

Integrated Resources, 147 B.R. at 659-60 (emphasis in original). Specifically, "breakup fees and other strategies may be legitimately necessary to convince a 'white knight' bidder to enter the bidding by providing some form of compensation for the risks it is undertaking." *995 Fifth Ave.*, 96 B.R. at 28 (quotations omitted). *See also Integrated Resources*, 147 B.R. at 660-61 (break-up fees can prompt bidders to commence negotiations and "ensure that a bidder does not retract its bid"); *In re Hupp Indus., Inc.*, 140 B.R. 191, 194 (Bankr. N.D. Ohio 1992) ("without such fees, bidders would be reluctant to make an initial bid for fear that their first bid will be shopped around for a higher bid from another bidder who would capitalize on the initial bidder's . . . due diligence").

34. As a consequence, courts frequently approve bid protections in connection with proposed bankruptcy sales. Courts considering the propriety of proposed bid protections typically consider "(1) whether the relationship of the parties who negotiated the fee is marked by self-dealing or manipulation; (2) whether the fee hampers, rather than encourages, bidding; and (3) whether the amount of the fee is reasonable in relation to the proposed purchase price." *In re Twenver, Inc.*, 149 B.R. 954, 956 (Bankr. D. Colo. 1992); *accord, In re Bidermann Indus. U.S.A., Inc.*, 203 B.R. 547, 552 (Bankr. S.D.N.Y. 1997); *Integrated Resources*, 147 B.R. at 657.

35. In *Calpine Corp. v. O'Brien Envtl. Energy, Inc. (In re O'Brien Envtl. Energy, Inc.)*, 181 F.3d 527 (3d Cir. 1999), the United States Court of Appeals for the Third Circuit held that although bid protections are measured against a business judgment standard in non-bankruptcy transactions, the administrative expense provisions of Bankruptcy Code section 503(b) apply to bid protections in bankruptcy cases. Accordingly, to the approved, bid protections must provide postpetition benefit to the Debtor's estate. *See id.* at 533.

36. The *O'Brien* Court identified at least two instances in which bid protections may provide benefit to the estate. First, benefit may be found if “assurance of a break-up fee promoted more competitive bidding, such as by inducing a bid that otherwise would not have been made and without which bidding would have been limited.” *Id.* at 537. When the availability of bid protections induce a bidder to research the value of the debtor and submit a bid that serves as a minimum or floor bid on which other bidders can rely, “the bidder may have provided a benefit to the estate by increasing the likelihood that the price at which the debtor is sold will reflect its true worth.” *Id.*

37. The proposed Bid Protections are appropriate under the “administrative expense” standard of *O'Brien*. The Bid Protections are fair and reasonable in amount, particularly in view of the efforts that have been and will be expended by the Purchaser. As reflected in the Acquisition Agreement, the Purchaser requires approval of the Bid Protections as component of this agreement to acquire the RSS Purchased Assets. Moreover, the Bid Protections will enable the Debtors to secure an adequate floor for the Auction and, thus, insist that competing bids be materially higher or otherwise better than the Purchaser's initial bid, a clear benefit to the Debtors' estates.

38. In sum, the Debtors' ability to offer the Bid Protections enables them to ensure the sale of the RSS Purchased Assets to a contractually-bound bidder at a price that they believe to be fair while, at the same time, providing them with the potential of even greater benefit to the estates. Thus, the Bid Protections should be approved.

39. Accordingly, the proposed Break Up Fee is reasonable and appropriate under the circumstances.

E. The Auction, Hearing And Notice Procedures Are Appropriate

40. Pursuant to Bankruptcy Rule 2002(a), the Debtors are required to provide creditors with twenty (20) days' notice of the Sale Hearing. Pursuant to Bankruptcy Rule 2002(c), the Debtors are required to notify their creditors of the proposed sale of the Debtors' assets, including a disclosure of the time and place of the Sale Hearing, the terms and conditions of the Sale, and the deadline for filing any objections.

41. The circumstances require that the Debtors proceed to the Auction and Sale Hearing as expeditiously as applicable law, as the Court's calendar will allow, while still providing the requisite notice of the Sale.

42. The Debtors propose that within three days following entry of the Bid and Sale Procedures Order, the Debtors will distribute a Notice of Sale of Assets and Auction, a copy of which is attached to the Bid and Sale Procedures Order as **Exhibit 3** (the "Auction Notice"), the Bid and Sale Procedures Order to: (a) counsel to the Committee; (b) the Office of the United States Trustee; (c) counsel to the Debtors' known secured creditors; (d) those parties that request notice of all pleadings in the Debtors' chapter 11 cases pursuant to Rule 2002 of the Federal Rules of Bankruptcy Procedure; (e) counsel to the Purchaser; (f) all taxing authorities, recording offices and government agencies having jurisdiction over any of the RSS Purchased Assets,

including the Internal Revenue Service and the Securities and Exchange Commission; (g) the Attorneys General in the States where the RSS Purchased Assets are located; (h) the United States Environmental Protection Agency and comparable State agencies where the RSS Purchased Assets are located; and (i) any known prospective bidders at the Auction, including, but not limited to, those parties that have previously signed confidentiality agreements during the process by which the Debtors sought interested bidders for the Assets. In addition, within three days following entry of the Bid and Sale Procedures Order, the Debtors will serve the Auction Notice by first class mail on all known creditors of the Debtors.

43. Further, the Debtors will publish an abbreviated version of the Auction Notice at least once in the national edition of *The Wall Street Journal* at least twenty days prior to the Auction. The Debtors contend that such notice of the Auction is good and sufficient notice and that no other or further notice is required.

F. The Sale Of The RSS Purchased Assets To The Successful Bidder Should be Approved

1. Ample authority exists for this Court to approve a Sale to the Successful Bidder. Section 363 of the Bankruptcy Code provides, in relevant part, “The trustee, after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate.” 11 U.S.C. § 363(b)(1). Although section 363 of the Bankruptcy Code does not set forth a standard for determining when it is appropriate for a court to authorize the sale or disposition of a debtor’s assets, courts in the Second Circuit and others, in applying this section, have required that it be based upon the sound business judgment of the debtor. See, e.g., *Meyers v. Martin (In re Martin)*, 91 F.3d 289, 295 (3d Cir. 1996), citing *Fulton State Bank v. Schipper (In re Schipper)*, 933 F.2d 513, 515 (7th Cir. 1991); *In re Abbotts Dairies of Pennsylvania, Inc.*, 788 F.2d 143 (3d Cir. 1986); *In re Titusville Country Club*, 128 B.R. 396 (W.D. Pa. 1991); *In re Delaware & Hudson Railway Co.*, 124 B.R. 169, 176 (D. Del. 1991); see also *Official Committee*

of Unsecured Creditors v. The LTV Corp. (In re Chateaugay Corp.), 973 F.2d 141, 143 (2d Cir. 1992); *Committee of Equity Sec. Holders v. Lionel Corp. (In re Lionel Corp.)*, 722 F.2d 1063, 1070 (2d Cir. 1983); *Committee of Asbestos-Related Litigants and/or Creditors v. Johns-Manville Corp. (In re Johns-Manville Corp.)*, 60 B.R. 612, 616 (Bankr. S.D.N.Y. 1986). The Delaware & Hudson Railway court rejected the pre-Code “emergency” or “compelling circumstances” standard, finding the “sound business purpose” standard applicable and, discussing the requirements of that test under McClung and Lionel, observed that:

[a] non-exhaustive list of factors to be considered in determining if there is a sound business purpose for the sale include: the proportionate value of the asset to the estate as a whole; the amount of elapsed time since the filing; the likelihood that a plan of reorganization will be proposed and confirmed in the near future; the effect of the proposed disposition of the future plan of reorganization; the amount of proceeds to be obtained from the sale versus appraised values of the property; and whether the asset is decreasing or increasing in value. 124 B.R. at 176.

44. The business judgment rule shields a debtor’s management from judicial second-guessing. *Johns-Manville Corp.*, 60 B.R. at 615-16 (“a presumption of reasonableness attaches to a debtor’s management decisions”). Once a debtor articulates a valid business justification, “[t]he business judgment rule ‘is a presumption that in making a business decision the directors of a corporation acted on an informed basis, in good faith and in the honest belief that the action was in the best interests of the company.’” *Official Comm. of Subordinated Bondholders v. Integrated Resources, Inc. (In re Integrated Resources, Inc.)*, 147 B.R. 650, 656 (S.D.N.Y. 1992) (quoting *Smith v. Van Gorkom*, 488 A.2d 858, 872 (Del. 1985)). Thus, if a debtor’s actions satisfy the business judgment rule, then the transaction in question should be approved under section 363(b)(1). Indeed, when applying the “business judgment” standard, courts show great deference to a debtor’s business decisions. See *Pitt v. First Wellington Canyon Assocs. (In re First Wellington Canyon Assocs.)*, 1989 WL 106838, at *3 (N.D. Ill.

1989) (“Under this test, the debtor’s business judgment. . . must be accorded deference unless shown that the bankrupt’s decision was taken in bad faith or in gross abuse of the bankrupt’s retained discretion.”).

45. To sell their property under section 363(b), the Debtors must demonstrate to the Court a “good business reason” for the Auction and Sale. *See Licensing by Paolo, Inc. v. Sinatra (In re Gucci)*, 126 F.3d380, 387 (2d. Cir 1997) (“A sale of a substantial part of a [c]hapter 11 estate other than in the ordinary course of business may be conducted if a good business reason exists to support it.”); *Comm. of Equity Sec. Holders v. Lionel Corp. (In re Lionel Corp.)*, 722 F.2d 1063, 1071 (2d Cir. 1983) (in considering a sale outside a plan of reorganization, a judge must not be shackled with unnecessarily rigid rules when exercising the broad administrative power granted him under the Bankruptcy Code, but must simply find “a good business reason” supporting the sale); *In re Global Crossing, Ltd.*, 295 B.R. 726, 743 (Bankr. S.D.N.Y. 2003). “Where the debtor articulates a reasonable basis for its business decisions (as distinct from a decision made arbitrarily or capriciously), courts will generally not entertain objections to the debtor’s conduct.” *Comm. of Asbestos-Related Litigants v. Johns-Manville Corp. (In re Johns-Manville Corp.)*, 60 B.R. 612, 616 (Bankr. S.D.N.Y. 1986). When a valid business justification exists, the law vests the debtor’s decision to use property out of the ordinary course of business with a strong presumption that “in making a business decision the directors of a corporation acted on an informed basis, in good faith and in the honest belief that the action taken was in the best interests of the company.” *Official Comm. of Subordinated Bondholders v. Integrated Res., Inc. (In re Integrated Res., Inc.)*, 147 B.R. 650,656 (S.D.N.Y. 1992) (quoting *Smith v. Van Gorkom*, 488 A.2d 858,872 (Del. 1985)). As stated above, the Debtors do not have the financial wherewithal to continue in business, have been unable to

secure additional financing, and have no option other than to maximize the value of their assets for the benefit of their creditors and other parties in interest. The Auction and Sale process set forth herein will allow the Debtors to maximize their value through a going concern sale of the RSS Division, as opposed to recognizing lesser value through a piecemeal sale or other liquidation strategy.

46. As set forth above, the Debtors have determined that the best method of preserving the Debtors' business as a going concern, or maximizing the distribution to creditors in a liquidation, would be through a sale of the RSS Purchased Assets. The fairness and reasonableness of the consideration to be paid by the Purchaser will be demonstrated by adequate "market exposure" and an open and fair auction process—the best means for establishing whether a fair and reasonable price is being paid. To ensure a fair auction process, the Debtors will solicit interest from numerous potential purchasers. Accordingly, the proposed Sale, as well as the terms of the Acquisition Agreement, should be approved.

G. A Sale Free And Clear Of Liens, Claims, Encumbrances, And Interests Is Appropriate

47. It is appropriate for the RSS Purchased Assets to be sold to the Successful Bidder free and clear of any and all liens, claims, encumbrances, and interests pursuant to section 363(f) of the Bankruptcy Code (collectively, and also including all items defined as a Lien in the Acquisition Agreement, the "Liens"), with any such Liens to attach to the net sale proceeds of such assets. See *MacArthur Co. v. Johns-Manville Corp.*, 837 F.2d 89, 94 (2d Cir. 1988) ("It has long been recognized that when a debtor's assets are disposed of free and clear of third-party interests, the third party is adequately protected if his interest is assertable against the proceeds of the disposition."); *Circus Time, Inc. v. Oxford Bank & Trust (In re Circus Time, Inc.)*, 5 B.R. 1, 8 (Bankr. D. Me. 1979) (finding the Court's power to sell property free and clear of liens has long

been recognized); *see also In re Riverside Inv. P'ship*, 674 F.2d 634, 640 (7th Cir. 1982) (“Generally, in a ‘free and clear’ sale, the liens are impressed on the proceeds of the sale and discharged at the time of sale”).

48. Any Lien in the RSS Purchased Assets will be adequately protected by attachment to the net proceeds of the sale, subject to any claims and defenses the Debtors may possess with respect thereto. *See In re Circus Time, Inc.*, 5 B.R. at 7. Moreover, each of the parties that may hold liens on the RSS Purchased Assets could be compelled to accept a monetary satisfaction of such interests, satisfying section 363(f)(5) of the Bankruptcy Code. Thus, sale of the RSS Purchased Assets free and clear of Liens, claims, encumbrances, and interests will satisfy the statutory prerequisites of section 363(f) of the Bankruptcy Code. Accordingly, the Debtors’ request that the RSS Purchased assets be transferred to the Successful Bidder free and clear of all Liens, with any such Liens to attach to the net sale proceeds realized from the sale.

H. The Assumption And Assignment Of Contracts Satisfies Section 365

49. Section 365(a) of the Bankruptcy Code provides that a debtor in possession “subject to the court’s approval may assume or reject any executory contracts or unexpired leases of the debtor.” 11 U.S.C. § 365(a). Upon finding that a debtor has exercised its sound business judgment in determining to assume an executory contract or unexpired lease, courts will approve the assumption under section 365(a) of the Bankruptcy Code. *See Nostas Assocs. v. Costich (In re Klein Sleep Prods., Inc.)*, 78 F.3d 18,25 (2d Cir. 1996); *Orion Pictures Corp. v. Showtime Networks, Inc. (In re Orion Pictures Corp.)*, 4 F.3d 1095, 1099 (2d Cir. 1993).

50. The assumption and assignment of any executory contract or lease assigned to the Purchaser or another Successful Bidder is in the best interests of the Debtors’

estates and a proper exercise of the Debtors' business judgment. In addition to maximizing the consideration received in exchange for the Sale, it also allows the Debtors to avoid rejection damages that otherwise would accrue if those contracts or leases were to be rejected. The Debtors have agreed to pay all undisputed cure amounts associated with assumption and assignment of the RSS Assigned Contracts.

51. Pursuant to section 365(f)(2) of the Bankruptcy Code, a debtor in possession may assign an executory contract or unexpired lease of nonresidential real property if "adequate assurance of future performance by the assignee of such contract or lease is provided, whether or not there has been a default in such contract or lease." 11 U.S.C. § 365(f)(2). The meaning of "adequate assurance of future performance" depends on the facts and circumstances of each case, but should be given "practical, pragmatic construction." See *Carlisle Homes, Inc. v. Arrari (In re Carlisle Homes, Inc.)*, 103 B.R. 524, 538 (Bankr. D.N.J. 1989) (citation omitted); see also *In re Natco Indus., Inc.*, 54 B.R. 436, 440 (Bankr. S.D.N.Y. 1985) (adequate assurance of future performance does not mean absolute assurance that debtor will thrive and pay rent); *In re Bon Ton Rest. & Pastry Shop, Inc.*, 53 B.R. 789, 803 (Bankr. N.D. Ill. 1985) ("[a]lthough no single solution will satisfy every case, the required assurance will fall considerably short of an absolute guarantee of performance.").

52. Among other things, adequate assurance may be given by demonstrating the assignee's financial health and experience in managing the type of enterprise or property assigned. See *In re Bygaph, Inc.*, 56 B.R. 596, 605-06 (Bankr. S.D.N.Y. 1986) (adequate assurance of future performance is present when prospective assignee of lease has financial resources and expressed willingness to devote sufficient funding to business to give it strong likelihood of succeeding; chief determinant of adequate assurance is whether rent will be paid).

53. At the Sale Hearing, the Debtors and the Successful Bidder will be prepared to proffer testimony or present evidence to demonstrate the financial credibility, willingness, and ability of Purchaser or other Successful Bidder to perform under the contracts and leases to be assumed and assigned. The Sale Hearing, therefore, will provide the Court and other interested parties with the opportunity to evaluate the ability of the Successful Bidder to provide adequate assurance of future performance under the contracts and leases to be assumed and assigned, as required by section 365(b)(1)(C) of the Bankruptcy Code. Accordingly, the Debtors respectfully request that at the conclusion of the Sale Hearing, the Court approve the assumption and assignment of certain contracts and leases, to be effective upon entry of the Sale Order.

54. Notwithstanding any anti-assignment language in any contract or lease to be assumed and assigned, the Debtors seek permission to assign such agreement, provided that the Debtors first assume the contract or lease and then provide adequate assurance of future performance by the Purchaser or other Successful Bidder. To facilitate the assumption and assignment of the contracts and leases to be assumed and assigned, the Debtors will request at the Sale Hearing that the Court find any anti-assignment provisions of the contracts and leases to be assumed and assigned to be unenforceable under section 365(f) of the Bankruptcy Code.⁴

55. Section 365(k) of the Bankruptcy Code provides that assignment by the debtor to an entity of a contract or lease "relieves the trustee and the estate from any liability for

⁴ Section 365(f)(1) provides in part that, "notwithstanding a provision in an executory contract or unexpired lease of the debtor, or in applicable law, that prohibits, restricts, or conditions the assignment of such contract or lease, the trustee may assign such contract or lease ... " 11 U.S.C. § 365(f)(1). Section 365(f)(3) further provides that "Notwithstanding a provision in an executory contract or unexpired lease of the debtor, or in applicable law that terminates or modifies, or permits a party other than the debtor to terminate or modify, such contract or lease or a right or obligation under such contract or lease on account of an assignment of such contract or lease, such contract, lease, right, or obligation may not be terminated

any breach of such contract or lease occurring after such assignment.” 11 U.S.C. § 365(k). Pursuant to section 365(k), the Debtors and their estates shall be relieved from any liability for any breach of any assumed and assigned lease or contract after such assignment to and assumption by the Successful Bidder upon entry of the Sale Order.

I. The Proposed Purchaser Is A Good Faith Purchaser

56. Section 363(m) of the Bankruptcy Code states:

The reversal or modification on appeal of an authorization under subsection (b) or (c) of this section of a sale or lease of property does not affect the validity of a sale or lease under such authorization to an entity that purchased or leased such property in good faith, whether or not such entity knew of the pendency of the appeal, unless such authorization and such sale or lease were stayed pending appeal.

11 U.S.C. § 363(m). Section 363(m) thus provides that a purchaser of property of the estate is protected from the effects of a reversal on appeal of the authorization to sell such property as long as the purchaser acted in good faith and the appellant failed to obtain a stay of the sale.

57. Although the Bankruptcy Code does not define the meaning of “good-faith purchaser,” most courts have adopted a traditional equitable definition: “one who purchases the assets for value, in good faith and without notice of adverse claims.” *See, e.g., Licensing by Paolo*, 126 F.3d at 390. The Second Circuit has stated that:

[g]ood faith of a purchaser is shown by the integrity of his conduct during the course of the sale proceedings; where there is a lack of such integrity, a good faith finding may not be made. A purchaser’s good faith is lost by ‘fraud, collusion between the purchaser and other bidders or the trustee, or an attempt to take grossly unfair advantage of other bidders.’ *Id.* (internal citations omitted).

or modified under such provision because of the assumption or assignment of such contract or lease by the trustee.” 11 U.S.C. § 365(f)(3).

58. The terms and conditions of the Acquisition Agreement were negotiated by the Debtors and Purchaser at arm's length and in good faith. Each party was represented by sophisticated counsel. Accordingly, the Debtors request that the Court determine that the Purchaser has acted in good faith and is entitled to the protections of a good faith purchaser under section 363(m) of the Bankruptcy Code.

J. Relief Under Bankruptcy Rules 6004(h) and 6006(d) Is Appropriate

59. Bankruptcy Rule 6004(h) provides an “order authorizing the use, sale, or lease of property is stayed until the expiration of 10 days after entry of the order, unless the court orders otherwise.” Fed. R. Bankr. P. 6004(h). Bankruptcy Rule 6006(d) further provides that an “order authorizing the trustee to assign an executory contract or unexpired lease under § 365(f) is stayed until the expiration of 10 days after the entry of the order, unless the court orders otherwise.” Fed. R. Bankr. P. 6006(d). In light of the Debtors limited liquidity and their corresponding need to consummate the sale, the order approving the sale of the RSS Purchased Assets, if granted, and the assumption and assignment of the RSS Assigned Contracts to the Purchaser in accordance with this Motion must be effective immediately upon entry of such order.

NOTICE


60. Notice of this Motion has been given to: (i) the United States Trustee; (ii) counsel to the Committee; (iii) counsel to National City Business Credit, Inc.; (iv) counsel to Roynat Business Capital, Inc.; (v) counsel to the Purchaser; (vi) all parties known or reasonably believed to have asserted a Lien on any of the RSS Purchased Assets; (vii) the counterparties to each of the RSS Assigned Contracts; (viii) all persons or entities known or reasonably believed to have expressed an interest in acquiring the RSS Purchased Assets; (ix) all taxing authorities having jurisdiction over any of the RSS Purchased Assets; (x) the Attorneys General in the States

where the RSS Purchased Assets are located; (xi) the United States Environmental Protection Agency and comparable State agencies where the RSS Purchased Assets are located; (xii) J&D's thirty largest creditors; and (xii) all parties that have requested personal notice pursuant to Bankruptcy Rule 2002. In light of the nature of the relief requested, the Debtors submit that no further notice is required.

WHEREFORE, the Debtors respectfully request (A) entry of the Bid and Sale Procedures Order, substantially in the form attached hereto as Exhibit A, (B) entry of Sale Order substantially in the form attached hereto as Exhibit B, and (C) such other and further relief as the Court deems just and proper.

Dated: May 20, 2009

YOUNG CONAWAY STARGATT & TAYLOR, LLP



M. Blake Cleary (No. 3614)
Edward J. Kosmowski (No. 3849)
Kenneth J. Enos (No. 4544)
The Brandywine Building
1000 West Street, 17th Floor
Wilmington, DE 19801
Telephone: (302) 571-6600
Facsimile: (302) 571-1253

-and-

WINSTON & STRAWN LLP
Daniel J. McGuire
Myja K. Kjaer
35 West Wacker Drive
Chicago, Illinois 60601
Telephone: (312) 558-5600
Facsimile: (312) 558-5700

Counsel for Original Debtors
and Proposed Counsel for J&D

EXHIBIT A

BID AND SALE PROCEDURES ORDER

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re:	)	Chapter 11
)	
Interlake Material Handling, Inc., <i>et al.</i> , ¹	)	Case No. 09-10019 (KJC)
)	
Debtors.	)	Jointly Administered
)	
	)	Ref. Docket No. _____

ORDER (A) APPROVING BID PROCEDURES FOR THE SALE OF A PORTION OF DEBTOR J&D’S ASSETS , (B) SCHEDULING THE AUCTION, (C) AUTHORIZING PAYMENT OF THE BREAK-UP FEE, (D) APPROVING THE DEPOSIT (E) SCHEDULING THE SALE HEARING, (F) APPROVING THE ASSUMPTION AND ASSIGNMENT PROCEDURES RELATED TO THE SALE AND (G) APPROVING THE FORM OF THE SALE NOTICE

Upon the Debtors’ *Motion for Orders (I)(A) Approving Bid Procedures for the Sale of a Portion of J&D’s Assets, (B) Scheduling the Auction, (C) Authorizing Payment of the Break-Up Fee, (D) Approving the Deposit (E) Scheduling the Sale Hearing, (F) Approving the Assumption and Assignment Procedures Related to the Sale, and (G) Approving the Form of the Sale Notice; and (II) (A) Authorizing the Sale of Such Assets Free and Clear of Liens, Claims, Encumbrances, and Other Interests; (B) Authorizing and Approving Purchase Agreement; (C) Approving the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases Related Thereto; and (D) Granting Related Relief [Docket No. ____] (the “Motion”)*²; notice of the Motion being proper and sufficient and all interested parties having been afforded an opportunity to be heard with respect to the Motion; and upon review and consideration of (i) the Motion, (ii) objections thereto, if any, (iii) arguments of counsel and evidence proffered or adduced at the

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Interlake Material Handling, Inc. (9435); United Fixtures Company, Inc. (2048); UFC Interlake Holding Co. (9905), Conco-Tellus, Inc. (9950); and J&D Company LLC (6376). The address for all of the Debtors is 1230 E. Diehl Road; Suite 400, Naperville, Illinois 60563, except for United Fixtures Company, Inc., whose address is 4300 Quality Drive, South Bend, Indiana 46628 and J&D Company LLC, whose address is 600 Hunter Lane, Middletown, PA 17057.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

hearing on the Motion, if any (the "Hearing"); and (iv) the docket and proceedings in the above-captioned cases (the "Chapter 11 Cases"); and it appearing that the relief requested in the Motion is in the best interests of the Debtors, their estates, creditors, and other parties in interest:

THE COURT FINDS THAT:³

A. This Court has jurisdiction over the Motion pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue of these Chapter 11 Cases and the Motion in this district is proper under 28 U.S.C. §§ 1408 and 1409.

B. The statutory predicates for the relief sought in the Motion are Bankruptcy Code §§ 105, 363, 364, 365, 503 and 506, and Bankruptcy Rules 2002, 6004, 6006, 9007 and 9014. Consummation of the transactions contemplated by this Order and the Acquisition Agreement attached as Exhibit C to the Motion (the "Sale") are legal, valid and properly authorized under the foregoing statutory predicates and all applicable requirements of such provisions have been complied with in respect of the Sale.

C. Notice of the Motion and Hearing and Auction having been given to the following parties is sufficient in light of the circumstances and the nature of the relief requested in the Motion and no further notice need be provided: (i) the United States Trustee; (ii) counsel to National City Business Credit, Inc.; (iii) counsel to Roynat Business Capital, Inc.; (iv) counsel to the Purchaser; (v) all parties known or reasonably believed to have asserted a Lien on any of the RSS Purchased Assets; (vi) the counterparties to each of the RSS Assigned Contracts; (vii) all persons or entities known or reasonably believed to have expressed an interest in acquiring the RSS Purchased Assets; (viii) all taxing authorities having jurisdiction over any of the RSS

³ Regardless of the heading under which they appear, any (1) findings of fact that constitute conclusions of law shall be conclusions of law and (2) conclusions of law that constitute findings of fact shall be findings of fact. All findings of fact and conclusions of law announced by the Court at the Hearing in relation to the Motion are incorporated herein to the extent not inconsistent herewith.

Purchased Assets or the ownership or operation of any of the RSS Purchased Assets by the Debtors; (ix) the Attorneys General in the States where the RSS Purchased Assets are located; (x) the United States Environmental Protection Agency and comparable State agencies where the RSS Purchased Assets are located; (xi) J&D's thirty largest creditors; (xii) counsel to the Committee; and (xiii) all parties that have requested personal notice pursuant to Bankruptcy Rule 2002 (the "Notice Parties").

D. The Break-Up Fee (the "Bid Protections") is: (1) an actual and necessary cost and expenses of preserving the Debtors' estates within the meaning of sections 503(b) and 507(a)(2) of the Bankruptcy Code; (2) reasonable and appropriate in light of (a) the substantial benefit conferred upon the Debtors' estates by the Purchaser, (b) the size and nature of the Sale and (c) the efforts that have and will be expended by the Purchaser in pursuit of the Sale; and (3) necessary to induce the Purchaser to pursue the Sale.

E. The Bid Protections are fair, reasonable and appropriate and represent the best method for maximizing the value to the estate of J&D. The Bid Protections induced the Purchaser to enter into the Acquisition Agreement and submit to the Bid Procedures and Auction pursuant to which the Sale will serve as a minimum floor bid for the RSS Purchased Assets on which the Debtors, their creditors and other bidders may rely. The Purchaser has thus provided a material benefit to the Debtors and their creditors by increasing the likelihood that the best possible price for the RSS Purchased Assets will be received.

F. The Sale Notice is reasonably calculated to provide all interested parties with timely and proper notice of the Sale, Sale Hearing and Auction.

G. The notice to counterparties of RSS Assigned Contracts provided in accordance with the Assumption & Assignment Procedures is reasonably calculated to provide all

counterparties to the RSS Assigned Contracts with proper notice of the potential assumption and assignment of their executory contract or unexpired lease and any Cure Amounts associated therewith.

H. The Debtors do not have a policy prohibiting the transfer of personally identifiable information about individuals to persons that are not affiliated with the Debtors.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

1. The Motion is approved.

2. All objections to the relief requested in the Motion that have not been withdrawn, waived or settled as announced to the Court at the Hearing or by stipulation filed with the Court, are overruled on their merits except as otherwise set forth herein.

3. The Bid Procedures, in the form attached hereto as Exhibit 1, are approved and the Debtors are authorized to take any and all actions necessary and/or appropriate to implement the Bid Procedures, which shall govern the Sale in all respects, including specifically the provisions set forth in the Acquisition Agreement concerning the Deposit by the Purchaser, which are approved and which includes, without limitation, the exclusive remedy provisions set forth in Section 3.1 of the Acquisition Agreement.

4. As provided in the Bid Procedures, if and only if a Qualifying Bid is timely received for the RSS Purchased Assets in accordance with the Bid Procedures, the Debtors shall conduct an Auction at the offices of Young Conaway Stargatt & Taylor, LLP, The Brandywine Building, 1000 West Street, Wilmington, Delaware 19801 on _____, 2009 at __:__.m., prevailing eastern time.

5. The Bid Protections are approved and the Debtors are authorized and instructed, without further action or order of this Court, to pay the Break-Up Fee in accordance with the Bid Procedures, as applicable.

6. The Assumption & Assignment Procedures, substantially in the form attached hereto as Exhibit 2, are approved and the Debtors are authorized to take any and all actions necessary and/or appropriate to implement the Assumption & Assignment Procedures.

7. The Sale Notice, substantially in the form attached hereto as Exhibit 3, is approved and shall be served upon Notice Parties within one (1) business day after entry of this Order.

8. At least twenty (20) days prior to the Auction, the Debtors shall publish notice of the Sale, the time and place of the proposed Auction, and time and place of the Hearing in such publication or publications as the Debtors determine will promote the marketing and sale of the RSS Purchased Assets.

9. Each Qualifying Bidder participating at the Auction shall confirm that it has not engaged in any collusion with respect to the bidding or the sale.

10. All creditors will be permitted to attend the Auction, which shall be videotaped or transcribed and be conducted openly.

11. The Sale Hearing shall be conducted on _____, 2009 at ___:___ .m., prevailing eastern time. The Debtors shall seek entry of an order at the Sale Hearing approving and authorizing the sale of the RSS Purchased Assets to the Purchaser or the highest and best offer at the Auction, as applicable, on terms and conditions substantially consistent with the Acquisition Agreement, as amended or modified. The Sale Hearing may be adjourned or

rescheduled without notice other than by announcement of the adjourned date at the Sale Hearing.

12. Objections to the relief requested in the Motion must be: (i) in writing and filed on the docket in the Chapter 11 Cases; (ii) comply with the Bankruptcy Rules and Local Bankruptcy Rules; and (iii) be served upon the Debtors and Notice Parties such as to be received on or before 4:00 p.m., prevailing eastern time, on _____, 2009. Nothing in this order shall waive or otherwise impart any party's right to object to the proposed sale, all of which rights are expressly preserved.

13. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.

14. Although the Debtors do not believe any consumer credit transactions are involved in the Sale, notwithstanding section 363(f) of the Bankruptcy Code, if any party purchases any interest in a consumer credit transaction that is subject to the Truth in Lending Act or any interest in a consumer credit contract (as defined in section 433.1 of title 16 of the Code of Federal Regulations (January 1, 2004), as amended from time to time), and if such interest is purchased through a sale by the Debtors under section 363 of the Bankruptcy Code, then such person shall remain subject to all claims and defenses that are related to such consumer credit transaction or such consumer credit contract, to the same extent as such person would be subject to such claims and defenses of the consumer had such interest been purchased at a sale not under section 363.

15. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

16. To the extent that this Order is inconsistent with any prior order or pleading with respect to the Motion in these Chapter 11 Cases, the terms of this Order shall govern.

17. This Court shall retain jurisdiction to resolve any dispute relating to the interpretation of the terms and conditions of the Bid Procedures and this Order. To the extent any provisions of this Order shall be inconsistent with the Motion, the terms of this Order shall control.

DATE: _____, 2009

KEVIN J. CAREY
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT 1

BID PROCEDURES

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re:	)	Chapter 11
)	
Interlake Material Handling, Inc., <i>et al.</i> , ¹	)	Case No. 09-10019 (KJC)
)	
Debtors.	)	Jointly Administered
)	
)	

Set forth below are the bidding procedures (the “Bid Procedures”) to be employed with respect to the proposed Sale of the RSS Purchased Assets contemplated by the Acquisition Agreement attached as Exhibit C to The Debtors’ Motion for Orders (I)(A) Approving Bid Procedures for the Sale of a Portion of J&D’s Assets, (B) Scheduling the Auction, (C) Authorizing Payment of the Break-Up Fee, (D) Approving the Deposit, (E) Scheduling the Sale Hearing, (F) Approving the Assumption and Assignment Procedures Related to the Sale and (G) Approving the Form of the Sale Notice; and (II) (A) Authorizing the Sale of Such Assets Free and Clear of Liens, Claims, Encumbrances, and Other Interests, (B) Authorizing and Approving Purchase Agreement, (C) Approving the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases Related Thereto and (D) Granting Related Relief [Docket No. ___] (the “Motion”).² The Debtors have moved for, and will seek, entry of an order by the Bankruptcy Court authorizing and approving the proposed Sale to the Qualifying Bidder(s) (as defined below), which the Debtors determine to have made the highest or otherwise best offer for the RSS Purchased Assets.

BID PROCEDURES

I. THE BIDDING PROCESS

Set forth below is the general process to be employed by the Sellers with respect to the proposed Sale of the RSS Purchased Assets:

- A. Any person interested in making an offer to purchase the RSS Purchased Assets shall comply with these procedures.
- B. Only Qualifying Bids (as defined below) shall be considered by the Debtors.

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Interlake Material Handling, Inc. (9435); United Fixtures Company, Inc. (2048); UFC Interlake Holding Co. (9905), Conco-Tellus, Inc. (9950); and J&D Company LLC (6376). The address for all of the Debtors is 1230 E. Diehl Road; Suite 400, Naperville, Illinois 60563, except for United Fixtures Company, Inc., whose address is 4300 Quality Drive, South Bend, Indiana 46628 and J&D Company LLC, whose address is 600 Hunter Lane, Middletown, PA 17057.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

- C. If the Debtors do not receive another Qualifying Bid prior to the Bid Deadline (as defined below) then RSS Holdings, LLC's (the "Purchaser") offer to acquire the RSS Purchased Assets under the Acquisition Agreement shall constitute the highest or otherwise best Qualifying Bid (the "Successful Bid").
- D. If the Debtors receive another Qualifying Bid prior to the Bid Deadline, then the Debtors shall select a Qualifying Bid as the Successful Bid after the Debtors have conducted an Auction (as defined below) and considered, among other things, the total consideration to be received by their estates as well as other financial and contractual terms relevant to the proposed Sale, including those factors affecting speed and certainty of consummating the proposed Sale.
- E. Upon failure to consummate the proposed Sale because of a breach of the Acquisition Agreement (or Qualifying Bidder Purchase Agreement, as applicable) on the part of the Successful Bidder after an order entered at the Sale Hearing, the Debtors shall be permitted to select the next highest or otherwise best bid to be the Successful Bid and to consummate such transaction without further order of the Bankruptcy Court.
- F. If the Successful Bidder (other than the Purchaser) fails to consummate the Sale, and such failure is the result of a breach of the Acquisition Agreement by the Successful Bidder, such Successful Bidder's Good Faith Deposit shall be forfeited to the Sellers and, except to the extent provided in such bidders' asset purchase agreement, the Sellers specifically reserve the right to seek all available damages from such person.
- G. The Good Faith Deposits of all Qualifying Bidders for the RSS Purchased Assets shall be retained by the Sellers and held in escrow in an interest bearing account and all Qualifying Bids will remain open, notwithstanding Bankruptcy Court approval of a sale pursuant to the terms of a Successful Bid by a Qualifying Bidder, until the earlier of (X) the closing of the sale of the RSS Purchased Assets, and (Y) the date that is 15 days after the Sale Hearing (or such later date specified in the Qualifying Bid) (the "Return Date"). On the Return Date, the Sellers shall return the Good Faith Deposits of all Qualifying Bidders, except the Successful Bidder, with the accrued interest. The provisions of the Acquisition Agreement regarding the Deposit by the Purchaser (as defined therein) shall control over the procedures set forth herein as to Purchaser, including without limitation, the exclusive remedy provisions set forth in Section 3.1 of the Acquisition Agreement.

II. PARTICIPATION REQUIREMENTS

- A. Unless otherwise ordered by the Bankruptcy Court for cause shown, to participate in the sale process, each person other than the Purchaser (a "Potential Bidder") shall deliver to the Debtors:

1. an executed confidentiality agreement in form and substance satisfactory to the Debtors; and
 2. current audited financial statements or other financial information of the Potential Bidder, or, if the Potential Bidder is an entity formed for the purpose of acquiring the RSS Purchased Assets, current audited financial statements or other financial information of the equity holder(s) of the Potential Bidder, or such other form of financial disclosure acceptable to the Debtors, demonstrating such Potential Bidder's ability to close the proposed transaction and to provide adequate assurance of future performance to counterparties to any executory contracts and unexpired leases to be assumed and assigned.
- B. "Qualifying Bidder" is (i) the Purchaser, for all purposes, notwithstanding any other conditions or requirements set forth herein, (ii) a Potential Bidder that delivers the documents described in subparagraphs A.1 and A.2 above and that the Debtors determine is reasonably likely (based on the availability of financing, experience and other considerations) to submit a Qualifying Bid and to be able to consummate the proposed Sale if selected as a Successful Bidder. Two or more Potential Bidders may be deemed a Qualifying Bidder if such Potential Bidders, considered in the aggregate, otherwise meet the foregoing criteria.
- C. The Debtors shall, in consultation with the Committee, determine whether a Potential Bidder is a Qualifying Bidder and shall provide written notice of its determination to such Potential Bidder and to each then existing Qualifying Bidder.

III. DUE DILIGENCE

The Debtors may afford each Qualifying Bidder due diligence access to the assets of J&D. The Sellers shall not be obligated to furnish any due diligence information after the Bid Deadline (as defined below).

IV. BID DEADLINE AND REQUIREMENTS

- A. "Qualifying Bid" is (i) the Purchaser's offer to acquire the RSS Purchased Assets pursuant to the Acquisition Agreement, for all purposes, notwithstanding any other conditions or requirements set forth herein, (ii) another Qualifying Bidder's offer to acquire some or all of the assets of RSS if such offer was received prior to the Bid Deadline and included each of the following (collectively, a "Bid Package"):

1. An executed clean copy of an asset purchase agreement (including schedules and exhibits, the "Qualifying Bidder Purchase Agreement") together with a copy of such Qualifying Bidder Purchase Agreement marked to reflect changes to the Acquisition Agreement, and which shall be (i) irrevocable until the earlier of fifteen (15) days from the date of the Sale Hearing or two (2) business days after a proposed Sale is consummated and (ii) for the purchase of the RSS Purchased Assets, "as is, where is," in exchange for a cash purchase price that exceeds the purchase price for the RSS Purchased Assets by at least \$62,500 (representing the Break-Up Fee plus a \$7,500 increment, the "Minimum Cash Amount") and the assumption or otherwise equivalent value of at least the Assumed Liabilities. Executed copies of two or more asset purchase agreements may be deemed a Qualifying Bidder Purchase Agreement if, considered in the aggregate, such asset purchase agreements otherwise meet the foregoing criteria.
 2. Financial and other information setting forth adequate assurance of future performance under Bankruptcy Code § 365 in a form requested by the Debtors to allow the Debtors to serve such information within one (1) business day after such receipt on counterparties to any executory contracts and unexpired leases being assigned in connection with the proposed transaction that have requested, in writing, such information.
 3. A good faith cash deposit (the "Good Faith Deposit") in the form of a bank or certified check (or other form acceptable to the Debtors in their sole discretion) payable to such party as the Debtors may determine, which Good Faith Deposit shall be held in escrow and must be in an amount at least equal to the greater of (i) 10% of the cash purchase price under the Qualifying Bidder Purchase Agreement, and (ii) the amount of the Deposit (which for clarity is \$125,000).
 4. A written statement that the bid is not conditioned on (i) obtaining financing or other financing contingencies or (ii) the outcome of unperformed due diligence by the bidder or any other due diligence contingencies.
- B. In order to be considered, complete Bid Packages must be actually received on or before 4:00 p.m., prevailing eastern time, on [_____, 2009] (the "Bid Deadline") and, except as may be instructed otherwise with respect to the Good Faith Deposit, should be delivered to:

Scott Lang
City Capital Advisors
444 North Michigan Avenue, Suite 3200
Chicago, IL 60611
Telephone: (312) 494-9808
Facsimile: (312) 494-9885

slang@city-cap.com

Sharon M. Johnson
Womble Carlyle Sandridge & Rice, PLLC
271 17th Street, NW
Suite 2400
Atlanta, Georgia 30363
Telephone: (404) 888-7469
Facsimile: (404) 870-4825
sharon.johnson@wcsr.com

V. BID PROTECTION

Recognizing the Purchaser's expenditure of time, energy and resources in connection with the negotiation of the Acquisition Agreement as well as the risk associated with acting as the stalking horse, the Sellers have agreed to provide certain bidding protections to the Purchaser. In the event that the Purchaser is not in default of the Acquisition Agreement and if the Court approves a Qualifying Bid from a Qualifying Bidder other than the Purchaser, then Sellers shall pay the Purchaser the Break-Up Fee in cash as an administrative expense of Sellers with priority over any and all administrative expenses. The provisions of the Acquisition Agreement specify other circumstances in which the Break-Up Fee is payable and shall survive termination of the Acquisition Agreement and the entry of the Bid Procedures Order.

VI. AUCTION

If the Debtors receive a Qualifying Bid other than that of the Purchaser, the Debtors will conduct an auction (the "Auction"). The Auction shall take place at [_____] on [_____, 2009] commencing at [__:0_m] prevailing eastern time. Subject to the "Reservation of Rights" set forth below, the Auction shall be governed by the following procedures:

- A. Only a Qualifying Bidder who has submitted a Qualifying Bid (including the Purchaser) shall be eligible to participate at the Auction.
- B. Each Qualifying Bidder shall be required to confirm that it has not engaged in any collusion with respect to the bidding or the proposed Sale.
- C. Each bid at the Auction must meet each of the criteria of a Qualifying Bid, other than the requirement that it be received prior to the Bid Deadline. At the Auction, any Qualifying Bids for the RSS Purchased Assets after a Qualifying Bid has been received for the Minimum Cash Amount (plus the Assumed Liabilities or otherwise equivalent value therefor), must improve each preceding bid by at least \$25,000. The Seller shall continue the Auction until no Qualifying Bidders are willing to improve upon their most recent bids.
- D. The amount of the Break-Up Fee will be added to and deemed a part of any bid of the Purchaser.

- E. All bids shall be placed on the record and each bidder shall be informed of the identity, amount and terms of the previous bid.
- F. In determining which Qualifying Bid(s) to select as the Successful Bid(s), the Debtors shall consider, among other things, (i) the amount of the purchase price, (ii) the form of consideration being offered, (iii) the likelihood of the Qualifying Bidder's ability to close a transaction and the timing thereof and (iv) the net benefit to the Debtors' estates and their creditors. The Debtors shall present the Successful Bid(s) to the Bankruptcy Court for approval at the Sale Hearing.
- G. The Debtors, in their reasonable discretion, may adopt procedural rules for the Auction at or prior to the Auction that, in their reasonable discretion, will better promote the goals of the Auction and that are not inconsistent with any of the provisions of these Bid Procedures or the Bidding Procedures Order. In the event that the Debtors adopt any such rules, they shall promptly communicate all such rules to all Qualifying Bidders.
- H. The Debtors, in their reasonable discretion, may adjourn without further notice the Auction (and Sale Hearing) if in their reasonable discretion, an adjournment will better promote the goals of the Auction.

VII. SALE HEARING

The Sale Hearing shall take place in the courtroom of the Honorable Kevin J. Carey in the United States Bankruptcy Court for the District of Delaware, 824 N. Market Street, 5th Floor, Courtroom No. 5, Wilmington, Delaware 19801 on [____ __, 2009 at __:0 __.m.] prevailing eastern time. With the consent of the Successful Bidder or Bidders, the Sale Hearing may be adjourned or rescheduled without notice by an announcement of the adjourned date at the Sale Hearing or otherwise. At such Sale Hearing, the Debtors shall present the Successful Bid(s) to the Bankruptcy Court for approval.

VIII. RESERVATION OF RIGHTS

The Debtors may after consultation with counsel to the Creditors' Committee, counsel to National City Business Credit, Inc. and counsel to Roynat Business Capital, Inc., modify these Bid Procedures or impose, at or prior to the Auction, additional customary terms and conditions on the proposed Sale of the assets of J&D if in their reasonable judgment such modifications would be in the best interest of the Debtors' estates and promote an open and fair sale process, so long as such modifications and/or additional terms are consistent with these Bid Procedures and the provisions of the Bid Procedures Order, provided that no such modifications, terms or conditions shall modify the amount of the Good Faith Deposit or the Break Up Fee.

EXHIBIT 2
ASSUMPTION & ASSIGNMENT PROCEDURES

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re:	)	Chapter 11
)	
Interlake Material Handling, Inc., <i>et al.</i> , ¹	)	Case No. 09-10019 (KJC)
)	
Debtors.	)	Joint Administration Requested

ASSUMPTION & ASSIGNMENT PROCEDURES

Set forth below are the assumption and assignment procedures (the “Assumption & Assignment Procedures”) to be employed with respect to the proposed Sale of the RSS Purchased Assets contemplated by the Acquisition Agreement attached as Exhibit C to The Debtors’ Motion For Orders (I)(A) Approving Bid Procedures For The Sale Of A Portion Of J&D Assets, (B) Scheduling The Auction, (C) Authorizing Payment Of The Break-Up Fee, (D) Approving The Deposit, (E) Scheduling The Sale Hearing, (F) Approving The Assumption And Assignment Procedures Related To The Sale And (G) Approving The Form Of The Sale Notice; And (II) (A) Authorizing The Sale Of Such Assets Free And Clear Of Liens, Claims, Encumbrances, And Other Interests, (B) Authorizing And Approving Purchase Agreement, (C) Approving The Assumption And Assignment Of Certain Executory Contracts And Unexpired Leases Related Thereto And (D) Granting Related Relief [Docket No. ___] (the “Motion”).²

Pursuant to the Motion and Bankruptcy Code § 365, the Debtors request authority to assume and assign certain executory contracts and unexpired leases (the “Assigned Contracts”) to the Purchaser or any Successful Bidder, as applicable, and that upon such assumption and assignment the Debtors shall be relieved of any liability under such Assigned Contracts arising after the closing of the proposed Sale.

- A. Within three business days of approval of the Assumption & Assignment Procedures, the Debtors shall file a schedule of cure obligations (the “Contract & Cure Schedule”) listing the RSS Assigned Contracts and the amount, if any, that the Debtors propose to pay to cure such RSS Assigned Contracts pursuant to Bankruptcy Code § 365 (the “Cure Amounts”).

¹ A motion for joint administration of the bankruptcy case number 09-11751 of J&D Company, LLC (“J&D”) with the jointly administered case number 09-10019 (the “Joint Administration Motion”) has been filed. If the Joint Administration Motion is approved by the Bankruptcy Court, the Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Interlake Material Handling, Inc. (9435) (“IMH”); United Fixtures Company, Inc. (2048) (“UFC”); UFC Interlake Holding Co. (9905) (“UFC Holding”), Conco-Tellus, Inc. (9950) (“CT” and, together with IMH, UFC and UFC Holding, the “Original Debtors”), J&D Company, LLC (6376). The address for all of the Debtors is 1230 E. Diehl Road, Suite 400, Naperville, Illinois 60563, except for United Fixtures Company, Inc., whose address is 4300 Quality Drive, South Bend, Indiana 46628 and J&D Company, LLC whole address is 600 Hunter Lane, Middleton, PA 17057.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

- B. Upon filing, a copy of the Contract & Cure Schedule, the Sale Motion and all exhibits related thereto, the Sale Notice, the Bid Procedures Order, the Bid Procedures and these Assumption & Assignment Procedures, will be served on each of the counterparties to the RSS Assigned Contracts listed on the Contract & Cure Schedule.
- C. Any objections (“Assignment Objections”) to the assumption and assignment of any Assigned Contract, including, but not limited to, objections relating to adequate assurance of future performance or to the cure amount set forth in the Contract & Cure Schedule must be filed with the Bankruptcy Court and served upon the Notice Parties on or before _____ at 4:00 p.m. (ET) (the “Assignment Objection Deadline”); *provided, however*, that in the event the Successful Bidder is not the Purchaser, the Assignment Objection Deadline shall be automatically extended with respect to adequate assurance of future performance to immediately prior to the Sale Hearing ; *provided, however*, that in the event the Successful Bidder is not the Purchaser, the Assignment Objection Deadline shall be automatically extended with respect to adequate assurance of future performance to immediately prior to the Sale Hearing.
- D. Any counterparty failing to file an Assignment Objection by the Assignment Objection Deadline shall be forever barred from (1) objecting to the Cure Amount set forth on the Contract & Cure Schedule with respect to its Assigned Contract; (2) seeking additional amounts arising under its Assigned Contract prior to the Closing from the Debtors, the Purchaser or other Successful Bidder; and (3) objecting to the assumption and assignment of its Assigned Contract to the Purchaser or other Successful Bidder.
- E. Any Assignment Objections not consensually resolved prior to the Sale Hearing shall be heard at the Sale Hearing with any related Cure Amounts or adequate assurance of future performance being fixed by the Bankruptcy Court. All other objections to the proposed assumption and assignment of the RSS Assigned Contracts will be heard at the Sale Hearing.
- F. Except as may otherwise be agreed to by all parties to an Assigned Contract, on or before the Closing, the cure of any defaults under RSS Assigned Contracts necessary to permit assumption and assignment thereof in accordance with Bankruptcy Code § 365(b), shall be by (i) payment of the undisputed Cure Amount, and/ or (ii) establishment of a reserve with respect to any disputed Cure Amount. The party responsible for paying Cure Amounts shall be as set forth in the Acquisition Agreement or, if applicable, in an agreement between the Successful Bidder and the Seller.
- G. Any counterparty to an Assigned Contract that wishes to obtain adequate assurance information regarding other bidders that will or may participate at the Auction (other than the Purchaser) must notify the Debtors in writing, c/o Daniel J. McGuire, Winston & Strawn LLP, 35 West Wacker Drive, Chicago, IL 60601-9703 (a “Request for Adequate Assurance”). The Request for Adequate

Assurance must include an email and/or address to which a response to such information request can be sent. If the Purchaser is not the successful bidder at the Auction, and a Request for Adequate Assurance is not received from a counterparty to an Assigned Contract by _____, 2009, then such counterparty shall be forever barred from objection to adequate assurance of future performance.

EXHIBIT 3

**NOTICE OF BID DEADLINE, AUCTION, AND SALE HEARING
IN CONNECTION WITH THE SALE OF CERTAIN OF THE DEBTORS' ASSETS**

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re:	)	Chapter 11
)	
Interlake Material Handling, Inc., <i>et al.</i> , ¹	)	Case No. 09-10019 (KJC)
)	
Debtors.	)	Joint Administration Requested

**NOTICE OF BID DEADLINE, AUCTION, AND SALE HEARING
IN CONNECTION WITH THE SALE OF CERTAIN OF THE DEBTORS' ASSETS**

PLEASE TAKE NOTICE that on _____, 2009, the above-captioned debtors and debtors in possession (the "Debtors") filed a motion (the "Sale Motion") seeking approval of, among other things (i) bidding procedures (the "Bidding Procedures") and bid protections in connection with the sale of a portion of J&D assets (the "Assets"); (ii) procedures to determine cure amounts and deadlines for objections to certain contracts and leases proposed to be assumed and assigned by the Debtors; (iii) approval a break-up fee and (iv) related relief with the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"). By order dated _____, 2009, the Bankruptcy Court approved the Bidding Procedures attached as Exhibit B to the Bidding Procedures Order [Docket No. ____] (the "Bidding Procedures Order").

PLEASE TAKE FURTHER NOTICE that the Debtors have entered into an asset purchase agreement (the "Acquisition Agreement") with RSS Holdings, LLC (the "Stalking Horse Bidder") for the sale of certain RSS Purchased Assets free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options and interests thereon to the maximum extent permitted by section 363 of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the "Bankruptcy Code"), but as set forth in the Bidding Procedures, the sales of the RSS Purchased Assets remain subject to competing offers from any prospective bidder that submits a Qualified Bid (as defined in the Bidding Procedures).

PLEASE TAKE FURTHER NOTICE that all interested parties are invited to submit a Qualified Bid and to make offers to purchase the RSS Purchased Assets in accordance with the terms of the Bidding Procedures and the Bidding Procedures Order, copies of which are

¹ A motion for joint administration of the bankruptcy case number 09-11751 of J&D Company, LLC ("J&D") with the jointly administered case number 09-10019 (the "Joint Administration Motion") has been filed. If the Joint Administration Motion is approved by the Bankruptcy Court, the Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Interlake Material Handling, Inc. (9435) ("IMH"); United Fixtures Company, Inc. (2048) ("UFC"); UFC Interlake Holding Co. (9905) ("UFC Holding"), Conco-Tellus, Inc. (9950) ("CT" and, together with IMH, UFC and UFC Holding, the "Original Debtors"), J&D Company, LLC (6376). The address for all of the Debtors is 1230 E. Diehl Road, Suite 400, Naperville, Illinois 60563, except for United Fixtures Company, Inc., whose address is 4300 Quality Drive, South Bend, Indiana 46628 and J&D Company, LLC whole address is 600 Hunter Lane, Middleton, PA 17057.

included herewith. The deadline to submit bids (the “Bid Deadline”) is _____, **2009 at 4:00 p.m. (ET)**.

PLEASE TAKE FURTHER NOTICE that pursuant to the Bidding Procedures Order, the Debtors may conduct an auction (the “Auction”) for the sale of the RSS Purchased Assets on _____, **2009 at the offices of Young Conaway Stargatt & Taylor, LLP, The Brandywine Building, 1000 West Street, 17th Floor, Wilmington, DE 19801 at __: 0 .m. (ET)**, or at such other place and time as the Debtors shall notify all parties that submitted Qualified Bids.

PLEASE TAKE FURTHER NOTICE that at a hearing on _____, **2009 at __: 0 .m. (ET)** or such other time as the Bankruptcy Court shall determine (the “Sale Hearing”), the Debtors intend to seek the Bankruptcy Court’s approval of the sale of the RSS Purchased Assets to the Stalking Horse Bidder pursuant to the terms of the Acquisition Agreements, or to a bidder submitting the highest, best or otherwise financially superior offer at the Auction (the “Successful Bidder”). The Sale Hearing will be held before the Honorable Kevin J. Carey, at the United States Bankruptcy Court for the District of Delaware, 824 Market Street, 5th Floor, Courtroom No. 5, Wilmington, Delaware 19801.

PLEASE TAKE FURTHER NOTICE that at the Sale Hearing, the Bankruptcy Court may enter such orders as it deems appropriate under applicable law and as required by the circumstances and equities of these chapter 11 cases. Objections, if any, to the sale of the RSS Purchased Assets pursuant to the terms of the agreement reached between the Debtors and the Stalking Horse Bidder or Successful Bidder(s) shall: (i) be in writing; (ii) conform to the Federal Rules of Bankruptcy Procedure and the Local Rules of Bankruptcy Practice and Procedure for the United States Bankruptcy Court for the District of Delaware; (iii) set forth the name of the objecting party, the nature and amount of any claims or interests held or asserted against the Debtors’ estate or properties, the basis for the objection and the specific grounds therefor; (iv) shall be filed with the Clerk of the United States Bankruptcy Court for the District of Delaware, 824 Market St., 3rd Floor, Wilmington, DE 19801, on or before **4:00 p.m. (prevailing Eastern Time) on _____, 2009**, or such later date and time as the Debtors may agree; and (v) be served so as to be received no later than 4:00 p.m. (prevailing Eastern Time) on the same day upon (a) Interlake Material Handling, Inc. et al., c/o Huron Consulting Services LLC, 550 W. Van Buren Street, Suite 800, Chicago, IL 60607, Attn: Daniel P. Wikel; (b) Winston & Strawn LLP, 35 West Wacker Drive, Chicago, IL 60606, Attn: Daniel J. McGuire, counsel to the Debtors; (c) City Capital Advisors, 444 N. Michigan Ave., Suite 3200, Chicago, IL 60611, Attn. Scott Lang; (d) Young Conaway Stargatt & Taylor, LLP, The Brandywine Building, 1000 West Street, 17th Floor, Wilmington, DE 19801, Attn.: M. Blake Cleary, counsel to the Debtors; (e) Lowenstein Sandler PC, 65 Livingston Avenue, Roseland, NJ 07068, Attn: Jack A. Sherwood, counsel to the Official Committee of Unsecured Creditors; (f) Stevens & Lee, P.C., 1105 N. Market St., 7th Floor, Wilmington, DE 19801, Attn: Joseph H. Houston, Jr., local counsel to the Official Committee of Unsecured Creditors; (g) Womble Carlyle Sandridge & Rice, PLLC, 271 17th Street, NW, Suite 2400, Atlanta, GA 30363, Attn: Sharon M. Johnson, Esq., counsel to Purchaser; and (h) the Office of the United States Trustee for the District of Delaware, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801, Attn: Joseph J. McMahon, Jr., Esq.

PLEASE TAKE FURTHER NOTICE that this Notice is subject to the fuller terms and conditions of the Bidding Procedures Motion, the Bidding Procedures and the Bidding Procedures Order, which shall control in the event of any conflict, and the Debtors encourage parties in interest to review such documents in their entirety. Copies of these pleadings, along with the Acquisition Agreement, may be obtained by written request to counsel to the Debtors, c/o Winston & Strawn LLP, 35 West Wacker Drive, Chicago, IL 60601, Attn: Daniel J. McGuire. In addition, copies of the aforementioned pleadings may be found on the Bankruptcy Court's website, www.deb.uscourts.gov, and are on file with the Bankruptcy Court and available for inspection during regular business hours at the office of the Clerk of the Bankruptcy Court, United States Bankruptcy Court for the District of Delaware, 5th Floor, 824 Market Street, Wilmington, Delaware 19801. Copies of these pleadings can also be viewed on the website of the Debtors' claims, noticing and balloting agent, Kurtzman, Carson, Consultants LLC, at <http://www.kccllc.com>.

Dated: Wilmington, Delaware
_____, 2009

YOUNG CONAWAY STARGATT & TAYLOR, LLP

M. Blake Cleary (No. 3614)
Edward J. Kosmowski (No. 3849)
Kenneth J. Enos (No. 4544)
The Brandywine Building
1000 West Street, 17th Floor
Wilmington, Delaware 19801
Telephone: (302) 571-6600
Facsimile: (302) 571-1253

-and-

WINSTON & STRAWN LLP
Daniel J. McGuire
Myja K. Kjaer
35 West Wacker Drive
Chicago, Illinois 60601
Telephone: (312) 558-5600
Facsimile: (312) 558-5700

Counsel for Original Debtors and
Proposed Counsel for J&D

EXHIBIT B

SALE ORDER

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re:	)	Chapter 11
)	
Interlake Material Handling, Inc., <i>et al.</i> , ¹	)	Case No. 09-10019 (KJC)
)	
Debtors.	)	Jointly Administered
)	
		Ref. Docket Nos. _____

ORDER AUTHORIZING AND APPROVING (A) ACQUISITION AGREEMENT, (B) SALE OF CERTAIN ASSETS AND INTERESTS FREE AND CLEAR OF LIENS, CLAIMS AND INTERESTS, (C) ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES, AND (D) RELATED RELIEF

Upon the *Motion of the Debtors' for Orders (I)(A) Approving Bid Procedures for the Sale of a Portion of J&D's Assets, (B) Scheduling the Auction, (C) Authorizing Payment of the Break-Up Fee, (D) Approving the Deposit, (E) Scheduling the Sale Hearing, (F) Approving the Assumption and Assignment Procedures Related to the Sale and (G) Approving the Form of the Sale Notice; and (II) (A) Authorizing the Sale of Such Assets Free and Clear of Liens, Claims, Encumbrances, and Other Interests, (B) Authorizing and Approving Purchase Agreement, (C) Approving the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases Related Thereto and (D) Granting Related Relief* dated _____, 2009 [Docket No. ___] (the "J&D Sale Motion")², notice of the J&D Sale Motion being proper and sufficient and all interested parties having been afforded an opportunity to be heard with respect to the J&D Sale Motion; and upon review and consideration of (i) the J&D Sale Motion; (ii)

¹ The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Interlake Material Handling, Inc. (9435); United Fixtures Company, Inc. (2048); UFC-Interlake Holding Co. (9905), Conco-Tellus, Inc. (9950); and J&D Company LLC (6376). The address for all of the Debtors is 1230 E. Diehl Road; Suite 400, Naperville, Illinois 60563, except for United Fixtures Company, Inc., whose address is 4300 Quality Drive, South Bend, Indiana 4662 and J&D Company LLC, whose address is 600 Hunter Lane, Middletown, PA 17057.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the J&D Sale Motion and Acquisition Agreement, as applicable

objections thereto, if any; (iii) arguments of counsel and evidence proffered or adduced at the hearing on the J&D Sale Motion, if any (the “Sale Hearing”); and (iv) the docket and proceedings in the above-captioned cases (the “Chapter 11 Cases”); and it appearing that the relief requested in the J&D Sale Motion is in the best interests of the Debtors, their estates, creditors, and other parties in interest:

THE COURT FINDS THAT:²

A. This Court has jurisdiction over the J&D Sale Motion pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue of these Chapter 11 Cases and the J&D Sale Motion in this district is proper under 28 U.S.C. §§ 1408 and 1409.

B. The statutory predicates for the relief sought in the J&D Sale Motion are Bankruptcy Code §§ 105, 363 and 365, and Bankruptcy Rules 2002, 6004, 6004-1, 6006, 9007 and 9014. Consummation of the transactions contemplated by this Order and the Acquisition Agreement (the “Sale”) is legal, valid and properly authorized under the foregoing statutory predicates and all applicable requirements of such provisions have been complied with in respect of the Sale.

C. This Order constitutes a final and appealable order within the meaning of 28 U.S.C. § 158(a). Notwithstanding Bankruptcy Rules 6004 and 6006, and to any extent necessary under Bankruptcy Rule 9014 and Rule 54(b) of the Federal Rules of Civil Procedure, as made applicable by Bankruptcy Rule 7054, the Court expressly finds that there is no just reason for

² Regardless of the heading under which they appear, any (1) findings of fact that constitute conclusions of law shall be conclusions of law and (2) conclusions of law that constitute findings of fact shall be findings of fact. All findings of fact and conclusions of law announced by the Court at the Sale Hearing in relation to the J&D Sale Motion are incorporated herein to the extent not inconsistent herewith.

delay in the implementation of this Order and expressly directs entry of judgment as set forth herein.

D. Actual and timely notice of the J&D Sale Motion, Sale Hearing, the Auction, the Sale and the assumption and assignment of the RSS Assigned Contracts, in sufficient form and substance, has been served on, and a reasonable opportunity to object or be heard with respect to the J&D Sale Motion and the relief requested therein has been afforded to all interested persons and entities, including, but not limited to: (i) the United States Trustee; (ii) counsel to National City Business Credit, Inc.; (iii) counsel to Roynat Business Capital, Inc.; (iv) counsel to the Purchaser; (v) counsel to the Committee; (vi) all parties known or reasonably believed to have asserted a Lien on any of the RSS Purchased Assets; (vii) the counterparties to each of the RSS Assigned Contracts; (viii) all persons or entities known or reasonably believed to have expressed an interest in acquiring the RSS Purchased Assets; (viii) all federal, state and local taxing authorities having jurisdiction over any of the RSS Purchased Assets or the ownership or operation of the RSS Assets by the Debtors; (ix) the Attorneys General in the States where the RSS Purchased Assets are located; (x) the United States Environmental Protection Agency and comparable State agencies where the RSS Purchased Assets are located; (xi) J&D's thirty largest creditors; and (xii) all parties that have requested personal notice pursuant to Bankruptcy Rule 2002 (the "Notice Parties").

E. The Debtors published notice of the Sale of the RSS Purchased Assets, the time and place of the proposed Auction of the RSS Purchased Assets, and the time and place of the Sale Hearing in The Wall Street Journal on _____, 2009.

F. In accordance the provisions of the Bid Procedures Order and Assumption & Assignment Procedures, the Debtors have served notice of the Cure Amounts as of the Closing

Date (the "Cure Notice") upon each counterparty to a RSS Assigned Contract. The service of such Cure Notice was good, sufficient and appropriate under the circumstances and no further notice need be given in respect of establishing a Cure Amount for the RSS Assigned Contract. Counterparties to the RSS Assigned Contracts have had a reasonable and appropriate opportunity to object to the Cure Amount set forth in the Cure Notice and the potential assignment and assumption of such RSS Assigned Contracts.

G. As evidenced by the affidavits of service filed with the Court in the Chapter 11 Cases, proper, timely, adequate, and sufficient notice of the J&D Sale Motion, the Auction, the Sale Hearing and the Sale has been provided in accordance with Bankruptcy Code §§ 102(1), 363 and 365 and Bankruptcy Rules 2002, 6004, 6006 and 9014. The Debtors also have complied with all obligations to provide notice of the J&D Sale Motion, the Auction, the Sale Hearing and the Sale as required by the Bid Procedures Order. The foregoing notice described in paragraphs D through G hereof was good, sufficient and appropriate under the circumstances, and no other or further notice of the J&D Sale Motion, the Auction, the Sale Hearing and the Sale or the assignment of the RSS Assigned Contracts or the entry of this Order is required.

H. The Purchaser is purchasing the RSS Purchased Assets in good faith and is a good faith buyer within the meaning of Bankruptcy Code § 363(m), and is therefore entitled to the protection of that provision, and otherwise has proceeded in good faith in all respects in connection with this proceeding in that: (1) The Purchaser recognized that the Debtors were free to deal with any other party interested in acquiring the RSS Purchased Assets; (2) The Purchaser complied with the provisions in the Bid Procedures Order; (3) The Purchaser agreed to subject its bid to the competitive bidding procedures set forth in the Bid Procedures Order; (4) all payments to be made by the Purchaser and other agreements or arrangements entered into by the

Purchaser in connection with the Sale have been disclosed; (5) The Purchaser has not violated Bankruptcy Code § 363(n) by any action or inaction; (6) no common identity of directors or controlling stockholders exists between the Purchaser and the Debtors; and (g) the negotiation and execution of the Acquisition Agreement and other agreements or instruments related thereto was at arm's-length, without collusion and in good faith. The Purchaser will be acting in good faith within the meaning of Section 363(m) of the Bankruptcy Code in closing the transactions contemplated by the Acquisition Agreement at any time after the entry of this Order.

I. The Debtors conducted an auction process in accordance with, and have otherwise complied in all respects with, the Bid Procedures Order. The Auction afforded a full, fair and reasonable opportunity for any party to make a higher or otherwise better offer to purchase the RSS Purchased Assets. The Auction was duly noticed and conducted in a non-collusive, fair and good faith manner.

J. The terms of the Acquisition Agreement are fair and reasonable. The Acquisition Agreement and the purchase price set forth therein constitutes the highest and best offer for the RSS Purchased Assets, and will provide a greater recovery for the Debtors' estates than would be provided by any other available alternatives. The Debtors' determination that the Acquisition Agreement constitutes the highest and best offer for the RSS Purchased Assets constitutes a valid and sound exercise of the Debtors' business judgment.

K. The Acquisition Agreement represents a fair and reasonable offer to purchase the RSS Purchased Assets under the circumstances of the Chapter 11 Cases. No other party has offered to purchase the RSS Purchased Assets (or the respective assets of the RSS Division or the JDM Division independently) for greater economic value to the Debtors' estate.

L. The Deposit under the Acquisition Agreement is integral to the terms of the Acquisition Agreement.

M. The Purchaser would not have entered into the Acquisition Agreement and would not consummate the transactions contemplated thereby, thus adversely affecting the Debtors, their estate, and creditors, if the sale of the RSS Purchased Assets and the assignment of the RSS Assigned Contracts to it were not free and clear of all Liens, or if the Purchaser would, or in the future could, be liable for any of the Liens or liabilities of the Debtor or any other owner of the RSS Purchased Assets, other than the RSS Assumed Liabilities.

N. Approval of the J&D Sale Motion, the Acquisition Agreement, the assignment of the RSS Assigned Contracts, and the consummation of the transactions contemplated thereby is in the best interests of the Debtors, their creditors, their estates and other parties in interest.

O. The Debtors have demonstrated compelling circumstances and a good, sufficient, and sound business purpose and justification for the Sale prior to, and outside of, a plan of reorganization.

P. The consideration provided by the Purchaser pursuant to the Acquisition Agreement constitutes reasonably equivalent value and fair consideration under the Bankruptcy Code and the laws of the United States, any state, territory, possession or the District of Columbia.

Q. The Debtors have full corporate power and authority to execute and deliver the Acquisition Agreement and all other documents to be entered into in connection therewith or contemplated thereby, and no further consents or approvals are required for the Debtors to consummate the transactions contemplated by the Acquisition Agreement.

R. The transfer of the RSS Purchased Assets to the Purchaser will be as of the Closing Date under the Acquisition Agreement a legal, valid and effective transfer of such assets and interests, and vests or will vest in the Purchaser good and marketable title in and all right, title and interest of the Debtors in and to the RSS Purchased Assets free and clear of all Liens, claims or adverse interests of any kind or nature whatsoever, accruing, arising or relating to any time prior to the Closing Date, except for any Assumed Liabilities as specifically set forth the Acquisition Agreement.

S. The Debtors may sell the RSS Purchased Assets free and clear of all Liens because, in each case, one or more of the standards set forth in Bankruptcy Code § 363(f)(1)-(5) has been satisfied. Those holders of Liens, against the Debtors, their estates or any of the RSS Purchased Assets who did not object, or who withdrew their objections, to the Sale or the J&D Sale Motion are deemed to have consented to the Sale free and clear of their interest pursuant to Bankruptcy Code § 363(f)(2). Those holders of Liens that objected fall within one or more of Bankruptcy Code 636(f)(1), (3)-(5) and are adequately protected by having their Liens attach to that portion of the cash proceeds of the Sale attributable to their Liens, in the same order of priority, with the same validity, force and effect that such holder had prior to the Sale.

T. The assumption and assignment of the RSS Assigned Contracts pursuant to the terms of this Order is integral to the Acquisition Agreement and is in the best interests of the Debtors and their estates, their creditors and other parties in interest, and represents the reasonable exercise of the Debtors' sound business judgment.

U. The respective amounts set forth in the Contract & Cure Schedule are the sole amounts necessary under Bankruptcy Code § 365 to cure all monetary defaults and pay all actual pecuniary losses under the RSS Assigned Contracts. All non-Debtor parties to the RSS Assigned

Contracts are deemed to have consented to the assignment of such RSS Assigned Contracts pursuant to Section 105 and 363(f)(2) of the Bankruptcy Code.

V. The Debtors have (i) cured and/or provided adequate assurance of cure of any default existing prior to the Closing Date under any of the RSS Assigned Contracts, within the meaning of Bankruptcy Code § 365(b)(1)(A); and (ii) provided compensation or adequate assurance of compensation to any party for actual pecuniary loss to such party resulting from a default prior to the Closing Date under any of the RSS Assigned Contracts, within the meaning of Bankruptcy Code § 365(b)(1)(B).

W. The Debtors and/or the Purchaser have provided adequate assurance of future performance under the RSS Assigned Contracts within the meaning of Bankruptcy Code § 365(b)(1)(C), (b)(3) (to the extent applicable) and (f)(2)(B).

X. To maximize the value of the RSS Purchased Assets and preserve the viability of the businesses to which the RSS Purchased Assets relate, it is essential that the Sale of the RSS Purchased Assets occur within the time constraints set forth in the Acquisition Agreement. Time is of the essence in consummating the Sale.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

1. The J&D Sale Motion is approved in its entirety on the merits and the relief sought therein is granted.

2. All objections to the relief requested in the J&D Sale Motion that have not been withdrawn, waived or settled as announced to the Court at the Sale Hearing or by stipulation filed with the Court, are overruled in all respects on the merits.

3. The Acquisition Agreement and all other ancillary documents contemplated thereby or to be entered into in connection therewith, and all of the terms and conditions thereof and all transactions contemplated thereby, are approved in their entirety.

4. Pursuant to Bankruptcy Code § 363(b), the Debtors and their officers, employees and agents are authorized, empowered and directed to take any and all actions necessary or appropriate to (i) consummate the Sale of the RSS Purchased Assets to the Purchaser pursuant to and in accordance with the terms and conditions of the Acquisition Agreement; (ii) close the Sale as contemplated in the Acquisition Agreement and this Order; (iii) execute and deliver, perform under, consummate, implement and close fully the Acquisition Agreement, together with all additional instruments and documents that may be reasonably necessary or desirable to implement the Acquisition Agreement and the Sale, including any other ancillary documents, or as may be reasonably necessary or appropriate to the performance of the obligations as contemplated by the Acquisition Agreement and such ancillary documents; and (iv) and to take all further actions as may be reasonably requested by the Purchaser for the purpose of assigning, transferring, granting, conveying, conferring or reducing to possession the RSS Purchased Assets to the Purchaser, or as may be necessary or appropriate to the performance of the obligations as contemplated by the Acquisition Agreement and the other agreements, exhibits, instruments or documents contemplated thereby.

5. The terms and provisions of this Order shall be binding in all respects upon the Purchaser, and Debtors, any trustees thereof, the estates, creditors and shareholders of the Debtors, all interested parties and their respective successors and assigns, including without limitation, any creditor asserting a Lien on the RSS Purchased Assets and all non-debtor counterparties to the RSS Assigned Contracts.

6. Pursuant to Bankruptcy Code §§ 105(a), 363(f) and 365, the Debtors are authorized and directed to transfer the RSS Purchased Assets to the Purchaser on the Closing Date. The RSS Purchased Assets shall be transferred to the Purchaser upon and as of the Closing Date and such transfer shall constitute a legal, valid, binding and effective transfer of good and marketable title to the RSS Purchased Assets and, upon the Debtors' receipt of the Purchase Price *less* the Deposit, shall be free and clear of all Liens with all such Liens to attach to the net proceeds of the Sale with the same validity, priority, force and effect that they had as against the RSS Purchased Assets prior to the Closing. Following the Closing Date, no holder of a Lien against the Debtor shall interfere with the Purchaser's title to or use and enjoyment of the RSS Purchased Assets based on or related to such Lien, or any actions that the Debtor may take in its Chapter 11 case.

7. Except as expressly permitted or otherwise specifically provided by the Acquisition Agreement or this Order, all parties holding Liens or interests in the RSS Purchased Assets or claims against the Debtors or the assets of the Debtors, arising under or out of, in connection with, or in any way relating to the Debtors, RSS Purchased Assets, the operation of J&D's or its predecessors' businesses prior to the Closing Date or the transfer of the RSS Purchased Assets to the Purchaser, hereby are forever barred, estopped and permanently enjoined from asserting against the Purchaser or its successors or assigns, their property or the RSS Purchased Assets, such parties' interests in and to or claims against any RSS Purchased Assets. On the Closing Date, each creditor is authorized and directed to execute such documents and take all other actions as may be necessary to release Liens (except Assumed Liabilities as defined in the Acquisition Agreement) on the RSS Purchased Assets, if any, as provided for herein, as such Liens may have been recorded or may otherwise exist.

8. All parties are hereby forever prohibited and enjoined from taking any action that would adversely affect or interfere with the ability of the Debtors to sell and transfer the RSS Purchased Assets to the Purchaser in accordance with the terms of the Acquisition Agreement and this Order.

9. All parties that are in possession of some or all of the RSS Purchased Assets on the Closing Date are directed to surrender possession of the RSS Purchased Assets to the Purchaser or its assignee at the Closing.

10. A certified copy of this Order may be filed with the appropriate clerk and/or recorded with the recorder to act to cancel the Liens and other liens of record.

11. If any party which has filed statements or other documents or agreements evidencing Liens on, or interests in, any or all of the RSS Purchased Assets shall not have delivered to the Debtors prior to the Closing, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfaction, releases necessary to evidence the release of all Liens, which the party has or may assert with respect to the RSS Purchased Assets, the Debtors are authorized and directed, and the Purchaser is authorized, to execute and file such statements, instruments, and other documents on behalf of such person or entity with respect to the RSS Purchased Assets.

12. This Order is and shall be binding upon and govern the acts of all parties, including without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal and local officials and all other parties who may be required by operation of law, the duties of their office, or contract, to accept, file, register or otherwise record or release any documents or instruments, or who may be required to

report or insure any title or state of title in or to any lease; and each of the foregoing persons and entities is hereby directed to accept for filing any and all of the documents and instruments necessary and appropriate to consummate the transactions contemplated by the Acquisition Agreement.

13. Funds to be deposited with the Escrow Agent pursuant to the Acquisition Agreement are not property of the Debtors or their estates in the above-captioned chapter 11 case and shall not be property of any debtor estate in any subsequent proceeding under chapter 7 of the Bankruptcy Code.

14. Upon the Closing Date, the Purchaser is granted immediate and unrestricted access to the RSS Purchased Assets conveyed at the Closing. The Debtors and their subsidiaries, and each of their employees, officers and directors and any other entity that may have possession or control over items such as keys, lock boxes, security codes, computer access codes, telephone access codes and other similar devices, shall turn over such devices (or control or access to such devices) to the Purchaser immediately upon the Closing as to the RSS Purchased Assets conveyed at the Closing. The Debtors and such entities are enjoined after the Closing from exercising any control and/or interfering with the Purchaser's use, peaceful enjoyment and control of the RSS Purchased Assets.

15. Upon the Closing, the Debtors are authorized and directed to pay all Cure Amounts to the non-Debtor parties to the RSS Assigned Contracts and assume, assign and sell each of the RSS Assigned Contracts to the Purchaser free and clear of all Liens. The payment of the applicable Cure Amounts (if any) shall (a) effect a cure of all defaults existing thereunder, whether monetary or otherwise, as of the Closing Date, (b) compensate for any actual pecuniary loss to such non-Debtor party resulting from such default and (c) together with the assumption of

the RSS Assigned Contracts by the Purchaser, constitute adequate assurance of future performance thereof. The Purchaser shall then have purchased and assumed the RSS Assigned Contracts and, pursuant to Bankruptcy Code § 365(f), the assignment and sale by the Debtors of such RSS Assigned Contracts shall not be a default thereunder. After the payment of the Cure Amounts, neither the Debtors nor the Purchaser shall have any further liabilities to the non-Debtor parties to the RSS Assigned Contracts other than the Purchaser's obligations under the RSS Assigned Contracts that first arise and become due and payable on or after the Closing Date.

16. Any provisions in any RSS Assigned Contract that prohibit or condition the assignment of such RSS Assigned Contract or allow the non-Debtor party to such RSS Assigned Contract to terminate, recapture, impose any penalty, condition on renewal or extension or modify any term or condition, upon the assignment of such RSS Assigned Contract, constitute unenforceable anti-assignment provisions that are void and of no force and effect. All other requirements and conditions under Bankruptcy Code §§ 363 and 365 for the assumption of the Debtors and assignment to the Purchaser of the RSS Assigned Contracts have been satisfied. Upon the Closing, in accordance with Bankruptcy Code §§ 363 and 365, the Purchaser shall be fully and irrevocably vested with all rights, title and interest of the Debtors under the RSS Assigned Contracts.

17. The RSS Assigned Contracts shall, as of the Closing Date, be valid and binding on the Purchaser and the other non-Debtor counterparties thereto, and in full force and effect and enforceable in accordance with their respective terms. Following such assignment, the Debtors shall be relieved, pursuant to Bankruptcy Code § 365(k), from any further liability under the RSS Assigned Contracts.

18. Pursuant to Bankruptcy Code §§ 105(a), 363 and 365, all parties to the RSS Assigned Contracts are forever barred and enjoined from raising or asserting against the Purchaser any assignment fee, default, breach or claim or pecuniary loss, or condition to assignment, arising under or related to the RSS Assigned Contracts existing as of the Closing Date or arising by reason of the Closing.

19. Effective upon the Closing Date, all parties are forever prohibited and enjoined from asserting, commencing or continuing in any manner any action or other proceeding, whether in law or equity, in any judicial, administrative, arbitral or other proceeding against the Purchaser, its successors and assigns, or the RSS Purchased Assets, with respect to any (a) Liens or claims of any kind, whatsoever, arising under, out of, in connection with or in any way relating to the Debtors, the formation of J&D and the transfer of the assets thereto, the Purchaser, the RSS Purchased Assets, the termination of employment of any employee of the Debtors (including any claims under COBRA), or the operation of the RSS Purchased Assets prior to the Closing, or (b) successor liability, under any theory whatsoever, including without limitation, through any of the following means: (i) commencing or continuing in any manner any action or other proceeding against the Purchaser, its successors, assets or properties; (ii) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree or order against the Purchaser, its successors, assets or properties; (iii) creating, perfecting or enforcing any Liens, or other liens against the Purchaser, its successors, assets or properties; (iv) asserting any setoff, right of subrogation or recoupment of any kind against any obligation due the Purchaser or its successors; (v) commencing or continuing any action, in any manner or place, that does not comply or is inconsistent with the provisions of this Order or other orders of the Court, or the agreements or actions contemplated or taken in respect thereof; or

(v) revoking, terminating or failing or refusing to issue or renew any license, permit or authorization to operate any of the RSS Purchased Assets or conduct any of the businesses operated with the RSS Purchased Assets.

20. Except for the Assumed Liabilities assumed under the Acquisition Agreement, the Purchaser shall not have any liability or other obligation of the Debtors arising under or related to the RSS Purchased Assets. Without limiting the foregoing, and except as otherwise specifically provided herein or in the Acquisition Agreement, the Purchaser shall not be liable for any claims against the Debtors or any of its predecessors or affiliates, and the Purchaser shall have no successor or vicarious liabilities of any kind or character, including without limitation, any theory of antitrust, environmental, successor or transferee liability, labor law, de facto merger or substantial continuity, whether known or unknown as of the Closing Date, now existing or hereafter arising, whether fixed or contingent, with respect to the Debtors or any obligations of the Debtors arising prior to the Closing Date, including without limitation, liabilities on account of any taxes arising, accruing or payable under, out of, in connection with, or in any way relating to the operation of the RSS Purchased Assets prior to the Closing. The Purchaser has given substantial consideration under the Acquisition Agreement for the benefit of the holders of Liens. The consideration given by the Purchaser shall constitute valid and valuable consideration for the releases of any potential claims of successor liability of the Purchaser, which releases shall be deemed to have been given in favor of the Purchaser by all holders of Liens against the Debtors or the RSS Purchased Assets.

21. The transactions contemplated by the Acquisition Agreement are undertaken by the Purchaser without collusion and in good faith, as that term is defined in Bankruptcy Code § 363(m), and, accordingly, the reversal or modification on appeal of the authorization provided

herein to consummate the Sale shall not affect the validity of the Sale (including the assumption and assignment of the RSS Assigned Contracts). The provisions of Bankruptcy Rules 6004(g) and 6006(d) staying the effectiveness of this Order are hereby waived.

22. The Sale includes the assignment and transfer of certain avoidance actions and other claims (whether under chapter 5 of the Bankruptcy Code or otherwise) of the Debtors' estates which are included in the RSS Purchased Assets as set forth in the Acquisition Agreement. Such sale, assignment and transfer is hereby approved and the Debtors and their creditors, interest holders, successors and anyone claiming by or through any of them are forever barred from asserting any such claims or actions.

23. No bulk sales law or any similar law of any state or other jurisdiction applies in any way to the Sale, and if applicable, such laws are hereby waived.

24. There are no brokers involved in consummating the Sale and no brokers' commissions are due.

25. The failure specifically to include any particular provision of the Acquisition Agreement or any other agreement, instrument, exhibit or document contemplated thereby in this Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Court that the Acquisition Agreement and all other agreements, instruments, exhibits and documents contemplated thereby be authorized and approved in their entirety.

26. The Acquisition Agreement and any related agreements, documents or other instruments may be modified, amended or supplemented by the parties thereto and in accordance with the terms thereof, without further order of the Court, provided that any such modification, amendment or supplement does not have a material adverse effect on the Debtors' estates.

27. The proceeds of the Sale shall be transferred to the Agent and the DIP Lenders. The mere fact that such transfer has occurred shall not impair or prejudice the rights and remedies of the Committee, the Agent or the DIP Lenders pursuant to the Final DIP Order.

28. Notwithstanding the possible applicability of Bankruptcy Rules 6004, 6006, 7062, 9014 or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable.

29. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

30. To the extent that this Order is inconsistent with any prior order or pleading with respect to the J&D Sale Motion in these Chapter 11 Cases, the terms of this Order shall govern.

31. Nothing contained in any plan of reorganization or liquidation confirmed in this case or the order of confirmation confirming any plan of reorganization or liquidation, nor any order dismissing the case or converting it to a chapter 7 liquidation, shall conflict with or derogate from the provisions of this Order.

32. Each and every term and provision of this Order shall be binding in all respects upon the Purchaser, the Debtor, the Debtor's bankruptcy Estate, its creditors, all individuals or entities holding an interest in the Debtor, all non-Debtor parties to the RSS Assigned Contracts, all other entities and third parties, including, without limitation, any entity purporting to hold a lien or Liens against the RSS Purchased Assets.

33. Nothing in this Order or the Acquisition Agreement releases, nullifies, or enjoins the enforcement against the Purchaser by the Environmental Protection Agency or any governmental unit under police and regulatory statutes or regulations authorized to enforce environmental laws of the United States or related regulations of any liability to such

governmental unit under environmental laws of the United States or related regulations that any entity would be subject to as the owner or operator of property for events or circumstances first arising after the date of entry of this Order. Nothing in this Order or the Acquisition Agreement authorizes the transfer or assignment to the Purchaser of any license, permit, registration, authorization, or approval of or with respect to a governmental unit concerning environmental laws of the United States or related regulations without the Purchaser's compliance with all applicable legal requirements under nonbankruptcy law governing such transfers or assignments. Nothing in this Order or the Acquisition Agreement relieves or excuses the Purchaser from any legal obligations to obtain and comply with environmental permits necessary to operate facilities.

34. This Court shall retain jurisdiction to resolve any dispute relating to the interpretation of the terms and conditions of the Acquisition Agreement and this Order. To the extent any provisions of this Order shall be inconsistent with the J&D Sale Motion, the terms of this Order shall control.

DATE: _____, 2009

KEVIN J. CAREY
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT C

ACQUISITION AGREEMENT

ASSET PURCHASE AGREEMENT

BY AND AMONG

J & D COMPANY, LLC

IDENTIFIED AS SELLER HEREIN,

AND

RSS HOLDINGS, LLC

DATED AS OF MAY 20, 2009

TABLE OF CONTENTS

	Page
ARTICLE I DEFINITIONS.....	1
1.1 Certain Definitions.....	1
1.2 Terms Defined Elsewhere in this Agreement	6
1.3 Other Definitional and Interpretive Matters.	7
ARTICLE II PURCHASE AND SALE OF ASSETS; ASSUMPTION OF LIABILITIES.....	8
2.1 Purchase and Sale of Assets.....	8
2.2 Excluded Assets	10
2.3 Assumption of Liabilities.....	11
2.4 Excluded Liabilities	11
2.5 Purchased Contracts.....	12
2.6 Non-Assignment of Assets	12
2.7 Further Conveyances and Assumptions.....	13
ARTICLE III CONSIDERATION; ADJUSTMENT.....	13
3.1 Deposit	13
3.2 Purchase Price.....	14
ARTICLE IV CLOSING AND TERMINATION.....	14
4.1 Closing Date.....	14
4.2 Deliveries by Seller.....	15
4.3 Deliveries by Purchaser	16
4.4 Termination of Agreement.....	16
4.5 Procedure Upon Termination.....	17
4.6 Effect of Termination.....	17
ARTICLE V REPRESENTATIONS AND WARRANTIES OF SELLER.....	17
5.1 Organization and Good Standing.....	17
5.2 Authorization of Agreement	18
5.3 Conflicts; Consents of Third Parties.....	18
5.4 Absence of Changes.....	19
5.5 Purchased Assets.....	19
5.6 Taxes	19
5.7 Intellectual Property.....	19
5.8 Employee Benefits.....	20
5.9 Litigation.....	20
5.10 Brokers.....	20
5.11 Contracts.....	20
5.12 Labor and Employment Matters	21
5.13 Environmental and Safety Requirements.....	22
5.14 Compliance with Laws; Permits	22
5.15 Customers and Suppliers.....	22
5.16 Affiliate Transactions.....	22

5.17	Financial Statements	22
5.18	Proper Notice	23
5.19	“AS IS” TRANSACTION	23
ARTICLE VI REPRESENTATIONS AND WARRANTIES OF PURCHASER.....		23
6.1	Organization and Good Standing.....	23
6.2	Authorization of Agreement	23
6.3	Conflicts; Consents of Third Parties.....	24
6.4	Financing.....	24
ARTICLE VII BANKRUPTCY COURT MATTERS		24
7.1	Competing Transaction.....	24
7.2	Bidding Procedures.....	25
7.3	Sale Order	25
ARTICLE VIII COVENANTS		26
8.1	Access to Information.....	26
8.2	Conduct Pending the Closing.....	26
8.3	Consents.....	28
8.4	Further Assurances.....	28
8.5	Preservation of Records	28
8.6	Publicity; Termination of NDA	28
8.7	Collection of Receivables	29
8.8	Employee Bonuses.....	29
8.9	Third Party Contact by Purchaser	29
ARTICLE IX EMPLOYEES AND EMPLOYEE BENEFITS		29
9.1	Hired Employees.....	29
9.2	Employment Tax Reporting.....	29
9.3	No Obligations	29
9.4	No Third Party Beneficiary.....	30
ARTICLE X CONDITIONS TO CLOSING		30
10.1	Conditions Precedent to Obligations of Purchaser	30
10.2	Conditions Precedent to Obligations of Seller.....	30
10.3	Conditions Precedent to Obligations of Purchaser and Seller	31
10.4	Frustration of Closing Conditions.....	31
ARTICLE XI MISCELLANEOUS		31
11.1	No Survival of Representations and Warranties.....	31
11.2	Expenses	31
11.3	Injunctive Relief.....	32
11.4	Submission to Jurisdiction; Consent to Service of Process.	32
11.5	Waiver of Right to Trial by Jury.....	32
11.6	Entire Agreement; Amendments and Waivers	33
11.7	Governing Law	33
11.8	Notices	33

11.9	Severability	34
11.10	Assignment	35
11.11	Counterparts; Electronic Delivery	35
11.12	Cooperation and Audits	35

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT, dated as of May 20, 2009 (this "Agreement") is entered into by and among RSS Holdings, LLC, a Delaware limited liability company ("Purchaser"), and J & D Company, LLC, a Delaware limited liability company ("Seller").

WITNESSETH:

WHEREAS, Seller intends to file a voluntary petition for relief under Chapter 11 of Title 11, United States Code, 11 U.S.C. §§ 101 et. seq. (the "Bankruptcy Code") in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court");

WHEREAS, upon the terms and subject to the conditions set forth herein and as authorized under Sections 105, 363, and 365 of the Bankruptcy Code, Purchaser desires to purchase from Seller, and Seller desires to sell to Purchaser, substantially all of Seller's assets used in the Business in exchange for the payment to Seller of the Purchase Price;

WHEREAS, the Board of Managers of Seller believes, following consultation with its financial advisors and reasonable due diligence, that, in light of the current circumstances, a sale of the Business is necessary to maximize value and is in the best interest of Seller and its equity holders and creditors; and

WHEREAS, the transactions contemplated by this Agreement (the "Transactions") are subject to the approval of the Bankruptcy Court and will be consummated only pursuant to this Agreement and a Sale Order (as defined below) to be entered in the Bankruptcy Case and other applicable provisions of the Bankruptcy Code.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements hereinafter contained, and intending to be bound hereby, the parties hereby agree as follows:

ARTICLE I

DEFINITIONS

1.1 Certain Definitions. For purposes of this Agreement, the following terms shall have the meanings specified in this Section 1.1 or in other Sections of this Agreement, as identified in the chart in Section 1.2:

"503(b)(9) Claims" means all allowed claims in the Bankruptcy Case pursuant to Section 503(b)(9) of the Bankruptcy Code.

"Affiliate" means, with respect to any Person, any other Person that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person, and the term "control" (including the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through ownership of voting securities, by contract or otherwise.

"Bankruptcy Case" means the bankruptcy case arising from the filing under Chapter 11 of the Bankruptcy Code referenced in the initial Recital.

"Bid Deadline" means the date established by the Bankruptcy Court by which all bids from potential purchasers must be received by the Bankruptcy Court.

"Bidding Procedures" means the Bidding Procedures established for the solicitation of competing bids for the Purchased Assets in accordance with the terms of the Letter of Intent between the Purchaser and Seller dated April 1, 2009, substantially in the form attached hereto as Exhibit A.

"Bidding Procedures Order" means an order of the Bankruptcy Court approving the Bidding Procedures, substantially in the form attached hereto as Exhibit B.

"Business" means the business of Seller conducted through its service operations identified as either "J&D Associates" or "Retail Service Solutions" and which includes, without limitation, aftermarket carousal and electromechanical maintenance and service, lighting maintenance and retrofits, fixture installation and renovation, project renovations and safety upgrades and all associated equipment and systems in support of such service operations; provided, however, in no event shall "Business" include the manufacturing operations of Seller and the installation business related thereto.

"Business Day" means any day of the year on which national banking institutions in Chicago, Illinois are open to the public for conducting business and are not required or authorized to close.

"Business Name" means "Retail Service Solutions," either alone or in combination with other words, graphics or designs, including all rights in said term as a trade name, trade mark, corporate name, service mark and domain name, and any confusingly similar variation, derivative or translation thereof.

"COBRA" means Section 4980B of the Code.

"Code" means the Internal Revenue Code of 1986, as amended.

"Contract" means any written contract, indenture, note, bond, lease, license, purchase order, sales order or other agreement.

"Documents" means all files, documents, instruments, papers, books, reports, records, tapes, microfilms, photographs, letters, budgets, forecasts, ledgers, journals, title policies, surveys, vendor lists, customer lists, regulatory filings, operating data and plans, technical documentation (design and performance specifications, diagrams, functional requirements, operating instructions, logic manuals, flow charts, etc.), user documentation (installation guides, user manuals, training materials, release notes, working papers, etc.), marketing documentation (sales brochures, flyers, pamphlets, web pages, etc.), and other similar materials, in each case whether or not in electronic form.

"Employee Benefit Plans" means (i) all "employee benefit plans," as defined in Section 3(3) of ERISA, (ii) all employment, consulting or other individual compensation agreements, and (iii) all bonus or other incentive, equity or equity-based compensation, deferred compensation, severance pay, sick leave, vacation pay, salary continuation, disability, hospitalization, medical, life insurance, scholarship programs or other benefit plans or arrangements as to which Seller or any ERISA Affiliate has any obligation or liability, contingent or otherwise.

"Employees" means all individuals, as of the date hereof, whether or not actively at work as of the date hereof, who are employed by Seller in connection with the Business; together with individuals who are hired in respect of the Business after the date hereof and prior to Closing.

"Environmental and Safety Requirements" means all Laws relating to pollution, protection of the environment, or protection of human health or safety from hazardous substances or environmental hazards.

"Equipment" means any and all equipment, furniture, furnishings, fixtures, office supplies, vehicles, desks, chairs, tables, Hardware, and all other fixed assets.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"ERISA Affiliate" means any organization which is, or was (at a relevant time), a member of a controlled group of organizations with Seller within the meaning of Sections 414(b), (c), (m), or (o) of the Code, or which would be considered to be a single employer with Seller pursuant to Section 4001(b) of ERISA.

"Final Order" means an Order as to which the time to file an appeal, a motion for rehearing or reconsideration or a petition for writ of certiorari has expired, and no such appeal, motion or petition is pending.

"GAAP" means generally accepted accounting principles in the United States.

"Governmental Body" means any government or governmental or regulatory body thereof, or political subdivision thereof, whether foreign, federal, state, or local, or any agency, instrumentality or authority thereof, or any court or arbitrator (public or private).

"Hardware" means any and all computer and computer-related hardware, and all telephones and telephone-related hardware, including, but not limited to, computers, file servers, facsimile servers, scanners, color printers, laser printers and networks.

"Intellectual Property" means all intellectual property arising from or in respect of the following: (i) all patents and applications therefor, including continuations, divisionals, continuations-in-part, or reissues of patent applications and patents issuing thereon, (ii) all trademarks, service marks, trade names, service names, brand names, all trade dress rights, logos, internet domain names and corporate names and general

intangibles of a like nature, including the Business Name, together with the goodwill associated with any of the foregoing, and all applications, registrations and renewals thereof, (iii) copyrights and registrations and applications therefor and works of authorship, and mask work rights, (iv) all Software, (v) confidential information, know-how, trade secrets and inventions, (vi) those telephone numbers listed on Schedule 2.1(b)(v), and (vii) all other intellectual property.

"Inventory" means any and all inventory, supplies, finished goods and goods-in-transit to Seller.

"Knowledge of Seller" means the actual knowledge, after reasonable inquiry, of those individuals identified on Schedule 1.1(c).

"Law" means any federal, state, provincial, local, municipal, foreign international, multinational or other law, statute, code, constitution, treaty, ordinance, Order, rule or regulation.

"Legal Proceeding" means any action, suit, litigation, investigation, hearing, proceeding or claim (whether public or private and whether civil, criminal, administrative or arbitral) commenced, brought, conducted, or heard by or before, or otherwise involving, any Governmental Body.

"Liability" or "Liabilities" means any and all debts, liabilities or obligations of any type or description (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, or due or to become due).

"Lien" means any lien, encumbrance, pledge, mortgage, deed of trust, security interest, claim, lease, charge, option, right of first refusal or first offer, easement, servitude, restrictive covenant, encroachment, hypothecation, debt, levy, indenture, proxy, voting trust or agreement, transfer restriction or encumbrance or any other similar restriction of any kind.

"Local Time" means the prevailing local time in the State of Delaware.

"Order" means any order, injunction, judgment, decree, ruling, writ, assessment or arbitration award of a Governmental Body.

"Permits" means any approvals, authorizations, consents, licenses, permits, grants, clearances, orders or certificates of a Governmental Body.

"Permitted Exceptions" means (i) all defects, exceptions, restrictions, easements, rights of way and encumbrances of record that would be disclosed by a current title report or a current ALTA survey that do not, individually or in the aggregate, in any material respect detract from the value of or interfere with the present use of the property subject thereto; and (ii) zoning, entitlement and other land use and environmental regulations by any Governmental Body provided that such regulations have not been violated.

"Person" means any individual, corporation, limited liability company, partnership, firm, joint venture, association, joint-stock company, trust, unincorporated organization, Governmental Body or other entity.

"Petition Date" means the date on which the Bankruptcy Case is filed.

"Sale Order" shall mean an order of the Bankruptcy Court substantially in the form attached hereto as Exhibit C, approving this Agreement and all of the terms and conditions hereof, and approving and authorizing Seller to consummate the Transaction, and providing, among other things, that (i) good and marketable title to the Purchased Assets sold to Purchaser pursuant to this Agreement shall be transferred to Purchaser free and clear of all Liens (other than Liens created by Purchaser and other than Permitted Exceptions) and claims, such Liens and claims to attach to the Purchase Price, and specifically including the transfer of any avoidance claims included in the Purchased Assets; (ii) Purchaser shall have no Liability with respect to the Purchased Assets, the Business, or otherwise, except for the Assumed Liabilities as expressly set forth in this Agreement; (iii) Purchaser has acted in "good faith" within the meaning of Section 363(m) of the Bankruptcy Code; (iv) this Agreement was negotiated, proposed and entered into by the parties without collusion, in good faith and from arm's length bargaining positions; (v) the Bankruptcy Court shall retain jurisdiction to resolve any controversy or claim arising out of or relating to this Agreement, or the breach hereof, as provided in Section 11.4 hereof; (vi) cause exists to waive the automatic stay imposed by Bankruptcy Rule 6004(h); and (vii) this Agreement and the Transactions may be specifically enforced against and binding upon, and not subject to rejection or avoidance by, Seller or any Chapter 7 or Chapter 11 trustee of Seller. In addition, the Sale Order shall approve and authorize the assumption and assignment of all of the Purchased Contracts such that the Purchased Contracts will be in full force and effect from and after the Closing with non-Seller parties being barred and enjoined from asserting against Purchaser, among other things, defaults, breaches or claims existing as of the Closing or by reason of the Closing.

"Seller Material Adverse Effect" means, other than the filing of the Bankruptcy Case, any event, circumstance, state of facts, change, violation, inaccuracy or occurrence which has had or would reasonably be expected to have, individually or when considered together with any other events, circumstances, facts, changes, violations, inaccuracies or occurrences, (i) a material adverse effect on, or a material adverse change in, the Purchased Assets or the Business or which has materially adversely changed the overall earnings potential of the Business, or (ii) a material adverse effect on, or a material adverse change in or to, the ability of Seller to consummate the Transactions or perform its obligations under this Agreement; provided, a "Seller Material Adverse Effect" shall not include the effects arising solely from the consequences of (a) any change in Law of any Governmental Body that applies generally to similarly situated Persons, (b) the filing of the Bankruptcy Case (other than actions by customers of the Business in response thereto), (c) events or changes that are consequences of terrorist activity, acts of war or acts of public enemies, (d) the negotiation, announcement, execution, delivery, consummation or anticipation of the transactions contemplated by, or in compliance with, this Agreement but only insofar as any such change or development results solely from

the identity of the Purchaser, or (e) the terms and conditions of employment offered by the Purchaser to any Employee.

“Software” means any and all (i) computer programs, including any and all software implementations of algorithms, models and methodologies, whether in source code or object code, (ii) databases and compilations, including any and all data and collections of data, whether machine readable or otherwise, (iii) descriptions, flow-charts and other work product used to design, plan, organize and develop any of the foregoing, (iv) screens, user interfaces, report formats, firmware, development tools, templates, menus, buttons and icons, and (v) all documentation including user manuals and other training documentation related to any of the foregoing.

“Tax Authority” means any Governmental Body charged with the administration of any Law relating to Taxes.

“Taxes” means (i) all federal, state, local or foreign taxes, charges, duties, customs, levies or other assessments, including all net income, gross receipts, capital, sales, use, ad valorem, value added, transfer, franchise, profits, capital stock, license, withholding, payroll, employment, social security, unemployment, excise, severance, stamp, occupation, property, escheat and estimated taxes and (ii) all interest, penalties, fines, additions to tax or additional amounts imposed by any Tax Authority in connection with any of the foregoing.

“Tax Return” means any returns, declarations, reports, estimates, information returns and statements in respect of any Taxes (including any attachments thereto or amendments thereof) filed with any Tax Authority.

“Termination Date” means June 29, 2009.

“WARN Act” means the Worker Adjustment and Retraining Notification Act and any similar foreign, state or local Law.

“Working Capital” means (i) (accounts receivable included in the Purchased Assets less a reserve for doubtful accounts as calculated pursuant to Exhibit D hereto) plus (Purchased Inventory less a reserve for obsolete or slow moving items as calculated pursuant to Exhibit D hereto) as of the Closing Date, minus (ii) the actual outstanding amount of Current Trade Liabilities included in the Assumed Liabilities as of the Closing Date. Solely for purposes of this definition, Purchased Inventory shall only include items for which the purchase price has been fully paid by Seller and Purchased Inventory shall be valued at the lower of cost or market. In no event will the reserve for obsolete or slow moving Inventory exceed \$200,000.

1.2 Terms Defined Elsewhere in this Agreement. For purposes of this Agreement, the following terms have meanings set forth in the sections indicated:

<u>Term</u>	<u>Section</u>
Agreement.....	Preamble

Allocation Statement.....	3.2(d)
Assigned Permits	2.1(b)(vii)
Assignment and Assumption Agreement.....	4.2(b)
Assumed Liabilities	2.3
Bankruptcy Code	Recitals
Bankruptcy Court.....	Recitals
Bill of Sale	4.2(a)
Break-Up Fee.....	7.2(c)
Closing	4.1
Closing Date.....	4.1
Competing Transaction.....	7.1
Current Trade Liabilities.....	2.3
Electronic Delivery	11.11
Excluded Assets.....	2.2
Excluded Liabilities	2.4
Exclusivity Period.....	7.1
Hired Employees.....	9.1
Lease	4.2(e)
Material Contract	5.11(a)
Material Customers.....	5.15
Material Suppliers.....	5.15
Necessary Consent	2.6
Purchased Assets.....	2.1(b)
Purchased Contracts.....	2.1(b)(iii)
Purchased Intellectual Property	2.1(b)(v)
Purchased Inventory.....	2.1(b)(ii)
Purchase Price.....	3.2(a)
Purchaser.....	Preamble
Purchaser's Representatives.....	8.1
Seller	Preamble
Transactions	Recitals

1.3 Other Definitional and Interpretive Matters.

(a) Unless otherwise expressly provided in this Agreement, for purposes of this Agreement, the following rules of interpretation shall apply:

(i) Time of the Essence Calculation of Time Period. Each party hereto acknowledges and agrees that time is of the essence for each and every provision of this Agreement and that the breach of any provision hereof requiring any act to be done or step to be taken within a certain period or prior to a certain date or time shall be deemed a material breach of this Agreement. When calculating the period of time before which, within which or following which any act is to be done or taken pursuant to this Agreement, the date that is the reference date in calculating such period shall be excluded. If the last day of such period is

a non-Business Day, the period in question shall end on the next succeeding Business Day.

(ii) Dollars. Any reference in this Agreement to \$ means U.S. dollars.

(iii) Exhibits/Schedules. All Exhibits and Schedules annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth in full herein. Any capitalized terms used in any Schedule or Exhibit but not otherwise defined therein shall be defined as set forth in this Agreement.

(iv) Gender and Number. Any reference in this Agreement to gender shall include all genders, and words imparting the singular number only shall include the plural and vice versa.

(v) Headings. The division of this Agreement into Articles, Sections and other subdivisions and the insertion of headings are for convenience of reference only and shall not affect or be utilized in construing or interpreting this Agreement. All references in this Agreement to any "Section" are to the corresponding Section of this Agreement unless otherwise specified.

(vi) Herein. The words such as "herein," "hereinafter," "hereof" and "hereunder" refer to this Agreement as a whole and not merely to a subdivision in which such words appear unless the context otherwise requires.

(vii) Including. The word "including" or any variation thereof means "including, without limitation" and shall not be construed to limit any general statement that it follows to the specific or similar items or matters immediately following it.

(viii) Ordinary Course. The term "ordinary course of business" with respect to Seller shall mean the ordinary course of business of Seller (and its predecessors) in accordance with its conduct prior to the Petition Date but taking into effect the Seller's compliance with applicable bankruptcy Laws.

(b) The parties hereto have participated jointly in the negotiation and drafting of this Agreement and, in the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as jointly drafted by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provision of this Agreement.

ARTICLE II

PURCHASE AND SALE OF ASSETS; ASSUMPTION OF LIABILITIES

2.1 Purchase and Sale of Assets.

(a) On the terms and subject to the conditions set forth in this Agreement, at the Closing, Purchaser shall purchase, acquire and accept from Seller, and Seller shall

sell, transfer, convey, assign and deliver to Purchaser, good and marketable title and all of Seller's right, title and interest in, to and under the Purchased Assets, free and clear of all Liens other than the Permitted Exceptions, and without any Liability other than the Assumed Liabilities.

(b) For all purposes of and under this Agreement, the term "Purchased Assets" means all of the property, assets and rights of Seller (other than the Excluded Assets) existing as of the Closing, of any kind or nature, real or personal, tangible or intangible in each case to the extent primarily used in, or primarily related to the operation of, the Business or as otherwise specifically identified in the schedules hereto, including the following:

(i) all accounts, notes and other receivables, security deposits and prepaid expenses;

(ii) all Inventory (whether owned by, in-transit to, or on order to be delivered to, Seller), including without limitation, the Inventory shown in the Seller's perpetual inventory software module maintained in the Seller's electronic records (collectively, the "Purchased Inventory");

(iii) those Contracts which are listed on Schedule 2.1(b)(iii) hereto and indicated on such Schedule as Contracts to be assumed by Purchaser, as may be updated by Purchaser as indicated on such Schedule, (the "Purchased Contracts");

(iv) all Equipment (whether owned by, in the possession of, in-transit to, or on order to be delivered to, Seller), including without limitation, the Equipment set forth on Schedule 2.1(b)(iv), which includes one forklift and seven manlifts to be purchased by Seller from Toyota Motor Credit Corp. prior to Closing;

(v) all Intellectual Property, all rights to sue and recover for past, present and future infringements, misappropriations of, or other conflicts with, such Intellectual Property and any and all corresponding rights that, now or hereafter, may be secured throughout the world, including any Intellectual Property licensed to Seller and including the Intellectual Property listed on Schedule 2.1(b)(v) hereto, (the "Purchased Intellectual Property");

(vi) all Documents that are used in, held for use in or intended to be used in, or that relate to, the Purchased Assets, the Assumed Liabilities or the Business or operation of the Business, including Documents relating to products of the Business, services, marketing, advertising, promotional materials, Purchased Intellectual Property, personnel files for Hired Employees and all files, customer files and documents (including credit information), supplier lists and files, records, literature and correspondence, whether or not physically located on any of the premises subject to this Agreement, but excluding any Documents related primarily to an Excluded Asset;

(vii) all Permits to the extent assignable (the "Assigned Permits");

(viii) any rights, claims, defenses, counterclaims, cross-claims or causes of action of whether arising out of events occurring prior to, on or after the Closing Date, including any rights under or pursuant to all warranties, representations and guarantees made by suppliers, manufacturers and contractors;

(ix) all goodwill and other intangible assets, including all goodwill associated with the Business Name and the other Purchased Intellectual Property;

(x) all supplies owned by Seller;

(xi) to the extent in the possession of Seller, any copies of engineering drawings and parts lists, including vendor names and pricing for all parts manufactured and/or provided at any time to the Business by Seller's manufacturing division;

(xii) all rights of Seller under non-disclosure or confidentiality agreements and invention assignment agreements with Employees, contractors, and agents of Seller or with third parties to the extent relating to the Business or the Purchased Assets (or any portion thereof);

(xiii) all claims, demands, actions or causes of action whatsoever against any of the Persons listed on Schedule 2.3 hereto, including all avoidance and preference claims, actions and rights, and all rights, claims, duties or powers of Seller pursuant to Chapter 5 of the Bankruptcy Code and any proceeds thereof; and

(xiv) all other tangible or intangible assets.

2.2 Excluded Assets. Notwithstanding Section 2.1 above, nothing herein shall be deemed to sell, transfer, assign or convey the Excluded Assets to Purchaser, and Seller shall retain all right, title and interest to, in and under the Excluded Assets. For all purposes of and under this Agreement, the term "Excluded Assets" means:

(a) all cash and cash equivalents, including cash in transit and marketable securities, utility deposits required to be made by Seller in connection with the filing of the Bankruptcy Case, bank accounts, prepaid insurance expenses and retainers paid to professional advisors;

(b) all Tax refunds and credits relating to the Purchased Assets, the Business and the Hired Employees for all periods (or portions thereof) ending on or before the Closing Date and any Tax refunds, credits and other Tax attributes of the Seller;

(c) any minute books, stock ledgers, corporate seals, stock certificates and other similar records which, by law, Seller is required to retain in its possession;

(d) all Contracts (other than the Purchased Contracts);

(e) those assets (including those assets used in the Seller's manufacturing division, i.e., J&D Associates), which are not primarily used or held for use in the conduct or operation of the Business, except for any assets listed on Schedules 2.1(b)(iii)(iv) and (v);

(f) any and all rights, claims, duties or powers of Seller pursuant to Chapter 5 of the Bankruptcy Code and any proceeds thereof, except as provided in Section 2.1(b)(xiii);

(g) all insurance policies; and

(h) all rights of Seller under this Agreement.

2.3 Assumption of Liabilities. On the terms and subject to the conditions and limitations set forth in this Agreement, at the Closing Purchaser shall assume, effective as of the Closing, only (i) those obligations of Seller pursuant to the terms and conditions set forth in the Purchased Contracts which arise after the Closing Date, and (ii) those trade payables of the Seller which are set forth on Schedule 2.3 hereto and which are specifically designated on such Schedule 2.3 as a payable which Purchaser has agreed to assume, in the amount owed to such creditor as of the Petition Date (the "Current Trade Liabilities"), which Schedule 2.3 shall be updated as of the Closing Date (x) to reflect trade payables and amounts paid by Seller after the date hereof as provided in Section 3.2(b) hereof, if any, and (y) to reflect the addition of any trade payables, if any, owed as of the Petition Date which Purchaser has noted on Schedule 2.3 as reserved and which Purchaser shall have agreed, in its sole discretion, to assume as of the Petition Date, and (z) to reflect the addition of any trade payables of the Business which are incurred after the Petition Date and which remain unpaid as of the Closing Date which the Purchaser shall have agreed, in its sole discretion, to assume, (the "Post Petition Payables") (collectively, the "Assumed Liabilities"), and no other Liabilities whatsoever.

2.4 Excluded Liabilities. For the avoidance of doubt, Purchaser shall not assume and shall be deemed not to have assumed, and Seller shall be solely and exclusively liable with respect to, any and all Liabilities of Seller other than the Assumed Liabilities (collectively, the "Excluded Liabilities"). For the avoidance of doubt, the Excluded Liabilities include, and the Assumed Liabilities do not include, the following:

(a) all Liabilities of Seller existing prior to and after the Petition Date, other than the Assumed Liabilities;

(b) all Liabilities for Taxes due or payable by Seller for any tax period (or portion thereof);

(c) all Liabilities of Seller in respect of any current or former employees of Seller; provided, that in no event shall Seller have any Liability with respect to any violation of Law by Purchaser occurring in connection with the hiring of any such employees;

(d) all 503(b)(9) Claims;

- (e) all Liabilities under or relating to the Employee Benefit Plans;
- (f) all Liabilities of Seller under this Agreement, including Liabilities relating to amounts required to be paid by Seller hereunder;
- (g) all transfer taxes applicable to the transfer of the Purchased Assets;
- (h) all Liabilities under or relating to any reclamation or similar claim;
- (i) any Liability relating to or arising out of any violation of Law by, or any Legal Proceeding against, Seller or any breach, default or violation by Seller of or under any Purchased Contract or the operation of the Business by Seller; and
- (j) all trade payables and all other Liabilities of the Seller, other than the Assumed Liabilities.

2.5 Purchased Contracts.

(a) From and after the date hereof until the Closing, Seller shall not enter into, assume or reject or seek to assume or reject any Contract relating to the Business or the Purchased Assets without the prior written approval of Purchaser. Seller shall provide timely and proper notice of the motion seeking entry of the Sale Order to all parties to Purchased Contracts and, subject to Section 2.6, Seller shall use commercially reasonable efforts to cause such Purchased Contracts to be assumed by Seller pursuant to Section 365 of the Bankruptcy Code.

(b) At Closing and pursuant to Section 365 of the Bankruptcy Code, Seller shall assume and assign to Purchaser and Purchaser shall assume from Seller, the Purchased Contracts (only to the extent of the Assumed Liabilities). All cure amounts, as determined by the Bankruptcy Court, if any, necessary to cure all defaults, if any, and to pay all actual or pecuniary losses that have resulted from such defaults under the Purchased Contracts shall be paid by Seller on or before Closing, and not by Purchaser, and Purchaser shall have no liability therefor. For purposes of clarity, the parties hereto agree that the foregoing cure amounts to be paid by Seller do not, and shall not, include any amounts owed in connection with the Current Trade Liabilities. Purchaser shall assume all Current Trade Liabilities and pay all cure amounts owed in connection with any such Current Trade Liabilities.

2.6 Non-Assignment of Assets. Notwithstanding any other provision of this Agreement to the contrary, this Agreement shall not constitute an agreement to assign or transfer and shall not effect the assignment or transfer of any Purchased Contract if (a) an attempted assignment thereof, without the approval, authorization or consent of, or granting or issuance of any license or permit by, any party thereto other than Seller (each such action, a “Necessary Consent”), would constitute a breach thereof (after giving effect to any elimination of such approval, authorization or consent requirement by operation of the Sale Order) or in any way adversely affect the rights or obligations of Purchaser thereunder and such Necessary Consent is not obtained and (b) the Bankruptcy Court shall not have entered an Order providing that such Necessary Consent is not required. In such event, Seller and Purchaser will use their

commercially reasonable efforts to obtain the Necessary Consents with respect to any such Purchased Contract or any claim or right or any benefit arising thereunder for the assignment thereof to Purchaser as Purchaser may reasonably request. If such Necessary Consent is not obtained, or if such Purchased Contract or an attempted assignment thereof would otherwise be ineffective or would adversely affect the rights of Seller thereunder so that Purchaser would not in fact receive all such rights, Seller and Purchaser will cooperate in a mutually agreeable arrangement, to the extent feasible, under which Purchaser would obtain the benefits and assume the obligations (to the extent otherwise constituting Assumed Liabilities hereunder) thereunder in accordance with this Agreement, including subcontracting, sublicensing or subleasing to Purchaser, or under which Seller would enforce for the benefit of, and at the direction of, Purchaser, with Purchaser assuming Seller's obligations (to the extent otherwise constituting Assumed Liabilities hereunder), any and all rights of Seller thereunder.

2.7 Further Conveyances and Assumptions.

(a) Subject to applicable Law, Seller shall deliver to Purchaser at the Closing personnel records of Hired Employees as is reasonably necessary for Purchaser to transition such Hired Employees into Purchaser's records and all other Documents included in the Purchased Assets.

(b) At the Closing, and from time to time following the Closing, Seller and Purchaser shall execute, acknowledge and deliver all such further conveyances, notices, assumptions, releases and other instruments, and shall take such further actions, as may be reasonably necessary or appropriate to sell, transfer, convey, assign and deliver fully to Purchaser and its respective successors or permitted assigns, all of the properties, rights, titles, interests, estates, remedies, powers and privileges intended to be conveyed to Purchaser under this Agreement and to assure fully to Seller and its successors and permitted assigns, the assumption of the liabilities and obligations intended to be assumed by Purchaser under this Agreement, and to otherwise make effective or evidence the Transactions.

ARTICLE III

CONSIDERATION; ADJUSTMENT

3.1 Deposit. The parties acknowledge that Purchaser has deposited the sum of One Hundred Twenty-Five Thousand Dollars (\$125,000) (the "Deposit") into an escrow account maintained by Purchaser's counsel, Womble Carlyle Sandridge & Rice, PLLC, (the "Escrow Agent"). The Deposit shall be released from escrow and either (i) paid to Seller at Closing as part of the Purchase Price as set forth in Section 3.2; or (ii) returned to Purchaser upon termination of this Agreement for any reason, with the sole exception of a termination by Seller for the reasons set forth in and in accordance with Section 4.4(k). In the event that this Agreement is terminated by Seller solely for the reasons set forth in Section 4.4(k), then the Deposit shall be paid to the Seller as liquidated damages and as Seller's sole and exclusive remedy for any breach of this Agreement by the Purchaser, and neither Purchaser nor any of its

employees, affiliates, managers or members shall have any further liability or obligation to the Seller whatsoever.

3.2 Purchase Price.

(a) Cash Purchase Price. Subject to the adjustments set forth in Section 3.2(b) and (c) below, the purchase price for the Purchased Assets (the "Purchase Price") shall be an amount in cash equal to Nine Hundred Thousand Dollars (\$900,000), payable by the delivery by Purchaser to Seller (or its designees) at Closing of immediately available funds in an amount equal to the Purchase Price minus the Deposit, and the delivery by the Escrow Agent to Seller of the Deposit.

(b) Adjustments for Trade Liabilities. At the Closing, the Purchase Price payable on the Closing Date shall be increased by an amount equal to the aggregate amount of all payments made by Seller in satisfaction of any Current Trade Liability (or portion thereof) (existing as of the Petition Date) during the period commencing on the Petition Date and expiring on the Closing Date. At the Closing, the Purchase Price shall be decreased by an amount equal to the aggregate of all Post Petition Payables assumed by the Purchaser pursuant to Section 2.3(ii)(z) hereof.

(c) Working Capital Adjustment. The Purchase Price shall be reduced (but not increased) by an amount equal to the dollar amount, if any, that the Seller's Working Capital as of the Closing Date is less than the sum of (i) Seven Hundred Thousand Dollars (\$700,000) plus (ii) the actual amount that the Purchase Price is increased pursuant to Section 3.2(b). Such adjustment shall be determined by a joint examination of Seller's closing balance sheet for the Business by Purchaser and Seller as of the date of the Closing based on an Inventory and accounts receivable review jointly conducted by Purchaser and Seller and in accordance with the methodology set forth on Exhibit D hereto.

(d) Purchase Price Allocation. On the Closing Date, Seller and Purchaser shall jointly allocate the Purchase Price among the Purchased Assets in accordance with the statement (the "Allocation Statement") set forth on Schedule 3.2(d) hereto, in accordance with Section 1060 of the Code. Purchaser and Seller shall file all Tax Returns (including Form 8594) on a basis that is consistent with the Allocation Statement, and shall take no position inconsistent therewith for Tax purposes unless required by an administrative or judicial determination.

ARTICLE IV

CLOSING AND TERMINATION

4.1 Closing Date. Subject to the satisfaction of the conditions set forth in Sections 10.1, 10.2 and 10.3 hereof (or the waiver thereof by the party entitled to waive that condition), the closing of the purchase and sale of the Purchased Assets and the assumption of the Assumed Liabilities provided for in Article II hereof (the "Closing") shall take place, and Purchaser and Seller shall consummate the Transactions, at the offices of Womble Carlyle Sandridge & Rice,

PLLC located at 222 Delaware Avenue, 15th Floor Wilmington, Delaware, 19801 (or at such other reasonable place as Purchaser and Seller may agree) at 10:00 a.m. (local time) on a date mutually agreed to by Purchaser and Seller within two (2) Business Days following the satisfaction or waiver of the conditions set forth in Article X (other than conditions that by their nature are to be satisfied at Closing, but subject to the satisfaction or waiver of such conditions), unless another time or date, or both, are agreed to in writing by the parties hereto. The date on which the Closing shall be held is referred to in this Agreement as the "Closing Date." (the "Closing Date").

4.2 Deliveries by Seller. At the Closing, Seller shall deliver to Purchaser:

(a) all of the Purchased Assets, together with one or more duly executed bills of sale, in form and substance customary for transactions of this nature and reasonably acceptable to Purchaser and Seller (a "Bill of Sale");

(b) one or more duly executed assignment and assumption agreements in form and substance customary for transactions of this nature and mutually acceptable to Purchaser and Seller (an "Assignment and Assumption Agreement") and duly executed assignments of the trademark and patent registrations and applications included in the Purchased Intellectual Property registered in the name of Seller, in a form suitable for recording in the U.S. Patent and Trademark Office (and equivalent offices in jurisdictions outside the United States), and general assignments of all other Purchased Intellectual Property;

(c) the officer's certificates required to be delivered pursuant to Sections 10.1(a) and (b);

(d) a noncompetition agreement in favor of Purchaser with a term of five years;

(e) a lease for the offices currently used by the Business at 600 Hunter Lane Middletown, PA at a rent of \$3,000.00 per month for a period of up to three (3) months following the Closing Date to be entered into by the Purchaser and either the Seller or the buyer of the Seller's manufacturing division (the "Lease")

(f) an affidavit executed by Seller, in the form prescribed under Treasury Regulation Section 1.1445-2(b), that Seller is not a foreign person within the meaning of Section 1445(f)(3) of the Code;

(g) evidence of the execution and proper entry and docketing of the Sale Order; and

(h) all other instruments of assignment, conveyance and transfer, together with any transfer declarations or other filings in form and substance mutually acceptable to Purchaser and Seller, as may be necessary to convey good and marketable title to the Purchased Assets to Purchaser in accordance with the terms and conditions hereof.

4.3 Deliveries by Purchaser. At the Closing, Purchaser shall deliver, or cause to be delivered to Seller:

- (a) the Purchase Price, in immediately available funds, as set forth in Section 3.2 hereof;
- (b) one or more duly executed Assignment and Assumption Agreements; and
- (c) the Lease duly executed by Purchaser; and
- (d) the officer's certificates required to be delivered pursuant to Sections 10.2(a) and (b).

4.4 Termination of Agreement. This Agreement may (or shall, as the case may be) be terminated prior to the Closing as follows:

- (a) by Purchaser, in the event of Seller's breach of a material warranty, covenant, or representation under this Agreement, that has not been remedied by Seller within ten (10) Business Days after the receipt by Seller of notice of such breach;
- (b) by Purchaser if either (i) the Petition Date has not occurred within 10 days following the date of this Agreement; or (ii) if the Bankruptcy Court has not entered the Bidding Procedures Order within twenty-five (25) days of the Petition Date;
- (c) by Purchaser, if the Bankruptcy Court has not entered the Sale Order within fifty (50) days of the Petition Date, authorizing and directing the Seller and its estate to close upon the Transactions;
- (d) by Purchaser, if the Bidding Procedures approved by the Bidding Procedures Order or the Bidding Procedures Order is amended or modified (without Purchaser's prior written consent);
- (e) by Purchaser at any time on or prior to the tenth (10th) calendar day following the Petition Date, if Purchaser's due diligence review of the Business or the Purchased Assets or the opportunity represented thereby (i) is not satisfactory to Purchaser for any reason as determined by Purchaser in its sole and absolute discretion, or (ii) Purchaser is not satisfied for any reason with the Seller's list of creditors to be given notice of the Bankruptcy Case and the Transactions;
- (f) by Purchaser if the Sale Order is the subject of an appeal or if the automatic stay under Bankruptcy Rule 6004(h) has not been waived;
- (g) by Purchaser upon exercise of any other termination right set forth herein;
- (h) by mutual written consent of Seller and Purchaser;
- (i) by Purchaser or Seller, if the Closing shall not have occurred by the close of business on the Termination Date; provided, however, that if the Closing shall not

have occurred on or prior to the Termination Date due to a material breach of any representations, warranties, covenants or agreements contained in this Agreement by Purchaser or Seller, then the breaching party may not terminate this Agreement pursuant to this Section 4.4(i);

(j) automatically, without any action by Purchaser or Seller, if (i) Seller accepts or consummates a Competing Transaction, (ii) Purchaser is not declared the winning bidder at the auction provided for in the Bidding Procedures, if there is an auction, or (iii) Seller files a plan contemplating the reorganization or sale of all or any part of Seller or its assets under the Bankruptcy Code inconsistent with the Transactions;

(k) by Seller, in the event of Purchaser's breach of a material warranty, covenant, or representation under this Agreement, that has not been remedied by Purchaser within ten (10) Business Days after the receipt by Purchaser of notice of such breach under this Agreement; and

(l) by Seller or Purchaser if there shall be in effect a final non-appealable Order of a Governmental Body of competent jurisdiction restraining, enjoining or otherwise prohibiting the consummation of the Transactions.

4.5 Procedure Upon Termination. In the event of termination pursuant to Section 4.4 hereof, written notice thereof shall forthwith be given to the other party or parties and this Agreement shall (except to the extent provided elsewhere herein) terminate, and the Transactions shall be abandoned, without further action by Purchaser or Seller. If this Agreement is terminated as provided herein, each party shall destroy or redeliver all documents, work papers and other written material of any other party relating to the Transactions, whether so obtained before or after the execution hereof, to the party furnishing the same unless such materials have become publicly disclosed prior to such termination.

4.6 Effect of Termination. In the event that this Agreement is validly terminated as provided herein, then each of the parties shall be relieved of its duties and obligations arising under this Agreement after the date of such termination and such termination shall be without liability to Purchaser or Seller except as otherwise provided in Section 7.2 and in the Bidding Procedures Order, if entered; provided, however, that the provisions of Section 7.2 and Article XI hereof shall survive any such termination and shall be enforceable hereunder; provided further, however, that nothing in this Section 4.6 shall be deemed to release any party from liability for any breach of its obligations under this Agreement.

ARTICLE V

REPRESENTATIONS AND WARRANTIES OF SELLER

Seller hereby represents and warrants to Purchaser that:

5.1 Organization and Good Standing. Seller is an entity duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization and, subject to the limitations imposed on Seller as a result of having filed a petition for relief under the Bankruptcy Code, has the requisite power and authority to own, lease and operate its properties

and to carry on the Business as now conducted. Seller has no subsidiaries and there are no corporations, joint ventures, partnerships or other entities or arrangements in which Seller, directly or indirectly, owns any capital stock or an equity interest.

5.2 Authorization of Agreement. Subject to entry of the Sale Order and such other authorization as is required by the Bankruptcy Court, Seller has the requisite power and authority to execute and deliver this Agreement and each other agreement, document or instrument contemplated hereby to which it is a party and to perform its obligations hereunder. The execution and delivery of this Agreement by Seller and each other agreement, document or instrument contemplated hereby to which it is a party and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all requisite corporate action on the part of Seller. This Agreement and each other agreement, document or instrument contemplated hereby to which Seller is a party has been duly and validly executed and delivered by Seller and (assuming the due authorization, execution and delivery by Purchaser, the entry of the Sale Order and receipt of such other authorization as is required by the Bankruptcy Court) this Agreement and each other agreement, document or instrument contemplated hereby to which it is a party constitute legal, valid and binding obligations of Seller enforceable against Seller in accordance with its terms, subject to general principles of equity, including principles of commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is sought in a proceeding at law or in equity).

5.3 Conflicts; Consents of Third Parties.

(a) Except as set forth on Schedule 5.3(a), the execution and delivery by Seller of this Agreement and each other agreement, document or instrument contemplated hereby to which it is a party, the consummation of the transactions contemplated hereby, and compliance by Seller with any of the provisions hereof do not conflict with, or result in any violation of or default (with or without notice or lapse of time, or both) under, or give rise to a right of termination or cancellation under any provision of (i) the Certificate of Formation, Limited Liability Company Agreement and other organizational documents of Seller; (ii) subject to entry of the Sale Order or any other Order entered by the Bankruptcy Court, any Contract, or Permit to which Seller is a party or by which any of the properties or assets of Seller are bound; (iii) subject to entry of the Sale Order, any Order of any Governmental Body applicable to Seller or any of the properties or assets of Seller as of the date hereof; or (iv) subject to entry of the Sale Order, any applicable Law.

(b) Except as set forth on Schedule 5.3(b), and except to the extent required under the Sale Order or any other Order entered by the Bankruptcy Court, no consent, waiver, approval, Order, Permit or authorization of, or declaration or filing with, or notification to, any Person or Governmental Body is required on the part of Seller in connection with the execution and delivery of this Agreement or any other agreement, document or instrument contemplated hereby to which it is a party, the compliance by Seller with any of the provisions hereof or thereof, the consummation of the transactions contemplated hereby or thereby or the taking by Seller of any other action contemplated hereby or thereby, except the entry of the Sale Order.

5.4 Absence of Changes. Except as set forth on Schedule 5.4 attached hereto, since March 29, 2009, Seller has not: (i) sold, leased, assigned or transferred any of its material tangible assets related to or used in the Business except in the ordinary course of business; (ii) sold, assigned, licensed, transferred or encumbered any Intellectual Property, or sublicensed any material Intellectual Property, outside of the ordinary course of business or abandoned or permitted to lapse any Intellectual Property; (iii) made or granted any bonus or any wage or salary increase to any employee or group of employees (except as required by pre-existing contracts or consistent with past practice), or made or granted any increase in any Employee Benefit Plan, or amended, terminated or adopted any Employee Benefit Plan; (iv) made any loans or advances to, or guarantees for the benefit of, any Person (other than Seller); (v) waived any rights of material value, outside of the ordinary course of business; (vi) suffered any damage, destruction or casualty loss to its tangible assets related to or used in the Business, whether or not covered by insurance; (vii) changed in any material respect its method of accounting or accounting policies or changed any business practice in any material respect; (viii) entered into any other material transaction not in the ordinary course of business; or (ix) agreed or committed to do any of the foregoing.

5.5 Purchased Assets. Except as set forth on Schedule 5.5, Seller owns good and marketable title to the Purchased Assets, and, subject to the entry of the Sale Order, Purchaser will be vested with good and marketable title to such Purchased Assets, free and clear of all Liens, other than Permitted Exceptions, to the fullest extent permissible under Section 363(f) of the Bankruptcy Code. Subject to the receipt of any Necessary Consents, the Purchased Assets include all of the material assets that are necessary to operate the Business.

5.6 Taxes. Except as set forth on Schedule 5.6, (i) Seller has timely filed all material Tax Returns required to be filed with the appropriate Tax Authorities, and all such Tax Returns are correct and complete in all material respects; (ii) except as to Taxes the payment of which is prohibited or stayed by the Bankruptcy Code, Seller has paid all material Taxes due and payable by it and all material Taxes for which Seller is liable as a result of transferee liability, joint and several liability, contractual liability or otherwise (whether or not such Taxes are shown on any Tax Return); (iii) Seller has withheld and paid all Taxes required to have been withheld and paid in connection with any amounts paid or owing to any employee, independent contractor, creditor, stockholder, or other third party; (iv) Seller has not received any written notice of deficiency or assessment from any Tax Authority with respect to liabilities for Taxes of Seller which have not been reserved for, fully paid or finally settled; (v) Seller has not agreed to any currently effective waiver of any statute of limitations in respect of Taxes or agreed to any currently effective extension of time with respect to a Tax assessment or deficiency; (vi) no Tax audit, examination, or other proceeding regarding Taxes is in progress or threatened in writing, with respect to Seller; and (vii) no claim has been made in the last five (5) years by a Tax Authority in a jurisdiction where Seller does not file Tax Returns that Seller is or may be subject to taxation by that jurisdiction.

5.7 Intellectual Property. Schedule 5.7(a) sets forth a complete and accurate list of all registered Intellectual Property and material unregistered Intellectual Property. Except as set forth on Schedule 5.7(b), Seller (x) owns the entire right, title, and interest in all Purchased Intellectual Property registered in the name of Seller and (y) has a valid license to use pursuant to a Purchased Contract all Purchased Intellectual Property licensed to Seller (in the latter case,

subject to the receipt of any Necessary Consents). Subject to the receipt of any Necessary Consents, the Purchased Intellectual Property is all the Intellectual Property needed to conduct the Business with respect to the Purchased Assets as conducted prior to the Closing. Except as set forth on Schedule 5.7(c), no claims are pending against Seller before a Governmental Body or, to the Knowledge of Seller, threatened with regard to the ownership by Seller of any Purchased Intellectual Property. All material Purchased Intellectual Property is subsisting, is not expired or abandoned, and is valid and enforceable. Except as set forth on Schedule 5.7(d), no material owned Purchased Intellectual Property is subject to any Order or agreement materially restricting the use thereof by Seller, or materially restricting the licensing thereof by Seller to any Person, and Seller has taken commercially reasonable action to maintain and protect all material Purchased Intellectual Property. Except as set forth on Schedule 5.7(e): (i) to the Knowledge of Seller, Seller has not infringed, misappropriated or otherwise violated any intellectual property rights of any other Person, (ii) Seller has not received any written notices regarding the foregoing (including any demands or offers to license any Intellectual Property from any third party); and (iii) to the Knowledge of Seller, the Purchased Intellectual Property is not being infringed, misappropriated or otherwise violated by any other Person.

5.8 Employee Benefits.

(a) Schedule 5.8(a) sets forth a complete and correct list of all Employee Benefit Plans currently contributed to or maintained by Seller or any ERISA Affiliate in respect of or for the benefit of Employees or otherwise with respect to which Seller or an Employee Benefit Plan has any Liability. All Employee Benefit Plans are, and have been, maintained in compliance with their terms and applicable Law in all material respects.

(b) Other than as set forth on Schedule 5.8(b), neither Seller nor any ERISA Affiliate has maintained or contributed to an Employee Benefit Plan subject to Title IV of ERISA.

(c) Except as set forth on Schedule 5.8(c), Seller has no liability for accrued vacation in excess of \$60,000 in the aggregate.

5.9 Litigation. Except as set forth on Schedule 5.9, there are no (and, during the two years preceding the date hereof, have not been any) material Legal Proceedings pending or, to the Knowledge of Seller, threatened in writing against Seller or its predecessor before any Governmental Body.

5.10 Brokers. Except as set forth on Schedule 5.10, Seller has no obligation to pay any fees, commissions or other similar compensation to any broker, finder, investment banker, financial advisor or other similar Person in connection with the Transactions. For the avoidance of doubt, no such compensation shall constitute Assumed Liabilities.

5.11 Contracts.

(a) Except as set forth on Schedule 5.11(a), as of the date hereof, Seller is not a party to or bound by any written: (i) collective bargaining agreement or contract with any labor union; (ii) Contract relating to any loan or advances to, or any investments in,

any Person; (iii) Contract relating to the mortgaging, pledging or otherwise placing a Lien on any material portion of any Purchased Asset; (iv) guaranty of any obligation of any third party (excluding, for the avoidance of doubt, Seller) for borrowed money; (v) Contract under which it is lessee of any material personal property primarily used in the operation of the Business which is owned by any other party; (vi) Contract for the purchase or sale of products or services primarily related to or used in the Business that require by their terms payments in excess of \$25,000 per year and are not terminable by Seller on thirty (30) days or less prior notice; (vii) Contract relating to the licensing by or to Seller or to or by a third party of Intellectual Property primarily used in the operation of the Business (except for commercially available, off-the-shelf software licensed and all other agreements materially impairing Seller's ability to use or disclose Intellectual Property); (viii) Contract which would prohibit Purchaser, as assignee of Seller (whether or not so assigned to Purchaser), from freely engaging in the Business; (ix) Contract for the employment of any officer, individual employee or other Person in connection with the operation of the Business on a full time, part time, consulting or other basis providing for annual compensation in excess of \$100,000 per annum; (x) Contract related to any warranty by Seller with respect to services rendered or products sold in the operation of the Business which could reasonably be expected to involve payments or costs and expenses in excess of \$5,000 per year (collectively, the "Material Contracts").

(b) Except as disclosed on Schedule 5.11(b), (i) to the Knowledge of Seller, (A) no Purchased Contract has been breached or canceled by any other party thereto and (B) no event or circumstance has occurred that, with notice or lapse of time or both, would constitute a default or breach by any other party thereunder, (ii) except for defaults arising solely as a consequence of the commencement of the Bankruptcy Case, Seller is not in default or breach under the terms of any Purchased Contract and, to the Knowledge of Seller, no event or circumstance has occurred that, with notice or lapse of time or both, would constitute a default or breach by Seller thereunder, (iii) Seller has not assigned, delegated or otherwise transferred to any Person any of its rights, title or interest under any Purchased Contract (other than pursuant to a Purchased Contract listed on Schedule 5.11(a)), and (iv) each Purchased Contract is legal, valid, binding, enforceable against the applicable Seller and, to the Knowledge of Seller, the other party thereto, and in full force and effect and, subject to the terms of this Agreement, including the receipt of any Necessary Consents, will continue as such following the consummation of the transactions contemplated hereby.

(c) Seller has provided or made available to Purchaser a true and correct copy of all Purchased Contracts, in each case together with all amendments, waivers or other modifications thereto.

5.12 Labor and Employment Matters. Except as set forth on Schedule 5.9 or Schedule 5.12: (i) there are no pending or, to the Knowledge of Seller, threatened material labor or employment Legal Proceedings; (ii) to the Knowledge of Seller, (x) no union organizing or decertification efforts are underway or threatened and (y) no such activities have occurred in the Business in the past five (5) years; (iii) there is no strike, slowdown, work stoppage, lockout or other material job action underway, or to the Knowledge of Seller, threatened, and no such job action has occurred in the Business in the past five (5) years; and (iv) within the past three (3)

years, the Business has not experienced any layoff of employees that would reasonably be expected to implicate the WARN Act.

5.13 Environmental and Safety Requirements. Seller has operated the Business in compliance in all material respects with all applicable Environmental and Safety Requirements. Except as set forth on Schedule 5.13, neither Seller nor any Affiliate has in the past two (2) years received any written notice regarding any actual or alleged material violation of or material liability under Environmental and Safety Requirements relating to the Business or the ownership or operation of the Purchased Assets. Neither Seller nor any Affiliate has treated, stored, disposed of, transported, handled, manufactured, or to the Knowledge of Seller, released any hazardous substance generated by the Business in material violation of any applicable Environmental and Safety Requirements.

5.14 Compliance with Laws; Permits. Except as set forth on Schedule 5.14: (a) the Business and the Purchased Assets have been operated by Seller and its Affiliates in compliance in all material respects with all applicable Laws, and no written notices have been received and, to the Knowledge of Seller, no claims have been filed alleging a material violation of any such Laws; and (b) the Business and the Purchased Assets have been operated by Seller and its Affiliates in compliance in all material respects with all Permits required to be held for the conduct of its Business, and all such Permits are listed on Schedule 5.14.

5.15 Customers and Suppliers. Seller has provided to Purchaser a list of the top ten (10) suppliers ("Material Suppliers") and top ten customers ("Material Customers") of the Business (in each case, taken as a whole) by volume of sales and purchases, respectively, for the twelve (12) month period ended March 29, 2009. Except as set forth on Schedule 5.15, to the Knowledge of Seller, Seller has not received any notice from any Material Supplier or Material Customer to the effect that any Material Supplier will stop, or materially decrease the rate of, supplying materials, products or services to Seller relating to the Purchased Assets or that any Material Customer will stop, or materially decrease the rate of, purchasing materials or services from Seller.

5.16 Affiliate Transactions. Except as set forth on Schedule 5.16, to the Knowledge of the Seller, no officer, director, shareholder or Affiliate of Seller, immediate family member of the foregoing Persons, or Affiliate of any of the foregoing Persons is a party to any Contract (other than Employee Benefit Plan arrangements disclosed on Schedule 5.8(a) or Schedule 5.11) or has any material interest in any Purchased Asset.

5.17 Financial Statements. The unaudited balance sheet and income statement of the Business dated December 31, 2008 and March 29, 2009, respectively, provided to Purchaser (collectively, the "Financial Statements") (a) are true, complete and correct in all material respects; (b) are in accordance with the books and records of Seller; (c) present fairly in all material respects the assets, liabilities and financial condition of the Business as of the respective dates thereof, and the results of operations for the periods then ending; and (d) have been prepared in accordance with GAAP applied on a consistent basis throughout the periods involved. Seller has no liability or obligation related to the Business or the Purchased Assets that is not reflected or reserved against in the Financial Statements other than liabilities incurred in the ordinary course of business.

5.18 Proper Notice. On or before the date of the hearing regarding the Sale Order and at all times prior to the Closing Date, the Seller will have given due and proper notice of the Bankruptcy Case and all other proceedings relating to the Transactions contemplated hereby to all Persons who have a Lien on the Purchased Assets or who are otherwise required to receive notices under the Bankruptcy Code in order for Purchaser to receive good and marketable title to the Purchased Assets free and clear of all Liens other than Permitted Encumbrances, including without limitation, actual notice to all Persons holding Liens of record.

5.19 "AS IS" TRANSACTION. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED HEREIN, SELLER DOES NOT MAKE ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO THE PURCHASED ASSETS OR ANY OTHER MATTER WHATSOEVER RELATING TO THE BUSINESS. WITHOUT IN ANY WAY LIMITING THE FOREGOING, EXCEPT AS OTHERWISE SET FORTH HEREIN, THE SELLER HEREBY DISCLAIMS ANY WARRANTY, EXPRESS OR IMPLIED, OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE AS TO ANY PORTION OF THE PURCHASED ASSETS. ACCORDINGLY, EXCEPT AS OTHERWISE EXPRESSLY PROVIDED HEREIN, THE PURCHASER WILL ACCEPT THE PURCHASED ASSETS AT THE CLOSING "AS IS," "WHERE IS" AND "WITH ALL FAULTS."

ARTICLE VI

REPRESENTATIONS AND WARRANTIES OF PURCHASER

Purchaser hereby represents and warrants to Seller that:

6.1 Organization and Good Standing. Purchaser is a limited liability company duly organized, validly existing and in good standing under the laws of the state of Delaware and has the requisite power and authority to enter into and perform its obligations under this Agreement.

6.2 Authorization of Agreement. Purchaser has the requisite power and authority to execute and deliver this Agreement and each other agreement, document or instrument contemplated hereby or thereby to which it is a party and to perform its obligations hereunder and thereunder. The execution and delivery of this Agreement and each other agreement, document or instrument contemplated hereby to which Purchaser is a party and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all requisite action on the part of Purchaser. This Agreement and each other agreement, document or instrument contemplated hereby to which Purchaser is a party has been duly and validly executed and delivered by Purchaser and (assuming the due authorization, execution and delivery by the other parties hereto) this Agreement and each other agreement, document or instrument contemplated hereby to which Purchaser is a party constitute legal, valid and binding obligations of Purchaser enforceable against Purchaser in accordance with its respective terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors' rights and remedies generally, and subject, as to enforceability, to general principles of equity, including principles of commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is sought in a proceeding at law or in equity).

6.3 Conflicts; Consents of Third Parties.

(a) The execution and delivery by Purchaser of this Agreement and each other agreement, document or instrument contemplated hereby to which Purchaser is a party, the consummation of the transactions contemplated hereby and thereby, or compliance by Purchaser with any of the provisions hereof or thereof do not conflict with, or result in any violation of or default (with or without notice or lapse of time, or both) under, or give rise to a right of termination or cancellation under any provision of (i) the Certificate of Formation, Limited Liability Company Agreement or comparable organizational documents of Purchaser; (ii) any Contract to which Purchaser is a party or by which any of the properties or assets of Purchaser are bound; (iii) any Order of any Governmental Body applicable to Purchaser or any of the properties or assets of Purchaser as of the date hereof; or (iv) any applicable Law.

(b) No consent, waiver, approval, Order, Permit or authorization of, or declaration or filing with, or notification to, any Person or Governmental Body is required on the part of Purchaser in connection with the execution and delivery of this Agreement and each other agreement, document or instrument contemplated hereby or thereby to which Purchaser is a party, the compliance by Purchaser with any of the provisions hereof or thereof, the consummation of the transactions contemplated hereby or thereby, the taking by Purchaser of any other action contemplated hereby or thereby.

6.4 Financing. Purchaser has sufficient available cash to enable it to pay the Purchase Price.

ARTICLE VII

BANKRUPTCY COURT MATTERS

7.1 Competing Transaction. After the filing of the Bankruptcy Case, this Agreement will be subject to approval by the Bankruptcy Court and, following the expiration of the Exclusivity Period, the consideration by Seller and the Bankruptcy Court of Qualified Bids (as defined in the Bidding Procedures Order) in accordance with the Bidding Procedures Order. From and after the date hereof until the entry of the Bidding Procedures Order (the "Exclusivity Period"), Seller will not, and will cause its representatives, agents and Affiliates not to (a) discuss or negotiate with, initiate contact with, or solicit or encourage submission of any inquiries, proposals or offers by, any Person (other than Purchaser and its Affiliates, agents and representatives) with respect to any transaction (or series of transactions), whether direct or indirect, concerning a sale, merger, acquisition, issuance, financing, refinancing, recapitalization, reorganization, liquidation or disposition of the Business or the Purchased Assets (including the equity interests of Seller) or any portion thereof (in any form of transaction, whether by merger, sale of assets or stock, or otherwise) (a "Competing Transaction"), or (b) provide any confidential information regarding the Business to any Person, other than the Purchaser; except that notwithstanding the foregoing, Seller may solicit and encourage third parties to participate in the Auction in accordance with the Bidding Procedures provided that Seller shall not negotiate any terms of such offers or enter into any agreements with any third parties with respect to a Competing Transaction. During the Exclusivity Period, Seller will promptly inform and provide

a detailed summary to Purchaser of any other offer, proposal or expression of interest for Seller, the Business or the Purchased Assets or any portion thereof that it or any of its Affiliates or representatives may receive. Nothing contained in this Section 7.1 shall be construed to prohibit Seller or its representatives from soliciting, considering, negotiating, agreeing to or otherwise taking action in furtherance of, any Competing Transaction after the entry of the Bidding Procedures Order, provided that Seller agrees that any such actions will only be taken in strict compliance with the Bidding Procedures Order. Seller will comply with the Bidding Procedures Order in all respects.

7.2 Bidding Procedures.

(a) Attached hereto as Exhibit E is the proposed operating budget for the Seller which has been approved by Seller's lender providing its Debtor in Possession financing in the Bankruptcy Case. Seller will promptly provide any proposed changes or amendments to such Budget to the Purchaser. Seller will provide to Purchaser a copy of the petition filed in the Bankruptcy Case together with all schedules and exhibits thereto. Following the Petition Date, Seller will provide Purchaser with copies of all filings made in the Bankruptcy Case.

(b) Seller will file this Agreement with the Bankruptcy Court. Seller shall use commercially reasonable efforts, and Purchaser will reasonably cooperate with Seller, to obtain the entry of the Bidding Procedures Order within twenty-five (25) days of the Petition Date.

(c) In the event that this Agreement is terminated pursuant to Sections 4.4(a), 4.4(c), or 4.4(j), Seller shall promptly pay to Purchaser, by wire transfer of immediately available funds, an amount equal to Fifty-Five Thousand Dollars (\$55,000), which amount includes compensation to Purchaser for its expenses incurred in connection with this Agreement and the Transactions (the "Break-Up Fee"). Such payment shall be made upon the earlier of (A) ten (10) days after such termination or (B) the consummation of a Competing Transaction. Seller expressly acknowledges that the obligations of Seller under this Section 7.2(b) (x) shall survive the termination of this Agreement, and (y) shall constitute an administrative expense of Seller under the Bankruptcy Code (which shall be a super-priority administrative expense claim with priority over any and all administrative expenses of the kind specified in Sections 503(b) and 507(b) of the Bankruptcy Code.

7.3 Sale Order. Purchaser agrees that it will promptly take such commercially reasonable actions as are reasonably requested by Seller to assist in obtaining entry of the Sale Order and a finding of adequate assurance of future performance by Purchaser, including furnishing affidavits or other documents or information for filing with the Bankruptcy Court for the purposes, among others, of providing necessary assurances of performance by Purchaser under this Agreement and demonstrating that Purchaser is a "good faith" purchaser under Section 363(m) of the Bankruptcy Code.

ARTICLE VIII

COVENANTS

8.1 Access to Information. Seller agrees that, prior to the Closing Date, Purchaser shall be entitled, through its officers, employees, consultants, financing sources, advisors and representatives, including its legal advisors and accountants (collectively, "Purchaser's Representatives") (provided that such Purchaser's Representatives are subject to confidentiality obligations under the confidentiality agreement between Purchaser and Seller or otherwise agree in writing to be bound by the terms of such confidentiality agreement applicable to Purchaser or are otherwise bound by obligations of confidentiality), to make such investigation and examination of the properties, business and operations (including contacting customers, suppliers, employees and other business relations) of Seller and such investigation and examination of the books and records of Seller, the Purchased Assets, the Excluded Assets, the Assumed Liabilities and the Excluded Liabilities as it requests and to make extracts and copies of such books and records (at Purchaser's cost) during normal business hours. Any such investigation and examination shall be conducted upon reasonable advance notice and shall be subject to restrictions under applicable Law. Seller shall cause its respective officers, employees, consultants, agents, accountants, attorneys and other representatives to cooperate with Purchaser and Purchaser's Representatives in connection with such investigation and examination (including, if requested by Purchaser, promptly arranging meetings or telephone calls with business relations of Seller as requested by Purchaser), and Purchaser and Purchaser's Representatives shall cooperate with Seller and its representatives and shall use their reasonable efforts to minimize any disruption to Seller's business. Notwithstanding anything herein to the contrary, no such investigation or examination shall be permitted to the extent that it would require Seller to disclose information prohibited from disclosure by Law. In the event that the disclosure of any information pursuant to this Section 8.1 would jeopardize any attorney client privilege, the parties will cooperate in customary arrangements to preserve such privilege.

8.2 Conduct Pending the Closing.

(a) Except (i) as required by applicable Law, (ii) as otherwise expressly contemplated by this Agreement, (iii) with the prior written consent of Purchaser (such consent not to be unreasonably withheld) or (iv) as required by orders of the Bankruptcy Court, during the period from the date of this Agreement to and through the Closing, Seller shall: (A) conduct the Business only in the ordinary course of business; and (B) use its commercially reasonable efforts to (1) preserve the operations, organization and goodwill of the Business, and (2) preserve its present relationships with customers, suppliers, Employees, landlords and lessors of the Business.

(b) Except (i) as required by applicable Law, (ii) as otherwise expressly contemplated by this Agreement, (iii) with the prior written consent of Purchaser (such consent not to be unreasonably withheld) or (iv) as required by orders of Bankruptcy Court, during the period from the date of this Agreement to and through the Closing, Seller shall not:

(i) except as otherwise required by a Contract or any Employee Benefit Plan in effect as of the date hereof, (A) make or grant any increase in the wages, salary, bonus or other compensation payable or to become payable by Seller to any of its directors or executive officers or employee of the Business (except, with respect to any employee, in the ordinary course of business consistent with past practice with respect similarly situated employees), (B) grant any bonus, benefit or other direct or indirect compensation to any director or executive officer or employee of the Business (except, with respect to any employee, in the ordinary course of business consistent with past practice with respect to similarly situated employees), (C) increase the coverage or benefits available under any (or create any new) Employee Benefit Plan, (D) enter into any employment, deferred compensation, severance, consulting, non-competition or similar agreement (or amend, modify or terminate any such agreement) to which Seller is a party or involving a director or executive officer of the Business, or (E) make any loans to, or otherwise enter into any transaction (other than in the ordinary course of business on an arm's length basis) with, any officer, employee, shareholder or Affiliate of Seller;

(ii) enter into, modify or terminate any Purchased Contract;

(iii) subject any of the Purchased Assets to any Lien, except for Liens existing as of the date hereof and Permitted Exceptions, or sell, assign, transfer, lease or license any of the Purchased Assets other than sales of Inventory in the ordinary course of business;

(iv) cancel, settle or compromise any material debt (including any agreements related to indebtedness for borrowed money) or claim or waive or release any material right of Seller that constitutes a Purchased Asset other than customer accounts receivable compromised in the ordinary course of business or settle or compromise any pending or threatened Legal Proceeding in a manner that could reasonably be expected to give rise to Liabilities after the Closing with respect to the Purchased Assets;

(v) accelerate to periods prior to the Closing any payments to Seller that would ordinarily and in the ordinary course of business have been made in periods after the Closing;

(vi) adopt or otherwise commit to any material change to, or fail to maintain, the current levels of insurance coverage afforded Seller under existing insurance policies; or

(vii) agree to do anything prohibited by this Section 8.2 or do or agree to do anything that would cause Seller's representations and warranties herein to be inaccurate in any material respect.

(c) From and after the date of this Agreement, Seller shall not pay or agree to pay to (or otherwise incur to) any potential bidders for potential Competing Transactions

any expense reimbursements, break-up, termination, topping or similar fees, or other similar amounts.

(d) Notwithstanding the foregoing, nothing set forth in this Section 8.2 shall require Seller to take any action it is prohibited from taking by operation of the Bankruptcy Code or any applicable Orders of the Bankruptcy Court. In no event will any failure to take any act barred by the Bankruptcy Code or any applicable Order of the Bankruptcy Court be considered a breach of this Section 8.2.

8.3 Consents. Seller shall use commercially reasonable efforts, and Purchaser shall reasonably cooperate with Seller, to obtain at the earliest practicable date all consents and approvals referred to in Section 5.3(b) hereof; provided, however, that other than any cure payments required pursuant to Section 2.5(b), Seller shall not be obligated to pay any consideration therefor to any third party from whom consent or approval is requested or to initiate any litigation or Legal Proceedings to obtain any such consent or approval.

8.4 Further Assurances. Subject to the other provisions of this Agreement, (i) Purchaser shall use its commercially reasonable efforts to cause the fulfillment at the earliest practicable date of all of the conditions set forth in Section 10.2 and (ii) Seller shall use its commercially reasonable efforts to cause the fulfillment at the earliest practicable date of all of the conditions set forth in Section 10.1 and Section 10.3.

8.5 Preservation of Records. Seller or its successors and Purchaser agree that each of them shall preserve and keep the records held by it or its Affiliates relating to the Purchased Assets for three (3) years after the Closing Date (except as provided below) and shall make such records available to the other as may be reasonably required by such party in connection with, among other things, any insurance claims by, Legal Proceedings or tax audits against or governmental investigations of Seller or Purchaser or any of their Affiliates or in order to enable Seller or Purchaser to comply with their respective obligations under this Agreement and each other agreement, document or instrument contemplated hereby. In the event Seller or Purchaser wishes to destroy such records before or after that time, such party shall first give thirty (30) days prior written notice to the other and such other party shall have the right at its option and expense, upon prior written notice given to such party within such 30 day period, to take possession of the records within thirty (30) days after the date of such notice.

8.6 Publicity; Termination of NDA. None of the parties hereto shall issue any press release or make any public announcement concerning this Agreement or the Transactions without obtaining the prior written approval of the other parties hereto, which approval will not be unreasonably withheld or delayed, unless disclosure is otherwise required by applicable Law or by the Bankruptcy Court with respect to filings to be made with the Bankruptcy Court in connection with this Agreement, provided that the party intending to make such release shall use its commercially reasonable efforts consistent with such applicable Law or Bankruptcy Court requirement to consult with the other party with respect to the text thereof. The parties acknowledge that effective as of the Closing, that any Confidentiality Agreement or Nondisclosure Agreement between Purchaser (or any of its investors or lenders) and Seller shall terminate and will be of no further force and effect.

8.7 Collection of Receivables. After the Closing Date, Purchaser shall have the right to collect any accounts and notes receivable that were generated in connection with the Business prior to the Closing Date. Seller shall promptly remit to Purchaser any such payments on the receivables included in the Purchased Assets that are received by Seller after the Closing Date. If any such funds are deposited into a Seller bank account, Seller shall instruct such banks to forward all proceeds thereof promptly to Purchaser. After the Closing Date, Purchaser shall have the right to notify any customers who owe Seller any amounts included in the Purchased Assets to send their payments directly to Purchaser. Seller hereby grants Purchaser Seller's power of attorney to endorse with the name of Seller on any checks received on account of any receivables included in the Purchased Assets.

8.8 Employee Bonuses. Seller shall pay transaction bonuses (and Purchaser shall have no Liability therefor) to certain Employees selected by Seller (and in such amounts not to exceed \$50,000) payable at the Closing.

8.9 Third Party Contact by Purchaser. Seller hereby acknowledges and agrees that Purchaser has and shall be entitled to contact or communicate with, directly or indirectly, any customer, supplier or vendor of Seller prior to and after the filing of the Bankruptcy Case.

ARTICLE IX

EMPLOYEES AND EMPLOYEE BENEFITS

9.1 Hired Employees. From and after the date hereof, Purchaser may offer employment, effective as of the Closing and on such terms and conditions as Purchaser may determine in its sole and absolute discretion, to any Employees. If the Closing occurs, any Employees who accept such offer are hereinafter referred to as the "Hired Employees." Seller shall terminate the employment of the Hired Employees immediately prior to Closing. Subject to applicable Law, Seller shall provide Purchaser all information relating to each Hired Employee as Purchaser may reasonably request in connection with its employment of such Hired Employees, including initial employment dates, termination dates, reemployment dates, hours of service, compensation and tax withholding history in a form that will be usable by Purchaser. Seller shall be solely responsible for offering and providing, in accordance with applicable Law, any COBRA coverage with respect to any "qualified beneficiary" (within the meaning of COBRA) who is covered on the Closing Date by an Employee Benefit Plan that is a "group health plan" (within the meaning of COBRA) and who experiences a "qualifying event" (within the meaning of COBRA) while covered under such plan on or prior to the Closing Date. The Sale Order shall provide that Purchaser is not a successor to Seller for purposes of any Employee Benefit Plan or the continuation or funding of any benefits thereunder. Seller shall have no liability for any Hired Employee following the Closing.

9.2 Employment Tax Reporting. With respect to Hired Employees, Purchaser and Seller shall use the standard procedure set forth in Revenue Procedure 2004-53, 2004-34 I.R.B. 320, for purposes of employment tax reporting.

9.3 No Obligations. For the avoidance of doubt, nothing contained in this Agreement shall be construed to require, or prevent the termination of, employment of any individual,

require minimum benefit or compensation levels or prevent any change in the employee benefits provided to any individual Hired Employee.

9.4 No Third Party Beneficiary. No provision in this Article IX shall (i) create any third party beneficiary or other rights in any employee or former employee (including any beneficiary or dependent thereof) of Seller, Purchaser or any other Person, (ii) constitute or create, or be deemed to constitute or create, an employment agreement, (iii) constitute or be deemed to constitute an amendment to any Employee Benefit Plan sponsored or maintained by Seller or Purchaser, or (iv) alter or change the employment at-will status of Employees.

ARTICLE X

CONDITIONS TO CLOSING

10.1 Conditions Precedent to Obligations of Purchaser. The obligation of Purchaser to consummate the Transactions is subject to the fulfillment, on or prior to the Closing Date, of each of the following conditions (any or all of which may be waived in writing by Purchaser in whole or in part to the extent permitted by applicable Law):

(a) the representations and warranties of Seller contained in this Agreement shall be true and correct in all material respects on and as of the Closing, except to the extent expressly made as of an earlier date, in which case as of such earlier date and Purchaser shall have received a certificate signed by an authorized officer of Seller, dated the Closing Date, to the foregoing effect;

(b) Seller shall have performed and complied in all material respects with all obligations and agreements required in this Agreement to be performed or complied with by it prior to the Closing Date, and Purchaser shall have received a certificate signed by an authorized officer of Seller, dated the Closing Date, to the foregoing effect;

(c) Seller shall have delivered, or caused to be delivered, to Purchaser all of the items set forth in Section 4.2; and

(d) no Seller Material Adverse Effect shall have occurred since the date of this Agreement and be continuing.

10.2 Conditions Precedent to Obligations of Seller. The obligation of Seller to consummate the Transactions is subject to the fulfillment, prior to or on the Closing Date, of each of the following conditions (any or all of which may be waived in writing by Seller in whole or in part to the extent permitted by applicable Law):

(a) the representations and warranties of Purchaser contained in this Agreement shall be true and correct in all material respects on and as of the Closing, except to the extent expressly made as of an earlier date, in which case as of such earlier date and Seller shall have received a certificate signed by an authorized officer of Purchaser, dated the Closing Date, to the foregoing effect;

(b) Purchaser shall have performed and complied in all material respects with all obligations and agreements required by this Agreement to be performed or complied with by Purchaser on or prior to the Closing Date, and Seller shall have received a certificate signed by an authorized officer of Purchaser, dated the Closing Date, to the foregoing effect; and

(c) Purchaser shall have delivered, or caused to be delivered, to Seller all of the items set forth in Section 4.3.

10.3 Conditions Precedent to Obligations of Purchaser and Seller. The respective obligations of Purchaser and Seller to consummate the Transactions are subject to the fulfillment, on or prior to the Closing Date, of each of the following conditions (any or all of which may be waived in writing by Purchaser and Seller in whole or in part to the extent permitted by applicable Law):

(a) there shall not be in effect any Order by a Governmental Body of competent jurisdiction restraining, enjoining or otherwise prohibiting the consummation of the Transactions; and

(b) the Bankruptcy Court shall have entered the Sale Order and either (i) the automatic stay imposed by Bankruptcy Rule 6004(h) has been waived and Purchaser has agreed to waive the condition that the Sale Order has become a Final Order, or (ii) the Sale Order shall have become a Final Order.

10.4 Frustration of Closing Conditions. No party may rely on the failure of any condition set forth in Sections 10.1, 10.2 or 10.3, as the case may be, if such failure was caused by such party's material breach of any provision of this Agreement.

ARTICLE XI

MISCELLANEOUS

11.1 No Survival of Representations and Warranties. The parties hereto agree that the representations and warranties contained in this Agreement shall not survive the Closing hereunder, and none of the parties shall have any liability to each other after the Closing for any breach thereof other than for fraud. The parties hereto agree that the covenants contained in this Agreement to be performed prior to, at or after the Closing shall survive the Closing in accordance with their terms, and each party hereto shall be liable to the other after the Closing for any breach thereof.

11.2 Expenses. Except as otherwise provided herein, Seller and Purchaser shall bear their own expenses incurred in connection with the negotiation and execution of this Agreement and each other agreement, document and instrument contemplated by this Agreement and the consummation of the Transactions. Seller shall be liable for any sales, use and other transfer Taxes and all filing and recording fees (and any penalties and interest associated with such Taxes and fees) arising from or relating to Purchased Assets.

11.3 Injunctive Relief. Damages at law may be an inadequate remedy for the breach of any of the covenants, promises and agreements contained in this Agreement, and, accordingly, any party hereto shall be entitled to seek injunctive relief with respect to any such breach, including specific performance of such covenants, promises or agreements, or an order enjoining a party from any threatened, or from the continuation of any actual, breach of the covenants, promises or agreements contained in this Agreement. The rights set forth in this Section 11.3 shall be in addition to any other rights which a party hereto may have at law or in equity pursuant to this Agreement. For purposes of clarity, this Section 11.3 shall not be deemed to limit any party's right to terminate this Agreement pursuant to Section 4.4 or the rights of Purchaser under Section 7.2(b).

11.4 Submission to Jurisdiction; Consent to Service of Process.

(a) Without limiting any party's right to appeal any order of the Bankruptcy Court, after the commencement of the Bankruptcy Case (i) the Bankruptcy Court shall retain exclusive jurisdiction to enforce the terms of this Agreement and to decide any claims or disputes which may arise or result from, or be connected with, this Agreement, any breach or default hereunder, or the Transactions, and (ii) any and all proceedings related to the foregoing shall be filed and maintained only in the Bankruptcy Court, and the parties hereby consent to and submit to the jurisdiction and venue of the Bankruptcy Court and shall receive notices at such locations as indicated in Section 11.8 hereof; provided, however, that if the Bankruptcy Case has closed, the parties agree to unconditionally and irrevocably submit to the exclusive jurisdiction of the federal or state courts sitting in Delaware and any appellate court thereof, for the resolution of any such claim or dispute. The parties hereby irrevocably waive, to the fullest extent permitted by applicable Law, any objection that they may now or hereafter have to the laying of venue of any such dispute brought in such court or any defense of inconvenient forum for the maintenance of such dispute. Each of the parties hereto agrees that a judgment in any such dispute may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(b) Each of the parties hereto hereby consents to process being served by any party to this Agreement in any suit, action or proceeding by delivery of a copy thereof in accordance with the provisions of Section 11.8.

11.5 Waiver of Right to Trial by Jury. EACH PARTY TO THIS AGREEMENT WAIVES ANY RIGHT TO TRIAL BY JURY IN ANY CLAIM, ACTION, MATTER OR PROCEEDING REGARDING OR BASED UPON OR ARISING OUT OF THIS AGREEMENT OR ANY PROVISION HEREOF. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS AGREEMENT, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, ANTITRUST CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON-LAW OR STATUTORY CLAIMS. EACH PARTY HERETO ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO THIS AGREEMENT, AND THAT EACH WILL CONTINUE TO RELY ON THIS WAIVER IN THEIR RELATED FUTURE DEALINGS. EACH PARTY HERETO FURTHER WARRANTS AND

REPRESENTS THAT IT HAS REVIEWED THIS WAIVER WITH LEGAL COUNSEL OF ITS OWN CHOOSING, OR HAS HAD AN OPPORTUNITY TO DO SO, AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS, HAVING HAD THE OPPORTUNITY TO CONSULT WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING, AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS, OR MODIFICATIONS TO THIS AGREEMENT. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT WITHOUT A JURY.

11.6 Entire Agreement; Amendments and Waivers. This Agreement (including the Schedules and Exhibits hereto) represents the entire understanding and agreement between the parties hereto, and supersedes all prior agreements and understandings, whether written or oral, with respect to the subject matter hereof. This Agreement can be amended, supplemented or changed, and any provision hereof can be waived, only by written instrument making specific reference to this Agreement signed by the party against whom enforcement of any such amendment, supplement, modification or waiver is sought. No action taken pursuant to this Agreement, including any investigation by or on behalf of any party, shall be deemed to constitute a waiver by the party taking such action of compliance with any representation, warranty, covenant or agreement contained herein. The waiver by any party hereto of a breach of any provision of this Agreement shall not operate or be construed as a further or continuing waiver of such breach or as a waiver of any other or subsequent breach. No failure on the part of any party to exercise, and no delay in exercising, any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of such right, power or remedy by such party preclude any other or further exercise thereof or the exercise of any other right, power or remedy. All remedies hereunder are cumulative and are not exclusive of any other remedies provided by law.

11.7 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware applicable to contracts made and performed entirely in such State, other than its rules with respect to choice of laws.

11.8 Notices. All notices and other communications under this Agreement shall be in writing and shall be deemed given (i) when delivered personally by hand, (ii) when sent by facsimile (with written confirmation of transmission) or (iii) one Business Day following the day sent by overnight courier for next day delivery (with written confirmation of receipt), in each case at the following addresses and facsimile numbers (or to such other address or facsimile number as a party may have specified by notice given to the other party pursuant to this provision):

If to Seller:

J & D Company, LLC
c/o Huron Consulting Group, LLC
550 W. Van Buren Street, Suite 800
Chicago, IL 60607
Attn: Daniel Wikel
Fax: (312) 583-8701

with a copy (which shall not constitute notice) to:

Winston & Strawn LLP
35 West Wacker Drive
Chicago, Illinois 60601
Attention: Gregory J. Bynan, Esq.
Facsimile (312) 558-5700

If to Purchaser, to:

RSS Holdings, LLC
15 Piedmont Center
Suite 1500
Atlanta, Georgia 30305
Attn: Hamilton H. Powell
Fax: (404)467-6501

with a copy (which shall not constitute notice) to:

Womble Carlyle Sandridge & Rice, PLLC
271 17th Street, NW
Suite 2400
Atlanta, Georgia 30363
Attention: Sharon M. Johnson, Esq.
Telephone: (404) 888-7469
Facsimile: (404) 870-4825

11.9 Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any law or public policy, all other terms or provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the Transactions is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the Transactions are consummated as originally contemplated to the greatest extent possible.

11.10 Assignment. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. Nothing in this Agreement shall create or be deemed to create any third party beneficiary rights in any Person or entity not a party to this Agreement. No assignment of this Agreement or of any rights or obligations hereunder may be made by Seller or Purchaser (by operation of law or otherwise) without the prior written consent of the other party hereto and any attempted assignment without the required consents shall be void, provided that Purchaser may, without the consent of any other Person assign its rights under this Agreement to any lender(s) providing financing to Purchaser and/or any of its Affiliates for collateral security purposes. No assignment of any obligations hereunder shall relieve the parties hereto of any such obligations. Upon any such permitted assignment, the references in this Agreement to Seller or Purchaser shall also apply to any such assignee unless the context otherwise requires.

11.11 Counterparts; Electronic Delivery. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement. This Agreement and any signed agreement or instrument entered into in connection with this Agreement, and any amendments hereto or thereto, to the extent delivered by means of a facsimile machine or electronic mail (any such delivery, an "Electronic Delivery"), shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. At the request of any party hereto or to any such agreement or instrument, each other party hereto or thereto shall re execute original forms thereof and deliver them to all other parties in one of the delivery methods contemplated by Section 11.8. No party hereto or to any such agreement or instrument shall raise (a) the use of Electronic Delivery to deliver a signature or (b) the fact that any signature or agreement or instrument was transmitted or communicated through the use of Electronic Delivery, as a defense to the formation of a contract, and each such party forever waives any such defense, except to the extent such defense related to lack of authenticity.

11.12 Cooperation and Audits. Purchaser and Seller shall reasonably cooperate with each other regarding Tax matters and shall make available to the other as reasonably requested all information, records and documents relating to Taxes governed by this Agreement.

****REMAINDER OF PAGE INTENTIONALLY LEFT BLANK; SIGNATURE
PAGE FOLLOWS ****

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first written above.

PURCHASER:

RSS HOLDINGS, LLC

By: _____
Name: Tiffany J. N. CLAUS
Title: Manager

SELLER:

J & D COMPANY, LLC

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first written above.

PURCHASER:

RSS HOLDINGS, LLC

By: _____
Name: _____
Title: _____

SELLER:

J & D COMPANY, LLC

By: *D. P. Wiker*
Name: DANIEL P. WIKER
Title: CEO

Exhibit A

Bid Procedures

See attached.

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re:	)	Chapter 11
)	
Interlake Material Handling, Inc., <i>et al.</i> , ¹	)	Case No. 09-10019 (KJC)
)	
Debtors.	)	Joint Administration of J&D Requested

Set forth below are the bidding procedures (the "Bid Procedures") to be employed with respect to the proposed Sale of the RSS Purchased Assets contemplated by the Acquisition Agreement attached as Exhibit C to The Debtors' Motion For Orders (I)(A) Approving Bid Procedures For The Sale Of A Portion Of J&D's Assets, (B) Scheduling The Auction, (C) Authorizing Payment Of The Break-Up Fee, (D) Approving The Deposit, (E) Scheduling The Sale Hearing, (F) Approving The Assumption And Assignment Procedures Related To The Sale And (G) Approving The Form Of The Sale Notice; And (II) (A) Authorizing The Sale Of Such Assets Free And Clear Of Liens, Claims, Encumbrances, And Other Interests, (B) Authorizing And Approving Purchase Agreement, (C) Approving The Assumption And Assignment Of Certain Executory Contracts And Unexpired Leases Related Thereto And (D) Granting Related Relief [Docket No. ___] (the "Motion").² The Debtors have moved for, and will seek, entry of an order by the Bankruptcy Court authorizing and approving the proposed Sale to the Qualifying Bidder(s) (as defined below), which the Debtors determine to have made the highest or otherwise best offer for the RSS Purchased Assets.

BID PROCEDURES

I. THE BIDDING PROCESS

Set forth below is the general process to be employed by the Sellers with respect to the proposed Sale of the RSS Purchased Assets:

- A. Any person interested in making an offer to purchase the RSS Purchased Assets shall comply with these procedures.
- B. Only Qualifying Bids (as defined below) shall be considered by the Debtors.

¹ A motion for joint administration (the "Joint Administration Motion") of bankruptcy case number 09-___ of J&D Company, LLC ("J&D") was filed on May __, 2009 (the "J&D Petition Date"). The Joint Administration Motion sets forth the request that the bankruptcy case of J&D be jointly administered with case number 09-10019. If the Joint Administration Motion is approved by the Bankruptcy Court, the Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Interlake Material Handling, Inc. (9435); United Fixtures Company, Inc. (2048); UFC Interlake Holding Co. (9905); Conco-Tellus, Inc. (9950); and J&D Company, LLC (6376). The address for all of the Debtors is 1230 E. Diehl Road, Suite 400, Naperville, Illinois 60563, except for United Fixtures Company, Inc., whose address is 4300 Quality Drive, South Bend, Indiana 46628 and J&D Company, LLC whole address is 600 Hunter Lane, Middleton, PA 17057.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

- C. If the Debtors do not receive another Qualifying Bid prior to the Bid Deadline (as defined below) then RSS Holdings, LLC's (the "Purchaser") offer to acquire the RSS Purchased Assets under the Acquisition Agreement shall constitute the highest or otherwise best Qualifying Bid (the "Successful Bid").
- D. If the Debtors receive another Qualifying Bid prior to the Bid Deadline, then the Debtors shall select a Qualifying Bid as the Successful Bid after the Debtors have conducted an Auction (as defined below) and considered, among other things, the total consideration to be received by their estates as well as other financial and contractual terms relevant to the proposed Sale, including those factors affecting speed and certainty of consummating the proposed Sale.
- E. Upon failure to consummate the proposed Sale because of a breach of the Acquisition Agreement (or Qualifying Bidder Purchase Agreement, as applicable) on the part of the Successful Bidder after an order entered at the Sale Hearing, the Debtors shall be permitted to select the next highest or otherwise best bid to be the Successful Bid and to consummate such transaction without further order of the Bankruptcy Court.
- F. If the Successful Bidder (other than the Purchaser) fails to consummate the Sale, and such failure is the result of a breach of the Acquisition Agreement by the Successful Bidder, such Successful Bidder's Good Faith Deposit shall be forfeited to the Sellers and, except to the extent provided in such bidders' asset purchase agreement, the Sellers specifically reserve the right to seek all available damages from such person.
- G. The Good Faith Deposits of all Qualifying Bidders for the RSS Purchased Assets shall be retained by the Sellers and held in escrow in an interest bearing account and all Qualifying Bids will remain open, notwithstanding Bankruptcy Court approval of a sale pursuant to the terms of a Successful Bid by a Qualifying Bidder, until the earlier of (X) the closing of the sale of the RSS Purchased Assets, and (Y) the date that is 15 days after the Sale Hearing (or such later date specified in the Qualifying Bid) (the "Return Date"). On the Return Date, the Sellers shall return the Good Faith Deposits of all Qualifying Bidders, except the Successful Bidder, with the accrued interest. The provisions of the Acquisition Agreement regarding the Deposit by the Purchaser (as defined therein) shall control over the procedures set forth herein as to Purchaser, including without limitation, the exclusive remedy provisions set forth in Section 3.1 of the Acquisition Agreement.

II. PARTICIPATION REQUIREMENTS

- A. Unless otherwise ordered by the Bankruptcy Court for cause shown, to participate in the sale process, each person other than the Purchaser (a "Potential Bidder") shall deliver to the Debtors:

1. an executed confidentiality agreement in form and substance satisfactory to the Debtors; and
 2. current audited financial statements or other financial information of the Potential Bidder, or, if the Potential Bidder is an entity formed for the purpose of acquiring the RSS Purchased Assets, current audited financial statements or other financial information of the equity holder(s) of the Potential Bidder, or such other form of financial disclosure acceptable to the Debtors, demonstrating such Potential Bidder's ability to close the proposed transaction and to provide adequate assurance of future performance to counterparties to any executory contracts and unexpired leases to be assumed and assigned.
- B. "Qualifying Bidder" is (i) the Purchaser, for all purposes, notwithstanding any other conditions or requirements set forth herein, (ii) a Potential Bidder that delivers the documents described in subparagraphs A.1 and A.2 above and that the Debtors determine is reasonably likely (based on the availability of financing, experience and other considerations) to submit a Qualifying Bid and to be able to consummate the proposed Sale if selected as a Successful Bidder. Two or more Potential Bidders may be deemed a Qualifying Bidder if such Potential Bidders, considered in the aggregate, otherwise meet the foregoing criteria.
- C. The Debtors shall, in consultation with the Committee, determine whether a Potential Bidder is a Qualifying Bidder and shall provide written notice of its determination to such Potential Bidder and to each then existing Qualifying Bidder.

III. DUE DILIGENCE

The Debtors may afford each Qualifying Bidder due diligence access to the assets of J&D. The Sellers shall not be obligated to furnish any due diligence information after the Bid Deadline (as defined below).

IV. BID DEADLINE AND REQUIREMENTS

- A. "Qualifying Bid" is (i) the Purchaser's offer to acquire the RSS Purchased Assets pursuant to the Acquisition Agreement, for all purposes, notwithstanding any other conditions or requirements set forth herein, (ii) another Qualifying Bidder's offer to acquire some or all of the assets of RSS if such offer was received prior to the Bid Deadline and included each of the following (collectively, a "Bid Package"):

1. An executed clean copy of an asset purchase agreement (including schedules and exhibits, the "Qualifying Bidder Purchase Agreement") together with a copy of such Qualifying Bidder Purchase Agreement marked to reflect changes to the Acquisition Agreement, and which shall be (i) irrevocable until the earlier of fifteen (15) days from the date of the Sale Hearing or two (2) business days after a proposed Sale is consummated and (ii) for the purchase of the RSS Purchased Assets, "as is, where is," in exchange for a cash purchase price that exceeds the purchase price for the RSS Purchased Assets by at least \$62,500 (representing the Break-Up Fee plus a \$7,500 increment, the "Minimum Cash Amount") and the assumption or otherwise equivalent value of at least the Assumed Liabilities. Executed copies of two or more asset purchase agreements may be deemed a Qualifying Bidder Purchase Agreement if, considered in the aggregate, such asset purchase agreements otherwise meet the foregoing criteria.
 2. Financial and other information setting forth adequate assurance of future performance under Bankruptcy Code § 365 in a form requested by the Debtors to allow the Debtors to serve such information within one (1) business day after such receipt on counterparties to any executory contracts and unexpired leases being assigned in connection with the proposed transaction that have requested, in writing, such information.
 3. A good faith cash deposit (the "Good Faith Deposit") in the form of a bank or certified check (or other form acceptable to the Debtors in their sole discretion) payable to such party as the Debtors may determine, which Good Faith Deposit shall be held in escrow and must be in an amount at least equal to the greater of (i) 10% of the cash purchase price under the Qualifying Bidder Purchase Agreement, and (ii) the amount of the Deposit (which for clarity is \$125,000).
 4. A written statement that the bid is not conditioned on (i) obtaining financing or other financing contingencies or (ii) the outcome of unperformed due diligence by the bidder or any other due diligence contingencies.
- B. In order to be considered, complete Bid Packages must be actually received on or before 4:00 p.m., prevailing eastern time, on [_____, 2009] (the "Bid Deadline") and, except as may be instructed otherwise with respect to the Good Faith Deposit, should be delivered to:

Scott Lang
City Capital Advisors
444 North Michigan Avenue, Suite 3200
Chicago, IL 60611
Telephone: (312) 494-9808
Facsimile: (312) 494-9885

slang@city-cap.com

Sharon M. Johnson
Womble Carlyle Sandridge & Rice, PLLC
271 17th Street, NW
Suite 2400
Atlanta, Georgia 30363
Telephone: (404) 888-7469
Facsimile: (404) 870-4825
sharon.johnson@wcsr.com

V. BID PROTECTION

Recognizing the Purchaser's expenditure of time, energy and resources in connection with the negotiation of the Acquisition Agreement as well as the risk associated with acting as the stalking horse, the Sellers have agreed to provide certain bidding protections to the Purchaser. In the event that the Purchaser is not in default of the Acquisition Agreement and if the Court approves a Qualifying Bid from a Qualifying Bidder other than the Purchaser, then Sellers shall pay the Purchaser the Break-Up Fee in cash as an administrative expense of Sellers with priority over any and all administrative expenses. The provisions of the Acquisition Agreement specify other circumstances in which the Break-Up Fee is payable and shall survive termination of the Acquisition Agreement and the entry of the Bid Procedures Order.

VI. AUCTION

If the Debtors receive a Qualifying Bid other than that of the Purchaser, the Debtors will conduct an auction (the "Auction"). The Auction shall take place at [_____] on [_____, 2009] commencing at [__:0_m] prevailing eastern time. Subject to the "Reservation of Rights" set forth below, the Auction shall be governed by the following procedures:

- A. Only a Qualifying Bidder who has submitted a Qualifying Bid (including the Purchaser) shall be eligible to participate at the Auction.
- B. Each Qualifying Bidder shall be required to confirm that it has not engaged in any collusion with respect to the bidding or the proposed Sale.
- C. Each bid at the Auction must meet each of the criteria of a Qualifying Bid, other than the requirement that it be received prior to the Bid Deadline. At the Auction, any Qualifying Bids for the RSS Purchased Assets after a Qualifying Bid has been received for the Minimum Cash Amount (plus the Assumed Liabilities or otherwise equivalent value therefor), must improve each preceding bid by at least \$25,000. The Seller shall continue the Auction until no Qualifying Bidders are willing to improve upon their most recent bids.
- D. The amount of the Break-Up Fee will be added to and deemed a part of any bid of the Purchaser.

- E. All bids shall be placed on the record and each bidder shall be informed of the identity, amount and terms of the previous bid.
- F. In determining which Qualifying Bid(s) to select as the Successful Bid(s), the Debtors shall consider, among other things, (i) the amount of the purchase price, (ii) the form of consideration being offered, (iii) the likelihood of the Qualifying Bidder's ability to close a transaction and the timing thereof and (iv) the net benefit to the Debtors' estates and their creditors. The Debtors shall present the Successful Bid(s) to the Bankruptcy Court for approval at the Sale Hearing.
- G. The Debtors, in their reasonable discretion, may adopt procedural rules for the Auction at or prior to the Auction that, in their reasonable discretion, will better promote the goals of the Auction and that are not inconsistent with any of the provisions of these Bid Procedures or the Bidding Procedures Order. In the event that the Debtors adopt any such rules, they shall promptly communicate all such rules to all Qualifying Bidders.
- H. The Debtors, in their reasonable discretion, may adjourn without further notice the Auction (and Sale Hearing) if in their reasonable discretion, an adjournment will better promote the goals of the Auction.

VII. SALE HEARING

The Sale Hearing shall take place in the courtroom of the Honorable Kevin J. Carey in the United States Bankruptcy Court for the District of Delaware, 824 N. Market Street, 5th Floor, Courtroom No. __, Wilmington, Delaware 19801 on [_____, 2009 at __:0 __m.] prevailing eastern time. With the consent of the Successful Bidder or Bidders, the Sale Hearing may be adjourned or rescheduled without notice by an announcement of the adjourned date at the Sale Hearing or otherwise. At such Sale Hearing, the Debtors shall present the Successful Bid(s) to the Bankruptcy Court for approval.

VIII. RESERVATION OF RIGHTS

The Debtors may after consultation with counsel to the Creditors' Committee, counsel to National City Business Credit, Inc. and counsel to Roynat Business Capital, Inc., modify these Bid Procedures or impose, at or prior to the Auction, additional customary terms and conditions on the proposed Sale of the assets of J&D if in their reasonable judgment such modifications would be in the best interest of the Debtors' estates and promote an open and fair sale process, so long as such modifications and/or additional terms are consistent with these Bid Procedures and the provisions of the Bid Procedures Order, provided that no such modifications, terms or conditions shall modify the amount of the Good Faith Deposit or the Break Up Fee.

Exhibit B

Bid Procedures Order

See attached.

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re:	)	Chapter 11
)	
Interlake Material Handling, Inc., <i>et al.</i> , ¹	)	Case No. 09-_____ (____)
)	
Debtors.	)	Joint Administration Requested
)	
		Ref. Docket No. _____

ORDER (A) APPROVING BID PROCEDURES FOR THE SALE OF A PORTION OF J&D'S ASSETS, (B) SCHEDULING THE AUCTION, (C) AUTHORIZING PAYMENT OF THE BREAK-UP FEE, (D) APPROVING THE DEPOSIT (E) SCHEDULING THE SALE HEARING, (F) APPROVING THE ASSUMPTION AND ASSIGNMENT PROCEDURES RELATED TO THE SALE AND (G) APPROVING THE FORM OF THE SALE NOTICE

Upon the Debtors' *Motion For Orders (I)(A) Approving Bid Procedures For The Sale Of A Portion Of J&D's Assets, (B) Scheduling The Auction, (C) Authorizing Payment Of The Break-Up Fee, (D) Approving The Deposit (E) Scheduling The Sale Hearing, (F) Approving The Assumption And Assignment Procedures Related To The Sale, And (G) Approving The Form Of The Sale Notice; And (II) (A) Authorizing The Sale Of Such Assets Free And Clear Of Liens, Claims, Encumbrances, And Other Interests; (B) Authorizing And Approving Purchase Agreement; (C) Approving The Assumption And Assignment Of Certain Executory Contracts And Unexpired Leases Related Thereto; And (D) Granting Related Relief [Docket No. ____] (the "Motion")*²; notice of the Motion being proper and sufficient and all interested parties having been afforded an opportunity to be heard with respect to the Motion; and upon review and

¹ A motion for joint administration of the bankruptcy case number 09-_____ of J&D Company, LLC with the jointly administered case number 09-10019 (the "Joint Administration Motion") has been filed. If the Joint Administration Motion is approved by the Bankruptcy Court, the Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Interlake Material Handling, Inc. (9435); United Fixtures Company, Inc. (2048); UFC Interlake Holding Co. (9905); Conco-Tellus, Inc. (9950); and J&D Company, LLC (6376)("J&D"). The address for all of the Debtors is 1230 E. Diehl Road, Suite 400, Naperville, Illinois 60563, except for United Fixtures Company, Inc., whose address is 4300 Quality Drive, South Bend, Indiana 46628 and J&D Company, LLC whole address is 600 Hunter Lane, Middleton, PA 17057.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

consideration of (i) the Motion, (ii) objections thereto, if any, (iii) arguments of counsel and evidence proffered or adduced at the hearing on the Motion, if any (the "Hearing"); and (iv) the docket and proceedings in the above-captioned cases (the "Chapter 11 Cases"); and it appearing that the relief requested in the Motion is in the best interests of the Debtors, their estates, creditors, and other parties in interest:

THE COURT FINDS THAT:³

A. This Court has jurisdiction over the Motion pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue of these Chapter 11 Cases and the Motion in this district is proper under 28 U.S.C. §§ 1408 and 1409.

B. The statutory predicates for the relief sought in the Motion are Bankruptcy Code §§ 105, 363, 364, 365, 503 and 506, and Bankruptcy Rules 2002, 6004, 6006, 9007 and 9014. Consummation of the transactions contemplated by this Order and the Acquisition Agreement attached as Exhibit C to the Sale Motion (the "Sale") are legal, valid and properly authorized under the foregoing statutory predicates and all applicable requirements of such provisions have been complied with in respect of the Sale.

C. Notice of the Motion and Hearing and Auction having been given to the following parties is sufficient in light of the circumstances and the nature of the relief requested in the Motion and no further notice need be provided: (i) the United States Trustee; (ii) counsel to National City Business Credit, Inc.; (iii) counsel to Roynat Business Capital, Inc.; (iv) counsel to the Purchaser; (v) all parties known or reasonably believed to have asserted a Lien on any of the RSS Purchased Assets; (vi) the counterparties to each of the RSS Assigned Contracts; (vii) all

³ Regardless of the heading under which they appear, any (1) findings of fact that constitute conclusions of law shall be conclusions of law and (2) conclusions of law that constitute findings of fact shall be findings of fact. All findings of fact and conclusions of law announced by the Court at the Hearing in relation to the Motion are incorporated herein to the extent not inconsistent herewith.

persons or entities known or reasonably believed to have expressed an interest in acquiring the RSS Purchased Assets; (viii) all taxing authorities having jurisdiction over any of the RSS Purchased Assets or the ownership or operation of any of the RSS Purchased Assets by the Debtors; (ix) the Attorneys General in the States where the RSS Purchased Assets are located; (x) the United States Environmental Protection Agency and comparable State agencies where the RSS Purchased Assets are located; (xi) J&D's thirty largest creditors; (xii) counsel to the Committee; and (xiii) all parties that have requested personal notice pursuant to Bankruptcy Rule 2002 (the "Notice Parties").

D. The Break-Up Fee (the "Bid Protections") is: (1) an actual and necessary cost and expenses of preserving the Debtors' estates within the meaning of sections 503(b) and 507(a)(2) of the Bankruptcy Code; (2) reasonable and appropriate in light of (a) the substantial benefit conferred upon the Debtors estate by the Purchaser, (b) the size and nature of the Sale and (c) the efforts that have and will be expended by the Purchaser in pursuit of the Sale; and (3) necessary to induce the Purchaser to pursue the Sale.

E. The Bid Protections are fair, reasonable and appropriate and represent the best method for maximizing the value to the estate of J&D. The Bid Protections induced the Purchaser to enter into the Acquisition Agreement and submit to the Bid Procedures and Auction pursuant to which the Sale will serve as a minimum floor bid for the RSS Purchased Assets on which the Debtors, their creditors and other bidders may rely. The Purchaser has thus provided a material benefit to the Debtors and their creditors by increasing the likelihood that the best possible price for the RSS Purchased Assets will be received.

F. The Sale Notice is reasonably calculated to provide all interested parties with timely and proper notice of the Sale, Sale Hearing and Auction.

G. The notice to counterparties of RSS Assigned Contracts provided in accordance with the Assumption & Assignment Procedures is reasonably calculated to provide all counterparties to the RSS Assigned Contracts with proper notice of the potential assumption and assignment of their executory contract or unexpired lease and any Cure Amounts associated therewith.

H. The Debtors do not have a policy prohibiting the transfer of personally identifiable information about individuals to persons that are not affiliated with the Debtors.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

1. The Motion is approved.
2. All objections to the relief requested in the Motion that have not been withdrawn, waived or settled as announced to the Court at the Hearing or by stipulation filed with the Court, are overruled on their merits except as otherwise set forth herein.
3. The Bid Procedures, in the form attached hereto as Exhibit 1, are approved and the Debtors are authorized to take any and all actions necessary and/or appropriate to implement the Bid Procedures, which shall govern the Sale in all respects, including specifically the provisions set forth in the Acquisition Agreement concerning the Deposit by the Purchaser, which are approved and which includes, without limitation, the exclusive remedy provisions set forth in Section 3.1 of the Acquisition Agreement.
4. As provided in the Bid Procedures, if and only if a Qualifying Bid is timely received for the RSS Purchased Assets in accordance with the Bid Procedures, the Debtors shall conduct an Auction at the offices of Young Conaway Stargatt & Taylor, LLP, The Brandywine Building, 1000 West Street, Wilmington, Delaware 19801 on _____, 2009 at __:__.m., prevailing eastern time.

5. The Bid Protections are approved and the Debtors are authorized and instructed, without further action or order of this Court, to pay the Break-Up Fee in accordance with the Bid Procedures, as applicable.

6. The Assumption & Assignment Procedures, substantially in the form attached hereto as Exhibit 2, are approved and the Debtors are authorized to take any and all actions necessary and/or appropriate to implement the Assumption & Assignment Procedures.

7. The Sale Notice, substantially in the form attached hereto as Exhibit 3, is approved and shall be served upon Notice Parties within one (1) business day after entry of this Order.

8. At least twenty (20) days prior to the Auction, the Debtors shall publish notice of the Sale, the time and place of the proposed Auction, and time and place of the Hearing in such publication or publications as the Debtors determine will promote the marketing and sale of the RSS Purchased Assets.

9. Each Qualifying Bidder participating at the Auction shall confirm that it has not engaged in any collusion with respect to the bidding or the sale.

10. All creditors will be permitted to attend the Auction, which shall be videotaped or transcribed and be conducted openly.

11. The Sale Hearing shall be conducted on _____, 2009 at ___:___ .m., prevailing eastern time. The Debtors shall seek entry of an order at the Sale Hearing approving and authorizing the sale of the RSS Purchased Assets to the Purchaser or the highest and best offer at the Auction, as applicable, on terms and conditions substantially consistent with the Acquisition Agreement, as amended or modified. The Sale Hearing may be adjourned or

rescheduled without notice other than by announcement of the adjourned date at the Sale Hearing.

12. Objections to the relief requested in the Sale Motion must be: (i) in writing and filed on the docket in the Chapter 11 Cases; (ii) comply with the Bankruptcy Rules and Local Bankruptcy Rules; and (iii) be served upon the Debtors and Notice Parties such as to be received on or before 4:00 p.m., prevailing eastern time, on _____, 2009. Nothing in this order shall waive or otherwise impart any party's right to object to the proposed sale, all of which rights are expressly preserved.

13. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.

14. Although the Debtors do not believe any consumer credit transactions are involved in the Sale, notwithstanding section 363(f) of the Bankruptcy Code, if any party purchases any interest in a consumer credit transaction that is subject to the Truth in Lending Act or any interest in a consumer credit contract (as defined in section 433.1 of title 16 of the Code of Federal Regulations (January 1, 2004), as amended from time to time), and if such interest is purchased through a sale by the Debtors under section 363 of the Bankruptcy Code, then such person shall remain subject to all claims and defenses that are related to such consumer credit transaction or such consumer credit contract, to the same extent as such person would be subject to such claims and defenses of the consumer had such interest been purchased at a sale not under section 363.

15. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

16. To the extent that this Order is inconsistent with any prior order or pleading with respect to the Motion in these Chapter 11 Cases, the terms of this Order shall govern.

17. This Court shall retain jurisdiction to resolve any dispute relating to the interpretation of the terms and conditions of the Bid Procedures and this Order. To the extent any provisions of this Order shall be inconsistent with the Motion, the terms of this Order shall control.

DATE: _____, 2009

KEVIN J. CAREY
UNITED STATES BANKRUPTCY JUDGE

Exhibit C

Sale Order

See attached.

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re:	)	Chapter 11
)	
Interlake Material Handling, Inc., <i>et al.</i> , ¹	)	Case No. 09-10019 (KJC)
)	
Debtors.	)	Joint Administration Requested

ORDER AUTHORIZING AND APPROVING (A) ACQUISITION AGREEMENT, (B) SALE OF CERTAIN ASSETS AND INTERESTS FREE AND CLEAR OF LIENS, CLAIMS AND INTERESTS, (C) ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES, AND (D) RELATED RELIEF

Upon the Motion of The Debtors' For Orders (I)(A) Approving Bid Procedures For The Sale Of A Portion Of J&D's Assets, (B) Scheduling The Auction, (C) Authorizing Payment Of The Break-Up Fee, (D) Approving The Deposit, (E) Scheduling The Sale Hearing, (F) Approving The Assumption And Assignment Procedures Related To The Sale And (G) Approving The Form Of The Sale Notice; And (II) (A) Authorizing The Sale Of Such Assets Free And Clear Of Liens, Claims, Encumbrances, And Other Interests, (B) Authorizing And Approving Purchase Agreement, (C) Approving The Assumption And Assignment Of Certain Executory Contracts And Unexpired Leases Related Thereto And (D) Granting Related Relief dated _____, 2009 [Docket No. ___] (the "J&D Sale Motion")², notice of the J&D Sale Motion being proper and sufficient and all interested parties having been afforded an opportunity to be heard with respect to the J&D Sale Motion; and upon review and consideration of (i) the

¹ A motion for joint administration of the bankruptcy case number 09-____ of J&D Company, LLC ("J&D") with the jointly administered case number 09-10019 (the "Joint Administration Motion") has been filed. If the Joint Administration Motion is approved by the Bankruptcy Court, the Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Interlake Material Handling, Inc. (9435) ("IMH"); United Fixtures Company, Inc. (2048) ("UFC"); UFC Interlake Holding Co. (9905) ("UFC Holding"), Conco-Tellus, Inc. (9950) ("CT") and, together with IMH, UFC and UFC Holding, the "Original Debtors", J&D Company, LLC (6376). The address for all of the Debtors is 1230 E. Diehl Road, Suite 400, Naperville, Illinois 60563, except for United Fixtures Company, Inc., whose address is 4300 Quality Drive, South Bend, Indiana 46628 and J&D Company, LLC whole address is 600 Hunter Lane, Middleton, PA 17057.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the J&D Sale Motion and Acquisition Agreement, as applicable

J&D Sale Motion; (ii) objections thereto, if any; (iii) arguments of counsel and evidence proffered or adduced at the hearing on the J&D Sale Motion, if any (the “Sale Hearing”); and (iv) the docket and proceedings in the above-captioned cases (the “Chapter 11 Cases”); and it appearing that the relief requested in the J&D Sale Motion is in the best interests of the Debtors, their estates, creditors, and other parties in interest:

THE COURT FINDS THAT:²

A. This Court has jurisdiction over the J&D Sale Motion pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue of these Chapter 11 Cases and the J&D Sale Motion in this district is proper under 28 U.S.C. §§ 1408 and 1409.

B. The statutory predicates for the relief sought in the J&D Sale Motion are Bankruptcy Code §§ 105, 363 and 365, and Bankruptcy Rules 2002, 6004, 6004-1, 6006, 9007 and 9014. Consummation of the transactions contemplated by this Order and the Acquisition Agreement (the “Sale”) is legal, valid and properly authorized under the foregoing statutory predicates and all applicable requirements of such provisions have been complied with in respect of the Sale.

C. This Order constitutes a final and appealable order within the meaning of 28 U.S.C. § 158(a). Notwithstanding Bankruptcy Rules 6004 and 6006, and to any extent necessary under Bankruptcy Rule 9014 and Rule 54(b) of the Federal Rules of Civil Procedure, as made applicable by Bankruptcy Rule 7054, the Court expressly finds that there is no just reason for

² Regardless of the heading under which they appear, any (1) findings of fact that constitute conclusions of law shall be conclusions of law and (2) conclusions of law that constitute findings of fact shall be findings of fact. All findings of fact and conclusions of law announced by the Court at the Sale Hearing in relation to the J&D Sale Motion are incorporated herein to the extent not inconsistent herewith.

delay in the implementation of this Order and expressly directs entry of judgment as set forth herein.

D. Actual and timely notice of the J&D Sale Motion, Sale Hearing, the Auction, the Sale and the assumption and assignment of the RSS Assigned Contracts, in sufficient form and substance, has been served on, and a reasonable opportunity to object or be heard with respect to the J&D Sale Motion and the relief requested therein has been afforded to all interested persons and entities, including, but not limited to: (i) the United States Trustee; (ii) counsel to National City Business Credit, Inc.; (iii) counsel to Roynat Business Capital, Inc.; (iv) counsel to the Purchaser; (v) counsel to the Committee; (vi) all parties known or reasonably believed to have asserted a Lien on any of the RSS Purchased Assets; (vii) the counterparties to each of the RSS Assigned Contracts; (viii) all persons or entities known or reasonably believed to have expressed an interest in acquiring the RSS Purchased Assets; (ix) all federal, state and local taxing authorities having jurisdiction over any of the RSS Purchased Assets or the ownership or operation of the RSS Assets by the Debtors; (x) the Attorneys General in the States where the RSS Purchased Assets are located; (xi) the United States Environmental Protection Agency and comparable State agencies where the RSS Purchased Assets are located; (xii) J&D's thirty largest creditors; and (xiii) all parties that have requested personal notice pursuant to Bankruptcy Rule 2002 (the "Notice Parties").

E. The Debtors published notice of the Sale of the RSS Purchased Assets, the time and place of the proposed Auction of the RSS Purchased Assets, and the time and place of the Sale Hearing in The Wall Street Journal on _____, 2009.

F. In accordance the provisions of the Bid Procedures Order and Assumption & Assignment Procedures, the Debtors have served notice of the Cure Amounts as of the Closing

Date (the "Cure Notice") upon each counterparty to a RSS Assigned Contract. The service of such Cure Notice was good, sufficient and appropriate under the circumstances and no further notice need be given in respect of establishing a Cure Amount for the RSS Assigned Contract. Counterparties to the RSS Assigned Contracts have had a reasonable and appropriate opportunity to object to the Cure Amount set forth in the Cure Notice and the potential assignment and assumption of such RSS Assigned Contracts.

G. As evidenced by the affidavits of service filed with the Court in the Chapter 11 Cases, proper, timely, adequate, and sufficient notice of the J&D Sale Motion, the Auction, the Sale Hearing and the Sale has been provided in accordance with Bankruptcy Code §§ 102(1), 363 and 365 and Bankruptcy Rules 2002, 6004, 6006 and 9014. The Debtors also have complied with all obligations to provide notice of the J&D Sale Motion, the Auction, the Sale Hearing and the Sale as required by the Bid Procedures Order. The foregoing notice described in paragraphs D through G hereof was good, sufficient and appropriate under the circumstances, and no other or further notice of the J&D Sale Motion, the Auction, the Sale Hearing and the Sale or the assignment of the RSS Assigned Contracts or the entry of this Order is required.

H. The Purchaser is purchasing the RSS Purchased Assets in good faith and is a good faith buyer within the meaning of Bankruptcy Code § 363(m), and is therefore entitled to the protection of that provision, and otherwise has proceeded in good faith in all respects in connection with this proceeding in that: (1) The Purchaser recognized that the Debtors were free to deal with any other party interested in acquiring the RSS Purchased Assets; (2) The Purchaser complied with the provisions in the Bid Procedures Order; (3) The Purchaser agreed to subject its bid to the competitive bidding procedures set forth in the Bid Procedures Order; (4) all payments to be made by the Purchaser and other agreements or arrangements entered into by the

Purchaser in connection with the Sale have been disclosed; (5) The Purchaser has not violated Bankruptcy Code § 363(n) by any action or inaction; (6) no common identity of directors or controlling stockholders exists between the Purchaser and the Debtors; and (g) the negotiation and execution of the Acquisition Agreement and other agreements or instruments related thereto was at arm's-length, without collusion and in good faith. The Purchaser will be acting in good faith within the meaning of Section 363(m) of the Bankruptcy Code in closing the transactions contemplated by the Acquisition Agreement at any time after the entry of this Order.

I. The Debtors conducted an auction process in accordance with, and have otherwise complied in all respects with, the Bid Procedures Order. The Auction afforded a full, fair and reasonable opportunity for any party to make a higher or otherwise better offer to purchase the RSS Purchased Assets. The Auction was duly noticed and conducted in a non-collusive, fair and good faith manner.

J. The terms of the Acquisition Agreement are fair and reasonable. The Acquisition Agreement and the purchase price set forth therein constitutes the highest and best offer for the RSS Purchased Assets, and will provide a greater recovery for the Debtors' estates than would be provided by any other available alternatives. The Debtors' determination that the Acquisition Agreement constitutes the highest and best offer for the RSS Purchased Assets constitutes a valid and sound exercise of the Debtors' business judgment.

K. The Acquisition Agreement represents a fair and reasonable offer to purchase the RSS Purchased Assets under the circumstances of the Chapter 11 Cases. No other party has offered to purchase the RSS Purchased Assets (or the respective assets of the RSS Division or the JDM Division independently) for greater economic value to the Debtors' estate.

L. The Deposit under the Acquisition Agreement is integral to the terms of the Acquisition Agreement.

M. The Purchaser would not have entered into the Acquisition Agreement and would not consummate the transactions contemplated thereby, thus adversely affecting the Debtors, their estate, and creditors, if the sale of the RSS Purchased Assets and the assignment of the RSS Assigned Contracts to it were not free and clear of all Liens, or if the Purchaser would, or in the future could, be liable for any of the Liens or liabilities of the Debtor or any other owner of the RSS Purchased Assets, other than the RSS Assumed Liabilities.

N. Approval of the J&D Sale Motion, the Acquisition Agreement, the assignment of the RSS Assigned Contracts, and the consummation of the transactions contemplated thereby is in the best interests of the Debtors, their creditors, their estates and other parties in interest.

O. The Debtors have demonstrated compelling circumstances and a good, sufficient, and sound business purpose and justification for the Sale prior to, and outside of, a plan of reorganization.

P. The consideration provided by the Purchaser pursuant to the Acquisition Agreement constitutes reasonably equivalent value and fair consideration under the Bankruptcy Code and the laws of the United States, any state, territory, possession or the District of Columbia.

Q. The Debtors have full corporate power and authority to execute and deliver the Acquisition Agreement and all other documents to be entered into in connection therewith or contemplated thereby, and no further consents or approvals are required for the Debtors to consummate the transactions contemplated by the Acquisition Agreement.

R. The transfer of the RSS Purchased Assets to the Purchaser will be as of the Closing Date under the Acquisition Agreement a legal, valid and effective transfer of such assets and interests, and vests or will vest in the Purchaser good and marketable title in and all right, title and interest of the Debtors in and to the RSS Purchased Assets free and clear of all Liens, claims or adverse interests of any kind or nature whatsoever, accruing, arising or relating to any time prior to the Closing Date, except for any Assumed Liabilities as specifically set forth the Acquisition Agreement.

S. The Debtors may sell the RSS Purchased Assets free and clear of all Liens because, in each case, one or more of the standards set forth in Bankruptcy Code § 363(f)(1)-(5) has been satisfied. Those holders of Liens, against the Debtors, their estates or any of the RSS Purchased Assets who did not object, or who withdrew their objections, to the Sale or the J&D Sale Motion are deemed to have consented to the Sale free and clear of their interest pursuant to Bankruptcy Code § 363(f)(2). Those holders of Liens that objected fall within one or more of Bankruptcy Code 636(f)(1), (3)-(5) and are adequately protected by having their Liens attach to that portion of the cash proceeds of the Sale attributable to their Liens, in the same order of priority, with the same validity, force and effect that such holder had prior to the Sale.

T. The assumption and assignment of the RSS Assigned Contracts pursuant to the terms of this Order is integral to the Acquisition Agreement and is in the best interests of the Debtors and their estates, their creditors and other parties in interest, and represents the reasonable exercise of the Debtors' sound business judgment.

U. The respective amounts set forth in the Contract & Cure Schedule are the sole amounts necessary under Bankruptcy Code § 365 to cure all monetary defaults and pay all actual pecuniary losses under the RSS Assigned Contracts. All non-Debtor parties to the RSS Assigned

Contracts are deemed to have consented to the assignment of such RSS Assigned Contracts pursuant to Section 105 and 363(f)(2) of the Bankruptcy Code.

V. The Debtors have (i) cured and/or provided adequate assurance of cure of any default existing prior to the Closing Date under any of the RSS Assigned Contracts, within the meaning of Bankruptcy Code § 365(b)(1)(A); and (ii) provided compensation or adequate assurance of compensation to any party for actual pecuniary loss to such party resulting from a default prior to the Closing Date under any of the RSS Assigned Contracts, within the meaning of Bankruptcy Code § 365(b)(1)(B).

W. The Debtors and/or the Purchaser have provided adequate assurance of future performance under the RSS Assigned Contracts within the meaning of Bankruptcy Code § 365(b)(1)(C), (b)(3) (to the extent applicable) and (f)(2)(B).

X. To maximize the value of the RSS Purchased Assets and preserve the viability of the businesses to which the RSS Purchased Assets relate, it is essential that the Sale of the RSS Purchased Assets occur within the time constraints set forth in the Acquisition Agreement. Time is of the essence in consummating the Sale.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

1. The J&D Sale Motion is approved in its entirety on the merits and the relief sought therein is granted.

2. All objections to the relief requested in the J&D Sale Motion that have not been withdrawn, waived or settled as announced to the Court at the Sale Hearing or by stipulation filed with the Court, are overruled in all respects on the merits.

3. The Acquisition Agreement and all other ancillary documents contemplated thereby or to be entered into in connection therewith, and all of the terms and conditions thereof and all transactions contemplated thereby, are approved in their entirety.

4. Pursuant to Bankruptcy Code § 363(b), the Debtors and their officers, employees and agents are authorized, empowered and directed to take any and all actions necessary or appropriate to (i) consummate the Sale of the RSS Purchased Assets to the Purchaser pursuant to and in accordance with the terms and conditions of the Acquisition Agreement; (ii) close the Sale as contemplated in the Acquisition Agreement and this Order; (iii) execute and deliver, perform under, consummate, implement and close fully the Acquisition Agreement, together with all additional instruments and documents that may be reasonably necessary or desirable to implement the Acquisition Agreement and the Sale, including any other ancillary documents, or as may be reasonably necessary or appropriate to the performance of the obligations as contemplated by the Acquisition Agreement and such ancillary documents; and (iv) and to take all further actions as may be reasonably requested by the Purchaser for the purpose of assigning, transferring, granting, conveying, conferring or reducing to possession the RSS Purchased Assets to the Purchaser, or as may be necessary or appropriate to the performance of the obligations as contemplated by the Acquisition Agreement and the other agreements, exhibits, instruments or documents contemplated thereby.

5. The terms and provisions of this Order shall be binding in all respects upon the Purchaser, and Debtors, any trustees thereof, the estates, creditors and shareholders of the Debtors, all interested parties and their respective successors and assigns, including without limitation, any creditor asserting a Lien on the RSS Purchased Assets and all non-debtor counterparties to the RSS Assigned Contracts.

6. Pursuant to Bankruptcy Code §§ 105(a), 363(f) and 365, the Debtors are authorized and directed to transfer the RSS Purchased Assets to the Purchaser on the Closing Date. The RSS Purchased Assets shall be transferred to the Purchaser upon and as of the Closing Date and such transfer shall constitute a legal, valid, binding and effective transfer of good and marketable title to the RSS Purchased Assets and, upon the Debtors' receipt of the Purchase Price *less* the Deposit, shall be free and clear of all Liens with all such Liens to attach to the net proceeds of the Sale with the same validity, priority, force and effect that they had as against the RSS Purchased Assets prior to the Closing. Following the Closing Date, no holder of a Lien against the Debtor shall interfere with the Purchaser's title to or use and enjoyment of the RSS Purchased Assets based on or related to such Lien, or any actions that the Debtor may take in its Chapter 11 case.

7. Except as expressly permitted or otherwise specifically provided by the Acquisition Agreement or this Order, all parties holding Liens or interests in the RSS Purchased Assets or claims against the Debtors or the assets of the Debtors, arising under or out of, in connection with, or in any way relating to the Debtors, RSS Purchased Assets, the operation of J&D's or its predecessors' businesses prior to the Closing Date or the transfer of the RSS Purchased Assets to the Purchaser, hereby are forever barred, estopped and permanently enjoined from asserting against the Purchaser or its successors or assigns, their property or the RSS Purchased Assets, such parties' interests in and to or claims against any RSS Purchased Assets. On the Closing Date, each creditor is authorized and directed to execute such documents and take all other actions as may be necessary to release Liens (except Assumed Liabilities as defined in the Acquisition Agreement) on the RSS Purchased Assets, if any, as provided for herein, as such Liens may have been recorded or may otherwise exist.

8. All parties are hereby forever prohibited and enjoined from taking any action that would adversely affect or interfere with the ability of the Debtors to sell and transfer the RSS Purchased Assets to the Purchaser in accordance with the terms of the Acquisition Agreement and this Order.

9. All parties that are in possession of some or all of the RSS Purchased Assets on the Closing Date are directed to surrender possession of the RSS Purchased Assets to the Purchaser or its assignee at the Closing.

10. A certified copy of this Order may be filed with the appropriate clerk and/or recorded with the recorder to act to cancel the Liens and other liens of record.

11. If any party which has filed statements or other documents or agreements evidencing Liens on, or interests in, any or all of the RSS Purchased Assets shall not have delivered to the Debtors prior to the Closing, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfaction, releases necessary to evidence the release of all Liens, which the party has or may assert with respect to the RSS Purchased Assets, the Debtors are authorized and directed, and the Purchaser is authorized, to execute and file such statements, instruments, and other documents on behalf of such person or entity with respect to the RSS Purchased Assets.

12. This Order is and shall be binding upon and govern the acts of all parties, including without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal and local officials and all other parties who may be required by operation of law, the duties of their office, or contract, to accept, file, register or otherwise record or release any documents or instruments, or who may be required to

report or insure any title or state of title in or to any lease; and each of the foregoing persons and entities is hereby directed to accept for filing any and all of the documents and instruments necessary and appropriate to consummate the transactions contemplated by the Acquisition Agreement.

13. Funds to be deposited with the Escrow Agent pursuant to the Acquisition Agreement are not property of the Debtors or their estates in the above-captioned chapter 11 case and shall not be property of any debtor estate in any subsequent proceeding under chapter 7 of the Bankruptcy Code.

14. Upon the Closing Date, the Purchaser is granted immediate and unrestricted access to the RSS Purchased Assets conveyed at the Closing. The Debtors and their subsidiaries, and each of their employees, officers and directors and any other entity that may have possession or control over items such as keys, lock boxes, security codes, computer access codes, telephone access codes and other similar devices, shall turn over such devices (or control or access to such devices) to the Purchaser immediately upon the Closing as to the RSS Purchased Assets conveyed at the Closing. The Debtors and such entities are enjoined after the Closing from exercising any control and/or interfering with the Purchaser's use, peaceful enjoyment and control of the RSS Purchased Assets.

15. Upon the Closing, the Debtors are authorized and directed to pay all Cure Amounts to the non-Debtor parties to the RSS Assigned Contracts and assume, assign and sell each of the RSS Assigned Contracts to the Purchaser free and clear of all Liens. The payment of the applicable Cure Amounts (if any) shall (a) effect a cure of all defaults existing thereunder, whether monetary or otherwise, as of the Closing Date, (b) compensate for any actual pecuniary loss to such non-Debtor party resulting from such default and (c) together with the assumption of

the RSS Assigned Contracts by the Purchaser, constitute adequate assurance of future performance thereof. The Purchaser shall then have purchased and assumed the RSS Assigned Contracts and, pursuant to Bankruptcy Code § 365(f), the assignment and sale by the Debtors of such RSS Assigned Contracts shall not be a default thereunder. After the payment of the Cure Amounts, neither the Debtors nor the Purchaser shall have any further liabilities to the non-Debtor parties to the RSS Assigned Contracts other than the Purchaser's obligations under the RSS Assigned Contracts that first arise and become due and payable on or after the Closing Date.

16. Any provisions in any RSS Assigned Contract that prohibit or condition the assignment of such RSS Assigned Contract or allow the non-Debtor party to such RSS Assigned Contract to terminate, recapture, impose any penalty, condition on renewal or extension or modify any term or condition, upon the assignment of such RSS Assigned Contract, constitute unenforceable anti-assignment provisions that are void and of no force and effect. All other requirements and conditions under Bankruptcy Code §§ 363 and 365 for the assumption of the Debtors and assignment to the Purchaser of the RSS Assigned Contracts have been satisfied. Upon the Closing, in accordance with Bankruptcy Code §§ 363 and 365, the Purchaser shall be fully and irrevocably vested with all rights, title and interest of the Debtors under the RSS Assigned Contracts.

17. The RSS Assigned Contracts shall, as of the Closing Date, be valid and binding on the Purchaser and the other non-Debtor counterparties thereto, and in full force and effect and enforceable in accordance with their respective terms. Following such assignment, the Debtors shall be relieved, pursuant to Bankruptcy Code § 365(k), from any further liability under the RSS Assigned Contracts.

18. Pursuant to Bankruptcy Code §§ 105(a), 363 and 365, all parties to the RSS Assigned Contracts are forever barred and enjoined from raising or asserting against the Purchaser any assignment fee, default, breach or claim or pecuniary loss, or condition to assignment, arising under or related to the RSS Assigned Contracts existing as of the Closing Date or arising by reason of the Closing.

19. Effective upon the Closing Date, all parties are forever prohibited and enjoined from asserting, commencing or continuing in any manner any action or other proceeding, whether in law or equity, in any judicial, administrative, arbitral or other proceeding against the Purchaser, its successors and assigns, or the RSS Purchased Assets, with respect to any (a) Liens or claims of any kind, whatsoever, arising under, out of, in connection with or in any way relating to the Debtors, the formation of J&D and the transfer of the assets thereto, the Purchaser, the RSS Purchased Assets, the termination of employment of any employee of the Debtors (including any claims under COBRA), or the operation of the RSS Purchased Assets prior to the Closing, or (b) successor liability, under any theory whatsoever, including without limitation, through any of the following means: (i) commencing or continuing in any manner any action or other proceeding against the Purchaser, its successors, assets or properties; (ii) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree or order against the Purchaser, its successors, assets or properties; (iii) creating, perfecting or enforcing any Liens, or other liens against the Purchaser, its successors, assets or properties; (iv) asserting any setoff, right of subrogation or recoupment of any kind against any obligation due the Purchaser or its successors; (v) commencing or continuing any action, in any manner or place, that does not comply or is inconsistent with the provisions of this Order or other orders of the Court, or the agreements or actions contemplated or taken in respect thereof; or

(v) revoking, terminating or failing or refusing to issue or renew any license, permit or authorization to operate any of the RSS Purchased Assets or conduct any of the businesses operated with the RSS Purchased Assets.

20. Except for the Assumed Liabilities assumed under the Acquisition Agreement, the Purchaser shall not have any liability or other obligation of the Debtors arising under or related to the RSS Purchased Assets. Without limiting the foregoing, and except as otherwise specifically provided herein or in the Acquisition Agreement, the Purchaser shall not be liable for any claims against the Debtors or any of its predecessors or affiliates, and the Purchaser shall have no successor or vicarious liabilities of any kind or character, including without limitation, any theory of antitrust, environmental, successor or transferee liability, labor law, de facto merger or substantial continuity, whether known or unknown as of the Closing Date, now existing or hereafter arising, whether fixed or contingent, with respect to the Debtors or any obligations of the Debtors arising prior to the Closing Date, including without limitation, liabilities on account of any taxes arising, accruing or payable under, out of, in connection with, or in any way relating to the operation of the RSS Purchased Assets prior to the Closing. The Purchaser has given substantial consideration under the Acquisition Agreement for the benefit of the holders of Liens. The consideration given by the Purchaser shall constitute valid and valuable consideration for the releases of any potential claims of successor liability of the Purchaser, which releases shall be deemed to have been given in favor of the Purchaser by all holders of Liens against the Debtors or the RSS Purchased Assets.

21. The transactions contemplated by the Acquisition Agreement are undertaken by the Purchaser without collusion and in good faith, as that term is defined in Bankruptcy Code § 363(m), and, accordingly, the reversal or modification on appeal of the authorization provided

herein to consummate the Sale shall not affect the validity of the Sale (including the assumption and assignment of the RSS Assigned Contracts). The provisions of Bankruptcy Rules 6004(g) and 6006(d) staying the effectiveness of this Order are hereby waived.

22. The Sale includes the assignment and transfer of certain avoidance actions and other claims (whether under chapter 5 of the Bankruptcy Code or otherwise) of the Debtors' estates which are included in the RSS Purchased Assets as set forth in the Acquisition Agreement. Such sale, assignment and transfer is hereby approved and the Debtors and their creditors, interest holders, successors and anyone claiming by or through any of them are forever barred from asserting any such claims or actions.

23. No bulk sales law or any similar law of any state or other jurisdiction applies in any way to the Sale, and if applicable, such laws are hereby waived.

24. There are no brokers involved in consummating the Sale and no brokers' commissions are due.

25. The failure specifically to include any particular provision of the Acquisition Agreement or any other agreement, instrument, exhibit or document contemplated thereby in this Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Court that the Acquisition Agreement and all other agreements, instruments, exhibits and documents contemplated thereby be authorized and approved in their entirety.

26. The Acquisition Agreement and any related agreements, documents or other instruments may be modified, amended or supplemented by the parties thereto and in accordance with the terms thereof, without further order of the Court, provided that any such modification, amendment or supplement does not have a material adverse effect on the Debtors' estates.

27. Notwithstanding the possible applicability of Bankruptcy Rules 6004, 6006, 7062, 9014 or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable.

28. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

29. To the extent that this Order is inconsistent with any prior order or pleading with respect to the J&D Sale Motion in these Chapter 11 Cases, the terms of this Order shall govern.

30. Nothing contained in any plan of reorganization or liquidation confirmed in this case or the order of confirmation confirming any plan of reorganization or liquidation, nor any order dismissing the case or converting it to a chapter 7 liquidation, shall conflict with or derogate from the provisions of this Order.

31. Each and every term and provision of this Order shall be binding in all respects upon the Purchaser, the Debtor, the Debtor's bankruptcy Estate, its creditors, all individuals or entities holding an interest in the Debtor, all non-Debtor parties to the RSS Assigned Contracts, all other entities and third parties, including, without limitation, any entity purporting to hold a lien or Liens against the RSS Purchased Assets.

32. Nothing in this Order or the Acquisition Agreement releases, nullifies, or enjoins the enforcement against the Purchaser by the Environmental Protection Agency or any governmental unit under police and regulatory statutes or regulations authorized to enforce environmental laws of the United States or related regulations of any liability to such governmental unit under environmental laws of the United States or related regulations that any entity would be subject to as the owner or operator of property for events or circumstances first arising after the date of entry of this Order. Nothing in this Order or the Acquisition Agreement

authorizes the transfer or assignment to the Purchaser of any license, permit, registration, authorization, or approval of or with respect to a governmental unit concerning environmental laws of the United States or related regulations without the Purchaser's compliance with all applicable legal requirements under nonbankruptcy law governing such transfers or assignments. Nothing in this Order or the Acquisition Agreement relieves or excuses the Purchaser from any legal obligations to obtain and comply with environmental permits necessary to operate facilities.

33. This Court shall retain jurisdiction to resolve any dispute relating to the interpretation of the terms and conditions of the Acquisition Agreement and this Order. To the extent any provisions of this Order shall be inconsistent with the J&D Sale Motion, the terms of this Order shall control.

DATE: _____, 2009

KEVIN J. CAREY
UNITED STATES BANKRUPTCY JUDGE

Exhibit D

METHODOLOGY FOR VALUING INVENTORY AND ACCOUNTS RECEIVABLE

In calculating the Working Capital and in valuing the accounts receivable and Inventory of the Business, the parties shall use the following methodologies:

1. The reserve for doubtful accounts shall be 2% of the gross accounts receivables included in the Purchased Assets.
2. The reserve for obsolete and slow moving Inventory items will be computed as follows; provided however, that in no event shall the amount of such Inventory reserve exceed \$200,000:
 - a. All Inventory categories which have had no usage in the last 12 months shall be reserved for at 100% of their cost.
 - b. All Inventory categories which have had no usage in the last 9 months shall be reserved for at 85% of their cost.
 - c. All Inventory categories which have had no usage in the last 6 months shall be reserved for at 70% of their cost.
 - d. All Inventory categories which have an excess supply of more than 3 months average monthly usage for the item based upon the average monthly usage of the item over the last 12 months shall have 25% of the cost of the excess supply reserved.

The reserve amounts for both the accounts receivable and the Inventory shall be deducted from the totals shown on the Seller's books as of the Closing for the accounts receivables and Inventory being purchased by the Purchaser.

Exhibit E

Seller's Operating Budget

See attached.

UFC Interlake Holding Co.
Sixth Amendment DIP Budget
(in thousands)

	Sixth Amendment DIP Budget												Sixth Amendment DIP Budget	
	5/10/09	5/17/09	5/24/09	5/31/09	6/7/09	6/14/09	6/21/09	6/28/09	7/5/09	7/12/09	7/19/09	7/26/09		8/2/09	Thereafter
1 Cash Receipts														
2 Interlake - Net Collections	1,250	201	201	201	196	196	196	196	196	196	196	196	196	196
3 NSF - Net Collections	157	26	26	26	26	26	26	26	26	26	26	26	26	26
4 J&D - Net Collections	2,696	165	532	355	196	196	339	479	291	291	291	291	291	291
5 Cash from Mexico and AR Collections	1,688	-	-	-	-	218	-	-	-	-	-	-	-	-
6 UFI Sale Proceeds/Excess Recovery	1,350	-	-	-	-	-	-	-	-	-	-	-	-	-
7 J&D (RSS) Sale Proceeds 6/28	N/A	-	-	-	-	-	-	900	-	-	-	-	-	-
8 J&D (JDIW) Liquidation (6/2)-Inventory & Niles Winddown	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-
9 Niles Winddown	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-
10 Total	429	392	759	582	196	415	339	1,670	291	291	2,477	764	8,314	
11 Cash Disbursements														
12 Payroll and Payroll Taxes	127	131	122	70	68	68	63	63	-	-	-	-	711	
13 Benefits / Health Plans	5	5	5	5	5	5	5	5	-	-	-	-	40	
14 Utilities	(71)	6	6	6	6	5	(196)	-	-	-	-	-	(233)	
15 Business Insurance	1,103	-	43	-	2	-	-	-	-	-	-	-	145	
16 Workers Comp	-	-	-	-	-	-	-	-	-	-	-	-	(250)	
17 Overall Budget Reduction by Huron	-	-	-	-	-	-	-	-	-	-	-	-	(340)	
18 Rent	-	10	-	-	-	-	-	-	-	-	-	-	130	
19 Sales Taxes	-	89	-	-	-	-	-	80	-	71	-	-	241	
20 Real Estate & Personal Property Taxes	-	-	-	-	-	-	-	-	-	-	-	-	(20)	
21 Professional Fees	142	186	318	310	35	325	24	311	-	545	-	1,258	3,463	
22 Additional Plan/Other	-	-	-	-	-	(90)	-	-	-	-	-	-	(90)	
23 Reclamation Claims (OCUC to target 45%)	-	-	-	-	-	-	-	-	-	-	-	-	450	
24 Purchases	279	280	276	240	162	162	130	170	-	-	-	-	1,699	
25 Purchases - Kohr's Related	-	250	250	250	100	100	50	-	-	-	-	-	1,000	
26 Pre-Petition Vacation Obligation	-	-	-	-	-	-	-	-	-	-	-	-	245	
27 Health Insurance Tail	50	50	50	50	50	50	50	50	50	50	50	50	510	
28 DIP Loan Interest Expense and Fees	-	-	-	29	-	-	-	26	-	-	-	-	84	
29 Trustee and Chapter 11 Liquidating OCUC Funds	51	-	-	-	-	-	-	-	-	-	-	-	442	
30 Transaction Service Agreement	15	-	-	-	-	-	-	-	-	-	-	-	105	
31 J&D RSS Pre-Sale Payments (Recovered)	-	-	57	114	228	114	57	(569)	-	-	-	-	0	
32 Total	701	1,017	1,126	1,194	655	638	384	(60)	50	10	666	101	8,331	
33 Net Cash Flow	(272)	(625)	(368)	(612)	(459)	(264)	(45)	1,750	(50)	281	(666)	(2,376)	(1,044)	
34 Cumulative Disbursements	701	1,718	2,844	4,038	4,693	5,391	5,775	5,896	5,746	5,756	6,422	6,523	8,331	
35 Availability Calculation														
36 Revolver Beginning Balance	4,692	4,764	5,213	5,581	6,193	6,651	6,935	6,980	5,231	5,281	4,999	5,666	4,692	
37 Payments on the Loan	429	392	759	582	196	415	339	1,670	291	291	2,477	764	8,314	
38 Draws against the Loan	701	1,017	1,126	1,194	655	638	384	(60)	50	10	666	101	8,331	
39 Due To (From) Mecalux	(5200)	-	-	-	-	-	-	-	-	-	-	-	(200)	
40 LOC Outstanding	(175)	-	-	-	-	-	-	-	-	-	-	-	(175)	
41 Revolver Ending Balance	4,764	5,213	5,581	6,193	6,651	6,935	6,980	5,231	5,281	4,999	5,666	3,280	4,334	
42 Revolver Not To Exceed (Excludes Term)	7,000	7,000	7,000	7,000	7,000	7,000	7,000	6,000	6,000	6,000	6,000	6,000	6,000	
43 Compliant (Y/N)	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	

To be Included with the Sixth Amendment to the Debtor in Possession Credit and Security Agreement (Considered Draft Until Filed with the Bankruptcy Court)

SCHEDULE 1.1(c)

KNOWLEDGE OF SELLER

Daniel P. Wikel
Jeff Nicklaus
Robert Blake-Ward

Software - all licenses, service and support agreements in connection with the following software programs

Product Description

Licenses Purchased

Purchase Date

Product License Key

Type Of License

Installed on (Service Tag)

Product Description	Licenses Purchased	Purchase Date	Product License Key	Type Of License	Installed on (Service Tag)
Adobe - Acrobat 6.0 Standard (Bundles Only Media)	1		1016-1315-6227-3449-1160-8775	OEM Distribution	6NKT8H
Adobe - Acrobat 6.0 Standard (Bundles Only Media)	1		1016-1315-0713-5439-1349-2491	OEM Distribution	66HC91
Adobe - Acrobat 6.0 Standard (Bundles Only Media)	1		1016-1315-0513-0513-4849-8053-0893	OEM Distribution	1161RC91
Adobe - Acrobat 6.0 Standard (Bundles Only Media)	1		1016-1310-2286-6038-9363-3624	OEM Distribution	781VR71
Adobe - Acrobat 6.0 Standard (Bundles Only Media)	1	2/16/2005		OEM Distribution	5N5HT61
Adobe - Acrobat 6.0 Standard (Bundles Only Media)	1	2/14/2007	1016-1657-8430-3778-6925-5499	OEM Distribution	5015JC1
Adobe - Acrobat 6.0 Standard (Bundles Only Media)	1	2/14/2007	1016-1661-9778-1013-4033-361035	OEM Distribution	1163JC1
ALK Technologies - PC Miller 20	1		4NSDHFZGK6SNVW15-22352-4312	RETAIL COPY	D4106
APC - PowerChute Business Edition Base 6.2.7.5, NODI	10		NO KEY WITH MEDIA	RETAIL COPY	
ES-Plus	14				
Jetform Central 5.3.0	1				ICARUS
Jetform Design 5.3.0	1				CZ1YU91
Jetform Design 5.3.0	1				CZ1YU91
Macromedia - Dreamweaver MS, 2004	2	6/24/2004		RETAIL COPY	CZ1YU91
Maples - Syntex Business Intelligence Version 6.0 L04	0				CG1PD011
Microsoft - DataDirect ODBC Progress Driver v3.7	1				CG1PD011
Microsoft - Exchange 2003	1				CG1PD011
Microsoft - Exchange Server 2003 Enterprise Edition	0				EZS1P81
Microsoft - MapPoint 2004 CD DISK SET	2				6R1FZ81
Microsoft - Office 2000	1				1094891
Microsoft - Office 2000 Professional	1		26101 OEM 00875 H 69288	OEM Distribution	CZS1P81
Microsoft - Office 2003 Enterprise Edition	30		M663Y Q061M3R3W W U Q V G J R K Q 3	VOLUME LICENSE	CG1Q801
Microsoft - Office 2003 Enterprise Edition	10		WYD18 Y G G 2 K 2 J H Q 2 1889 D Y N Y B	VOLUME LICENSE	89Y 2V31
Microsoft - Office 2003 Professional Edition	1	2/16/2005	CGPKR UGHVGGKRV187CAB1P188FD	OEM Distribution	3HR3Y11
Microsoft - Office 2003 Professional Edition	1	2/11/2007	W22DF W H K 6 6 R Q H M M U M X R 0 D J C F	OEM Distribution	5N51161
Microsoft - Office 2003 Professional Edition with BCM	1	2/11/2007	78X5Y M R Y 9 N 3 7 P A R 3 A K P R A B F Y	OEM Distribution	5015JC1
Microsoft - Office 2003 Small Business Edition with BCM	1		1 A Q 3 J 1 D S K K A M T 6 8 C R 9 1 V D J 2 V	OEM Distribution	1165JC1
Microsoft - Office 2003 Small Business Edition with BCM	1		6 J P 9 1 6 0 K F J R 8 3 T W Q M 7 3 0 5 8 8	OEM Distribution	161BC91
Microsoft - Office 2003 Small Business Edition with BCM	1		W A D A 0 P X D 1 8 W H R C F 9 9 3 H G 1 1 Q 1 6	OEM Distribution	1094891
Microsoft - Office Professional 2003 with BCM	1		D M 3 7 3 1 5 2 W M E M 6 0 1 H P 8 5 1 1 C K 9 1 6	OEM Distribution	6YK7NS1
Microsoft - Office Professional 2003 with BCM	1		D H C 8 1 1 1 9 2 D G 6 7 P 2 1 4 9 4 R 6 1 6	OEM Distribution	781VR71
Microsoft - Office Project 2003 Professional	0		D H C 8 Q 1 1 9 2 D G 6 7 P 2 1 4 9 4 R 6 1 6	OEM Distribution	5N51161
Microsoft - Office Project 2003 Professional	2		1 B W 1 H K 8 0 J C 3 7 H V 7 1 3 W 1 R 1 1 1 1 1 1 1 1 1	MS Action Pack	5015JC1
Microsoft - Office Project 2003 Professional	1		M 7 P 3 Y 1 H R 1 1 1 9 9 W 6 8 R 1 1 8 8 8 0	MS Action Pack	161BC91
Microsoft - Office Project 2003 Professional	2	2/11/2007	F 1 9 3 6 D 6 6 2 8 M H V 6 8 P 2 3 6 M 8 6 Y P 0 W G	MS Action Pack	781VR71
Microsoft - Office Visio 2003 Professional Edition	2		R P V 1 9 V D K Y K 4 2 1 6 R B V 1 2 5 9 4 1 9 1 1	MS Action Pack	5015JC1
Microsoft - Office Visio 2003 Professional Edition	2		1 7 1 1 2 1 9 4 8 1 2 7 6 1 1 1 1 1 1 1 1 1 1 1 1 1 1	MS Action Pack	161BC91
Microsoft - Office Visio 2003 Professional Edition	2		1 8 9 1 3 1 3 7 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	MS Action Pack	1165JC1
Microsoft - Office Visio 2003 Professional Edition	2		D R G 3 1 P 0 9 7 0 1 W F K 1 8 Q 2 2 1 0 1 4 1 8 8 1	MS Action Pack	1165JC1
Microsoft - Office XP Professional	1		6 5 1 0 2 1 2 1 0 3 1 2 9 6 1 1 3 1 1 1 1 1 1 1 1 1	OEM Distribution	1094891
w/ Publisher 2002	1		Q 8 V M N 6 2 1 1 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1	OEM Distribution	2N7PV01
Microsoft - Press Interactive Training	1		1 1 6 6 6 8 2 3 8 6 8 1 1 1 1 1 1 1 1 1 1 1 1 1 1	OEM Distribution	2N7PV01
Microsoft - SQL Server 2000 Standard	0		K 0 7 1 2 2 0 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	OEM Distribution	CZ1YU91
Microsoft - Visual Studio 2005 Premier Partner Edition	1		D T 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	OEM Distribution	6R1FZ81
Microsoft - Windows 2000 Professional	1		1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	OEM Distribution	D4106
Microsoft - Windows 2000 Professional	1		1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	OEM Distribution	2N7PV01
Microsoft - Windows 2000 Professional	1		1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	OEM Distribution	2N7PV01
Microsoft - Windows Server 2000	1		1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	OEM Distribution	CG1PD011
Microsoft - Windows Server 2000	1		1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	OEM Distribution	CZS1P81
Microsoft - Windows Server 2000	1		1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	OEM Distribution	294KX11
Microsoft - Windows Server 2000	1		1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	OEM Distribution	415K301
Microsoft - Windows Server 2000 Advanced	1		1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	OEM Distribution	6R1FZ81
Microsoft - Windows Server 2003 Enterprise Edition	1		1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	OEM Distribution	

II. Purchaser Reserves The Right, But Is Not Obligated To, Assume The Following Contracts

Purchaser reserves the right to assume the following leases if Purchaser so elects. It will update this Schedule on or before the tenth business day following the Payment Date

Capital Leases

Vendor Name
 Agreement dated 7/21/06 with Toyota Motor Credit Corp for the following lease:
 Toyota Motor Credit Corp.

Unit # Lease Description VIN / Serial #

N/A	Wells Fargo Financial	N/A	JLG 1930LS Pro-Fit Scissor Lift	0200159668
2320	Irwin Commercial Finance	N/A	2007 JLG MVI-20 Manlift	0130010033
			2007 Toyota Forklift 2007CL25;	67190
			2007 JLG MVI-20 Manlift	0130010033
Master Lease Agreement, by and among General Electric Capital Corporation, Interlake Material Handling, Inc., United Fixtures Company, Inc. and UAC Interlake Holding Co., dated January 18, 2008, with (i) Attachment Schedule 001 for 13 vehicles (trucks) and 11 trailers dated January 18, 2008, (ii) Equipment Schedule 002 for 11 scissor lifts dated February 13, 2008, and (iii) Equipment Schedule 003 for 3 vehicles (vans) dated February 28, 2008. The following is a detailed list of these trucks, scissor lifts and vans:				
2394	GE Capital Solutions	N/A	2008 Ford F-550 Truck w/ 2007 Terex	1FDAL571G6813667309
2394	GE Capital Solutions	N/A	2008 Ford F-550 Truck w/ 2007 Terex	1FDAP57R0818667506
2394	GE Capital Solutions	N/A	2004 Ford F-568 Truck w/ 2004 Terex	1FDAL56P142D05409
2394	GE Capital Solutions	N/A	2005 Ford F-576 Truck w/ 2005 Terex	1FDAL57P141E106013
2394	GE Capital Solutions	N/A	2006 Ford F-465 Truck w/ 2005 Terex	1FDXN146P9603072740
2394	GE Capital Solutions	N/A	2004 Ford F-568 Truck w/ 2004 Terex	1FDAL56P081E1065406
2394	GE Capital Solutions	N/A	2008 Ford F-550 Truck w/ 2007 Terex	1FDAL57R081848727
2394	GE Capital Solutions	N/A	2008 Ford F-465 Truck w/ 2008 Terex	1FDXN146R381C31592
2394	GE Capital Solutions	N/A	2006 Ford F-450 Truck w/ 2005 Terex	1FDXN146P1061872748
2394	GE Capital Solutions	N/A	2005 Ford F-465 Truck w/ 2005 Terex	1FDXN146P10618736106
2394	GE Capital Solutions	N/A	2004 Ford F-578 Truck w/ 2004 Terex	1FDAL57P061842192
2394	GE Capital Solutions	N/A	2005 Ford F-465 Truck w/ 2005 Terex	1FDXN146P1316167582
2394	GE Capital Solutions	N/A	2008 Ford F-550 Truck w/ 2007 Terex	1FDAL57R0818667508
2394	GE Capital Solutions	N/A	2008 Expedition 6 x 12 Enclosed Tandem Trailer	1D6E3R12218A1021780
2394	GE Capital Solutions	N/A	2008 Expedition 6 x 12 Enclosed Tandem Trailer	1D6E3R12258A1024782
2394	GE Capital Solutions	N/A	2008 Expedition 6 x 12 Enclosed Tandem Trailer	1D6E3R12278A1024783
2394	GE Capital Solutions	N/A	2008 Expedition 6 x 12 Enclosed Tandem Trailer	1D6E3R12278A1024784
2394	GE Capital Solutions	N/A	2008 Expedition 6 x 12 Enclosed Tandem Trailer	1D6E3R12218A1024777
2394	GE Capital Solutions	N/A	2008 Expedition 6 x 12 Enclosed Tandem Trailer	1D6E3R12238A1024778
2394	GE Capital Solutions	N/A	2008 Expedition 6 x 12 Enclosed Tandem Trailer	1D6E3R12258A1024779
2394	GE Capital Solutions	N/A	2008 Expedition 6 x 12 Enclosed Tandem Trailer	1D6E3R12258A1024779
2394	GE Capital Solutions	N/A	2008 Expedition 6 x 12 Enclosed Tandem Trailer	1D6E3R12258A1024776
2394	GE Capital Solutions	N/A	2008 JLG 1930LS Scissor Lift	0200178803
2394	GE Capital Solutions	N/A	2008 JLG 1930LS Scissor Lift	0200178849
2394	GE Capital Solutions	N/A	2008 JLG 1930LS Scissor Lift	0200178816
2394	GE Capital Solutions	N/A	2008 JLG 1930LS Scissor Lift	0200178812
2394	GE Capital Solutions	N/A	2008 JLG 1930LS Scissor Lift	0200178851
2394	GE Capital Solutions	N/A	2008 JLG 1930LS Scissor Lift	0200178845
2394	GE Capital Solutions	N/A	2008 JLG 1930LS Scissor Lift	0200178810
2394	GE Capital Solutions	N/A	2008 JLG 1930LS Scissor Lift	0200178847
2394	GE Capital Solutions	N/A	2008 JLG 1930LS Scissor Lift	0200178814
2394	GE Capital Solutions	N/A	2008 JLG 1930LS Scissor Lift	0200178805
2394	GE Capital Solutions	N/A	2008 Chevrolet Van C333803	1G39C316X81161349
2394	GE Capital Solutions	N/A	2008 Chevrolet Van C333803	1G39C316X81161714
2394	GE Capital Solutions	N/A	2008 Chevrolet Van C333803	1G39C316991161607

Graves Horwath LLP agreement (state and local tax services)

Schedule 2.1 (b) (iv)

Equipment

Schedule 2.1 (b) (iv) includes this page as well as the following Exhibits: Fixed, Thin Clients, Monitors, Printers, Servers, and Other.

The rest of this page is intentionally left blank

Schedule 2.1 (b) (iv)

Purchased Equipment - Fixed - including but not limited to the following:

As of January 31, 2009
 Section 2.1 (b) (iv) includes this page as well as the following Exhibits: Thin Clients, Monitors, Printers, Servers, and Other
 Fixed Assets:

TOTAL PURCHASED ASSETS TOTALS

SSA No	Company	In Svc Date	Description	Mfg. Serial Number
000021	J&J	06/09/05	TRUCK, SERIES 1700, SLIFT BENCH SEAT, 24" MORGAN VAN BODY, STRAIGHT TRUCK, MICH	HTSCAAR071256324
000013	J&J	06/09/05	STORAGE AND RETRIEVAL CAROUSEL, 6' TRAY MASTER INCLUDING (10) CARRIERS, (5) S	N/A
000017	J&J	06/09/05	RACK, CANTILEVER, INCLUDING (5) UPRIGHTS, APPROXIMATELY 16" H, 6" W / (5) 60 SI	N/A
000020	J&J	06/09/05	PALLET RACK, APPROXIMATELY 12' H X 8' X 8', 4-SHELF	N/A
000024	J&J	06/09/05	PRESSURE WASHER, 3,000 LB PER SQUARE INCH	N/A
000026	J&J	06/09/05	PALLET JACK, HYDRAULIC, 5,500 LB CAPACITY, 48 FORKS	N/A
000082	J&J	06/09/05	PALLET RACK, APPROXIMATELY 12' H X 8' X 8', 3-SHELF	N/A
000084	J&J	06/09/05	SCALE, 4' X 4' DIAMOND PLATE, PLATINUM, W/ IDS MODEL, IDENTI DIGITAL DISPLAY, APPR	N/A
000086	J&J	06/09/05	PALLET JACK, HYDRAULIC, 5,500 LB CAPACITY	95011804
000087	J&J	06/09/05	PALLET JACK, HYDRAULIC, 5,500 LB CAPACITY	N/A
000088	J&J	06/09/05	PALLET JACK, HYDRAULIC, 5,500 LB CAPACITY	N/A
000112	J&J	06/09/05	COUNTING SCALE, BENCH TYPE	N/A
000165	J&J	06/09/05	TRANSIT INCLUDING BATTERY PACK, CASE, TRI STAND, SWISS AND LEVEL	N/A
000173	J&J	06/01/06	PROCURVE NETWORK SWITCH	N/A
000174	J&J	04/01/06	LAPTOP MIDDLETOWN OFFICE	N/A
000190	J&J	06/01/07	Optiplex 2109, Desktop for Ops Mgr	N/A
000197	J&J	06/01/07	Optiplex 320 Desktop PC, for finance	N/A
000250	J&J	09/15/08	Dell Latitude D160 Intel Core 2 Duo 1.7100	N/A
000271	J&J	01/19/09	Dell Latitude X100	N/A

TOTAL RSS FIXED ASSETS (NON-LEASED) TOTALS

000011	RSS	06/09/05	TRAILER, BEAVER PULL, 6' W X 12' L, VAN TRAILER, LOCATED OFF SITE ON DATE OF INSP	40LFB122350120389
000012	RSS	06/09/05	TRAILER, BEAVER PULL, 6' W X 12' L, VAN TRAILER, LOCATED OFF SITE ON DATE OF INSP	40LFB122350120391
000013	RSS	06/09/05	TRAILER, BEAVER PULL, 6' W X 12' L, VAN TRAILER, LOCATED OFF SITE ON DATE OF INSP	40LFB122350120388
000014	RSS	06/09/05	TRAILER, BEAVER PULL, 6' W X 12' L, VAN TRAILER, LOCATED OFF SITE ON DATE OF INSP	40LFB122350120390
000015	RSS	06/09/05	TRAILER, BEAVER PULL, 6' W X 12' L, VAN TRAILER, LOCATED OFF SITE ON DATE OF INSP	40LFB122350120391
000016	RSS	06/09/05	DELL DIMENSION DESKTOPS	5X1871 - 72X1871
000017	RSS	06/09/05	DELL LAPTOP FOR FIELD RACK INSTALL TO R	78TVR41
000018	RSS	09/01/05	PHONE SYSTEM FORT WORTH OFFICE	BCM 50
000019	RSS	11/21/05	DELL LAPTOP FOR RSS VISION M. VISION S	CYK7N81
000020	RSS	09/01/05	TRUCK AND BELTLINE (RACK)	F78391 S VLES ORDER
000021	RSS	06/01/06	REPLACED DAMAGED HVAC	N/A
000022	RSS	06/01/06	IDA CAROUSEL FOR ATLANTA	N/A
000023	RSS	06/01/06	SPECS TRADE SHOW BOOTH	N/A
000024	RSS	06/01/06	CNS049 GRAPHIC FOR RSS	N/A
000025	RSS	05/01/06	ALANTA OFFICE PHONE SYSTEM	N/A
000026	RSS	05/01/06	PALLET RACKING FOR ATLANTA	N/A
000027	RSS	09/01/05	ELECTRIC HAND TOOLS & EQUIP	N/A
000028	RSS	01/06/06	OFFICE PURSUITE, ATLANTA	N/A
000029	RSS	02/01/06	LAPTOP RSS PROJECT	N/A
000030	RSS	11/05/05	LAMO EASY LIFT C-112	N/A
000031	RSS	01/01/07	2003 Chevy Cargo Van	IGTR0351001208972
000032	RSS	04/01/07	2003 Chevy Cargo Van	IGTR0251531143500
000033	RSS	04/01/07	2003 GMF Cargo	IGTR0251531143500
000034	RSS	04/01/07	2004 CHEVY CARGO TRK	IGTR0251531143500
000035	RSS	06/01/07	Office Depot Fixture Installation & Remodeling Equipment (2006-JA3)	IGTR0251531143500
000036	RSS	06/01/07	Office Depot Fixture Installation & Remodeling Equipment	IGTR0251531143500
000037	RSS	06/01/07	Office Depot Fixture Installation & Remodeling Equipment	IGTR0251531143500
000038	RSS	06/01/07	Office Depot Fixture Installation & Remodeling Equipment	IGTR0251531143500
000039	RSS	06/01/07	Office Depot Fixture Installation & Remodeling Equipment	IGTR0251531143500
000040	RSS	06/01/07	Office Depot Fixture Installation & Remodeling Equipment	IGTR0251531143500
000041	RSS	06/01/07	Office Depot Fixture Installation & Remodeling Equipment	IGTR0251531143500
000042	RSS	06/01/07	Office Depot Fixture Installation & Remodeling Equipment	IGTR0251531143500
000043	RSS	06/01/07	Office Depot Fixture Installation & Remodeling Equipment	IGTR0251531143500
000044	RSS	06/01/07	Office Depot Fixture Installation & Remodeling Equipment	IGTR0251531143500
000045	RSS	06/01/07	Office Depot Fixture Installation & Remodeling Equipment	IGTR0251531143500
000046	RSS	06/01/07	Office Depot Fixture Installation & Remodeling Equipment	IGTR0251531143500
000047	RSS	06/01/07	Office Depot Fixture Installation & Remodeling Equipment	IGTR0251531143500

Vendor	Name	Unit #	Lease Description	VIN / Serial #
RSS	000076		04/01/07 FORD E-250	1F-TSN52H-R311B35417
RSS	000077		06/01/07 TRAILER - 6X12 CUSTOM SCISSOR LIFT	4D06EH1257A023470
RSS	000078		06/01/07 TRAILER - 6X12 CUSTOM SCISSOR LIFT	4D06EH1277A023471
RSS	000079		06/01/07 TRAILER - 6X12 CUSTOM SCISSOR LIFT	4D06EH1297A023472
RSS	000080		04/01/07 FORD F-350	1FDWX361FX1C39109
RSS	000081		08/01/07 2005 CHEVROLET EXPRESS VAN (WHITE)	1GCPG15N051194293
RSS	000082		08/01/07 2002 GMC EXPRESS VAN 2500 (VENTURO)	1CTGK358021183151
RSS	000084		06/09/05 SUSHI PHONE SYSTEM (TRANSFER FROM INDIEN)	N/A
RSS	000085		06/09/05 SPEAKER PHONE (TRANSFER FROM INDIEN)	N/A
RSS	000086		06/09/05 THORNE EQUIPMENT (TRANSFER FROM INDIEN)	N/A
RSS	000087		06/09/05 CHAIRS-FENG (TRANSFER FROM INDIEN)	N/A
RSS	000088		06/09/05 DELL-LAP TOPS - SALES (TRANSFERRED FROM INDIEN)	N/A
RSS	000089		06/09/05 COLOR LASER PRINTER (TRANSFERRED FROM INDIEN)	N/A
RSS	000090		06/09/05 OFFICE FURNITURE (TRANSFERRED FROM INDIEN)	N/A
RSS	000091		06/09/05 OFFICE FURNITURE (TRANSFERRED FROM INDIEN)	N/A
RSS	000092		06/09/05 PARTITIONS FOR NEW OFFICES (TRANSFERRED FROM INDIEN)	N/A
RSS	000093		06/09/05 PROJECT (TRANSFER FROM INDIEN)	N/A
RSS	000094		06/09/05 PROJECT (TRANSFER FROM INDIEN)	N/A
RSS	000095		11/16/06 DELL SERVER (TRANSFERRED FROM INDIEN)	N/A
RSS	000096		02/01/06 DELL PC WITH MONITOR (TRANSFER FROM INDIEN)	N/A
RSS	000097		02/01/06 DELL PC WITH MONITOR (TRANSFER FROM INDIEN)	N/A
RSS	000098		09/05/06 ESCADY 2000 - 36" WIDE PLOTTER (TRANSFER FROM INDIEN)	N/A
RSS	000113		11/16/06 DELL SERVER (TRANSFERRED FROM INDIEN)	N/A
RSS	000114		04/01/07 CN056 2 - HD Beam Bolt - Ladders (Qty. 1)	N/A
RSS	000115		04/01/07 CN056 3 - HD Beam Bolt - Tools & Equipment	N/A
RSS	000116		05/01/07 CN056 4 - HD Beam Bolt - Uniforms	N/A
RSS	000117		08/08/07 CN057 - Service Expansion Southwest - Tools & Equipment	42807077X
RSS	000118		08/01/07 CN059 1 - Old Remodels - Grounds Train	12907067Y
RSS	000119		08/01/07 CN059 1 - Old Remodels - Grounds Train	N/A
RSS	000120		08/01/07 CN059 2 - Old Remodels - Grounds Train	N/A
RSS	000121		03/17/08 Lowe's Laptop - Tools & Equipment	F-SPVGC-1
RSS	000122		01/02/08 Lowe's Lighting - Dell Latitude Laptop Computer	1G2T1G35L031208972
RSS	000123		06/23/08 Van Modification - Add Hatch - Original Asset # 000178	N/A
RSS	000124		06/23/08 Van Modification - Add Hatch - Original Asset # 000180	1G4C1G39L081118559
RSS	000125		06/23/08 Van Modification - Add Hatch - Original Asset # 000182	N/A
RSS	000126		06/23/08 Van Modification - Add Hatch - Original Asset # 000231	1G2T1G35L031168492
RSS	000127		06/23/08 Van Modification - Add Hatch - Original Asset # 000181	1G1L1G35L021163151
RSS	000128		06/23/08 Van Modification - Add Hatch - Original Asset # 000235	4D06EH1228A028448
RSS	000129		06/23/08 6' x 14' Tandem Lift Trailer	4D06EH14238A025443
RSS	000130		06/23/08 6' x 14' Tandem Lift Trailer	4D06EH14238A025445
RSS	000131		06/23/08 6' x 14' Tandem Lift Trailer	4D06EH14238A025444
RSS	000134		07/28/08 6' x 14' Tandem Lift Trailer	4D06EH14298A025446
RSS	000135		08/20/08 6' x 14' Tandem Lift Trailer	N/A
RSS	000136		08/01/08 CN063 - Direct Route Software - Appant	N/A

Vendor	Name	Unit #	Lease Description	VIN / Serial #
1743	Toyota Motor Credit Corp.	N/A	JUG-ACCESSOR DVL-Mans-Lift	0130007125
1743	Toyota Motor Credit Corp.	N/A	JUG-ACCESSOR DVL-Mans-Lift	0130007127
1743	Toyota Motor Credit Corp.	N/A	JUG-ACCESSOR DVL-Mans-Lift	0130007129
1743	Toyota Motor Credit Corp.	N/A	JUG-ACCESSOR DVL-Mans-Lift	0130007135
1743	Toyota Motor Credit Corp.	N/A	JUG-ACCESSOR DVL-Mans-Lift	0130007139
1743	Toyota Motor Credit Corp.	N/A	JUG-ACCESSOR DVL-Mans-Lift	0130007141
1743	Toyota Motor Credit Corp.	N/A	JUG-ACCESSOR DVL-Mans-Lift	0130007146

The Seller will exercise its purchase option on the following Man Lifts leased from Toyota Motor Credit Corp per a 4/28/05 agreement, all of which will be included in the fixed assets being purchased.

The Seller will exercise its purchase option on the following forklift leased from Toyota Motor Credit Corp per a 7/15/06 agreement, which will be included in the fixed assets being purchased.

1743 Toyota 7FK4U3069087 Forklift

Schedule 2.1 (b) (iv)

Purchased Equipment - Thin Clients - Including but not limited to the following:

Model	Device name	S/N
Winterm 3150SE	WBT0080645751E2	6148E803636
Winterm 3150SE	WBT0080643912EB	6148E501700
Winterm 3150SE	WBT008064391360	6148E501699
Winterm 3150SE	WBT00806439176E	6148E501690
Winterm 3150SE	WBT00806439157C	6148E501689
	WBT00806447850	
Winterm 3150SE	WBT00806439125A	6148E502735
Winterm 3150SE	WBT00806439175C	6148E501754
Winterm 3150SE	WBT008064391585	6148E501755
Winterm 3150SE	WBT008064573063	6148E803634
WT3150SE	WBT0080645B5696	6148E816002
WT3200LE	WBT008064150C9C	98210C02013
WT3200LE	WBT00806415101F	98210C05149
WT3200LE	WBT008064187478	9821A801464

Schedule 2.1 (b) (iv)

Purchased Equipment: Monitors - including but not limited to the following:

<u>Manufacturer</u>	<u>Model</u>	<u>S/N</u>	<u>Warranty</u>	<u>Description</u>
IBM	P260	55C1178		21" Monitor
NEC	N0701	2950304YJ		17" AccuSync 75J
ViewSonic	VS11354	Q1P072661238	3 Years	19" LCD Flat Panel
Dell	1905FP	CN-QT-6116-5BU-AJBS		19" Flat Panel Monitor
Dell	2001FP	CN-0R9239-48220-5BI	3 Years	20" Flat Panel Display
Dell	2001FP	CN-0C0646-46633-5C1	3 Years	20" Flat Panel Display
NEC	14:991SB	5200037YA		19" MultiSync P1591
NEC	AS95F	2Z01629YJ		19" AccuSync 95J
NEC	AS95F	2701633YJ		19" AccuSync 95J
Samsung	750S	AQ17HCRCR1309879N		17" SyncMaster
Envision	EN910	A5G113E052213		19" Monitor
Dell	1907FPe	CN-0CC299-64180-65T-045A		19" UltraSharp Flat Panel
Dell	AS75F-BK	CN-039235-64180-69N-03L7		19" UltraSharp Flat Panel
NEC	750S	S3671530YA		17" AccuSync 75J
Samsung	750S	AQ17HCRCRB10658P	3 Years	17" SyncMaster
NEC	AS95F	2800761YJ		17" AccuSync 95J
Dell	E173FP	CN-0D5428-72872-52E-51EJL		17" Flat Panel
Dell	2007FP	MX-0C9536-46634-745-1MJJL		20" UltraSharp Flat Panel
Dell	2007FP	MX-0C9536-46634-766-3 Y years		20" UltraSharp Flat Panel
Dell	1905FP	CN-0T-6116-71618-58K-AJND		19" UltraSharp Flat Panel
Dell	1905FP	CN-QT6116-71618-5BU-AJBQ		19" Flat Panel Monitor
NEC	FP1350-1	0826867ZA		22" MultiSync P1350
Dell	E773C	CN-0P0151-64180-4CF-35Y8		17" CRT Midnight Grey
Dell	06D251	MX-06D21-47741-2B6-3 Y years		19" UltraSharp Flat Panel
IBM	P260			21" Monitor
Dell	E773C	CN-0P0151-64180-4CF-35N5		17" CRT Midnight Grey
OptiQuest	VCDS21383-1M	2J90600797		19" OptiQuest V95
Samsung	2032NW	PE201VCGQ201431T		20" SyncMaster Flat Panel
Dell	M781S	MX-06881N-47605-09E-ARAX		17" Monitor
Dell	06D251	MX-06D251-47741-60K-3 Y years		19" SyncMaster Flat Panel
Samsung	750S	AQ17HCRCRB10682E		Trinitron P1130
IBM	9527-011	2384828		17" SyncMaster
Dell	P1110	278996		17" Monitor
IBM	6552-63N	55MB903		21" UltraScan P1110
NEC	AS95F	2800762YJ		21" Monitor
				19" AccuSync 95J

Schedule 2.1 (b) (iv)

Purchased Equipment: Printers - Including but not limited to the following

Location	Manuf.	Make	Model
HR - Middletown, PA	HP	OfficeJet D135	D135
Admin - Kennesaw, GA	Canon	ImageRunner 2270	IR2270
Mktg - Middletown, PA	HP	LaserJet 5500N	5500N
Admin - Middletown, PA	HP	Deskjet 990C.se	990C.se
IT - Middletown, PA	Ricoh	Aficio MultiFunction Device	2035e
Admin - Middletown, PA	IIP	LaserJet 2100	C4170A
Admin - Arlington, TN	Brother	MultiFunction Device	MFC-8860DN

Schedule 2.1 (b) (iv)

Purchased Equipment: Servers - Including but not limited to the following:

<u>System Name</u>	<u>Mfg.</u>	<u>Service Tag</u>	<u>Express Service Tag</u>	<u>Model Number</u>	<u>Service Expires</u>	<u>O/S</u>	<u>Processor</u>	<u>Speed</u>	<u>Memory</u>
Copernicus	Dell	CZJYT91	28271241109	PowerEdge 2850	4/18/2009	Windows Server 2003	Xeon	800 MHz	4.0 GB
Prometheus	Dell	6RTTZB1	14742735229	PowerEdge 1800	10/18/2009	Windows Server 2003	Xeon	2.8 GHz	2.0 GB
Hydra11	Dell	2TPG861	6149857177	PowerEdge SC1420	2/11/2010	Windows Server 2003	Xeon	3.0 GHz	4.0 GB
Dionysus	Dell	EZNTP81	34808068081	PowerEdge 2850	10/24/2010	Windows Server 2003	Xeon	3.0 GHz	4.0 GB
Hydra07	Dell	CZNTP81	2827721073	PowerEdge 2850	10/24/2010	Windows Server 2003	Xeon	3.0 GHz	3.0 GB
EOS	Dell	GG51941	35805179233	PowerEdge 2600	EXPIRED	Windows Server 2003	Xeon	2.4 GHz	1.0 GB
Hydra04	Dell	CXTP011	27130854133	PowerEdge 6450	EXPIRED	Windows Server 2003	Xeon	2.4 GHz	2.0 GB
Icarus	Dell	CAR87941	27465839137	PowerEdge 2600	EXPIRED	Windows Server 2003	Xeon	2.4 GHz	2.0 GB
Pentheus	Dell	4D5C301		PowerEdge 2450	EXPIRED	Windows Server 2003	P3	728 MHz	1.5 GB
PowerEdge Rack Chassis 4210		91105941		PowerEdge 4210	EXPIRED				
Pyllos (old_Lespermicus)	Dell	29FKY11	4923931717	PowerEdge 2600	EXPIRED	Windows Server 2003	Xeon	2.0 GHz	1.0 GB

JDAS-B1

Schedule 2.1 (b) (v)

Software, Intellectual Property and Phone Numbers

Includes but is not limited to the following:

ERP System – Syteline with all applicable software, documentation, current licensing and service agreements
FS Plus (Field service transaction module) with all applicable software, documentation, current licensing and service agreements
Vertex (state sales tax software for invoicing) with all applicable software, documentation, current licensing and service agreements
Electronic Commerce Incorporated (ECI) agreement for payroll processing with all applicable software, documentation, current licensing and service agreements
Check Printer and software from estate for check printing with all applicable software, documentation, current licensing and service agreements
All Applicable software licenses and service agreements and documentation for all IT & Communication Equipment being acquired
Copies of engineering drawings for selected JDM parts
Company Website: www.retail-service-solutions.com
Company Name: Retail Service Solutions
All confidential information and trade secrets of the Business
Agreement with Ariba for online software access subscription
Agreement for Blackberry support and server license from Research in Motion Corporation to J&D Associates dated April 30, 2009.
Software Subscription from Flowfinity Wireless Inc. to J&D Associates dated October 27, 2008.

The following phone numbers:

<u>Description/Service</u>	<u>Phone #</u>	<u>Vendor to Contact</u>
Main Office 800#	800-444-4532	Sprint
Fort Worth Main #	817-568-8900	SBC/ATT
Fort Worth Fax #	817-568-8920	SBC/ ATT
Atlanta Main #	770-419-4074	Bell South
Atlanta Fax #	770-419-4078	Bell South
Atlanta 866#	866-862-2565	

Schedule 2.3

Current Trade Liabilities to be Assumed by Purchaser at Closing

<u>Name</u>	<u>Supplier Description</u>	<u>Grand Total</u>
CAPITAL SAFETY	Rack - Safety Net Supplier	Amounts at Petition Date
GREEN TECHNICAL SERVICES	Service - Contractor	Amounts at Petition Date
J & I WIRE CLOTH LLC	Rack - Pallet Mesh Supplier	Amounts at Petition Date
CANDELA SYSTEMS CORP	Rack - Contractor	Amounts at Petition Date
LIN R ROGERS ELECTRICAL	Light - Contractor	Amounts at Petition Date
UNITED RENTALS, INC.	L&R - Equip. Supplier	Amounts at Petition Date
BLACK BOX NETWORK	Rack - Contractor	Amounts at Petition Date
TOP-TECH SERVICES CO.	Service - Contractor	Amounts at Petition Date
MOUNTAIN TECHNOLOGY INC.	Service - Contractor	Amounts at Petition Date
CLEAN CARTS SALES &	Rack - Contractor	Amounts at Petition Date
PRECISION TECHNICAL	Service - Contractor	Amounts at Petition Date
IDEAL TOOL & EQUIP SVC	Service - Contractor	Amounts at Petition Date
AEROCOM SYSTEMS, INC.	Service - Contractor	Amounts at Petition Date
WTESCO DISTRIBUTION, INC.	Light - Lamp, Ballast & Fixture Supplier	Amounts at Petition Date
CRAWFORD MECHANICAL	Service - Contractor	Amounts at Petition Date
LMI ELECTRICAL	Light - Contractor	Amounts at Petition Date
EDWARDS SERVICE CO. INC.	Service - Contractor	Amounts at Petition Date
EARTH PROTECTION	Light - Lamp, Ballast & Fixture Recycling	Amounts at Petition Date
PACIFIC TOOL &	Service - Contractor	Amounts at Petition Date
COAST TO COAST	Rack - Contractor	Amounts at Petition Date
T.E.A.M. SERVICES	Service - Contractor	Amounts at Petition Date
RENEGADE SERVICES, INC.	Service - Contractor	Amounts at Petition Date
POLLOCK QUALITY	Service - Contractor	Amounts at Petition Date
RETAIL REMODEL SOLUTIONS	Rack - Contractor	Amounts at Petition Date
AT&T MOBILITY (CINGULAR)	Cell Phone Service	Amounts at Petition Date
G&G INSTALLATIONS, INC.	Rack - Contractor	Amounts at Petition Date
J & A REPAIR SHOP, INC.	Service - Contractor	Amounts at Petition Date
AMERICAN INSTALLERS	Rack - Contractor	Amounts at Petition Date
CAPITAL ELECTRIC, INC.	Service - Contractor	Amounts at Petition Date
SCOTT'S EQUIPMENT SERVICE	Service - Contractor	Amounts at Petition Date
LACORTE COMPANIES, INC.	Rack - Contractor	Amounts at Petition Date
LAMB'S ELECTRO-	Service - Contractor	Amounts at Petition Date
VENTURE LIGHTING	Light - Lamp, Ballast & Fixture Supplier	Amounts at Petition Date
CONSOLIDATED CONTRACTORS	Rack - Contractor	Amounts at Petition Date
BENNER MECHANICAL	Rack - Contractor	Amounts at Petition Date
ALL-STAR GENERAL, (GEMCO)	Service - Contractor	Amounts at Petition Date
PORTER SERVICES, INC.	Service - Contractor	Amounts at Petition Date
A&T POWER TOOLS & EQUIP.	Service - Contractor	Amounts at Petition Date
SUNBELT RENTALS	L&R - Equip. Supplier	Amounts at Petition Date
WTESCO DISTRIBUTION, INC.	Light - Lamp, Ballast & Fixture Supplier	Amounts at Petition Date
ABEL WOMACK, INC.	Rack - Equip. Supplier	Amounts at Petition Date
KSC FOUNDATION, INC.	Kennesaw Office Lessor	Amounts at Petition Date
COLLINS ELECTRICAL	Service - Contractor	Amounts at Petition Date
PROGRESSIVE ANIMAL HEALTH	Arlington Office Lessor	Amounts at Petition Date
SPECIALTY RISK SERVICES	Lowes insurance claim	Amounts at Petition Date
HERTZ EQUIPMENT RENTAL	L&R - Equip. Supplier	Amounts at Petition Date
ABANA ELECTRIC	Light - Contractor	Amounts at Petition Date
CRUZ FIRE SPRINKLER	Rack - Contractor	Amounts at Petition Date
AT&T (ATLANTA)	Kennesaw Office Utility	Amounts at Petition Date
ALOHA CLEANING SYSTEMS	Service - Contractor	Amounts at Petition Date
J & I ELECTRICAL	Light - Contractor	Amounts at Petition Date
HAMBURG OVERHEAD DOOR INC	Rack - Contractor	Amounts at Petition Date
THUNDER BAY ELECTRIC, INC.	Forklift Rental	Amounts at Petition Date
CORNERSTONE EQUIPMENT	Rack - Contractor	Amounts at Petition Date
J&A CLEANING SERVICES INC.	Kennesaw Office Cleaning	Amounts at Petition Date
EXTRA SPACE (DELAND)	Inventory Storage	Amounts at Petition Date
Hired Employees - employee reimburse	Employee Reimb	Amounts at Petition Date
STAYBRIGHT ELECTRIC (TX)	Light - Contractor	Amounts at Petition Date
STAYBRIGHT ELECTRIC (CO)	Light - Contractor	Amounts at Petition Date
RELIABLE RELAMPING, INC.	Light - Contractor	Amounts at Petition Date
DAUPHIN ASSOCIATES INCORP	Light - Lamp, Ballast & Fixture Supplier	Amounts at Petition Date
DAUPHIN ASSOCIATES INCORP	Light - Lamp, Ballast & Fixture Supplier	Amounts at Petition Date

Current Trade Liabilities which Purchaser reserves the right to assume but is not required to are listed below.
 If Purchaser agrees to assume any such Trade Payables, this schedule will be amended to reflect such assumption before the tenth business day following the Petition Date

Contractors		Amounts at Petition Date
GIE CAPITAL SOLUTIONS	Equipment Lessor	Amounts at Petition Date

SCHEDULE 3.2(d)

PURCHASE PRICE ALLOCATION

The Purchase Price for the Purchased Assets will be allocated as follows:

1. First to accounts receivables in the amount calculated according to the methodology shown on Exhibit D
2. Then to Purchased Inventory in the amount calculated according to the methodology shown on Exhibit D.
3. The balance shall be allocated to equipment and tangible assets.

Disclosure Schedules
to the
Asset Purchase Agreement

This disclosure schedule (this "Disclosure Schedule"), which consists of this cover page and all of the accompanying pages and attachments hereto, is made and delivered by J&D Company, LLC (the "Seller") in connection with the Asset Purchase Agreement, dated as of May 20, 2009 (the "Agreement"), by and among RSS Holdings, LLC, a Delaware limited liability company (the "Purchaser") and the Seller. Capitalized terms used in this Disclosure Schedule and not otherwise defined herein shall have the same meanings as set forth in the Agreement. Cross-references to sections or attachments are to the indicated section or attachment in this Disclosure Schedule.

The information shown in the Disclosure Schedule shall refer to the section or subsection of Article V of the Agreement to which such information is responsive. Any information furnished in any particular section of the Disclosure Schedule shall be deemed to be included in each other section of the Disclosure Schedule to the extent specifically cross-referenced.

Any information provided in the Disclosure Schedule is solely for information purposes, and the inclusion of such information shall not be deemed to enlarge or enhance in any way any of the covenants, agreements, representations or warranties under the Agreement or otherwise alter in any way the terms of the Agreement. The inclusion of any information in any section of the Disclosure Schedule shall not be deemed to be an admission or evidence of the materiality of such item, nor shall it establish a standard of materiality for any purpose whatsoever.

No disclosure in this Disclosure Schedule relating to any possible breach or violation of any agreement, law or regulation shall be construed as an admission that any such breach or violation exists or has already occurred.

Schedule 5.3(a)

Conflicts

None.

Schedule 5.3(b)

Consents

Assuming payment of the Cure Amounts, no other Purchased Contracts require consent.

Schedule 5.4

Absence of Changes

None.

Schedule 5.5

Title to Purchased Assets

On the date hereof, the Purchased Assets are encumbered by the following Liens, all of which will be released pursuant to the Sale Order:

1. Encumbrances on Purchased Assets pursuant to First Amended and Restated Credit and Security Agreement, dated April 21, 2006, by and among United Fixtures Company, Inc., Interlake Material Handling, Inc. and Interlake Acquisition Co., the Guarantors party thereto, the various financial institutions named therein or which become a party thereto, National City Business Credit, Inc. for itself as a Lender and as administrative agent and collateral agent for the Lenders and the Issuer, and National City Bank, as the Issuer, as amended by that certain (i) Second Amendment dated September 30, 2006, (ii) Third Amendment dated March 20, 2007, (iii) Fourth Amendment dated August 17, 2007, (iv) Fifth Amendment dated August 17, 2007 and (v) Sixth Amendment dated July 25, 2008; and
2. Encumbrances on Purchased Assets pursuant to First Amended and Restated Credit and Security Agreement, dated April 21, 2006 by and among United Fixtures Company, Inc., Interlake Material Handling, Inc. and Interlake Acquisition Co., the Guarantors party thereto, the various financial institutions named therein or which become a party thereto, and Roynat Business Capital, Inc. for itself as a Lender and as administrative agent and collateral agent for the Lenders and the Issuer, as amended by that certain (i) Second Amendment dated October 20, 2006 and (ii) Third Amendment dated September 26, 2007.
3. Encumbrances on Purchased Assets pursuant to Secured Super-Priority Debtor in Possession Credit and Security Agreement, dated January 8, 2009, by and among United Fixtures Company, Inc. and Interlake Material Handling, Inc., J&D Company, LLC, the Guarantors party thereto, the various financial institutions named therein or which become a party thereto, National City Business Credit, Inc. for itself as a Lender and as administrative agent and collateral agent for the Lenders and the Issuer and National City Bank as the issuer and the lead arranger, as amended by that certain (i) First Technical Amendment to Secured Super-Priority Debtor in Possession Credit and Security Agreement dated January 30, 2009, (ii) Second Technical Amendment to Secured Super-Priority Debtor in Possession Credit and Security Agreement dated February 10, 2009, (iii) that certain Consent Letter dated February 25, 2009, (iv) Third Amendment to Secured Super-Priority Debtor in Possession Credit and Security Agreement dated March 16, 2009, (v) Fourth Amendment to Secured Super-Priority Debtor in Possession Credit and Security Agreement effective March 31, 2009, (vi) Fifth Amendment to Secured Super-Priority Debtor in Possession Credit and Security Agreement dated April 30, 2009 and (vii) Sixth Amendment to Secured Super-Priority Debtor in Possession Credit and Security Agreement dated May 12, 2009.

Schedule 5.6

Taxes

None.

Schedule 5.7(a)

Intellectual Property

1. *See attached.*
2. **Domain Names**

RSS Logo

retail-service-solutions.com

(Website)

jdstorage.com

jdstorage.net

Schedule 5.7(a)

Software, Intellectual Property and Phone Numbers

ERP System – Syteline with all applicable software, documentation, current licensing and service agreements
FS Plus (Field service transaction module) with all applicable software, documentation, current licensing and service agreements
Vertex (state sales tax software for invoicing). with all applicable software, documentation, current licensing and service agreements
Electronic Commerce Incorporated (ECI) agreement for payroll processing with all applicable software, documentation, current licensing and service agreements
Check Printer and software from estate for check printing with all applicable software, documentation, current licensing and service agreements
All Applicable software licenses and service agreements and documentation for all IT & Communication Equipment being acquired
Copies of engineering drawings for selected JDM parts
Company Website: www.retail-service-solutions.com
Company Name: Retail Service Solutions
All confidential information and trade secrets of the Business
Agreement with Ariba for online software access subscription
Agreement for Blackberry support and server license from Research in Motion Corporation to J&D Associates dated April 30, 2009.
Software Subscription from Flowfinity Wireless Inc. to J&D Associates dated October 27, 2008.

The following phone numbers:

<u>Description/Service</u>	<u>Phone #</u>	<u>Vendor to Contact</u>
Main Office 800#	800-444-4332	Sprint
Fort Worth Main #	817-568-8900	SBC/ATT
Fort Worth Fax #	817-568-8920	SBC/ATT
Atlanta Main #	770-419-4074	Bell South
Atlanta Fax #	770-419-4078	Bell South
Atlanta 866#	866-862-2565	

Schedule 5.7(b)

Intellectual Property; Ownership

On the date hereof, the Purchased Assets are encumbered by the following Liens, all of which will be released pursuant to the Sale Order:

1. Encumbrances on Purchased Assets pursuant to First Amended and Restated Credit and Security Agreement, dated April 21, 2006, by and among United Fixtures Company, Inc., Interlake Material Handling, Inc. and Interlake Acquisition Co., the Guarantors party thereto, the various financial institutions named therein or which become a party thereto, National City Business Credit, Inc. for itself as a Lender and as administrative agent and collateral agent for the Lenders and the Issuer, and National City Bank, as the Issuer, as amended by that certain (i) Second Amendment dated September 30, 2006, (ii) Third Amendment dated March 20, 2007, (iii) Fourth Amendment dated August 17, 2007, (iv) Fifth Amendment dated August 17, 2007 and (v) Sixth Amendment dated July 25, 2008; and
2. Encumbrances on Purchased Assets pursuant to First Amended and Restated Credit and Security Agreement, dated April 21, 2006 by and among United Fixtures Company, Inc., Interlake Material Handling, Inc. and Interlake Acquisition Co., the Guarantors party thereto, the various financial institutions named therein or which become a party thereto, and Roynat Business Capital, Inc. for itself as a Lender and as administrative agent and collateral agent for the Lenders and the Issuer, as amended by that certain (i) Second Amendment dated October 20, 2006 and (ii) Third Amendment dated September 26, 2007.
3. Encumbrances on Purchased Assets pursuant to Secured Super-Priority Debtor in Possession Credit and Security Agreement, dated January 8, 2009, by and among United Fixtures Company, Inc. and Interlake Material Handling, Inc., J&D Company, LLC, the Guarantors party thereto, the various financial institutions named therein or which become a party thereto, National City Business Credit, Inc. for itself as a Lender and as administrative agent and collateral agent for the Lenders and the Issuer and National City Bank as the issuer and the lead arranger, as amended by that certain (i) First Technical Amendment to Secured Super-Priority Debtor in Possession Credit and Security Agreement dated January 30, 2009 and (ii) Second Technical Amendment to Secured Super-Priority Debtor in Possession Credit and Security Agreement dated February 10, 2009, (iii) that certain Consent Letter dated February 25, 2009, (iv) Third Amendment to Secured Super-Priority Debtor in Possession Credit and Security Agreement dated March 16, 2009, (v) Fourth Amendment to Secured Super-Priority Debtor in Possession Credit and Security Agreement effective March 31, 2009, (vi) Fifth Amendment to Secured Super-Priority Debtor in Possession Credit and Security Agreement dated April 30, 2009 and (vii) Sixth Amendment to Secured Super-Priority Debtor in Possession Credit and Security Agreement dated May 12, 2009.

Schedule 5.7(c)

Intellectual Property; Pending Claims

None.

Schedule 5.7(d)

Intellectual Property; Restrictions

None.

Schedule 5.7(e)

Intellectual Property; Infringement

See item number 2 on Schedule 5.9.

Schedule 5.8(a)

Employee Benefits

Health & Prescription Coverage:

Blue Cross Blue Shield of Illinois, PPO

Dental Coverage:

Metlife Dental

Vision Coverage:

Reliance/VSP

Life and Accident death & dismemberment:

Reliance Standard Life

Non-Union employees: Annual salary \approx Life Insurance

Short Term and Long Term Disability:

Reliance Standard Life

Non-Union Employees STD 26 weeks, 66.7% of pay, \$3,500 monthly max

Non-Union Employees LTD 26 weeks, 60% of pay, \$10,000 monthly max

Retirement Plans:

United Fixtures Interlake Retirement Savings Plan

Welfare Plans:

Interlake Material Handling, Inc. Master Trust (providing medical, dental, vision, life insurance and AD&D, and long-term and short-term disability benefits along with an employee assistance plan and cafeteria plan with flexible benefits under Interlake Material Handling, Inc. Master Health and Welfare Plan and the Interlake Cafeteria Plan)

UFC Interlake Group of Companies

The Sellers' severance practice is to pay full-time associates who have been with the company for one (1) year at the time of termination, one (1) week for every year of service, with a minimum of two (2) weeks and a maximum of 26 weeks. Individuals at the Vice President level are provided six (6) months of severance, regardless of service date.

The Sellers do not have a written severance policy, however their past practice has been to provide one (1) year of salary for executive employees who have been terminated without cause or other mitigating factor.

Worker's compensation insurance

Vacation Policy, a Holidays & Floating Holidays Policy and a Leave of Absence Policy - along with all other employee policies, are documented in the UFC Interlake Holding Co. Human Resources Guidelines & Procedures

Sales Commission Plans

Auto Plans

Relocation Benefit (offered through Runzheimer service provider)

*Note that the plans listed above are the same as provided to employees of United Fixtures Company, Inc.; however, not all the plans provided to employees of United Fixtures Company, Inc. are applicable to employees of J&D Company, LLC, which accounts for the differences in the two lists.

Schedule 5.8(b)

Employee Benefits; Title IV

None.

Schedule 5.8(c)

Employee Benefits; Accrued Vacation

None.

Schedule 5.9

Litigation

1. Forman Industries, Inc. v. Robert Blake-Ward, et al.

This lawsuit was originally filed in April, 2005 against Robert Blake-Ward and several other defendants alleging various forms of unfair competition, breaches of fiduciary duties, misappropriation of confidential information and other business torts. Blake-Ward had been employed by Forman until approximately March 2005, when he joined a division of the former owner of assets which subsequently were acquired by United Fixtures Company in June, 2005. Forman amended its complaint in 2006 to add United Fixtures Company as a defendant, alleging that it participated in and induced the wrongful acts of Blake-Ward and that it was liable as the successor to the selling entity. In May, 2007, the court granted motions for summary judgment that had been filed by Blake-Ward and United Fixtures Company. Forman has appealed the decision of the trial court. In September 2008, the appellate court affirmed the lower court's grants of summary judgment that were filed by Blake-Ward and United Fixture Company. Forman had until October 6, 2008 to petition the New Jersey Supreme Court to review this decision, and no appeal was filed. This case has been finally adjudicated and the summary judgment that was entered was dispositive of the case on the merits.

2. Vidir Machine Inc. et al. v. United Fixtures Company, Inc. et al.

The plaintiffs' complaint was initially filed against the former owner of the assets of United Fixtures Company on or about December 23, 2002. United Fixtures Company was added to the patent litigation as a defendant following acquisition of the assets in 2005. The plaintiffs' Amended Complaint alleges that certain carpet and vinyl cutting machines made and sold by United Fixtures Company infringes U.S. Patent No. 6,092,450. United Fixtures Company has asserted counterclaims for non-infringement, invalidity of the patent, unenforceability of the patent and a finding that the case is "exceptional" such that costs and attorneys' fees should be granted.

On August 20, 2007, United Fixtures Company filed a motion for summary judgment on the issues of non-infringement, invalidity, unenforceability and damages. The court has not yet ruled on this motion. On July 21, 2008, the court issued a Memorandum Opinion and Order construing the disputed claim terms of the patent-in-suit submitted by the parties. On August 4, 2008, both parties filed motions asking the court to reconsider certain portions of the claim construction ruling. The briefing on these motions is not yet complete. On August 4, 2008, United Fixtures Company also sought leave of Court to file: (i) a Supplemental Memorandum of Law in Support of Motion for Summary Judgment on the issue of Invalidity (Written Description); and (ii) a Motion for Summary Judgment on Non-Infringement (Vitiation). The briefing of these motions has not yet been completed. Trial by jury of this patent infringement litigation has been postponed indefinitely.

3. Kanazawa v. J&D Associates, et al.

Plaintiff Ms. Kanazawa claims she tripped and cut her leg on a carpet cutting dispenser at a Lowe's store in 2007. She filed a lawsuit in March, 2008, in Philadelphia. The lawsuit is being defended by Interlake's insurer, AIG.

4. Lathrop v. UFC

Claimant Linda Lathrop claims that she suffered injuries to her left wrist on December 12, 2006, while utilizing an automatic flooring cutter in the course of her employment at a Lowe's store in Lake Park, Florida. Interlake's insurer, Liberty Mutual has opened a claim file and is investigating the claim.

5. Ryan Vierra Matter

On January 31, 2008, an employee of Interlake, Ryan Vierra, died on the job while servicing outdoor lights at a Lowe's store parking lot in Ormand Beach, Florida. An autopsy report states the cause of death as electrocution. The Vierra family has retained an attorney who has been gathering facts, but to date no action has been taken. Liberty Mutual, Interlake's Workers' Compensation carrier, has denied the claim based on a lack of evidence to support the accident as job-related at this time. The potential cost of the Workers' Compensation is estimated at \$12,500, since Mr. Vierra had no dependents.

6. Michael Branyon v. United Fixtures Company, Monarch Storage Systems, National Store Fixtures, Retail Service Solutions, and J&D Associates

This complaint was filed with the US District Court for the Northern District of Alabama, Southern Division on October 30, 2008. The Plaintiff, Michael Branyon, was seeking remedy under the Fair Labor Standards Act for what he alleged was failure by the United Fixtures Company to pay him and similarly situated employees overtime at a rate of one and one-half times their regular pay rates for hours worked over forty (40) in a week. Mr. Branyon worked as a Lighting Technician from January 10th 2008 to August 25th 2008. His complaint does not address any specifics as to when the alleged violations occurred or how many hours he alleges were paid improperly. The complaint also references establishing an Opt-In Collective Action. United Fixtures Company's attorney responded to this complaint with request for more information at the end of December 2008. On January 28, 2009, United Fixtures Company received information that the litigation had been suspended. This stay began the moment the bankruptcy petition was filed halting actions by creditors to collect from United Fixtures Company.

Schedule 5.10

Brokers

City Capital Advisors, LLC

Schedule 5.11(a)

Contracts

1. Contract Agreement, by and between BFS Retail and Commercial Operations, LLC and Retail Service Solutions, a division of J&D Associates, which is a division of United Fixtures Company, Inc. ("RSS"), dated May 23, 2008.
2. Agreement, between BJ's Wholesale Club, Inc. and RSS, dated August 15, 2008.
3. Master Professional Services Agreement for Lowes Retail Lighting Maintenance and Repair (Relamp) Program, by and between Lowe's Companies, Inc. and United Fixtures Company, Inc., dated January 1, 2008.
4. Master Services Agreement, by and between Office Depot Inc. and J&D Associates, a division of United Fixtures Company, Inc., dated May 1, 2005.
5. Service Agreement between Retail Service Solutions and Toys 'R' Us-Delaware, Inc. dated September 12, 2008.
6. Master Lease Agreement, by and among General Electric Capital Corporation, Interlake Material Handling, Inc., United Fixtures Company, Inc. and UFC Interlake Holding Co., dated January 18, 2008, with (i) Equipment Schedule 001 for 13 vehicles (trucks) and 11 trailers dated January 18, 2008, (ii) Equipment Schedule 002 for 11 scissor lifts dated February 15, 2008, and (iii) Equipment Schedule 003 for 3 vehicles (vans) dated February 28, 2008.
7. Master Lease Agreement, by and between Enterprise Leasing Company of Philadelphia, a Nevada corporation d/b/a Enterprise Fleet Services, and J&D Associates, dated April 21, 2005, with (i) Equity Lease Schedule JL5103 for one Commercial Cargo Van dated May 2, 2005, (ii) Equity Lease Schedule JL51505 for one Commercial Cargo Van dated May 2, 2005, (iii) Equity Lease Schedule JL5106 for one Commercial Cargo Van dated May 2, 2005, (iv) Equity Lease Schedule JL5107 for one Commercial Cargo Van dated May 2, 2005, (v) Equity Lease Schedule JL5108 for one Commercial Cargo Van dated May 2, 2005, (vi) Equity Lease Schedule JL6003 for one Crew Cab Truck dated September 15, 2005, (vii) Equity Lease Schedule JL6004 for one Crew Cab Truck dated September 15, 2005, (viii) Equity Lease Schedule JL6969 for one Truck dated August 15, 2006, (ix) Equity Lease Schedule JL8283 for one Commercial Cargo Van dated April 12, 2007, (x) Equity Lease Schedule JL8377 for one Commercial Cargo Van dated May 14, 2007, (xi) Equity Lease Schedule JL8582 for one Commercial Cargo Van dated June 28, 2007, and (xii) Equity Lease Schedule JL8376 for on Commercial Cargo Van dated May 14, 2007.

8. Car Rental Business Travel Account Agreement, dated as of October 28, 2008, by and between United Fixtures Company, Inc. and American Express Travel Related Services Company, Inc.
9. Infor Order Form, International Enterprise Addendum and Software Support Agreement between Infor Global Solutions (Michigan) Inc and United Fixtures Company dated May 23, 2008.
10. Two-year Support Renewal Addendum between Infor Global Solutions (Michigan), Inc. and United Fixtures Company on behalf of its Licensee's Subsidiary, J&D Associates dated November 5, 2008 and partial assignment, assumption, and consent agreement date February 27, 2009.
11. Commercial Lease Agreement between Toyota Motor Credit Corporation and United Fixtures Company, Inc. d/b/a J&D Associates dated July 21, 2006.
12. Commercial Lease Agreement between Toyota Motor Credit Corporation and United Fixtures Company, Inc. d/b/a J&D Associates dated September 15, 2006.
13. Letter Agreement between Crowe Horwath LLP and J&D Company LLC, dated January 12, 2009.
14. Service Invoice from Ariba, Inc. to J&D Associates for online software access subscription related to Home Depot transactions, dated January 31, 2008.
15. Agreement for Blackberry support and server license from Research in Motion Corporation to J&D Associates dated April 30, 2009.
16. Invoice for software upgrade subscription from Flowfinity Wireless Inc. to J&D Associates dated October 27, 2008.
17. *8001 Valcasi Dr, Suite 151, Arlington, TX 76001.* Gross Lease Agreement, by and between Progressive Animal Health Partners and United Fixtures Inc. d/b/a J&D Associates, dated June 13, 2008. Lease expires June 30, 2011 and has annual lease payments of \$15,000.
18. *Building 300, 1200 Chastain Road, Kennesaw, GA.* Lease, by and between Kennesaw State University Foundation and J&D Associates, dated November 23, 2005. Lease expires November 30, 2008 and has annual lease payments of \$21,617.
19. *11601 Hambright Rd, Huntersville, NC.* Lease Agreement by and between Common Parts Grouping and J&D Associates, a division of United Fixtures Company, Inc., dated December 15, 2007. This is a month to month lease cancellable with 30 days written notice. Annualized lease payments are \$6,000.
20. *(Storage Space No. 4002 located at 1800 Ten Point Lane, Orlando, Florida (S. Orange Blossom Trail @ 417).* Rental Agreement and Long Term Lease

Amendment, by and between Public Storage Inc., as landlord, and RSS/J&D Assc., as tenant, dated February 2, 2008. This is a month to month lease cancellable with 15 days written notice. Annualized lease payments are \$6,373.

21. First Amended and Restated Credit and Security Agreement, dated April 21, 2006, by and among United Fixtures Company, Inc., Interlake Material Handling, Inc. and Interlake Acquisition Co., the Guarantors party thereto, the various financial institutions named therein or which become a party thereto, National City Business Credit, Inc. for itself as a Lender and as administrative agent and collateral agent for the Lenders and the Issuer, and National City Bank, as the Issuer, as amended by that certain (i) Second Amendment dated September 30, 2006, (ii) Third Amendment dated March 20, 2007, (iii) Fourth Amendment dated August 17, 2007, (iv) Fifth Amendment dated August 17, 2007 and (v) Sixth Amendment dated July 25, 2008; and
22. First Amended and Restated Credit and Security Agreement, dated April 21, 2006 by and among United Fixtures Company, Inc., Interlake Material Handling, Inc. and Interlake Acquisition Co., the Guarantors party thereto, the various financial institutions named therein or which become a party thereto, and Roynat Business Capital, Inc. for itself as a Lender and as administrative agent and collateral agent for the Lenders and the Issuer, as amended by that certain (i) Second Amendment dated October 20, 2006 and (ii) Third Amendment dated September 26, 2007.
23. Secured Super-Priority Debtor in Possession Credit and Security Agreement, dated January 8, 2009, by and among United Fixtures Company, Inc. and Interlake Material Handling, Inc., J&D Company, LLC, the Guarantors party thereto, the various financial institutions named therein or which become a party thereto, National City Business Credit, Inc. for itself as a Lender and as administrative agent and collateral agent for the Lenders and the Issuer and National City Bank as the issuer and the lead arranger, as amended by that certain (i) First Technical Amendment to Secured Super-Priority Debtor in Possession Credit and Security Agreement dated January 30, 2009 and (ii) Second Technical Amendment to Secured Super-Priority Debtor in Possession Credit and Security Agreement dated February 10, 2009, (iii) that certain Consent Letter dated February 25, 2009, (iv) Third Amendment to Secured Super-Priority Debtor in Possession Credit and Security Agreement dated March 16, 2009, (v) Fourth Amendment to Secured Super-Priority Debtor in Possession Credit and Security Agreement effective March 31, 2009, (vi) Fifth Amendment to Secured Super-Priority Debtor in Possession Credit and Security Agreement dated April 30, 2009 and (vii) Sixth Amendment to Secured Super-Priority Debtor in Possession Credit and Security Agreement dated May 12, 2009.

Schedule 5.11(b)

Contracts; Breaches and Cancellations

None.

Schedule 5.12

Labor and Employment Matters

See Schedule 5.9.

Schedule 5.13

Environmental and Safety Requirements

Reference is hereby made to the reports, investigations, audits, reviews, other documents and informational paragraphs set forth directly below for a description of Seller which is not in material compliance with all, or is subject to any material Liability under any, Environmental and Safety Requirements.

1. Citation and Notification of Penalty of the Occupational Safety & Health Act of 1970, 1340 West Granada Blvd., Ormond Beach, FL (Issuance date: July 11, 2008). The penalty related to this Citation and Notification has been paid and the matter has been closed.

Schedule 5.14

Compliance with Laws; Permits

- (a) See Schedule 5.9.
- (b) None.

Schedule 5.15

Customers and Suppliers

None.

Schedule 5.16

Affiliated Transactions

None.