

**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. 481

**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. 481] (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 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 Break-Up Fee is 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 June 23, 2009 at 10:00 a.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 June 24, 2009 at 11:00 a.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 June 18, 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.

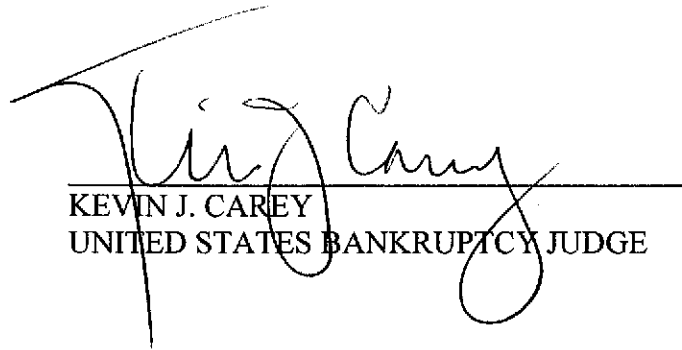
14. Although the Debtors do not believe any consumer credit transactions are involved in the Sale, notwithstanding section 363(f) of the Bankruptcy Code, if any party purchases any interest in a consumer credit transaction that is subject to the Truth in Lending Act or any interest in a consumer credit 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: May 24, 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)
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Debtors.)	Jointly Administered
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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. 481] (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.

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- 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 June 22, 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 on June 23, 2009 at the offices of Young Conaway Stargatt & Taylor, LLP, 1000 West Street, 17th Floor, Wilmington, Delaware 19899 commencing at 10:00 a.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 June 24, 2009 at 11:00 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.

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)
)	
<u>Debtors.</u>)	Jointly Administered

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. 481] (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”).
- 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

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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 June 18, 2009 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 4:00 p.m. (ET) on June 26, 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
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Interlake Material Handling, Inc., <i>et al.</i> , ¹)	Case No. 09-10019 (KJC)
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<u>Debtors.</u>)	Jointly Administered

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

PLEASE TAKE NOTICE that on June 20, 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 May 27, 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 included herewith. The deadline to submit bids (the "Bid Deadline") is **June 22, 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

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.

Assets on **June 23, 2009 at the offices of Young Conaway Stargatt & Taylor, LLP, The Brandywine Building, 1000 West Street, 17th Floor, Wilmington, DE 19801 at 10:00 a.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 **June 24, 2009 at 11:00 a.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 June 18, 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, local 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

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