

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

- - - - - X  
In re: : Chapter 11  
:   
PLASTECH ENGINEERED : Case No. 08-42417 (PJS)  
PRODUCTS, INC., et al.,<sup>1</sup> :   
: Jointly Administered  
Debtors. :   
:   
: Related Docket No.: 1383  
- - - - - X

NOTICE OF FILING OF  
REVISED BIDDING PROCEDURES

PLEASE TAKE NOTICE that on May 16, 2008, the  
above-captioned debtors and debtors in possession  
(collectively, the "Debtors") filed the **Debtors' Motion For  
An Order (A) Establishing Bidding Procedures Relating To  
The Sale Of Some Or All Of The Debtors' Business Units  
And/Or Miscellaneous Assets Or Consummation Of An  
Alternative Transaction, (B) Authorizing The Debtors To  
Enter Into Stalking Horse Agreements In Connection With  
Sale Of One Or More Business Units, (C) Approving Break-Up  
Fee And Expense Reimbursement In Connection Therewith, (D)**

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<sup>1</sup> The Debtors are the following entities: Plastech Engineered Products, Inc., LDM Technologies, Inc., Plastech Frenchtown, Inc., Plastech Decorating Systems, Inc., Plastech Exterior Systems, Inc., Plastech Romulus, Inc., MBS Polymet, Inc., LDM Holding Canada, Inc., and LDM Holding Mexico, Inc.

**Scheduling A Hearing To Consider The Proposed Sale(S) And  
Approving The Form And Manner Of Notice Thereof, (E)  
Permitting Credit Bidding Pursuant To Bankruptcy Code  
Section 363(k), And (F) Granting Certain Related Relief**  
(Docket No. 1383) (the "Bid Procedures Motion").

PLEASE TAKE FURTHER NOTICE that in connection with the hearing Bid Procedures Motion, the proposed bidding procedures (the "Bidding Procedures") submitted with the Bid Procedures Motion have been revised to resolve issues raised by various parties in interest.

PLEASE TAKE FURTHER NOTICE that the revised  
Bidding Procedures are attached as Exhibit A hereto.

Dated: Detroit, Michigan  
May 28, 2008

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**EXHIBIT A**  
**REVISED BIDDING PROCEDURES**

**PLASTECH ENGINEERED PRODUCTS, INC.**  
**BIDDING PROCEDURES**

On February 1, 2008 (the "Petition Date"), debtors and debtors in possession in the jointly administered chapter 11 cases presently pending in the Bankruptcy Court for the Eastern District of Michigan (the "Bankruptcy Court") pursuant to Case No. 08-42417 (collectively, the "Debtors") filed voluntary petitions in this Court for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the "Bankruptcy Code"). Set forth below are the bidding procedures (the "Bidding Procedures") to be employed with respect to (I) the proposed sale (the "Proposed Sale") of (A) those portions of the Debtors' operations and those assets relating to (i) the Debtors' interior and underhood business (the "Interiors Business"); (ii) the manufacture of plastic-based automotive exteriors components (the "Exteriors Business"); (iii) automotive stamping manufacturing (the "Stamping Business"); and (iv) carpet installation business (the "Carpet Business", and together with the Interiors Business, the Exteriors Business and the Stamping Business, the "Business Units") and/or (B) the Debtors' various assets including but not limited to (i) the Debtors' 51% equity interest in TrimQuest, LLC, a Michigan limited liability company, including all rights in connection therewith (the "TrimQuest Membership Interest"); (ii) the Debtors' stock and/or equity interest in Plastech or any of its Debtor subsidiaries (the "Equity Interests"); (iii) any of the Debtors' plants or facilities (the "Facilities"); and (iv) any or all of the Debtors' miscellaneous capital assets (the "Capital Assets" and together with the TrimQuest Membership Interests, the Equity Interests and the Facilities, the "Miscellaneous Assets") or (II) any other alternative transaction (including a plan of reorganization or financing thereof) (an "Alternative Transaction"). The Debtors will seek entry of an order from the Bankruptcy Court (defined below) authorizing and approving the Proposed Sale to the one or more stalking horse bidder(s) for one or more of the Debtors' Business Units (each, a "Stalking Horse Bidder" and

collectively, the "Stalking Horse Bidders") or to one or more other Qualified Bidders (defined below) that the Debtors may determine to have made the highest or otherwise best offer for the Business Unit(s) and/or the Miscellaneous Assets.

## **THE AUCTIONS**

### **I. THE BUSINESS UNITS AUCTION**

An auction (the "Business Units Auction") will be conducted at Dickinson Wright PLLC, 500 Woodward Avenue, Suite 4000, Detroit, Michigan 48226 (the "Auction Site"), commencing at 9:00 a.m. (Eastern) on June 16, 2008 (the "Auction Date") with respect to any and all bids received (the "Interiors Bids") with respect to the Debtors' Interiors Business and to determine the highest or otherwise best offer with respect to an agreement to purchase the Interiors Business. Following receipt of the highest or otherwise best bid for the Interiors Business, if any, the Business Units Auction will continue with respect to any and all bids received for the Debtors' Exteriors Business (the "Exteriors Bids") and will continue until the Debtors receive the highest or otherwise best offer for the Exteriors Business. Following receipt of the highest or otherwise best bid for the Exteriors Business, if any, the Business Units Auction will continue with respect to any and all bids received for the Debtors' Stamping Business (the "Stamping Bids") and will continue until the Debtors receive the highest or otherwise best offer for the Stamping Business. Following receipt of the highest or otherwise best bid for the Stamping Business, if any, the Business Units Auction will continue with respect to any and all bids received for the Debtors' Carpet Business (the "Carpet Bids") and will continue until the Debtors receive the highest or otherwise best offer for the Carpet Business. At the conclusion of the bidding, the Debtors shall announce the bids that the Debtors have determined to be the highest or otherwise best bids for each of the

Interiors Business, Exteriors Business, Stamping Business and Carpet Business, if any. The bidder(s) submitting the highest or otherwise best bid(s) will be requested to remain for the Final Auction (as defined herein). The Business Units Auction will remain open until the Miscellaneous Assets Auction is closed. The Business Units Auction will be followed immediately by the commencement of the Miscellaneous Assets among bidders for some or all of the Debtors' Miscellaneous Assets.

## **II. THE MISCELLANEOUS ASSETS AUCTION**

Upon the conclusion of the bidding at the Business Units Auction, the Debtors will commence an auction for some or all of the Debtors' Miscellaneous Assets (the "Miscellaneous Assets Auction"). That Miscellaneous Assets Auction will be conducted at Auction Site immediately following the Business Units Auction. Any bidder submitting a Qualified Miscellaneous Assets Bid (as defined below) may appear and submit its highest or otherwise best bid at the Miscellaneous Assets Auction. Bidding at the Miscellaneous Assets Auction will continue until each Qualified Miscellaneous Asset Bidder has submitted its highest or otherwise best bid for the Miscellaneous Assets. At the conclusion, the bidder(s) submitting the highest or otherwise best bid(s) will be requested to remain for the Final Auction. The Miscellaneous Assets Auction will not be closed until completion of all of the Auctions.

## **III. THE FINAL AUCTION**

Upon conclusion of bidding at the Business Units Auction and the Miscellaneous Assets Auction, the Debtors will determine which sale or combination of sales provides the Debtors, their estates and creditors the highest or otherwise best offer(s). Upon such announcement, the Debtors will then commence an auction

(the "Final Auction" and together with the Business Units Auction and the Miscellaneous Assets Auction, the "Auctions") in which the successful bidders at the Business Units Auction and the Miscellaneous Assets Auction may participate. Bidding at the Final Auction will continue until such time as each bidder or combination of bidders has submitted its highest or otherwise best bid. At the conclusion of the Final Auction, the Debtors will announce the bidder or bidders submitting the bid(s) that they have determined constitute the highest or otherwise best bid and close the Auctions.

### **QUALIFIED BIDS**

#### **A. Business Units Bids**

Only persons or entities submitting Qualified Units Bids (as defined below) (the "Qualified Business Units Bidders" and each a "Qualified Business Units Bidder") and Stalking Horse Bidders, may participate in the Business Units Auction. With the exception of a Stalking Horse Bidder (who is not required to comply with this Section A) to be considered a Qualified Business Units Bidder for purposes of the Business Units Auction the person or entity submitting the bid must, among other things, deliver the following documents (the "Bid Documents"):

(i) A letter stating that the bidder's offer is irrevocable until the later of (y) 2 business days after the Business Unit(s) has been disposed of pursuant to the Bidding Procedures, and (z) 30 days after the Sale Hearing, as defined herein;

(ii) A markup of the form Asset Purchase Agreement (the "Agreement") to be provided by the Debtors that includes the delivering party's list of those of the Debtors' executory contracts and unexpired leases of which the delivering party proposes to take assignment as of the closing date of such Agreement (collectively, the "Subject Contracts and Leases") and



an executed copy of any purchase agreement that the bidder proposes the Debtors to enter into;

(iii) Written evidence of a commitment for financing or other evidence of proposed purchaser's ability to consummate the proposed transaction and which the Debtors believe to be sufficient to satisfy the standards under Bankruptcy Code section 365; and

(iv) The form of order that the bidder would request the Debtors to seek Court approval at the June 18, 2008 hearing.

All bids will be considered, but the Debtors reserve their right to reject any or all bids. Bids will be evaluated on numerous grounds; however, bids that are unconditional and contemplate (i) sales that must be consummated on or before June 30, 2008; (ii) assumption of the collective bargaining agreements relating to that particular Business Unit; and (iii) the assumption of the Plastech Exterior Systems Inc. Retirement Plan if applicable to that particular Business Unit, are strongly encouraged.

As additional prerequisites to becoming a Qualified Business Units Bidder (and thus, among other things, prior to being able to conduct due diligence) (the "Business Units Bid Prerequisites"), a bidder:

(i) Must deliver an executed confidentiality agreement in form and substance acceptable to the Debtors no later than June 2, 2008;

(ii) Must deliver a bid that identifies assets and/or businesses of the Debtors to be acquired by or, in the case of the Subject Contracts and Leases assigned to (and which the Debtors believe to be sufficient to satisfy the standards under Bankruptcy Code section 365), the bidder and the consideration to be paid for such assets no later than June 13, 2008 at 5:00 p.m. (Eastern) (the "Competing Transaction");

(iii) Must be able, as determined by the Debtors, in good faith, to consummate a transaction and perform its assumed obligations under the Subject Contracts and Leases and satisfy the standards under Bankruptcy Code section 365 based on the Competing Transaction if selected as the successful bidder; and

(iv) Must deliver a bid that is accompanied by a cash deposit in the amount of five percent (5%) of the purchase price offered in the proposal for a Competing Transaction (a "Good Faith Deposit"), which deposit shall be forfeited as liquidated damages for breach by the purchaser thereunder on terms substantially the same as those described in the Stalking Horse Agreement.

Additionally, in order to become a Qualified Business Units Bidder with respect to the Exteriors Business and the Stamping Business (the "Exteriors and Stamping Prerequisites"), a bidder also:

(i) Must demonstrate to the Debtors that it possesses the financial capabilities, business plan and management to acquire and operate any plant it proposes to acquire;

(ii) Must demonstrate to the Debtors that it has sufficient working capital, financial stability and economic resources to meet the Debtors' original equipment manufacturers (the "OEMs") future production needs; and

(iii) Must agree to assume (or otherwise undertake) the OEMs' current production contracts and service parts contracts for parts manufactured at the Exteriors Business and/or the Stamping Business without modification, unless the applicable OEM otherwise agrees to such modification.

Bids consisting of the Bid Documents, the Business Units Bid Prerequisites, and as applicable for bids for the Exteriors Business and the Stamping

Business, the Exteriors and Stamping Prerequisites may be considered at the Business Units Auction (the "Qualified Business Units Bids" and each, a "Qualified Business Units Bid").

**B. Miscellaneous Assets Bids.**

Only persons or entities submitting Qualified Miscellaneous Assets Bids (as defined below) (the "Qualified Miscellaneous Assets Bidders" and each, a "Qualified Miscellaneous Assets Bidder"), may participate in the Miscellaneous Assets Auction. To be considered for purposes of the Miscellaneous Asset Auction the bid must: (i) be submitted by a Qualified Business Units Bidder; or (ii) consist of an offer in the form of a purchase agreement by the Bid Deadline (as defined hereinafter) that specifically identifies (a) the asset(s) to be purchased, (b) the purchase price, (c) identify the potential bidder and the officer(s) or authorized agent(s) who will appear on behalf of such bidder, (d) provide evidence, satisfactory to the Debtors in their reasonable discretion, of the bidder's financial wherewithal, (e) provide that the bid shall not be conditioned on the outcome of any unperformed due diligence by the bidder or any financing contingency, and (f) provide that the bidder's offer is irrevocable until the later of the entry of a final order approving the purchase agreement with such bidder, as it may be modified prior to entry, and the dissolution of any stays of such order or implementation of a transaction involving any other bidder (collectively, the "Qualified Miscellaneous Assets Bids" and each, a "Qualified Miscellaneous Assets Bid" and together with the Qualified Business Units Bids, the "Qualified Bids" and each a "Qualified Bid").

**C. Alternative Transaction Bids.**

An Alternative Transaction is a "Qualified Bid" if (a) the value (whether viewed separately or together with other competing proposals evidenced by Qualified Bids) is greater or otherwise better than the sum of

(i) the value of the Stalking Horse Bidder(s)'s offer(s) as set forth in the Stalking Horse Agreement(s) and (ii) the Interiors Business Incremental Bid Amount (as defined below), (b) is accompanied by an executed copy of an alternative agreement that reflects any substantive changes to the Stalking Horse Agreement and includes a commitment to close by the June 30, 2008, a representation that the Qualified Bidder will make all necessary HSR filings, pay all costs and expenses associated with such filings (including the costs and expenses of the Debtors), and satisfactory evidence of committed financing or other ability to perform and (c) is accompanied by a cash deposit in the amount of five percent (5%) of the purchase price offered in the proposal for a Alternative Transaction, which deposit shall be forfeited as liquidated damages for breach by the purchaser thereunder on terms substantially the same as those described in the Stalking Horse Agreement.

#### **BID DEADLINE**

Qualified Business Units Bidders and/or Qualified Miscellaneous Assets Bidders (each, a "Qualified Bidder" and collectively the "Qualified Bidders") that desire to make a bid shall deliver written copies of their bids to (i) Plastech Engineered Products, Inc., 835 Mason Avenue, Dearborn, Michigan 48124 (Attn: Peter Smidt); (ii) Skadden, Arps, Slate, Meagher & Flom LLP, One Rodney Square, 7<sup>th</sup> Floor, Wilmington, Delaware 19801 (Attn: Gregg M. Galardi), counsel to the Debtors; (iii) Office of the United States Trustee, 211 West Fort Street, Suite 700, Detroit, Michigan 48226 (Attn: Stephen Spence, Esq.); and (iv) Clark Hill PLC, 500 Woodward Avenue, Suite 3500, Detroit, Michigan 48226, (Attn: Robert D. Gordon), counsel for the Committee, not later than 5:00 p.m. (prevailing eastern time) on June 13, 2008 (the "Bid Deadline"). The Debtors shall file with the Court no later than June 14, 2008 at 5:00 p.m. a list of all Subject Contracts and Leases that a Qualified Bidder(s) has included in its Qualified Bid(s). The Debtors shall

announce the terms of the highest or otherwise best Business Units Bid and Miscellaneous Assets Bid on or before the commencement of the Business Units Auction and the Miscellaneous Assets Auction.

The Debtors shall finalize any Stalking Horse Agreement(s) (as defined below) no event later than June 11, 2008 (the "Stalking Horse Date").

#### **BREAK-UP FEE AND EXPENSE REIMBURSEMENT**

On or before the Stalking Horse Date, the Debtors intend to designate one or more stalking horse bidders (each, a "Stalking Horse Bidder" and collectively, the "Stalking Horse Bidders") for one or more of the Debtors' Business Units, for the purpose of establishing a minimum acceptable bid with which to begin the Auctions. The Debtors are willing to provide a combined break-up fee and expense reimbursement (the "Break-Up Fee and Expense Reimbursement") in an amount not to exceed 2.5% of the purchase price proposed by the Stalking Horse Bidder(s) for the a Business Unit or Units; provided, however, that any such bid shall not be subject to "due diligence" or financing contingencies as of the June 11, 2008 and that any such Bid shall include a list of the Debtors' executory contracts and unexpired leases of which the Stalking Horse Bidder proposes to take assignment as of the closing date of such Stalking Horse Agreement (the "Conditions Deadline"). The Debtors may use their discretion to provide such Break-Up Fee(s) and Expense Reimbursement(s) in order to provide an incentive and compensate a Stalking Horse Bidder for entering into a stalking horse agreement (a "Stalking Horse Agreement") with the knowledge and risk that arises from its participating in the sale and subsequent bidding process, absent which a Stalking Horse Agreement would not have entered into the Stalking Horse Bidder. The Break-Up Fee(s) and Expense Reimbursement(s) is payable only if the Stalking Horse Bidder or Bidders is not the successful bidder or bidders at the Final Auction, and the Debtors shall not

be permitted to offer two Break-Up Fees and Expense Reimbursements with respect to any bid covering the same Business Units. The transaction(s) contemplated by the Stalking Horse Agreement(s) is subject to competitive bidding as set forth herein, and approval by the Bankruptcy Court pursuant to Bankruptcy Code sections 363 and 365.

In the event that the Debtors exercise their discretion and agree to such Break-Up Fee(s) and Expense Reimbursement(s), the amount of such fee shall be considered by the Debtors in determining the highest or otherwise best bid and the net value that the Debtors' estates will realize at any auction.

#### **BUSINESS UNITS AUCTION PROCEDURES**

Prior to the Business Units Auction, the Debtors will advise all Qualified Business Units Bidders and others attending the Business Units Auction of what they believe to be the highest or otherwise best Qualified Business Units Bid. Only a Qualified Business Units Bidder who has submitted a Qualified Business Units Bid is eligible to participate at the Business Units Auction. During the Business Units Auction, bidding shall begin initially with the highest or otherwise best bid and subsequently continue in such minimum increments as the Debtors shall determine at the Business Units Auction.

Bidding at the Business Units Auction shall proceed as follows: (i) the "Interiors Business Initial Incremental Bid Amount" shall mean the Break-Up Fee and Expense Reimbursement plus \$1,000,000; (ii) the "Exteriors Business Initial Incremental Bid Amount" shall mean the Break-Up Fee and Expense Reimbursement plus \$500,000; (iii) the "Stamping Business Initial Incremental Bid Amount" shall mean the Break-Up Fee and Expense Reimbursement plus \$500,000; (iv) the "Carpet Business Initial Incremental Bid Amount" shall mean the Break-Up Fee and Expense Reimbursement plus \$100,000; and (v) the "Subsequent Incremental Bid Amount" for all

Business Units shall be an amount equal to \$250,000 (collectively, the "Minimum Overbid Amounts").

Upon conclusion of the Business Units Auction, the Debtors shall (i) immediately review each Qualified Business Units Bid on the basis of financial and contractual terms and the factors relevant to the sale process, including those factors affecting the speed and certainty of consummating such proposed Sale, and (ii) as soon as practicable thereafter identify the highest or otherwise best offer(s) for the each of the Business Units (the "Successful Business Units Bid(s)" and the entity or entities submitting such Successful Bid, the "Successful Business Units Bidder(s)"), which highest or otherwise best offer(s) will provide the greatest amount of net value to the Debtors, and advise the Qualified Business Units Bidders and others attending the Business Units Auction of such determination. For the Business Units Auction, the Debtors may designate multiple Successful Business Units Bids for various Business Units.

#### **MISCELLANEOUS ASSETS AUCTION PROCEDURES**

Prior to the commencement of the Miscellaneous Assets Auction, the Debtors will advise all Qualified Miscellaneous Assets Bidders and others attending the Miscellaneous Assets Auction of what they believe to be the highest or otherwise best Qualified Miscellaneous Assets Bid received. Only a Qualified Miscellaneous Assets Bidder who has submitted a Qualified Miscellaneous Assets Bid shall be eligible to participate at the Miscellaneous Assets Auction. During the Miscellaneous Assets Auction, bidding shall begin initially with the highest or otherwise best bid and subsequently continue in such minimum increments as the Debtors shall determine at the Miscellaneous Assets Auction.

Upon conclusion of the Miscellaneous Assets Auction, the Debtors shall identify the highest or otherwise best offer(s) for one or more of the

Miscellaneous Assets (the "Successful Miscellaneous Assets Bid(s)") and announce the same to those parties attending the Miscellaneous Assets Auction. For the Miscellaneous Assets Auction, the Debtors may designate multiple Successful Miscellaneous Assets Bids for various assets.

#### **THE BIDDING PROCESS**

The Debtors and their advisors, after consultation with the Official Committee of Unsecured Creditors (the "Committee") and its advisors, shall (i) determine whether any person is a Qualified Bidder, (ii) coordinate the efforts of Qualified Bidders in conducting their due diligence investigations, (iii) receive offers from Qualified Bidders, and (iv) negotiate any offers made to purchase the Business Units and/or Miscellaneous Assets (collectively, the "Bidding Process"). Any person that wishes to participate in the Bidding Process must be a Qualified Bidder. Neither the Debtors nor their representatives shall be obligated to furnish information of any kind whatsoever to any person that is not determined to be a Qualified Bidder. The Debtor, after consultation with the Committee and their advisors, shall have the right to adopt such other rules for the Bidding Process (including rules that may depart from those set forth herein) that will better promote the goals of the Bidding Process and that are not inconsistent with any of the other provisions hereof or of any Bankruptcy Court order. The Bid Procedures Order provides that the Stalking Horse Bidder(s), the Term Lenders and any other party that is authorized under Bankruptcy Code section 363(k) may make a credit bid at the Auctions to the extent permitted under Bankruptcy Code section 363(k).

#### **CREDIT BIDDING**

Except as provided in the Bid Procedures Order, Qualified Business Units Bidders may make one or more credit bids of some or all of their claims to the full extent permitted by Bankruptcy Code section 363(k). In



connection with one or more proposed Sales of the Interiors Business and/or Exteriors Business or any other assets upon which they have a security interest, the collateral agents on behalf of the Debtors' First Lien Term Loan lenders and Second Lien Term Loan lenders, as the case may be (collectively, the "Term Lenders") may, subject to the terms of the Intercreditor Agreement between them, credit bid some or all of the amounts owing under the First Lien Term Loan and the Second Lien Term Loan, respectively. Notwithstanding anything in these bidding procedures to the contrary, the collateral agents for the Term Lenders shall be permitted to credit bid on their collateral at any or all Auctions, subject to section 363(k) of the Bankruptcy Code, and shall not be required to post any cash deposit.

Subject to section 363(k) of the Bankruptcy Code, the collateral agents on behalf of the Term Lenders may credit bid notwithstanding that a final order allowing the Term Lenders' claims against the Debtors may not be entered prior to the Auction Date, and accordingly parties are encouraged to submit Qualified Bids for one or more of the Business Units and/or Miscellaneous Assets.

#### **"AS IS, WHERE IS"**

The sale of the Business Units and the Miscellaneous Assets shall be on an "as is, where is" basis and without representations or warranties of any kind, nature, or description by the Debtors, their agents or their estate except to the extent set forth in the Stalking Horse Agreement(s) or the purchase agreement of another Successful Bidder. The Stalking Horse Bidder(s) and each Qualified Bidder shall be deemed to acknowledge and represent that it has had an opportunity to conduct any and all due diligence regarding the Business Units and the Miscellaneous Assets prior to making its offer, that it has relied solely upon its own independent review, investigation

and/or inspection of any documents and/or the Business Units or the Miscellaneous Assets in making its bid, and that it did not rely upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express, implied, by operation of law or otherwise, regarding the Business Units and/or the Miscellaneous Assets, or the completeness of any information provided in connection therewith or the Auctions, except as expressly stated in these Bidding Procedures or, (i) as to the Stalking Horse Bidder(s), the terms of the sale of any of the Business Units shall be set forth in the Stalking Horse Agreement(s), or (ii) as to another Successful Bidder, the terms of the sale of the Business Unit(s) shall be set forth in the applicable agreement.

**FREE OF ANY AND ALL LIENS, CLAIMS,  
INTERESTS AND ENCUMBRANCES**

Except as otherwise provided in the Stalking Horse Agreement(s) or another Successful Bidder's purchase agreement, all of Debtors' right, title and interest in and to the Business Unit(s) and/or the Miscellaneous Units subject thereto shall be sold free and clear of all Liens, Claims, Interests and Encumbrances thereon and there against in accordance with Bankruptcy Code section 363 with such Liens, Claims, Interests and Encumbrances to attach to the net proceeds of the sale of the Business Units and/or the Miscellaneous Assets.

**ACCEPTANCE OF QUALIFIED BIDS**

The Debtors shall sell one or more of the Business Units and/or one or more Miscellaneous Assets to the Successful Bidder(s) upon the approval of the Successful Bid(s) by the Bankruptcy Court after a hearing (as may be adjourned or continued, the "Sale Hearing"). The Debtors' presentation of a particular Qualified Bid to the Bankruptcy Court for approval does not constitute the Debtors' acceptance of the bid. The Debtors will be deemed to have accepted a bid only when

the bid has been approved by the Bankruptcy Court at the Sale Hearing. All interested parties reserve their right to object to the Debtors' selection of the Successful Bidder(s) and/or to the Debtors' determination (or the assertion of any other party) of the Successful Bidder's ability to provide adequate assurance of future performance under any assigned executory contract or unexpired lease.

#### **SALE HEARING**

The Sale Hearing shall be conducted by the Bankruptcy Court on June 18, 2008 at 9:30 a.m. (Eastern). Following the approval of the sale of one or more of the Business Units and/or one or more Miscellaneous Assets to the Successful Bidder(s) at the Sale Hearing, if (i) in relation to the Interiors Business such Successful Bidder fails to consummate an approved sale on or before June 30, 2008, or (ii) in relation to all Business Units other than the Interiors Business, if such Successful Bidder(s) fails to consummate an approved sale within thirty (30) days after entry of an Order approving the Sale, the Debtors shall be authorized, but not required, to deem the next highest or otherwise best Qualified Bid, as disclosed at the Sale Hearing, the Successful Bid, and the Debtors shall be authorized, but not required, to consummate the sale with the Qualified Bidder submitting such bid without further order of the Bankruptcy Court.

#### **RETURN OF GOOD FAITH DEPOSIT**

Good Faith Deposits of the Successful Bidder(s) shall be applied to the purchase price of such transaction(s) at closing. Good Faith Deposits of all other Qualified Bidders shall be held in an interest-bearing escrow account until five (5) days after closing of the transactions contemplated by the Successful Bid(s), and thereafter returned to the respective bidders. If a Successful Bidder fails to consummate an approved sale because of a breach or failure to perform on the part of such Successful Bidder, the Debtors shall

be entitled to retain the Good Faith Deposit as part of its damages resulting from the breach or failure to perform by the Successful Bidder.

#### **MODIFICATIONS**

The Debtors may (a) determine which Qualified Bid, if any, is the highest or otherwise best offer; and (b) reject at any time before entry of an order of the Bankruptcy Court approving a Qualified Bid, any bid that is (i) inadequate or insufficient, (ii) not in conformity with the requirements of the Bankruptcy Code, the Bidding Procedures, or the terms and conditions of sale, or (iii) contrary to the best interests of the Debtors, their estates and creditors. At or before the Sale Hearing, the Debtors may impose such other terms and conditions as the Debtors may determine to be in the best interests of the Debtors' estate, their creditors and other parties in interest.