

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:
INDALEX HOLDINGS FINANCE, INC.,
a Delaware Corporation, *et al.*¹
Debtors

Chapter 11

Case No. 09-10982 (PJW)

(Jointly Administered)

Objection Deadline for Sale Procedures: June 25, 2009 at 4:00 p.m. (ET)
(Requested)

Sale Procedures Hearing Date: July 2, 2009 at 10:00 a.m. (ET)
(Requested)

Sale Objection Deadline : July 15, 2009 at 4:00 p.m. (ET)
(Requested)

Sale Hearing: July 20, 2009 at 2:00 p.m. (ET)
(Requested)

NOTICE OF MOTION

TO: (I) THE OFFICE OF THE UNITED STATES TRUSTEE; (II) COUNSEL TO THE COMMITTEE; (III) COUNSEL TO THE STALKING HORSE BIDDER; (IV) COUNSEL TO THE DEBTORS' PRE- AND POST-PETITION SECURED LENDERS; AND (V) THOSE PARTIES REQUESTING NOTICE PURSUANT TO BANKRUPTCY RULE 2002.

PLEASE TAKE NOTICE that Indalex Holdings Finance, Inc. ("Indalex Finance"), and its affiliated debtors and debtors in possession in the above-captioned cases (collectively, the "Debtors") have filed the attached **DEBTORS' MOTION FOR ENTRY OF ORDERS, PURSUANT TO 11 U.S.C. §§ 105(A), 363, 365, 503, AND 507 AND FEDERAL BANKRUPTCY RULES 2002, 6004, 6006, AND 9014: (A)(I) APPROVING BIDDING PROCEDURES FOR SALE OF SUBSTANTIALLY ALL OF THE DEBTORS' ASSETS; (II) SCHEDULING A HEARING TO CONSIDER THE SALE AND APPROVING THE FORM AND MANNER OF NOTICES; (III) ESTABLISHING PROCEDURES FOR ASSUMPTION AND ASSIGNMENT OF CERTAIN CONTRACTS AND UNEXPIRED LEASES, INCLUDING NOTICE OF PROPOSED CURE AMOUNTS; (IV) AUTHORIZING PAYMENT OF BREAK FEE; AND (V) GRANTING RELATED RELIEF; AND (B)(I) AUTHORIZING THE SALE OF SUCH ASSETS FREE AND CLEAR OF LIENS, CLAIMS AND ENCUMBRANCES AND OTHER INTERESTS; (II) AUTHORIZING AND APPROVING ASSET PURCHASE AGREEMENT; (III) APPROVING THE ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES RELATED THERETO; (IV) PROVIDING**

¹ The Debtors in these cases and their tax identification numbers are: Indalex Holdings Finance, Inc. (XX-XXX0880), Indalex Holding Corp. (XX-XXX0715) ("Indalex Holding"), Indalex Inc. (XX-XXX7362) ("Indalex Inc."), Caradon Lebanon, Inc. (XX-XXX1208) ("Caradon"), and Dolton Aluminum Company, Inc. (XX-XXX2781) ("Dolton"). The business address for all of the Debtors is 75 Tri-State International, Suite 450, Lincolnshire, IL 60069.

FOR PAYMENT OF SALE PROCEEDS TO SECURED LENDER; AND (V) GRANTING RELATED RELIEF (the "Motion") with the United States Bankruptcy Court for the District of Delaware.

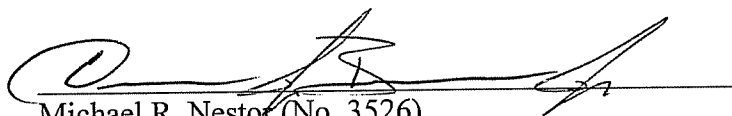
PLEASE TAKE FURTHER NOTICE that responses to the Motion, if any, are required to be filed on or before **June 29, 2009 at 4:00 p.m. (ET)** (the "Objection Deadline") with the United States Bankruptcy Court, 824 Market Street, 3rd Floor, Wilmington, Delaware 19801. At the same time, you must also serve a copy of the response upon the Debtors' undersigned counsel so as to be received on or before the Objection Deadline.

PLEASE TAKE FURTHER NOTICE THAT A HEARING ON THE MOTION WILL BE HELD ON **JULY 2, 2009 AT 10:00 A.M.**, BEFORE THE HONORABLE PETER J. WALSH, AT THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE, 824 NORTH MARKET STREET, 6TH FLOOR, COURTROOM NO. 2, WILMINGTON, DELAWARE 19801.

PLEASE TAKE FURTHER NOTICE THAT IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED BY THE MOTION WITHOUT FURTHER NOTICE OR HEARING.

Dated: Wilmington, Delaware
June 17, 2009

YOUNG CONAWAY STARGATT & TAYLOR, LLP



Michael R. Nestor (No. 3526)

Donald J. Bowman, Jr. (No. 4383)

Ryan M. Bartley (No. 4985)

Michael S. Neiburg (No. 5275)

The Brandywine Building
1000 West Street, 17th Floor
P.O. Box 391

Wilmington, Delaware 19899-0391

Telephone: (302) 571-6758

Facsimile: (302) 571-1253

Attorneys for the Debtors and Debtors in Possession

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:
INDALEX HOLDINGS FINANCE,
INC.,
a Delaware Corporation, *et al.*¹

Debtors.

Chapter 11

Case No. 09-10982 (PJW)

(Jointly Administered)

Objection Deadline for Sale Procedures: **June 25, 2009 at 4:00 p.m. (ET)**
(Requested)

Sale Procedures Hearing Date: **July 2, 2009 at 10:00 a.m. (ET)**
(Requested)

Sale Objection Deadline : **July 15, 2009 at 4:00 p.m. (ET)**
(Requested)

Sale Hearing: **July 20, 2009 at 2:00 p.m. (ET)**
(Requested)

DEBTORS' MOTION FOR ENTRY OF ORDERS, PURSUANT TO 11 U.S.C. §§ 105(A), 363, 365, 503, AND 507 AND FEDERAL BANKRUPTCY RULES 2002, 6004, 6006, AND 9014: (A)(I) APPROVING BIDDING PROCEDURES FOR SALE OF SUBSTANTIALLY ALL OF THE DEBTORS' ASSETS; (II) SCHEDULING A HEARING TO CONSIDER THE SALE AND APPROVING THE FORM AND MANNER OF NOTICES; (III) ESTABLISHING PROCEDURES FOR ASSUMPTION AND ASSIGNMENT OF CERTAIN CONTRACTS AND UNEXPIRED LEASES, INCLUDING NOTICE OF PROPOSED CURE AMOUNTS; (IV) AUTHORIZING PAYMENT OF BREAK FEE; AND (V) GRANTING RELATED RELIEF; AND (B)(I) AUTHORIZING THE SALE OF SUCH ASSETS FREE AND CLEAR OF LIENS, CLAIMS AND ENCUMBRANCES AND OTHER INTERESTS; (II) AUTHORIZING AND APPROVING ASSET PURCHASE AGREEMENT; (III) APPROVING THE ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES RELATED THERETO; (IV) PROVIDING FOR PAYMENT OF SALE PROCEEDS TO SECURED LENDER; AND (V) GRANTING RELATED RELIEF

Indalex Holdings Finance, Inc. ("Indalex Finance"), and its affiliated debtors and debtors in possession in the above-captioned cases (collectively, the "Debtors") hereby move this Court (the "Motion"), pursuant to §§ 105(a), 363, 365, 503 and 507 of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the "Bankruptcy Code"), and Rules 2002, 6004, 6006 and

¹ The Debtors in these cases and their tax identification numbers are: Indalex Holdings Finance, Inc. (XX-XXX0880), Indalex Holding Corp. (XX-XXX0715) ("Indalex Holding"), Indalex Inc. (XX-XXX7362) ("Indalex Inc."), Caradon Lebanon, Inc. (XX-XXX1208) ("Caradon"), and Dolton Aluminum Company, Inc. (XX-XXX2781) ("Dolton"). The business address for all of the Debtors is 75 Tri-State International, Suite 450, Lincolnshire, IL 60069.

9014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) for entry of an order attached hereto as Exhibit A (the “Sale Procedures Order”) (A)(I) approving certain bidding procedures, attached hereto as Exhibit B, for the proposed sale of substantially all of the Debtors’ Assets, as more fully set forth in that certain asset purchase agreement (the “APA”) by and between the Debtors and Sapa Holding AB or its assignee(s) or designee(s) (the “Stalking Horse Bidder”); (II) scheduling a hearing (the “Sale Hearing”) and approving the form and manner of notice of the auction and sale, attached hereto as Exhibit C, (the “Auction and Sale Notice”); (III) establishing procedures for assumption and assignment of certain Assigned Contracts², including notice of proposed cure amounts and approving the form and manner of notice with respect thereto as attached hereto as Exhibit D (the “Cure Amount Notice”); (IV) authorizing certain bid protections and the payment of a Break Fee under certain terms and conditions set forth more particularly below; and (V) granting related relief; and entry of an order attached hereto as Exhibit E (the “Sale Order”)³ (B)(I) authorizing the sale of such assets free and clear of liens, claims and encumbrances and other interests pursuant to the APA, substantially in the form attached hereto as Exhibit F; (II) authorizing and approving the APA; (III) approving the assumption and assignment of certain executory contracts and unexpired leases related thereto; (IV) providing for payment of sale proceeds to secured lender; and (V) granting related relief. In support of this Motion, the Debtors respectfully state as follows:

² All capitalized terms shall have the meaning ascribed to them in the APA unless otherwise defined herein.

³ If the terms of any agreement respecting the Sale require modification of the proposed Sale Order, the Debtors will provide notice of the modified proposed Sale Order to the Court and interested parties in advance of the Sale Hearing.

PRELIMINARY STATEMENT

The Debtors commenced these chapter 11 cases on March 20, 2009, facing a serious liquidity crisis, defending litigation from a former supplier, and generally suffering from the fallout of the national and international economic recession. In spite of such significant obstacles, the Debtors have been able to stabilize their businesses, successfully negotiate the terms of debtor-in-possession financing to ensure much-needed liquidity, and resume ordinary course operations. A significant component of the financing was a requirement that the Debtors consummate a sale of their businesses and substantially all of their assets within 120 days of the Petition Date, a sale period that is unprecedented in recent history.

Over the past 3 months, the Debtors and their professionals have embarked on an exhaustive and robust marketing process to effect a going concern sale of their businesses and assets. Since the commencement of these cases, approximately forty-two (42) potential financial purchasers have been contacted, and at least twenty-nine (29) executed confidentiality agreements. Additionally, the Debtors' professionals expanded their marketing to include approximately twelve (12) potential strategic buyers, of which at least seven (7) executed confidentiality agreements. As a result, the Debtors received thirteen (13) preliminary indications of interest and received four (4) stalking horse proposals. The enthusiasm and interest generated by the Debtors' marketing efforts is remarkable when considering the overall state of the economy. However, the Debtors have been able to negotiate and sign an asset purchase agreement with Sapa Holding AB (a copy of which is annexed hereto as Exhibit F) that the Debtors submit provides the highest and best value for the stakeholders in these cases and represents a significant floor upon which any and all other bids may be measured. As detailed below, the Stalking Horse Bid provides substantial cash consideration, contemplates the

assumption of significant liabilities, ensures a going-forward business partner for the Debtors' customers and creditors, and, most importantly, saves approximately 1,500 jobs in the United States and Canada.

By and through the subject Motion, the Debtors seeks Court approval of an auction process that will enable the Debtors to continue their efforts to maximize value in these case, pursuant to a Bankruptcy Court approved process through a going-concern sale of the Debtors' businesses and assets to the highest and best offer. For the reasons set forth above and more fully below, the Debtors submit that the relief sought herein is mandated by the circumstances and in the best interests of these estates and their stakeholders herein.

JURISDICTION

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue is proper in this District and before this Court pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicates for the relief requested herein are §§ 105(a), 363 and 365 of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, 6006 and 9019.

GENERAL BACKGROUND

2. On March 20, 2009 (the "Petition Date"), each of the Debtors filed with this Court a voluntary petition for relief under chapter 11 of the Bankruptcy Code (collectively, the "Chapter 11 Cases").

3. Each Debtor is continuing to operate its business and manage its properties as a debtor-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

4. An official committee of unsecured creditors (the "Committee") was appointed on April 1, 2009. No trustee or examiner has been requested or appointed.

5. A detailed description of the events leading up to this chapter 11 filing is set forth more fully in the Declaration of Timothy R.J. Stubbs in Support of Chapter 11 Petitions and First Day Relief [Docket No. 9] (the “Stubbs Declaration”), filed in these cases on March 20, 2009 and incorporated herein by reference.

RELEVANT BACKGROUND

6. On April 7, 2009, the Debtors filed a Motion with this Court to authorize their entry into and borrowings under the DIP Credit Agreement [Docket No. 75] (the “DIP Motion”). The Court approved the DIP Motion and the Debtors’ borrowing under the DIP Credit Agreement on a final basis by order entered on May 1, 2009 [Docket No. 223] (the “DIP Order”). The DIP Credit Agreement provides for a secured, super-priority credit facility of up to \$86,011,000 subject to certain limitation on availability, including, among other things, the application of an Availability Block (as defined in the DIP Credit Agreement) to the Debtors’ borrowings thereunder.

7. Section 5.14 of the DIP Credit Agreement set forth certain milestones (the “Milestones”) that the Debtors must meet during these cases. Pursuant to section 5.14 of the DIP Credit Agreement, the Debtors are required to complete a sale of all or substantially all of their assets (the “Sale Transaction”) by July 21, 2009 (the “Sale Deadline”). The Debtors and their advisors have been diligently working towards consummating a Sale Transaction that will maximize returns to stakeholders and have determined that a Restructuring Transaction would not be feasible.

8. The Debtors, in consultation with their investment bankers, Jefferies & Company, Inc. (“Jefferies”), their other professionals, and other interested parties, have considered a number of potential sales and restructuring alternatives in order to develop a plan

that would maximize value for their creditors and to ensure the long-term survival of their business. After considering their options and the economic realities of their businesses and these cases, the Debtors have determined that the floor established by a purchase of all or substantially all of their assets by the Stalking Horse Bidder pursuant to terms set forth in the APA (the “Proposed Sale”), subject to higher and better bids pursuant to a Bankruptcy Court approved open auction process pursuant to section 363 of the Bankruptcy Code, affords them the best opportunity to maximize value for their assets and their estates.

9. The implementation of an orderly sale process under the supervision of this Court, with the Stalking Horse Bidder providing a floor against which interested parties may bid, will permit the Debtors to consummate a going-concern sale of all or substantially all of their assets and maximize value of their estates for all interested parties.

RELIEF REQUESTED

10. By this Motion, the Debtors respectfully request first, (A) the entry of the Sales Procedures Order, (I) approving certain bidding procedures, for the proposed sale of substantially all of the Debtors’ Assets, as more fully set forth in that certain APA; (II) scheduling the Sale Hearing and approving the Auction and Sale Notice; (III) establishing procedures for assumption and assignment of certain executory contracts and unexpired leases, including the Cure Amount Notice; (IV) authorizing the payment of a Break Fee under certain terms and conditions set forth more particularly below; and (V) granting related relief; and second, (B) the entry of one or more Sale Orders, (I) authorizing the sale of such assets free and clear of liens, claims and encumbrances and other interests, pursuant to the APA; (II) authorizing and approving the APA; (III) approving the assumption and assignment of certain executory contracts and unexpired leases related thereto; (IV) providing for payment of sale proceeds to secured lender; and (V) granting related relief.

11. The Stalking Horse Bidder and certain Potential Bidders may request information with respect to certain Assigned Contracts as defined in the APA some of which may contain confidentiality provisions. Accordingly, by this Motion, notwithstanding the existence of such a confidentiality provision, the Debtors also seek authority to provide Potential Bidders a copy of any Assigned Contract to those who have executed a confidentiality agreement.

A. The Proposed Sale

12. On or about January 27, 2009, the Debtors retained Jefferies as their investment bankers, and began a process of exploring strategic alternatives, including a potential sale or restructuring of the Debtors' business. The Debtors, in consultation with Jefferies and their other professionals considered a number of potential sales and restructuring alternatives in order to develop a plan that would maximize value for their creditors and to ensure the long-term survival of their business. After considering their options, the Debtors, in consultation with their professionals, believe that the Proposed Sale affords them the best opportunity to maximize value for their assets and estates. Nevertheless, the Debtors intend to continue to aggressively solicit potential purchasers in accordance with the Bidding Procedures set forth herein in order to maximize the value of their assets and estates.

B. The Asset Purchase Agreement

13. On or about June 16, 2009, the Debtors entered into the APA with the Stalking Horse Bidder, pursuant to which the Stalking Horse Bidder will acquire, subject to the auction process set forth herein, substantially all of the Debtors' assets as described in the APA (the "Assets").

14. The material terms of the APA are as follows:⁴

(a) Purchase and Sale of Assets.

(i) Purchase and Sale of US Acquired Assets. On the terms and subject to the conditions set forth in the APA, at the Closing, US Purchaser shall (or shall cause its designated Affiliates to) purchase, acquire and accept from each US Seller, and each US Seller shall sell, transfer, assign, convey and deliver to US Purchaser (or its designated Affiliates), all of each US Seller's right, title and interest in, to and under the US Acquired Assets, free and clear of all Liens and Encumbrances (other than Permitted Exceptions and Permitted Liens);

(ii) Purchase and Sale of Canadian Acquired Assets. On the terms and subject to the conditions set forth in the APA, at the Closing, Canadian Purchaser shall (or shall cause its designated Affiliates to) purchase, acquire and accept from each Canadian Seller, and each Canadian Seller shall sell, transfer, assign, convey and deliver to Canadian Purchaser (or its designated Affiliates), all of each Canadian Seller's right, title and interest in, to and under the Canadian Acquired Assets, free and clear of all Liens and Encumbrances (other than Permitted Exceptions and Permitted Liens).

(b) Acquired Assets.

(i) US Acquired Assets. The US Acquired Assets consist of the tangible and intangible assets, properties, rights, interests, claims and Contracts of the US Sellers and related to the US Business (other than Excluded Assets) including the following assets of the US Sellers, if any: (1) all Accounts Receivable; (2) all Inventories; (3) all personal property; (4) all deposits (including, with respect to the US Acquired Assets, customer deposits and security deposits (whether maintained in escrow or otherwise) for rent, electricity, telephone or otherwise) and prepaid charges and expenses of US Sellers as they relate to the US Acquired Assets; (5) all Real Property and all rights of US Sellers under each lease and any related agreement for the Leased Property (where such related agreement constitutes an Assigned Contract), in each case together with US Sellers' interests in and to all Improvements and fixtures located thereon or attached thereto, and other appurtenances thereto, and US Sellers' rights in respect thereof; (6) all FF&E; (7) all Intellectual Property; (8) all Assigned Contracts; (9) all Documents; (10) all Permits; (11) all rights under or arising out of all insurance policies relating to the US Business or the US Acquired Assets and all claims thereunder, unless

⁴ The summary of the APA is provided for the Court's convenience only. To the extent that the summary differs in any way from the terms of the APA, the terms of the APA shall control. Capitalized terms used but not defined in this summary shall have the meanings given in the APA.

non-assignable as a matter of law; (12) all rights under non-disclosure or confidentiality, non-compete, or non-solicitation agreements with employees and agents of US Sellers or with third parties, including non-disclosure or confidentiality, non-compete, or non-solicitation agreements entered into in connection with the Auction; (13) any rights, claims or causes of action of US Sellers for claims arising out of the operation of the US Business; (14) all rights of US Sellers under or pursuant to all warranties, representations and guarantees made by suppliers, manufacturers and contractors to the extent relating to products sold, or services provided, to US Sellers or to the extent affecting any US Acquired Assets other than any warranties, representations and guarantees pertaining to any Excluded Assets; (15) all causes of action arising under Chapter 5 of the Bankruptcy Code relating to the US Business and US Acquired Assets, including (i) any actions against or otherwise involving any counterparty to any Assigned Contract, any post-Closing employees, officers or directors of the US Business, including Transferred Employees, and/or any of the US Sellers' lenders, landlords or vendors, and (ii) relating to the ongoing or future operations of the US Business; (16) all goodwill and other intangible assets associated with the US Business and the US Acquired Assets, including customer and supplier lists; and (17) all proceeds of any or all of the foregoing received or receivable after the Closing Date.

(ii) Canadian Acquired Assets. The Canadian Acquired Assets consist of the tangible and intangible assets, properties, rights, interests, claims and Contracts of the Canadian Sellers related to the Canadian Business (other than Excluded Assets), wherever located, as of the Closing, including the following assets of the Canadian Sellers, if any: (1) all Accounts Receivable; (2) all Inventories; (3) all personal property; (4) all deposits (including, with respect to the Canadian Acquired Assets, customer deposits and security deposits (whether maintained in escrow or otherwise) for rent, electricity, telephone or otherwise) and prepaid charges and expenses of Canadian Sellers as they relate to the Canadian Acquired Assets; (5) all Real Property and all rights of Canadian Sellers under each lease and any related agreement for the Leased Property (where such related agreement constitutes an Assigned Contract), in each case together with Canadian Sellers' interests in and to all Improvements and fixtures located thereon or attached thereto, and other appurtenances thereto, and Canadian Sellers' rights in respect thereof; (6) all FF&E; (7) all Intellectual Property; (8) all Assigned Contracts; (9) all Documents; (10) all Permits; (11) all rights under or arising out of all insurance policies relating to the Canadian Business or the Canadian Acquired Assets and all claims thereunder, unless non-assignable as a matter of law; (12) all rights under non-disclosure or confidentiality, non-compete, or non-solicitation agreements with employees and agents of Canadian Sellers or with third parties, including non-disclosure or confidentiality,

non-compete, or non-solicitation agreements entered into in connection with the Auction; (13) any rights, claims or causes of action of Canadian Sellers for claims arising out of the operation of the Canadian Business; (14) all rights of Canadian Sellers under or pursuant to all warranties, representations and guarantees made by suppliers, manufacturers and contractors to the extent relating to products sold, or services provided, to Canadian Sellers or to the extent affecting any Canadian Acquired Assets other than any warranties, representations and guarantees pertaining to any Excluded Assets; (15) all goodwill and other intangible assets associated with the Canadian Business and the Canadian Acquired Assets, including customer and supplier lists; and (16) all proceeds of any or all of the foregoing received or receivable after the Closing Date.

(c) Excluded Assets. Notwithstanding anything to the contrary in this Agreement, nothing herein shall be deemed to sell, transfer, assign or convey the Excluded Facilities to Purchasers, and Sellers shall retain all right, title and interest to, in and under the Real Property and FF&E which constitute the Excluded Facilities and all obligations with respect to the Excluded Facilities (the “Excluded Assets”), provided, however that all Documents and personal property and Intellectual Property located at each Excluded Facility that are used in the operation of or relate to the Business generally or any of the Acquired Assets shall be US Acquired Assets. In addition, for all purposes of and under this Agreement, and as the same may be amended pursuant to Section 2.7 of the APA, the term “Excluded Assets” shall also include, with respect to each Seller, the following assets, irrespective of the Facility at which such assets may be located or constitute a part of:

(i) cash, cash equivalents and marketable securities;

(ii) any asset that otherwise would constitute an Acquired Asset but for the fact that it is conveyed, leased or otherwise disposed of in the ordinary course of Business prior to the Closing Date not in violation of this Agreement;

(iii) the corporate books and records of internal corporate proceedings, tax records, work papers and other records that any Seller is required by Law to retain, provided, however, that copies of the foregoing items shall be provided by Sellers upon the reasonable request of the Purchasers where such books and records and other records are reasonable required by Purchasers;

(iv) the rights of Sellers under this Agreement or any Ancillary Agreements and all cash and non-cash consideration payable or deliverable to Sellers under this Agreement or any Ancillary Agreements, but excluding cash flows and all other Acquired Assets under any

Assigned Contract or any net profits generated by operation of the Business on or after the Closing Date;

(v) all properties, rights and interests in connection with, and assets of, any Employee Benefit Plan;

(vi) the Capital Stock of any Seller;

(vii) the assets listed on Schedule 2.3(g) of the APA;

(viii) all rights under or arising out of insurance policies not relating to the Business or the Acquired Assets or non-assignable as a matter of law;

(ix) income tax refunds and other tax refunds receivable by such Seller and all tax attributes of such Seller, provided that any tax refunds remain subject to security interests of the lenders under the DIP Credit Agreement;

(x) all Contracts that are not Assigned Contracts;

(xi) all causes of action which arise in the period prior to the Petition Date, with respect to US Sellers, and the Filing Date, with respect to Canadian Sellers, which do not form part of the US Current Assets or the Canadian Current Assets, as applicable, on the Closing Date, including any insurance proceeds or claims payable for losses or damages incurred prior to the Closing Date;

(xii) all avoidance claims or other causes of action against creditors of the Business in arising from or relating to transactions prior to the Petition Date or the Filing Date, as applicable, except for avoidance claims arising from Assumed Contracts; and

(xiii) all equipment subject to financing or other leases, provided, however the leases themselves may be assigned in accordance with this Agreement

(d) Purchase Price.

(i) US Purchase Price. In consideration of the sale of the US Business and US Acquired Assets to US Purchaser, and upon the terms and subject to the conditions hereinafter set forth, the purchase price for the US Business and US Acquired Assets shall be the aggregate of (collectively, the "US Purchase Price"):

(1) \$90,111,000, as adjusted at Closing pursuant to Section 3.6(b) of the APA, and as further adjusted on the Adjustment Date

pursuant to Section 3.7(e) of the APA (as adjusted, the “US Cash Purchase Price”); and

(2) the amount of US Assumed Liabilities.

(ii) Canadian Purchase Price. In consideration of the sale of the Canadian Business and Canadian Acquired Assets to Canadian Purchaser, and upon the terms and subject to the conditions hereinafter set forth, the purchase price for the Canadian Business and Canadian Acquired Assets shall be the aggregate of (collectively, the “Canadian Purchase Price”):

(1) \$31,700,000, as adjusted at Closing pursuant to Section 3.6(c) of the APA, and as further adjusted on the Adjustment Date pursuant to Section 3.7(f) of the APA (as adjusted, the “Canadian Cash Purchase Price”); and

(2) the amount of the Canadian Assumed Liabilities.

(e) Deposit. Upon execution of the APA, a deposit in the amount of \$7,250,000 (the “US Deposit”) shall be paid by the US Purchaser and a deposit in the amount of \$2,750,000 (the “Canadian Deposit”) shall be paid by the Canadian Purchaser.

(f) Break Fee. In the event that the APA is terminated pursuant to Section 11.1(b)(ii) of the APA, the Break Fee, in the amount of \$5,300,000, shall be payable from the proceeds received upon consummation of such Alternate Transaction, as follows: (i) each US Seller shall pay to US Purchaser its pro-rata share of the Break Fee payable by US Sellers based upon US Purchaser’s pro rata share of Purchase Prices payable hereunder, (ii) each Canadian Seller shall pay to Canadian Purchaser its pro-rata share of the Break Fee payable by Canadian Sellers based upon Canadian Purchaser’s pro-rata share of Purchase Price payable hereunder, (iii) any obligation to pay the Break Fee hereunder shall be absolute and unconditional and shall not be subject to any defense, claim, counterclaim, offset, recoupment or reduction of any kind whatsoever; and (iv) Section 11.3 of the APA and the rights and obligations created thereunder shall survive termination of the APA.

15. In order to maximize the Debtors’ assets for the benefit of their estates and creditors, the Debtors, in consultation with their professionals, have determined that it was in the best interests of the estates to commence the formal solicitation of bids for the sale of the Assets as a going concern. As a result, in contemplation of Court approval of the proposed Bidding

Procedures, the Debtors (through Jefferies) have actively marketed their Assets. As of the date of this Motion, approximately forty-two (42) potential financial purchasers have been contacted, and at least twenty-nine (29) executed confidentiality agreements which provide potential purchasers access to the Debtors' confidential business information. Jefferies and the Debtors have also expanded their marketing to include approximately twelve (12) potential strategic buyers, of which at least seven (7) executed confidentiality agreements. The Debtors received thirteen (13) preliminary indications of interest on or before April 30, 2009, and received four (4) stalking horse proposals on or about June 4, 2009. The Debtors intend to continue to aggressively solicit potential purchasers in accordance with the Bidding Procedures set forth herein.

C. *Proposed Bidding Procedures*⁵

16. The Debtors desire to receive the greatest value for the Assets. Although the Debtors have undertaken certain efforts to market the assets over the past several weeks, in order to reach a broader pool of possible purchasers and to seize on possible sale opportunities before any decline in value, the Debtors believe that it is imperative to promptly move forward with approval and implementation of the Bidding Procedures, particularly in light of the Milestones. Accordingly, the Bidding Procedures (as summarized below) were developed consistent with the Debtors' need to expedite the sale process, but with the objective of promoting active bidding that will result in the highest and best offer the marketplace can sustain for the Assets. Moreover, the Bidding Procedures reflect the Debtors' objective of conducting an

⁵ As noted below, to facilitate the Bidding Procedures, the Debtors respectfully request the Bid Deadline (as defined below) be no later than July 14, 2009; the Auction (as defined below) be scheduled for no later than July 16, 2009; and the Sale Hearing be scheduled, at the convenience of the Court, no later than July 20, 2009.

auction in a controlled, but fair and open, fashion that promotes interest in the Assets by financially-capable, motivated bidders who are likely to close a transaction.

17. The following paragraphs in this section summarize only the key provisions of the Bidding Procedures, but are qualified in their entirety by reference to the actual Bidding Procedures attached hereto.⁶

a. Bidding Deadline. All offers, solicitations, or proposals (each a “Bid”) must be submitted in writing so that they are actually **received** no later than 10:00 a.m. (Eastern time) on **July 14, 2009** (the “Bidding Deadline”). Prior to the Bid Deadline, a Qualified Bidder (as defined below) that wants to make a Bid shall deliver written copies of its Bid to: (a) the Debtors, 75 Tri-State International, Suite 450, Lincolnshire, IL 60069, Attn: Timothy R.J. Stubbs, Chief Executive Officer and President, tim_stubbs@indalex.com; (b) counsel to the U.S. Debtors, Young Conaway Stargatt & Taylor, LLP, The Brandywine Building, 1000 West Street, 17th Floor, Wilmington, DE 19801, Attn: Michael R. Nestor, mnestor@ycst.com; (c) counsel to the Canadian Debtors, Blake, Cassels & Graydon LLP, 199 Bay Street, Suite 2800, Toronto, Ontario, M5L 1A9, Attn.: Linc Rogers, linc.rogers@blakes.com; (d) the court-appointed monitor of the Canadian Debtors, FTI Consulting Canada ULC (the “Canadian Monitor”), TD Canada Trust Tower, 161 Bay Street, 27th Floor, Toronto, Ontario M5J 2S1, Attn.: Nigel Meakin, nigel.meakin@fticonsulting.com; and Toni Vanderlaan, toni.vanderlaan@fticonsulting.com; (e) counsel to the Canadian Monitor, Stikeman Elliott LLP, 5300 Commerce Court West, 199 Bay Street, Toronto, Ontario, M5L 1B9, Attn.: Ashley Taylor, ataylor@stikeman.com; (f) investment bankers for the Debtors, Jefferies & Co. Inc., 520 Madison Avenue, New York, NY 10022, Attn: Fred Fazio, ffazio@jefferies.com; (g) counsel to the Stalking Horse Bidder, Buchanan Ingersoll & Rooney, PC, 20th Floor, One Oxford Centre, Pittsburgh, PA 15219, Attn: Craig S. Heryford, Esq., craig.heryford@bipc.com; (h) counsel to JPMorgan Chase Bank, N.A., as DIP Agent, Cravath, Swaine & Moore LLP, Worldwide Plaza, 825 Eighth Avenue, New York, NY 10019-7475, Attn: Robert H. Trust; (i) counsel to the Official Committee of Unsecured Creditors, McGuireWoods LLP, 625 Liberty Avenue, 23rd Floor, Pittsburgh PA 15222-3142, Attn: Michael J. Roeschenthaler, Esq., mroeschenthaler@mcguirewoods.com; and (j) counsel to the Indenture Trustee, Faegre & Benson LLP, 90 South Seventh Street, Suite 2200, Minneapolis, MN 55402, Attn: Michael B. Fisco, Esq. (collectively, the “Notice Parties”), by the Bid Deadline. A Bid received after the Bidding Deadline shall not constitute a Qualified Bid (as defined below). A Bid shall be delivered to all Notice Parties at the same time. Interested bidders requesting information about the qualification process, including a form asset purchase agreement, and information in connection with their due diligence, should contact Fred Fazio, Associate, Jefferies & Co., Inc., 520 Madison Avenue, New York, NY 10022, (212) 284-2300.

⁶ Capitalized terms used and not defined in this paragraph shall have the meanings ascribed to them in the Bidding Procedures.

b. Participation Requirements: To participate in the process detailed by the Bidding Procedures and to otherwise be considered for any purpose hereunder, each Bid and each bidder (“Potential Bidder”) must be determined by the Debtors to satisfactorily provided the Debtors with each of the following on or before the Bidding Deadline (the “Participant Requirements”):

(i) Identification of Potential Bidder. Identification of the Potential Bidder and any Principals (defined below), and the representatives thereof who are authorized to appear and act on their behalf for all purposes regarding the contemplated transaction;

(ii) Non-Binding Expression of Interest. An executed non-binding indication of interest satisfactory to the Debtors that must reasonably identify the contemplated transaction, including the assets proposed to be acquired, the proposed purchase price, contingencies, and conditions precedent to closing;

(iii) Corporate Authority. Written evidence of the Potential Bidder’s chief executive officer or other appropriate senior executive’s approval of the contemplated transaction; provided, however, that, if the Potential Bidder is an entity specially formed for the purpose of effectuating the contemplated transaction (and “Acquisition Entity”), then the Potential Bidder must furnish written evidence reasonably acceptable to the Debtors of the approval of the contemplated transaction by the equity holder(s) of such Potential Bidder (the “Principals”);

(iv) Confidentiality Agreement. An executed confidentiality agreement in form and substance acceptable to the Debtors and their respective counsel and in any event a confidentiality agreement substantially in the same terms as the confidentiality agreement executed by the Stalking Horse Bidder; and

(v) Proof of Financial Ability to Perform. Written evidence upon which the Debtors may reasonably conclude that the Potential Bidder has the necessary financial ability to close the contemplated transaction and provide adequate assurance of future performance under all contracts to be assumed in such contemplated transaction. Such information should include, among other things, the following:

(a) the Potential Bidder’s or, in the case of an Acquisition Entity, the Principals’, current financial statements (audited if they exist);

(b) contact names and numbers for verification of financing sources;

(c) evidence of the Potential Bidder’s or Principals’ internal resources and proof of any debt or equity funding commitments that are needed to close the contemplated transaction;

(d) any such other form of financial disclosure or credit-quality support information or enhancement reasonably acceptable to the Debtors demonstrating that such Potential Bidder has the ability to close the contemplated transaction; provided, however, that the Debtors shall determine, in their reasonable discretion, in consultation with their advisors, whether the written evidence of such financial wherewithal is reasonably acceptable, and shall not unreasonably withhold acceptance of a Potential Bidder's financial qualifications; and

c. Designation as Qualified Bidder: A "Qualified Bidder" is a Potential Bidder (or combination of Potential Bidders whose Bids for the assets of the Debtors do not overlap and who agree to have their Bids combined for purposes of the determination of whether such Potential Bidders together constitute a Qualified Bidder, and who shall also be referred to herein as a single Qualified Bidder) that delivers the documents described in paragraphs (a) through (e) above, and that the Debtors in their discretion and with assistance from their advisors and the Canadian Monitor determines is reasonably likely to submit a bona fide offer that would result in greater cash value being received for the benefit of the Debtors' creditors than under the APA and to be able to consummate a sale if selected as a Successful Bidder (defined below).

Upon the receipt from a Potential Bidder of the information required under paragraphs (a) through (e) above, as soon as is practicable, the Debtors shall determine and notify the Potential Bidder with respect to whether such Potential Bidder is a Qualified Bidder.

The Stalking Horse Bidder is a Qualified Bidder.

d. Bidding Process: The Debtors and their advisors, in consultation with the Canadian Monitor, shall: (a) determine whether a Potential Bidder is a Qualified Bidder; (b) coordinate the efforts of Bidders in conducting their due-diligence investigations, as permitted by the provisions herein; (c) receive offers from Qualified Bidders; and (d) negotiate any offers made to purchase the Assets. Subject to the Bidding Procedures Orders, the Debtors shall have the right to adopt such other rules for the Bidding Process (including rules that may depart from those set forth herein), that, in their sole discretion, will better promote the goals of the Bidding Process.

e. Bidding Requirements: To participate in the Auction, each Bidder and Qualified Bidder submitting such a Bid must be determined by the Debtors to satisfy each of the following conditions:

(i) Written Submission of APA and Commitment to Close. Qualified Bidders must submit by the Bid Deadline a blackline of the asset purchase agreement (the "APA") by and among the Debtors and Stalking Horse Bidder reflecting their proposed changes, and a written commitment that they intend to close on the terms and conditions set forth therein;

(ii) Bid Allotment. Each Bid shall clearly identify which portion of the aggregate Purchase Price is for the U.S. Assets and which portion of the Purchase Price is for the Canadian Assets so that the Debtors can accurately compare such Bid to other bids for the Assets. A Bid cannot allocate a lesser amount of the purchase price to the U.S. Assets than has been allocated thereto by the Stalking Horse Bidder. A Bid cannot allocate a lesser amount of the purchaser price to the Canadian Assets than has been allocated thereto by the Stalking Horse Bidder. A Bid that does not comply with the foregoing shall not, under any circumstance, constitute a Qualified Bid;

(iii) Irrevocable. A Bid must be irrevocable until the sooner of (i) twenty-one (21) days after Orders from both the Canadian Court and U.S. Court are entered approving the sale of the Assets; and (ii) two (2) business days after the Assets have been sold pursuant to the Closing of the sale or sales approved by the Bankruptcy Court in a final, non-appealable order (the "Termination Date");

(iv) Contingencies: A Bid may not be conditioned on obtaining financing or any internal approval or on the outcome or review of due diligence. Any other contingencies associated with a Bid may not be more burdensome than those set forth in the APA;

(v) Financing Sources: A Bid must contain written evidence of a commitment for financing or other evidence of the ability to consummate the sale satisfactory to the Debtors with appropriate contact information for such financing sources;

(vi) No Fees payable to Qualified Bidder: A Bid may not request or entitle the Qualified Bidder to any break fee, expense reimbursement or similar type of payment. Further, by submitting a Bid, a Bidder shall be deemed to waive its right to pursue a substantial contribution claim under section 503 of the Bankruptcy Code or in any way related to the submission of its Bid or the Bidding Procedures;

(vi) Good-Faith Deposit. Each Bid must be accompanied by a deposit (the "Good Faith Deposit") in the form of certified checks or cash payable to the order of the Indalex U.S. in the amount of \$7,250,000 and to Indalex Canada in the amount of \$2,750,000 for a total of \$10,000,000.00 to be prorated as follows: (a) in respect of the U.S. Assets, a deposit in the amount of \$7,250,000 shall be paid to an escrow agent reasonably satisfactory to the U.S. Debtors, to be held by such escrow agent in accordance with these Bidding Procedures and (b) in respect of the Canadian Assets, a deposit in the amount of \$2,750,000 shall be paid to the Monitor, to be held by the Monitor in accordance with these Bidding Procedures;

(vii) Minimum Overbid. The consideration proposed by the Bid must be cash. The aggregate consideration must equal or exceed the sum of the

Canadian Purchase Price and the US Purchase Price provided for under the APA, plus the amount of the Break Fee, plus \$250,000.00 (the "Initial Minimum Overbid Increment") and shall continue in increments of at least \$250,000 (the "Minimum Overbid").

A Bid received from a Qualified Bidder before the Bid Deadline that meets the above requirements, and that satisfies the Bid-Deadline requirement above, shall constitute a "Qualified Bid," if the Debtors believe, in their reasonable discretion, that such Bid would be consummated if selected as the Successful Bid. For purposes herein, the APA shall constitute a Qualified Bid.

For purposes herein, the APA shall constitute a Qualified Bid. All Qualified Bids received prior to the commencement of the Auction (as defined below) shall be considered such Qualified Bidder's "Baseline Bid."

If any Potential Bidder is determined by Debtors not to be a Qualified Bidder, the Potential Bidder shall be refunded its deposit and all accumulated interest thereon within three (3) business days after that determination.

f. Auction: Only if a Qualified Bid (other than the Stalking Horse Bidder) is received by the Bid Deadline, shall the Debtors conduct an auction (the "Auction") to determine the highest and/or best bid with respect to the Assets. The Auction shall commence on **July 16, 2009**, at 10:00 a.m. (Eastern Time); at the offices of Young Conaway Stargatt & Taylor, The Brandywine Building, 1000 West Street, 17th Floor, Wilmington, DE 19801.

If no such Qualified Bid is received by the Bid Deadline, then the Auction will not be held. Accordingly, the Stalking Horse Bidder will be the Successful Bidder. The APA will be the Successful Bid, and, at the Sale Hearings (as defined below), the Debtors will seek approval of and authority to consummate the Proposed Sale contemplated by the APA.

The Auction shall be conducted according to the following procedures:

(i) Participation At The Auction: Only a Qualified Bidder that has submitted a Qualified Bid is eligible to participate at the Auction. Only the authorized representatives of each of the Qualified Bidders, Debtors, the Canadian Monitor and the official committee of unsecured creditors shall be permitted to attend. During the Auction, bidding shall begin initially with the highest Qualified Bid (the "Opening Qualified Bid") and subsequently continue in minimum increments of at least \$250,000 (or such other amount the Debtors determine to facilitate the Auction), and shall be deemed to be allocated between the U.S. Assets and the Canadian Assets in the same proportion as was allocated in the Opening Qualified Bid.

(ii) Debtors Shall Conduct The Auction: The Debtors and their professionals shall direct and preside over the Auction. At the start of the

Auction, the Debtors shall describe the terms of the Opening Qualified Bid. The determination of which Qualified Bid constitutes the Opening Qualified Bid shall take into account any factors the Debtors reasonably deem relevant to the value of the Qualified Bid to the estates, including, among other things, the following: (i) the amount and nature of the consideration; (ii) the proposed assumption of any liabilities, if any; (iii) the ability of the Qualified Bidder to close the proposed transaction; (iv) the proposed Closing Date and the likelihood, extent and impact of any potential delays in Closing; (v) any purchase-price adjustments; (vi) the impact of the contemplated transaction on any actual or potential litigation; (vii) the net economic effect of any changes from the APA, if any, contemplated by the contemplated transaction documents, (viii) the net after-tax consideration to be received by the Debtors' estates; and (ix) such other considerations the Debtors deem relevant in their sole discretion (collectively, the "Bid Assessment Criteria"). All Bids made thereafter shall be Overbids (as defined below), and shall be made and received on an open basis, and all material terms of each Bid shall be fully disclosed to all other Qualified Bidders. The Debtors shall maintain a transcript of all Bids made and announced at the Auction, including the Baseline Bid, all Overbids and the Successful Bid.

(iii) Terms of Overbids: An "Overbid" is any Bid made at the Auction *subsequent* to the Debtors' announcement of the highest and best Qualified Bid. To submit an Overbid for purposes of this Auction, a Qualified Bidder must comply with the following conditions:

(a) Minimum Overbid Increment: Any Overbid after the Opening Qualified Bid shall be made in increments of at least \$250,000 (or such other amount the Debtors determine to facilitate the Auction). Additional consideration in excess of the amount set forth in the Baseline Bid must be comprised only of cash consideration. Each Overbid shall be deemed to be allocated between the Canadian Assets and the U.S. Assets in accordance with the allocation of the cash consideration of the Opening Bid.

(b) Remaining Terms are the same as for Qualified Bids: Except as modified herein, an Overbid must comply with the conditions for a Qualified Bid set forth above, provided, however, that the Bid Deadline and the Initial Minimum Overbid Increment shall not apply. Any Overbid made by a Qualified Bidder must remain open and binding on the Qualified Bidder until and unless (a) the Debtors accept a higher Qualified Bid as an Overbid and (b) such Overbid is not selected as the Back-up Bid (as defined below).

To the extent not previously provided (which shall be determined by the Debtors), a Qualified Bidder submitting an Overbid must submit, as part of its Overbid, written evidence (in the form of financial disclosure or credit-quality support information or enhancement reasonably acceptable

to the Debtors) demonstrating such Qualified Bidder's ability to close the transaction proposed by such Overbid.

(c) Announcing Overbids: The Debtors shall announce at the Auction the material terms of each Overbid, the basis for calculating the total consideration offered in each such Overbid, and the resulting benefit to the Debtors' estates based on, among other things, the Bid Assessment Criteria.

(d) Consideration of Overbids: The Debtors reserve the right, in their reasonable business judgment, to make one or more adjournments in the Auction to, among other things: (a) facilitate discussions between the Debtors and individual Qualified Bidders; (b) allow individual Qualified Bidders to consider how they wish to proceed; and (c) give Qualified Bidders the opportunity to provide the Debtors with such additional evidence as the Debtors, in their reasonable business judgment, may require that the Qualified Bidder (other than Stalking Horse Bidder) has sufficient internal resources, or has received sufficient non-contingent debt and/or equity funding commitments, to consummate the proposed transaction at the prevailing Overbid amount.

(iv) Additional Procedures: In their reasonable discretion, the Debtors may adopt rules for the Auction at or prior to the Auction that will better promote the goals of the Auction and that are not inconsistent with any of the provisions of the Bidding Procedures Order. All such rules will provide that all Bids shall be made and received in one room, on an open basis, and all other Qualified Bidders shall be entitled to be present for all bidding with the understanding that the true identity of each Qualified Bidder – i.e., Principals submitting the Bid – shall be fully disclosed to all other Qualified Bidders and that all material terms of each Qualified Bid will be fully disclosed to all other Qualified Bidders throughout the entire Auction.

(v) Closing the Auction: Upon conclusion of the bidding, the Auction shall be closed, and the Debtors shall (i) immediately review each Overbid 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 the Proposed Sale, and (ii) identify the highest, best, and/or otherwise financially superior offer for the Assets (the "Successful Bid") and the entity submitting such Successful Bid, the "Successful Bidder"), which highest, best and/or otherwise financially superior offer will provide the greatest amount of net value to the Debtors, and the next highest or otherwise best offer after the Successful Bid (the "Back-up Bid"), and advise the Qualified Bidder of such determination. If the Stalking Horse Bidder's final bid is deemed to be highest and best at the conclusion of the Auction, the Stalking Horse Bidder will be the Successful Bidder, and such bid, the Successful Bid.

(vi) Break Fee. In the event that the APA is terminated pursuant to Section 11.1(b)(ii) of the APA, the Break Fee, in the amount of \$5,300,000, shall be payable from the proceeds received upon consummation of such Alternate Transaction, as follows: (i) each US Seller shall pay to US Purchaser its pro-rata share of the Break Fee payable by US Sellers based upon US Purchaser's pro rata share of Purchase Prices payable hereunder, (ii) each Canadian Seller shall pay to Canadian Purchaser its pro-rata share of the Break Fee payable by Canadian Sellers based upon Canadian Purchaser's pro-rata share of Purchase Price payable hereunder, (iii) any obligation to pay the Break Fee hereunder shall be absolute and unconditional and shall not be subject to any defense, claim, counterclaim, offset, recoupment or reduction of any kind whatsoever; and (iv) Section 11.3 of the APA and the rights and obligations created thereunder shall survive termination of the APA.

g. Acceptance of Successful Bid: The Debtors shall sell the Assets to the Successful Bidder upon the approval of the Successful Bid by the U.S. Court and the Canadian Court. The Debtors' presentation of a particular Qualified Bid to (i) the U.S. Court (by the U.S. Debtors) and (ii) the Canadian Court (by the Canadian Debtors) 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 both the U.S. Court and the Canadian Court. All interested parties reserve their right to object to the Debtors' selection of the Successful Bidder (including the assignment of any of such objector's Assumed Executory Contract thereto, provided, however, that any objection to such assignment on the basis of the Cure Cost must be made and/or reserved as set forth in the order approving these Bidding Procedures).

h. "As Is, Where Is": The Sale of the 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 estates except to the extent set forth in the APA or the purchase agreement of another Successful Bidder. The Stalking Horse Bidder 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 Assets prior to making its offer, that it has relied solely on its own independent review, investigation, and/or inspection of any documents and/or the Assets in making its Bid, and that it did not rely on any written or oral statements, representations, promises, warranties, or guaranties whatsoever, whether express, implied, by operation of law or otherwise, regarding the Assets, or the completeness of any information provided in connection therewith or the Auction, except as expressly stated in these Bidding Procedures or (a) as to the Stalking Horse Bidder, the terms of the sale of the Assets shall be set forth in the APA, or (b) as to another Successful Bidder, the terms of the sale of the Assets shall be set forth in the applicable purchase agreement.

i. Free Of Any And All Encumbrances: Except as otherwise provided in the APA or another Successful Bidder's purchase agreement, all of the Debtors' right, title, and interest in and to the Assets subject thereto shall be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, and interests thereon and

there against (collectively, the “Encumbrances”) in accordance with 11 U.S.C. § 363 and a vesting order of the Canadian Court, with such Encumbrances to attach to the net proceeds of the sale of the Assets.

j. Sale Hearings: Hearings to approve the sale of the Assets to the Successful Bidder shall be conducted by (i) the U.S. Court on **July 20, 2009**, at **2:00 p.m.** (Eastern Time), located at 824 North Market Street, 6th Floor, Courtroom No. 2 Wilmington, Delaware (the “U.S. Sale Hearing”), and (ii) by the Canadian Court on July 20, 2009, located at 330 University Avenue, 8th floor, Courtroom No.8-1, Toronto, Ontario (the “Canadian Sale Hearing” and together with the U.S. Hearing, the “Sale Hearings”). A joint hearing of the Sales Hearings may be held in accordance with the Debtors’ cross-border insolvency protocol, at the option of the Debtors. Following the approval of the sale of the Assets to the Successful Bidder at the Sale Hearings, if such Successful Bidder fails to consummate an approved sale within ten (10) days after entry of Orders by both the U.S. Court and the Canadian Court approving the sale of Assets (except where the sole cause of any delay in Closing is as a result of either (A) notification requirements under the HSR Act and the Competition Act (Canada) or (B) default by the Debtors, the Debtors shall be authorized, but not required, to deem the Back-up Bid, as disclosed at the Sale Hearings, the Successful Bid or Back-up Bid, as applicable, and the Debtors shall be authorized, but not required, to consummate the sale with the Qualified Bidder submitting such Back-up Bid without further notice or orders of the U.S. Court or Canadian Court. The Sale Hearings may be adjourned or rescheduled without notice other than by announcement of the adjourned date at the Sale Hearings.

18. The Debtors submit that implementation of the Bidding Procedures, including the Break Fee, will not chill bidding for the Assets. To the contrary, approval of the Bidding Procedures will invigorate bidding. As set forth above, since the Petition Date, the Debtors, through their management and Jefferies, have employed substantial marketing efforts aimed toward garnering interest in the Assets and, as of the date of this Motion, approximately fifty (54) total potential financial and strategic purchasers have been contacted. Contemporaneously with these marketing efforts, the Debtors have decided in the interest of time to proceed with their sale to the Stalking Horse Bidder, subject to continued marketing to potential bidders with the goal of maximizing value for creditors. The Bidding Procedures provide a structure and format that encourages all bidders to submit the highest and best offers for all of the Debtors’ Assets. The Debtors may select any combination of bids that provides the

highest and best value to the Debtors and their estates as the Successful Bid(s). Accordingly, the Debtors submit that the Bidding Procedures are in the best interests of the Debtors, their estates and their creditors.

D. Notice of Sale Hearing, Auction, Bidding Procedures, and Objection Dates

19. The Debtors propose to have the Sale Hearing on or about July 20, 2009, with an objection deadline for such Sale Hearing set for July 15, 2009 at 4:00 p.m. (Eastern Time).

20. Not later than two (2) days after entry of the Sale Procedures Order, the Debtors will cause the Auction and Sale Notice, in a form substantially similar to the form attached hereto Exhibit C, to be sent by first-class mail, postage-prepaid, to (i) all entities that claim any interest in or lien on the Assets; (ii) all parties to executory contracts and unexpired leases subject to the Proposed Sale; (iii) all governmental taxing authorities that have, or as a result of the sale of the Assets may have, claims, contingent or otherwise, against the Debtors; (iv) all parties that filed requests for notices under Bankruptcy Rule 9010(b) or were entitled to notice under Bankruptcy Rule 2002; (v) all known creditors (whether liquidated, contingent or unmatured) of the Debtors; (vi) all interested governmental, pension, and environmental entities; (vii) the Office of the United States Trustee; (viii) the United States Securities and Exchange Commission; and (ix) all entities that have, within the past 12 months, expressed to the Debtors an interest in purchasing the Assets.

21. Not later than two (2) days after entry of the Sale Procedures Order, the Debtors will cause the Auction and Sale Notice, in a form substantially similar to the form attached hereto as Exhibit C, to be published in the national edition of one of the following: The Wall Street Journal, The New York Times, or The USA Today, as to be determined by Debtors,

pursuant to Bankruptcy Rule 2002(l). Such publication notice shall be sufficient and proper notice to any other interested parties, including those whose identities are unknown to Debtors.

22. Further, to facilitate the sale, assumption, and assignment of any Assigned Contracts, the Debtors will serve, via first class mail, a notice (the "Cure Amount Notice"), similar to the form attached hereto as Exhibit D, not later than two (2) days after entry of the Sale Procedures Order on each counterparty to an Assigned Contract. If the Stalking Horse Bidder is not the Successful Bidder, and an alternative Successful Bidder is seeking to have certain Assigned Contracts assumed and assigned as part of an alternative transaction, the Debtors will provide financial information for the alternative bidder to all non-debtor parties to such Assigned Contracts immediately following the Auction via facsimile or Federal Express.

23. The Debtors will attach to the Cure Amount Notice their calculation of the undisputed cure amounts that they believe must be paid to cure all defaults under all Assigned Contracts (the "Cure Amount"). If no amount is listed on the Cure Amount Notice, the Debtors believe that there is no Cure Cost. Unless the non-debtor party to an Assigned Contract files an objection (the "Cure Amount Objection") to their scheduled Cure Cost by July 15, 2009, at 4:00 p.m. (Eastern Time) and serves the objection on (a) the Debtors, 75 Tri-State International, Suite 450, Lincolnshire, IL 60069, Attn: Timothy R.J. Stubbs, Chief Executive Officer and President; (b) counsel to the Debtors, Young Conaway Stargatt & Taylor, LLP, The Brandywine Building, 1000 West Street, 17th Floor, Wilmington, DE 19801, Attn: Michael Nestor; (c) counsel to the Stalking Horse Bidder, Buchanan Ingersoll & Rooney, PC, 20th Floor, One Oxford Centre, Pittsburgh, PA 15219, Attn: Craig S. Heryford, Esq.; (d) counsel to the Official Committee of Unsecured Creditors, McGuireWoods LLP, 625 Liberty Avenue, 23rd Floor, Pittsburgh PA 15222-3142, Attn: Michael J. Roesenthaler, Esq.; (e) counsel to the Indenture Trustee, Faegre

& Benson LLP, 90 South Seventh Street, Suite 2200, Minneapolis, MN 55402, Attn: Michael B. Fisco, Esq. and (f) counsel to JPMorgan Chase Bank, N.A., as DIP Agent, Cravath, Swaine & Moore LLP, Worldwide Plaza, 825 Eighth Avenue, New York, NY 10019-7475, Attn: Robert H. Trust, then the Debtors may assume and assign such contract to the Stalking Horse Bidder or the Successful Bidder and such non-debtor party shall (i) be forever barred from objecting to the Cure Cost and from asserting any additional cure or other amounts with respect to such Assigned Contract, and the Debtors shall be entitled to rely solely on the Cure Cost; and (ii) be forever barred and estopped from asserting or claiming against the Debtors, the Stalking Horse Bidder, or such other Successful Bidder or any other assignee of the relevant Assigned Contract that any additional amounts are due or defaults exist under such Assigned Contract. In addition, non-debtor parties to any Assigned Contract must file and serve objections, if any, the adequate assurance of future performance under the Assigned Contract (if and as assumed) so as to be received by the foregoing parties by July 15, 2009, at 4:00 p.m. (Eastern Time).

24. If a Cure Amount Objection is timely filed, the Cure Amount Objection must set forth (a) the basis for the objection; (b) with specificity, the amount the party asserts as the Cure Cost; and (c) appropriate documentation in support of the Cure Cost.

25. Hearings on Cure Amount Objections (and objections to the adequate assurance of future performance under the Assigned Contract (if and as assumed)) may be held (a) at the Sale Hearing or (b) on such other date that the Debtors determine in their sole discretion; provided, however, that if the subject Assigned Contract is assumed and assigned, the Cure Cost asserted by the objecting party (or such lower amount as may be fixed by this Court) shall be deposited and held in a segregated account by the Debtors or the Successful Bidder or

any other assignee pending further order of this Court or mutual agreement of the parties, as applicable.

26. The Debtors' decision to assume and assign Assigned Contracts shall be subject to Court approval and consummation of the Proposed Sale of the Assets. Absent consummation of the Proposed Sale of the Assets, each of the Assigned Contracts shall neither be deemed assumed nor assigned and shall in all respects be subject to further administration under the Bankruptcy Code.

27. Except to the extent otherwise provided in the APA or the agreement with the Successful Bidder, subject to any prepetition cure amount payments, the assignee of any assumed Assigned Contract will not be subject to any liability to the Assigned Contract counterparty that accrued or arose before the closing date of the Proposed Sale of the Assets, and the Debtors shall be relieved of all liability accruing or arising thereafter pursuant to section 365(k) of the Bankruptcy Code.

28. Objections, if any, to the relief requested in the Sale Motion, including any objections under section 365(b)(1)(C) of the Bankruptcy Code, must: (a) be in writing; (b) comply with the Bankruptcy Rules and the Local Bankruptcy Rules; (c) be filed with the Clerk of the Bankruptcy Court for the District of Delaware, 3rd Floor, 824 Market Street, Wilmington, Delaware 19801, on or before 4:00 p.m. (Eastern Time) on July 15, 2009; and (d) be served so as to be received no later than 4:00 p.m. (Eastern Time) on the same day, on (a) the Debtors, 75 Tri-State International, Suite 450, Lincolnshire, IL 60069, Attn: Timothy R.J. Stubbs, Chief Executive Officer and President; (b) counsel to the Debtors, Young Conaway Stargatt & Taylor, LLP, The Brandywine Building, 1000 West Street, 17th Floor, Wilmington, DE 19801, Attn: Michael Nestor; (c) investment bankers for the Debtors, Jefferies & Company, Inc., 520 Madison

Avenue, New York, NY 10022, Attn: Fred Fazio; (d) counsel to the Stalking Horse Bidder Buchanan Ingersoll & Rooney, PC, 20th Floor, One Oxford Centre, Pittsburgh, PA 15219, Attn: Craig S. Heryford, Esq.; (e) counsel to the Official Committee of Unsecured Creditors, McGuireWoods LLP, 625 Liberty Avenue, 23rd Floor, Pittsburgh PA 15222-3142, Attn: Michael J. Roesenthaler, Esq. and (f) counsel to JPMorgan Chase Bank, N.A., as DIP Agent, Cravath, Swaine & Moore LLP, Worldwide Plaza, 825 Eighth Avenue, New York, NY 10019-7475, Attn: Robert H. Trust, provided, however, if the Stalking Horse Bidder is not the Successful Bidder and an alternative Successful Bidder is seeking to have certain unexpired leases, license agreements, and executory contracts assumed and assigned as part of an alternative transaction, the non-debtor parties to such unexpired leases, license agreements, and executory contracts shall have until 4:00 p.m. the day prior to the Sale Hearing to raise objections under section 365(b)(1)(C) of the Bankruptcy Code. The failure of any person to timely file its objection shall be a bar to the assertion, at the Sale Hearing or thereafter, of any objection to the Motion or the Debtors' assumption and assignment of any Assigned Contract or the consummation of the Proposed Sale and performance under the APA (or any alternative agreement entered into with the Successful Bidder), including the transfer of the Assets free and clear of all Encumbrances (other than permitted encumbrances provided for expressly in the APA or alternative purchase agreement entered into with the Successful Bidder).

29. The Debtors request that the Sale Hearing be held before this Court on or before July 20, 2009. The Sale Hearing may be adjourned, from time to time, without further notice to creditors or other parties-in-interest other than by announcement of said adjournment before this Court or on this Court's calendar on the date scheduled for said hearing.

30. The Debtors request that the Court approve the notices to be issued in connection with the Proposed Sale of the Assets substantially in the form of the notices attached hereto.

31. To facilitate the Bidding Procedures, the Debtors respectfully request that Bid Deadline be set for no later than July 14, 2009; the Auction be scheduled for no later than July 16, 2009; and the Sale Hearing be scheduled, at the convenience of the Court, no later than July 20, 2009.

BASIS FOR RELIEF

A. The Proposed Bidding Procedures, Including Break Fee Are Appropriate

32. Section 105(a) of the Bankruptcy Code provides that the Court “may issue any order, process or judgment that is necessary or appropriate to carry out the provisions of this title.” 11 U.S.C. § 105(a). As described above, approval of the Bidding Procedures will greatly assist the Debtors in maximizing the value that they may obtain for the Assets. Consequently, the Debtors respectfully submit that granting the requested relief is “appropriate” under the circumstance.

33. Once the Debtors articulate 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.” *In re S.N.A. Nut Company*, 186 B.R. 98 (Bankr. N.D. Ill. 1995) (internal quotation, citation omitted); *In re Integrated Resources, Inc.*, 147 B.R. 650, 656 (S.D.N.Y. 1992); *In re Johns-Manville Corp.*, 60 B.R. 612, 615-16 (Bankr. S.D.N.Y. 1986) (“a presumption of reasonableness attaches to a Debtor's management decisions.”).

34. Indeed, when applying the “business judgment” rule, courts show great deference to the debtor’s decision-making. *See Summit Land Co. v. Allen (In re Summit Land Co.)*, 13 B.R. 310, 315 (Bankr. D. Utah 1981). Thus, this Court should grant the relief requested in this Motion if the Debtors demonstrate a sound business justification therefor. *See Schipper*, 933 F.2d at 515; *In re Lionel Com.*, 722 F.2d at 1071; *In re Delaware Hudson Ry. Co.*, 124 B.R. 169 at 179.

35. The Bidding Procedures are designed to encourage competitive bidding in an orderly manner to maximize value for the Debtors’ estates for their creditors, customers and employees. The proposed procedures contain terms typical for a process through which a Sale of this nature is consummated, and the adoption of the Bidding Procedures represents a sound exercise of the Debtors’ business judgment.

36. The Debtors have sound business justifications for seeking approval of the Bidding Procedures at this juncture. The Debtors believe it is in the best interests of their estates, creditors, customers and employees to commence an auction process immediately. As stated previously, pursuant to section 5.14 of the DIP Credit Agreement, the Debtors are required to complete a Sale Transaction by the Sale Deadline. Accordingly, the Debtors and their advisors have been diligently working towards consummating a Sale Transaction that will maximize returns to stakeholders.

37. In addition, the Debtors’ request for approval of the Break Fee should be approved as an appropriate exercise of the Debtors’ business judgment, and because it provides a benefit to the bankruptcy estates by encouraging competitive bidding and incentivizing the Stalking Horse Bidder to serve as a stalking horse bidder in these cases. For example, in *Calpine Corp. v. O’Brien Environmental Energy, Inc. (In re O’Brien Environmental Energy, Inc.)*, 181 F.

3d 527 (3d Cir. 1999), the Third Circuit held that even though bidding incentives are measured against a business judgment standard in non-bankruptcy transactions, the administrative expense provisions of section 503(b) of the Bankruptcy Code govern in the bankruptcy context. Accordingly, to be approved, bidding incentives must provide some benefit to the debtor's estate. *Id.* at 533.

38. The Third Circuit identified at least two instances in which bidding incentives may benefit the estate. First, benefit may be found if the bidding procedures and protections “promote[] 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. Second, where the availability of bidding incentives 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.*

39. Whether evaluated under Section 105(a) of the Bankruptcy Code, the business judgment rule, or the Third Circuit “administrative expense” standard, approval of the Bidding Procedures, including the Break Fee and other bidding protections, described above are appropriate and necessary to maximizing the value Debtors may obtain for all or portions of their Assets.

40. The Bidding Procedures are designed to encourage competitive bidding. The Bidding Procedures does not seek an expense reimbursement (even though such fees are commonly approved by this Court) but, instead, seeks only a Break Fee payable only if the Stalking Horse Bidder is not the Successful Bidder and either (a) the Debtor consummates a Sale on account of a higher and better offer for the Assets or (b) the Debtors pursue and consummate

an Alternative Transaction (as defined in the APA). The Stalking Horse's Bid represents the highest and best bid received at this time and, as such, represents a reasonable floor for other bids and will serve to induce other bids that otherwise would not have been made or otherwise would have been limited, both of which represent a significant benefit to the Debtors' estates.

41. In addition, the aggregate consideration must equal or exceed the sum of the Canadian Purchase Price and the US Purchase Price provided for under the APA, plus the amount of the Break Fee, plus \$250,000.00 (the "Initial Minimum Overbid Increment") and shall continue in increments of at least \$250,000 (the "Minimum Overbid"). The Minimum Overbid requirements described in the Motion and Bidding Procedures are appropriate under the circumstances as well given the size of this transaction, and the Debtors believe that it is unlikely that they will deter a serious competing bidder. Consequently, the Debtors believe the Minimum Overbid requirements adequately protect the value provided by the Stalking Horse Bidder.

42. Moreover, absent authorization of the Break Fee and the Minimum Overbid requirements, the Debtors may lose the opportunity to obtain the highest and best offer for the Assets. If the protections are not approved, the Stalking Horse Bidder is authorized to terminate the Proposed Sale pursuant to section 11.1(c) of the APA..

43. Finally, the Break Fee and minimum overbid requirements were negotiated in good faith and were the product of arm's-length negotiations.

44. Accordingly, the Debtors request that the Court authorize payment of the Bidding Procedures, the Break Fee and approve the other bidder protections.

B. The Sale is Within the Sound Business Judgment of the Debtors and Should be Approved

45. Section 363(b)(1) of the Bankruptcy Code provides, in relevant part, that a debtor in possession, "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). 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 prior to confirmation of a plan. However, courts in this Circuit and others have required that the decision to sell assets outside the ordinary course of business be based upon the sound business judgment of the debtors. *See In re Abbotts Dairies of Pennsylvania, Inc.*, 788 F.2d 143 (3d Cir. 1986); *see also Myers v. Martin (In re Martin)*, 91 F.3d 389, 395 (3d Cir. 1996); *Comm. of Equity Sec. Holders v. Lionel Corp. (In re Lionel Corp.)*, 722 F.2d 1063, 1071 (2d Cir. 1983); *Dai-Ichi Kangyo Bank, Ltd. v. Montgomery Ward Holding Corp., (In re Montgomery Ward Holding Corp.)*, 242 B.R. 147, 153 (D. Del. 1999); *In re Delaware & Hudson Ry. Co.*, 124 B.R. 169, 176 (D.D.C. 1991).

46. The “sound business judgment” test requires a debtor to establish four elements in order to justify the sale or lease of property outside the ordinary course of business, namely, (a) that a “sound business purpose” justifies the sale of assets outside the ordinary course of business, (b) that adequate and reasonable notice has been provided to interested persons, (c) that the debtors have obtained a fair and reasonable price, and (d) good faith. *Abbotts Dairies*, 788 F.2d 143; *Titusville Country Club v. Pennbank (In re Titusville Country Club)*, 128 B.R. 396, 399 (Bankr. W.D. Pa. 1991); *In re Sovereign Estates, Ltd.*, 104 B.R. 702, 704 (Bankr. E.D. Pa. 1989). In this case, for the reasons detailed more fully above, the Debtors submit that the decision to proceed with the Sale of the Assets and the Sale Procedures related thereto are based upon their sound business judgment and should be approved. A debtor’s showing of a sound business purpose need not be unduly exhaustive but, rather, a debtor is “simply required to justify the proposed disposition with sound business reasons.” *In re Baldwin United Corp.*, 43 B.R. 888, 906 (Bankr. S.D. Ohio 1984). Whether or not there are sufficient

business reasons to justify a transaction depends upon the facts and circumstances of each case. *Lionel*, 722 F.2d at 1071; *Montgomery Ward*, 242 B.R. at 155 (approving funding of employee incentive and severance program; business purpose requirement fulfilled because stabilizing turnover rate and increasing morale were necessary to successful reorganization).

47. Additionally, section 105(a) of the Bankruptcy Code provides a bankruptcy court with broad powers in the administration of a case under the Bankruptcy Code. Section 105(a) provides that “[t]he court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of [the Bankruptcy Code].” 11 U.S.C. § 105(a). Provided that a bankruptcy court does not employ its equitable powers to achieve a result not contemplated by the Bankruptcy Code, the exercise of its section 105(a) power is proper. *In re Fesco Plastics Corp.*, 996 F.2d 152, 154 (7th Cir. 1993); *Pincus v. Graduate Loan Ctr. (In re Pincus)*, 280 B.R. 303, 312 (Bankr. S.D.N.Y. 2002). Pursuant to section 105(a), a court may fashion an order or decree that helps preserve or protect the value of a debtor’s assets. *See, e.g., Chinichian v. Campolongo (In re Chinichian)*, 784 F.2d 1440, 1443 (9th Cir. 1986) (“Section 105 sets out the power of the bankruptcy court to fashion orders as necessary pursuant to the purposes of the Bankruptcy Code.”); *In re Cooper Props. Liquidating Trust, Inc.*, 61 B.R. 531, 537 (Bankr. W.D. Tenn. 1986) (noting that bankruptcy court is “one of equity and as such it has a duty to protect whatever equities a debtor may have in property for the benefit of its creditors as long as that protection is implemented in a manner consistent with the bankruptcy laws.”).

48. The Debtors submit that more than ample business justification exists to sell the Assets to the Successful Bidder (or Back-up Bidder) pursuant to the Bidding Procedures and on substantially the terms set forth in the APA. The Debtors believe that it is essential to sell

the Assets promptly to avoid a deterioration of their business and a termination of their access to liquidity under the DIP Credit Agreement. The Debtors believe that the Bidding Procedures and the Auction will generate continued interest and competitive bidding, and that the bidding process will yield the highest and best bids for the Assets. Accordingly, the Debtors respectfully submit that the relief sought by this Motion is not only reasonable, but necessary to maximize the value of the Debtors' estates for the benefit of their stakeholders. Upon consummation of the Sale, the Debtors request that the Court order the proceeds be funded to account for payment of claims and obligations at closing pursuant to the DIP Order. Specifically, the Debtors request authority to pay administrative trade obligations that accrued in the ordinary course of business from and after the Petition Date, professional fees that were accrued but unpaid as of the date of consummation of the Sale, and the remaining amount to be paid to the secured parties in order of priority under applicable law.

49. The notice described herein and the Bidding Procedures is designed to provide adequate notice to all potentially interested parties, including those who have previously expressed an interest in purchasing the Assets. Accordingly, the proposed Sale satisfies the second prong of the *Abbotts Dairies* standard.

50. Moreover, the Bidding Procedures are designed to maximize the value received for the Assets. The process proposed by the Debtors allows for a timely auction process while providing bidders and consultants with ample time and information to submit a timely bid. The Bidding Procedures are designed to ensure that the Assets will be sold for the highest and best value. The Debtors are subjecting the value of the Assets to market testing and permitting prospective purchasers to bid on the Assets. The proposed Sale will be further subject to a market check through the solicitation of competing bids in a court-supervised Auction process in

accordance with the Bidding Procedures. Additionally, the Debtors have retained Jefferies to assist in the marketing and sale of the Assets. Accordingly, the Debtors and all parties in interest can be assured that the consideration received for the Assets will be fair and reasonable, and the third prong of the *Abbotts Dairies* standard is satisfied. As discussed below, the “good faith” prong of the *Abbotts Dairies* standard is also satisfied here.

C. The Sale is Proposed in “Good Faith” Under Section 363(m) of the Bankruptcy Code

51. The Debtors request that the Court find that the Successful Bidder (or Next Highest Bidder) is entitled to the benefits and protections provided by section 363(m) of the Bankruptcy Code in connection with the Sale.

52. Section 363(m) of the Bankruptcy Code provides, in pertinent part:

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

11 U.S.C. § 363(m).

53. Section 363(m) of the Bankruptcy Code thus protects the purchaser of assets sold pursuant to section 363 of the Bankruptcy Code from the risk that it will lose its interest in the purchased assets if the order allowing the sale is reversed on appeal. By its terms, section 363(m) of the Bankruptcy Code applies to sales of interests in tangible assets, such as the Assets. Additionally, the United States Court of Appeals for the Third Circuit (the “Third Circuit”) has indicated that section 363(m) of the Bankruptcy Code also protects the assignee of a debtor’s interest in executory contracts under Bankruptcy Code section 365. *Krebs Chrysler-Plymouth, Inc. v. Valley Motors, Inc.*, 141 F.3d 490, 497-98 (3d. Cir. 1998). In *Krebs*, the Court considered “whether assignments of [certain automobile dealership] franchises under section 365

are also sales of estate property subject to section 363(m).” *Id.* at 497. Despite the absence of an explicit reference to assignments of executory contracts under section 365 of the Bankruptcy Code, the Court in *Krebs* concluded that section 363(m) of the Bankruptcy Code protected an assignment of a debtor’s interest in certain automobile franchise agreements pursuant to an auction sale. Like the franchise agreements protected in *Krebs*, the Executory Contracts and Leases (as defined below) are executory contracts that may be assumed and assigned pursuant to section 365 of the Bankruptcy Code. In light of *Krebs*, the Debtors respectfully submit that section 363(m) applies to protect the Successful Bidder (or Next Highest Bidder) with respect to both the Executory Contracts and Leases (as defined and described more fully below) designated for assumption and assignment and the Assets that are included in such bids.

54. As required by section 363(m) of the Bankruptcy Code, the Bidding Procedures have been proposed in good faith and provide for both the Debtors and the potential purchaser to act in good faith in negotiating the Sale and the assignment of the designated Executory Contracts and Leases (as defined below). Although the Bankruptcy Code does not define “good faith purchaser,” the Third Circuit, construing section 363(m) of the Bankruptcy Code, has stated that “the phrase encompasses one who purchases in ‘good faith’ and for ‘value’.” *Abbotts Dairies*, 788 F.2d at 147. To constitute lack of good faith, a party’s conduct in connection with the sale must usually amount to “fraud, collusion between the purchaser and other bidders or the trustee or an attempt to take grossly unfair advantage of other bidders.” *Id.* (citing *In re Rock Indus. Mach. Corp.*, 572 F.2d 1195, 1198 (7th Cir. 1978)). See also *In re Bedford Springs Hotel, Inc.*, 99 B.R. 302, 305 (Bankr. W.D. Pa. 1989); *In re Perona Bros., Inc.*, 186 B.R. 833, 839 (D.N.J. 1995). Due to the absence of a bright line test for good faith, the determination is based on the facts of each case, concentrating on the “integrity of [an actor’s]

conduct during the sale proceedings.” *In re Pisces Leasing Corp.*, 66 B.R. 671, 673 (E.D.N.Y. 1986) (quoting *In re Rock Indus. Mach. Corp.*, 572 F.2d 1195, 1998 (7th Cir. 1978)).

55. Here, the sale of the Assets and the assignment of the Executory Contracts and Leases (as defined below) which are designated by the purchaser is in good faith. There is no evidence of fraud or collusion in the terms of the Sale and the assignment of the Executory Contracts and Leases. To the contrary, as discussed throughout this Motion, and as will be further demonstrated at the Sale Hearing, the APA will be the culmination of a solicitation and negotiation process in which all parties will be represented by counsel. All negotiations have been and will continue to be conducted on an arms length, good faith basis. With respect to the potential bidders, the Bidding Procedures are designed to ensure that no party is able to exert undue influence over the process. Under the circumstances, the Successful Bidder (or Next Highest Bidder) should be afforded the protections that section 363(m) of the Bankruptcy Code provides to a good faith purchaser. Furthermore, the Bidding Procedures are designed to prevent the Debtors or the Successful Bidder (or Next Highest Bidder) from engaging in any conduct that would cause or permit the APA, or the Sale of the Assets to the Successful Bidder (or Next Highest Bidder) pursuant thereto and hereto, to be avoided under section 363(n) of the Bankruptcy Code.

56. All parties in interest will receive notice of the Sale and will be provided with an opportunity to be heard. Additionally, all counterparties to Executory Contracts and Leases (as defined below) will be provided notice of the potential assumption and assignment of their agreements and an opportunity to be heard. The Debtors submit that such notice is adequate for entry of the Sale Order and satisfies the requisite notice provisions required under sections 363(b) and 365 of the Bankruptcy Code.

D. The Sale Satisfies the Requirements of Section 363(f) of the Bankruptcy Code

57. Under section 363(f) of the Bankruptcy Code, a debtor-in-possession may sell all or any part of its property free and clear of any and all liens, claims or interests in such property if: (i) such a sale is permitted under applicable non-bankruptcy law; (ii) the party asserting such a lien, claim or interest consents to such sale; (iii) the interest is a lien and the purchase price for the property is greater than the aggregate amount of all liens on the property; (iv) the interest is the subject of a *bona fide* dispute; or (v) the party asserting the lien, claim or interest could be compelled, in a legal or equitable proceeding, to accept a money satisfaction for such interest. 11 U.S.C. § 363(f); *Citicorp Homeowners Serv., Inc. v. Elliot (In re Elliot)*, 94 B.R. 343, 345 (E.D. Pa. 1988) (noting that section 363(f) of the Bankruptcy Code is written in the disjunctive; therefore, a court may approve a sale “free and clear” provided at least one of the subsections is met). Because the Debtors expect that they will satisfy the second and fifth of these requirements, if not others as well, approving the sale of the Assets free and clear of all adverse interests is warranted. Furthermore, courts have held that they have the equitable power to authorize sales free and clear of interests that are not specifically covered by section 363(f). *See, e.g., In re Trans World Airlines, Inc.*, 2001 WL 1820325 at *3, 6 (Bankr. D. Del. March 27, 2001); *Volvo White Truck Corp. v. Chambersburg Beverage, Inc. (In re White Motor Credit Corp.)*, 75 B.R. 944, 948 (Bankr. N.D. Ohio 1987).

E. Assumption and Assignment of Executory Contracts and Unexpired Leases Should be Approved

58. To facilitate and effectuate the sale of the Assets, the Debtors seek authority to assume and assign various executory contracts and unexpired leases related to the Assets (as may be identified by separate notice prior to the Sale Hearing, the “Executory Contracts and Leases”) to the Successful Bidder (or the Next Highest Bidder) to the extent

required by such Successful Bidder (or Next Highest Bidder). Section 365 of the Bankruptcy Code authorizes a debtor to assume and/or assign its executory contracts and unexpired leases, subject to the approval of the Bankruptcy Court, provided that the defaults under such contracts and leases are cured and adequate assurance of future performance is provided. A debtor's decision to assume or reject an executory contract or unexpired lease must only satisfy the "business judgment rule" and will not be subject to review unless such decision is clearly an unreasonable exercise of such judgment. *Group of Institutional Investors v. Chicago, Milwaukee, St. Paul & Pacific Ry. Co.*, 318 U.S. 523 (1943) (applying Bankr. Act section 77 subsection (b), the predecessor to Bankruptcy Code section 365) (rejecting the test of whether the executory contract was burdensome in favor of whether rejection is within the debtor's business judgment); *Lubrizol Enter., Inc. v. Richmond Metal Finishers, Inc.*, 756 F.2d 1043, 1046-47 (4th Cir. 1985).

59. 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. Azzari (In re Carlisle Homes, Inc.)*, 103 B.R. 524, 538 (Bankr. D.N.J. 1989). 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. *In re Bygaph, Inc.*, 56 B.R. 596, 605-6 (Bankr. S.D.N.Y. 1986) (finding adequate assurance of future performance present when the prospective assignee of a lease from the debtors has the financial resources and has expressed a willingness to devote sufficient funding to the business in order to give it a strong likelihood of succeeding; "chief determinant of adequate assurance of future performance is whether rent will be paid").

60. The Successful Bidder (or the Next Highest Bidder) may desire to take assignment of certain executory contracts and unexpired leases related to the Assets. To the extent Executory Contracts and Leases are identified for assumption and assignment by the Successful Bidder (or the Next Highest Bidder), the Debtors believe that they can and will demonstrate that all requirements for assumption and/or assignment of the such Executory Contracts and Leases will be satisfied at the Sale Hearing. The Debtors, as required by the Bidding Procedures, will evaluate the financial wherewithal of all potential bidders before qualifying such bidders to bid for the Assets. Further, for the reasons stated throughout this Motion, the Debtors, in exercising their sound business judgment, believe that selling the Assets and assuming and assigning to the Successful Bidder (or the Next Highest Bidder) the selected Executory Contracts and Leases would be in the best interests of their estates. Moreover, the Debtors will provide all parties to the Executory Contracts and Leases an opportunity to be heard. A schedule of Executory Contracts and Leases to be assumed and assigned in connection with the sale of the Assets will be served on all counterparties to such contracts and leases, including proposed cure amounts, within two (2) days of entry of this order. The Debtors have proposed that any party objecting to the potential assumption and assignment of its contract or leases on any grounds must file such objection no later than twenty days from the date entry of the Sale Procedures Order. If an Auction is conducted, a notice identifying the Successful Bidders will be sent by overnight courier or facsimile to all parties to the Executory Contracts and Leases identified for assumption and assignment within twenty four hours of the conclusion of the Auction. At that point, such parties may object solely on the issue of whether such Successful Bidder can provide adequate assurance of future performance as required by Section 365 of the Bankruptcy Code. If any party has timely asserted an objection to the sufficiency of

assurance of future performance by the proposed assignee and such objection has not been withdrawn or resolved by the date of the Sale Hearing, the Debtors request that this Court conduct a further hearing on such adequate assurance objections.

61. Thus, the Debtors request that assumption and assignment of the executory contracts and leases which are designated for assumption and assignment by the Successful Bidders (the Assigned Contracts) should be approved.

F. Relief from the Ten Day Waiting Periods Under Bankruptcy Rules 6004(h) and 6006(d) is Appropriate

62. Bankruptcy Rule 6004(h) provides that 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.” Similarly, Bankruptcy Rule 6006(d) provides that an “order authorizing the trustee to assign an executory contract or unexpired lease . . . is stayed until the expiration of 10 days after the entry of the order, unless the court orders otherwise.” The Debtors request that the Sale Order be effective immediately by providing that the ten (10) day stays under Bankruptcy Rules 6004(h) and 6006(d) are waived.

63. The purpose of Bankruptcy Rules 6004(h) and 6006(d) is to provide sufficient time for an objecting party to appeal before an order can be implemented. See Advisory Committee Notes to Fed. R. Bankr. P. 6004(h) and 6006(d). Although Bankruptcy Rules 6004(h) and 6006(d) and the Advisory Committee Notes are silent as to when a court should “order otherwise” and eliminate or reduce the ten (10) day stay period, Collier on Bankruptcy suggests that the ten (10) day stay period should be eliminated to allow a sale or other transaction to close immediately “where there has been no objection to the procedure.” 10 Collier on Bankruptcy 15th Ed. Rev., ¶6064.09 (L. King, 15th rev. ed. 1988). Furthermore, Collier’s provides that if an objection is filed and overruled, and the objecting party informs the

court of its intent to appeal, the stay may be reduced to the amount of time actually necessary to file such appeal. *Id.*

64. The Debtors hereby request that the Court waive the ten-day stay period under Bankruptcy Rules 6004(h) and 6006(d).

NOTICE

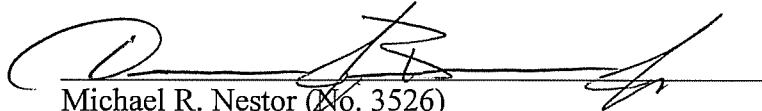
65. The Debtors propose to give notice of this Motion by overnight or hand delivery or facsimile to: (i) the Office of the United States Trustee for the District of Delaware; (ii) counsel to the Stalking Horse Bidder; (iii) counsel to the Debtors' pre- and post-petition secured lenders; (iv) counsel to the Committee; and (v) those parties requesting notice pursuant to Bankruptcy Rule 2002, in accordance with Del. Bankr. L.R. 2002-1(b). In light of the nature of the relief requested herein, the Debtors submit that no other or further notice is necessary.

66. Notice of the Auction will be served on the parties identified in Paragraph 20 of the Sale Procedures Order.

WHEREFORE, the Debtors respectfully request: (i) entry of the proposed Sale Procedures Order, substantially in the form annexed as Exhibit A; (ii) entry of the proposed Sale Order, substantially in the form attached hereto as Exhibit E; and (iii) such other and further relief as the Court deems just and proper.

Dated: Wilmington, Delaware
June 17, 2009

YOUNG CONAWAY STARGATT & TAYLOR, LLP



Michael R. Nestor (No. 3526)

Donald J. Bowman, Jr. (No. 4383)

Ryan M. Bartley (No. 4985)

Michael S. Neiburg (No. 5275)

The Brandywine Building
1000 West Street, 17th Floor
P.O. Box 391

Wilmington, Delaware 19899-0391

Telephone: (302) 571-6758

Facsimile: (302) 571-1253

Attorneys for the Debtors and Debtors in Possession

EXHIBIT A

Proposed Sale Procedures Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:
INDALEX HOLDINGS FINANCE, INC.,
a Delaware Corporation, *et al.*¹

Debtors

Chapter 11

Case No. 09-10982 (PJW)

(Jointly Administered)

Ref. Docket No.: ____

**ORDERS, PURSUANT TO 11 U.S.C. §§ 105(A), 363, 365, 503, AND 507 AND
FEDERAL BANKRUPTCY RULES 2002, 6004, 6006, AND 9014: (A)(I) APPROVING
BIDDING PROCEDURES FOR SALE OF SUBSTANTIALLY ALL OF THE DEBTORS'
ASSETS; (II) SCHEDULING A HEARING TO CONSIDER THE SALE AND
APPROVING THE FORM AND MANNER OF NOTICES; (III) ESTABLISHING
PROCEDURES FOR ASSUMPTION AND ASSIGNMENT OF CERTAIN
CONTRACTS AND UNEXPIRED LEASES, INCLUDING NOTICE OF PROPOSED
CURE AMOUNTS; (IV) AUTHORIZING PAYMENT OF BREAK FEE; AND (V)
GRANTING RELATED RELIEF**

Upon consideration of the Motion² of Indalex Holdings Finance, Inc. ("Indalex Finance"), and its affiliated debtors and debtors in possession in the above-captioned cases (collectively, the "Debtors"), requesting the entry of an order, pursuant to sections 105(a), 363, 365, 503, and 507 of the United States Bankruptcy Code, 11 U.S.C. §§ 101-1532 (the "Bankruptcy Code"), (A)(I) approving certain bidding procedures, attached to the Motion as Exhibit B (the "Bidding Procedures"), for the proposed sale of substantially all of the Debtors' Assets, as more fully set forth in that certain asset purchase agreement (the "APA") by and between the Debtors and Sapa Holding AB or its assignee(s) or designee(s) (the "Stalking Horse Bidder"); (II) scheduling a hearing (the "Sale Hearing") and approving the form and manner of

¹ The Debtors in these cases and their tax identification numbers are: Indalex Holdings Finance, Inc. (XX-XXX0880), Indalex Holding Corp. (XX-XXX0715) ("Indalex Holding"), Indalex Inc. (XX-XXX7362) ("Indalex Inc."), Caradon Lebanon, Inc. (XX-XXX1208) ("Caradon"), and Dolton Aluminum Company, Inc. (XX-XXX2781) ("Dolton"). The business address for all of the Debtors is 75 Tri-State International, Suite 450, Lincolnshire, IL 60069.

² Capitalized terms not defined herein shall have the meanings ascribed to them in the APA (defined below) or in the Bidding Procedures (defined below), as applicable.

notice of the auction and sale, attached to the Motion as Exhibit C; (III) establishing procedures for assumption and assignment of certain executory contracts and unexpired leases, including notice of proposed cure amounts and approving the form and manner of notice with respect thereto as attached to the Motion as Exhibit D; (IV) authorizing Debtors to pay to Stalking Horse Bidder a Break Fee under certain terms and conditions set forth more particularly below; and (V) granting related relief; and the Court having determined that, to the extent set forth herein, the relief requested in the Motion is in the best interests of Debtors, their estates, and the creditors and other parties-in-interest thereof; due and appropriate notice of the Motion and the relief requested therein was provided by Debtors pursuant to Rules 2002(a)(2), 6004(a), 6006 and 9014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Local Bankruptcy Rule 9013-1(m), on the following parties: (i) the Office of the United States Trustee for the District of Delaware; (ii) counsel to Official Committee of Unsecured Creditors (the “Creditors’ Committee”); (iii) the Debtors’ pre- and post-petition secured lenders; and (iv) those parties requesting notice pursuant to Bankruptcy Rule 2002, in accordance with Del. Bankr. L.R. 2002-1(b); and after due deliberation thereon; and good and sufficient cause appearing therefore, it is hereby

FOUND, CONCLUDED AND DECLARED THAT:³

A. This Court has jurisdiction over this matter and over the property of Debtors and their bankruptcy estates pursuant to 28 U.S.C. §§ 157(a) and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), (L) and (O).

B. Notice of the hearing on the Motion, the Motion, and the proposed entry of this Order have been provided to the parties identified in the opening paragraph of this Order.

³ When appropriate, findings of fact shall be construed as conclusions of law and conclusions of law shall be construed as findings of fact. See Fed. R. Bankr. P. 7052.

Under the circumstances, requisite notice of the Motion, the relief requested thereby and this Order has been provided in accordance with Bankruptcy Rules 2002(a)(2), 6004(a), 6006 and 9014, which notice is sufficient for all purposes under the Bankruptcy Code, including, without limitation, section 102(1) of the Bankruptcy Code. No further notice of, or hearing on, the Motion or this Order is necessary or required.

C. The Debtors' proposed notices (in substantially the form attached to the Motion as Exhibits C and D of (i) the assumption and assignment of the Assigned Contracts and any Cure Amount payable thereon, as described or referred to in the APA, (ii) the APA, and the terms contained therein, and (iii) the Bidding Procedures, are appropriate and reasonably calculated to provide all interested parties with timely and proper notice of the Proposed Sale, the Auction, the assumption and assignment of the Assigned Contracts, the APA, and the Bidding Procedures to be employed in connection therewith.

D. The Debtors have articulated good and sufficient reasons for this Court to grant the relief requested in the Motion regarding the Bidding Procedures and the sale of the Assets. The Bidding Procedures, including the proposed Break Fee payable to the Stalking Horse Bidder, were negotiated in good faith by the Debtors and the Stalking Horse Bidder and are reasonable and appropriate.

E. The Stalking Horse Bidder has expended, and likely will continue to expend, considerable time, money, and energy pursuing the Proposed Sale and has engaged in extended arm's length and good faith negotiations. The APA is the culmination of these efforts. Recognizing this expenditure of time, energy, and resources, the Debtors have agreed to limited bid protections, including bid qualifications, an initial Overbid, and the Break Fee payable to the Stalking Horse Bidder. These bid protections (i) were a material inducement for, and a condition

of, the Stalking Horse Bidder's entry into the APA, (ii) are fair, reasonable and appropriate in view of the fact that such protections will increase the chances that the Auction will be meaningful, (iii) will not chill the bidding process, (iv) were negotiated by the parties in good faith and at arm's length, and, thus, Debtors and their estates will receive the highest and/or best offer for the Assets.

F. The APA represents the best offer the Debtors have received to date as a result of their prepetition efforts to market the Assets for sale, with the aid of their advisor, Jefferies & Company, Inc. ("Jefferies").

G. The entry of this Order is in the best interests of the Debtors, their estates, and their creditors, and other parties-in-interest; and it is therefore

ORDERED, ADJUDGED AND DECREED THAT:

1. Pursuant to sections 105(a), 363, 365, 503, and 507 of the Bankruptcy Code, the relief requested in the Motion is granted on the terms and conditions of this Order.

2. The Bidding Procedures, including the proposed Break Fee payable to the Stalking Horse Bidder, attached to the Motion, are hereby approved and fully incorporated into this Order, and shall apply with respect to the proposed sale of the Assets. The Debtors are authorized to take any and all actions necessary to implement the Bidding Procedures.

3. Payment of the Break Fee under the conditions set forth in the APA and the Bidding Procedures is approved and directed upon the conditions set forth herein, and the Stalking Horse Bidder shall be entitled to the payment of such amounts to the extent set forth therein. If the APA is terminated for any reason by the Debtors (assuming that the Stalking Horse Bidder is ready, willing and able to perform under the APA), and if payment of the Break Fee is triggered under the terms of the APA and the Bidding Procedures, each of the Debtors is

authorized and directed, without the need for any notice, application, motion or further order of this Court, to pay the Stalking Horse Bidder the Break Fee in the manner set forth in the APA and the Bidding Procedures.. The Break Fee shall constitute an allowed administrative expense claim arising in the chapter 11 cases of each of the Debtors under sections 503(b) and 507(a)(1) of the Bankruptcy Code.

4. A reasonable opportunity to object to the relief requested in the Motion, including the Sale Procedures, has been afforded to (i) the Office of the United States Trustee for the District of Delaware; (ii) the Debtors' pre- and post-petition secured lenders; (iii) counsel to the Official Committee of Unsecured Creditors; and (iv) those parties requesting notice pursuant to Bankruptcy Rule 2002, in accordance with Del. Bankr. L.R. 2002-1(b).

5. 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 on the Motion or by stipulation filed with the Court, are hereby overruled.

6. A Qualified Bidder that wants to make a Bid shall deliver written copies of its Bid⁴ to the Notice Parties not later than 10:00 a.m. (Eastern Time) on July 14, 2009 (the "Bid Deadline") and shall comply with the requirements set forth in the Bidding Procedures for making such Bid. The Notice Parties who receive Bids shall not disclose the contents or terms of such Bids to any party who is not a Notice Party.

7. The Debtors and their advisors shall: (a) determine whether a Potential Bidder is a Qualified Bidder; (b) coordinate the efforts of Bidders in conducting their due-diligence investigations, as permitted by the provisions herein; (c) receive offers from Qualified Bidders; and (d) negotiate any offers made to purchase the Assets (collectively, the "Bid Process"). The Debtors shall have the right, in consultation with counsel to the Creditors'

⁴ Unless otherwise indicated, all defined terms have the meaning set forth in the APA.

Committee and counsel to the agents for the Debtors' debtor-in-possession financing facility, to adopt such other rules for the Bid Process (including rules that may depart from those set forth herein) that, in their reasonable discretion, will better promote the goals of the Bid Process.

8. Only if a Qualified Bid (other than a Bid submitted by the Stalking Horse Bidder) is received by the Bid Deadline, shall the Debtors conduct an Auction to determine the highest and/or best Bid with respect to the Assets.

9. The Auction shall commence on July 16, 2009, at 10:00 a.m. (Eastern Time); at the offices of Young Conaway Stargatt & Taylor, LLP, The Brandywine Building, 1000 West Street, 17th Floor, Wilmington, DE 19801.

10. The procedures as set forth in the Motion and Bidding Procedures for conducting the Auction, as modified herein, are hereby approved in their entirety.

11. The Debtors shall have the right, as they may reasonably determine to be in the best interests of their estates and in consultation with counsel to the Creditors' Committee and counsel to the agents for the Debtors' debtor-in-possession financing facility to:

(i) determine which bidders are Qualified Bidders; (ii) determine which Bids are Qualified Bids; (iii) determine which Qualified Bid is the highest and best proposal and which is the next highest and best proposal, (iv) reject any Bid that is (a) inadequate or insufficient, (b) not in conformity with the requirements of this Order or the requirements of the Bankruptcy Code or (c) contrary to the best interests of the Debtors and their estates; (v) waive terms and conditions set forth herein with respect to all potential Bidders, (vi) impose additional terms and conditions with respect to all potential Bidders, (vii) extend the deadlines set forth herein, (viii) adjourn or cancel the Auction and/or Sale Hearing in open court without further notice; (ix) remove some or all of the Assets from the Auction, and (x) modify the Bidding Procedures as they may determine to be in

the best interests of their estates. Without limiting the generality of the foregoing, the Debtors may determine to distribute or not distribute copies of other Qualified Bids to other Qualified Bidders prior to or during the Auction, provided that the Debtors shall not implement sealed bidding.

12. In their reasonable discretion, the Debtors may, in consultation with counsel to the Creditors' Committee and counsel to the agents for the Debtors' debtor-in-possession financing facility, adopt additional rules for the Auction at or prior to the Auction that will better promote the goals of the Auction and that are not inconsistent with any of the provisions of this Order.

13. The Debtors shall sell the Assets to the Successful Bidder upon approval of the Successful Bid by this Court after the Sale Hearing.

14. All interested parties reserve their right to object to the Debtors' selection of the Successful Bidder including the assignment of any of such objector's Assigned Contract thereto, provided, however, that any objection to such assignment on the basis of the Cure Cost must be made and/or reserved as set forth in this Order.

15. The Sale Hearing shall be held by the Bankruptcy Court on July 20, 2009, at 2:00 p.m. (Eastern Time), located at 824 North Market Street, 6th Floor, Courtroom No. 2, Wilmington, DE. The Sale Hearing may be adjourned, from time to time, without further notice to creditors or other parties-in-interest other than by announcement of said adjournment before this Court or on this Court's calendar on the date scheduled for said hearing.

16. At or before the Sale Hearing, the Debtors shall be authorized, but not required, to impose such other terms and conditions as the Debtors may determine to be in the best interests of their estates and creditors and other parties in interest thereof not inconsistent

with the provisions of this Order.

17. Following the approval of the sale of the Assets to the Successful Bidder at the Sale Hearing, if such Successful Bidder fails to consummate an approved sale within ten (10) days after entry of an Order approving the Sale, the Debtors shall be authorized, but not required, to deem the Back-up Bid, as the Successful Bid or Back-up Bid, and the Debtors shall be authorized, but not required, to consummate the sale with the Qualified Bidder submitting such Bid without further notice or order of the Bankruptcy Court.

18. Good Faith Deposits of the Successful Bidder shall be applied to the purchase price of such transaction at Closing. Good Faith Deposits of all other Qualified Bidders shall be held in an interest-bearing escrow account until two (2) days after Closing of the transactions contemplated by the Successful Bid, 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 their damages resulting from the breach or failure to perform by the Successful Bidder.

19. Not later than two (2) days after the entry of the Sale Procedures Order, the Debtors will cause the Auction and Sale Notice, in a form substantially similar to the form attached to the Motion as Exhibit C, to be sent by first-class mail, postage-prepaid, to (i) all entities that claim any interest in or lien on the Assets; (ii) all parties to Assigned Contracts assumed and sold and assigned pursuant to this Order; (iii) all governmental taxing authorities that have, or as a result of the sale of the Assets may have, claims, contingent or otherwise, against the Debtors; (iv) all parties that filed requests for notices under Bankruptcy Rule 9010(b) or were entitled to notice under Bankruptcy Rule 2002; (v) all creditors (whether liquidated,

contingent or unmatured) of the Debtors; (vi) all interested governmental, pension, and environmental entities; (vii) the Office of the United States Trustee; (viii) the United States Securities and Exchange Commission; and (ix) all entities that have, within the past 12 months, expressed to the Debtors an interest in purchasing the Assets.

20. Not later than five (5) days after the entry of the Sale Procedures Order, the Debtors shall cause the Auction and Sale Notice, in a form substantially similar to the form attached hereto as Exhibit C, to be published in the national edition of one of the following: The Wall Street Journal, The New York Times, or The USA Today, as to be determined by Debtors, pursuant to Bankruptcy Rule 2002(1). Such publication notice shall be sufficient and proper notice to any other interested parties, including those whose identities are unknown to Debtors.

21. Further, to facilitate the sale, assumption, and assignment of any Assigned Contracts, the Debtors will serve a notice (the "Cure Amount Notice"), similar to the form attached hereto as Exhibit D, not later than five (5) days after the entry of this Order on each counterparty to an Assigned Contract. If the Stalking Horse Bidder is not the Successful Bidder, and an alternative Successful Bidder is seeking to have certain Assigned Contracts assumed and assigned as part of an alternative transaction, the Debtors will provide financial information for the alternative bidder to all non-debtor parties to such Assigned Contracts immediately following the Auction via facsimile or Federal Express.

22. The Debtors shall attach to the Cure Amount Notice their calculation of the undisputed cure amounts that they believe must be paid to cure all defaults under all Assigned Contracts (the "Cure Amount"). If no amount is listed on the Cure Amount Notice, the Debtors will be deemed to believe that there is no Cure Cost. Unless the non-debtor party to a Assigned Contract files an objection (the "Cure Amount Objection") to their scheduled Cure

Cost by July 15, 2009, at 4:00 p.m. (Eastern Time) and serves the objection on (a) the Debtors, 75 Tri-State International, Suite 450, Lincolnshire, IL 60069, Attn: Timothy R.J. Stubbs, Chief Executive Officer and President; (b) counsel to the Debtors, Young Conaway Stargatt & Taylor, LLP, The Brandywine Building, 1000 West Street, 17th Floor, Wilmington, DE 19801, Attn: Michael Nestor; (c) counsel to the Stalking Horse Bidder, Buchanan Ingersoll & Rooney, PC, 20th Floor, One Oxford Centre, Pittsburgh, PA 15219, Attn: Craig S. Heryford, Esq.; (d) counsel to the Official Committee of Unsecured Creditors, McGuireWoods LLP, 625 Liberty Avenue, 23rd Floor, Pittsburgh PA 15222-3142, Attn: Michael J. Roeschenthaler, Esq.:(e) counsel to the Indenture Trustee, Faegre & Benson LLP, 90 South Seventh Street, Suite 2200, Minneapolis, MN 55402, Attn: Michael B. Fisco, Esq. and (f) counsel to JPMorgan Chase Bank, N.A., as DIP Agent, Cravath, Swaine & Moore LLP, Worldwide Plaza, 825 Eighth Avenue, New York, NY 10019-7475, Attn: Robert H. Trust, then the Debtors may assume and assign such contract to the Stalking Horse Bidder or the Successful Bidder and such non-debtor party shall (i) be forever barred from objecting to the Cure Cost and from asserting any additional cure or other amounts with respect to such Assigned Contract, and the Debtors shall be entitled to rely solely on the Cure Cost; and (ii) be forever barred and estopped from asserting or claiming against the Debtors, the Stalking Horse Bidder, or such other Successful Bidder or any other assignee of the relevant Assigned Contract that any additional amounts are due or defaults exist under such Assigned Contract. In addition, non-debtor parties to any Assigned Contract must file and serve objections, if any, to the adequate assurance of future performance under the Assigned Contract (if and as assumed) so as to be received by the foregoing parties by July 15, 2009, at 4:00 p.m. (Eastern Time).

23. If a Cure Amount Objection is timely filed, the Cure Amount Objection

must set forth (a) the basis for the objection; (b) with specificity, the amount the party asserts as the Cure Cost; and (c) attach appropriate documentation in support of the Cure Cost.

24. Hearings on Cure Amount Objections (and objections to the adequate assurance of future performance under the Assigned Contract (if and as assumed)) may be held (a) at the Sale Hearing, or (b) on such other date that the Debtors determine in their sole discretion; provided, however, that if the subject Assigned Contract is assumed and assigned, the Cure Cost asserted by the objecting party (or such lower amount as may be fixed by this Court) shall be deposited and held in a segregated account by the Successful Bidder or any other assignee pending further order of this Court or mutual agreement of the parties.

25. The Debtors' decision to assume and assign Assigned Contracts shall be subject to approval of this Court and consummation of the Proposed Sale of the Assets. Absent consummation of the Proposed Sale of the Assets, each of the Assigned Contracts shall neither be deemed assumed nor assigned and shall in all respects be subject to further administration under the Bankruptcy Code.

26. Except to the extent otherwise provided in the APA or the agreement with the Successful Bidder, subject to any prepetition cure amount payments, the assignee of any Assigned Contract will not be subject to any liability to the Assigned Contract counterparty that accrued or arose before the closing date of the Proposed Sale of the Assets, and the Debtors shall be relieved of all liability accruing or arising thereafter pursuant to section 365(k) of the Bankruptcy Code.

27. Notwithstanding the existence of such a confidentiality provision in any Assigned Contract, the Debtors are authorized to provide Potential Bidders a copy of any Assigned Contract to those who have executed a confidentiality agreement.

28. Objections, if any, to the relief requested in the Sale Motion, including any objections under section 365(b)(1)(C) of the Bankruptcy Code, must: (a) be in writing; (b) comply with the Bankruptcy Rules and the Local Bankruptcy Rules; (c) be filed with the Clerk of the Bankruptcy Court for the District of Delaware, 3rd Floor, 824 Market Street, Wilmington, DE 19801, on or before 4:00 p.m. (Eastern Time) on July 15, 2009; and (d) be served, so as to be received no later than 4:00 p.m. (Eastern Time) on the same day, on (a) the Debtors, 75 Tri-State International, Suite 450, Lincolnshire, IL 60069, Attn: Timothy R.J. Stubbs, Chief Executive Officer and President; (b) counsel to the Debtors, Young Conaway Stargatt & Taylor, LLP, The Brandywine Building, 1000 West Street, 17th Floor, Wilmington, DE 19801, Attn: Michael Nestor; (c) counsel to the Stalking Horse Bidder, Buchanan Ingersoll & Rooney, PC, 20th Floor, One Oxford Centre, Pittsburgh, PA 15219, Attn: Craig S. Heryford, Esq.; (d) counsel to the Official Committee of Unsecured Creditors, McGuireWoods LLP, 625 Liberty Avenue, 23rd Floor, Pittsburgh PA 15222-3142, Attn: Michael J. Roeschenthaler, Esq.; (e) counsel to the Indenture Trustee, Faegre & Benson LLP, 90 South Seventh Street, Suite 2200, Minneapolis, MN 55402, Attn: Michael B. Fisco, Esq. and (f) counsel to JPMorgan Chase Bank, N.A., as DIP Agent, Cravath, Swaine & Moore LLP, Worldwide Plaza, 825 Eighth Avenue, New York, NY 10019-7475, Attn: Robert H. Trust, provided, however, if the Stalking Horse Bidder is not the Successful Bidder and an alternative Successful Bidder is seeking to have certain unexpired leases, license agreements, and executory contracts assumed and assigned as part of an alternative transaction, the non-debtor parties to such unexpired leases, license agreements, and executory contracts shall have until 4:00 p.m. the day prior to the Sale Hearing to raise objections under section 365(b)(1)(C) of the Bankruptcy Code. The failure of any person to timely file its objection shall be a bar to the assertion, at the Sale Hearing or thereafter, of any

objection to the Motion or the Debtors' assumption and assignment of any Assigned Contract or the consummation of the Proposed Sale and performance under the APA (or any alternative agreement entered into with the Successful Bidder), including the transfer of the Assets free and clear of all liens, claims, encumbrances, and interests (other than permitted encumbrances provided for expressly in the APA or alternative purchase agreement entered into with the Successful Bidder).

29. The notices to be issued in connection with the Proposed Sale of the Assets substantially in the form of the notices attached to the Motion as Exhibits C and D are hereby approved.

30. This Order shall constitute findings of fact and conclusions of law and shall take effect immediately upon execution hereof.

31. As provided by Bankruptcy Rules 6004 and 6006, this Order shall not be stayed for ten (10) days after the entry thereof and shall be effective and enforceable immediately upon its entry on this Court's docket.

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

33. This Court shall retain jurisdiction over any matters related to or arising from the implementation of this Order and the Bidding Procedures.

Dated: July ____, 2009
Wilmington, Delaware

Peter J. Walsh
United States Bankruptcy Judge

EXHIBIT B

Bidding Procedures

BIDDING PROCEDURES

On June ____, 2009, Indalex Holdings Finance, Inc. ("Indalex U.S.") and its affiliated U.S. debtors and debtors in possession in the above-captioned cases (collectively, the "U.S. Debtors") filed with the United States Bankruptcy Court for the District of Delaware (the "U.S. Court") the *Debtors' Motion for Entry of Order Pursuant to 11 U.S.C. §§ 105(a), 363, 365, 503, AND 507 and Federal Bankruptcy Rules 2002, 6004, 6006, AND 9014 (A) Approving Bidding Procedures for Sale of Substantially All of the U.S. Debtors' Assets* (the "U.S. Assets"); (B) *Scheduling a Hearing to Consider the Sale and Approving the Form and Manner of Notices*; (C) *Establishing Procedures for Assumption and Assignment of Certain Contracts, Including Notice of Proposed Cure Amounts*; and (D) *Authorizing Payment of a Break Fee*; and (E) *Granting Related Relief* (the "U.S. Motion").¹

On June ____, 2009, Indalex Limited ("Indalex Canada") and its Canadian based affiliates (collectively, the "Canadian Debtors" and together with the U.S. Debtors, the "Debtors") filed a motion with the Ontario Superior Court of Justice (the "Canadian Court") to approve bidding procedures for the sale of substantially all of the Canadian Debtors' assets (the "Canadian Assets") and to obtain certain ancillary relief from the Canadian Court substantially the same as the relief sought by the U.S. Debtors from the U.S. Court, pursuant to the U.S. Motion.

On July ____, 2009, the U.S. Court entered an order (the "U.S. Bidding Procedures Order") granting the relief requested in the U.S. Motion, and the Canadian Court entered an order granting the relief requested in the Canadian Motion (the "Canadian Bidding Procedures Order") and together with the U.S. Bidding Procedures Order, the "Bidding Procedures Orders"). Accordingly, the following procedures (the "Bidding Procedures") shall govern the proposed sale of substantially all the U.S. Assets and the Canadian Assets (collectively, the "Assets").

All denominations are in U.S. Dollars.

Assets for Sale

Debtors are offering to sell in one or more transactions the Assets. The Assets for sale do not include the Excluded Assets.

Bidding Deadline

All offers, solicitations, or proposals (each, a "Bid") must be submitted in writing so that they are actually **received** no later than 10:00 a.m. (Eastern time) on **July 14, 2009** (the "Bidding Deadline"). Prior to the Bidding Deadline, a Qualified Bidder (as defined below) that wants to make a Bid shall deliver written copies of its Bid to: (a) the Debtors, 75 Tri-State International, Suite 450, Lincolnshire, IL 60069, Attn: Timothy R.J. Stubbs, Chief Executive Officer and President, tim_stubbs@indalex.com; (b) counsel to the U.S. Debtors, Young Conaway Stargatt & Taylor, LLP, The Brandywine Building, 1000 West Street, 17th Floor, Wilmington, DE 19801, Attn: Michael R. Nestor, mnestor@ycst.com; (c) counsel to the

¹ All capitalized terms not herein defined shall have the meaning ascribed to them in the U.S. Bidding Procedures Order, the Canada Bidding Procedures Order and the APA

Canadian Debtors, Blake, Cassels & Graydon LLP, 199 Bay Street, Suite 2800, Toronto, Ontario, M5L 1A9, Attn.: Linc Rogers, linc.rogers@blakes.com; (d) the court-appointed monitor of the Canadian Debtors, FTI Consulting Canada ULC (the “Canadian Monitor”), TD Canada Trust Tower, 161 Bay Street, 27th Floor, Toronto, Ontario M5J 2S1, Attn.: Nigel Meakin, nigel.meakin@fticonsulting.com, and Toni Vanderlaan, toni.vanderlaan@fticonsulting.com; (e) counsel to the Canadian Monitor, Stikeman Elliott LLP, 5300 Commerce Court West, 199 Bay Street, Toronto, Ontario, M5L 1B9, Attn.: Ashley Taylor, ataylor@stikeman.com (f) investment bankers for the Debtors, Jefferies & Co. Inc., 520 Madison Avenue, New York, NY 10022, Attn: Fred Fazio, ffazio@jefferies.com; (g)) counsel to the Stalking Horse Bidder, Buchanan Ingersoll & Rooney, PC, 20th Floor, One Oxford Centre, Pittsburgh, PA 15219, Attn: Craig S. Heryford, Esq., craig.heryford@bipc.com; (h) counsel to JPMorgan Chase Bank, N.A., Cravath, Swaine & Moore LLP 825 Eighth Avenue New York, NY 10019, Attn: Robert Trust, rtrust@cravath.com and (i) counsel to the Official Committee of Unsecured Creditors, McGuire Woods LLP, 625 Liberty Avenue, 23rd Floor, Pittsburgh PA 15222-3142, Attn: Michael J. Roeschenthaler, Esq., mroeschenthaler@mcguirewoods.com (collectively, the “Notice Parties”), by the Bid Deadline. A Bid received after the Bidding Deadline shall not constitute a Qualified Bid (as defined below). A Bid shall be delivered to all Notice Parties at the same time. Interested bidders requesting information about the qualification process, including a form asset purchase agreement, and information in connection with their due diligence, should contact Fred Fazio, Vice President, Jefferies & Co., Inc., 520 Madison Avenue, New York, NY 10022, (212) 284-4662.

Participant Requirements

To participate in the process detailed by the Bidding Procedures and to otherwise be considered for any purpose hereunder, each Bid and each bidder submitting a Bid (a “Potential Bidder”) must be determined by the Debtors to have satisfactorily provided the Debtors with each of the following on or before the Bidding Deadline (the “Participant Requirements”):

- a. Identification of Potential Bidder. Identification of the Potential Bidder and any Principals (defined below), and the representatives thereof who are authorized to appear and act on their behalf for all purposes regarding the contemplated transaction;
- b. Non-Binding Expression of Interest. An executed non-binding indication of interest satisfactory to the Debtors that must reasonably identify the contemplated transaction, including the assets proposed to be acquired, the proposed purchase price, contingencies, and conditions precedent to closing;
- c. Corporate Authority. Written evidence of the Potential Bidder’s chief executive officer or other appropriate senior executive’s approval of the contemplated transaction; provided, however, that, if the Potential Bidder is an entity specially formed for the purpose of effectuating the contemplated transaction (an “Acquisition Entity”), then the Potential Bidder must furnish written evidence reasonably acceptable to the Debtors

of the approval of the contemplated transaction by the equity holder(s) of such Potential Bidder (the “Principals”);

- d. Confidentiality Agreement. An executed confidentiality agreement (the “Confidentiality Agreement”) in form and substance acceptable to the Debtors and their respective counsel, and in any event a confidentiality agreement on substantially the same terms as the confidentiality agreement executed by the Stalking Horse Bidder.
- e. Proof of Financial Ability to Perform. Written evidence upon which the Debtors may reasonably conclude that the Potential Bidder has the necessary financial ability to close the contemplated transaction and provide adequate assurance of future performance of all obligations to be assumed in such contemplated transaction. Such information should include, among other things, the following:
 - (i) the Potential Bidder’s or, in the case of an Acquisition Entity, the Principals’, current financial statements (audited if they exist);
 - (ii) contact names and numbers for verification of financing sources;
 - (iii) evidence of the Potential Bidder’s or Principals’ internal resources and proof of any debt or equity funding commitments that are needed to close the contemplated transaction;
 - (iv) any such other form of financial disclosure or credit-quality support information or enhancement reasonably acceptable to the Debtors demonstrating that such Potential Bidder has the ability to close the contemplated transaction; provided, however, that the Debtors shall determine, in their reasonable discretion, in consultation with their advisors (and in consultation with the Canadian Monitor), whether the written evidence of such financial wherewithal is reasonably acceptable, and shall not unreasonably withhold acceptance of a Potential Bidder’s financial qualifications.

Designation as Qualified Bidder

A “Qualified Bidder” is a Potential Bidder (or combination of Potential Bidders whose Bids for the assets of the Debtors do not overlap and who agree to have their Bids combined for purposes of the determination of whether such Potential Bidders together constitute a Qualified Bidder, and who shall also be referred to herein as a single Qualified Bidder) that delivers the documents described in paragraphs (a) through (e) above, and that the Debtors in their discretion and with assistance from their advisors and the Canadian Monitor determines is reasonably likely to submit a bona fide offer that would result in greater cash value being received for the benefit of the Debtors’ creditors than under the APA (defined below) and to be able to consummate a sale if selected as a Successful Bidder (defined below).

Upon the receipt from a Potential Bidder of the information required under paragraphs (a) through (e) above, as soon as is practicable, the Debtors shall determine and notify the Potential Bidder with respect to whether such Potential Bidder is a Qualified Bidder.

The Stalking Horse Bidder is a Qualified Bidder.

Access to Due Diligence Materials

Only Potential Bidders that execute the Confidentiality Agreement are eligible to receive due-diligence access or additional non-public information. If the Debtors determine that a Potential Bidder who has satisfied the Participant Requirements does not constitute a Qualified Bidder, then such Potential Bidder's right to receive due-diligence access or additional non-public information shall terminate. The Debtors will designate an employee or other representative to coordinate all reasonable requests for additional information and due-diligence access from such Qualified Bidders. The Debtors shall not be obligated to furnish any due diligence information after the Bidding Deadline. The Debtors are not responsible for, and will bear no liability with respect to, any information obtained by Qualified Bidders in connection with the sale of the Assets.

Due Diligence From Bidders

Each Potential Bidder and Qualified Bidder (collectively, a "Bidder") shall comply with all reasonable requests for additional information and due-diligence access by the Debtors or their advisors regarding such Bidder and its contemplated transaction. Failure by a Potential Bidder to comply with requests for additional information and due-diligence access will be a basis for the Debtors to determine that the Potential Bidder is not a Qualified Bidder. Failure by a Qualified Bidder to comply with requests for additional information and due-diligence access will be a basis for the Debtors to determine that a Bid made by a Qualified Bidder is not a Qualified Bid.

Bidding Process

The Debtors and their advisors, in consultation with the Canadian Monitor, shall:

- (a) determine whether a Potential Bidder is a Qualified Bidder;
- (b) coordinate the efforts of Bidders in conducting their due-diligence investigations, as permitted by the provisions herein;
- (c) receive offers from Qualified Bidders; and
- (d) negotiate any offers made to purchase the Assets.

Subject to the Bidding Procedures Orders, the Debtors shall have the right to adopt such other rules for the Bidding Process (including rules that may depart from those set forth herein), that, in their sole discretion, will better promote the goals of the Bidding Process.

Bid Requirements

To participate in the Auction (as defined below), each Bid and Qualified Bidder submitting such a Bid must be determined by the Debtors to satisfy each of the following conditions:

- a. Written Submission of APA and Commitment to Close. Qualified Bidders must submit by the Bidding Deadline a blackline of the asset purchase agreement (the “APA”) by and among the Debtors and the Stalking Horse Bidder reflecting their proposed changes, and a written commitment that they intend to close on the terms and conditions set forth therein.
- b. Bid Allotment. Each Bid shall clearly identify which portion of the aggregate purchase price is for the U.S. Assets and which portion of the purchase price is for the Canadian Assets so that the Debtors can accurately compare such Bid to other bids for the Assets. A Bid cannot allocate a lesser amount of the purchase price to the U.S. Assets than has been allocated thereto by the Stalking Horse Bidder. A Bid cannot allocate a lesser amount of the purchaser price to the Canadian Assets than has been allocated thereto by the Stalking Horse Bidder. A Bid that does not comply with the foregoing shall not, under any circumstance, constitute a Qualified Bid.
- c. Irrevocable. A Bid must be irrevocable until the sooner of (i) twenty-one (21) days after Orders from both the Canadian Court and U.S. Court are entered approving the sale of the Assets; and (ii) two (2) business days after the Assets have been sold pursuant to the Closing of the sale or sales approved by the U.S. Court and Canadian Court in a final, non-appealable order (the “Termination Date”);
- d. Contingencies: A Bid may not be conditioned on obtaining financing or any internal approval or on the outcome or review of due diligence. Any other contingencies associated with a Bid may not be more burdensome than those set forth in the APA;
- e. Financing Sources: A Bid must contain written evidence of a commitment for financing or other evidence of the ability to consummate the sale satisfactory to the Debtors with appropriate contact information for such financing sources;
- f. No Fees payable to Qualified Bidder: A Bid may not request or entitle the Qualified Bidder to any break-up fee, expense reimbursement or similar type of payment. Further, by submitting a Bid, a Bidder shall be deemed to waive its right to pursue a substantial contribution claim under section 503 of the Bankruptcy Code or in any way related to the submission of its Bid or the Bidding Procedures;

- g. Good-Faith Deposit. Each Bid must be accompanied by a deposit (the "Good Faith Deposit") in the form of certified checks or cash payable to the order of the Indalex U.S. and Indalex Canada in the aggregate amount of not less than \$10,000,000, to be prorated as follows:
- (i) in respect of the U.S. Assets, a deposit in the amount of \$7,250,000 shall be paid to an escrow agent reasonably satisfactory to the U.S. Debtors, to be held by such escrow agent in accordance with these Bidding Procedures; and
 - (ii) in respect of the Canadian Assets, a deposit in the amount of \$2,750,000 shall be paid to the Monitor, to be held by the Monitor in accordance with these Bidding Procedures.
- h. Minimum Overbid. The consideration proposed by the Bid must be cash. The aggregate consideration must equal or exceed the sum of the Canadian Purchase Price and the US Purchase Price provided for under the APA, plus the amount of the Break Fee, plus \$250,000 (the "Initial Minimum Overbid Increment") and subsequent Overbids shall continue in increments of at least \$250,000 (the "Minimum Overbid").

A Bid received from a Qualified Bidder before the Bidding Deadline that meets the above requirements, and that satisfies the Bidding Deadline requirement above, shall constitute a "Qualified Bid," if the Debtors believe, in their reasonable discretion, that such Bid would be consummated if selected as the Successful Bid (as defined below). For purposes herein, the APA shall constitute a Qualified Bid. All Qualified Bids (as defined below) shall be considered such Qualified Bidder's "Baseline Bid."

If any Potential Bidder is determined by the Debtors not to be a Qualified Bidder, the Potential Bidder shall be refunded its deposit and all accumulated interest thereon within three (3) business days after that determination.

Auction

Only if a Qualified Bid (other than the Stalking Horse Bidder) is received by the Bidding Deadline shall the Debtors conduct an auction (the "Auction") to determine the highest and/or best bid with respect to the Assets. The Auction shall commence on **July 16, 2009**, at 10:00 a.m. (Eastern Time); at the offices of Young Conaway Stargatt & Taylor, The Brandywine Building, 1000 West Street, 17th Floor, Wilmington, DE 19801.

If no such Qualified Bid is received by the Bidding Deadline, then the Auction will not be held. Accordingly, the Stalking Horse Bidder will be the Successful Bidder. The APA will be the Successful Bid, and, at the Sale Hearings (as defined below) on **July 20, 2009** at 2:00 p.m. (Eastern time), the Debtors will seek approval of and authority to consummate the proposed sale contemplated by the APA.

The Auction shall be conducted according to the following procedures:

a. Participation At The Auction

Only a Qualified Bidder that has submitted a Qualified Bid is eligible to participate at the Auction. Only the authorized representatives of each of the Qualified Bidders, the Debtors, the Canadian Monitor, the agents for the Debtors' debtor-in-possession financing facility and the official committee of unsecured creditors shall be permitted to attend. During the Auction, bidding shall begin initially with the highest Qualified Bid (the "Opening Bid") and subsequently continue in minimum increments of at least \$250,000 (or such other amount the Debtors determine to facilitate the Auction), and shall be deemed to be allocated between the U.S. Assets and the Canadian Assets in the same proportion as was allocated in the Opening Bid.

b. Debtors Shall Conduct The Auction

The Debtors and their professionals shall direct and preside over the Auction. At the start of the Auction, the Debtors shall describe the terms of the Opening Bid. The determination of which Qualified Bid constitutes the Opening Bid shall take into account any factors the Debtors reasonably deem relevant to the value of the Qualified Bid to the estates, including, among other things, the following: (i) the amount and nature of the consideration; (ii) the proposed assumption of any liabilities, if any; (iii) the ability of the Qualified Bidder to close the proposed transaction; (iv) the proposed Closing Date and the likelihood, extent and impact of any potential delays in Closing; (v) any purchase-price adjustments; (vi) the impact of the contemplated transaction on any actual or potential litigation; (vii) the net economic effect of any changes from the APA, if any, contemplated by the contemplated transaction documents (the "Contemplated Transaction Documents"), (viii) the net after-tax consideration to be received by the Debtors' estates; and (ix) such other considerations the Debtors deem relevant in their sole discretion (collectively, the "Bid Assessment Criteria"). All Bids made thereafter shall be Overbids (as defined below), and shall be made and received on an open basis, and all material terms of each Bid shall be fully disclosed to all other Qualified Bidders. The Debtors shall maintain a transcript of all Qualified Bids made and announced at the Auction, including the Baseline Bid, all Overbids and the Successful Bid.

c. Terms of Overbids

An "Overbid" is any Bid made at the Auction subsequent to the Debtors' announcement of the Opening Bid. To submit an Overbid for purposes of this Auction, a Qualified Bidder must comply with the following conditions:

(i) Minimum Overbid Increment

Any Overbid after the Opening Bid shall be made in increments of at least \$250,000 (or such other amount the Debtors determine to facilitate the Auction). Additional consideration in excess of the amount set forth in the Baseline Bid must be comprised only of cash consideration. Each Overbid shall be deemed to be allocated between the U.S. Assets and the Canadian Assets in accordance with the allocation of the cash consideration of the Opening Bid.

(ii) Remaining Terms are the same as for Qualified Bids

Except as modified herein, an Overbid must comply with the conditions for a Qualified Bid set forth above, provided, however, that the Bidding Deadline and the Initial Minimum Overbid Increment shall not apply. Any Overbid made by a Qualified Bidder must remain open and binding on the Qualified Bidder until and unless (a) the Debtors accept a higher Qualified Bid as an Overbid and (b) such Overbid is not selected as the Back-up Bid (as defined below).

To the extent not previously provided (which shall be determined by the Debtors), a Qualified Bidder submitting an Overbid must submit, as part of its Overbid, written evidence (in the form of financial disclosure or credit-quality support information or enhancement reasonably acceptable to the Debtors) demonstrating such Qualified Bidder's ability to close the transaction proposed by such Overbid.

(iii) Announcing Overbids

The Debtors shall announce at the Auction the material terms of each Overbid, the basis for calculating the total consideration offered in each such Overbid, and the resulting benefit to the Debtors' estates based on, among other things, the Bid Assessment Criteria.

(iv) Consideration of Overbids

The Debtors reserve the right, in their reasonable business judgment, to make one or more adjournments in the Auction to, among other things: (a) facilitate discussions between the Debtors and individual Qualified Bidders; (b) allow individual Qualified Bidders to consider how they wish to proceed; (c) consider and determine the current highest and best Overbid at any given time during the Auction; and (d) give Qualified Bidders the opportunity to provide the Debtors with such additional evidence as the Debtors, in their reasonable business judgment, may require that the Qualified Bidder (other than Stalking Horse Bidder) has sufficient internal resources, or has received sufficient non-contingent debt and/or equity funding commitments, to consummate the proposed transaction at the prevailing Overbid amount.

d. Additional Procedures

In their reasonable discretion, the Debtors may adopt rules for the Auction at or prior to the Auction that will better promote the goals of the Auction and that are not inconsistent with any of the provisions of the Bidding Procedures Orders. All such rules will provide that all Bids shall be made and received in one room, on an open basis, and all other Qualified Bidders shall be entitled to be present for all bidding with the understanding that the true identity of each Qualified Bidder – i.e., Principals submitting the Bid – shall be fully disclosed to all other Qualified Bidders and that all material terms of each Qualified Bid will be fully disclosed to all other Qualified Bidders throughout the entire Auction.

e. Closing the Auction

Upon conclusion of the bidding, the Auction shall be closed, and the Debtors shall (i) immediately review the final Overbid of each Qualified Bidder 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 the proposed sale, and (ii) identify the highest, best, and/or

otherwise financially superior offer for the Assets (the “Successful Bid”) and the entity submitting such Successful Bid, the “Successful Bidder”), which highest, best and/or otherwise financially superior offer will provide the greatest amount of net cash value to the Debtors, and the next highest or otherwise best offer after the Successful Bid (the “Back-up Bid”), and advise the Qualified Bidder of such determination. If the Stalking Horse Bidder’s final Bid is deemed to be highest and best at the conclusion of the Auction, the Stalking Horse Bidder will be the Successful Bidder, and such Bid, the Successful Bid.

f. Consent to Jurisdiction as Condition to Bid.

All Qualified Bidders at the Auction shall be deemed to have consented to the joint jurisdiction of the U.S. Court and Canadian Court and waived any right to a jury trial in connection with any disputes relating to the Auction, and the construction and enforcement of the Bidder’s Contemplated Transaction Documents, as applicable.

g. Break-Fee

In the event that the APA is terminated pursuant to Section 11.1(b)(ii) of the APA, the Break Fee, in the amount of \$5,3000,000, shall be payable from the proceeds received upon consummation of such Alternate Transaction, as follows: (i) each US Seller shall pay to US Purchaser its pro-rata share of the Break Fee payable by US Sellers based upon US Purchaser’s pro rata share of Purchase Prices payable hereunder, (ii) each Canadian Seller shall pay to Canadian Purchaser its pro-rata share of the Break Fee payable by Canadian Sellers based upon Canadian Purchaser’s pro-rata share of Purchase Price payable hereunder, (iii) any obligation to pay the Break Fee hereunder shall be absolute and unconditional and shall not be subject to any defense, claim, counterclaim, offset, recoupment or reduction of any kind whatsoever; and (iv) Section 11.3 of the APA and the rights and obligations created thereunder shall survive termination of the APA.

Acceptance of Successful Bid

The Debtors shall sell the Assets to the Successful Bidder upon the approval of the Successful Bid by the U.S. Court and the Canadian Court. The Debtors’ presentation of a particular Qualified Bid to (i) the U.S. Court (by the U.S. Debtors) and (ii) the Canadian Court (by the Canadian Debtors) 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 both the U.S. Court and the Canadian Court. All interested parties reserve their right to object to the Debtors’ selection of the Successful Bidder (including the assignment of any of such objector’s Assumed Contracts thereto, provided, however, that any objection to such assignment on the basis of the Cure Amounts must be made and/or reserved as set forth in the order approving these Bidding Procedures).

“As Is, Where Is”

The sale of the 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 estates except to the extent set forth in the APA or the purchase agreement of another Successful Bidder. The Stalking Horse Bidder 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 Assets prior to making its offer, that it has relied solely on its own independent review, investigation, and/or inspection of any documents and/or the Assets in making its Bid, and that it did not rely on any written or oral statements, representations, promises, warranties, or guaranties whatsoever, whether express, implied, by operation of law or otherwise, regarding the Assets, or the completeness of any information provided in connection therewith or the Auction, except as expressly stated in these Bidding Procedures or, (a) as to the Stalking Horse Bidder, the terms of the sale of the Assets shall be set forth in the APA, or (b) as to another Successful Bidder, the terms of the sale of the Assets shall be set forth in the applicable purchase agreement.

Free Of Any And All Encumbrances

Except as otherwise provided in the APA or another Successful Bidder's purchase agreement, all of the Debtors' right, title, and interest in and to the Assets subject thereto shall be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, and interests thereon and there against (collectively, the "Encumbrances") in accordance with 11 U.S.C. § 363 and a vesting order of the Canadian Court, with such Encumbrances to attach to the net proceeds of the sale of the Assets.

Sale Hearing

Hearings to approve the sale of the Assets to the Successful Bidder shall be conducted by (i) the U.S. Court on **July 20, 2009**, at 2:00 p.m. (Eastern Time), located at 824 North Market Street, 6th Floor, Courtroom No. 2 Wilmington, Delaware (the "U.S. Sale Hearing"), and (ii) by the Canadian Court on July 20, 2009, located at 330 University Avenue, 8th floor, Courtroom No.8-1, Toronto, Ontario (the "Canadian Sale Hearing" and together with the U.S. Hearing, the "Sale Hearings"). A joint hearing of the Sale Hearings may be held in accordance with the Debtors' cross-border insolvency protocol, at the option of the Debtors. Following the approval of the sale of the Assets to the Successful Bidder at the Sale Hearings, if such Successful Bidder fails to consummate an approved sale within ten (10) days after entry of Orders by both the U.S. Court and the Canadian Court approving the sale of the Assets (except where the sole cause of any delay in Closing is as a result of either (A) notification requirements under the HSR Act and the Competition Act (Canada) or (B) default by the Debtors), the Debtors shall be authorized, but not required, to deem the Back-up Bid, as disclosed at the Sale Hearings, the Successful Bid and the Debtors shall be authorized, but not required, to consummate the sale with the Qualified Bidder submitting such Back-up Bid without further notice or orders of the U.S. Court or Canadian Court.

Return of Good Faith Deposit:

Good Faith Deposits of the Successful Bidder shall be applied to the purchase price of such transaction at Closing. Good Faith Deposits of all other Qualified Bidders shall be held in an interest-bearing escrow account until two (2) days after Closing of the transactions contemplated by the Successful Bid, and thereafter returned to the respective Qualified 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 their damages resulting from the breach or failure to perform by the Successful Bidder.

Modifications and Reservations

The Bidding Procedures may be modified only upon the express written consent of the Debtors and the Stalking Horse Bidder, or by order of the U.S. Court and Canadian Court.

The Debtors may (a) determine which Qualified Bid, if any, is the highest, best, and/or otherwise financially superior offer; and (b) reject at any time before entry of orders of the U.S. Court and Canadian 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 thereof.

At or before the Sale Hearings, the Debtors may impose such other terms and conditions as the Debtors may determine to be in the best interests of their estates and creditors and other parties in interest thereof that are not inconsistent with any of the procedures of the Bidding Procedures Orders or these Bidding Procedures.

Reservation of Rights

Subject to the Bidding Procedures Orders, the Debtors reserve the right as they may determine to be in the best interests of their estates to: (i) determine which Potential Bidders are Qualified Bidders; (ii) determine which Bids are Qualified Bids; (iii) determine which Qualified Bid is the highest and best proposal and which is the next highest and best proposal, (iv) reject any Bid that is (a) inadequate or insufficient, (b) not in conformity with the requirements of the Bidding Procedures Orders or the requirements of the U.S. Bankruptcy Code or the *Companies' Creditors Arrangement Act* (Canada) or any other orders entered by the U.S. Court or Canadian Court, or (c) contrary to the best interests of the Debtors and their estates or stakeholders, as applicable; (v) waive terms and conditions set forth herein with respect to any or all Potential Bidders, (vi) impose additional terms and conditions with respect to any or all Potential Bidders, (vii) adjourn the Auction and/or Sale Hearing in open court without further notice; (ix) with the consent of the Stalking Horse Bidder, remove a portion of the Assets from the Auction. Without limiting the generality of the foregoing, the Debtors may determine to distribute or not distribute copies of other Qualified Bids to other Qualified Bidders prior to or during the Auction.

EXHIBIT C

Notice of Auction and Sale

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:
INDALEX HOLDINGS FINANCE, INC.,
a Delaware Corporation, *et al.*¹

Debtors

Chapter 11

Case No. 09-10982 (PJW)

(Jointly Administered)

NOTICE OF AUCTION AND SALE

PLEASE TAKE NOTICE that, on _____, 2009, Indalex Holdings Finance, Inc. and its affiliated debtors and debtors in possession (collectively, the “Debtors”) filed their (i) motion for entry of an order (A) approving certain bidding procedures, which are attached hereto as Exhibit 1 (the “Bidding Procedures”), for the proposed sale of substantially all of Debtors’ Assets, as more fully set forth in that certain asset purchase agreement (the “APA”) by and between Debtors and Sapa Holding AB or its assignee(s) or designee(s) (the “Stalking Horse Bidder”); (B) scheduling a hearing (the “Sale Hearing”) and approving the form and manner of notice of the Auction and the Bidding Procedures; (C) establishing procedures for assumption and assignment of certain executory contracts and unexpired leases, including notice of proposed cure amounts; (D) authorizing Debtors to pay to Stalking Horse Bidder a Break Fee under certain terms and conditions set forth more particularly below; and (E) granting related relief (the “Sale Procedures Motion”), and (ii) Motion for an Order Pursuant to Sections 105(a), 363, and 365 of the Bankruptcy Code and Rules 2002, 6004, 6006 and 9014 of the Federal Rules of Bankruptcy Procedure (A) Authorizing the Sale of Substantially All of Its Assets; (B) Approving an Asset Purchase Agreement, Subject to Higher and Better Offers; (C) Approving the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases; and (D) Granting Related Relief (the “Sale Motion”) with the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”).² You may obtain a copy of the APA by making a written request to the undersigned counsel to the Debtors. By order dated _____, 2009, the Bankruptcy Court entered an order (the “Sale Procedures Order”) approving the Sale Procedures Motion which, among other things, established procedures for the submission of Bids, Auction Process and Sale Hearing regarding the Sale of substantially all of the Debtors’ Assets. Although the Debtors entered into the APA with the Stalking Horse Bidder to sell substantially all of the Debtors’ Assets, the APA and the Proposed Sale is subject to further offers pursuant to the Bid Procedure Order.

¹ The Debtors in these cases and their tax identification numbers are: Indalex Holdings Finance, Inc. (XX-XXX0880), Indalex Holding Corp. (XX-XXX0715) (“Indalex Holding”), Indalex Inc. (XX-XXX7362) (“Indalex Inc.”), Caradon Lebanon, Inc. (XX-XXX1208) (“Caradon”), and Dolton Aluminum Company, Inc. (XX-XXX2781) (“Dolton”). The business address for all of the Debtors is 75 Tri-State International, Suite 450, Lincolnshire, IL 60069.

² All capitalized terms not defined herein shall be given the meaning ascribed to them in the Sale Procedures Order (as hereinafter defined).

Any party that wishes to take part in this process and submit a bid for the Assets or any portion thereof must submit their competing Bid prior to July 14, 2009, at 10:00 a.m. (Eastern Time), to (a) the Debtors, 75 Tri-State International, Suite 450, Lincolnshire, IL 60069, Attn: Timothy R.J. Stubbs, Chief Executive Officer and President, tim_stubbs@indalex.com; (b) counsel to the U.S. Debtors, Young Conaway Stargatt & Taylor, LLP, The Brandywine Building, 1000 West Street, 17th Floor, Wilmington, DE 19801, Attn: Michael R. Nestor, mnestor@ycst.com; (c) counsel to the Canadian Debtors, Blake, Cassels & Graydon LLP, 199 Bay Street, Suite 2800, Toronto, Ontario, M5L 1A9, Attn.: Linc Rogers, linc.rogers@blakes.com; (d) the court-appointed monitor of the Canadian Debtors, FTI Consulting Canada ULC (the "Canadian Monitor"), TD Canada Trust Tower, 161 Bay Street, 27th Floor, Toronto, Ontario M5J 2S1, Attn.: Nigel Meakin, nigel.meakin@fticonsulting.com; (e) investment bankers for the Debtors, Jefferies & Co. Inc., 520 Madison Avenue, New York, NY 10022, Attn: Fred Fazio, ffazio@jefferies.com; (f)) counsel to the Stalking Horse Bidder, Buchanan Ingersoll & Rooney, PC, 20th Floor, One Oxford Centre, Pittsburgh, PA 15219, Attn: Craig S. Heryford, Esq., craig.heryford@bipc.com, (g) counsel to JPMorgan Chase Bank, N.A., Cravath, Swaine & Moore LLP, Worldwide Plaza, 825 Eighth Avenue, New York, NY 10019-7475, Attn: Robert H. Trust; and (h) counsel to the Official Committee of Unsecured Creditors, McGuireWoods LLP, 625 Liberty Avenue, 23rd Floor, Pittsburgh PA 15222-3142, Attn: Michael J. Roesenthaler, Esq.

Only those parties that submit Qualified Bids may participate in the Auction. If you are interested in determining how to submit such a Qualified Bid, you must comply with the terms of the Bidding Procedures as referenced in the Bidding Procedures Order and attached hereto. Only the authorized representatives or agents of each of the Qualified Bidders, the Committee, and Debtors shall be permitted to attend the Auction. At the Auction, Qualified Bidders will be permitted to increase their bids. The bidding shall begin initially with the highest Qualified Bid (the "Opening Qualified Bid") and subsequently continue in minimum increments of at least \$250,000 (or such other amount the Debtors determine to facilitate the Auction). The highest or otherwise best Qualified Bid shall be determined by Debtors in their sole discretion, in consultation with the Committee or as determined by the Bankruptcy Court if there is a dispute.

If you seek to object to the sale of the Assets or any portion thereof, you must comply with the terms for making such objections as set forth in the Bidding Procedures and the Bidding Procedures Order. Such objections must be filed with the Bankruptcy Court and served on the parties set forth in the Bidding Procedures Order. If any party fails to timely file and serve an objection in accordance with the Bidding Procedures Order, the Bankruptcy Court may disregard such objection. The failure of any person to timely file its objection shall be a bar to the assertion, at the Sale Hearing or thereafter, of any objection to the Motion or the Debtors' assumption and assignment of any Assigned Contract or the consummation of the Proposed Sale and performance under the APA (or any alternative agreement entered into with the Successful Bidder), including the transfer of the Assets free and clear of Encumbrances (other than permitted Encumbrances provided for expressly in the APA or alternative purchase agreement entered into with the Successful Bidder).

YOUNG CONAWAY STARGATT & TAYLOR, LLP

Michael R. Nestor

Donald J. Bowman, Jr.

Ryan M. Bartley

Michael S. Neiburg

The Brandywine Building

1000 West Street, 17th Floor,

Wilmington, DE 19801

(302) 571-6758 (Telephone)

(302) 571-1253 (Facsimile)

EXHIBIT D

Cure Amount Notice

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:
INDALEX HOLDINGS FINANCE, INC.,
a Delaware Corporation, *et al.*¹

Debtors

Chapter 11

Case No. 09-10982 (PJW)

(Jointly Administered)

**NOTICE OF CURE AMOUNTS FOR POSSIBLE ASSUMPTION,
SALE, AND ASSIGNMENT OF CERTAIN UNEXPIRED LEASES
AND EXECUTORY CONTRACTS AND SALE HEARING**

PLEASE TAKE NOTICE that, on _____, 2009, Indalex Holdings Finance, Inc. and its affiliated debtors and debtors in possession (collectively, the “Debtors”) filed their motion with this Court, pursuant to §§ 105(a), 363, 365, 503 and 507 of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the “Bankruptcy Code”), and Rules 2002, 6004, 6006 and 9014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) for entry of an order (A) approving certain bidding procedures (the “Bidding Procedures”), for the proposed sale of substantially all of Debtors’ Assets, as more fully set forth in that certain asset purchase agreement (the “APA”) by and between Debtors and Sapa Holding AB or its assignee(s) or designee(s) (the “Stalking Horse Bidder”); (B) scheduling a hearing (the “Sale Hearing”) and approving the form and manner of notice of the Auction and the Bidding Procedures; (C) establishing procedures for assumption and assignment of certain executory contracts and unexpired leases, including notice of proposed cure amounts; (D) authorizing Debtors to pay to Stalking Horse Bidder a Break Fee under certain terms and conditions; and (E) granting related relief (the “Sale Procedures Motion”) with the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”). The Debtors have received a Qualified Bid² from the Stalking Horse Bidder. An order approving the Sale Procedures Motion (the “Sale Procedures Order”) was entered by the Bankruptcy Court on _____, 2009, after a hearing held on _____, 2009.

PLEASE TAKE FURTHER NOTICE that the Bankruptcy Court scheduled a hearing to consider Debtors’ Motion for an Order Pursuant to Sections 105(a), 363, and 365 of the Bankruptcy Code and Rules 2002, 6004, 6006 and 9014 of the Federal Rules of Bankruptcy Procedure (A) Authorizing the Sale of Substantially All of Its Assets (the “Proposed Sale”); (B)

¹ The Debtors in these cases and their tax identification numbers are: Indalex Holdings Finance, Inc. (XX-XXX0880), Indalex Holding Corp. (XX-XXX0715) (“Indalex Holding”), Indalex Inc. (XX-XXX7362) (“Indalex Inc.”), Caradon Lebanon, Inc. (XX-XXX1208) (“Caradon”), and Dolton Aluminum Company, Inc. (XX-XXX2781) (“Dolton”). The business address for all of the Debtors is 75 Tri-State International, Suite 450, Lincolnshire, IL 60069.

² All capitalized terms not defined herein shall be given the meaning ascribed to them in the Bidding Procedures.

Approving an Asset Purchase Agreement (the "APA"), Subject to Higher and Better Offers; (C) Approving the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases; and (D) Granting Related Relief (the "Sale Motion") for July 20, 2009, at 2:00 p.m. (Eastern Time) (the "Sale Hearing"). You may obtain a copy of the APA by making a written request to the undersigned counsel to the Debtors.

PLEASE TAKE FURTHER NOTICE that at the Sale Hearing or as soon thereafter as counsel can be heard, in connection with the Sale Motion, the Bankruptcy Court will consider whether to enter an order approving the Sale Motion.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Sale Motion, Debtors may assume, sell, and assign certain of their unexpired leases, license agreements, and executory contracts (collectively, the "Contracts") free and clear of all liens, claims, encumbrances, and interests on satisfaction of the cure amounts required under section 365(b)(1)(A) of the Bankruptcy Code (the "Cure Amount"). The Contracts that the Debtors may seek to assume, sell, and assign (the "Assigned Contracts") and corresponding Cure Amount are listed on the attached Exhibit 1.

PLEASE TAKE FURTHER NOTICE that any objections to the relief requested in the Sale Motion, including the assumption, sale and assignment of the Assigned Contracts and the corresponding Cure Amount under section 365(b) of the Bankruptcy Code, must (a) be in writing, (b) comply with the Federal Rules of Bankruptcy Procedures and the Local Bankruptcy Rules, (c) be filed with the Clerk of the Bankruptcy Court for the District of Delaware, Third Floor, 824 Market Street, Wilmington, Delaware 19801, **no later than 4:00 p.m. (Eastern Time) on July 15, 2009 (the "Cure Objection Deadline")** and (d) be served so as to be **received** no later than 4:00 p.m. (Eastern Time) on the same day, on (i) the Debtors, 75 Tri-State International, Suite 450, Lincolnshire, IL 60069, Attn: Timothy R.J. Stubbs, Chief Executive Officer and President; (ii) counsel to the Debtors, Young Conaway Stargatt & Taylor, LLP, The Brandywine Building, 1000 West Street, 17th Floor, Wilmington, DE 19801, Attn: Michael Nestor; (iii)) counsel to the Stalking Horse Bidder, Buchanan Ingersoll & Rooney, PC, 20th Floor, One Oxford Centre, Pittsburgh, PA 15219, Attn: Craig S. Heryford, Esq., and (iv) counsel to the Official Committee of Unsecured Creditors, McGuireWoods LLP, 625 Liberty Avenue, 23rd Floor, Pittsburgh PA 15222-3142, Attn: Michael J. Roesenthaler, Esq. and (f) counsel to JPMorgan Chase Bank, N.A., as DIP Agent, Cravath, Swaine & Moore LLP, Worldwide Plaza, 825 Eighth Avenue, New York, NY 10019-7475, Attn: Robert H. Trust, provided, however, if the Stalking Horse Bidder is not the Successful Bidder and the alternative Successful Bidder is seeking to have certain unexpired leases, license agreements, and executory contracts assumed and assigned as part of an alternative transaction, the non-debtor parties to such unexpired leases, license agreements and executory contracts shall have until the Sale Hearing to raise objections under section 365(b)(1)(C).

PLEASE TAKE FURTHER NOTICE that any person or entity receiving notice of the Sale Hearing and this Notice that fails to file an objection on a timely basis shall (a) be forever barred from objecting to the Cure Amount and from asserting any additional cure or other amounts with respect to such unexpired lease, license agreement, or executory contract and Debtors shall be entitled to rely solely on the Cure Amount; and

(b) be forever barred and estopped from asserting or claiming against Debtors or the Successful Bidder or any other assignee of the relevant Assigned Contract that any additional amounts are due or defaults exist under such Assigned Contract. The failure of any person to timely file its objection shall be a bar to the assertion, at the Sale Hearing or thereafter, of any objection to the Motion or Debtors' assumption and assignment of any Assigned Contract or the consummation of the Proposed Sale and performance under the APA (or any alternative agreement entered into with the Successful Bidder), including the transfer of the Assets free and clear of Encumbrances (other than permitted Encumbrances provided for expressly in the APA or alternative purchase agreement entered into with the Successful Bidder).

PLEASE TAKE FURTHER NOTICE that the Sale Hearing may be adjourned from time to time without further notice to creditors or parties-in-interest other than by announcement of said adjournment in the Bankruptcy Court or on the Bankruptcy Court's calendar on the date scheduled for the Sale Hearing.

YOUNG CONAWAY STARGATT & TAYLOR, LLP
Michael R. Nestor
Donald J. Bowman, Jr.
Ryan M. Bartley
Michael S. Neiburg
The Brandywine Building
1000 West Street, 17th Floor,
Wilmington, DE 19801
(302) 571-6758 (Telephone)
(302) 571-1253 (Facsimile)

EXHIBIT E

Proposed Sale Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re	:	Chapter 11
	:	
INDALEX HOLDINGS FINANCE, INC., <i>et al.</i> ¹	:	Case No. 09-10982 (PJW)
	:	
Debtors.	:	(Jointly Administered)
	:	
	:	Ref. Docket No.: _____

**ORDER PURSUANT TO 11 U.S.C. §§ 105(A), 363(B), (F), (L) AND (M) AND 365, AND
FED. R. BANKR. P. 2002, 6004, 6006, AND 9014: AUTHORIZING AND APPROVING
(A) ACQUISITION AGREEMENT, (B) SALE OF CERTAIN ASSETS FREE AND
CLEAR OF LIENS, CLAIMS AND INTERESTS, (C) ASSUMPTION AND
ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED
LEASES AND (D) RELATED RELIEF**

This matter having come before the Court upon the Motion of The Debtors (“**Debtors**” or “**Sellers**”) For Debtors’ Motion For Entry of Orders, Pursuant to 11 U.S.C. §§ 105(A), 363, 365, 503, and 507 and Federal Bankruptcy Rules 2002, 6004, 6006, and 9014: (A)(I) Approving Bidding Procedures For Sale of Substantially All Of The Debtors’ Assets; (II) Scheduling a Hearing to Consider The Sale and Approving The Form and Manner of Notices; (III) Establishing Procedures For Assumption and Assignment of Certain Contracts and Unexpired Leases, Including Notice of Proposed Cure Amounts; (IV) Authorizing Payment of Break Fee; and (V) Granting Related Relief; and (B)(I) Authorizing the Sale of Such Assets Free and Clear of Liens, Claims and Encumbrances and Other Interests; (II) Authorizing and Approving Asset Purchase Agreement; (III) Approving the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases Related Thereto; (IV) Providing For Payment Of Sale Proceeds

¹ The Debtors in these cases and their tax identification numbers are: Indalex Holdings Finance, Inc. (XX-XXX0880), Indalex Holding Corp. (XX-XXX0715) (“Indalex Holding”), Indalex Inc. (XX-XXX7362) (“Indalex Inc.”), Caradon Lebanon, Inc. (XX-XXX1208) (“Caradon”), and Dolton Aluminum Company, Inc. (XX-XXX2781) (“Dolton”). The business address for all of the Debtors is 75 Tri-State International, Suite 450, Lincolnshire, IL 60069.

To Secured Lender; and (V) Granting Related Relief [Docket No. ___]² (the “**Sale Motion**”)³ for an order pursuant to 11 U.S.C. §§ 105(a), 363(b), (f), (l) and (m), and 365, and Fed. R. Bankr. P. 2002, 6004, 6006, and 9014 authorizing (A) the sale of substantially all of the operating assets of the Sellers and certain Real Property (as defined in the Agreement) of Sellers, as seller, free and clear of all liens, claims, encumbrances, and other interests (the “**Sale**”), pursuant to an Asset Purchase Agreement dated June 16, 2009 between Sellers and SAPA Holding AB, or its assignee(s) or designee(s) (the “**Purchaser**”), attached hereto as **Exhibit A** (the “**Agreement**”) (B) the Sellers’ assumption and assignment to the Purchaser of the executory contracts and/or unexpired leases identified on the list of assumed contracts attached to the Agreement as Schedule(s) ____ (the “**Assumed Contracts**”), free and clear of liens, claims, encumbrances, and other interests; and (C) granting related relief; and a hearing on the Sale Motion having been held on July 20, 2009 (the “**Sale Hearing**”), at which time all interested parties were offered an opportunity to be heard with respect to the Sale Motion; and the Court having considered (i) the Sale Motion, (ii) any objections thereto, and (iii) the arguments of counsel made, and the evidence proffered or adduced at the Sale Hearing; and it appearing that the relief requested in the Sale Motion is in the best interests of Debtors, their estates, their creditors and other parties in interest; and upon the record of the Sale Hearing and these cases; and after due deliberation thereon; and good cause appearing therefor;

IT IS HEREBY FOUND AND DETERMINED THAT:

A. The finding and conclusions set forth herein constitute the Court’s findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052. To the extent any of the following

² The Court approved this form of Order following a hearing on July ___, 2009.

³ Unless otherwise defined, capitalized terms used herein shall have the meaning ascribed to them in the Sale Motion, the Agreement (as defined hereafter), or the Bankruptcy Code.

findings of fact are determined to be conclusions of law, they are adopted, and shall be construed as and deemed to be conclusions of law. To the extent any of the following conclusions of law are determined to be findings of fact, they are adopted, and shall be construed as and deemed to be findings of fact.

B. The Court has jurisdiction over this Sale Motion pursuant to 28 U.S.C. §§ 157 and 1334, and over the entities which are subject to the terms of this Order, including but not limited to all creditors, all persons and entities who have a claim (as defined in § 101(5) of the Bankruptcy Code) against the Debtors or their estates, and all parties in interest, including those entities claiming an interest in the US Acquired Assets (as defined in the Agreement), including the US Business (as defined in the Agreement) (collectively, the "US Acquired Assets") and those entities who are parties to the Assumed Contracts. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue of the cases and the Sale Motion in this district is proper under 28 U.S.C. §§ 1408 and 1409.

C. The statutory predicates for the relief sought in the Sale Motion are sections 105(a), 363(b), (f), (l), and (m), and 365 of the United States Bankruptcy Code, 11 U.S.C. § 101 et seq., (as amended, the "**Bankruptcy Code**"), and Fed. R. Bankr. P. 2002, 6004, 6006, 9014 and 9019 (as amended, the "**Bankruptcy Rules**").

D. As evidenced by the affidavits or certificates of service previously filed with the Court, and based on the representations of counsel at the Sale Hearing, (1) adequate and sufficient notice of the Sale Motion, the Sale Hearing and the Sale has been provided in accordance with the Bankruptcy Code, Bankruptcy Rules, including 11 U.S.C. §§ 102(1), 363, and 365, and Fed. R. Bankr. P. 2002, 6004, 6006, and 9014, and the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware or orders of this Court, (2) such notice was good and sufficient, and appropriate under the particular

circumstances, and (3) no other or further notice of the Sale, the Sale Motion, or the Sale Hearing shall be required.

E. As evidenced by the affidavits or certifications of service filed with the Court, notice of the Sale Hearing was published in the daily national edition of the _____ on _____, 2009 and the _____ on _____, 2009.

F. A reasonable opportunity to object or be heard with respect to the Sale Motion, Bidding Procedures and Bidding Procedures Order and the relief requested therein has been afforded to all interested persons and entities, including (i) the United States Trustee; (ii) the Official Committee of Unsecured Creditors appointed in these bankruptcy cases (the “**Creditors’ Committee**”); (iii) any and all entities known to have expressed an interest in an acquisition transaction regarding the US Acquired Assets; (iv) all entities known to have asserted any lien, claim, encumbrance, or other property interest in or upon any of the US Acquired Assets and Assumed Contracts which are to be sold or assigned pursuant to the Agreement; (v) all entities who had filed a notice of appearance and request for service of papers in these cases; and (vi) all parties to executory contracts or unexpired leases proposed to be assumed and assigned under the Agreement.

G. The Debtors (i) have full corporate power and authority to execute the Agreement and all other documents contemplated thereby, and the Sale of the US Acquired Assets by the Sellers has been duly and validly authorized by all necessary corporate action, (ii) have all of the corporate power and authority necessary to consummate the transactions contemplated by the Agreement, (iii) have taken all corporate action necessary to authorize and approve the Agreement and the consummation by the Sellers of the transactions contemplated thereby, and

(iv) require no further consents or approvals, other than those expressly provided for in the Agreement or otherwise explicitly set forth herein, to consummate such transactions.

H. The US Acquired Assets are property of the Debtors' estates and title thereto is vested in the Debtors' estates.

I. The Debtors provided notice of the sale of the US Acquired Assets to Purchaser and to each of the entities that expressed a bona fide interest in the US Acquired Assets. The Debtors and their professionals marketed the US Acquired Assets and conducted the sale process in accordance with the Bidding Procedures. Based upon the record of this proceeding, all creditors and equity holders, all other parties-in-interest and all prospective purchasers have been afforded a reasonable and fair opportunity to bid for the US Acquired Assets.

J. Approval of the Agreement and consummation of the Sale at this time are in the best interests of the Debtors, their creditors and their estates.

K. The Debtors have demonstrated both (i) good, sufficient, and sound business purpose and justification and (ii) compelling circumstances for the Sale pursuant to applicable provisions of the Bankruptcy Code, including 11 U.S.C. §§ 105 and 363 prior to, and outside of, a plan of reorganization.

L. The Debtors and their professionals diligently and in good faith marketed the US Acquired Assets to secure the highest and best offer therefore through an open and complete sale process. In that regard, the Sellers sought bids for all of the US Acquired Assets. The terms and conditions set forth in the Agreement, and the Sale to the Purchaser pursuant thereto, represent a fair and reasonable purchase price and constitute the highest and best offer obtainable for the US Acquired Assets.

M. A sale of the US Acquired Assets at this time to the Purchaser would result in the highest possible purchase price therefor. Thus, unless the Sale to the Purchaser is concluded

expeditiously, as provided for in the Sale Motion and under the Agreement, the value of the US Acquired Assets will decline and the Debtors, their estates and their creditors may realize less value for the US Acquired Assets.

N. All Interests (as hereafter defined) shall attach to the proceeds of the Sale.

O. The Agreement was negotiated, proposed, and entered into by the Debtors and the Purchaser without collusion, in good faith, and from arms'-length bargaining positions. Neither the Debtors nor the Purchaser or its affiliates have engaged in any conduct that would cause or permit the Agreement to be avoided under 11 U.S.C. § 363(n).

P. The Purchaser is comprised of entities purchasing property in good faith within the meaning of 11 U.S.C. § 363(m) and, as such, is entitled to the protections afforded thereby. The Purchaser has and will be acting in good faith within the meaning of 11 U.S.C. § 363(m) in closing the transactions contemplated by the Agreement.

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

R. The consideration offered in the Agreement is the highest and best consideration offered for the US Acquired Assets and will provide a greater recovery for the Debtors' creditors than would be provided by any other practical available alternative. The consideration constitutes fair consideration and reasonably equivalent value under the Bankruptcy Code, Uniform Fraudulent Conveyances Act and Uniform Fraudulent Transfer Act for the US Acquired Assets.

S. The Sale does not constitute a sub rosa chapter 11 plan for which approval has been sought without the protections afforded by a disclosure statement.

T. Except as provided in the Agreement, including, without limitation as to (a) the Purchaser's liability to pay the US Purchase Price, as adjusted, in accordance with the terms of the Agreement, the Sale, transfer, and assignment of the US Acquired Assets to the Purchaser upon the Closing will be a legal, valid, and effective transfer of the US Acquired Assets and vest the Purchaser with absolute right and title in and to the US Acquired Assets free and clear of mortgages, security interests, conditional sale or other title retention agreements, claims of governmental entities (including but not limited to claims for taxes, real estate taxes, interest and/or penalties), claims of Debtors' employees or employee benefit plans (including but not limited to claims for wages, salaries, commissions, vacation pay, severance pay, multi-employer plans relating to US Business Employees or any MEPP, health or life insurance, or otherwise under any Employee Benefit Plan), claims arising under any collective bargaining agreement with any labor union of Debtors' employees, charges, mechanics' liens, pledges, liens, claims, judgments, demands, easements, encumbrances, defects, options, restrictions of all kinds, any claims under any contract or statute, or in tort, that the Purchaser is the successor in interest to the Businesses of the Debtors as they relate to the US Acquired Assets, any post-petition administrative claim in the Debtors' bankruptcy cases, and any other interest (including, without limitation, liens, claims, encumbrances, causes of action and interests) (i) that purport to give to any party a right or option to effect any forfeiture, modification, or termination of the Debtors' or the Purchaser's interest in the US Acquired Assets, (ii) in respect of taxes, or (iii) which arise as a result of any Employee Benefit Plan, whether matured, unmatured, contingent, liquidated or unliquidated (collectively, "**Interests**") with all such Interests released, terminated and discharged as to the US Acquired Assets. Upon the Closing, holders of such liens and/or Interests shall be permanently enjoined from asserting such interests against the US Acquired Assets and the Purchaser. All Interests shall attach to the Sale Proceeds with the same extent,

validity, and priority as they had with respect to the US Acquired Assets prior to Closing. Nothing contained in this Order shall relieve Purchaser or Debtors of obligations to pay transfer taxes, if any, pursuant to applicable law (“**Transfer Tax**”).

U. The Purchaser would not have entered into the Agreement and would not consummate the transactions contemplated thereby, thus adversely affecting the Debtors, their estates, and their creditors, if the Sale of the US Acquired Assets to the Purchaser and the assignment of the Assumed Contracts to the Purchaser were not free and clear of all Interests or, if the Purchaser would, or in the future could, be liable for any such Interests.

V. The Debtors may sell the US Acquired Assets free and clear of all Interests because, in each case, the requirements of the Bankruptcy Code, including one or more of the standards set forth in 11 U.S.C. § 363(f)(1) – (5) have been satisfied or such sale otherwise is authorized pursuant to 11 U.S.C. § 105. All (A) holders of Interests, (B) non-debtor parties to Assumed Contracts and (C) other parties in interest who did not object, or who withdrew their objections, to the Sale, the Sale Motion or the assumption and assignment of Assumed Contracts are deemed to have consented to the transactions contemplated in the Agreement pursuant to 11 U.S.C. § 363(f)(2) and 365. Those holders of Interests who did object fall within one or more of the other subsections of 11 U.S.C. § 363(f) and are adequately protected by having their Interests, if any, attach to the cash proceeds of the Sale ultimately attributable to the property in which they claim an Interest as set forth in this Order.

W. Except with respect to Purchaser’s obligations under the Agreement, including but not limited to any Transfer Tax, if any, the transfer of the US Acquired Assets to the Purchaser will not subject the Purchaser to any liability by reason of such transfer under the laws of the United States, any state, territory, or possession thereof, or the District of Columbia, based, in whole or in part, directly or indirectly, on any theory of law, including, without

limitation, any theory of antitrust or successor or transferee liability or otherwise. The Sellers and Purchaser are exempt from and excused from complying with any laws or regulations requiring notice to any taxing authority of any jurisdiction prior to, or other laws which might directly or indirectly affect, consummation of the transactions contemplated by the Agreement or the relief requested in the Sale Motion and the provisions of this Order, without excusing Purchaser or Sellers from any obligations for payment of any taxes or charges arising from such transfer.

X. The Debtors have demonstrated that it is an exercise of sound business judgment to assume and assign the Assumed Contracts to the Purchaser in connection with the consummation of the Sale, and the assumption and assignment of the Assumed Contracts is in the best interests of the Debtors, their estates, and their creditors. The Assumed Contracts being assigned to the Purchaser are an integral part of the operations of the Debtors being purchased by the Purchaser and, accordingly, such assumption and assignment of the Assumed Contracts is reasonable, enhances the value of the Debtors' estates and does not constitute unfair discrimination.

Y. The Debtors have good and marketable title to the US Acquired Assets.

Z. This Order shall be a "final order" within the meaning of 28 U.S.C. §§ 158 and 1291. Notwithstanding Bankruptcy Rules 6004(h) and 6006(d), the parties may consummate the Sale immediately upon entry of this Order. To the extent necessary under Bankruptcy Rule 9014 and Rule 54(b) of the Federal Rules of Civil Procedure, the Court expressly finds there is no just reason to delay the implementation of this Order.

AA. All findings of facts and conclusions of law made herein or announced in open court in connection with the Sale Motion are incorporated herein.

**NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND
DECREED THAT:**

General Provisions

1. All of the findings of fact and conclusions of law set forth above are incorporated herein by reference, and the Sale Motion, as modified by any announcements in open court, is granted, as provided herein;

2. All objections, responses, and requests for continuances concerning the Sale Motion or the relief requested therein are resolved in accordance with the terms of this Order and as set forth in the record of the Sale Hearing, and those that have not been withdrawn, waived, or settled, and all reservations of rights included in such objections, are overruled on the merits;

Approval of Asset Purchase Agreement

3. The relief requested in the Sale Motion is granted in the manner and to the extent provided herein;

4. The Agreement and the transactions contemplated therein, including the transfer of the US Acquired Assets by the Debtors to the Purchaser as provided in the Agreement, are approved and authorized under the Bankruptcy Code, including sections 105, 363 and 365 thereof;

5. The transfer of the US Acquired Assets by the Sellers to Purchaser upon Closing will be a legal, valid, and effective transfer of the US Acquired Assets notwithstanding any requirement for approval or consent by any entity (as defined in section 101(15) of the Bankruptcy Code);

6. Except as otherwise provided in the Agreement, the transfer of the US Acquired Assets by the Sellers to Purchaser vests the Purchaser with good and indefeasible title

to the US Acquired Assets free and clear of all Interests, except those expressly assumed by the Purchaser under the Agreement; and any such Interests which existed prior to the Closing shall attach to the proceeds of the Sale in the same order and priority as existed before the Sale pursuant to 11 U.S.C. § 363(f). The payment of the US Purchase Price shall be paid on Closing by Purchaser, and subsequently adjusted, all in accordance with Section 3.7 of the Agreement;

7. The transfer of the US Acquired Assets is in exchange for consideration being paid by the Purchaser which shall be deemed for all purposes to constitute fair consideration and reasonably equivalent value under the Bankruptcy Code and any other applicable law, and the Sale may not be avoided, or costs or damages imposed or awarded, under section 363(n) or any other provision of the Bankruptcy Code or other applicable law;

8. The transfer of the US Acquired Assets will not subject the Purchaser to any liability (except liability, if any, for Transfer Tax) by reason of such transfers under the laws of the United States, any state, territory or possession thereof or the District of Columbia based, in whole or in part, directly or indirectly, on any theory of law, including, without limitation, any theory of successor or transferee liability, and all creditors and parties-in-interest are prohibited from asserting such claims against Purchaser or Purchaser's Affiliates;

9. This Court retains jurisdiction to interpret and enforce the provisions of the Agreement, any related agreement to which the Debtors are party, and this Order, including, without limitation, jurisdiction to (a) protect the Purchaser against any claims or other liabilities related to the transactions contemplated by the Agreement or otherwise, in accordance with the provisions of the Agreement, and (b) resolve any and all objections to or disputes among the parties to the Agreement regarding claims for indemnification or otherwise under the Agreement, provided, however, that in the event the Court lacks jurisdiction or abstains from exercising, or declines to exercise, jurisdiction with respect to any matter referred to in this Paragraph, such

abstention, refusal, or lack of jurisdiction shall have no effect upon and shall not control, prohibit, or limit the exercise of jurisdiction of any other court or arbitral body having competent jurisdiction with respect to any such matter;

10. The transactions contemplated by the Agreement and this Order are undertaken by the Purchaser in good faith, as that term is used in section 363(m) of the Bankruptcy Code, and the Purchaser is entitled to the rights and protections granted thereby;

11. There exist exigent business reasons for the Sale of the US Acquired Assets to the Purchaser;

12. The Sale is in the best interests of the Sellers' estates, creditors, and customers and is otherwise in the public interest;

13. There has been such notice as is appropriate in the particular circumstances given to all entities required by law to receive notice of the Sale and such opportunity for hearing as is appropriate in the particular circumstances;

14. The US Acquired Assets have been adequately marketed and may lose value absent a sale;

15. All of the requirements of sections 105 and 363 of the Bankruptcy Code for a sale free and clear of Interests have been met;

16. The Sellers' previous execution and delivery of the Agreement is hereby authorized and ratified, and the Sellers as well as their officers, employees, and agents, are authorized to consummate, pursuant to the terms of the Agreement, the Sale of the US Acquired Assets to Purchaser and related transactions and to negotiate, execute, and deliver such other and further documents as may be necessary or appropriate to implement and consummate the Agreement, all transactions related thereto and this Order;

17. This Order complies with the terms of the Agreement in all material respects and is otherwise sufficient to permit the consummation of the transactions contemplated by the Agreement;

Assumption and Assignment to Purchaser of Assumed Contracts

18. The assumption by the Debtors and assignment to Purchaser of the Assumed Contracts are approved and shall become effective upon Closing and the Debtors are authorized and empowered to pay cure amounts pursuant to the terms of the Agreement;

19. Notwithstanding Purchaser's designation prior to the Sale Hearing of a contract or lease to be assumed and assigned to it pursuant to the Agreement, Purchaser shall have until the Closing to give notice to the Debtors that it is removing any such previously designated contract or lease from the list of contracts and leases to be assigned, and such contract or lease shall be deemed not assumed and assigned and shall not be an Assumed Contract, without the need for further order of this Court;

20. Sellers shall pay all Cure Amounts (as determined by US Sellers or as determined by the Bankruptcy Court) at Closing from the US Cash Purchase Price, up to a maximum amount of \$1,484,000 ("US Sellers' Cure Cost Amount"). Purchaser shall pay all Cure Amounts (as agreed to between Purchaser and Sellers or as determined by the Bankruptcy Court) at Closing in excess of US Sellers' Cure Cost Amount.

21. The Purchaser has provided adequate assurance of future performance of the Assumed Contracts within the meaning of section 365(f)(2) of the Bankruptcy Code;

22. The Sellers shall assign and transfer to the Purchaser all of their right, title, and interest (including common law rights) to all of the property associated with the Assumed Contracts;

23. The Assumed Contracts shall remain in full force and effect for the benefit of the Purchaser, notwithstanding any provisions in such Assumed Contracts or in applicable law (including, without limitation, those described in sections 365(b)(2) and (f) of the Bankruptcy Code) that prohibit, restrict, or limit in any way such assignment or transfer, and the mere assumption and assignment of the Assumed Contracts shall not cause any acceleration of payments, increase in payments, assignment fees, or any additional fee for Purchaser;

24. The failure of the Debtors or the Purchaser to enforce, at any time, one or more terms or conditions of any Assumed Contract shall not be a waiver of such terms and conditions or of the Sellers' or Purchaser's rights to enforce every term and condition of the Assumed Contracts;

25. Unless and until actually assumed and assigned by Order of the Court to Purchaser, Purchaser shall have no liability under any Assumed Contract;

26. The Sellers and their estates shall have no liability related to obligations arising under the Assumed Contracts post-Closing. Non-Seller parties to the Assumed Contracts are hereby enjoined from making any demand, commencing any action or proceeding, or otherwise attempting to collect from or enforce against the Sellers any amount or obligation arising post-Closing under the Assumed Contract;

27. All defaults and other obligations under the Assumed Contracts arising or accruing prior to the Closing Date shall be deemed cured by the payment of the Cure Amount;

28. Each non-Debtor party to an Assumed Contract is hereby forever barred, estopped, and permanently enjoined from asserting against Purchaser or the Acquired Assets any default, additional amounts or other Claims existing as of the Closing Date whether declared or undeclared or known or unknown; and such non-Debtor parties to the Assumed Contract are also forever barred, estopped, and permanently enjoined from asserting against Purchaser any

counterclaim, defense or setoff, or any other Claim, Lien or Interest, asserted or assertable against the Debtor;

29. There shall be no rent accelerations, assignment fees, increases or any other fees charged to Purchaser as a result of the assumption, assignment and sale of the Assumed Contracts. Any provision in any Assumed Contract that prohibits or conditions the assignment of such Assumed Contract or allows the party to such Assumed Contract to terminate, recapture, impose any penalty, condition, renewal or extension, or modify any term or condition upon the assignment of such Assumed Contract, constitutes an unenforceable anti-assignment provision, and is void and of no force and effect. The validity of the assumption, assignment and sale of the Assumed Contracts to Purchaser shall not be affected by any dispute between the Debtors and the non-Debtor party to such an Assumed Contract.

Post-Closing Accounts Receivable

30. Any Accounts Receivable collected by Sellers (or other proceeds collected or derived from an Acquired Asset by Sellers) from and after the Closing Date shall be held in trust for the benefit of the applicable Purchaser, and such funds shall not form part of the Sellers' respective estates or otherwise be made available to Sellers' stakeholders, and shall promptly be paid to, and for the benefit of, the applicable Purchaser in accordance with their rights under this Agreement.

Miscellaneous

31. The Debtors and each other entity having duties or responsibilities under the Agreement, the related agreements, or this Order, and their respective directors, officers, general partners, agents, representatives, and attorneys, are authorized and empowered to carry out all of the provisions of the Agreement and other related agreements; to issue, execute, deliver, file, and record, as appropriate, such other and further documents as may be necessary

evidencing and consummating the Agreement and other related agreements; and to take any and all actions contemplated by the Agreement, the related agreements, or this Order, and to issue, execute, deliver, file, and record, as appropriate, such other contracts, instruments, releases, indentures mortgages, deeds, bills of sale, assignments, leases, or other agreements or documents and to perform such other acts and execute and deliver such other documents as are consistent with, and necessary or appropriate to implement, effectuate, and consummate the Agreement, the related agreements, and this Order and the transactions contemplated thereby and hereby, all without further application to, or order of, the Court or further action by its respective directors, stockholders, or partners, and with like effect as if such actions had been taken by unanimous action of the respective directors, stockholders, and partners of such entities. All such additional agreements, documents, and instruments shall be deemed to be "related agreements" for purposes of this Order. The Debtors shall be, and hereby are, authorized to certify or attest to any of the foregoing actions (but no such certifications or attestation shall be required to make any such action valid, binding, and enforceable). At the sole cost of Purchaser, the Sellers are further authorized and empowered to cause to be filed with the secretary of state of any state or other applicable officials of any applicable governmental units any and all certificates, agreements, or amendments necessary or appropriate to effectuate the transactions contemplated by the Agreement, the related agreements, and this Order, including amended and restated certificates or articles of incorporation and by-laws or certificates or articles of amendment, and all such other actions, filings, or recordings as may be required under appropriate provisions of the applicable laws of all applicable governmental units, or as any of the officers of the Debtors may determine are necessary or appropriate. The execution of any such document or the taking of any such action shall be, and hereby is, deemed conclusive evidence of the authority of such entity to so act. Without limiting the generality of the foregoing, this Order shall constitute all

approvals and consents, if any, required by the general corporation law of the state of incorporation of each of the entities and all other applicable business corporation, trust, and other laws of the applicable governmental units with respect to the implementation and consummation of the Agreement, the related agreements, and this Order and the transactions contemplated thereby and hereby;

32. All entities in possession of some or all of the US Acquired Assets are directed to surrender possession of the US Acquired Assets to the Purchaser on the Closing Date or at such time thereafter as Purchaser may request;

33. On the Closing Date, each of the Debtors' creditors is directed to execute such documents and take all other actions as may be necessary to release its liens on or claims against the US Acquired Assets being sold, if any, as such liens or claims may have been recorded or may otherwise exist;

34. Purchaser shall not be deemed to be a joint employer, single employer, co-employer, or successor employer with the Debtors for any purpose, and Purchaser shall not have any obligation to pay any past wages, benefits, severance pay or any other obligation under any Employee Benefit Plan to any of the Debtors' employees, including any of the Debtors' employees who may subsequently become employees of the Purchaser. Any and all notices required to be given to Debtors' employees pursuant to the Workers Adjustment and Relocation Act (the "WARN Act") or any similar federal or state law, to the extent required under the circumstances, shall be the sole responsibility and obligation of the Debtors, and Purchaser shall have no responsibility or liability therefore;

35. This Order is and shall be binding upon and govern the acts of all entities 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, state, and local officials, and all other Persons and entities 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 of the Assets and Real Property;

36. Each and every federal, state, and local governmental agency or department is hereby directed to accept any and all documents and instruments necessary and appropriate to consummate the transactions contemplated by the Agreement, the related agreements and this Order;

37. If any Person or entity that has filed financing statements or other documents or agreements evidencing liens on or interests in the US Acquired 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 of all liens or other interests which the Person or entity has with respect to the US Acquired Assets, the Debtors are hereby authorized and directed to execute and file such statements, instruments, releases and other documents on behalf of the person or entity with respect to the US Acquired Assets immediately prior to the Closing;

38. Except as otherwise provided in the Agreement, upon Closing with Purchaser, the US Acquired Assets shall be free from all liens, claims and encumbrances of Sellers, Sellers' Affiliates and Sellers' creditors, including, without limitation, all warranty claims and all other obligations to any Person relating to the quality, merchantability or safety of, or involving a claim of breach of warranty, or defect in, any product or service purchased, manufactured, sold, or performed by Seller, except for claims related to **the payment of the US Purchase Price**;

39. All Persons are enjoined from in any way pursuing the Purchaser, or any direct or indirect subsidiary thereof, or the US Acquired Assets to recover any lien, claim (including, without limitation, all warranty claims and all other obligations to any person or entity relating to the quality, merchantability or safety of, or involving a claim of breach of warranty, or defect in, any product or service purchased, manufactured, sold, or performed by Sellers), or encumbrance or assert any Interest or cause of action which such Person has against the Debtors or the US Acquired Assets, which has been released pursuant to this Order;

40. Purchaser shall not be deemed a successor of the Debtors or their estates with respect to any Liens, Claims, Interests and Encumbrances against the Debtors or the US Acquired Assets, and Purchaser shall not be liable in any way for any such Liens, Claims, Interests and Encumbrances, including, without limitation, all warranty claims and all other obligations to any Person relating to the quality, merchantability or safety of, or involving a claim of breach of warranty, or defect in, any product or service purchased, manufactured, sold, or performed by Seller) or Excluded Assets. Upon the closing of the Sale, all creditors, employees and equity holders of the Debtors are permanently and forever barred, restrained and enjoined from (a) asserting any Claims or enforcing remedies, or commencing or continuing in any manner any action or other proceeding of any kind, against Purchaser or the US Acquired Assets on account of any Liens, Claims, Interests, Encumbrances or Excluded Assets, (b) asserting any Claims or enforcing any remedies under any theory of successor liability, de facto merger, or substantial continuity or (c) asserting any Excluded Liabilities (such Excluded Liabilities include any Liens or Encumbrances or any other liabilities and obligations of Sellers of any nature whatsoever, including, but not limited to, any liabilities or obligations relating to any Business Employees, including, without limitation, liabilities or obligations relating to workers' compensation claims of Business Employees or liabilities or obligations relating to any

US collective bargaining agreements, any Employee Benefit Plans, including, without limitation, multi-employer plans relating to US Business Employees or any MEPP whether presently in existence or arising hereafter other than Assumed Liabilities and the Permitted Exceptions and Permitted Lien. Purchasers shall not assume or be liable for any liabilities and obligations that are the subject of litigation, arbitration or charges of discrimination filed with any federal, state or local administrative agency as of the Closing Date, or that arose prior to the Closing Date and are asserted thereafter, including any such liabilities or obligations that otherwise would be Assumed Liabilities.

41. The Agreement, the related agreements, and all other documents, agreements, and instruments necessary to effectuate and consummate the transactions contemplated by Agreement, together with the terms and provisions of this Order, shall be binding upon and shall inure to the benefit of the Debtors, the Purchaser, and their respective successors and assigns, notwithstanding any subsequent appointment of a trustee for the Debtors, under any chapter of the Bankruptcy Code, as to which trustee such documents, agreements, and instruments (and the terms and provisions thereof) shall be binding;

42. The Agreement and any related agreement may be modified, amended, or supplemented by agreement of the Debtors and the Purchaser without further action of the Court, provided that any such modification, amendment, or supplement is not material and substantially conforms to and effectuates the Agreement;

43. Nothing in this Order shall constitute an assumption or rejection of any executory contract or unexpired lease except, upon Closing, as specifically provided in this Order, the Agreement, and the designation of Assumed Contracts. Sellers' ability to assume or reject any other executory contract or unexpired leases shall not be affected by this Order and

absent a Closing, each Assumed Contract shall neither be deemed assumed or assigned nor rejected and shall in all respects be subject to further administration under the Bankruptcy Code;

44. No bulk sale law or any similar law of any state or other jurisdiction shall apply in any way to the Sale;

45. Notwithstanding anything to the contrary herein or in the Agreement, Sellers are not releasing and have not agreed to release any rights or claims of Sellers to the extent any such release would limit or abridge any rights and claims that would arise by subrogation or otherwise in favor of any insurer of Sellers in connection with policies of insurance under which any Seller is an insured party or otherwise holds an interest, but only to the extent such release could impair any of Sellers' rights or obligations under such policies. If any such claim is asserted against Purchaser, Purchaser may assert any defenses to such claims (and not as affirmative claims seeking recovery of money or other relief from Sellers or Sellers' insurer) or any claims Purchaser may otherwise have against Sellers in connection with claims asserted by such insurer of Seller;

46. This Order and the Agreement shall be binding in all respects upon all creditors and equity holders of the Debtors, all successors and assigns of the Debtors, and any trustees, examiners, "responsible persons" or other fiduciaries appointed in the Debtors' bankruptcy cases or upon conversion to chapter 7 under the Bankruptcy Code, and the Agreement shall not be subject to rejection or avoidance under any circumstances;

47. Nothing contained in any order entered in the Debtors' bankruptcy cases subsequent to the entry of this Order, nor in any chapter 11 plan confirmed in these bankruptcy cases, shall conflict with or derogate from the provisions of the Agreement or the terms of this Order;

48. This Order shall be effective immediately upon entry of same and the ten (10) day stay as provided for in Fed. R. Bankr. P. 6004(h) and 6006(d) shall be, and hereby is, waived without further notice;

49. The failure to specifically include herein any particular provisions of the Agreement and other agreements entered into in connection therewith shall not diminish or impair the efficacy of such provision, it being the intent of the Court that the Agreement and any other agreement executed in connection therewith and each and every provision, term, and condition thereof, be authorized and approved in its entirety;

50. The provisions of this Order are mutual and non-severable; and

51. The Court retains jurisdiction, even after the closing of the chapter 11 cases to: (i) interpret, implement and enforce the terms and provisions of this Order (including any injunctive relief) and the terms of the Agreement, all amendments thereto and any waivers and consents thereunder; (ii) protect Purchaser, or any of the US Acquired Assets, from and against any of the Liens, Claims, Interests and Encumbrances; (iii) compel delivery of the US Acquired Assets to Purchaser; and (iv) resolve any disputes arising under or related to the Agreement, the Sale and related transactions, or Purchaser's peaceful use and enjoyment of the US Acquired Assets.

Dated: Wilmington, Delaware
July ____, 2009

The Honorable Peter J. Walsh
United States Bankruptcy Judge

EXHIBIT F

APA

ASSET PURCHASE AGREEMENT

By and Among

**INDALEX HOLDINGS FINANCE, INC., INDALEX HOLDING CORP.,
INDALEX INC., CARADON LEBANON, INC., DOLTON ALUMINUM COMPANY,
INC., INDALEX LIMITED, INDALEX HOLDINGS (B.C.) LTD.,
AND 6326765 CANADA INC.**

(As Sellers)

AND

**SAPA HOLDING AB, on its own behalf
as US Purchaser and on behalf of one or more Canadian Purchasers to be named**

(As Purchasers)

Dated as of June 16, 2009

TABLE OF CONTENTS

	Page
ARTICLE 1 DEFINITIONS.....	2
1.1 Certain Terms Defined.....	2
1.2 Payments.....	20
1.3 Interpretation.....	20
ARTICLE 2 PURCHASE AND SALE OF THE ACQUIRED ASSETS.....	21
2.1 Purchase and Sale of US Acquired Assets.....	21
2.2 Purchase and Sale of Canadian Acquired Assets.....	22
2.3 Excluded Assets.....	22
2.4 Assumption of US Liabilities.....	23
2.5 Assumption of Canadian Liabilities.....	24
2.6 Excluded Liabilities.....	25
2.7 Assignment and Assumption of Contracts.....	25
2.8 Cure Amounts.....	26
ARTICLE 3 CONSIDERATION.....	27
3.1 US Purchase Price.....	27
3.2 Canadian Purchase Price.....	27
3.3 Payment of the US Purchase Price and Assumption of the US Assumed Liabilities.....	28
3.4 Payment of the Canadian Purchase Price.....	28
3.5 Allocation of Purchase Price.....	29
3.6 Preparation of Estimated Closing Date Statements.....	30
3.7 Preparation of Closing Date Statements.....	30
3.8 Section 22 Canadian Tax Election.....	33
ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF SELLERS.....	33
4.1 Corporate Organization.....	33
4.2 Authorization of Agreement.....	33
4.3 Conflicts; Consents of Third Parties.....	34
4.4 Title to US Acquired Assets.....	35
4.5 Title to Canadian Acquired Assets.....	35
4.6 Contracts.....	35
4.7 Real Property.....	35
4.8 Permits.....	36
4.9 Employee Benefit Plans.....	36
4.10 Labor Relations.....	37
4.11 Environmental Matters.....	37
4.12 Insurance.....	37
4.13 Board Approval and Recommendations.....	37
4.14 Compliance with Laws.....	38
4.15 GST Registration.....	38
4.16 QST Registration.....	38
4.17 Vendor Permit Number.....	38

TABLE OF CONTENTS

	Page
4.18 Canadian Tax Residency.....	38
4.19 Intellectual Property.....	38
4.20 Products.....	39
4.21 Trust Fund Taxes	39
4.22 Financial Matters	39
4.23 Investment Canada Act.....	40
4.24 Warranties Are Exclusive.....	40
ARTICLE 5 REPRESENTATIONS AND WARRANTIES OF PURCHASERS.....	41
5.1 Corporate Organization.....	41
5.2 Authorization and Validity	41
5.3 No Conflict or Violation	41
5.4 Consents and Approvals	41
5.5 Financing.....	42
5.6 Litigation.....	42
5.7 GST Registration	42
5.8 QST Registration	42
5.9 Canadian Tax Residency.....	42
5.10 Investment Canada Act.....	42
5.11 No Other Representations and Warranties.....	42
ARTICLE 6 COVENANTS AND OTHER AGREEMENTS	42
6.1 Pre-Closing Covenants of Sellers	42
6.2 Pre-Closing Covenants of Purchasers.....	46
6.3 Other Covenants of Sellers and Purchasers	46
6.4 Employment Covenants and Other Undertakings.....	47
6.5 Non-Assignment of Contracts or Permits.....	49
6.6 Casualty.....	50
6.7 Name Change.....	50
ARTICLE 7 TAXES.....	50
7.1 Taxes Related to Purchase of Acquired Assets.....	50
7.2 GST/QST Elections	51
ARTICLE 8 BANKRUPTCY COURT MATTERS	51
8.1 Motions	51
8.2 US Assigned Contracts	52
8.3 Procedure	52
ARTICLE 9 CONDITIONS PRECEDENT TO PERFORMANCE BY THE PARTIES .	52
9.1 Conditions Precedent to Performance by Sellers.....	52
9.2 Conditions Precedent to the Performance by Purchasers	53
ARTICLE 10 CLOSING AND DELIVERIES	56
10.1 Closing.....	56

TABLE OF CONTENTS

	Page
10.2 US Sellers' Deliveries.....	56
10.3 Canadian Sellers' Deliveries.....	57
10.4 US Purchaser's Deliveries	58
10.5 Canadian Purchaser's Deliveries	58
ARTICLE 11 TERMINATION.....	58
11.1 Conditions of Termination.....	58
11.2 Effect of Termination.....	60
11.3 Break Fee	60
ARTICLE 12 MISCELLANEOUS	61
12.1 Survival.....	61
12.2 Further Assurances.....	61
12.3 Successors and Assigns.....	61
12.4 Governing Law; Jurisdiction.....	61
12.5 Expenses	62
12.6 Severability	62
12.7 Notices	62
12.8 Amendments; Waivers.....	64
12.9 Entire Agreement.....	64
12.10 Seller Disclosures.....	64
12.11 Monitor	64
12.12 Headings	65
12.13 Counterparts.....	65
12.14 No Third Party Beneficiaries	65
12.15 Waiver of Jury Trial.....	65
12.16 General Release	65

EXHIBITS

Exhibit A	Bankruptcy Sale Order
Exhibit B	Bidding Procedures Order
Exhibit C	Canadian Assignment and Assumption Agreement
Exhibit D	Canadian Bidding Procedures Order
Exhibit E	Canadian Bill of Sale
Exhibit F	Canadian Sale Order
Exhibit G	US Assignment and Assumption Agreement
Exhibit H	US Bill of Sale
Exhibit I	[Reserved]
Exhibit J	Estimated Closing Date Statement Certificate

TABLE OF CONTENTS

Page

SCHEDULES

Schedule 1.1(a) – [Reserved]	
Schedule 1.1(b) – Leased Property	
Schedule 1.1(c) – Permitted Liens	
Schedule 1.1(d) – Real Property	
Schedule 1.1(e) – Sellers' Knowledge	
Schedule 1.1(f) – US Current Assets and Canadian Current Assets	
Schedule 2.3(g) – Specifically-Excluded Assets	
Schedule 2.4(e) – Specifically-Identified US Assumed Liabilities	
Schedule 2.5(e) – Specifically-Identified Canadian Assumed Liabilities	
Schedule 2.7(e) – Assignable Contracts Permitted to be Rejected Without Consent of Purchasers	
Schedule 4.3(a) – Conflicts	
Schedule 4.3(b) – Consents	
Schedule 4.4 – US Permitted Exceptions	
Schedule 4.5 – Canadian Permitted Exceptions	
Schedule 4.6 – Material Contracts	
Schedule 4.7(b) – Amendments to Real Property Leases	
Schedule 4.7(c) – Real Property and Leased Property Disclosure	
Schedule 4.8 – Permits	
Schedule 4.9 – Employee Benefit Plans	
Schedule 4.10 – Labor Contracts	
Schedule 4.11 – Environmental and Hazardous Materials	
Schedule 4.12 – Insurance Policies	
Schedule 4.19 – Intellectual Property	
Schedule 4.21 – Trust Fund Taxes Arrears	
Schedule 4.22(a) – Financial Statements	
Schedule 4.22(a)(1) – Notes to Financial Statements and Exceptions to GAAP	
Schedule 4.22(b) – Undisclosed Liabilities	
Schedule 4.22(d) – Accounts Receivable	
Schedule 5.4 – Purchasers' Consent and Approvals	

THIS ASSET PURCHASE AGREEMENT (this "Agreement"), dated as of _____, 2009 (the "Execution Date"), is made by and among INDALEX HOLDINGS FINANCE, INC., INDALEX HOLDING CORP., INDALEX INC., CARADON LEBANON, INC., DOLTON ALUMINUM COMPANY, INC., INDALEX LIMITED, INDALEX HOLDINGS (B.C.) LTD. AND 6326765 CANADA INC., each referred to herein individually as a "Seller" and collectively as the "Sellers", and SAPA Holding AB, in its capacity as the "US Purchaser" and in its capacity for and on behalf of one or more Canadian Purchasers the "Canadian Purchaser" (the US Purchaser and the Canadian Purchaser are, collectively, the "Purchasers").

RECITALS

WHEREAS, Sellers presently conduct the business of aluminum extruding in the United States and Canada, providing customized aluminum extrusions for use in a wide array of end-user markets, as well as all operations incident thereto (the "Business");

WHEREAS, US Sellers filed voluntary petitions for reorganization relief (the "Bankruptcy Cases") pursuant to chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101 et seq. (the "Bankruptcy Code") on March 20, 2009 (the "Petition Date");

WHEREAS, Canadian Sellers filed for and obtained protection from their creditors (the "Canadian Cases") pursuant to the *Companies' Creditors Arrangement Act* ("CCAA") on April 3, 2009 (the "Filing Date");

WHEREAS, US Sellers desire to sell, transfer and assign to US Purchaser, and US Purchaser desires to acquire and assume from US Sellers, the US Acquired Assets and US Assumed Liabilities as more specifically provided herein;

WHEREAS, Canadian Sellers desire to sell, transfer and assign to Canadian Purchaser, and Canadian Purchaser desires to acquire and assume from Canadian Sellers, the Canadian Acquired Assets and Canadian Assumed Liabilities as more specifically provided herein;

WHEREAS, the Board of Directors of each Seller has determined that it is advisable and in the best interests of their respective estates and the beneficiaries of such estates to consummate the transactions provided for herein pursuant to the Bidding Procedures Order, the Bankruptcy Sale Order and the Canadian Bidding Procedures Order and the Canadian Sale Order, as applicable, and has approved this Agreement; and

WHEREAS, the transactions contemplated by this Agreement and the Ancillary Agreements are subject to the approval of the Bankruptcy Court and the Canadian Court and will be consummated only pursuant to the Bankruptcy Sale Order to be entered in the Bankruptcy Cases and the Canadian Sale Order to be entered in the Canadian Cases;

NOW, THEREFORE, in consideration of the foregoing and their respective representations, warranties, covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby

acknowledged, and intending to be legally bound hereby, Sellers and Purchasers hereby agree as follows:

ARTICLE 1
DEFINITIONS

1.1 Certain Terms Defined. As used in this Agreement, the following terms have the following meanings:

“2008 Annual Financial Statements” has the meaning set forth in Section 4.22(a).

“Accounts Receivable” means, with respect to any Seller, all accounts receivable, trade receivables, bills receivable, trade accounts, book debts, notes receivables, rebates, refunds and other receivables of such Seller whether current or overdue, together with all interest accrued on such items.

“Acquired Assets” means, collectively, the US Acquired Assets and the Canadian Acquired Assets.

“Adjustment Date” means the first Business Day after the Closing Date Statements are finally determined in accordance with Section 3.7.

“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 use the direction of the management and policies of such Person, whether through ownership of voting securities, by contract or otherwise.

“Agreement” has the meaning set forth in the Preamble.

“Allocation Statement” has the meaning set forth in Section 3.5(a).

“Alternate Transaction” means a transaction or series of related transactions pursuant to which the Sellers sell, transfer, lease or otherwise dispose of, directly or indirectly, including through an asset sale, stock sale, merger, consolidation, reorganization or other similar transaction, including but not limited to a Bankruptcy Court-approved stand-alone plan of reorganization, or refinancing of the DIP Credit Agreement, or a Canadian Court-approved plan of compromise or arrangement, of all or substantially all of the Acquired Assets in a transaction or series of transactions to a party or parties other than Purchasers, provided that in all such cases the transaction or transactions expressly provide that the Break Fee (as well as all Obligations due and owing under the DIP Credit Agreement, as such term is defined therein) shall be paid and payable from the proceeds from the consummation of such transaction or transactions.

“Ancillary Agreements” means the US Assignment and Assumption Agreement, the US Bill of Sale, the Canadian Assignment and Assumption Agreement, the Canadian Bill of Sale, and any other agreement, document or instrument that any Seller or Purchaser enters into in connection with the consummation of the transactions contemplated hereby.

“Assignable Contract” means, with respect to each Seller (x) with respect to any Contract subject to the Bankruptcy Cases, any such Contract to which such Seller is a party that such Seller is permitted under the Bankruptcy Code to sell or assign, and (y) with respect to any Contract subject to the Canadian Cases, any such Contract to which such Seller is a party that such Seller is (subject only to the consent of any Person other than any Seller or an Affiliate of any Seller) permitted under applicable Canadian Law to sell and assign, in each case, other than an Employee Benefit Plan.

“Assigned Contracts” means the Assignable Contracts which are included on the Assigned Contracts List and form part of the Acquired Assets hereunder.

“Assigned Contracts List” has the meaning set forth in Section 2.7(a).

“Assumed Liabilities” means, collectively, the US Assumed Liabilities and the Canadian Assumed Liabilities.

“Auction” means the auction for the sale of Sellers’ assets conducted by Sellers if any Qualified Bids (in addition to the Purchasers’ Qualifying Bid) are received pursuant to the Bidding Procedures Order and the Canadian Bidding Procedures Order.

“Bankruptcy Cases” has the meaning set forth in the Recitals.

“Bankruptcy Code” has the meaning set forth in the Recitals.

“Bankruptcy Court” means the United States Bankruptcy Court for the District of Delaware.

“Bankruptcy Sale Order” means an order issued by the Bankruptcy Court, approving this Agreement and the transactions contemplated by this Agreement, and conveying all of the US Sellers’ right, title and interest in the US Acquired Assets free and clear of all Liens and Encumbrances (other than Permitted Exceptions and Permitted Liens) in all material respects in the form of Exhibit A.

“Bidding Procedures Motion” means a motion to approve the Bidding Procedures Order, which shall be acceptable to the Purchasers and Sellers, acting reasonably.

“Bidding Procedures Order” means an order issued by the Bankruptcy Court, establishing, among other things, the procedure for the submission of Qualifying Bids and the procedure for the conduct of the Auction should Qualified Bids be received, in all material respects in the form of Exhibit B.

“Break Fee” means the sum of \$5,300,000, payable in accordance with Section 11.3.

“Business” has the meaning set forth in the Recitals.

“Business Employees” has the meaning set forth in Section 6.4(a).

“Business Day” means any day other than Saturday, Sunday and any day that is a legal holiday or a day on which banking institutions in the states of New York or Delaware or the Province of Ontario are authorized by Law or other governmental action to close.

“Canadian Acquired Assets” means the tangible and intangible assets, properties, rights, interests, claims and Contracts of the Canadian Sellers related to the Canadian Business (other than Excluded Assets), wherever located, as of the Closing, including the following assets of the Canadian Sellers, if any:

- (a) all Accounts Receivable;
- (b) all Inventories;
- (c) all personal property;
- (d) all deposits (including, with respect to the Canadian Acquired Assets, customer deposits and security deposits (whether maintained in escrow or otherwise) for rent, electricity, telephone or otherwise) and prepaid charges and expenses of Canadian Sellers as they relate to the Canadian Acquired Assets;
- (e) all Real Property and all rights of Canadian Sellers under each lease and any related agreement for the Leased Property (where such related agreement constitutes an Assigned Contract), in each case together with Canadian Sellers’ interests in and to all Improvements and fixtures located thereon or attached thereto, and other appurtenances thereto, and Canadian Sellers’ rights in respect thereof;
- (f) all FF&E;
- (g) all Intellectual Property;
- (h) all Assigned Contracts;
- (i) all Documents;
- (j) all Permits;

(k) all rights under or arising out of all insurance policies relating to the Canadian Acquired Assets and all claims thereunder, unless non-assignable as a matter of law;

(l) all rights under non-disclosure or confidentiality, non-compete, or non-solicitation agreements with employees and agents of Canadian Sellers or with third parties, including non-disclosure or confidentiality, non-compete, or non-solicitation agreements entered into in connection with the Auction;

(m) to the extent they are not Excluded Assets, any rights, claims or causes of action of Canadian Sellers for claims arising out of the operation of the Canadian Business;

(n) all rights of Canadian Sellers under or pursuant to all warranties, representations and guarantees made by suppliers, manufacturers and contractors to the extent relating to products sold, or services provided, to Canadian Sellers or to the extent affecting any Canadian Acquired Assets other than any warranties, representations and guarantees pertaining to any Excluded Assets;

(o) all goodwill and other intangible assets associated with the Canadian Business and the Canadian Acquired Assets, including customer and supplier lists; and

(p) all proceeds of any or all of the foregoing received or receivable after the Closing Date.

“Canadian Assigned Contracts” means the Assigned Contracts of Canadian Sellers.

“Canadian Assignment and Assumption Agreement” means an Assignment and Assumption Agreement in all material respects in the form annexed hereto as Exhibit C evidencing the assignment to and assumption by Canadian Purchaser of all of the Canadian Assumed Liabilities, including the rights and obligations under the Canadian Assigned Contracts.

“Canadian Assumed Liabilities” has the meaning set forth in Section 2.5.

“Canadian Base Assumed Liabilities Amount” means \$4,936,000.

“Canadian Base Current Assets Amount” means \$31,033,000.

“Canadian Bidding Procedures Motion” means a motion to approve the Canadian Bidding Procedures Order, which shall be acceptable to the Purchasers and Sellers, acting reasonably

“Canadian Bidding Procedures Order” means an order issued by the Canadian Court, establishing, among other things, the procedure for the submission of Qualifying Bids and the procedure for the conduct of the Auction should Qualified Bids be received, in all material respects in the form of Exhibit D.

“Canadian Bill of Sale” means the Bill of Sale in all material respects in the form of Exhibit E conveying to Canadian Purchaser, all of the Canadian Seller’s right, title and interest in and to the Canadian Acquired Assets.

“Canadian Business” means the Business conducted by Canadian Sellers.

“Canadian Cases” has the meaning set forth in the Recitals.

“Canadian Cash Purchase Price” has the meaning set forth in Section 3.2(a)(i).

“Canadian Closing Date Assumed Liabilities Adjustment Amount” means the amount (positive or negative) by which the Canadian Closing Date Assumed Liabilities Amount is less than or exceeds the Canadian Base Assumed Liabilities Amount.

“Canadian Closing Date Assumed Liabilities Amount” means the amount of the Canadian Assumed Liabilities as shown on the Estimated Closing Date Statements.

“Canadian Closing Date Current Assets Adjustment Amount” means the amount (positive or negative) by which the Canadian Closing Date Current Assets Amount exceeds or is less than the Canadian Base Current Assets Amount.

“Canadian Closing Date Current Assets Amount” means the amount of the Canadian Current Assets as shown on the Estimated Closing Date Statements.

“Canadian Court” means the Ontario Superior Court of Justice (Commercial List).

“Canadian Current Assets” means (x) the tangible current assets and accounts receivable of the Canadian Business included in the Canadian Acquired Assets other than accounts receivable owing to a Canadian Seller by an Affiliate of the Canadian Seller, as of the date of determination, as determined from a balance sheet of the Canadian Sellers (on a consolidated basis) as of 12:01 a.m. on the date of determination prepared in accordance with Canadian GAAP on a consistent basis and applying the same accounting principles, policies and practices as were used in preparing the balance sheet of the Canadian Sellers contained in the Reference Financial Statements as they were made available to the Purchasers and in calculating the Canadian Base Current Assets Amount, and as provided in Schedule 1.1(f).

“Canadian Deposit” has the meaning set forth in Section 3.4(a).

“Canadian Escrow Amount” has the meaning set forth in Section 3.4(b).

“Canadian Final Current Assets Adjustment Amount” means the amount (positive or negative) by which the Canadian Final Current Assets Amount exceeds or is less than the Canadian Closing Date Current Assets Amount.

“Canadian Final Current Assets Amount” means the amount of the Canadian Current Assets as shown on the Closing Date Statements.

“Canadian Final Assumed Liabilities Adjustment Amount” means the amount (positive or negative) by which the Canadian Final Assumed Liabilities Amount exceeds or is less than the Canadian Closing Date Assumed Liabilities Amount.

“Canadian Final Assumed Liabilities Amount” means the amount of the Canadian Assumed Liabilities as shown on the Closing Date Statements.

“Canadian GAAP” means generally accepted accounting principles as in effect from time to time in Canada and, to the extent consistent with Canadian GAAP, the Canadian Sellers’ past practices consistently applied, subject to the matters on Schedule 4.22(a)(1).

“Canadian Permitted Exceptions” has the meaning set forth in Section 4.5.

“Canadian Purchase Price” has the meaning set forth in Section 3.2(a).

“Canadian Purchaser” has the meaning set forth in the Preamble.

“Canadian Sale Hearing” means the hearing of the Canadian Court to approve the Canadian Sale Order.

“Canadian Sale Order” means an order issued by the Canadian Court approving this Agreement, the transactions contemplated by this Agreement, and conveying to the Canadian Purchaser all of the Canadian Sellers’ right, title and interest in and to the Canadian Acquired Assets free and clear of all Liens and Encumbrances (other than Permitted Exceptions and Permitted Liens) in all material respects in the form of Exhibit F and, except for the purposes of Section 9.1(d) and Section 11.1(c)(v), orders to be issued by courts in other Canadian jurisdictions other than Ontario, in the event that the Canadian Purchasers, acting reasonably, require such further orders to properly effectuate the assignment of and/or conveyance of title in and to the Canadian Acquired Assets.

“Canadian Sellers” means, collectively, Indalex Limited, Indalex Holdings (B.C.) Ltd. and 6326765 Canada Inc.

“Canadian Sellers’ Cure Cost Amount” has the meaning set forth in Section 2.8(b).

“Canadian Transferred Employees” means the Transferred Employees of Canadian Sellers.

“Capital Stock” means any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation and any and all ownership interests in a person (other than a corporation), including membership interests, partnership interests, joint venture interests and beneficial interests, and any and all warrants, options or other rights to purchase any of the foregoing.

“Casualty” has the meaning set forth in Section 6.6.

“CCAA” has the meaning set forth in the Recitals.

“Claim” has the meaning ascribed by Bankruptcy Code §101(5), including all rights, claims, causes of action, defenses, debts, demands, damages, offset rights, setoff rights, recoupment rights, obligations, and liabilities of any kind or nature under contract, at law or in equity, known or unknown, contingent or matured, liquidated or unliquidated, and all rights and remedies with respect thereto.

“Closing” has the meaning set forth in Section 10.1.

“Closing Date” has the meaning set forth in Section 10.1.

“Closing Date Statements” means, with respect to the US Sellers, (i) the balance sheet of the US Sellers (on a consolidated basis) as of 12:01 a.m. on the Closing Date prepared in accordance with GAAP on a consistent basis and applying the same accounting principles, policies and practices as were used in preparing (A) the balance sheet of the US Sellers contained within the Reference Financial Statements as the same were made available to the Purchasers, and (B) US Base Current Assets Amount and US Base Assumed Liabilities Amount; and (ii) a statement setting forth in reasonable detail the US Final Current Assets Amount, the US Final Assumed Liabilities Amount, the US Final Current Assets Adjustment Amount and the US Final Assumed Liabilities Adjustment Amount, if any, in each case, as determined from such balance sheet of US Sellers; and, with respect to the Canadian Sellers, (i) the balance sheet of the Canadian Sellers (on a consolidated basis) as of 12:01 a.m. on the Closing Date prepared in accordance with Canadian GAAP on a consistent basis and applying the same accounting principles, policies and practices as were used in preparing (A) the balance sheet of the Canadian Sellers contained within the Reference Financial Statements as the same were made available to the Purchasers, and (B) Canadian Base Current Assets Amount and Canadian Base Assumed Liabilities Amount; and (ii) a statement setting forth in reasonable detail the Canadian Final Current Assets Amount, the Canadian Final Assumed Liabilities Amount, the Canadian Final Current Assets Adjustment Amount and the Canadian Final Assumed Liabilities Adjustment Amount, if any, in each case, as determined from such balance sheet of Canadian Sellers, all as finally determined pursuant to Section 3.7.

“COBRA” means the Consolidated Omnibus Budget Reconciliation Act of 1985.

“Code” means the Internal Revenue Code of 1986, as amended.

“Commissioner” means the Commissioner of Competition under the Competition Act.

“Competition Act” means the *Competition Act* (Canada).

“Contract” means, with respect to each Seller, any agreement, contract, lease, sublease, purchase order, arrangement, license, commitment or other binding arrangement or understanding, whether written or oral, and any amendments, modifications or supplements thereto.

“Cure Amounts” means (y) with respect to US Sellers, all amounts, costs and expenses required by the Bankruptcy Court to cure all defaults under the Assigned Contracts of US Sellers so that such Assigned Contracts of US Sellers may be sold and assigned to Purchasers pursuant to Sections 363 and 365 of the Bankruptcy Code, and (x) with respect to Canadian Sellers, all amounts, costs and expenses required by counterparties to be paid by or on behalf of Canadian Sellers to obtain consent to assignment and sale of the Assigned Contracts of the Canadian Sellers to the Canadian Purchaser pursuant to applicable Canadian Laws.

“DIP Credit Agreement” means that certain Credit Agreement, dated as of April 8, 2009, by and among the Sellers, the lenders from time to time party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent.

“DIP Orders” means, collectively, (i) the interim order entered on April 9, 2009 by the Bankruptcy Court approving the US Sellers’ entry into the DIP Credit Agreement; (ii) the final order entered on April 27, 2009 by the Bankruptcy Court approving the US Sellers’ entry into the DIP Credit Agreement, and (iii) the Amended Amended and Restated Initial Order entered on May 12, 2009 by the Canadian Court approving the Canadian Sellers’ entry into the DIP Credit Agreement, as may be further amended from time to time.

“Documents” means, with respect to each Seller, all files, documents, instruments, papers, books, reports, records, tapes, microfilms, photographs, letters, budgets, forecasts, ledgers, journals, title policies, customer lists, regulatory filings, operating data and plans, technical documentation (design specifications, 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.), cost of pricing information, business plans, quality control records and procedures, blueprints, accounting and tax files, all files, customer files and documents (including credit information), personnel files for employees, supplier lists, records,

literature and correspondence, including materials relating to Inventories, services, marketing, advertising, promotional materials, Intellectual Property, and other similar materials to the extent related to, used in, held for use in, or with respect to, the Business or the Acquired Assets in each case whether or not in electronic form, whether or not physically located on any of the premises of the Facilities or offices of such Seller, but excluding (i) personnel files for employees of such Seller who are not Transferred Employees (except records necessary for Purchasers to provide COBRA coverage if required by Law) and (iii) any materials exclusively related to any Excluded Assets.

“Employee Benefit Plans” means, with respect to each US Seller and Canadian Seller, as applicable, all (a) employee pension benefit plans as defined in Section 3(2) of ERISA, (b) employee welfare benefit plans as defined in Section 3(1) of ERISA, and (c) other pension, retirement, employee savings, medical, dental, disability, life insurance, stock option, bonus, deferred compensation, retention, severance, or termination pay Contracts, plans or policies or any other Contracts, plans or policies providing for compensation or benefits (including any employment, severance, change in control or similar agreement or any arrangement relating to a sale of the Business), in each case, that is maintained, administered, or contributed to (or with respect to which any obligation to contribute has been undertaken) by such Seller or any ERISA Affiliate and that covers any current or former employee, director, or consultant of such Seller (or its dependents, spouses or beneficiaries) other than the Canada Pension Plan, the Quebec Pension Plan, Employment Insurance, workers’ compensation benefits and any other Canadian plans established pursuant to statute.

“Employment Insurance” means the regime of employee benefits made available under Canadian employment insurance legislation.

“Encumbrances” means, to the extent not considered a Lien, all encumbrances, Interests and Claims, including, any security interest, lien, collateral assignment, right of setoff, debt, obligation, liability, pledge, levy, charge, escrow, encumbrance, option, right of first refusal, restriction (whether on transfer, disposition or otherwise), third party right, right limited to any Seller personally, other agreement term tending to limit any right or privilege of any Seller under any Contract, conditional sale contract, title retention contract, mortgage, lease, deed of trust, hypothecation, indenture, security agreement, easement, license, servitude, proxy, voting trust, transfer restriction under any shareholder or similar agreement, or any other agreement, arrangement, contract, commitment, understanding or obligation of any kind whatsoever, whether written or oral, or imposed by any Law, equity or otherwise.

“Environmental Laws” means applicable Laws in respect of the natural environment, public or occupational health or safety and the manufacture, importation, handling, transportation, discharge, remediation, storage, disposal and treatment of Hazardous Materials and all Permits issued pursuant to such Laws.

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

“ERISA Affiliate” means any trade of business (whether or not incorporated) which is treated as a single employer with any of the US Sellers under Section 414(b), (c), (m) or (o) of the Code or Section 4001 of ERISA.

“Escrow Account” has the meaning set forth in Section 3.3(b).

“Escrow Agent” means the escrow agent reasonably satisfactory to the US Sellers and the US Purchaser appointed by Sellers and Purchaser pursuant to the Escrow Agreement.

“Escrow Agreement” has the meaning set forth in Section 3.3(b).

“Estimated Closing Date Statement Certificate” has the meaning set out in Section 3.6(a).

“Estimated Closing Date Statements” means (A) with respect to the US Sellers, (i) the estimated balance sheet of the US Sellers (on a consolidated basis) as of 12:01 a.m. as of the Closing Date prepared by US Sellers in good faith using the best estimates of US Sellers based upon all relevant information then available to US Sellers on a consistent basis and applying the same accounting principles, policies and practices as were used in preparing (1) the balance sheet of the US Sellers contained within the Reference Financial Statements as the same were made available to the Purchasers; and (2) US Base Current Assets Amount and US Base Assumed Liabilities Amount; and (ii) a statement setting forth in reasonable detail the US Closing Date Current Assets Amount, the US Closing Date Assumed Liabilities Amount, the US Closing Date Current Assets Adjustment Amount and the US Closing Date Assumed Liabilities Adjustment Amount, if any, in each case, as determined from such balance sheet of US Sellers; and, (B) with respect to the Canadian Sellers, (i) the estimated balance sheet of the Canadian Sellers (on a consolidated basis) as of 12:01 a.m. as of the Closing Date prepared by Canadian Sellers in good faith using the best estimates of Canadian Sellers based upon all relevant information then available to Canadian Sellers on a consistent basis and applying the same accounting principles, policies and practices as were used in preparing (1) the balance sheet of the Canadian Sellers contained within the Reference Financial Statements as the same were made available to the Purchasers, and (2) Canadian Base Current Assets Amount and Canadian Base Assumed Liabilities Amount; and (ii) a statement setting forth in reasonable detail the Canadian Closing Date Current Assets Amount, the Canadian Closing Date Assumed Liabilities Amount, the Canadian Closing Date Current Assets Adjustment Amount and the Canadian Closing Date Assumed Liabilities Adjustment Amount, if any, in each case, as determined from such balance sheet of Canadian Sellers, all as determined pursuant to Section 3.6.

“Excluded Assets” has the meaning set forth in Section 2.3.

“Excluded Facilities” means the following facilities of Sellers (i) the facility owned by Indalex Inc. located in Fostoria, Ohio, and (ii) the facility owned by Indalex Inc. located in Modesto, California.

“Excluded Liabilities” has the meaning set forth in Section 2.6.

“Execution Date” has the meaning set forth in the Preamble.

“Facilities” means the following facilities which are currently operated by the Sellers, (i) the extrusion facility owned by Indalex Inc. located in Burlington, North Carolina, (ii) the extrusion and anodizing facility owned by Indalex Limited located in Calgary, Alberta, (iii) the extrusion and casting facility owned by Indalex Inc. located in the City of Industry, California, (iv) the extrusion facility leased by Indalex Inc. located in Connersville, Indiana, (v) the extrusion facility owned by Indalex Inc. located in Elkhart, Indiana, (vi) the extrusion and paint facility owned by Indalex Inc. located in Gainesville, Georgia, (vii) the extrusion and paint facility owned by 6326765 Canada Inc. located in Mississauga, Ontario, (viii) the anodizing and fabrication facility owned by Indalex Inc. located in Mountain Top, Pennsylvania, (ix) the casting facility owned by 6326765 Canada Inc. located in North York, Ontario, (x) the extrusion and paint facility owned by Indalex Limited located in Pointe Claire, Quebec, (xi) the extrusion and paint facility owned by Indalex Holdings (B.C.) Limited located in Port Coquitlam, British Columbia, (xii) the facility leased by Indalex Inc. located in Kokomo, Indiana; (xiii) the facility owned by Indalex Inc. located in Girard, Ohio, and (xiv) the facility owned by Indalex Inc. located in Watsonville, California.

“Federal Rules of Bankruptcy Procedure” means the rules of bankruptcy courts promulgated by the United States Supreme Court and published as an appendix to title 11 of the United States Code.

“FF&E” means, with respect to such Seller, all equipment, machinery, fixtures, furniture, motor vehicles and any related capitalized items and other tangible property owned by Seller located at any Facilities (unless sold to any third party in the ordinary course of business and not in violation of this Agreement) or used or useful in the operation of the Business and Acquired Assets, including any of the foregoing in possession of suppliers, customers and other third parties (including all such property that is damaged).

“Filing Date” has the meaning set forth in the Recitals.

“Financial Statements” has the meaning set forth in Section 4.22(a).

“GAAP” means generally accepted accounting principles as in effect from time to time in the United States and, to the extent consistent with GAAP, the US Sellers’ past practices consistently applied, subject to the matters on Schedule 4.22(a)(1).

“Governmental Authority” means any foreign or domestic federal, state, provincial, municipal, territorial, local, court, tribunal, governmental department, agency, board, ministry or commission, instrumentality, arbitrator, arbitral body, self regulatory organization, regulatory or supervisory authority, or other administrative, governmental or quasi-governmental body, subdivision or instrumentality.

“Hazardous Materials” shall mean (a) any petroleum products or byproducts, radioactive materials, friable asbestos or polychlorinated biphenyls or (b) any contaminant, waste, material, or substance defined as a “hazardous substance,” “hazardous material,” or “hazardous waste” or “pollutant” or otherwise regulated under any applicable Environmental Law.

“HSR Act” has the meaning set forth in Section 9.1(i).

“Improvements” means buildings, structures, systems, facilities, easements, rights-of-way, privileges, improvements, licenses, hereditaments, appurtenances and all other rights and benefits belonging, or in any way related, to the Real Property or Leased Property.

“Intellectual Property” means, with respect to each Seller, all rights of such Seller and its Affiliates in and to (a) patents, patent applications and patent disclosures, together with all reissuances, continuations, continuations in part, revisions, extensions, reexaminations, provisionals, divisions, renewals, revivals, and foreign counterparts thereof and all registrations and renewals in connection therewith, (b) trademarks, service marks, trade dress, logos, trade names and corporate names and other indicia of origin and corporate branding, together with all translations, adaptations, derivations and combinations thereof and including all goodwill associated therewith, and all applications, registrations and renewals in connection therewith, (c) works of authorship, copyrightable works, copyrights and all applications, registrations and renewals in connection therewith, (d) mask works and all applications, registrations and renewals in connection therewith, (e) trade secrets, inventions and confidential business information (including ideas, research and development, know-how, formulas, compositions, manufacturing and production processes and techniques, technical data, designs, drawings, specifications, customer and supplier lists, pricing and cost information, business and marketing plans and proposals, assembly, test, installation, service and inspection instructions and procedures, technical, operating and service and maintenance manuals and data, hardware reference manuals and engineering, programming, service and maintenance notes and logs), (f) Software, (g) Internet addresses, uniform resource locaters, domain names, Websites and Web pages, (h) any and all other intellectual property and proprietary rights, (i) Facility and company-wide telephone numbers, and (j) goodwill related to all of the foregoing, in each case to the extent used or useful in the operation of the Business or related to the Acquired Assets.

“Interest” means “interest” as that term is used in Section 363(f) of the Bankruptcy Code.

“Inventories” means, with respect to each Seller, all inventories of stock-in-trade and merchandise including materials, supplies, work-in-process, finished goods, tooling, service parts and finished goods related to the Business, now owned or hereafter acquired by such Seller or held for sale by such Seller or that are otherwise included in the Acquired Assets and are permitted to be sold and transferred under applicable Law, including those in possession of suppliers, customers and other third parties.

“Law” means any federal, state, provincial, territorial, municipal, local, foreign, supranational, international law, statute, ordinance, regulation, by-law, rule, code, treaty or rule of common law or otherwise of, or any order, judgment, injunction, decree or similar authority enacted, issued, promulgated, enforced or entered by, any Governmental Authority.

“Leased Property” means, with respect to each Seller, all the real property leased, subleased or licensed by such Seller, as more particularly set out and described in Schedule 1.1(b), at which certain of the Facilities are operated and/or which is used or useful in connection with the operation of the Business.

“Lien” has the meaning given to that term in the Bankruptcy Code.

“M&A Qualified Beneficiary” has the meaning set forth in Treasury Regulation Section 54.4980B-9.

“Material Adverse Effect” means a state of facts, event, change or effect with respect to the Business, Acquired Assets, the Assumed Liabilities or the enforceability of any Assigned Contract that results in a material adverse effect on the value of the Acquired Assets or the Business, taken as a whole, but excludes any state of facts, event, change or effect caused by events, changes or developments relating to (a) economic, regulatory or political conditions generally; (b) the usual, customary or ordinary consequences of the filing by a debtor of a bankruptcy case contemplating a reorganization, compromise or liquidation of the debtor’s assets; or (c) any consequences to the Business resulting from the announcement of the sale transaction contemplated by the Agreement and the process to obtain approval of the procedures to obtain approval thereof, except to the extent that the foregoing clause (a) has a materially disproportionate impact on the Acquired Assets or the Business.

“MEPP” means a “multi-employer pension plan” as defined under the *Pension Benefits Act* (Ontario), or other Canadian pension standards legislation.

“Monitor” means FTI Consulting Canada ULC, as court-appointed monitor of the Canadian Sellers in the Canadian Cases.

“Monitor’s Certificate” means the certificate filed with the Canadian Court by the Monitor certifying that all conditions of Closing in favour of the Canadian Sellers have been satisfied by the Canadian Purchaser or waived by the Canadian Sellers.

“Organizational Amendments” has the meaning set forth in Section 6.7.

“Permits” means, with respect to each Seller, all certificates of occupancy or other certificates, permits, authorizations, filings, approvals and licenses used, useable and useful in the operation of the Business or the use or enjoyment or benefit of the Acquired Assets.

“Permitted Exceptions” means, collectively, the US Permitted Exceptions and the Canadian Permitted Exceptions.

“Permitted Liens” means: (a) liens for current and future Taxes, assessments or other governmental charges not yet due or payable or which are being contested in good faith by appropriate proceedings, which are listed on Schedule 1.1(c); (b) statutory liens arising in the ordinary course of business that are not overdue and that do not materially affect the value or use of the affected asset; (c) pledges or deposits in connection with workers’ compensation, unemployment insurance and other social-security legislation; (d) easements, rights-of-way, servitudes, restrictions, zoning, building codes or other land use Laws development agreements, development permits, building covenants, encroachment agreements, reciprocal access agreements, by-laws, municipal agreements, licence agreements and other similar encumbrances other than monetary encumbrances, judgments and monetary liens that in each case do not in any case materially detract from the value or use of the property subject thereto or materially interfere with the ordinary conduct of the business of Sellers at the property subject thereto; and (e) minor title defects or irregularities consisting of minor survey exceptions, restrictions in the original grant from the Crown and other minor unregistered restrictions as to the use of Real Property that in each case do not materially detract from the value or use of the property subject thereto or materially interfere with the ordinary conduct of the Business of Sellers at the property subject thereto.

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

“Petition Date” has the meaning set forth in the Recitals.

“Purchasers” has the meaning set forth in the Preamble.

“Purchase Price” means the aggregate of the Canadian Purchase Price and the US Purchase Price.

“Qualified Bid” means competing bids pre-qualified for the Auction in accordance with the Bidding Procedures Order and the Canadian Bidding Procedures Order.

“Real Property” means, with respect to each Seller, the real property owned by such Seller, as more particularly set out and described in Schedule 1.1(d), at which any Facility is located or which is otherwise used or useful for the operation of the Business. “Reference Financial Statements” has the meaning set forth in Section 4.22(a).

“Real Property Leases” has the meaning set forth in Section 4.7(b).

“Related Person” means, with respect to any Person, all present and future directors, officers, members, managers, stockholders, employees, controlling persons, Affiliates, agents, professionals, attorneys, accountants, lenders, investment bankers or representatives of any such Person.

“Released Claims” has the meaning set forth in Section 12.14.

“Sale Hearing” means the hearing of the Bankruptcy Court to approve the Bankruptcy Sale Order.

“Schedules” has the meaning set forth in Section 6.3(a).

“Seller” and “Sellers” have the meaning set forth in the Preamble.

“Sellers’ Knowledge” means the actual (and not constructive or imputed) knowledge of those persons set forth in Schedule 1.1(e), in each case, without duty of inquiry.

“Software” means any computer program, operating system, application, system, firmware or software of any nature, point-of-entry system, peripherals, and data whether operational, active, under development or design, nonoperational or inactive, including all object code, source code, comment code, algorithms, processes, formulae, interfaces, navigational devices, menu structures or arrangements, icons, operational instructions, scripts, commands, syntax, screen designs, reports, designs, concepts, visual expressions, technical manuals, tests scripts, user manuals and other documentation therefor, whether in machine-readable form, virtual machine-readable form, programming language, modeling language or any other language or symbols, and whether stored, encoded, recorded or written on disk, tape, film, memory device, paper or other media of any nature, and all databases necessary or appropriate in connection with the operation or use of any such computer program, operating system, application, system, firmware or software.

“Subsidiary” means, with respect to any Seller, any Person whose securities or other ownership interests having by their terms the power to elect a majority of the board of directors or other persons performing similar functions are owned or controlled, directly or indirectly, by any Seller or one or more Subsidiaries, or which is owned 50% or more, directly or indirectly, by any Seller or any of its Subsidiaries.

“Tax” or “Taxes” means any federal, state, provincial, municipal, territorial, county, local or foreign taxes, charges, fees, levies or other assessments, all taxes, however denominated, including any interest, penalties (civil or criminal) or additions to tax that may become payable in respect thereof, imposed by any Governmental Authority, whether payable by reason of contract, assumption, transferee liability, operation of law or Treasury Regulation Section 1.1502-6(a) (or any predecessor or successor thereof or any analogous or similar provision under Law), which taxes shall include all taxes levied on net income, gross income, payroll and employee withholding, unemployment insurance, social security (or similar), sales and use, goods and services, excise, ad valorem, franchise, gross receipts, occupation, real and personal property, stamp, transfer, gains, profits, capital stock, workers’ compensation, customs duties, registration, documentary, value-added, alternative or add-on minimum, estimated, environmental (including taxes under Section 59A of the Code) and other assessments or obligations of the same or a similar nature, whether arising before, on or after the Closing Date.

“Tax Return” means any report, return, information return, filing or other information, including any schedules, exhibits or attachments thereto, and any amendments to any of the foregoing required to be filed or maintained in connection with the calculation, determination, assessment or collection of any Taxes (including estimated Taxes).

“Transaction Taxes” has the meaning set forth in Section 7.1.

“Transferred Employees” has the meaning set forth in Section 6.4(a).

“Treasury Regulations” shall mean the proposed, temporary and final regulations promulgated under the Code.

“Trust Fund Taxes” means, with respect to each Seller, liabilities for sales, use, withholding, source deductions, trust fund or other employment related taxes for which officers and directors may have personal liability for non-payment under applicable Law.

“US Acquired Assets” means the tangible and intangible assets, properties, rights, interests, claims and Contracts of the US Sellers and related to the US Business (other than Excluded Assets) including the following assets of the US Sellers, if any:

- (a) all Accounts Receivable;
- (b) all Inventories;
- (c) all personal property;
- (d) all deposits (including, with respect to the US Acquired Assets, customer deposits and security deposits (whether maintained in escrow or otherwise) for

rent, electricity, telephone or otherwise) and prepaid charges and expenses of US Sellers as they relate to the US Acquired Assets;

(e) all Real Property and all rights of US Sellers under each lease and any related agreement for the Leased Property (where such related agreement constitutes an Assigned Contract), in each case together with US Sellers' interests in and to all Improvements and fixtures located thereon or attached thereto, and other appurtenances thereto, and US Sellers' rights in respect thereof;

(f) all FF&E;

(g) all Intellectual Property;

(h) all Assigned Contracts;

(i) all Documents;

(j) all Permits;

(k) all rights under or arising out of all insurance policies relating to the US Acquired Assets and all claims thereunder, unless non-assignable as a matter of law;

(l) all rights under non-disclosure or confidentiality, non-compete, or non-solicitation agreements with employees and agents of US Sellers or with third parties, including non-disclosure or confidentiality, non-compete, or non-solicitation agreements entered into in connection with the Auction;

(m) any rights, claims or causes of action of US Sellers for claims arising out of the operation of the US Business;

(n) all rights of US Sellers under or pursuant to all warranties, representations and guarantees made by suppliers, manufacturers and contractors to the extent relating to products sold, or services provided, to US Sellers or to the extent affecting any US Acquired Assets other than any warranties, representations and guarantees pertaining to any Excluded Assets;

(o) all causes of action arising under Chapter 5 of the Bankruptcy Code relating to the US Business and US Acquired Assets, including (i) any actions against or otherwise involving any counterparty to any Assigned Contract, any post-Closing employees, officers or directors of the US Business, including Transferred Employees, and/or any of the US Sellers' lenders, landlords or vendors, and (ii) relating to the ongoing or future operations of the US Business;

(p) all goodwill and other intangible assets associated with the US Business and the US Acquired Assets, including customer and supplier lists; and

(q) all proceeds of any or all of the foregoing received or receivable after the Closing Date.

“US Assigned Contracts” means the Assigned Contracts of US Sellers.

“US Assignment and Assumption Agreement” means an Assignment and Assumption Agreement in all material respects in the form annexed hereto as Exhibit G evidencing the assignment to and assumption by US Purchaser of all of the US Assumed Liabilities, including the rights and obligations under the US Assigned Contracts.

“US Assumed Liabilities” has the meaning set forth in Section 2.4.

“US Base Assumed Liabilities Amount” means \$24,436,000.

“US Base Current Assets Amount” means \$63,967,000.

“US Bill of Sale” means the Bill of Sale in all material respects in the form of Exhibit H conveying all of the US Sellers’ right, title and interest in and to the US Acquired Assets.

“US Business” means the Business conducted by US Sellers.

“US Cash Purchase Price” has the meaning set forth in Section 3.1(a)(i).

“US Closing Date Assumed Liabilities Adjustment Amount” means the amount (positive or negative) by which the US Closing Date Assumed Liabilities Amount is less than or exceeds the US Base Assumed Liabilities Amount.

“US Closing Date Assumed Liabilities Amount” means the amount of the US Assumed Liabilities as shown on the Estimated Closing Date Statements.

“US Closing Date Current Assets Amount” means the amount of the US Current Assets as shown on the Estimated Closing Date Statements.

“US Closing Date Current Assets Adjustment Amount” means the amount (positive or negative) by which the US Closing Date Current Assets Amount exceeds or is less than the US Base Current Assets Amount.

“US Current Assets” means (x) the tangible current assets and accounts receivable of the US Business included in the US Acquired Assets other than accounts receivable owing to a US Seller by an Affiliate of the US Seller, as of the date of determination, as determined from a balance sheet of the US Sellers (on a consolidated basis) as of 12:01 a.m. on the date of determination prepared in accordance with GAAP on a consistent basis and applying the same accounting principles, policies and practices as were used in preparing the balance sheet of the US Sellers contained in the Reference

Financial Statements as they were made available to the Purchasers and in calculating the US Base Current Asset Amount and as provided in Schedule 1.1(f).

“US Deposit” has the meaning set forth in Section 3.3(a).

“US Escrow Amount” has the meaning set forth in Section 3.3(b).

“US Final Assumed Liabilities Adjustment Amount” means the amount (positive or negative) by which the US Final Assumed Liabilities Amount exceeds or is less than the US Closing Date Assumed Liabilities Amount.

“US Final Assumed Liabilities Amount” means the amount of the US Assumed Liabilities as shown on the Closing Date Statements.

“US Final Current Assets Adjustment Amount” means the amount (positive or negative) by which the US Final Current Assets Amount exceeds or is less than the US Closing Date Current Assets Amount.

“US Final Current Assets Amount” means the amount of the US Current Assets as shown on the Closing Date Statements.

“US Permitted Exceptions” has the meaning set forth in Section 4.4.

“US Purchase Price” has the meaning set forth in Section 3.1(a).

“US Purchaser” has the meaning set forth in the preamble.

“US Sellers” means, collectively, Indalex Holdings Finance, Inc., Indalex Holdings Corp., Indalex Inc., Caradon Lebanon, Inc. and Dolton Aluminum Company, Inc.

“US Sellers’ Cure Cost Amount” has the meaning set forth in Section 2.8(a).

“US Transferred Employees” means the Transferred Employees of US Sellers.

1.2 Payments. All payments required to be made hereunder shall be paid in cash, by certified cheque, bank draft, wire transfer or other immediately available funds in United States Dollars.

1.3 Interpretation. When a reference is made in this Agreement to a section or article, such reference shall be to a section or article of this Agreement unless otherwise clearly indicated to the contrary.

(a) Whenever the words “include,” “includes” or “including” are used in this Agreement they shall be deemed to be followed by the words “without limitation.”

(b) The words “hereof,” “herein”, “hereunder” and “herewith” and words of similar meaning shall, unless otherwise stated, be construed to refer to this Agreement as a whole and not to any particular provision of this Agreement, and article, section, paragraph, exhibit and schedule references refer to the articles, sections, paragraphs, exhibits and schedules of this Agreement unless otherwise specified.

(c) The meaning assigned to each term defined herein shall be equally applicable to both the singular and the plural forms of such term. Where a word or phrase is defined herein, each of its other grammatical forms shall have a corresponding meaning.

(d) A reference to any party to this Agreement or any other agreement or document shall include such party’s successors and permitted assigns; provided, however, that nothing contained in this clause (d) is intended to authorize any assignment or transfer not otherwise permitted by this Agreement.

(e) A reference to any legislation or to any provision of any legislation shall include any amendment to, and any modification or reenactment thereof, any legislative provision substituted therefore and all regulations and statutory instruments issued thereunder or pursuant thereto.

(f) When calculating the period of time before which, within which or following which any act is to be done or step 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.

(g) Any reference in this Agreement to \$ shall mean U.S. dollars.

(h) 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.

(i) For purposes of any assets, liabilities or entities located in the Province of Quebec and for all other purposes pursuant to which the interpretation or construction of this Agreement may be subject to the laws of the Province of Quebec or a court or tribunal exercising jurisdiction in the Province of Quebec, any common law words or terms shall be deemed to have their correlative meaning under the Civil Code of Quebec, including, without limitation, (a) “personal property” shall include “movable property”; (b) “real property” or “real estate” shall include “immovable property”; (c) “tangible property” shall include “corporeal property”; (d) “intangible property” shall include “incorporeal property”; (e) “security interest”, “mortgage” and “lien” shall include a “hypothec”, “right of retention”, “prior claim”, and a resolatory clause; (f) all

references to filing, perfection, priority, remedies, registering or recording under the UCC shall include publication under the Civil Code of Quebec; (g) all references to “perfection” of or “perfected” liens or security interest shall include a reference to an “opposable” or “set up” lien or security interest as against third parties; (h) any “right of offset”, “right of setoff” or similar expression shall include a “right of compensation”; (i) “common law” shall include “civil law”; (j) “tort” shall include “delict”; (k) “bailor” shall include “depositor” and “bailee” shall include “depository”; (l) “goods” shall include “corporeal movable property” other than chattel paper, documents of title, instrument, money and securities; (m) an “agent” shall include a “mandatary”; (n) “construction liens” shall include “legal hypothecs”; (o) “joint and several” shall include “solidary”; (p) “jointly and severally” shall include “solidarily”; (q) “gross negligence or willful misconduct” shall be deemed to be “intentional or gross fault”; (r) “beneficial ownership” shall include “ownership on behalf of another as mandatary”; (s) “easement” shall include “servitude”; (t) “priority” shall include “prior claim”; (u) “survey” shall include “certificate of location and plan”; (v) “state” shall include “province”; (w) “fee simple title” shall include “absolute ownership”; (x) “accounts” shall include “claims”.

ARTICLE 2

PURCHASE AND SALE OF THE ACQUIRED ASSETS

2.1 Purchase and Sale of US Acquired Assets. On the terms and subject to the conditions set forth in this Agreement, at the Closing, US Purchaser shall (or shall cause its designated Affiliates to) purchase, acquire and accept from each US Seller, and each US Seller shall sell, transfer, assign, convey and deliver to US Purchaser (or its designated Affiliates), all of each US Seller’s right, title and interest in, to and under the US Acquired Assets, free and clear of all Liens and Encumbrances (other than Permitted Exceptions and Permitted Liens).

2.2 Purchase and Sale of Canadian Acquired Assets. On the terms and subject to the conditions set forth in this Agreement, at the Closing, Canadian Purchaser shall (or shall cause its designated Affiliates to) purchase, acquire and accept from each Canadian Seller, and each Canadian Seller shall sell, transfer, assign, convey and deliver to Canadian Purchaser (or its designated Affiliates), all of each Canadian Seller’s right, title and interest in, to and under the Canadian Acquired Assets, free and clear of all Liens and Encumbrances (other than Permitted Exceptions and Permitted Liens).

2.3 Excluded Assets. Notwithstanding anything to the contrary in this Agreement, nothing herein shall be deemed to sell, transfer, assign or convey the Excluded Facilities to Purchasers, and Sellers shall retain all right, title and interest to, in and under the Real Property and FF&E which constitute the Excluded Facilities and all obligations with respect to the Excluded Facilities (the “Excluded Assets”), provided, however that all Documents and personal property and Intellectual Property located at each Excluded Facility that are used in the operation of or relate to the Business generally or any of the Acquired Assets shall be US Acquired Assets. In addition, for all purposes of and under this Agreement, and as the same may be amended pursuant to Section 2.7,

the term "Excluded Assets" shall also include, with respect to each Seller, the following assets, irrespective of the Facility at which such assets may be located or constitute a part of:

- (a) cash, cash equivalents and marketable securities;
- (b) any asset that otherwise would constitute an Acquired Asset but for the fact that it is conveyed, leased or otherwise disposed of in the ordinary course of Business prior to the Closing Date not in violation of this Agreement;
- (c) the corporate books and records of internal corporate proceedings, tax records, work papers and other records that any Seller is required by Law to retain, provided, however, that copies of the foregoing items shall be provided by Sellers upon the reasonable request of a Purchaser where such books and records and other records are reasonably required by a Purchaser;
- (d) the rights of Sellers under this Agreement or any Ancillary Agreements and all cash and non-cash consideration payable or deliverable to Sellers under this Agreement or any Ancillary Agreements, but excluding cash flows and all other Acquired Assets under any Assigned Contract or any net profits generated by operation of the Business on or after the Closing Date;
- (e) all properties, rights and interests in connection with, and assets of, any Employee Benefit Plan;
- (f) the Capital Stock of any Seller;
- (g) the assets listed on Schedule 2.3(g);
- (h) all rights under or arising out of insurance policies not relating to the Business or the Acquired Assets or non-assignable as a matter of law;
- (i) income tax refunds and other tax refunds receivable by such Seller and all tax attributes of such Seller, provided that any tax refunds remain subject to security interests of the lenders under the DIP Credit Agreement;
- (j) all Contracts that are not Assigned Contracts;
- (k) all causes of action which arise from loss, damage or facts occurring prior to the Execution Date and any insurance proceeds or claims payable for losses or damages incurred prior to the Execution Date (provided, however that Sellers shall not pursue a cause of action related to an Assigned Contract without the express written consent of the applicable Purchaser not to be unreasonably withheld).
- (l) all avoidance claims or other causes of action against creditors of the Business arising from or relating to transactions prior to the Petition Date or the

Filing Date, as applicable, except for avoidance claims arising from Assigned Contracts;
and

(m) all equipment subject to financing or other leases, provided,
however that the leases themselves may be assigned in accordance with this Agreement
and the Sellers' rights and interests subject to such leases in such equipment may be
assigned or transferred in accordance with this Agreement.

2.4 Assumption of US Liabilities. Upon the terms and subject to the
conditions of this Agreement, US Purchaser agrees, effective at the time of the Closing,
to (or to cause its designated Affiliates to) assume and be responsible for and thereafter
pay, perform, honor and discharge, as and when due, the following liabilities and
obligations (collectively, the "US Assumed Liabilities"):

(a) all of US Sellers' liabilities and obligations under the US Assigned
Contracts accruing after the Closing;

(b) all ordinary course liabilities and obligations with respect to the US
Acquired Assets arising after the Petition Date to the extent relating to conduct of the US
Business from and after the Petition Date through and including the Closing Date;

(c) [intentionally deleted];

(d) [intentionally deleted];

(e) those specific liabilities and obligations of US Sellers identified on
Schedule 2.4(e) hereto for which monetary estimates are included;

(f) all liabilities and other obligations accruing with respect to US
Transferred Employees after the Closing Date;

(g) all commitments as of the Closing to sell and deliver inventory in
connection with the US Assigned Contracts;

(h) all Cure Amounts payable under US Assigned Contracts, other
than Cure Amounts payable by the US Sellers pursuant to Section 2.8(a); and

(i) all Transaction Taxes arising from or relating to the purchase by
US Purchasers of the US Acquired Assets hereunder.

2.5 Assumption of Canadian Liabilities. Upon the terms and subject to the
conditions of this Agreement, Canadian Purchaser agrees, effective at the time of the
Closing, to (or to cause its designated Affiliates to) assume and be responsible for and

thereafter pay, perform, honor and discharge, as and when due, the following liabilities and obligations (collectively, the "Canadian Assumed Liabilities"):

- (a) all of Canadian Sellers' liabilities and obligations under the Canadian Assigned Contracts accruing after the Closing;
- (b) all ordinary course liabilities and obligations with respect to the Acquired Assets arising after the Filing Date to the extent relating to conduct of the Canadian Business from and after the Filing Date through and including the Closing Date;
- (c) [intentionally deleted]
- (d) [intentionally deleted]
- (e) those specific liabilities and obligations of Canadian Sellers identified on Schedule 2.5(e) hereto for which monetary estimates are included;
- (f) all liabilities and other obligations accruing or arising with respect to the Canadian Transferred Employees or Canadian Unionized Business Employees after the Closing Date;
- (g) all commitments as of the Closing to sell and deliver inventory in connection with the Canadian Assigned Contracts;
- (h) all Cure Amounts payable under Canadian Assigned Contracts, other than Cure Amounts payable by Canadian Sellers pursuant to Section 2.8(b); and
- (i) all Transaction Taxes arising from or relating to the purchase by the Canadian Purchaser of the Canadian Acquired Assets hereunder.

2.6 Excluded Liabilities. Purchasers shall not assume or be liable for any Liens or Encumbrances or any other liabilities and obligations of Sellers of any nature whatsoever, including, any liabilities or obligations relating to any Business Employees, including liabilities or obligations relating to workers' compensation claims of any Business Employees or liabilities or obligations relating to any US collective bargaining agreements, any Employee Benefit Plans, including multi-employer plans relating to US Business Employees whether presently in existence or arising hereafter other than the Assumed Liabilities and the Permitted Exceptions and Permitted Liens (the "Excluded Liabilities"). For the avoidance of doubt, Purchasers shall not assume or be liable for any liabilities and obligations that are the subject of litigation or arbitration or charges of discrimination filed with any Governmental Authority as of the Closing Date, or that arose prior to the Closing Date and are asserted thereafter, including any such liabilities or obligations that otherwise would be Assumed Liabilities.

2.7 Assignment and Assumption of Contracts.

(a) On or before the day which is three (3) Business Days prior to the date of the Auction, Purchasers shall provide to Sellers a list of all Assignable Contracts of Sellers related to the Acquired Assets that the Purchaser wishes to acquire, identifying the name, parties and date of each such Assignable Contract (the "Assigned Contracts List").

(b) Subject to the terms and conditions of this Section 2.7, the US Assignment and Assumption Agreement and the Bankruptcy Sale Order, the Assignable Contracts of US Sellers on the Assigned Contracts List shall form part of the US Acquired Assets assigned and transferred to US Purchaser at Closing (the consideration for which is included in the US Purchase Price). The Assignable Contracts of US Sellers that are not included on the Assigned Contracts List shall be Excluded Assets.

(c) Subject to the terms and conditions of this Section 2.7, the Canadian Assignment and Assumption Agreement and the Canadian Sale Order, the Assignable Contracts of Canadian Sellers on the Assigned Contracts List shall form part of the Canadian Acquired Assets assigned and transferred to Canadian Purchaser at Closing (the consideration for which is included in the Canadian Purchase Price). The Assignable Contracts of Canadian Sellers that are not included on the Assigned Contracts List shall be Excluded Assets.

(d) Notwithstanding the foregoing, Purchasers shall be entitled to amend the Assigned Contracts List at any time before the Sale Hearing, and any Assignable Contracts removed from the Assigned Contracts List before the Sale Hearing shall be Excluded Assets.

(e) Purchasers will assume and agree to perform and discharge the Assumed Liabilities under the Assigned Contracts pursuant to the US Assignment and Assumption Agreement and the Canadian Assignment and Assumption Agreement, as applicable. From and after the date hereof, US Sellers shall not reject any Assignable Contract unless otherwise agreed to in writing by US Purchaser, except that US Sellers shall be entitled to reject any of the Assignable Contracts identified in Schedule 2.7(e). From and after the date hereof, Canadian Sellers shall not disclaim or repudiate any Assignable Contracts unless otherwise agreed to in writing by Canadian Purchaser, except that Canadian Sellers shall be entitled to reject any of the Assignable Contracts identified in Schedule 2.7(e).

(f) US Sellers shall provide timely and proper written notice of the motion seeking entry of the Bankruptcy Sale Order to all parties to US Assigned Contracts and shall use their reasonable best efforts to take all other actions necessary to cause the US Assigned Contracts to be assumed by US Sellers and assigned to US Purchaser as of the Closing. At or prior to the Closing, US Sellers shall comply with all requirements under Section 365 of the Bankruptcy Code and all other applicable Law necessary to assign to US Purchaser the US Assigned Contracts.

(g) With respect to Canadian Assigned Contracts, Canadian Sellers shall use reasonable best efforts to obtain all necessary consents and approvals to assign the Canadian Assigned Contracts to the Canadian Purchaser at Closing. Canadian Sellers shall provide timely and proper written notice of the motion seeking entry of the Canadian Sale Order to all parties to Canadian Assigned Contracts and shall use their reasonable best efforts to take all other actions necessary to cause the Canadian Assigned Contracts to be assigned to Canadian Purchaser as of the Closing. At or prior to Closing, Canadian Sellers shall comply with all requirements under applicable Law necessary to assign to Canadian Purchaser the Canadian Assigned Contracts.

(h) Notwithstanding anything in this Agreement to the contrary, on the date any Assignable Contract is assumed and assigned to Purchasers pursuant to this Section, such Contract shall be deemed an Assigned Contract for all purposes under this Agreement.

2.8 Cure Amounts

(a) US Sellers shall pay all Cure Amounts (as determined by US Sellers or as determined by the Bankruptcy Court) at Closing from the US Cash Purchase Price, up to a maximum amount of \$1,484,000 ("US Sellers' Cure Cost Amount"). US Purchaser shall pay all Cure Amounts (as agreed to between US Purchaser and US Sellers or as determined by the Bankruptcy Court) at Closing, in excess of US Sellers' Cure Cost Amount, provided, however, that on or before June 16, 2009, US Sellers shall provide to US Purchaser a schedule setting forth all estimated Cure Amounts for all Assignable Contracts of US Sellers.

(b) Canadian Sellers shall pay all Cure Amounts at Closing from the Canadian Cash Purchase Price up to a maximum amount of \$616,000 ("Canadian Sellers' Cure Cost Amount"). Canadian Purchaser shall pay all Cure Amounts at Closing, (as agreed between Canadian Purchaser and Canadian Sellers) in excess of Canadian Sellers' Cure Cost Amount, provided, however, that on or before June 16, 2009, Canadian Sellers shall provide to Canadian Purchaser a schedule setting forth all estimated Cure Amounts for all Assignable Contracts of Canadian Sellers.

(c) On Closing, each of the US Sellers shall irrevocably direct to each of the parties designated by US Sellers under each US Assigned Contract an amount equal to the Cure Amount required to be paid to assign each such US Assigned Contract under applicable Law and as provided in Section 2.8(a).

(d) On Closing, the Canadian Sellers shall irrevocably direct to each of the parties designated by Canadian Sellers under each Canadian Assigned Contract an amount equal to the Cure Amount required to be paid to assign each such Canadian Assigned Contract or as required under applicable Law and as provided in Section 2.8(b).

ARTICLE 3
CONSIDERATION

3.1 US Purchase Price.

(a) In consideration of the sale of the US Business and US Acquired Assets to US Purchaser, and upon the terms and subject to the conditions hereinafter set forth, the purchase price for the US Business and US Acquired Assets shall be the aggregate of (collectively, the "US Purchase Price"):

(i) \$90,111,000 (the "US Cash Purchase Price"), as adjusted at Closing pursuant to Section 3.6(b), and as further adjusted on the Adjustment Date pursuant to Section 3.7(e); and

(ii) the amount of the US Assumed Liabilities.

3.2 Canadian Purchase Price.

(a) In consideration of the sale of the Canadian Business and Canadian Acquired Assets to Canadian Purchaser, and upon the terms and subject to the conditions hereinafter set forth, the purchase price for the Canadian Business and Canadian Acquired Assets shall be the aggregate of (collectively, the "Canadian Purchase Price"):

(i) \$31,700,000 (the "Canadian Cash Purchase Price"), as adjusted at Closing pursuant to Section 3.6(c), and as further adjusted on the Adjustment Date pursuant to Section 3.7(f); and

(ii) the amount of the Canadian Assumed Liabilities.

3.3 Payment of the US Purchase Price and Assumption of the US Assumed Liabilities. The US Purchase Price shall be paid and satisfied as follows:

(a) within one (1) Business Day of the Execution Date, a deposit in the amount of \$7,250,000 (the "US Deposit") shall be paid by the US Purchaser to an escrow agent reasonably satisfactory to US Sellers and the US Purchaser, to be held by such escrow agent and released by such escrow agent and applied against the US Cash Purchase Price at Closing in accordance with the terms of this Agreement, or returned to the US Purchaser upon termination of this Agreement pursuant to Section 11.1(a), Section 11.1(b) or Section 11.1(c),

(b) on Closing, an amount equal to \$7,250,000 (the "US Escrow Amount") shall be deposited into an escrow account (the "Escrow Account") established with the Escrow Agent pursuant to the terms of an escrow agreement in form and substance reasonably satisfactory to the Sellers and the Purchasers (the "Escrow Agreement");

(c) on Closing, an amount equal to the US Cash Purchase Price, as adjusted pursuant to Section 3.6(b), less the US Deposit and the US Escrow Amount shall be paid by the US Purchaser to the US Sellers (or such other party as the US Sellers may designate or an order of the Bankruptcy Court may direct);

(d) on Closing, an amount equal to the amount of the US Assumed Liabilities shall be satisfied by the US Purchaser at Closing by execution and delivery by the US Purchaser at Closing of the US Assignment and Assumption Agreement; and

(e) on the Adjustment Date, an amount equal to the US Final Assumed Liabilities Adjustment Amount and the US Final Current Assets Adjustment Amount shall be paid by the applicable party in the manner provided for in Section 3.7(e).

3.4 Payment of the Canadian Purchase Price. The Canadian Purchase Price shall be paid and satisfied as follows:

(a) within one (1) Business Day of the Execution Date, a deposit in the amount of \$2,750,000 (the "Canadian Deposit") shall be paid by the Canadian Purchaser to the Monitor in accordance with the terms of this Agreement and released by the Monitor and applied against the Canadian Cash Purchase Price at Closing, or returned to the Canadian Purchaser upon termination of this Agreement pursuant to Section 11.1(a), Section 11.1(b) or Section 11.1(c),

(b) on Closing, an amount equal to \$2,750,000 (the "Canadian Escrow Amount") shall be deposited into the Escrow Account established with the Escrow Agent pursuant to the terms of the Escrow Agreement;

(c) on Closing, an amount equal to the Canadian Cash Purchase Price, as adjusted pursuant to Section 3.6(c), less the Canadian Deposit and the Canadian Escrow Amount shall be paid by the Canadian Purchaser to the Canadian Sellers (or such other party as the Canadian Sellers may designate or an order of the Canadian Court may direct);

(d) on Closing, an amount equal to the amount of the Canadian Assumed Liabilities shall be satisfied by execution and delivery by the Canadian Purchaser at Closing of the Canadian Assignment and Assumption Agreement; and

(e) on the Adjustment Date, an amount equal to the Canadian Final Assumed Liabilities Adjustment Amount and the Canadian Final Current Assets Adjustment Amount shall be paid by the applicable party in the manner provided for in Section 3.7(f).

3.5 Allocation of Purchase Price.

(a) Purchasers shall deliver to Sellers a statement allocating the consideration paid by the Purchasers for the US Acquired Assets and the Canadian Acquired Assets on a reasonable basis for tax purposes by asset class on a Facility-by-Facility basis and in accordance with the timetable set forth in this Section 3.5, for Sellers' review and comment (such statement, the "Allocation Statement").

(b) With respect to the US Acquired Assets, the Allocation Statement shall allocate the consideration paid by the US Purchaser for the US Acquired Assets in accordance with Section 1060 of the Code and the Treasury Regulations promulgated thereunder and shall be delivered within the earlier of (i) 120 days after the Closing Date, and (ii) 20 days prior to the extended due date of the Tax Return for which IRS Form 8594 must be attached.

(c) With respect to the Canadian Acquired Assets, the Allocation Statement shall be prepared in accordance with applicable Canadian Law within 120 days after the Closing Date, and shall show the allocation of the Canadian Purchase Price among the Canadian Acquired Assets. In the event that Canadian Sellers are required to remit any Transaction Tax payments relating to any Canadian Acquired Assets before the Allocation Statement has been prepared, Canadian Purchaser and Canadian Sellers shall mutually agree on a good faith estimate of the fair market value of such items no later than seven (7) days prior to the date when the relevant Canadian Seller is required to remit such taxes, and such estimate shall be used by the Canadian Seller for calculating its remittance amount, it being understood and agreed that the Canadian Purchaser (i) will pay to the relevant Canadian Seller the Transaction Taxes based on such estimate at the time in respect of that item solely to enable the Canadian Seller to remit such Transaction Taxes in accordance with applicable Law, provided that prior to any such remittance the Canadian Seller shall hold all amounts received from Canadian Purchaser pursuant to this Section 3.5(c) separate and apart from other funds of the Canadian Seller and in trust for the express purpose of remitting Transaction Taxes to the appropriate taxing authorities; and (ii) is liable for the amount of Transaction Taxes finally determined to be payable in respect of the item.

(d) To the extent that the Sellers are in agreement with the Allocation Statement, the parties to this Agreement hereby agree to (i) be bound by the Allocation Statement, (ii) act in accordance with the Allocation Statement in connection with the preparation, filing and audit of any Tax Return (including, without limitation, in the filing of IRS Form 8594 and any corresponding other Tax forms), and (iii) take no position inconsistent with the Allocation Statement for any Tax purpose (including, without limitation, in any audit, judicial or administrative proceeding).

3.6 Preparation of Estimated Closing Date Statements.

(a) No sooner than ten (10) Business Days and no later than five (5) Business Days prior to the Closing Date, the Sellers shall deliver to the Purchasers the Estimated Closing Date Statements as of the Closing Date. The Estimated Closing Date

Statements shall be accompanied by a written statement executed by the Chief Executive Officer and the Chief Financial Officer of the US Sellers and the Canadian Sellers, respectively, in the form attached hereto as Exhibit J (the "Estimated Closing Date Statement Certificate"), certifying that the Estimated Closing Date Statements have been prepared in good faith by Sellers based upon available information as of the date of delivery of the Estimated Closing Date Statements.

(b) If the US Closing Date Current Assets Amount exceeds the US Base Current Assets Amount, then the US Purchaser shall increase the US Cash Purchase Price by the difference between such amounts on Closing. If the US Base Current Assets Amount exceeds the US Closing Date Current Assets Amount, then the difference shall reduce the US Cash Purchase Price payable by US Purchaser on Closing. If the US Base Assumed Liabilities Amount exceeds the US Closing Date Assumed Liabilities Amount, then the US Purchaser shall increase the US Cash Purchase Price by the difference between such amounts on Closing. If the US Closing Date Assumed Liabilities Amount exceeds the US Base Assumed Liabilities Amount, then the difference shall reduce the US Cash Purchase Price payable by US Purchaser on Closing.

(c) If the Canadian Closing Date Current Assets Amount exceeds the Canadian Base Current Assets Amount, then the Canadian Purchaser shall increase the Canadian Cash Purchase Price by the difference between such amounts on Closing. If the Canadian Base Current Assets Amount exceeds the Canadian Closing Date Current Assets Amount, then the difference shall reduce the Canadian Cash Purchase Price payable by Canadian Purchaser on Closing. If the Canadian Base Assumed Liabilities Amount exceeds the Canadian Closing Date Assumed Liabilities Amount, then the Canadian Purchasers shall increase the Canadian Cash Purchase Price by the difference between such amounts on Closing. If the Canadian Closing Date Assumed Liabilities Amount exceeds the Canadian Base Assumed Liabilities Amount, then the difference shall reduce the Canadian Cash Purchase Price payable by Canadian Purchaser on Closing.

3.7 Preparation of Closing Date Statements

(a) Promptly after Closing, the Purchasers shall prepare in consultation with the advisors and auditors of Purchasers that are designated by Purchasers, at the Purchasers' expense, a draft of the Closing Date Statements, which shall be delivered to the Sellers as soon as possible following Closing with Purchaser using commercially reasonable best efforts, and no later than sixty (60) days following the Closing Date.

(b) During the period from the date of delivery of the draft Closing Date Statements until the date no later than twenty (20) days after delivery of the Closing Date Statements, the Purchasers shall give the Sellers and their representatives such assistance and access to the books and records and the Purchasers' representatives as the

Sellers and their representatives may reasonably request in order to enable them to assess the draft Closing Date Statements. The Purchasers' and their representatives shall give the Sellers and their representatives reasonable notice prior to inventory counts and other procedures used in the preparation of draft Closing Date Statements and Sellers and their representatives shall be entitled to be present at such proceedings, and shall be provided promptly with copies of all working papers created by the Purchasers and their representatives in connection with such preparation.

(c) If the US Sellers or the Canadian Sellers, as applicable, do not give a notice of objection in accordance with Section 3.7(d), the applicable Sellers shall be deemed to have accepted the draft Closing Date Statements prepared by the Purchasers which shall be final and binding on such Sellers and the Purchasers and such draft Closing Date Statements shall constitute Closing Date Statements for the purposes of this Agreement immediately following the expiration date for the giving of such notice of objection.

(d) If the Sellers object to any matter in the draft Closing Date Statements prepared pursuant to this Section 3.7, then the objecting Sellers shall give notice to the applicable Purchaser(s) no later than twenty (20) days after delivery of the draft Closing Date Statements, setting out in reasonable detail the particulars of such objection. If Sellers deliver such objections within such twenty (20) day period, then the objecting Sellers and the applicable Purchaser(s) shall use reasonable efforts to resolve such objection for a period of thirty (30) days following the giving of such notice. If the matter is not resolved by the end of such thirty (30) day period, then the dispute with respect to such objection shall be submitted by the objecting Sellers and the Purchaser(s) jointly to, in the case of US Sellers, a certified public accountant, and in the case of Canadian Sellers, a chartered accountant, independent to the Sellers and the Purchaser(s). The independent accountant retained shall, as promptly as practicable, make a determination of the Closing Date Statements, which, subject to any disputes, shall be final and binding upon the objecting Sellers and the Purchasers and shall constitute Closing Date Statements for the purposes of this Agreement. Any dispute with respect to the joint appointment of the independent account or with respect to any determination made by the independent account shall be referred to, with respect to Canadian Sellers, the Canadian Court, and with respect to US Sellers, the Bankruptcy Court. The determination made by the Bankruptcy Court or the Canadian Court, as applicable, shall be final and binding upon the objecting Sellers and the Purchaser(s) and shall constitute Closing Date Statements for the purposes of this Agreement, and neither the objecting Sellers nor the Purchaser(s) shall have any right of appeal. All fees and expenses related to the independent accountant or any dispute of the independent accountant's determination shall be borne 50-50 by the objecting Sellers and the Purchaser(s).

(e) If the US Closing Date Current Assets Amount exceeds the US Final Current Assets Amount, then the US Sellers shall pay to the US Purchaser the difference between such amounts on the Adjustment Date. If the US Final Current

Assets Amount exceeds the US Closing Date Current Assets Amount, then the US Purchaser shall pay to the US Sellers the difference between such amounts on the Adjustment Date. If the US Final Assumed Liabilities Amount exceeds the US Closing Date Assumed Liabilities Amount, then the US Sellers shall pay to the US Purchaser the difference between such amounts on the Adjustment Date. If the US Closing Date Assumed Liabilities Amount exceeds the US Final Assumed Liabilities Amount, then the US Purchaser shall pay to the US Sellers the difference between such amounts on the Adjustment Date. Any amounts required to be paid by the US Sellers to the US Purchaser pursuant to this Section 3.7(e) shall be paid out of the Escrow Account in accordance with the terms of the Escrow Agreement. After any such payments have been made to the US Purchaser and any payments required to be made by the Canadian Sellers have been made to the Canadian Purchaser pursuant to Section 3.7(f), the remainder of the Escrow Amount, if any, shall be distributed to the US Sellers and the Canadian Sellers, as more particularly set out in the Escrow Agreement. Any amounts owing by the US Sellers to US Purchaser in excess of the Escrow Amount shall be waived by the US Purchaser. US Purchaser's sole recourse pursuant to this Section 3.7(e), shall be payment out of the Escrow Account. For the avoidance of doubt, all amounts payable on the Adjustment Date under this Section 3.7(e) shall be treated as adjustments to the US Cash Purchase Price.

(f) If the Canadian Closing Date Current Assets Amount exceeds the Canadian Final Current Assets Amount, then the Canadian Sellers shall pay to the Canadian Purchaser the difference between such amounts on the Adjustment Date. If the Canadian Final Current Assets Amount exceeds the Canadian Closing Date Current Assets Amount, then the Canadian Purchaser shall pay to the Canadian Sellers the difference between such amounts on the Adjustment Date. If the Canadian Final Assumed Liabilities Amount exceeds the Canadian Closing Date Assumed Liabilities Amount, then the Canadian Sellers shall pay to the Canadian Purchaser the difference between such amounts on the Adjustment Date. If the Canadian Closing Date Assumed Liabilities Amount exceeds the Canadian Final Assumed Liabilities Amount, then the Canadian Purchaser shall pay to the Canadian Sellers the difference between such amounts on the Adjustment Date. Any amounts required to be paid by the Canadian Sellers to the Canadian Purchaser pursuant to this Section 3.7(f) shall be paid out of the Escrow Account in accordance with the terms of the Escrow Agreement. After any such payments have been made to the Canadian Purchaser and any payments required to be made by the US Sellers have been made to the US Purchaser pursuant to Section 3.7(e) the remainder of the Escrow Amount, if any, shall be distributed to the US Sellers and the Canadian Sellers, as more particularly set out in the Escrow Agreement. Any amounts owing by Canadian Sellers to Canadian Purchaser in excess of the Escrow Amount shall be waived by the Canadian Purchaser. Canadian Purchaser's sole recourse pursuant to this Section 3.7(f), shall be payment out of the Escrow Account. For the avoidance of doubt, all amounts payable on the Adjustment Date under this Section 3.7(f) shall be treated as adjustments to the Canadian Cash Purchase Price.

3.8 Section 22 Canadian Tax Election. The Canadian Purchaser and each Canadian Seller shall elect jointly in the prescribed form under Section 22 of the *Income Tax Act* (Canada) and, if applicable, Section 184 of the *Taxation Act* (Quebec), and the corresponding provisions of any other applicable Tax statute as to the sale of the Accounts Receivable of Canadian Sellers and designate in such election an amount equal to the portion of the Purchase Price allocated to such Accounts Receivable pursuant to Section 3.5. This election, or these elections, shall be made within the prescribed time for such elections.

ARTICLE 4

REPRESENTATIONS AND WARRANTIES OF SELLERS

Sellers hereby represent and warrant to Purchasers, as of the date hereof and as of the Closing Date:

4.1 Corporate Organization. Each Seller is duly organized, validly existing and in good standing under the Laws of its jurisdiction of incorporation and has all necessary power and authority to own, lease and operate its properties and to conduct its business in the manner in which its business is currently being conducted. Except as a result of the commencement of the Bankruptcy Cases and the Canadian Cases, each Seller is qualified to do business and is in good standing in all jurisdictions where it owns or leases real property in connection with the operation of the Business or otherwise conducts the Business, except where the failure to so qualify or to so be in good standing has not had and would not reasonably be expected to have a Material Adverse Effect.

4.2 Authorization of Agreement. Subject to entry of the Bankruptcy Sale Order, the Canadian Sale Order and authorization as is required by the Bankruptcy Court and/or the Canadian Court:

(a) Each Seller has, or at the time of execution will have, all necessary corporate power and authority to execute and deliver this Agreement and each Ancillary Agreement to which such Seller is or will become a party and to perform its obligations hereunder and thereunder;

(b) the execution, delivery and performance of this Agreement and each Ancillary Agreement to which a Seller is or will become a party and the consummation of the transactions contemplated hereby and thereby have been, or at the time of execution will be, duly authorized by all necessary corporate action on the part of such Seller and no other corporate proceedings (shareholder or otherwise) on the part of Sellers are necessary to authorize such execution, delivery and performance; and

(c) this Agreement and each Ancillary Agreement to which a Seller is or will become a party have been, or when executed will be, duly and validly executed and delivered by such Seller and (assuming the due authorization, execution and delivery by the other parties hereto) this Agreement and each Ancillary Agreement to which a

Seller is or will become a party constitutes, or will constitute, when executed and delivered, the valid and binding obligation of such Seller enforceable against such Seller in accordance with its respective 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).

4.3 Conflicts: Consents of Third Parties.

(a) Except as set forth on Schedule 4.3(a), the execution, delivery and performance by each Seller of this Agreement and each Ancillary Agreement, the consummation of the transaction contemplated hereby and thereby, or compliance by each Seller with any of the provisions hereof do not, or will not at the time of execution, result in the creation of any Lien or Encumbrance upon the Acquired Assets and do not, or will not at the time of execution, 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 provisions of:

(i) such Seller's certificates of incorporation and by-laws or comparable organizational documents of such Seller;

(ii) subject to entry of the Bankruptcy Sale Order and the Canadian Sale Order, any Assigned Contract or Permit to which such Seller is a party or by which any of the Acquired Assets are bound;

(iii) subject to entry of the Bankruptcy Sale Order and the Canadian Sale Order, any order, writ, injunction, judgment or decree of any Governmental Authority applicable to such Seller or any of the properties or assets of such Seller as of the date hereof; or

(iv) subject to entry of the Bankruptcy Sale Order and the Canadian Sale Order, any applicable Law.

(b) Subject to entry of the Bankruptcy Sale Order and the Canadian Sale Order, except as set forth on Schedule 4.3(b), no consent, waiver, approval, order, Permit or authorization of, or declaration or filing with, or notification to, any Person or Governmental Authority is required on the part of any Seller in connection with the execution, delivery and performance of this Agreement or any other agreement, document or instrument contemplated hereby or thereby to which it is or will become a party, the compliance by such Seller with any of the provisions hereof or thereof, the consummation of the transactions contemplated hereby or thereby, or the assignment or conveyance of the Acquired Assets.

4.4 Title to US Acquired Assets. The US Sellers have and at Closing will have good and valid title to all of the US Acquired Assets owned by them, and a valid and enforceable right to use all of the US Acquired Assets leased or licensed to them,

which are used in, and necessary for, the conduct of the Business on the date hereof and as of the Closing Date (except such as have been subsequently sold or otherwise disposed of in the ordinary course of business, or for which any lease or license shall have terminated in accordance with its terms). Upon entry of the Bankruptcy Sale Order, all right, title and interest of the US Sellers in and to the US Acquired Assets, wherever located, shall vest in the US Purchaser free and clear of all Liens and Encumbrances, other than permitted exceptions set forth in Schedule 4.4 hereto (the "US Permitted Exceptions") and Permitted Liens.

4.5 Title to Canadian Acquired Assets. The Canadian Sellers have and at Closing will have good and valid title to all of the Canadian Acquired Assets owned by them, and a valid and enforceable right to use all of the Canadian Acquired Assets leased by or licensed to them, which are used in, and necessary for, the conduct of the Business on the date hereof and as of the Closing Date (except such as have been subsequently sold or otherwise disposed of in the ordinary course of business, or for which any lease or license shall have terminated in accordance with its terms). Upon delivery of the Monitor's Certificate to the Canadian Purchaser in accordance with the terms and conditions of the Canadian Sale Order, all right, title and interest of the Canadian Sellers in and to the Canadian Acquired Assets, wherever located, shall vest in the Canadian Purchaser free and clear of all Liens and Encumbrances, other than the permitted exceptions set forth in Schedule 4.5 hereto (the "Canadian Permitted Exceptions") and Permitted Liens.

4.6 Contracts. Schedule 4.6 sets forth a complete list, as of the date hereof, of all material Contracts to which any Seller is a party or by which it is bound and that are used in or related to the Business or the Acquired Assets (except for material Contracts that are otherwise disclosed in Schedules to this Agreement).

4.7 Real Property. (a) Schedule 1.1(d) sets forth a list of all of the Real Property owned by the Sellers.

(b) Schedule 1.1(b) sets forth a list of all of the Leased Property. True, correct and complete copies of all leases for all of the Leased Property, with any amendments, modifications, supplements, renewals, letter agreements and assignments relating thereto (the "Real Property Leases"), have been made available to Purchasers and there are no written or oral amendments or modifications to the Real Property Leases except as set forth on Schedule 4.7(b). Except as set forth on Schedule 4.7(b), the Sellers have valid and enforceable leasehold interests in each parcel of the Leased Property pursuant to the Real Property Leases, each of which remains in full force and effect in accordance with its terms.

(c) With respect to each parcel of the Real Property or the Leased Property, except as set forth on Schedule 4.7(c):

(i) the Sellers have received no written notification from any Governmental Authority that any of the Real Property or the Leased Property is in violation of any zoning, subdivision, landmark preservation, building, land use or other ordinances, laws, codes or regulations, which violation would materially interfere with the use of the Real Property or the Leased Property as currently operated;

(ii) the Seller has received no written notification of any expropriation or condemnation proceedings or eminent domain proceedings of any kind pending against the Real Property or the Leased Property; and

(iii) other than as registered on title to the Real Property or as otherwise disclosed by Sellers to Purchasers in writing, none of the Sellers is a party to any written agreements or undertakings with owners or users of properties adjacent to any facility located on any parcel of the Real Property or the Leased Property relating to the use, operation or maintenance of such facility or any adjacent real or immovable property which materially interfere with the use of the Real Property or the Leased Property as currently operated.

4.8 Permits. Schedule 4.8 sets forth a list of all Permits held by Sellers that are necessary or required for the operation of the Business or the Facilities which form part of the Acquired Assets as currently operated in all material respects. Except as set forth on Schedule 4.8, none of the Sellers is nor will they be at Closing in material breach of, any of the Permits necessary or required for the operation of the Business or the Facilities which form part of the Acquired Assets as currently operated in all material respects, and no event has occurred or condition exists which constitutes or that with notice or lapse of time or both, could constitute, a default under, or violation of, any of such Permits. Except as set forth on Schedule 4.8, none of the Permits shall be terminated or impaired or become terminable, in whole or in part, as a result of the transactions contemplated hereby.

4.9 Employee Benefit Plans. Schedule 4.9 sets forth a list of each Employee Benefit Plan. Except as set forth on Schedule 4.9, no Seller or any ERISA Affiliate has maintained, sponsored, or contributed to an Employee Benefit Plan that is subject to Title IV of ERISA within the last six years or, in any way, directly or indirectly, has any liability with respect to such a plan. All Employee Benefit Plans which are subject to ERISA and the Code are being administered in compliance, in all material respects, with their terms and all applicable Laws, including, but not limited to, ERISA and the Code, and the regulations promulgated thereunder or, in the case of Employee Benefit Plans which are not subject to ERISA and the Code (other than any Employee Benefit Plan which is a MEPP), all other applicable Laws. Each Employee Benefit Plan that is intended to be qualified under Section 401(a) of the Code has received a favorable determination letter upon which Sellers may rely, or has pending or has time remaining in which to file an application for such determination from the United States Internal Revenue Service.

4.10 Labor Relations. Except as set forth on Schedule 4.10, no Seller is a party to or bound by or has an obligation to perform (including make payments) under any collective bargaining agreement or any Contract with a labor union or labor organization. No Seller has received written notice of any outstanding representation petitions, complaints or applications involving any Seller before the National Labor Relations Board or any provincial or state labor board and, to Sellers' Knowledge, no such petition, complaint or application has been threatened, and no labor dispute, strike, picketing, work slowdown, work stoppage or handbilling has been threatened in writing. No Seller is subject to any unfair labor complaints or charges. To the Sellers' Knowledge, there are no events or circumstances that could reasonably be expected to result in a strike, work stoppage, slow-down, lock out or other labour dispute affecting the Business.

4.11 Environmental Matters. No Seller has received written notice of any investigation, suit, claim, action, prosecution, administrative penalty or proceeding relating to or arising under Environmental Laws with respect to the Acquired Assets or the Business that remains unresolved, nor, to the Sellers' Knowledge, are any of the same being threatened against any Seller or any real property owned, operated, or leased by any Seller, (b) no Seller has received any written notice of, or entered into, any obligation, order, settlement, judgment, injunction, or decree involving outstanding requirements relating to or arising under Environmental Laws that remains unsatisfied or which potentially subjects the Seller to further liability, and (c) except as set forth in Schedule 4.11, other than that which would not have a Material Adverse Effect, (i) no Hazardous Materials are present on, in or under the Real Property or Leased Property, other than in compliance with or which would not give rise to liability with respect to the Business or any of the Acquired Assets under Environmental Laws, and (ii) no release of any Hazardous Material has occurred on, in or under the Real Property or Leased Property, or, to the Seller's Knowledge, on any surrounding property with the potential to impact the Real Property or Leased Property, which would require reporting, remedial investigation or remediation with respect to the Business or any of the Acquired Assets under any Environmental Law. This Section 4.11, together with Section 4.8 and Section 4.14 constitutes the sole and exclusive representation and warranty of Sellers regarding environmental and public or occupational health and safety matters and liabilities and obligations and compliance with Environmental Laws relating thereto.

4.12 Insurance. Sellers maintain the insurance policies set forth on Schedule 4.12, which Schedule sets forth all insurance policies covering the Acquired Assets (including policies providing property, casualty, liability and workers' compensation coverage). Sellers have paid all premiums on such policies due and payable following the Petition Date or Filing Date, as applicable, prior to the Execution Date.

4.13 Board Approval and Recommendations. The Board of Directors (or similar governing Body) of each Seller has determined that, based upon its consideration of the available alternatives, and subject to the approval of the Bankruptcy Court and the

Canadian Court and the provisions in this Agreement regarding the solicitation of and ability to accept Alternate Transactions, a sale, assignment and assumption of the Acquired Assets and Assumed Liabilities pursuant to this Agreement is in the best interests of such Seller.

4.14 Compliance with Laws. No Seller has received any written notice or other written communication from any Governmental Entity or other Person (i) asserting any violation of, or failure to comply with, any requirement of any Permit, or (ii) notifying a Seller of the non-renewal, revocation or withdrawal of any Permit. To Sellers' Knowledge, each Seller is in material compliance with the terms of the Permits. The Sellers are, and at Closing will be, in compliance with all applicable Laws applicable to them and the Business, except in each case where the failure to comply could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

4.15 GST Registration. Indalex Limited is registered for goods and services tax purposes under Part IX of the *Excise Tax Act* (Canada) with the following registration number: 13683 4041 RT0004.

4.16 QST Registration. Indalex Limited is registered for Quebec sales tax purposes pursuant to the *Act respecting the Quebec sales tax* and its QST registration number is 1162176342.

4.17 Vendor Permit Number. Indalex Limited is registered for Ontario sales tax purposes with the following Ontario vendor permit number 4818 7836.

4.18 Canadian Tax Residency. Each Canadian Seller is not a non-resident of Canada for purposes of the *Income Tax Act* (Canada).

4.19 Intellectual Property. (a) Schedule 4.19 sets forth a complete and accurate list of all Intellectual Property that is the subject of a registration or application in Canada or the United States owned by the Sellers. Except as set forth in Schedule 4.19, (i) the consummation of the transactions contemplated by this Agreement will not impair any right by the Sellers to own the foregoing Intellectual Property, (ii) the Sellers own, without payment to a third party except as set forth in Schedule 4.19, all of the foregoing Intellectual Property which is material to the conduct of the Business as conducted on the date hereof, and as to be conducted at the time of Closing.

(b) To the Sellers' Knowledge, no third party is misappropriating, infringing, diluting or violating in any material respect any Intellectual Property owned or used by the Sellers and, to the Seller's Knowledge, no claims have been brought, asserted or threatened by Sellers against any third party with regard to the foregoing. No Intellectual Property owned or used by the Sellers is the subject of any written notices of breach, default, termination or infringement of any third party during the last three (3) years.

(c) The Sellers will not, to the Sellers' Knowledge, as a result of the execution or delivery of this Agreement be in violation of any license, sublicense, agreement or instrument relating to the Intellectual Property to which any of the Sellers is a party or otherwise bound, nor to the Sellers' Knowledge, will execution or delivery of this Agreement or cause the termination or forfeiture of any Intellectual Property or any rights therein or thereto.

4.20 Products. There is no pending, or to the Sellers' Knowledge, threatened or basis for any (a) recall or investigation of, or with respect to, any product distributed by the Sellers or (b) claim against the Sellers deriving from the provisions of applicable Law governing manufacturers' and distributors' liabilities for the safety of such products or manufacturers' liabilities alleging the defectiveness of such products other than ordinary course claims of customers of the Business or consumers of the products of the Business which are individually or in the aggregate immaterial.

4.21 Trust Fund Taxes. Except as set forth in Schedule 4.21, as of the date of this Agreement and as of the Closing Date, the Sellers have (i) timely paid or caused to be paid in full all Trust Fund Taxes which are or have become due and payable to all taxing authorities with respect to such returns and periods; (ii) made or caused to be made all withholdings of Trust Fund Taxes required to be made by it, and such withholdings have either been paid to the appropriate governmental agency or set aside in appropriate accounts for such purpose; and (iii) otherwise satisfied, in all material respects, all applicable Laws and agreements with respect to the filing of Tax Returns with respect to Trust Fund Taxes and the payment of all Trust Fund Taxes.

4.22 Financial Matters.

(a) Attached hereto as Schedule 4.22(a) is a copy of the Sellers' consolidated audited income statement, statement of cash flows and balance sheet as at December 31, 2007 (the "Financial Statements") and the unaudited income statement, statement of cash flows and balance sheet as at December 31, 2008 (the "2008 Annual Financial Statements") and the consolidated unaudited interim statement of income, statement of cash flows and balance sheet of the Company as of April 26, 2009, utilizing appropriate and adequate reserves for accounts receivable in accordance with GAAP and Canadian GAAP (the "Reference Financial Statements"). The Financial Statements have been prepared in accordance with GAAP and the 2008 Annual Financial Statements and Reference Financial Statements have been prepared in conformity with GAAP and Canadian GAAP, respectively and fairly present the financial condition of the Sellers as of the dates thereof, except: (i) for the absence of notes to the Reference Financial Statements that, if presented, would not differ materially from those included in the Financial Statements; and (ii) as set forth in Schedule 4.22(a)(1).

(b) The Sellers have no known liabilities of a nature required by GAAP to be disclosed on a balance sheet except for (i) liabilities (including Taxes), commitments or obligations incurred subsequent to the date of the Reference Financial

Statements in the ordinary course of business, (ii) liabilities that do not exceed \$500,000 in the aggregate, (iii) liabilities, commitments or obligations reflected on, accrued or reserved against in, the Financial Statements or the Reference Financial Statements or (iv) liabilities set forth on Schedule 4.22(b).

(c) Inventory. The inventories set forth in the Reference Financial Statements were properly stated therein with value determined in accordance with GAAP and Canadian GAAP, respectively, as consistently applied in accordance with the Sellers' past practices, stated at the lower of cost or market applying reasonable reserves for obsolete, aged, slow-moving or unsaleable inventory, determined using (i) the last-in first-out (LIFO) method of accounting for the US Sellers and the first-in first-out (FIFO) method of accounting for the Canadian Sellers, consistently applied. Since the date of the Reference Financial Statements, the inventories related to the business of the Sellers have been maintained in the ordinary course of business. All such inventories are owned by the Sellers free and clear of any Encumbrances, other than Permitted Encumbrances.

(d) Account Receivables. All accounts, notes, financial receivables and other receivables of the Sellers, reflected on the Reference Financial Statements and all accounts, notes, financial receivables and other receivables arising subsequent to the Reference Financial Statements (i) except as set forth on Schedule 4.22(d), will not, to the Sellers' Knowledge be subject to any contests, claims, counterclaims or setoffs, (ii) arose from bona fide transactions in the ordinary course of business, (iii) represent valid obligations arising from sales actually made or services actually performed in the operation of the Sellers' business in the ordinary course, (iv) to the Sellers' Knowledge, are collectible. There have not been any write-offs as uncollectible of any customer accounts receivable of the Sellers since the date of the Reference Financial Statements, except for write-offs in the ordinary course of business.

(e) Books and Records. The books, stock transfer records, stock record books, and other records of the Sellers, copies of which have all been made available to Purchasers, are true and complete in all material respects and have been maintained in accordance with applicable Law and consistent with the Sellers' historical practice. The minute books of the Sellers contain materially accurate and complete records of all meetings held by the shareholders, the board of directors and committees of the board of directors of the Sellers.

4.23 Investment Canada Act. The value of the Canadian Acquired Assets determined in such manner as required pursuant to the Investment Canada Act (Canada) and the regulations pursuant thereto does not exceed 312,000,000 (Canadian Dollars).

4.24 Warranties Are Exclusive. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, SELLERS MAKE NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AT LAW OR IN EQUITY, IN RESPECT OF ANY OF THEIR ASSETS (INCLUDING THE ACQUIRED ASSETS), LIABILITIES (INCLUDING THE ASSUMED LIABILITIES) OR OPERATIONS, INCLUDING,

WITH RESPECT TO MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, OR NON-INFRINGEMENT, AND ANY SUCH OTHER REPRESENTATIONS OR WARRANTIES ARE HEREBY EXPRESSLY DISCLAIMED AND NONE SHALL BE IMPLIED AT LAW OR IN EQUITY. PURCHASERS HEREBY ACKNOWLEDGE AND AGREE THAT PURCHASERS ARE PURCHASING THE ACQUIRED ASSETS ON AN "AS IS, WHERE IS" BASIS AFTER GIVING EFFECT TO THE TERMS CONTAINED HEREIN.

ARTICLE 5
REPRESENTATIONS AND WARRANTIES OF PURCHASERS

Purchasers represent and warrant to Sellers as follows:

5.1 Corporate Organization. Purchasers are corporations duly organized, validly existing and in good standing under the Laws of their respective states of incorporation and have all requisite power and authority to own their properties and assets and to conduct their businesses as now conducted.

5.2 Authorization and Validity. Purchasers have, or at the time of execution will have, all necessary corporate power and authority to execute and deliver this Agreement and any Ancillary Agreements to which Purchasers are or will become a party and to perform their obligations hereunder and thereunder. The execution and delivery of this Agreement and any Ancillary Agreements to which Purchasers are or will become a party and the performance of Purchasers' obligations hereunder and thereunder have been, or at the time of execution will be, duly authorized by all necessary action by the board of directors, managers or applicable governing bodies of Purchasers, and no other corporate proceedings on the part of Purchasers is necessary to authorize such execution, delivery and performance. This Agreement and each Ancillary Agreement to which Purchasers are or will become a party have been, or at the time of execution will be, duly executed by Purchasers and constitute, or will constitute, when executed and delivered, Purchasers' valid and binding obligations, enforceable against it in accordance with their respective terms except as may be limited by bankruptcy or other Laws affecting creditors' rights and by equitable principles.

5.3 No Conflict or Violation. The execution, delivery and performance by Purchasers of this Agreement and any Ancillary Agreements to which Purchasers are or will become a party do not or will not at the time of execution (a) violate or conflict with any provision of the organizational documents of Purchasers, (b) violate any provision of applicable Law, or any order, writ, injunction, judgment or decree of any court or Governmental Authority applicable to Purchasers, or (c) violate or result in a breach of or constitute (with due notice or lapse of time, or both) an event of default or default under any Contract to which Purchasers are party or by which Purchasers are bound or to which any of Purchasers' properties or assets are subject.

5.4 Consents and Approvals. Except as set forth on Schedule 5.4, no consent, waiver, authorization or approval of any Person and no declaration to or filing or registration with any Governmental Authority is required in connection with the execution and delivery by Purchasers of this Agreement and each Ancillary Agreement to which Purchasers are or will become a party or the performance by Purchasers of their obligations hereunder or thereunder.

5.5 Financing. Purchasers have available sufficient funding to enable Purchasers to consummate the purchase of the Acquired Assets from Sellers on the terms set forth herein and otherwise to perform all of Purchasers' obligations under this Agreement.

5.6 Litigation. There is no action, suit, proceeding or claim that is pending or, to Purchasers' knowledge, threatened in any court or by or before any Governmental Authority that would adversely affect Purchasers' ability to perform their obligations under this Agreement on a timely basis.

5.7 GST Registration. Canadian Purchaser will be registered for goods and services tax purposes under Part IX of the *Excise Tax Act* (Canada).

5.8 QST Registration. Canadian Purchaser will be registered for Quebec sales tax purposes pursuant to the *Act respecting the Quebec sales tax* effective on or prior to Closing.

5.9 Canadian Tax Residency. Canadian Purchaser will not be a non-resident of Canada for purposes of the *Income Tax Act* (Canada) effective on or prior to Closing.

5.10 Investment Canada Act. The Purchasers are Canadian or, if not Canadian, qualify as WTO investors within the meaning of the *Investment Canada Act* (Canada).

5.11 No Other Representations and Warranties. Except for the representations and warranties contained in this Article 5, neither Purchasers nor any other Person makes any other express or implied representation or warranty on behalf of Purchasers and any such other representations and warranties are hereby expressly disclaimed and none shall be implied at law or in equity.

ARTICLE 6

COVENANTS AND OTHER AGREEMENTS

6.1 Pre-Closing Covenants of Sellers. Sellers covenant to Purchasers that, during the period from and including the Execution Date through and including the Closing Date or the earlier termination of this Agreement:

(a) Cooperation. Sellers shall, without payment of funds to counterparties, use reasonable best efforts to obtain, and assist Purchasers in obtaining, at

no cost to Purchasers (except as otherwise set out herein), such consents, waivers, discharges, releases or approvals of any third party or Governmental Authority or transfer of any Permits required for the consummation of the transactions contemplated hereby or the operation of the Business by the Purchasers from and after the Closing in the ordinary course of business, including the sale and assignment of the Acquired Assets and the application for an advance ruling certificate under Section 102(1) of the Competition Act and the filing of a notification under Section 114 of the Competition Act within five (5) Business Days after the Execution Date. Sellers shall take, or cause to be taken, all commercially reasonable actions and to do, or cause to be done, all things necessary or proper, consistent with applicable Law, to consummate and make effective as soon as possible the transactions contemplated hereby. If the US Sellers and US Purchaser determine that a filing under the HSR Act is required, US Sellers and US Purchaser shall each file their respective forms under such legislation no later than five (5) Business Days after the Execution Date. The filing fee with respect thereto shall be borne one-half by US Purchaser and one-half by the US Sellers. Purchasers and Sellers will each advise the other party promptly of any material communication received by such party from any Governmental Authority regarding any of the transactions contemplated by this Agreement. Neither Purchasers nor Sellers will independently participate in any meeting with any Governmental Authority in respect of any review, investigation or inquiry in connection with the transactions contemplated by this Agreement without giving the other prior notice of the meeting and the opportunity to attend and participate, unless prohibited by such Governmental Authority. Purchasers and Sellers will consult and cooperate with one another in connection with proceedings under or relating to any filings, submissions, responses to information requests or the like made hereunder to a Governmental Authority in connection with the transactions contemplated hereby.

(b) Access to Records and Properties. Sellers shall, subject to the execution of confidentiality agreements mutually acceptable to Sellers and Purchasers, (i) provide Purchasers and their Related Persons reasonable access during normal business hours upon reasonable notice to the Facilities, offices and personnel of Sellers and to the books and records of Sellers, related to the Acquired Assets or otherwise reasonably requested by Purchasers if reasonably necessary to comply with the terms of this Agreement or the Ancillary Agreements or any applicable Law, including access to perform field examinations and inspections of the Acquired Assets' inventories, Facilities and equipment, (ii) furnish Purchasers with such financial and operating data and other information with respect to the condition (financial or otherwise), businesses, assets, properties or operations of Sellers as Purchasers shall reasonably request, (iii) provide Purchasers and their Related Persons reasonable access to personnel files of Business Employees (as defined in Section 6.4(a)) and (iv) permit Purchasers to make such reasonable inspections and copies thereof as Purchasers may require; provided, however, that Purchasers shall use their reasonable best efforts to prevent any such inspection from interfering with the operation of the Business or the duties of any employee of Sellers.

(c) Conduct of Business Prior to Closing. During the period from the Execution Date and until the earlier of the Closing Date and the termination of this Agreement in accordance with Article 11, except as expressly contemplated by this Agreement, and except to the extent expressly required under the DIP Credit Agreement, the Bankruptcy Code, the CCAA, applicable Canadian Law or other applicable Law or any ruling or order of the Bankruptcy Court or the Canadian Court:

(i) without Purchasers' prior written consent, Sellers shall not take any action that would constitute or result in an Event of Default (as defined therein) under the DIP Credit Agreement, provided that Sellers shall not be in breach of this Section 6.1(c)(i) to the extent that the action that would constitute or result in an Event of Default has been waived under the DIP Credit Agreement or can be cured by Sellers prior to August 1, 2009.

(ii) without Purchasers' prior written consent, Sellers shall not directly or indirectly sell or otherwise transfer, or offer, agree or commit (in writing or otherwise) to sell or otherwise transfer, any of the Acquired Assets other than the sale of Inventory in the ordinary course of business or the use of cash collateral in accordance with the DIP Credit Agreement or the DIP Orders;

(iii) without Purchasers' prior written consent, Sellers shall not permit, offer, agree or commit (in writing or otherwise) to permit, any of the Acquired Assets to become subject, directly or indirectly, to any Lien or Encumbrance, except for Permitted Exceptions and Permitted Liens and Liens and/or Encumbrances granted in connection with the DIP Credit Agreement;

(iv) without Purchasers' prior written consent, Sellers shall not enter into any transaction or take any other action that could be reasonably expected to cause or constitute a breach of any representation or warranty made by Sellers in this Agreement;

(v) Sellers shall notify Purchasers promptly in writing of any Material Adverse Effect;

(vi) without Purchasers' prior written consent, Sellers shall not make any promise or representation, oral or written, or otherwise, (x) to increase the annual level of compensation payable or to become payable by Sellers to any of their directors or Business Employees, (y) to grant, or establish or modify any targets, goals, pools or similar provisions in respect of, any bonus, benefit or other direct or indirect compensation to or for any director or Business Employee, or increase the coverage or benefits available under any (or create any new) Employee Benefit Plan, or (z) to enter into any employment, deferred compensation, severance, consulting, non-competition or similar agreement (or amend any such agreement) to which any Seller is a party or involving a director or Business Employee of Sellers, except, in each case, as required by

Law, or as required by any plans, programs or agreements existing on the Execution Date and disclosed on Schedule 4.9;

(vii) Sellers shall comply in all material respects with all Laws applicable to them or having jurisdiction over the Business or any Acquired Asset;

(viii) without Purchasers' prior written consent, Sellers shall not enter into any Contract having a cumulative value, obligation or liability in excess of \$500,000 or that is material to Sellers (taken as a whole) related to the Acquired Assets or assume, amend, modify or terminate any Contract to which any Seller is a party or by which it is bound and that are used in or related to the Acquired Assets (including any Assigned Contract);

(ix) without Purchasers' prior written consent, Sellers shall not cancel or compromise any material debt or claim or waive or release any right of Sellers that constitutes an Acquired Asset;

(x) without Purchasers' prior written consent, Sellers shall not enter into any commitment for capital expenditures except pursuant to any budget approved by the lenders under the DIP Credit Agreement;

(xi) without Purchasers' prior written consent, Sellers shall not terminate, amend or modify in any manner any lease for Leased Property which forms part of the Acquired Assets hereunder;

(xii) Sellers shall use reasonable best efforts to (1) conduct the Business in substantially the same manner as conducted as of the date of this Agreement and only in the ordinary course, (2) preserve the existing business organization and management of the Business intact, (3) keep available the services of the current officers and employees of the Business, to the extent reasonably feasible, (4) maintain the existing relations with customers, distributors, suppliers, creditors, business partners, employees and others having business dealings with the Business, to the extent reasonably feasible, (5) refrain from changing in any material respect any of their product prices or pricing policies (e.g., discount policies) for any of their products except as shall be necessary to meet competition or customer requirements, and (6) continue to pay all ordinary course liabilities and obligations with respect to the Acquired Assets arising after the Petition Date and the Filing Date, respectively, to the extent relating to conduct of the Business from and after the Petition Date and the Filing Date in the ordinary course of the Sellers' business in accordance with the normal and ordinary payment terms of such liabilities and obligations;

(xiii) Sellers shall at all times maintain, preserve and protect all of their material Intellectual Property, and preserve all the remainder of their material property, in use or useful in the conduct of the Business and keep the same in good repair, working order and condition (taking into consideration ordinary wear and tear)

and from time to time make, or cause to be made, all necessary or appropriate repairs, replacements and improvements thereto consistent with industry practices, so that the business carried on in connection therewith may be properly and advantageously conducted at all times; and

(xiv) Sellers shall not take, or agree, commit or offer (in writing or otherwise) to take, any actions in violation of the foregoing.

(xv) Prior to the Closing Date, the negotiation of any new collective bargaining agreement or of any amendment to or verification of any existing collective bargaining agreement or of any collective bargaining agreement renewal will not be conducted without prior consent of or participation by the Purchasers.

6.2 Pre-Closing Covenants of Purchasers. Purchasers covenant to Sellers that, during the period from the Execution Date through and including the Closing or the earlier termination of this Agreement:

(a) Cooperation. Purchasers shall take, or cause to be taken, all commercially reasonable actions and to do, or cause to be done, all things necessary or proper, consistent with applicable Law, to consummate and make effective as soon as possible the transactions contemplated hereby; provided, that the foregoing shall not require Purchasers to participate in the Auction.

(b) Adequate Assurances Regarding US Assigned Contracts. With respect to each applicable US Assigned Contract, US Purchaser shall provide adequate assurance of the future performance of such US Assigned Contract by US Purchaser.

(c) Orders. Purchasers shall take such actions as may be reasonably requested by Sellers to assist Sellers in obtaining the Bankruptcy Court's entry of the Bankruptcy Sale Order and the Canadian Court's entry of the Canadian Sale Order and any other order of the Bankruptcy Court or the Canadian Court reasonably necessary to consummate the transactions contemplated by this Agreement.

(d) Sufficient Funds. Purchasers shall ensure that, on the Closing Date, Purchasers will have sufficient funds to pay Cure Amounts (other than Cure Amounts payable by Sellers pursuant to Section 2.8) respecting the Assigned Contracts and all of their fees and expenses incurred in connection with the transactions contemplated hereby.

(e) Permits and Assigned Contracts. Purchasers shall use reasonable best efforts to cooperate with Sellers to obtain or consummate the transfer to Purchasers of any Permit or Assigned Contract required to own or operate the Acquired Assets under applicable Laws. To the extent that the Seller is unable to assign or transfer any Assigned Contracts or Permits in accordance with the conditions set out in Sections 9.2(j)

and 9.2(m), Purchasers will use their reasonable best efforts to obtain replacement permits or contracts, on terms no less materially favorable than the Permits and Assigned Contracts not capable of being transferred or assigned, that would permit the Purchaser to operate any Facility or the Business as a whole as currently operated in all material respects, in satisfaction of such conditions.

6.3 Other Covenants of Sellers and Purchasers.

(a) Disclosure Schedules and Supplements. Sellers, on the one hand, shall notify Purchasers of, and Purchasers on the other hand, shall notify Sellers of, and shall supplement or amend the disclosure schedules (the "Schedules") to this Agreement with respect to, any matter that (i) arises after the Execution Date and that, if existing or occurring at or prior to such delivery of the Schedules, would have been required to be set forth or described in the Schedules to this Agreement, or (ii) makes it necessary to correct any information in the Schedules to this Agreement or in any representation and warranty of Sellers or Purchasers, as applicable, that has been rendered inaccurate thereby. Each such notification and supplementation, to the extent known, shall be made no later than two (2) Business Days after discovery thereof and no later than three (3) Business Days before the date set for the Closing by the parties. Notwithstanding the foregoing, any amendment, deletion or supplement to the Schedules that is made by the Sellers shall be satisfactory to the Purchasers, in their sole discretion, and any amendment, deletion or supplement to the Schedules that is made by the Purchasers (except as otherwise permitted in this Agreement to be made by the Purchasers) shall be satisfactory to the Sellers, in their sole discretion.

(b) Personally Identifiable Information. Purchasers shall honor and observe, in connection with the transactions contemplated by this Agreement, all applicable privacy Laws with respect to the collection, use, transfer and disclosure of personal information about Business Employees, including the requirements of Section 363(b)(1)(A) of the Bankruptcy Code.

(c) Access to Records after Closing. Following Closing, Purchasers and Sellers agree to permit their respective representatives to have access, at reasonable times and in a manner so as not to unreasonably interfere with their normal business operations, to the books and records acquired pursuant to this Agreement so as to enable Purchasers to prepare the draft Closing Date Statement, and Purchasers and Sellers to prepare Tax, financial or court filings or reports, to pursue causes of action which form part of the Excluded Assets, to respond to court orders, subpoenas or inquiries, investigations, audits or other proceedings of Governmental Authorities, to prosecute and defend legal actions or for other like purposes, and for the purposes of winding-down or administering the estates of the Sellers. If either party desires to dispose of any such records, such party shall, prior to such disposition, provide the other party with a reasonable opportunity to remove such of the records to be disposed of at the removing party's expense.

(d) Incorporation of Canadian Purchaser. Prior to the Auction, Canadian Purchaser shall assign all of its rights and obligations under this Agreement to an Affiliate that is not a non-resident of Canada for tax purposes.

(e) Post-Closing Accounts Receivable. Any Accounts Receivable related to the Business collected by Sellers (or other proceeds collected or derived from an Acquired Asset by Sellers) from and after the Closing Date shall be held in trust for the benefit of the applicable Purchaser, and such funds shall not form part of the Sellers' respective estates or otherwise be made available to Sellers' stakeholders, and shall promptly be paid to, and for the benefit of, the applicable Purchaser in accordance with their rights under this Agreement.

6.4 Employment Covenants and Other Undertakings.

(a) Employees. Purchasers shall have the right, but not the obligation, to offer employment or engage as contractors any or all of the employees employed by Sellers in connection with the Business (the "Business Employees"), save and except for those bargaining unit employees whose rights and entitlements are governed by the terms of a collective bargaining agreement of the Canadian Sellers ("Canadian Unionized Business Employees"). Any Business Employees who accept an offer and are actually employed by Purchasers, and any Business Employees in the Province of Quebec included in the list referred to in Section 6.4(c) hereof are referred to herein as "Transferred Employees." Purchaser undertakes to continue the employment of all or substantially all of the Business Employees in the Province of Quebec. Prior to the effective date/time of the Closing, Sellers shall terminate the employment of all Business Employees, save and except for the Transferred Employees and all Canadian Unionized Business Employees.

(b) With respect to Business Employees of US Sellers, US Purchaser shall deliver a list of the Business Employees it intends to hire no later than five (5) Business Days prior to the date of the Auction. US Sellers shall deliver to US Purchaser on or before the Closing Date all personnel files and employment records relating to the US Transferred Employees (including completed I-9 forms and attachments with respect to all US Transferred Employees, except for such employees as US Sellers certify in writing are exempt from such requirement). The initial terms and conditions of employment offered to any Business Employees of US Sellers shall be determined by US Purchaser in their sole and absolute discretion, subject only to applicable employment and labor laws.

(c) With respect to Business Employees of Canadian Sellers who are not Canadian Unionized Business Employees, Canadian Purchaser shall deliver a list of such Business Employees it intends to hire no later than five (5) Business Days prior to date of the Auction. Canadian Sellers shall deliver to Canadian Purchaser on or before the Closing Date all personnel files and employment records relating to the Canadian Transferred Employees. The initial terms of employment offered or applicable to any

Business Employees who are not Canadian Unionized Business Employees of Canadian Sellers shall be substantially comparable in the aggregate in terms limited to the current title, compensation, benefits, hours of work and location, and with duties that are similar to the duties now being performed by such Business Employees. With respect to any Canadian Transferred Employees in the Province of Quebec, the terms and conditions of employment shall also include the terms and conditions required under the Laws of the Province of Quebec.

(d) Purchasers Employee Benefit Plans. Purchasers reserve the right in their sole and absolute discretion subject only to applicable Law and any collective bargaining agreement, or as otherwise provided herein, to establish their own employee benefit plans or programs for Transferred Employees. Eligibility and participation in such employee benefit plans or programs will be subject to the terms and conditions of such plans or programs.

(e) Sellers Employee Benefit Plans. Subject to paragraph (f) below, Sellers shall retain all liabilities and obligations under any "employee benefit plan", including employee benefit plans within the meaning of Section 3(3) of ERISA and any other employee benefit plan or program maintained or contributed to by a Seller or any ERISA Affiliate, including any Employee Benefit Plans, and Purchasers shall have no liability or obligation whatsoever under the Employee Benefit Plans nor shall Purchasers assume the sponsorship of the Employee Benefit Plans. Notwithstanding the foregoing provisions of this Section 6.4(e), Sellers and/or their Affiliates shall provide continuation coverage under COBRA to all M&A Qualified Beneficiaries for so long as Sellers maintain a group health plan. Thereafter, Purchasers shall provide COBRA coverage only to the extent required by Law.

(f) MEPP. Canadian Purchaser and Canadian Sellers will take all necessary steps as soon as practicable following the Closing Date to ensure that, effective as of the Closing Date, Canadian Purchaser replaces Indalex Limited as a participating employer under any MEPP in which Indalex Limited participates in respect of Canadian Unionized Business Employees immediately prior to the Closing Date. Following the Closing Date, Canadian Purchaser shall, to the extent required by applicable Laws and the applicable collective bargaining agreements, assume the liabilities and obligations as a participating employer under any such MEPP.

(g) Other Obligations. Except as specified in this Agreement, or otherwise agreed in writing by Purchasers and/or their Affiliates, neither Purchasers nor their Affiliates shall be obligated to provide any severance, separation pay, or other payments or benefits, including any key employee retention payments, to any employee of Sellers on account of any termination of such employee's employment on or before the Closing Date, and such payments and benefits (if any) shall remain obligations of the Sellers to be dealt with in accordance with the Bankruptcy Cases or Canadian Cases, as applicable.

(h) Forms W-2 and W-4. US Sellers and US Purchaser shall adopt the “standard procedure” for preparing and filing IRS Forms W-2 (Wage and Tax Statements) and Forms W-4 (Employee’s Withholding Allowance Certificate) regarding the US Transferred Employees. Under this procedure, US Sellers shall keep on file all IRS Forms W-4 provided by the US Transferred Employees for the period required by applicable law concerning record retention and US Purchaser will obtain new IRS Forms W-4 with respect to each US Transferred Employee.

6.5 Non-Assignment of Contracts or Permits. Notwithstanding anything contained herein to the contrary, this Agreement shall not constitute an agreement to assign any Assigned Contract or any Permit, to the extent that such Contract or Permit is not assignable under the Bankruptcy Code or applicable Canadian Law, without the consent of any other Person party thereto, where the consent of such Person has not been given or received, as applicable, or where assignment would constitute a breach of such Agreement or in any way negatively affect the rights of Purchasers (unless the restrictions on assignment would be rendered ineffective pursuant to Sections 9-406 through 9-409, inclusive, of the Uniform Commercial Code, as amended), as the assignee of such Assigned Contract or Permit, as the case may be, thereunder. If such consent or approval (not including any approval under the HSR Act or the Competition Act, if applicable) is required but not obtained and Purchasers have not exercised their rights to terminate this Agreement pursuant to Section 11.1(c)(x) of this Agreement, neither Sellers nor Purchasers shall be in breach of this Agreement nor shall the Purchase Price be adjusted or the Closing delayed. For the avoidance of doubt, nothing in this Section 6.5 shall be deemed to alter any rights of the Purchasers under Section 11.1(c)(x) of this Agreement.

6.6 Casualty. If, between the date of this Agreement and the Closing, any of the Acquired Assets shall be destroyed, damaged or rendered inoperable in whole or in part by fire, earthquake, flood, other casualty or any other cause (“Casualty”), then Purchasers shall either (i) if as the result of a material Casualty where the Purchaser cannot operate a Facility or the Business as a whole as currently operated in all material respects, notify the Sellers that such Casualty is material, in which case Purchaser shall have the right to terminate this Agreement pursuant to Section 11.1(c)(xii) of this Agreement, or (ii) acquire such Acquired Assets on an “as is” basis and take an assignment from Sellers of all insurance proceeds payable to Sellers in respect of the Casualty.

6.7 Name Change. Within twenty (20) Business Days of Closing, Sellers will deliver to Purchasers a duly and properly authorized and executed evidence (in form and substance satisfactory to Purchasers) as to (i) the amendment of such Sellers’ organizational documents (collectively, the “Organizational Amendments”) changing each Seller’s name to another name which does not include any of the following words “Indalex,” “Caradon,” “Dalton” or “Indalloy” and (ii) the termination of all business name registrations in respect of such names. Upon delivery, each Seller hereby

irrevocably authorizes Purchasers to file the Organizational Amendments and such terminations with the applicable Secretary of State or ministry of each Seller's jurisdiction of formation and in each state or province in which each such Seller is qualified to do business on each such Seller's behalf. Furthermore, after the Closing, each Seller shall (and cause its Subsidiaries to) discontinue the use of its current name (and any other tradenames currently utilized by any of the Sellers) and shall not subsequently change its name to or otherwise use or employ any name which includes the words "Indalex," "Caradon," or "Dalton," without the prior written consent of Purchasers. From and after the Closing, each of the Sellers covenants and agrees not to use or otherwise employ any of the trade names, corporate names, dba's or similar Intellectual Property rights utilized by any of the Sellers in the conduct of the Business, which rights shall be included in the Acquired Assets purchased hereunder.

ARTICLE 7

TAXES

7.1 Taxes Related to Purchase of Acquired Assets. All sales, use, goods and services, value-added and similar transfer taxes in connection with the transfer of the Acquired Assets, and all recording and filing fees (collectively, "Transaction Taxes"), that are imposed by reason of the sale, transfer, assignment and delivery of the Acquired Assets shall be borne by Purchasers. Purchasers and Sellers shall cooperate to (a) determine the amount of Transaction Taxes payable in connection with the transactions contemplated under this Agreement, (b) provide all requisite exemption certificates, and (c) prepare and file any and all required Tax Returns for or with respect to such Transaction Taxes with any and all appropriate taxing authorities.

7.2 GST/QST Elections. If applicable, at the Closing, Indalex Limited and the Canadian Purchaser shall execute jointly an election under Section 167 of the *Excise Tax Act* (Canada) and its equivalent in Quebec pursuant to Section 75 of the *Act respecting the Quebec sales tax* to have the sale of the Canadian Acquired Assets take place on a goods and services tax-free basis under Part IX of the *Excise Tax Act* (Canada) and on a Quebec sales tax-free basis pursuant to the *Act respecting the Quebec sales tax*. The Canadian Purchaser shall file the elections in the manner and within the time prescribed by the relevant legislation. Notwithstanding anything to the contrary in this Agreement, the Canadian Purchaser shall indemnify and hold Indalex Limited harmless in respect of any goods and services tax, Quebec sales tax, penalties, interest and other amounts which may be assessed against Indalex Limited as a result of the transactions under this Agreement not being eligible for such elections or as a result of a Canadian Purchaser's failure to file the elections within the prescribed time.

ARTICLE 8

BANKRUPTCY COURT MATTERS

8.1 Motions.

(a) The US Sellers shall file with the Bankruptcy Court, within two (2) Business Days after the execution and delivery of this Agreement, a motion or motions: (i) seeking the Bankruptcy Court's approval of the Bidding Procedures Order and the Bankruptcy Sale Order, (ii) scheduling the commencement of the Auction on or before July 16, 2009; and (iii) scheduling the Sale Hearing not more than three (3) Business Day following the completion of the Auction. The US Sellers shall affix a true and complete copy of this Agreement to such motion(s).

(b) The Canadian Sellers shall file with the Canadian Court within two (2) Business Days after the execution and delivery of this Agreement, a motion or motions: (i) seeking entry by the Canadian Court of the Canadian Bidding Procedures Order and the Canadian Sale Order, and (ii) scheduling the commencement of the Auction on or before July 16, 2009; and (iii) scheduling the Canadian Sale Hearing not more than three (3) Business Days following the completion of the Auction. The Canadian Sellers shall affix a true and complete copy of this Agreement to such motion. Canadian Sellers shall consult and co-ordinate with Canadian Purchaser and their respective legal advisors, regarding the parties upon whom the motions seeking the Canadian Bidding Procedures Order and the Canadian Sale Order will be served.

8.2 US Assigned Contracts. US Sellers shall serve on all counterparties to those Contracts which may be designated as Assigned Contracts pursuant to Section 2.7 a notice specifically stating that US Sellers are or may be seeking the assumption and assignment of the US Assigned Contracts and shall notify such parties of the deadline for objecting to the Cure Amounts, which deadline shall not be less than five (5) Business Days prior to the Auction. In cases in which the US Sellers are unable to establish that a default exists, the relevant cure amount shall be set at \$0.00. The motion shall reflect US Purchaser's agreement to perform from and after the Closing under the US Assigned Contracts, which, subject to Bankruptcy Court approval shall be the only adequate assurance of future performance necessary to satisfy the requirements of Section 365 of the Bankruptcy Code in respect of the assignment to US Purchaser's of such US Assigned Contracts.

8.3 Procedure. Sellers agree to diligently prosecute the entry of the Bankruptcy Sale Order and the Canadian Sale Order, as applicable. In the event the entry of the Bankruptcy Sale Order and/or the Canadian Sale Order shall be appealed, Sellers and Purchasers shall use their respective reasonable efforts to defend such appeal. Notwithstanding the foregoing, any resulting material changes to this Agreement or any Ancillary Agreements or any resulting material changes to the Bankruptcy Sale Order or the Canadian Sale Order shall be subject to Purchasers' approval, acting reasonably.

ARTICLE 9

CONDITIONS PRECEDENT TO PERFORMANCE BY THE PARTIES

9.1 Conditions Precedent to Performance by Sellers. The obligation of Sellers to consummate the transactions contemplated by this Agreement is subject to the

fulfillment, at or before the Closing, of the following conditions, any one or more of which (other than the conditions contained in Section 9.1(c) and Section 9.1(d)) may be waived by Sellers, in their sole discretion:

(a) Representations and Warranties of Purchasers. The representations and warranties of Purchasers made in this Agreement that are qualified by a materiality standard, in each case, shall be true and correct, and the representations and warranties of Purchasers made in this Agreement that are not qualified by a materiality standard, in each case, shall be true and correct in all material respects.

(b) Performance of the Obligations of Purchasers. Purchasers shall have performed in all material respects all obligations required under this Agreement or any Ancillary Agreements to which it is party that are to be performed by it on or before the Closing Date (except with respect to (i) the obligation to pay the US Purchase Price and the Canadian Purchase Price, as applicable, in accordance with the terms of this Agreement, and (ii) any obligations qualified by materiality, which obligations shall be performed in all respects as required under this Agreement).

(c) Bankruptcy Court Approval. On or before July 20, 2009, the Bankruptcy Sale Order shall have been entered by the Bankruptcy Court and shall not be subject to a stay.

(d) Canadian Court Approval. On or before July 20, 2009, the Canadian Sale Order shall have been entered by the Canadian Court and shall not be subject to a stay.

(e) No Violation of Orders. No preliminary or permanent injunction or other order of any court or Governmental Authority or Law that prevents the consummation of the transactions contemplated hereby shall be in effect.

(f) Bidding Procedures Order. On or prior to July 2, 2009, the Bidding Procedures Order shall have been entered in the Bankruptcy Cases.

(g) Canadian Bidding Procedures Order. On or prior to July 2, 2009, the Canadian Bidding Procedures Order shall have been entered in the Canadian Cases.

(h) Competition Act Approval. (i) The Commissioner shall have issued an advance ruling certificate under Section 102(1) of the Competition Act to the effect that the Commissioner is satisfied that she would not have sufficient grounds upon which to apply to the Competition Tribunal for an order under Section 92 of the Competition Act in respect of the transactions contemplated hereby, or (ii) the applicable waiting period under Section 123 of the Competition Act shall have expired or been terminated early or shall have been waived under Section 113(c) of the Competition Act and neither the Purchasers nor the Sellers shall have been advised in writing by the Commissioner that she has determined to make an application for an order under Section

92 or Section 100 of the Competition Act in respect of the transactions contemplated hereby.

(i) HSR Approval. Any waiting period applicable to the consummation of the transactions contemplated hereby under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the regulations thereunder (the "HSR Act") shall have expired or been earlier terminated.

(j) Canadian Purchaser Assignment. SAPA Holdings AB shall have assigned its right and obligations under this Agreement as Canadian Purchaser to one or more of its Canadian Affiliates.

For avoidance of doubt, there shall be no conditions precedent to Sellers' obligation to consummate the transactions contemplated by this Agreement, except for those conditions precedent specifically set forth in this Section 9.1.

9.2 Conditions Precedent to the Performance by Purchasers. The obligations of Purchasers to consummate the transactions contemplated by this Agreement are subject to the fulfillment, at or before the Closing, of the following conditions, any one or more of which (other than the conditions contained in Section 9.2(c), Section 9.2(d)), may be waived by Purchasers, in their sole discretion:

(a) Representations and Warranties of Sellers. The representations and warranties of Sellers made in this Agreement that are qualified by a materiality standard, in each case, shall be true and correct, and the representations and warranties of Sellers made in this Agreement that are not qualified by a materiality standard, in each case, shall be true and correct in all material respects.

(b) Performance of the Obligations of Sellers. Sellers shall have performed in all material respects all obligations required under this Agreement or any Ancillary Agreements to which each of them is party that are to be performed by them on or before the Closing Date (except with respect to any obligations qualified by materiality, which obligations shall be performed in all respects as required under this Agreement).

(c) Bankruptcy Court Approval. On or prior to July 20, 2009, the Bankruptcy Sale Order shall have been entered by the Bankruptcy Court and shall not be subject to a stay and the Bankruptcy Court shall have provided such other relief as may be necessary or appropriate to allow the consummation of the transactions contemplated by this Agreement.

(d) Canadian Court Approval. On or prior to July 20, 2009, the Canadian Sale Order shall have been entered into by the Canadian Court and shall not be subject to a stay and the Canadian Court shall have provided such other relief as may be

necessary and appropriate to allow the consummation of the transactions contemplated by this Agreement.

(e) No Violation of Orders. No preliminary or permanent injunction or other order of any court or Governmental Authority or Law that prevents the consummation of the transactions contemplated hereby shall be in effect.

(f) Bidding Procedures Motion. On or prior to June 16, 2009, the Bidding Procedures Motion shall have been filed in the Bankruptcy Cases.

(g) Bidding Procedures Order. On or prior to July 2, 2009, the Bidding Procedures Order shall have been entered in the Bankruptcy Cases.

(h) Canadian Motion. On or prior to June 16, 2009, the Canadian Motion shall have been filed in the Canadian Cases.

(i) Canadian Bidding Procedures Order. On or prior to July 2, 2009, the Canadian Bidding Procedures Order shall have been entered in the Canadian Cases.

(j) Assumption, Sale and Assignment of Contracts. To the extent required, subject to Section 6.5, the Assignable Contracts designated hereunder as Assigned Contracts shall be so assumed, sold and assigned to Purchasers by order of the Bankruptcy Court or the Canadian Court, as applicable, provided that if the Purchasers have received assignments of all Assigned Contracts necessary to operate each Facility or the Business as a whole as currently operated in all material respects before August 1, 2009, this condition will be satisfied.

(k) HSR Approval. Any waiting period applicable to the consummation of the transactions contemplated hereby under the HSR Act shall have expired or been earlier terminated.

(l) Competition Act Approval. (i) The Commissioner shall have issued an advance ruling certificate under Section 102(1) of the Competition Act to the effect that the Commissioner is satisfied that she would not have sufficient grounds upon which to apply to the Competition Tribunal for an order under Section 92 of the Competition Act in respect of the transactions contemplated hereby, or (ii) the applicable waiting period under Section 123 of the Competition Act shall have expired or been terminated early or shall have been waived under Section 113(c) of the Competition Act and neither the Purchasers nor the Sellers shall have been advised in writing by the Commissioner that she has determined to make an application for an order under Section 92 or Section 100 of the Competition Act in respect of the transactions contemplated hereby.

(m) Permits. The Permits necessary or required for the operation of the Business or the Acquired Assets shall have been transferred to Purchasers or substitute,

amended or new Permits shall have been issued to Purchasers in form and substance reasonably acceptable to Purchasers unless waived by Purchasers as provided in Section 6.5 of this Agreement, provided that if the Purchasers have received transfers of all Permits necessary to operate each Facility or the Business as a whole as currently operated in all material respects before August 1, 2009, this condition will be satisfied.

(n) Access Agreement. US Sellers and US Purchaser shall enter into an access agreement pursuant to which US Purchaser shall have the right to have access to the office facility of the US Sellers located in Lincolnshire, Illinois for at least 90 days following the Closing Date (and US Sellers agree not to reject the lease agreement for the Lincolnshire, Illinois office location without the consent of the US Purchaser), to permit access to and an orderly transition and removal of the Documents, books and records and other personal property relating to the Business and the Acquired Assets from such location.

(o) Discharges. With respect to real property Encumbrances only, Canadian Sellers shall have obtained the discharges or releases from each of those Persons as requested by the Canadian Purchaser, acting reasonably, discharging and/or releasing any such Person's security interest(s) in the Canadian Acquired Assets which have not been effectively, in the opinion of the Canadian Purchaser, acting reasonably, discharged or vested out by the Canadian Sale Order, with such discharges or releases to be effective as of Closing.

For avoidance of doubt, there shall be no conditions precedent to Purchasers' obligation to consummate the transactions contemplated by this Agreement, except for those conditions precedent specifically set forth in this Section 9.2.

ARTICLE 10 **CLOSING AND DELIVERIES**

10.1 Closing. The consummation and effectuation of the transactions contemplated hereby pursuant to the terms and conditions of this Agreement (the "Closing") shall be held no later than two (2) Business Days after the date that all conditions to the parties' obligations to consummate the transactions contemplated herein have been satisfied (the "Closing Date") (except for closing conditions that by their terms can only be satisfied on the Closing Date) or, if applicable, waived by the appropriate party or parties, at 10:00 a.m., local time, in the offices of Young Conaway Stargatt & Taylor, LLP, The Brandywine Building, 1000 West Street, 17th Floor, Wilmington, DE 19801, or on such other date or at such other place and time as may be mutually agreed to in writing by the parties. All proceedings to be taken and all documents to be executed and delivered by all parties at the Closing shall be deemed to have been taken and executed simultaneously and no proceedings shall be deemed to have been taken nor documents executed or delivered until all have been taken, executed and delivered.

10.2 US Sellers' Deliveries. At the Closing,

(a) the sale, transfer, assignment, conveyance and delivery by US Sellers of the US Acquired Assets to US Purchaser shall be effected by the execution and delivery by US Sellers of (i) the US Bill of Sale, (ii) the US Assignment and Assumption Agreement, and (iii) such special or limited warranty deeds, additional bills of sale, endorsements, assignments and other instruments of transfer and conveyance reasonably satisfactory in form and substance to US Purchaser;

(b) the assumption of the US Assumed Liabilities by US Purchaser shall be effected by the execution and delivery by US Purchaser of the US Assignment and Assumption Agreement;

(c) US Sellers shall have executed and delivered to US Purchaser, to the extent reasonably required by US Purchaser, any Ancillary Agreements;

(d) each US Seller shall deliver a non-foreign affidavit dated as of the Closing Date in form and substance required under Treasury Regulations issued pursuant to Section 1445 of the Code so that US Purchaser is exempt from withholding any portion of the US Purchase Price;

(e) US Sellers shall deliver possession of the US Acquired Assets (including all keys to the Facilities which form part of the US Acquired Assets, combinations to any safes thereon and passwords for all computers thereon and any security devices therein) on an "as is, where is" basis (except as otherwise set out in the Agreement), provided that delivery shall occur in situ wherever such US Acquired Assets are located on the Closing Date;

(f) US Sellers shall deliver a certified copy of the Bankruptcy Sale Order; and

(g) US Sellers shall deliver consents or approvals for the assignment or transfer of Permits or Assigned Contracts as provided in Section 6.5 of this Agreement.

10.3 Canadian Sellers' Deliveries. At the Closing,

(a) the sale, transfer, assignment, conveyance and delivery by Canadian Sellers of the Canadian Acquired Assets to Canadian Purchaser shall be effected by the issued and entered Canadian Sale Order (to be delivered at Closing by the Canadian Sellers) and by the execution and delivery by Canadian Sellers of (i) the Canadian Bill of Sale, (ii) the Canadian Assignment and Assumption Agreement, (iii) to the extent that a Canadian Seller is the registered owner of a Canadian Acquired Asset but that same Canadian Seller is not the beneficial owner of that Canadian Acquired Asset, an authorization and direction from the beneficial owner of that Canadian Acquired Asset wherein the beneficial owner: (A) authorizes and empowers the relevant Canadian Seller to execute this Agreement and all other documents in connection with

the transactions contemplated herein, and (B) transfers and conveys to the Canadian Purchaser of that Canadian Acquired Asset all of its beneficial ownership in and to that Canadian Acquired Assets, and (iv) such special or limited warranty deeds, additional bills of sale, endorsements, assignments and other instruments of transfer and conveyance reasonably satisfactory in form and substance to Canadian Purchaser;

(b) the assumption of the Canadian Assumed Liabilities by Canadian Purchaser shall be effected by the execution and delivery by Canadian Purchaser of the Canadian Assignment and Assumption Agreement;

(c) Canadian Sellers shall have executed and delivered to Canadian Purchaser, to the extent reasonably required by Canadian Purchaser, any Ancillary Agreements;

(d) Indalex Limited shall make the elections referred to in Section 7.2;

(e) Canadian Sellers shall deliver possession of the Canadian Acquired Assets (including all keys to the Facilities which form part of the Canadian Acquired Assets, combinations to any safes thereon and passwords for all computers thereon and any security devices therein) on an "as is, where is" basis (except as set out in this Agreement), provided that delivery shall occur in situ wherever such Canadian Acquired Assets are located on the Closing Date; and

(f) Canadian Sellers shall deliver certified copies of the Canadian Sale Order and Monitor's Certificate.

(g) Canadian Sellers shall deliver consents or approvals for the assignment or transfer of Permits or Assigned Contracts as provided in Section 6.5 of this Agreement.

10.4 US Purchaser's Deliveries. At the Closing,

(a) US Purchaser shall make the payments referred to in Sections 3.3 (b) and (c);

(b) US Purchaser shall execute and deliver to US Sellers the US Assignment and Assumption Agreement; and

(c) US Purchaser shall execute and deliver to US Sellers such other instruments of assignment and assumption of US Assigned Contracts reasonably satisfactory in form and substance to US Sellers.

10.5 Canadian Purchaser's Deliveries. At the Closing,

- (a) Canadian Purchaser shall make the payments referred to in Sections 3.4 (b) and (c);
- (b) Canadian Purchaser shall execute and deliver to Canadian Sellers the Canadian Assignment and Assumption Agreement;
- (c) Canadian Purchaser shall make the election referred to in Section 7.2; and
- (d) Canadian Purchaser shall execute and deliver to Canadian Sellers such other instruments of assignment and assumption of Canadian Assigned Contracts reasonably satisfactory in form and substance to Canadian Sellers.

ARTICLE 11 **TERMINATION**

11.1 Conditions of Termination. This Agreement may be terminated only in accordance with this Section 11.1. This Agreement may be terminated at any time before the Closing as follows:

- (a) by mutual written consent of Sellers and Purchasers;
- (b) automatically and without any action or notice by either the Sellers to Purchasers, or Purchasers to Sellers, immediately upon:
 - (i) the issuance of a final and nonappealable order, decree, or ruling or any other action by a Governmental Authority to restrain, enjoin or otherwise prohibit the transfer of the Acquired Assets contemplated hereby; or
 - (ii) consummation of an Alternate Transaction.
- (c) by Purchasers:
 - (i) if the Bidding Procedures Order shall not have been entered by July 2, 2009, unless agreed to in writing by Purchasers;
 - (ii) if the Canadian Bidding Procedures Order shall not have been entered by July 2, 2009, unless agreed in writing by the Purchasers;
 - (iii) if the Auction has not concluded by July 16, 2009, unless agreed to in writing by Purchasers;
 - (iv) if the Bankruptcy Court has not entered the Bankruptcy Sale Order by July 20, 2009 (or such later date as Purchasers may have designated in writing to Sellers);

(v) if the Canadian Court has not entered the Canadian Sale Order by July 20, 2009 (or such later date as Purchasers may have designated in writing to Sellers);

(vi) if there has been a violation or breach by any Seller of any representation, warranty or covenant contained in this Agreement which (1) has rendered the satisfaction of any condition to the obligations of Purchasers impossible or is not curable or, if curable, has not been cured on or before August 1, 2009 following receipt by Sellers of written notice of such breach from Purchasers, and (2) has not been waived by Purchasers;

(vii) at any time after August 1, 2009, if the Closing shall not have occurred and such failure to close is not caused by or the result of Purchasers' breach of this Agreement;

(viii) if, prior to the Closing Date, US Sellers' Bankruptcy Case shall be converted into a case under Chapter 7 of the Bankruptcy Code or dismissed, or if a trustee or examiner with expanded powers is appointed in the Bankruptcy Case;

(ix) if, prior to the Closing Date, a receiver, receiver and manager, interim receiver, custodian, trustee in bankruptcy or similar official shall be appointed with respect to any Canadian Seller or its respective property and assets;

(x) if there shall be excluded from the Acquired Assets any material Assigned Contract or material Permit that is not assignable or transferable pursuant to the Bankruptcy Code or applicable Canadian Law without the consent of any Person other than Sellers, to the extent that such consent or approval shall not have been given prior to the Closing, and such Assigned Contract or Permit is required for the Purchasers to operate a Facility or the Business as a whole, as currently operated in all material respects, subject to Purchasers having complied with its covenant pursuant to Section 6.2(e).

(xi) there shall occur a Material Adverse Effect from and after the date of the Reference Financial Statements; or

(xii) a Casualty shall occur as provided in Section 6.6(i) of this Agreement.

(d) by Sellers,

(i) if there has been a material violation or breach by Purchasers of any agreement or any representation or warranty contained in this Agreement which (x) has rendered the satisfaction of any condition to the obligations of Sellers impossible or is not curable or, if curable, has not been cured on or before August

1, 2009 following receipt by Purchasers of written notice of such breach from Sellers, and (y) has not been waived by Sellers; or

(ii) at any time after August 1, 2009, if the Closing shall not have occurred and such failure to close is not caused by or the result of Sellers' breach of this Agreement;

11.2 Effect of Termination. In the event of termination pursuant to Section 11.1, this Agreement shall become null and void and have no effect and neither party shall have any liability to the other (other than those provisions of Section 3.3(a), Section 3.4(a), Section 6.6, Article 11 and Article 12 that expressly survive termination or obligations to be performed on or after the Closing) and each party shall be liable to the other after the Closing for any prior breach hereof). If the Agreement is terminated by the Sellers as a result of a breach of Section 11.1(d) by Purchasers, the Purchasers shall forfeit the US Deposit and the Canadian Deposit.

11.3 Break Fee. In the event that this Agreement is terminated pursuant to Section 11.1(b)(ii), the Break Fee shall be payable from the proceeds received upon consummation of such Alternate Transaction, as follows:

(a) each US Seller shall pay to US Purchaser its pro-rata share of the Break Fee payable by US Sellers based upon US Purchaser's pro-rata share of Purchase Price payable hereunder.

(b) each Canadian Seller shall pay to Canadian Purchaser its pro-rata share of the Break Fee payable by Canadian Sellers based upon Canadian Purchaser's pro-rata share of Purchase Price payable hereunder.

(c) Any obligation to pay the Break Fee hereunder shall be absolute and unconditional and shall not be subject to any defense, claim, counterclaim, offset, recoupment or reduction of any kind whatsoever.

(d) This Section 11.3 and the rights and obligations created hereunder shall survive termination of this Agreement.

ARTICLE 12 **MISCELLANEOUS**

12.1 Survival. No representations, warranties, covenants and agreements of Sellers and Purchasers made in this Agreement shall survive the Closing Date except where, and only to the extent that, the terms of any such covenant or agreement expressly provide for rights, duties or obligations extending after the Closing, including Purchasers' assumption of the Assumed Liabilities or as otherwise expressly provided in this Agreement.

12.2 Further Assurances. At the request and the sole expense of the requesting party, Purchasers or Sellers, as applicable, shall execute and deliver, or cause to be executed and delivered, such other documents as Purchasers or Sellers, as applicable, or their respective counsel may reasonably request to effectuate the purposes of this Agreement and the Ancillary Agreements.

12.3 Successors and Assigns.

(a) Each Purchaser shall have the right to assign to an Affiliate any of their rights or obligations in whole or in part (including the right to acquire any of the Acquired Assets). In the event of any assignment pursuant to this Section 12.3(a), such Purchaser shall not be relieved of any liability or obligation hereunder.

(b) Each Purchaser shall have the right to assign this Agreement or any of their rights or obligations hereunder as collateral to any lender of such Purchaser; provided, however, that no such assignment shall relieve such Purchaser of their obligations to Sellers hereunder.

(c) Sellers shall not assign this Agreement or any of their rights or obligations hereunder and any such assignment shall be void and of no effect. This Agreement shall inure to the benefit of and shall be binding upon the successors and permitted assigns of the parties hereto, including any trustee appointed, with respect to US Sellers, in any of the Bankruptcy Cases or subsequent chapter 7 cases, or any trustee in bankruptcy, receiver, receiver and manager, interim receiver, custodian or similar official appointed with respect to Canadian Sellers or its property.

12.4 Governing Law: Jurisdiction. This Agreement shall be construed, performed and enforced in accordance with, and governed by, the Laws of the state of Delaware (without giving effect to the principles of conflicts of laws thereof), except to the extent that the Laws of such state are superseded by the Bankruptcy Code, the CCAA, or other applicable Law. For so long as US Sellers are subject to the jurisdiction of the Bankruptcy Court, the parties irrevocably elect, as the sole judicial forum for the adjudication of any matters arising under or in connection with the Agreement, and consent to the exclusive jurisdiction of, the Bankruptcy Court. After US Sellers are no longer subject to the jurisdiction of the Bankruptcy Court, the parties irrevocably elect, as the sole judicial forum for the adjudication of any matters arising under or in connection with this Agreement, and consent to the jurisdiction of, any state or federal court having competent jurisdiction in Delaware, provided that the Canadian Court shall have jurisdiction over the Canadian Acquired Assets and the Canadian Assumed Liabilities.

12.5 Expenses. Except as otherwise provided in this Agreement, each of the parties shall pay their own expenses in connection with this Agreement and the transactions contemplated hereby, including any legal and accounting fees and commissions or finder's fees, whether or not the transactions contemplated hereby are consummated. Notwithstanding any other provision of this Agreement, Purchasers shall

pay the cost of all surveys, title insurance policies and title reports ordered by Purchasers and any filing fees required to be made under the Competition Act.

12.6 Severability. In the event that any part of this Agreement is declared by any Governmental Authority having jurisdiction to be null, void or unenforceable, a suitable and equitable provision shall be substituted therefor in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision, said provision shall survive to the extent it is not so declared, and all of the other provisions of this Agreement shall remain in full force and effect only if, after excluding the portion deemed to be unenforceable and the application of any provision so substituted, the remaining terms shall provide for the consummation of the transactions contemplated hereby in substantially the same manner as originally set forth at the later of (a) the Execution Date, and (b) the date this Agreement was last amended.

12.7 Notices.

(a) All notices, requests, demands, consents and other communications under this Agreement shall be in writing and shall be sent via overnight courier, e-mail (including by way of PDF format) or facsimile. If the notice is received on a Business Day before 5:00 PM local time the notice will be deemed to have been received at such time. If the notice is received other than a Business Day or after 5:00 PM local time, the notice will be deemed to have been received the following Business Day. Notices shall be sent to the following addresses, as applicable:

If to Sellers:

c/o Indalex
75 Tri-State International
Suite 450
Lincolnshire, IL 60069
Attention: Timothy Stubbs
Facsimile: 866-312-0608
E-mail: Tim_Stubbs@Indalex.com

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

Young Conaway Stargatt & Taylor, LLP
The Brandywine Building
1000 West Street, 17th Floor
Wilmington, DE 19801
Attention: Michael R. Nestor, Esq.
Facsimile: (302) 576-3321
E-mail: mnestor@ycst.com

– and to –

Blake, Cassels & Graydon LLP
Commerce Court West
199 Bay Street Toronto, Ontario M5L 1A9
Attention: Linc Rogers
Facsimile: (416) 863-2653
E-mail: linc.rogers@blakes.com

If to Purchasers:

SAPA Holding AB
c/o Sapa Extrusions, Inc.
North American Headquarters
P.O. Box 535271
Pittsburgh, PA 15253
Attention: Svein Tore Holsether,
Marius Gronningsaeter and Peter Vandervelde
Facsimile: (412) 299-2157
E-mail: Svein-Tore.Holsether@sapagroup.com
Marius.Gronningsaeter@sapagroup.com
Peter.Vandervelde@sapagroup.com

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

Buchanan Ingersoll & Rooney, PC
20th Floor, One Oxford Centre
Pittsburgh, PA 15219
Attention: Craig S. Heryford, Esquire
Facsimile: (412) 562-1041
E-Mail: Craig.Heryford@bipc.com

(b) Any party may change its address or facsimile number for the purpose of this Section 12.7 by giving the other parties written notice of its new address in the manner set forth above.

12.8 Amendments: Waivers. This Agreement may be amended or modified, and any of the terms, covenants, representations, warranties or conditions hereof may be waived, only by a written instrument executed by Purchasers and Sellers, or in the case of a waiver, by the party waiving compliance. Any waiver by any party of any condition, or of the breach of any provision, term, covenant, representation or warranty contained in this Agreement, in any one or more instances, shall not be deemed to be or construed as a furthering or continuing waiver of any such condition, or of the breach of any other provision, term, covenant, representation or warranty of this Agreement.

12.9 Entire Agreement. This Agreement and the Ancillary Agreements contain the entire understanding between the parties with respect to the transactions contemplated

hereby and supersede and replace all prior and contemporaneous agreements and understandings, oral or written, with regard to such transactions. All Exhibits and Schedules hereto and any documents and instruments delivered pursuant to any provision hereof are expressly made a part of this Agreement as fully as though completely set forth herein.

12.10 Seller Disclosures. After notice to and consultation with Purchasers, Sellers shall be entitled to disclose, if required by applicable Law or by order of the Bankruptcy Court, or the Canadian Court, this Agreement and all information provided by Purchasers in connection herewith to the Bankruptcy Court, the Canadian Court, the United States Trustee, the Monitor, parties in interest in the Sellers' Bankruptcy Cases or the Canadian Cases and other Persons bidding on assets of Sellers. Other than statements made in the Bankruptcy Court or Canadian Court (or in pleadings filed therein), Sellers shall not issue (prior to, on or after the Closing) any press release or make any public statement or public communication with respect to the Agreement or transactions contemplated thereby without the prior written consent of Purchasers, which shall not be unreasonably withheld or delayed; provided, however, that Sellers, without the prior consent of Purchasers, may issue such press release or make such public statement as may, upon the advice of counsel, be required by applicable Law, any Governmental Authority with competent jurisdiction or any listing agreement with any national securities exchange.

12.11 Monitor. The parties hereto acknowledge and agree that the Monitor shall be entitled to file the Monitor's Certificate with the Canadian Court without independent investigation upon receiving confirmation from the Canadian Sellers that all conditions of Closing in favour of the Canadian Sellers have been satisfied by the Canadian Purchaser or waived by the Canadian Sellers, and the Monitor shall have no liability to the Sellers or the Purchasers or any other Person as a result of filing the Monitor's Certificate upon receiving such confirmation.

12.12 Headings. The article and section headings in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

12.13 Counterparts. This Agreement may be executed in any number of counterparts and by the undersigned in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same instrument. Delivery of an executed signature page to this Agreement by any of the undersigned by facsimile or "pdf" e-mail transmission shall be as effective as delivery of a manually executed copy of this Agreement by such undersigned.

12.14 No Third Party Beneficiaries. Nothing in this Agreement shall be construed to create any rights for any Persons not party to this Agreement, as third party beneficiaries or otherwise.

12.15 Waiver of Jury Trial. EACH PARTY HEREBY AGREES TO WAIVE ITS RESPECTIVE RIGHTS TO A TRIAL BY JURY OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT. 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, WITHOUT LIMITATION, 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.

12.16 General Release. Effective upon the Closing, each Seller, on behalf of itself and its estate, acknowledges that it has no claim, counterclaim, setoff, recoupment, action or cause of action of any kind or nature whatsoever (including, for the avoidance of doubt, actions for avoidance, subordination or recharacterization of any of Purchasers' pre-Petition Date Claims, Encumbrances, and Liens against US Sellers) against Purchasers and any of their Related Persons, that directly or indirectly arise out of, are based upon, or in any manner are connected with (i) the pre-Petition Date agreements to which Purchasers (or their Affiliates) and any of the US Sellers were parties and all transactions referred to in such agreements, (ii) the pre-Filing Date agreements to which Purchasers (or their Affiliates) and any of the Canadian Sellers were parties and all transactions referred to in such agreements, or (iii) the acquisition by Purchasers of Claims and Liens in and against the Sellers (jointly, the "Released Claims"). Should any Released Claims nonetheless exist, each Seller, on behalf of itself and its estate, hereby (i) releases and discharges each of the Purchasers and their Related Persons from any liability whatsoever on such Released Claims and (ii) releases, waives and discharges all such Released Claims against any of the Purchasers and their Related Persons.

[Signatures on following page(s)]

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 above written.

PURCHASERS:

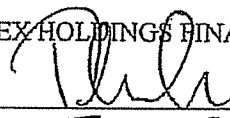
SAPA HOLDING AB, in its capacity as US Purchaser and for and on behalf of one or more Canadian Purchasers to be named.

By: *Susan Tice*
Name:
Title: CFO


By: *Mark Jovan*
Name:
Title: SUP Corporate Business

SELLERS


INDALEX HOLDINGS FINANCE, INC.

By: 
Name: TIMOTHY SUGGS
Title: PRESIDENT / CEO


INDALEX HOLDING CORP.

By: 
Name: TIMOTHY SUGGS
Title: PRESIDENT / CEO

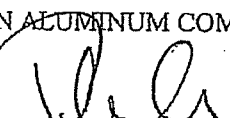
INDALEX LIMITED

By: 
Name: TIMOTHY SUGGS
Title: PRESIDENT / CEO


INDALEX INC.

By: 
Name: TIMOTHY SUGGS
Title: PRESIDENT / CEO

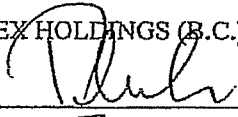
DOLTON ALUMINUM COMPANY,
INC.

By: 
Name: TIMOTHY SUGGS
Title: PRESIDENT / CEO

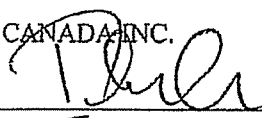
CARADON LEBANON, INC.

By: 
Name: TIMOTHY SUGGS
Title: PRESIDENT / CEO

INDALEX HOLDINGS (B.C.) LTD.

By: 
Name: TIMOTHY SUSS
Title: PRESIDENT / CEO

6326765 CANADA INC.

By: 
Name: TIMOTHY SUSS
Title: PRESIDENT / CEO