

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re:

Dana Corporation, *et al.*,  
Debtors.

Chapter 11

Case No. 06-10354 (BRL)

(Jointly Administered)

**ORDER (A) AUTHORIZING THE SALE OF ASSETS RELATED TO DEBTORS' NORTH AMERICAN FLUID PRODUCTS GROUP BUSINESS FREE AND CLEAR OF ALL LIENS, CLAIMS, INTERESTS AND ENCUMBRANCES, AND (B) AUTHORIZING THE ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND LEASES IN CONNECTION THEREWITH**

This matter coming before the Court on the motion (the "Sale Motion") of the above-captioned debtors and debtors in possession (the "Debtors") seeking, pursuant to sections 105, 363, 365 and 1146(c) of the Bankruptcy Code, 11 U.S.C. § 101 *et. seq.* (the "Bankruptcy Code") and Rules 2002, 6004, 6006, 9006 and 9014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), entry of this order (the "Approval Order"): (i) authorizing and approving the Asset Purchase Agreement, dated as of May 28, 2007 (attached hereto as Exhibit A, the "Agreement"), by and between Coupled Products Acquisition LLC ("Coupled Products") and Dana Corporation ("Dana"), whereby Dana agrees, subject to this Court's approval, to convey or cause the Debtors to convey the Debtor's interests in certain assets related to the Business<sup>1</sup> and to cause the "Selling Subsidiaries"<sup>2</sup> to convey the Selling Subsidiaries' interests in assets related to the Business to Coupled Products or its designated affiliates, and approving such other ancillary

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<sup>1</sup> Unless otherwise stated, all capitalized terms not defined herein shall have the meanings ascribed to them in the copy of the Agreement attached to this Order as Exhibit A and to the extent of any inconsistency, the Agreement shall govern.

<sup>2</sup> The "Selling Subsidiaries" include PTG Mexico S. de R.L. de C.V. and PTG Services S. de R.L. de C.V., which are non-Debtors.

agreements to be entered into by the parties thereto as contemplated in the Agreement;

(ii) authorizing and approving the sale by the Debtors of the Purchased Assets, free and clear of all Liens, claims, Liabilities, encumbrances, and interests (other than any Assumed Liabilities and Permitted Exceptions) (collectively, the transactions contemplated by the Agreement, the “Sale Transaction”); (iii) subject to the occurrence of the Closing and the expiration of the Contract Notice Period (defined below), authorizing the assumption and assignment of the Debtor Contracts identified in the Contract Notices (defined below); and (iv) and granting other related relief; the Court having conducted a hearing on the Sale Motion on June 6, 2007 (the “Sale Hearing”) at which all interested parties were offered an opportunity to be heard with respect to the Sale Motion; the Court having reviewed and considered the Sale Motion and attachments thereto, the Agreement, this Court’s prior order, dated April 11, 2007 (Docket No. 5105) (the “Bidding Procedures Order”) approving competitive bidding procedures for the assets of the Fluid Products Group (as defined in the Sale Motion), including the Purchased Assets (the “Bidding Procedures”), the evidence proffered or adduced and the arguments made at the Sale Hearing; it appearing that due notice of the Sale Motion, the Bidding Procedures Order and the auction conducted in connection therewith (the “Auction”) have been provided in accordance with the requirements of the Bidding Procedures Order and that the relief requested in the Sale Motion is in the best interests of the Debtors, their estates and 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 therefore, **IT IS HEREBY FOUND AND DETERMINED THAT:**

**JURISDICTION, FINAL ORDER AND STATUTORY PREDICATES**

A. This Court has jurisdiction over the Sale Motion, the transactions contemplated by the Agreement and any other ancillary documents and agreements related

thereto pursuant to 28 U.S.C. §§ 157(b)(1) and 1334(a), and this matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A) and (N) and (O). Venue of these cases and the Sale Motion in this district is proper under 28 U.S.C. §§ 1408 and 1409.

B. This Approval Order constitutes a final and appealable order within the meaning of 28 U.S.C. § 158(a). Notwithstanding Bankruptcy Rules 6004(h) and 6006(d), the Court expressly finds that there is no just reason for delay in the implementation of this Approval Order, and expressly directs entry of judgment as set forth herein.

C. The statutory predicates for the relief sought in the Sale Motion are sections 105(a), 363(b), (f), and (m), 365(a), (b), and (f), and 1146(c) of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, 6006, 9007 and 9014.

#### **SOUND BUSINESS PURPOSE**

D. The Debtors and Selling Subsidiaries seek to convey the Purchased Assets, which assets are related to the design, manufacture, assembly and sale of hose and tube assemblies and associated components thereof for fluid routing products and systems as currently conducted through Seller's Fluid Products Group facilities in North America, for ultimate use by original equipment manufacturers and original equipment servicers in fluid routing applications including fuel, brake, power assisted steering, heating ventilation and air conditioning for use in light vehicles and commercial and recreational vehicles as engaged in by the Seller and its Selling Subsidiaries prior to Closing. The Debtors have demonstrated both (i) good, sufficient, and sound business purpose and justification for the Sale Transaction, and (ii) compelling circumstances for the Sale Transaction pursuant to section 363(b) of the Bankruptcy Code prior to, and outside of, a plan of reorganization in that, among other things, the value of the Business and Purchased Assets would be harmed by any delay of the Sale Transaction. Time is of the essence in consummating the Sale Transaction.

## **HIGHEST AND BEST OFFER**

E. On April 11, 2007, this Court entered the Bidding Procedures Order approving Bidding Procedures for the Purchased Assets. The Bidding Procedures provided a full, fair and reasonable opportunity for any entity to make an offer to purchase the Purchased Assets. The Debtors and the Selling Subsidiaries conducted an auction process in accordance with the Bidding Procedures Order and complied with that order in all respects. The Auction was duly noticed and conducted in a noncollusive, fair and good faith manner. Coupled Products participated in the Auction and complied with the Bidding Procedures Order in all respects and was declared the highest and best bidder for the Purchased Assets at the conclusion of the Auction.

F. As demonstrated by the testimony and other evidence proffered or adduced at the Sale Hearing and the representations of counsel made on the record at the Sale Hearing, (1) the Debtors have adequately marketed the Purchased Assets in accordance with the Bidding Procedures Order; (2) the Agreement constitutes the highest and otherwise best offer for the Purchased Assets and provides fair and reasonable consideration for such assets; (3) the Sale Transaction will provide a greater recovery for the Debtors' creditors than would be provided by any other practical available alternative; (4) no other party has offered to purchase the Purchased Assets for greater economic value to the Debtors or their estates; and (5) the consideration to be paid by Coupled Products under 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.

G. Coupled Products has provided the Debtor with a deposit in an amount equal to \$750,000 (such amount, together with the interest accrued thereon, the "Deposit

Amount”) in accordance with the Agreement, which Deposit is currently being held by The Bank of New York (the “Deposit Agent”) in an interest-bearing account pursuant to the Agreement.

### **BEST INTEREST OF CREDITORS**

H. Approval of the Agreement and the consummation of the Sale Transaction to Coupled Products at this time are in the best interests of the Debtors, their creditors, their estates and other parties in interest.

### **GOOD FAITH**

I. Coupled Products is not an “insider” of any of the Debtors, as that term is defined in section 101 of the Bankruptcy Code.

J. The Agreement and each of the transactions contemplated therein were negotiated, proposed and entered into by the Debtors, the Selling Subsidiaries and Coupled Products, without collusion, in good faith, and from arm’s-length bargaining positions. Neither the Debtors, the Selling Subsidiaries, nor Coupled Products have engaged in any conduct that would cause or permit the Agreement to be avoided or impose costs or damages under section 363(n) of the Bankruptcy Code.

K. Coupled Products is a good faith purchaser under section 363(m) of the Bankruptcy Code and, as such, is entitled to all the protections afforded thereby. Coupled Products has at all times acted in good faith and will continue to be acting in good faith within the meaning of section 363(m) of the Bankruptcy Code in Closing the Sale Transaction.

### **NOTICE OF THE SALE MOTION, THE AUCTION AND THE CURE AMOUNTS**

L. As evidenced by the certificates of service filed with the Court, (i) proper, timely, adequate and sufficient notice of the Sale Motion and the Sale Hearing has been provided by the Debtors, (ii) such notice was good and sufficient, and appropriate under the particular circumstances, and (iii) other than with respect to the Contract Notices, no other or further notice

of the Sale Motion, the proposed Sale Transaction, the Bidding Procedures, the Auction or the Sale Hearing is or shall be required. A reasonable opportunity to object or be heard with respect to the Sale Motion and the relief requested therein has been afforded to all interested persons and entities (or will have been afforded upon expiration of the Contract Notice Period), including, but not limited to:

- (i) counsel to the Creditors' Committee;
- (ii) counsel to the Retiree Committee;
- (iii) counsel to the Debtors' postpetition lenders;
- (iv) counsel to Coupled Products;
- (v) any party who, in the past year, expressed in writing to the Debtors an interest in the FPG Business or other Offered Assets described in the Sale Motion, including the Purchased Assets;
- (vi) [Intentionally Omitted];
- (vii) all parties who are known to claim interests in or liens upon the assets of the Debtors' FPG Business (as defined in the Sale Motion), including the Purchased Assets;
- (viii) the Securities and Exchange Commission;
- (ix) the Internal Revenue Service;
- (x) all applicable state attorneys general and local environmental enforcement agencies;
- (xi) all applicable state and local taxing authorities;
- (xii) the U.S. Trustee;
- (xiii) Federal Trade Commission;
- (xiv) United States Attorney General/Antitrust Division of Department of Justice;
- (xv) Environmental Protection Agency;
- (xvi) Transferred Employees of the Debtors and the Unions representing the Union Transferred Employees under the Assumed Collective Bargaining Agreements;

(xvii) United States Attorney;

(xviii) existing tort and warranty claimants against the FPG Business (as defined in the Sale Motion), including the Purchased Assets and Business; and

(xix) the entities set forth in the Special Service List and the General Service List established pursuant to that certain Amended Administrative Order, Pursuant to Rule 1015(c) of the Federal Rules of Bankruptcy Procedure, Establishing Case Management and Scheduling Procedures (D.I. 574), dated March 23, 2006.

M. Additionally, the Debtors published notice of the Sale Transaction in the *Wall Street Journal* or *New York Times (National Edition)*. With regard to parties who have claims against the Debtors, but whose identities are not reasonably ascertainable by the Debtors, the Court finds that such publication notice is sufficient and reasonably calculated under the circumstances to reach such parties.

N. The Debtors shall serve notice of their intent to assume and assign the Debtor Contracts (the “Assignment Notice”) and of the related proposed Cure Costs (the “Cure Notice” and with the Assignment Notice, the “Contract Notices”) upon each non-debtor counterparty to the Debtor Contracts as soon as reasonably practicable but in no event later than June 12, 2007. Each non-debtor party to the Debtor Contracts shall have until July 2, 2007 to raise any objection solely with respect to the assumption and assignment of the applicable Debtor Contract or the Cure Cost as set forth in, and in the manner required by, the Bidding Procedures Order and this Approval Order (such period, the “Contract Notice Period”). Provided the Debtors serve the Contract Notices as set forth in this Approval Order and the Bidding Procedures Order, such notice will be good, sufficient and appropriate under the circumstances and no further notice need be given with respect to the Cure Costs for the Debtor Contracts listed in the Cure Notice and the assumption and assignment to Coupled Products of the Debtor Contracts listed in the Assignment Notice. Upon expiration of the Contract Notice Period, all non-debtor parties to the Debtor Contracts will have had an opportunity to object to the Cure Costs and the assumption

and assignment of the Debtor Contracts to Coupled Products. Any objection to a Contract Notice filed in accordance with the terms of the Bidding Procedures Order and this Approval Order shall be set for hearing on July 18, 2007. Based on the other notices of the sale of the Purchased Assets described and approved in the Bidding Procedures Order and this Approval Order, all non-debtor parties to the Debtor Contracts have had an opportunity to raise all other objections to the sale of the Purchased Assets in accordance with the terms of this Approval Order and may not raise any such objections during the Contract Notice Period.

**SECTION 363(F) REQUIREMENTS MET FOR FREE AND CLEAR SALE**

O. The Debtors may sell the Purchased Assets free and clear of all Liens, claims, interests, Liabilities and encumbrances of any kind or nature whatsoever, (collectively, “Claims”) (except for any Assumed Liabilities or Permitted Exceptions), because, in each case, one or more of the standards set forth in section 363(f)(1)-(5) of the Bankruptcy Code has been satisfied. Those holders of Claims who did not object, or who withdrew their objections, to the Sale Transaction or the Sale Motion are deemed to have consented pursuant to section 363(f)(2) of the Bankruptcy Code. Those holders of Claims who did object fall within one or more of the other subsections of section 363(f) of the Bankruptcy Code and are adequately protected by having their Claims, if any, attach to the proceeds of the Sale Transaction ultimately attributable to the property against which they have a Claim, in the same order of priority, with the same validity, force and effect that such creditor had prior to the Sale Transaction, subject to any defenses of the Debtors.

P. Coupled Products 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 Transaction of the Purchased Assets to Coupled Products was not free and clear of all Claims other than Assumed Liabilities or Permitted



Exceptions, or if Coupled Products would, or in the future could, be liable for any of such Claims, including, without limitation, the Excluded Liabilities and Cure Costs.

### **ASSUMPTION AND ASSIGNMENT OF THE DEBTOR CONTRACTS**

Q. The assumption and assignment of the Debtor Contracts are integral to the Agreement, are in the best interests of the Debtors, their estates, and parties-in-interest, and represent the reasonable exercise of sound business judgment.

R. With respect to each of the Debtor Contracts, the Debtors have met all requirements of section 365(b) of the Bankruptcy Code. Further, Coupled Products has provided adequate assurance of future performance under the Debtor Contracts in satisfaction of sections 365(b) and 365(f) of the Bankruptcy Code. Accordingly, upon expiration of the Contract Notice Period, the Debtor Contracts can be assumed by the Debtors and assigned to Coupled Products, as provided for in the Bid Procedures Order, the Sale Motion and the Agreement.

### **VALIDITY OF THE TRANSFERS**

S. As of the Closing, the transfer of the Purchased Assets to Coupled Products will be a legal, valid, and effective transfer of the Purchased Assets, and will vest Coupled Products with all right, title and interest of the Debtors and Selling Subsidiaries in and to the Purchased Assets, free and clear of (i) all Claims other than Assumed Liabilities and Permitted Exceptions and (ii) all debts arising under or out of, in connection with, or in any way relating to, any acts of the Debtors or the Selling Subsidiaries, claims (as defined in section 101(5) of the Bankruptcy Code), rights or causes of action (whether in law or in equity, including, but not limited to, any rights or causes of action based on theories of transferee or successor liability under any law, statute, rule, or regulation of the United States, any state, territory, or possession thereof, or the District of Columbia), obligations, demands, guaranties, rights, contractual commitments, restrictions, interests and matters of any kind or nature

whatsoever, whether arising prior to or subsequent to the commencement of these cases, and whether imposed by agreement, understanding, law, equity or otherwise.

T. The transfers of the Purchased Assets to Coupled Products (i) do not constitute avoidable transfers under the Bankruptcy Code or under applicable bankruptcy or non-bankruptcy law and (ii) do not and will not subject Coupled Products to any liability whatsoever with respect to the operation of the Debtors' business prior to the Closing other than the Assumed Liabilities and Permitted Exceptions or 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, in any theory of law or equity including, without limitation, any laws affecting antitrust, successor, transferee or vicarious liability.

U. The Debtors (i) have full corporate power and authority to execute the Agreement and all other documents contemplated thereby, and the Sale Transaction of the Purchased Assets has been duly and validly authorized by all necessary corporate action of the Debtors, (ii) have all of the corporate power and authority necessary to consummate the transactions contemplated by the Agreement, (iii) have taken all actions necessary to authorize and approve the Agreement and the consummation by the Debtors of the transactions contemplated thereby and (iv) no consents or approvals, other than those expressly provided for in the Agreement, are required for the Debtors to consummate such transactions.

V. The sale of the Purchased Assets to Coupled Products is a prerequisite to the Debtors' ability to confirm and consummate a plan or plans. The Sale Transaction is therefore an integral part of a plan or plans to be confirmed in the Debtors' cases and, thereby, constitutes a transfer pursuant to section 1146(c) of the Bankruptcy Code, which shall not be taxed under any law imposing a transfer tax, a stamp tax or any similar tax.

### **ADDITIONAL FINDINGS**

W. The Debtors' post petition secured lenders have provided any required consent and releases pursuant to the terms of their financing documents to the consummation of the transactions contemplated on the Agreement.

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

### **GENERAL PROVISIONS**

1. The Sale Motion is hereby granted in its entirety.
2. The findings of fact set forth above and conclusions of law stated herein shall constitute this Court's findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent any finding of fact later shall be determined to be a conclusion of law, it shall be so deemed, and to the extent any conclusion of law later shall be determined to be a finding of fact, it shall be so deemed.
3. All objections, if any, to the Sale Motion or the relief requested therein that have not been withdrawn, waived, or settled as announced to the Court at the hearing on the Sale Motion or by stipulation filed with the Court, and all reservations of rights included in such objections, are hereby overruled on the merits with prejudice.

### **APPROVAL OF THE AGREEMENT**

4. The Sale Transaction, and all of the terms and conditions and transactions contemplated by the Agreement are hereby authorized and approved pursuant to sections 105(a), 363(b) and 365(a) of the Bankruptcy Code.
5. Pursuant to sections 105(a), 363(b) and 365 of the Bankruptcy Code, the Debtors are authorized and directed to perform their obligations under and comply with the terms

of the Agreement and consummate the Sale Transaction, pursuant to and in accordance with the terms and conditions of the Agreement and this Approval Order.

6. The Debtors, as well as their affiliates, officers, employees and agents, are authorized and directed to execute and deliver, and empowered to perform under, consummate, and implement the Agreement, in substantially the same form as the Agreement attached hereto as **Exhibit A**, together with all additional instruments and documents that may be reasonably necessary or desirable to implement the Agreement and effectuate the provisions of this Approval Order and the transactions approved hereby, and to take all further actions as may be requested by Coupled Products for the purpose of assigning, transferring, granting, conveying and conferring to Coupled Products or reducing to possession, the Purchased Assets, or as may be necessary or appropriate to the performance of the obligations as contemplated by the Agreement, all without further order of the Bankruptcy Order.

7. This Approval Order and the Agreement shall be binding in all respects upon Coupled Products, the Debtors, their affiliates, any trustees appointed in the Debtors' cases or in the cases of any affiliated debtors, all creditors (whether known or unknown) of any Debtors or of any affiliated debtor, all interested parties and their successors and assigns, including, but not limited to, any party asserting a Claim and any non-debtor party to the Debtor Contracts. Nothing contained in any chapter 11 plan confirmed in these bankruptcy cases or the confirmation order confirming any such chapter 11 plan shall conflict with or derogate from the provisions of the Agreement or this Approval Order or in any manner alter, discharge or modify any of the obligations of any of the Debtors or any of the Selling Subsidiaries under the Agreement, and to the extent of any conflict or derogation between this Approval Order or the Agreement and such future plan or order, the terms of this Approval Order and Agreement shall

control to the extent of such conflict or derogation. Any chapter 11 plan and the confirmation order confirming such plan shall explicitly provide for the assumption of any obligations of any Debtor and any Selling Subsidiaries under the Agreement by any reorganized or restructured debtor, surviving entity or any entity emerging or created under any such plan.

### **TRANSFER OF THE PURCHASED ASSETS**

8. Pursuant to sections 105(a) and 363(f) of the Bankruptcy Code, the Debtors are authorized to transfer the Purchased Assets in accordance with the terms of the Agreement. The Purchased Assets shall be transferred to Coupled Products, and upon consummation of the Agreement, such transfers (a) shall be valid, legal, binding and effective transfers; (b) shall vest Coupled Products with all right, title and interest of the Debtors and Selling Subsidiaries in and to the Purchased Assets; and (c) shall be free and clear of all Claims except for Assumed Liabilities and Permitted Exceptions with all such Claims to attach to the net proceeds of the Sale Transaction, in the order of their priority, with the same validity, force and effect which they now have as against the Purchased Assets, subject to any claims and defenses, setoffs or right of recoupment the Debtors may possess with respect thereto.

9. Except as otherwise provided in the Agreement, all persons and entities (and their respective successors and assigns) including, but not limited to, all debt security holders, equity security holders, governmental, tax, and regulatory authorities, lenders, trade and other creditors, holding Claims (whether legal or equitable, secured or unsecured, matured or unmatured, contingent or non-contingent, senior or subordinated) except for Assumed Liabilities and Permitted Exceptions, arising under or out of, in connection with, or in any way relating to, the Debtors, the Purchased Assets, the operation of the Debtors' business prior to the Closing, or the transfer of the Purchased Assets to Coupled Products, are hereby forever barred, estopped and permanently enjoined from prosecuting, asserting or otherwise pursuing such Claims against

Coupled Products, its successors or assigns, any of their property or the Purchased Assets. No such persons or entities shall assert against Coupled Products or its successors in interest or assigns or any of their property any Claim arising from, related to or in connection with the ownership or operation of the Purchased Assets prior to the Closing, except for Assumed Liabilities and Permitted Exceptions.

10. This Approval Order (i) shall be effective as a determination that, on the closing of the Sale Transaction, all Claims other than Assumed Liabilities and the Permitted Exceptions relating to the Purchased Assets have been unconditionally released, discharged and terminated, and that the conveyances described herein have been effected, and (ii) 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 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 lease; and each of the foregoing persons and entities is hereby directed to accept for filing any and all of the documents and instruments necessary and appropriate to consummate the transactions contemplated by the Agreement.

11. If any person or entity that has filed financing statements, mortgages, mechanic's liens, *lis pendens* or other documents or agreements evidencing Claims against or in the Debtors or the Purchased Assets shall not have delivered to the Debtors prior to the Closing, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfaction, releases of all interests which the person or entity has with respect to

the Debtors or the Purchased Assets or otherwise, then only with regard to Purchased Assets being acquired by Coupled Products pursuant to the Agreement and this Approval Order (a) 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 Purchased Assets and (b) Coupled Products is hereby authorized to file, register or otherwise record a certified copy of this Approval Order, which, once filed, registered or otherwise recorded, shall constitute conclusive evidence of the release of all Claims against the Purchased Assets other than the Assumed Liabilities or the Permitted Exceptions. This Approval Order is deemed to be in recordable form sufficient to be placed in the filing or recording system of each and every federal, state, or local government agency, department, or office.

12. All persons or entities in possession of some or all of the Purchased Assets are directed to surrender possession of such assets to Coupled Products or its designee at Closing.

13. Following Closing, no holder of any Claim (other than Assumed Liabilities or Permitted Exceptions) shall interfere with Coupled Products' title to or use and enjoyment of the Purchased Assets based on or related to any such Claim or based on any actions the Debtors have taken or may take in their chapter 11 cases.

14. All persons and entities are prohibited and enjoined from taking any action to adversely affect or interfere with the ability of the Debtors to transfer the Purchased Assets to Coupled Products in accordance with the Agreement and this Approval Order.

15. The transfer of the Purchased Assets to Coupled Products pursuant to the Agreement constitutes a legal, valid, and effective transfer of the Purchased Assets, and shall

vest Coupled Products with all right, title, and interest of the Debtors and the Selling Subsidiaries in and to the Purchased Assets free and clear of all Claims.

**ASSUMPTION AND ASSIGNMENT OF DEBTOR CONTRACTS**

16. Pursuant to Sections 105(a), 363 and 365 of the Bankruptcy Code, upon expiration of the Contract Notice Period the Debtors' assumption and assignment to Coupled Products of the Debtor Contracts listed in the Contract Notices is hereby approved, and all requirements of section 365 of the Bankruptcy Code for the assumption and assignment of each such contract are hereby deemed satisfied. The assumption and assignment of the Debtor Contracts to Coupled Products shall be on the terms set forth in, and shall be solely to the extent provided by, the Agreement.

17. The Debtors are hereby authorized in accordance with sections 105(a), 363 and 365 of the Bankruptcy Code to assume and assign the Debtor Contracts to Coupled Products, subject to Closing and the expiration of the Contract Notice Period, free and clear of all Claims, and to execute and deliver to Coupled Products such documents or other instruments as may be necessary to assign and transfer the Debtor Contracts to Coupled Products. Notwithstanding anything to the contrary in this Approval Order, Coupled Products shall have the right at any time prior to Closing to remove any contract or lease other than a Material Business Contract from the list of Debtor Contracts or Non-Debtor Contracts.

18. Each of the Debtor Contracts is in full force and effect and is legal, valid, binding and enforceable against the non-debtor party to such Debtor Contract. The Debtor Contracts shall be transferred to, and remain in full force and effect for the benefit of, Coupled Products in accordance with their respective terms and applicable law and shall be enforceable by Coupled Products in accordance with such terms and applicable law, notwithstanding any provision in any such Debtor Contract (including those of the type described in



sections 365(e)(1) and (f) of the Bankruptcy Code) that prohibits, restricts, or conditions such assignment or transfer. There shall be no rent accelerations, assignment fees, increases or any other fees charged to Coupled Products or the Debtors as a result of the assumption or assignment of the Debtor Contracts. No Debtor Contract may be terminated, or the rights of any party modified in any respect, including pursuant to any “change of control” clause, by any other party thereto as a result of the transactions contemplated by the Agreement.

19. If no objection to a Cure Cost is filed in accordance with the Bidding Procedures Order and this Approval Order by a non-debtor party to a Debtor Contract, the “Cure Costs” arising or accruing prior to the date of this Approval Order that are shown in the Cure Notice for any such Debtor Contract shall be fixed at the amounts listed in the Cure Notice and such amount shall be paid by the Debtors at Closing of the Sale Transaction. If an objection to a Cure Cost is filed in accordance with the Bidding Procedures Order and this Approval Order by a non-debtor party to a Debtor Contract, to the extent the parties are unable to consensually resolve such dispute, such disputed Cure Cost shall be determined at such later date or time as may be fixed by the Court, provided, however, that the assumption and assignment of any such Debtor Contract for which there is a disputed Cure Cost shall be effective upon Closing and the expiration of the Contract Notice Period (if no objection to the Assignment Notice has been filed in accordance with the Bidding Procedures Order and this Approval Order or any such objection has been resolved) provided the Debtors either have paid such Cure Cost or have placed into a segregated account a reserve sufficient to satisfy the maximum amount of any such disputed Cure Costs. With respect to any disputed Cure Cost, the Debtors shall pay the Cure Cost promptly upon resolution of such dispute.

20. Payment of the Cure Costs shall be a full satisfaction of any and all defaults under the Debtor Contracts, whether monetary or non-monetary. Each non-Debtor party to a Debtor Contract hereby is forever barred, estopped and permanently enjoined from asserting against the Debtors or Coupled Products, its successors or assigns or the property of any of them, any default existing as of the date of the expiration of the Contract Notice Period if such default was not raised or asserted prior to the expiration of the Contract Notice Period.

21. The failure of the Debtors or Coupled Products to enforce at any time one or more terms or conditions of any Debtor Contract shall not be a waiver of such terms or conditions, or of the Debtors' and Coupled Products' rights to enforce every term and condition of the Debtor Contracts.

22. Upon the Closing, Coupled Products shall be fully and irrevocably vested with all right, title and interest of the relevant Debtors under the Debtor Contracts.

#### **ADDITIONAL PROVISIONS**

23. Prior to or upon the Closing of the Sale Transaction, each of the Debtors' creditors is authorized and directed to execute such documents and take all other actions as may be necessary to release their interests or Claims, if any, in the Purchased Assets as such interests or Claims may have been recorded or may otherwise exist.

24. Except as expressly set forth in the Agreement, Coupled Products and its successors or assigns shall have no liability for any liabilities, Claims, damages or other obligations of or against the Debtors related to the Purchased Assets by reason of the transfer of the Purchased Assets to Coupled Products. Coupled Products shall not be deemed, as a result of any action taken in connection with the purchase of the Purchased Assets, to: (a) be a legal successor, or otherwise be deemed a successor to the Debtors or the Selling Subsidiaries (other than with respect to any obligations arising under the Debtor Contracts from and after the

Closing), (b) have, de facto or otherwise, merged with or into the Debtors or the Selling Subsidiaries or (c) be a mere continuation or substantial continuation of the Debtors or the Selling Subsidiaries or the enterprise of the Debtors or the Selling Subsidiaries.

25. Effective upon the Closing and except as otherwise provided by stipulations filed with or announced to the Court with respect to a specific matter, all persons and entities are forever prohibited and enjoined from commencing or continuing in any matter any action or other proceeding, whether in law or equity, in any judicial, administrative, arbitral or other proceeding against Coupled Products, its successors and assigns, or the Purchased Assets, with respect to any (a) Claim other than the Assumed Liabilities or the Permitted Exceptions, or (b) successor liability, including, without limitation, the following actions: (i) commencing or continuing in any matter any action or other proceeding against Coupled Products, or its successors, assets or properties; (ii) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree or order against Coupled Products or its successors, assets or properties; (iii) creating, perfecting or enforcing any lien, claim, interest or encumbrance against Coupled Products or its successors, assets or properties; (iv) asserting any setoff, right of subrogation or recoupment of any kind against any obligation due Coupled Products or its successors, assets or properties; (v) commencing or continuing any action, in any manner or place, that does not comply or is inconsistent with the provisions of this Approval Order or other orders of the Court, or the agreements or actions contemplated or taken in respect thereof; or (vi) revoking, terminating or failing or refusing to renew any license, permit or authorization to operate any of the Purchased Assets or conduct any of the businesses operated with the Purchased Assets.

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

27. Nothing in this Approval Order or the Agreement releases, nullifies, or enjoins the enforcement of any liability to a governmental unit under environmental statutes or regulations that any entity would be subject to as the owner or operator of property after the date of entry of this Order including any such liabilities for penalties, damages, cost recovery, or injunctive relief. Notwithstanding the foregoing sentence, nothing in this Approval Order shall

be interpreted to deem Coupled Products as the successor to the Debtors under any state law successor liability doctrine with respect to any liabilities under environmental statutes or regulations for penalties for days of violation prior to entry of this Order or for liabilities relating to off-site disposal of wastes by the Debtors prior to entry of this Order.

28. No bulk sales law, or similar law of any state or other jurisdiction shall apply in any way to the transactions contemplated by the Agreement, the Sale Motion and this Approval Order.

29. The transfer of the Purchased Assets pursuant to the Sale Transaction is a transfer pursuant to section 1146(c) of the Bankruptcy Code and, accordingly, shall not be taxed and/or shall not be subject to any tax under any federal, state, local, municipal or other law imposing or claiming to impose a stamp tax or a sale, use, transfer, or any other similar tax on any of the Debtors' transfers or sales of real estate, personal property or other assets owned by the Debtors or transferred in connection with the Sale Transaction. Each and every federal, state and local government agency or department is hereby directed to accept any and all documents and instruments necessary and appropriate to consummate the transfer of any of the Purchased Assets, all without imposition or payment of any stamp tax, transfer tax, or similar tax.

30. This Court hereby retains jurisdiction to enforce and implement the terms and provisions of the Agreement, all amendments thereto, any waivers and consents thereunder, and of each of the agreements executed in connection therewith in all respects including, but not limited to, retaining jurisdiction to (a) compel delivery of the Purchased Assets to Coupled Products, (b) resolve any dispute, controversy or claim arising under or related to the Agreement, or the breach thereof and (c) interpret, implement, and enforce the provisions of this Order and resolve any disputes related thereto. This Court further retains jurisdiction over any matter or

dispute arising from or relating to the implementation of this Order, including jurisdiction to allocate the consideration paid for some or all of the Purchased Assets to each individual asset, as necessary, to determine the proceeds to which a Lien attached and to determine any Cure Costs.

31. The transactions contemplated by the Agreement are undertaken by Coupled Products in good faith, as that term is used in section 363(m) of the Bankruptcy Code. Accordingly, the reversal or modification on appeal of the authorization provided herein to consummate the Sale Transaction shall not affect the validity of the Sale Transaction to Coupled Products, unless such authorization is duly stayed pending such appeal. Coupled Products is a purchaser in good faith of the Purchased Assets and is entitled to all of the protections afforded by section 363(m) of the Bankruptcy Code.

32. The consideration provided by Coupled Products for the Purchased Assets is fair and reasonable and was not controlled by agreement among potential bidders and the sale may not be avoided under section 365(n) of the Bankruptcy Code.

33. Any amounts payable by any of the Debtors pursuant to the Agreement or any of the documents delivered by the Debtors pursuant to or in connection with the Agreement shall (a) be pursuant to section 364(c) of the Bankruptcy Code, entitled to administrative expense status against the Debtors' estates of the kind specified in sections 503(b) and 507(b) of the Bankruptcy Code in each of the chapter 11 cases of the Debtors and senior to all other superpriority administrative expenses in the Debtors cases, except any superpriority administrative expenses granted by order of the Court authorizing and approving the Debtors' postpetition financing or claims falling within the "Carveout" under such facility as defined in the final order approving such facility (Docket No. 721), (b) be paid by the Debtors in the time

and manner as provided in the Agreement, without further order of the Court, and (c) not be discharged, modified or otherwise affected by any chapter 11 plan for any of the Debtors or Selling Subsidiaries.

34. The terms and provisions of the Agreement and this Approval Order shall be binding in all respects upon, and shall inure to the benefit of, the Debtors, their estates and their creditors, Coupled Products, and its respective affiliates, successors and assigns, and any affected third parties including, but not limited to, all persons asserting Claims in the Purchased Assets to be sold to Coupled Products pursuant to the Agreement, notwithstanding any subsequent appointment of any trustee(s), examiner(s), or receiver(s) under any chapter of the Bankruptcy Code or any other law, and all such provisions and terms shall likewise be binding on such trustee(s), examiner(s), or receiver(s) and shall not be subject rejection or avoidance by the Debtors, their estates, their creditors, their shareholders or any trustee(s), examiner(s), or receiver(s).

35. The failure specifically to include any particular provisions of the Agreement in this Approval Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Court that the Agreement be authorized and approved in its entirety.

36. The Agreement and any related agreements, documents or other instruments may be modified, amended or supplemented by the parties thereto, in a writing signed by both parties, and in accordance with the terms thereof, without further order of the Court, provided that any such modification, amendment or supplement does not materially change the terms of the Agreement.

37. In the event that there is a direct conflict between the terms of this Approval Order and the Agreement, the terms of this Approval Order shall control.

38. Each and every federal, state and local governmental agency, department, or official is hereby directed to accept any and all documents and instruments necessary and appropriate to consummate the transactions contemplated by the Agreement.

39. As provided by Rules 6004(h) and 6006(d) of the Federal Rules of Bankruptcy Procedure, this Approval Order shall not be stayed for 10 days after the entry of the Approval Order and shall be effective immediately upon entry.

New York, New York.

Dated: New York, New York  
June 6, 2007

/s/Burton R. Lifland  
United States Bankruptcy Judge