

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT		
<b>NATURE OF CONVEYANCE:</b>	Bankruptcy Sale Order		
<b>CONVEYING PARTY DATA</b>			
<b>Name</b>	<b>Formerly</b>	<b>Execution Date</b>	<b>Entity Type</b>
Atlantis Plastics, Inc.		10/06/2008	CORPORATION: DELAWARE
Atlantis Plastic Films, Inc.		10/06/2008	CORPORATION: DELAWARE
<b>RECEIVING PARTY DATA</b>			
<b>Name:</b>	AEP Industries, Inc.		
<b>Street Address:</b>	125 Phillips Avenue		
<b>City:</b>	South Hackensack		
<b>State/Country:</b>	NEW JERSEY		
<b>Postal Code:</b>	07606		
<b>Entity Type:</b>	CORPORATION: DELAWARE		
<b>PROPERTY NUMBERS Total: 2</b>			
<b>Property Type</b>	<b>Number</b>	<b>Word Mark</b>	
<b>Serial Number:</b>	78429685	ATLANTIS PLASTICS LINEAR STRETCH FILMS	
<b>Serial Number:</b>	75484941	STA-DRI	
<b>CORRESPONDENCE DATA</b>			
<b>Fax Number:</b>	(248)566-8531		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
<b>Phone:</b>	248-566-8530		
<b>Email:</b>	tmdocketing@honigman.com		
<b>Correspondent Name:</b>	Julie E. Kretzschmer		
<b>Address Line 1:</b>	38500 Woodward Avenue, Suite 100		
<b>Address Line 4:</b>	Bloomfield Hills, MICHIGAN 48304		
<b>ATTORNEY DOCKET NUMBER:</b>	203983-118264		
<b>NAME OF SUBMITTER:</b>	Julie E. Kretzschmer		
<b>Signature:</b>	/julie e kretzschmer/		

CH \$65.00 78429685

Date:

10/31/2008

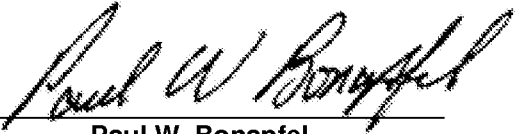
**Total Attachments: 39**

source=AEP-Atlantis Sales Order#page1.tif  
source=AEP-Atlantis Sales Order#page2.tif  
source=AEP-Atlantis Sales Order#page3.tif  
source=AEP-Atlantis Sales Order#page4.tif  
source=AEP-Atlantis Sales Order#page5.tif  
source=AEP-Atlantis Sales Order#page6.tif  
source=AEP-Atlantis Sales Order#page7.tif  
source=AEP-Atlantis Sales Order#page8.tif  
source=AEP-Atlantis Sales Order#page9.tif  
source=AEP-Atlantis Sales Order#page10.tif  
source=AEP-Atlantis Sales Order#page11.tif  
source=AEP-Atlantis Sales Order#page12.tif  
source=AEP-Atlantis Sales Order#page13.tif  
source=AEP-Atlantis Sales Order#page14.tif  
source=AEP-Atlantis Sales Order#page15.tif  
source=AEP-Atlantis Sales Order#page16.tif  
source=AEP-Atlantis Sales Order#page17.tif  
source=AEP-Atlantis Sales Order#page18.tif  
source=AEP-Atlantis Sales Order#page19.tif  
source=AEP-Atlantis Sales Order#page20.tif  
source=AEP-Atlantis Sales Order#page21.tif  
source=AEP-Atlantis Sales Order#page22.tif  
source=AEP-Atlantis Sales Order#page23.tif  
source=AEP-Atlantis Sales Order#page24.tif  
source=AEP-Atlantis Sales Order#page25.tif  
source=AEP-Atlantis Sales Order#page26.tif  
source=AEP-Atlantis Sales Order#page27.tif  
source=AEP-Atlantis Sales Order#page28.tif  
source=AEP-Atlantis Sales Order#page29.tif  
source=AEP-Atlantis Sales Order#page30.tif  
source=AEP-Atlantis Sales Order#page31.tif  
source=AEP-Atlantis Sales Order#page32.tif  
source=AEP-Atlantis Sales Order#page33.tif  
source=AEP-Atlantis Sales Order#page34.tif  
source=AEP-Atlantis Sales Order#page35.tif  
source=AEP-Atlantis Sales Order#page36.tif  
source=AEP-Atlantis Sales Order#page37.tif  
source=AEP-Atlantis Sales Order#page38.tif  
source=AEP-Atlantis Sales Order#page39.tif



**IT IS ORDERED as set forth below:**

**Date: October 06, 2008**

  
Paul W. Bonapfel  
U.S. Bankruptcy Court Judge

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION**

-----	X
In re:	: Chapter 11
	:
ATLANTIS PLASTICS, INC.,	: Case No. 08-75473
ATLANTIS PLASTIC FILMS, INC.,	:
ATLANTIS FILMS, INC.,	: (Jointly Administered)
ATLANTIS MOLDED PLASTICS, INC.,	:
ATLANTIS PLASTICS INJECTION MOLDING, INC.,	:
EXTRUSION MASTERS, INC.,	:
LINEAR FILMS, INC.,	:
PIERCE PLASTICS, INC.,	:
RIGAL PLASTICS, INC.,	:
Debtors.	:
-----	X

**ORDER GRANTING MOTION FOR ORDER (I) APPROVING SALE TO  
AEP INDUSTRIES INC. OF CERTAIN OF THE DEBTORS' ASSETS RELATED TO  
THE PLASTIC FILMS BUSINESS FREE AND CLEAR OF ALL LIENS, CLAIMS,  
ENCUMBRANCES, AND OTHER INTERESTS PURSUANT TO BANKRUPTCY CODE  
SECTIONS 105, 363(b), (f), AND (m); (II) AUTHORIZING THE ASSUMPTION,  
ASSIGNMENT, AND SALE OF CERTAIN EXECUTORY CONTRACTS AND  
UNEXPIRED LEASES PURSUANT TO SECTIONS 363 AND 365 OF THE  
BANKRUPTCY CODE; AND (III) GRANTING RELATED RELIEF**

Upon the motion (the "Motion") [Docket No. 26], filed by the above-captioned debtors and debtors-in-possession (collectively, the "Debtors"), requesting entry of an order

pursuant to Sections 105(a), 363, and 365 of the Bankruptcy Code<sup>1</sup>, and Bankruptcy Rules 2002, 6004 and 6006: (a) authorizing and approving the sale of certain assets free and clear of all liens, claims, encumbrances and other interests; (b) authorizing and approving the assumption and assignment of certain executory contracts in connection therewith, and (c) granting certain related relief; and the Court having entered its Order (I) Approving Bidding Procedures And Break-Up Fee In Connection With Proposed Sale Of Certain Of The Debtors' Assets Related To The Plastic Films Business, (II) Establishing Certain Procedures For Determining Cure Amounts For Proposed Assumed Leases And Executory Contracts, (III) Approving Notice Thereof, And (IV) Granting Certain Related Relief (the "Bidding Procedures Order") [Docket No. 158]; and the Court, having reviewed the Motion and having heard statements of counsel and the evidence presented in support of the relief requested by the Debtors in the Motion at a hearing before the Court on October 3, 2008 (the "**Hearing**"), any objections having been overruled or otherwise withdrawn, and the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and after due deliberation thereon,

THE COURT HEREBY FINDS AND DETERMINES THAT:

**I. Jurisdiction, Final Order and Statutory Predicates**

A. The Court has jurisdiction to hear and determine the Motion pursuant to 28 U.S.C. §§ 157(b)(1) and 1334(a). This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), (N) and (O). Venue is proper in this District and in the Court pursuant to 28 U.S.C. §§ 1408 and 1409.

---

<sup>1</sup> Capitalized terms not defined herein shall have the meaning ascribed to them in the Motion or the Agreement, as applicable.

B. This 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), and to any extent necessary under Bankruptcy Rule 9014 and Rule 54(b) of the Federal Rules of Civil Procedure, as made applicable by Bankruptcy Rule 7054, the Court expressly finds that there is no just reason for delay in the implementation of this order, and expressly directs entry of judgment as set forth herein.

C. The statutory predicates for the relief requested in the Motion are Sections 105(a), 363(b), (f), and (m), and 365 of the Bankruptcy Code and Bankruptcy Rules 2002(a)(2), 6004(a), (b), (c), (e), (f) and (h), 6006(a), (c) and (d), 9007 and 9014.

D. The Court entered the Bidding Procedures Order on September 3, 2008 .

E. On September 29, 2008, no higher and better offers having been made, the Debtors declared AEP Industries Inc. (the “**Highest Bidder**” or the “**Purchaser**”), the Highest Bidder for having submitted the best bid for the purchase of the Purchased Assets.

F. The findings of fact and conclusions of law set forth herein constitute the Court’s findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014.

G. To the extent any of the following findings of fact constitute conclusions of law, they are hereby adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are hereby adopted as such.

H. The Highest Bidder will be acting in good faith pursuant to Section 363(m) of the Bankruptcy Code in closing the transaction contemplated by the Agreement at any time on or after entry of this Order, and cause has been shown as to why this Order should not be subject to the stay provided by Bankruptcy Rules 6004(g) and 6006(d).

## II. Notice of the Sale, Auction and the Cure Amounts

A. Actual written notice of the Hearing, the Auction, the Motion, the Sale, the assumption, assignment and sale of the Acquired Contracts and a reasonable opportunity to object or be heard with respect to the Motion and the relief requested therein has been afforded to all known interested persons and entities, including, but not limited to the following parties (the “**Notice Parties**”):

1. the United States Trustee;
2. counsel to the Official Committee of Unsecured Creditors (the “**Committee**”);
3. creditors holding five (5) largest secured claims against the Debtors’ estates (on a consolidated basis);
4. creditors holding the forty (40) largest unsecured claimed against the Debtors’ estates (on a consolidated basis);
5. any lien holder with a properly filed or recorded UCC financing statement as of the Petition Date;
6. the Securities and Exchange Commission;
7. all taxing authorities having jurisdiction over any of the Purchased Assets, including the Internal Revenue Service;
8. the United States Department of Justice;
9. each of (a) the United States Environmental Protection Agency, and (b) the state environmental agencies for the states in which the Debtors operate (the “**Environmental Agencies**”);
10. all parties that have requested special notice pursuant to Bankruptcy Rule 2002;
11. all persons or entities known to the Debtors that have or have asserted a lien on, or security interest in, all or any portion of the Purchased Assets;
12. all non-Debtor parties to each Executory Contract and unexpired lease that the Debtors propose to assume and assign to the Highest Bidder (each a “**Contract Party**”);
13. counsel to the Highest Bidder; and

14. all potential bidders previously identified or otherwise known to the Debtors.

B. In accordance with the provisions of the Bidding Procedures Order, the Debtors have served notice (the “**Cure Notice**”) upon Highest Bidder and the Contract Parties: (i) that the Debtors seek to assume and assign the executory contracts reflected in the schedule attached hereto as Exhibit "A" (the “**Acquired Contracts**”)² as of the Closing Date; and (ii) of the relevant cure amounts with respect to such Acquired Contracts. The service of such Cure Notice was good, sufficient and appropriate under the circumstances and in compliance with the Bidding Procedures Order. No further notice need be given in respect of establishing a cure amount for the Acquired Contracts. Highest Bidder and the Contract Parties have had an opportunity to object to the cure amounts set forth in the Cure Notice.

C. The Debtors have articulated good and sufficient reasons for the Court to grant the relief requested in the Motion regarding the sales process, including, without limitation: (i) determination of final cure amount; and (ii) assumption and assignment of the Acquired Contracts as designated by the Highest Bidder to such Highest Bidder as contemplated by the Agreement.

D. The Debtors’ Notice of Bid Procedures provided all interested parties with timely and proper notice of the Sale, Hearing and Auction.

E. The Cure Notice provided Highest Bidder and the Contract Parties with proper notice of the potential assumption and assignment of the Acquired Contracts and any cure

---

<sup>2</sup> Exhibit A attached hereto excludes certain Acquired Contracts that contain confidential customer information. Such confidential customer information will be separately filed under seal with the Court and such contracts will be deemed Acquired Contracts for all purposes.

amount relating thereto, and the procedures set forth therein with regard to any such cure amount to satisfy the provisions of 11 U.S.C. § 365.

F. As evidenced by the affidavits of service previously filed with the Court, proper, timely, adequate, and sufficient notice of the Motion, Auction, Hearing, and Sale has been provided in accordance with Sections 102(1), 363 and 365 of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, 6006 and 9014. The Debtors also have complied with all obligations to provide notice of the Auction, Hearing, and Sale required by the Bidding Procedures Order. The notices described in paragraphs A to F above were good, sufficient and appropriate under the circumstances, and no other or further notice of the Motion, Auction, Hearing, Sale, or assumption, assignment and sale of the Acquired Contracts is required.

G. The disclosures made by the Debtors concerning the Motion, Agreement, Auction, Sale, and Hearing were good, complete and adequate.

### **III. Good Faith of Highest Bidder**

A. The Highest Bidder is not an "insider" of the Debtors, as that term is defined in Section 101(31) of the Bankruptcy Code.

B. Highest Bidder is purchasing the Purchased Assets in good faith and is a good faith buyer within the meaning of Section 363(m) of the Bankruptcy Code, and is therefore entitled to the full protection of that provision, and otherwise has proceeded in good faith in all respects in connection with this proceeding in that, *inter alia*: (a) except as otherwise provided in the Agreement, Highest Bidder recognized that the Debtors were free to deal with any other party interested in acquiring the Purchased Assets; (b) Highest Bidder complied with the provisions in the Bidding Procedures Order; (c) Highest Bidder agreed to subject its bid to the competitive bidding procedures set forth in the Bidding Procedures Order; (d) Highest Bidder in no way induced or caused the chapter 11 filing by the Debtors; (e) all payments to be made by



the Highest Bidder and other agreements or arrangements entered into by the Highest Bidder in connection with the Sale have been disclosed; (f) Highest Bidder has not violated Section 363(n) of the Bankruptcy Code by any action or inaction; (g) no common identity of directors or controlling stockholders exists between the Highest Bidder and any of the Debtors; and (h) the final purchase agreement (the "**Agreement**", which is attached hereto as **Exhibit "B"**) was negotiated, proposed and entered into by the Debtors and the Highest Bidder without collusion, in good faith, and from arm's length bargaining positions.

**IV. Highest Bidder is Not a Mere Continuation of the Debtors**

A. The Highest Bidder is not merely a continuation of the Debtors, there is no substantial continuity between the Highest Bidder and the Debtors, and there is no continuity of enterprise between the Debtors and the Highest Bidder.

B. No common identity of incorporators, directors or stockholders exists between Highest Bidder and the Debtors.

C. The Sale is not being entered into fraudulently. The Sale has been properly noticed.

D. Highest Bidder is not holding itself out to the public as a continuation of the Debtors.

E. Highest Bidder is not, as a result of any action taken in connection with the purchase of the Purchased Assets, the assumption and assignment of the Acquired Contracts, or otherwise: (1) a successor to the Debtors (other than with respect to the Assumed Liabilities and any obligations arising under the relevant Acquired Contracts from and after the Closing); or (2) has not, de facto or otherwise, merged or consolidated with or into the Debtors.

**V. No Successor Liability**

A. The Highest Bidder does not constitute a successor to the Debtors or their bankruptcy estates.

B. The Sale does not amount to a consolidation, merger or de facto merger of the Highest Bidders and the Debtors.

**VI. Highest or Best Offer**

A. Prior to selecting Purchaser, as the stalking horse bidder, the Debtors solicited offers to acquire the Purchased Assets from a wide variety of parties. In addition to such solicitations, evidence of which was presented or adduced at the Bidding Procedures Hearing and the Hearing, the Debtors scheduled the Auction in accordance with the provisions of the Bidding Procedures Order. The scheduling of the Auction in accordance with the Bidding Procedures Order afforded a full, fair and reasonable opportunity for any person or entity to make a higher or otherwise better offer to purchase the Purchased Assets. The Auction was duly noticed and provided opportunity for a noncollusive, fair and good faith sale process and a reasonable opportunity has been given to any interested party to make a higher and better offer for the Purchased Assets. Because the Debtors did not receive any bids from Potential Bidders other than the Purchaser, the Debtors cancelled the Auction in accordance with Bidding Procedures Order.

B. The Agreement constitutes the highest or best offer for the Purchased Assets, and will provide a greater recovery for the Debtors' estates than would be provided by any other available alternative. The Debtors' determination that the Agreement constitutes the highest or best offer for the Purchased Assets constitutes a valid and sound exercise of the Debtors' business judgment.

C. The Agreement represents a fair and reasonable offer to purchase the Purchased Assets under the circumstances of these chapter 11 cases. No other person or entity or group of entities has offered to purchase the Purchased Assets for greater economic value to the Debtors' estates than the Highest Bidder.

D. Approval of the Motion and the Agreement and the consummation of the transactions contemplated thereby is in the best interests of the Debtors, their creditors, their estates and other parties in interest.

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

#### **VII. The Purchased Assets**

A. The Highest Bidder is not purchasing all of the Debtors' assets. The Highest Bidder is only purchasing the Purchased Assets and is not purchasing any assets other than the Purchased Assets, to the extent set forth in the Agreement. The Purchased Assets do not include the Excluded Assets, as provided in the Agreement.

#### **VIII. The Assumed Liabilities**

A. The Highest Bidder is not assuming any of the Debtors' liabilities other than Assumed Liabilities. The Highest Bidder is only assuming the Assumed Liabilities and is not assuming the Excluded Liabilities or any other liabilities other than the Assumed Liabilities, as provided in the Agreement.

#### **IX. No Fraudulent Transfer**

A. The consideration provided by the Highest Bidder pursuant to the Agreement is fair and adequate and 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.

**X. Validity of Transfer**

A. The Debtors (i) have full corporate power and authority to execute and deliver the Agreement and all other documents contemplated thereby, (ii) as of Closing will have all of the power and authority necessary to consummate the transactions contemplated by the Agreement, and (iii) no further consents or approvals are required for the Debtors to consummate the transactions contemplated by the Agreement, except as otherwise set forth in the Agreement.

B. The transfer of each of the Purchased Assets to the Highest Bidder will be, as of the Closing Date, a legal, valid, and effective transfer of such assets, and vests or will vest the Highest Bidder with all right, title, and interest of the Debtors to the Purchased Assets free and clear of all Liens (as defined below), Claims and Encumbrances accruing, arising or relating thereto any time prior to the Closing Date.

**XI. Section 363(f) Is Satisfied**

A. The Highest Bidder would not have entered into the Agreement and would not consummate the transactions contemplated thereby (by paying the Purchase Price and assuming the Assumed Liabilities set forth in the Agreement) if the sale of the Purchased Assets to the Highest Bidder, and the assumption, assignment and sale of the Acquired Contracts to the Highest Bidder, were not free and clear of all interests (as used in Section 363 of the Bankruptcy Code ("Interests")), Liens, Claims and Encumbrances of any kind or nature whatsoever, or if the Highest Bidder would, or in the future could be liable for any of such Interests, Liens, Claims or Encumbrances, including, but not limited to, Interests, Liens, Claims or Encumbrances in respect of the following: (1) any labor agreements; (2) all mortgages, deeds of trust and security interests; (3) any pension, welfare, compensation or other employee benefit plans, agreements,

practices and programs, including, without limitation, any pension plan of any Debtor; (4) any other employee, worker's compensation, occupational disease or unemployment or temporary disability related claim, including, without limitation, claims that might otherwise arise under or pursuant to (a) the Employee Retirement Income Security Act of 1974, as amended, (b) the Fair Labor Standards Act, (c) Title VII of the Civil Rights Act of 1964, (d) the Federal Rehabilitation Act of 1973, (e) the National Labor Relations Act, (f) the Worker Adjustment and Retraining Act of 1988, (g) the Age Discrimination and Employee Act of 1967 and Age Discrimination in Employment Act, as amended, (h) the Americans with Disabilities Act of 1990, (i) the Consolidated Omnibus Budget Reconciliation Act of 1985, (j) state discrimination laws, (k) state unemployment compensation laws or any other similar state laws, or (l) any other state or federal benefits or claims relating to any employment with any of the Debtors or any of their respective predecessors; (5) any bulk sales or similar law; (6) any tax statutes or ordinances, including, without limitation, the Internal Revenue Code of 1986, as amended; (7) any theories of successor liability, including any theories on successor products liability grounds; and (8) any environmental or other Interests, Claims, Encumbrances or Liens arising from existing conditions on or prior to the Closing (including, without limitation, the presence of hazardous, toxic, polluting or contaminating substances or waste) that may be asserted on any basis, including, without limitation, under the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §§ 9601, et seq., or other state statute.

B. The Debtors may sell the Purchased Assets free and clear of all Interests, Liens, Encumbrances and Claims against the Debtors, their bankruptcy estates or any of the Purchased Assets 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 Interests, Liens,

Encumbrances or Claims against the Debtors, their bankruptcy estates or any of the Purchased Assets who did not object, or who withdrew their objections, to the Sale or the Motion are deemed to have consented pursuant to Section 363(f)(2) of the Bankruptcy Code. Those holders of such Interests, Liens, Encumbrances or Claims who did object fall within one or more of the other subsections of Section 363(f) and are adequately protected by having their Interests, Liens, Encumbrances and/or Claims, if any, in each instance against the Debtors, their bankruptcy estates or any of the Purchased Assets, attach to the cash proceeds of the Sale ultimately attributable to the Purchased Assets in which such creditor alleges an interest, in the same order of priority, with the same validity, force and effect that such creditor had prior to the Sale, subject to any claims and defenses the Debtors and their estates may possess with respect thereto.

## **XII. Assumption and Assignment of the Acquired Contracts**

A. The Debtors may assume the Acquired Contracts, identified in the Agreement, and assign each of them to the Highest Bidder pursuant to Section 365 of the Bankruptcy Code free and clear of all Interests, Liens, Encumbrances and Claims, and notwithstanding any anti-assignment clause as provided in Section 365(f) of the Bankruptcy Code. The assumption and assignment of the Acquired Contracts pursuant to the terms of this Order is integral to the Agreement and is in the best interests of the Debtors and their estates, creditors and other parties in interest, and represents the reasonable exercise of sound and prudent business judgment by the Debtors.

B. The Debtors are not assuming and assigning all of their contracts and leases to the Highest Bidder. The Debtors are assuming and assigning to the Highest Bidder only the Acquired Contracts in accordance with the terms of the Agreement and are not assuming and assigning any executory contracts or leases other than the Acquired Contracts.

C. The amounts set forth on Exhibit "A" annexed hereto are the sole amounts necessary under Sections 365(b)(1)(A) and (B) and 365(f)(2)(A) of the Bankruptcy Code to cure all monetary defaults and pay all actual pecuniary losses under the Acquired Contracts (the "**Cure Amounts**").

D. Pursuant to the terms of the Agreement, Debtors will have: (i) cured and/or provided adequate assurance of cure of any monetary default existing prior to the Closing Date under any of the Acquired Contracts, within the meaning of Section 365(b)(1)(A) of the Bankruptcy Code by payment of the amounts provided in Exhibit "A"; and (ii) have provided compensation or adequate assurance of compensation to any party for actual pecuniary loss to such party resulting from a default prior to the Closing Date under any of the Acquired Contracts, within the meaning of Section 365(b)(1)(B) of the Bankruptcy Code by paying or agreeing to pay the amounts provided Exhibit "A". The Highest Bidder shall pay all obligations arising under the Acquired Contracts after the Closing Date. By its promise to perform under the Acquired Contracts, Highest Bidder has provided adequate assurance of its future performance under the relevant Acquired Contracts within the meaning of Sections 365(b)(1)(C), 365(b)(3) (to the extent applicable) and 365(f)(2)(B) of the Bankruptcy Code.

### **XIII. Compelling Circumstances for an Immediate Sale**

A. To enhance the Debtors' level of liquidity, to reduce the amount of postpetition debtor-in-possession financing borne by the Debtors, and to maximize the amount of funding available to provide for a timely exit from these chapter 11 cases, it is essential that the Sale of the Purchased Assets occur within the time constraints set forth in the Agreement. Time is of the essence in consummating the Sale. The Sale must be approved and consummated promptly in order to preserve the viability of the Debtors' plastic films business as a going concern and to avoid continuing diminution in the value thereof.

B. Given all of the circumstances of these chapter 11 cases, the representations in the Motion and the adequacy and fair value of the Purchase Price under the Agreement, the proposed Sale of the Purchased Assets to Highest Bidder constitutes a reasonable and sound exercise of the Debtors' business judgment and should be approved.

C. The consummation of the transaction is legal, valid and properly authorized under all applicable provisions of the Bankruptcy Code, including, without limitation, Sections 105(a), 363(b), 363(f), 363(m), 365(b) and 365(f), and all of the applicable requirements of such Sections have been complied with in respect of the transaction.

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

**General Provisions**

- 1) The relief requested in the Motion is granted and approved, and the Sale contemplated thereby is approved, as set forth in this Order.
- 2) This Court's findings of fact and conclusions of law, set forth in the Bidding Procedures Order, are incorporated herein by reference.
- 3) All objections to the Motion or the relief requested therein that have not been withdrawn, waived, or settled as announced to the Court at the Hearing or by stipulation filed with the Court, and all reservations of rights included therein, are hereby overruled on the merits or the interests of such objections have been otherwise satisfied or adequately provided for.
- 4) All persons and entities are hereby forever prohibited and enjoined from taking any action that would adversely affect or interfere with the ability of the Debtors to sell and transfer the Purchased Assets to the Highest Bidder in accordance with the terms of the



Agreement and this Order (other than by an appeal timely taken with respect to this Order or a motion timely made under Bankruptcy Rules 9023 or 9024).

**Approval of the Agreement**

5) The Agreement and all other ancillary documents (to the extent not inconsistent with the Agreement), and all of the terms and conditions thereof, are hereby approved in all respects in their entirety and shall be deemed in full force and effect, binding and benefiting the Debtors and the Highest Bidder.

6) Pursuant to Section 363(b) of the Bankruptcy Code, the Debtors are authorized and empowered and directed to take any and all actions necessary or appropriate to (i) consummate the Sale of the Purchased Assets to the Highest Bidder pursuant to and in accordance with the terms and conditions of the Agreement, (ii) close the Sale as contemplated in the Agreement and this Order, and (iii) execute and deliver, perform under, consummate, implement and close fully the transactions contemplated in the Agreement, together with all additional instruments and documents that may be reasonably necessary or desirable to implement the Agreement and the Sale, including any other ancillary documents, or as may be reasonably necessary or appropriate to the performance of the obligations as contemplated by the Agreement and such other ancillary documents. The Debtors are authorized and empowered to deliver special warranty deeds, bills of sale, assignments and other such documentation that may be necessary or requested by the Highest Bidder in accordance with the terms of the Agreement to evidence the transfers anticipated by the Agreement and approved in this Order.

7) This Order shall be binding in all respects upon the Debtors, including the Debtors, their bankruptcy estates, all holders of equity interests in any Debtor, all holders of any claim(s) against any Debtor, any holders of Interests, Liens, Claims or Encumbrances against or on all or any portion of the Purchased Assets, all Contract Parties, the Highest Bidder and all

successors and assigns of the Debtors, the Highest Bidder, the Purchased Assets and any trustees, if any, subsequently appointed in any of the Debtors' chapter 11 cases or upon a conversion to chapter 7 under the Bankruptcy Code of any of the Debtors' cases and shall not be subject to rejection under section 365 of the Bankruptcy Code. This Order and the Agreement shall inure to the benefit of the Debtors, their estates and creditors, the Highest Bidder and their respective successors and assigns. To the extent any provision of the Order is inconsistent with the terms of the Agreement, this Order shall govern.

**Transfer of the Purchased Assets**

8) Pursuant to Sections 105(a), 363(b), 363(f), 365(b) and 365(f) of the Bankruptcy Code, the Debtors are authorized to transfer the Purchased Assets on the Closing Date. Such Purchased Assets shall be transferred to the Highest Bidder upon and as of the Closing Date and such transfer shall constitute a legal, valid, binding and effective transfer of such Purchased Assets and, upon the Debtors' receipt of the Purchase Price, shall be free and clear of all Interests, Liens, Claims and Encumbrances, including, without limitation, all "claims" within the meaning of Section 101(5) of the Bankruptcy Code, and all interests, encumbrances (including, without limitation, any options, pledges, security interests, claims, equities, reservations, third-party rights, voting trusts or similar arrangements), charges, rights of setoff, recoupment, netting and deductions, or other encumbrances or restrictions on or conditions to transfer or assignment of any kind, whether direct or indirect, absolute or contingent, matured or unmatured, liquidated or unliquidated,, on or against the Purchased Assets or the Debtors ("**Liens**"). Upon the Closing, the Highest Bidder shall take title to and possession of the Purchased Assets free and clear of all Interests, Liens, Claims and Encumbrances.

9) Pursuant to Section 363(f) of the Bankruptcy Code, the transfer of title to the Purchased Assets and the Acquired Contracts shall be free and clear of (a) any and all Interests, Liens, Claims and Encumbrances; (b) any and all Liabilities except for Assumed Liabilities; and (c) any and all Claims including, without limitation, any and all claims pursuant to any successor or successor-in-interest liability theory, including without limitation: (1) any employment or labor agreements; (2) all deeds of trust and security interests; (3) any pension or medical benefit plan of the Debtors, compensation or other employee benefit plan of the Debtors, welfare, agreements, practices and programs; (4) any other employee, workers' compensation, occupational disease or unemployment or temporary disability related claim, including, without limitation, claims that might otherwise arise under or pursuant to: (a) the Employee Retirement Income Security Act of 1974, as amended; (b) the Fair Labor Standards Act; (c) Title VII of the Civil Rights Act of 1964; (d) the Federal Rehabilitation Act of 1973; (e) the National Labor Relations Act; (f) the Worker Adjustment and Retraining Act of 1988; (g) the Age Discrimination and Employee Act of 1967 and Age Discrimination in Employment Act, as amended; (h) the Americans with Disabilities Act of 1990; (i) the Consolidated Omnibus Budget Reconciliation Act of 1985; (j) state discrimination laws; (k) state unemployment compensation laws or any other similar state laws; or (l) any other state or federal benefits or claims relating to any employment with the Debtors or any predecessors; (5) environmental or other Interests, Liens, Claims or Encumbrances arising from existing conditions on or prior to the Closing (including, without limitation, the presence of hazardous, toxic, polluting or contaminating substances or waste) that may be asserted on any basis, including, without limitation, under the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §§ 9601, et seq., or other state statute; (6) any bulk sales or similar law; (7) any tax statutes or ordinances,

including, without limitation, the Internal Revenue Code of 1986, as amended; and (8) any theories of successor liability, including any theories on successor products liability grounds; provided, however, that the Highest Bidder shall not be relieved of liability with respect to the Assumed Liabilities, or any obligations accruing under the Acquired Contracts from and after the Closing. Any and all Interests, Liens, Claims and Encumbrances shall attach solely to the proceeds of the Sale with the same validity, priority, force and effect that they now have as against the Purchased Assets, subject to any claims and defenses the Debtors and their estates may possess with respect thereto.

**No Successor Liability**

10) The Highest Bidder is not a mere continuation of the Debtors nor does the Highest Bidder constitute a successor to the Debtors. Except as otherwise set forth in the Agreement, the Highest Bidder is not expressly or impliedly agreeing to assume any of the Debtors' liabilities, the transactions contemplated by the Agreement do not amount to a consolidation, merger or a de facto merger of the Debtors and the Highest Bidder, the Highest Bidder is not merely a continuation of the Debtors, and the transactions contemplated by the Agreement are not being entered into fraudulently or in order to escape liability from the Debtors' debts.

11) Except as expressly provided by the Agreement with respect to the Assumed Liabilities, all persons and entities holding Interests, Liens, Claims or Encumbrances in all or any portion of the Purchased Assets 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 Date or the transfer of the Purchased Assets to the Highest Bidder, hereby are forever barred, estopped and permanently enjoined from asserting against the Highest Bidder or its successors or assigns, their property or the Purchased Assets, such persons' or entities'

Interests, Liens, Claims or Encumbrances in and to the Purchased Assets, including, without limitation, taking the following actions:

- (i) Commencing or continuing in any manner any action or other proceeding against the Highest Bidder, its successors, assets or properties;
- (ii) Enforcing, attaching, collecting or recovering in any manner any judgment, award, decree, or order against the Highest Bidder, its successors, assets, or properties;
- (iii) Creating, perfecting, or enforcing any Interests, Liens, Claims or Encumbrances against the Highest Bidder, its successors, assets or properties;
- (iv) Asserting any setoff, right of subrogation or recoupment of any kind against any obligation due the Highest Bidder or its successors;
- (v) Commencing or continuing any action in any manner or place, that does not comply, or is inconsistent, with the provisions of this Order or other orders of the Court, or the agreements or actions contemplated or taken in respect thereof; or
- (vi) Revoking or terminating any license, permit, or authorization to operate any of the Purchased Assets or conduct any of the businesses operating with the Purchased Assets.

12) Without limiting the generality of the foregoing, except as otherwise specifically set forth in the Agreement, the Highest Bidder shall not assume or be obligated to pay, perform or otherwise discharge any workers' compensation debts, obligations and liabilities of the Debtors arising pursuant to state law or otherwise. This Order is intended to be all inclusive and shall encompass, but not be limited to, workers' compensation claims or suits of any type, whether now known or unknown, whenever incurred or filed, which have occurred or which arise from work-related injuries, diseases, death, exposures, intentional torts, acts of discrimination or other incidents, acts, or injuries prior to the Closing Date, including, but not limited to, any and all workers' compensation claims filed or to be filed or reopening of those claims, by or on behalf of any of the Debtors' current or former employees, person on lay-off,

inactive or retired status, or their respective dependents, heirs or assigns, as well as any and all premiums, assessments or other obligations of any nature whatsoever of the Debtors relating in any way to workers' compensation liability, except as otherwise specifically set forth in the Agreement.

13) In addition, without limiting the generality of the foregoing, except as otherwise specifically set forth in the Agreement, the Highest Bidder shall not assume or be obligated to pay, perform, or otherwise discharge, any debts, obligations, and liabilities of the Debtors arising pursuant to the Debtors' ownership or operation of their assets or facilities prior to the date of the Closing.

14) Except for the Assumed Liabilities or as otherwise expressly provided for in this Order or in the Agreement, the Highest Bidder shall not have any liability or responsibility for any liability or other obligation of the Debtors 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, the Highest Bidder shall not be liable for any claims against the Debtors or any of their predecessors or affiliates, and the Highest Bidder 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, employee benefit law, de facto merger or substantial continuity, whether known or unknown as of the Closing, now existing or hereafter arising, whether fixed or contingent, with respect to the Debtors or any obligations of the Debtors arising prior to the Closing, including, but not limited to any Liability of either Debtors or to any affiliate of the Debtors (including liabilities relating to the prepetition or postpetition operation of the Debtors' businesses, the Purchased Assets or the Excluded Assets (and the use thereof)), whether relating to or arising out of the Debtors'

businesses, the Purchased Assets or the Excluded Assets or otherwise. The consideration given by the Highest Bidder shall constitute valid and valuable consideration for the release of any potential claims of successor liability of the Highest Bidder, which releases shall be deemed to have been given in favor of the Highest Bidder by all holders of any Interests, Liens, Claims or Encumbrances against the Debtors or the Purchased Assets.

**Removal of Liens, Claims, and Encumbrances from the Purchased Assets**

15) On the Closing Date, each creditor shall execute such documents and take all other actions as may be deemed by the Highest Bidder to be reasonably necessary or desirable to release Interests, Liens, Claims or Encumbrances on the Purchased Assets, if any, as provided for herein, as such Interests, Liens, Claims or Encumbrances may have been recorded or may otherwise exist. The transactions authorized herein shall be of full force and effect, regardless of any Debtor's lack of good standing in any jurisdiction in which such Debtor is formed or authorized to transact business. If any person or entity that has filed financing statements, mortgages, mechanic's liens, lis pendens, or other documents or agreements evidencing Interests, Liens, Claims or Encumbrances of record against or in the Purchased Assets shall not have delivered to the Debtors or the Highest Bidder prior to the Closing, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfactions, releases of all Interests, Liens, Claims or Encumbrances that the person has with respect to the Purchased Assets, or otherwise, then (i) each of the Debtors and the Highest Bidder are hereby authorized to execute and file such statements, instruments, releases and other documents on behalf of the Highest Bidder or entity with respect to the Purchased Assets, and (ii) the Highest Bidder is hereby authorized to file, register or otherwise record a certified copy of this Order, which, once filed, registered or otherwise recorded, shall constitute conclusive evidence of the release of all

Interests, Liens, Claims or Encumbrances against or in the Purchased Assets, except for the Permitted Encumbrances (as defined in the Agreement).

16) The automatic stay provisions of Section 362 of the Bankruptcy Code are vacated and modified to the extent necessary to implement the terms and conditions of the Agreement and the provisions of this Order. If any person or entity which has filed statements or other documents or agreements evidencing Interests, Liens, Claims or Encumbrances on or in the Purchased Assets shall not have delivered to the Debtors prior to Closing, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfaction, releases of liens and easements, and any other documents necessary for the purpose of documenting the release of all Interests, Liens, Claims or Encumbrances which the person or entity has or may assert with respect to the Purchased Assets, the Highest Bidder is hereby authorized to execute such statements, instruments, releases and other documents on behalf of such person or entity with respect to the Purchased Assets. Upon consummation of the transactions set forth in the Agreement, the Highest Bidder shall be authorized to file termination statements or lien terminations in any required jurisdiction to remove any record, notice filing, or financing statement recorded to attach, perfect or otherwise notice any interests, lien or encumbrance that is extinguished or otherwise released pursuant to this Order under Section 363 and the related provisions of the Bankruptcy Code.

17) This Order constitutes authorization under all applicable jurisdictions and versions of the Uniform Commercial Code for the Highest Bidder to file UCC termination statements with respect to all security interests in or liens on the Purchased Assets.

18) All persons and entities are hereby forever prohibited and enjoined from taking any action that would adversely affect or interfere with the ability of the Debtors to sell



and transfer the Purchased Assets to the Highest Bidder in accordance with the terms of the Agreement and this Order.

19) All persons and entities that are in possession of some or all of the Purchased Assets on the Closing Date are directed to surrender possession of such Purchased Assets to the Highest Bidder or its assignee at the Closing.

20) This Order is and shall be binding upon and govern the acts of all persons and 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.

**Acquired Contracts**

21) Upon the Closing of the Sale, the Debtors are authorized and directed to assume and assign the Acquired Contracts to the Highest Bidder free and clear of all Interests, Liens, Claims and Encumbrances, as described herein. The payment of the applicable Cure Amounts (if any) by the Debtors according to the terms of the Agreement, shall (a) effect a cure of all defaults existing thereunder as of the Closing Date, (b) compensate for any actual pecuniary loss to such non-Debtor party resulting from such default, and (c) together with the assumption of the Acquired Contracts by the Highest Bidder and the Highest Bidder's promise to perform under the Acquired Contracts in the future, constitute adequate assurance of future

performance thereof. The Highest Bidder shall then have assumed the Acquired Contracts and, pursuant to Section 365(f) of the Bankruptcy Code, the assignment by the Debtors of such Acquired Contracts shall not be a default thereunder. After the payment of the relevant Cure Amounts by the Debtors, neither the Debtors nor the Highest Bidder shall have any further liabilities to the Contract Parties other than the Highest Bidder's obligations under the Acquired Contracts that accrue and become due and payable on or after the Closing Date.

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

23) Upon the Closing and the payment of the relevant Cure Amounts, if any, the Highest Bidder shall be deemed to be substituted for the Debtors as a party to the applicable Acquired Contracts and the Debtors shall be relieved, pursuant to Section 365(k) of the Bankruptcy Code, from any further liability under the Acquired Contracts.

24) Upon the payment of the applicable Cure Amount, if any, the Acquired Contracts will remain in full force and effect, and no default shall exist under the Acquired

Contracts nor shall there exist any event or condition which, with the passage of time or giving of notice, or both, would constitute such a default.

25) There shall be no rent accelerations, assignment fees, increases (including advertising rates) or any other fees charged to Highest Bidder or the Debtors as a result of the assumption and assignment of the Acquired Contracts.

26) Pursuant to Sections 105(a), 363 and 365 of the Bankruptcy Code, all Contract Parties are forever barred and permanently enjoined from raising or asserting against Highest Bidder or any property of the Highest Bidder any assignment fee, default, breach or claim or pecuniary loss, or condition to assignment, arising under or related to the Acquired Contracts existing as of the Closing Date or arising by reason of the Closing. The failure of the Debtors to enforce prior to the Closing of the Sale one or more terms or conditions of an Acquired Contract shall not be a waiver of such terms and conditions or of Highest Bidder's right to enforce any terms and conditions of any such Acquired Contract.

**Other Provisions**

27) Final DIP Order. On September 4, 2008, this Court entered that certain Final Order (I) Authorizing The Debtors To Obtain Post-Petition Secured Financing Pursuant To 11 U.S.C. § 364, (II) Authorizing The Debtors' Limited Use of Cash Collateral Pursuant To 11 U.S.C. § 363, And (III) Granting Adequate Protection To Prepetition Secured Lenders Pursuant To 11 U.S.C. §§ 361, 362, 363 And 364 [Docket No. 165] (the "**Final DIP Order**"). Except (a) that Houlihan Lokey Howard & Zukin Capital, Inc. shall be paid from the Closing Price at Closing (or from the proceeds of any other sale of the Debtors' assets) any and all Monthly Fee(s) and Transaction Fee(s) owed as of the Closing in accordance with and subject to the provisions of this Court's Order Granting the Debtors' Application For Authority To Retain Houlihan Lokey Howard & Zukin Capital, Inc. As Investment Banker To The Debtors, Nunc Pro

Tunc To The Petition Date [Docket No. 214], (b) that Cure Amounts with respect to the Acquired Contracts shall be paid at Closing or otherwise in accordance with and as set forth in this Order and the Agreement, and (c) as expressly provided in that certain Order Approving Wind-down Budget And Establishment Of Certain Reserve Accounts In Connection With The Sale Of Substantially All Assets Of The Debtors to be entered concurrently with or after the entry of this Order , the Purchaser shall, on the Closing Date, wire the Closing Purchase Price (and any other cash proceeds payable under the Agreement on the date such amounts become payable thereunder), net of any amounts payable to third parties as set forth on the closing statement for the Sale or in this Order, directly to the Postpetition Agent for application to the Postpetition Obligations or Prepetition Senior Obligations in accordance with the terms and conditions of the Final DIP Order.

28) GE Capital Bond Matters. Notwithstanding any provision to the contrary in the Agreement, any Notices regarding Acquired Contracts or Cure Amounts previously filed by the Debtors ("**Cure Notices**"), or this Order, including, without limitation, Exhibit "A" attached hereto:

(a) Atlantis Plastic Films, Inc. ("**Films**") does not assign, and Purchaser does not assume, the Loan Agreement dated as of November 1, 2005 executed by GE Capital Public Finance, Inc. as lender, Films, as borrower, and Development Authority of Carterville, as issuer, the related revenue bond in the amount of \$3,500,000 or the related bond agreements (collectively, the "**Georgia Bond Agreements**");

(b) Films does not assign, and Purchaser does not assume, the Loan Agreement dated as of January 1, 2007 executed by GE Capital Public Finance, Inc., as

lender, Films, as borrower and City of Mankato, Minnesota, as issuer, the related revenue bond in the amount of \$4,100,000 or the related bond agreements (collectively, the “**Minnesota Bond Agreements**”),

(c) any and all Cure Notices are withdrawn with respect to the Georgia Bond Agreements and the Minnesota Bond Agreements,

(d) in resolution of the objection to the Sale and the Motion filed by GE Government Finance, Inc. (f/k/a GE Capital Public Finance, Inc.) and General Electric Capital Business Asset Funding Corporate of Connecticut, contemporaneously with and as part of the Closing on the Closing Date, from the Closing Purchase Price, the Debtors are authorized and directed: (i) to pay to GE Government Finance, Inc. (f/k/a GE Capital Public Finance, Inc.) in cash by wire transfer the sum of: (x) \$3,457,534.43 (calculated as of October 13, 2008) to be applied to the indebtedness, late charges, legal fees and other sums owed by Films under the Minnesota Bond Agreements in accordance with the payoff statement provided to Films dated September 16, 2008, plus (y) additional accrued unpaid interest on the unpaid principal balance of such indebtedness commencing October 14, 2008 until the unpaid principal balance is paid in full (in the amount of \$529.46 per diem); and (ii) to pay to General Electric Capital Business Asset Funding Corporation of Connecticut, as assignee of GE Government Finance, Inc. (f/k/a GE Capital Public Finance, Inc.), in cash by wire transfer the sum of: (x) \$2,248,105.70 (calculated as of October 13, 2008) to be applied to the indebtedness, late charges, legal fees and other sums owed by Films under the Georgia Bond Agreements in

accordance with the payoff statement provided to Films dated September 16, 2008, plus (y) additional accrued unpaid interest on the unpaid principal balance of such indebtedness commencing October 14, 2008 until the unpaid principal balance is paid in full (in the amount of \$332.79 per diem). The UCC statements filed by General Electric Capital Business Asset Funding Corporation of Connecticut, as assignee of GE Government Finance, Inc. (f/k/a GE Capital Public Finance, Inc.) and GE Government Finance, Inc. (f/k/a GE Capital Public Finance, Inc.) with respect to the property securing the Minnesota Bond Agreements and the Georgia Bond Agreements shall not be released unless and until the foregoing payments are made.

29) **GE Capital Equipment Lease Matters**: Notwithstanding any provision to the contrary in the Agreement, any Cure Notice, or this Order, including, without limitation, Exhibit "A" attached hereto: (a) Films assumes and assigns to Purchaser, and the Purchaser assumes the rights and obligations of Films under, the Master Lease Agreement dated March 19, 2003 ("**MLA**") and the three equipment schedules that relate to the MLA dated as of March 19, 2003, December 22, 2003, and September 27, 2006 (collectively, with the MLA, the "**Master Lease Agreement**") arising after the Closing but including the scheduled rent payments due after the Closing Date and the obligations to pay personal property taxes that accrue or relate to periods before the Closing even though such rent payment and obligations are not yet fixed, liquidated or due and owing. Purchaser also assumes the rights and obligations of Films under the three Security Deposit Pledge Agreements dated as of February 5, 2003, December 3, 2003 and September 11, 2006 (collectively, the "**Security Deposit Agreements**") that relate to the Master Lease Agreement; (b) all rights, claims, pledges and interests of General Electric Capital

Corporation ("GECC") under the Master Lease Agreements and the Security Deposit Agreements with respect to the security deposits ("Security Deposits") held by or on behalf of GECC pursuant to the Security Deposit Agreements are retained by GECC and are not impaired or discharged, and (c) GECC is authorized to continue to hold the Security Deposits and to apply the Security Deposits to any obligations or claims under the Master Lease Agreement and the Security Deposit Agreements and applicable law that accrue or relate to periods arising after the Closing, including obligations to pay personal property taxes that accrue or relate to periods before the Closing even though such tax obligation is not yet fixed, liquidated or due and owing; provided, however, GECC shall not apply any amounts held under the Security Deposit Agreement to satisfy claims arising under any other agreement between GECC and any of the Debtors, and (d) ownership of the property subject to the Master Lease Agreement is not conveyed to Purchaser by the Sale, but shall continue to be governed by the Master Lease Agreement, and GECC is authorized to file protective UCC statements with respect to Purchaser and the Master Lease Agreement.

30) The transactions contemplated by the Agreement are undertaken by the Highest Bidder without collusion and in good faith, as that term is defined in Section 363(m) of the Bankruptcy Code, and accordingly, the reversal or modification on appeal of the authorization provided herein to consummate the Sale shall not affect the validity of the Sale (including the assumption and assignment of the Acquired Contracts), unless such authorization and such Sale are duly stayed pending such appeal. The Highest Bidder is a good faith buyer within the meaning of Section 363(m) of the Bankruptcy Code and, as such, is entitled to the full protections of Section 363(m) of the Bankruptcy Code.

31) Notwithstanding anything to the contrary herein, the Purchased Assets shall not be sold free and clear of any claims or defenses arising under Section 363(o) of the Bankruptcy Code.

32) Nothing contained in any plan of reorganization or liquidation, or order of any type or kind entered in (i) these chapter 11 cases, (ii) any subsequent chapter 7 case into which any such chapter 11 case may be converted, or (iii) any related proceeding subsequent to entry of this Order, shall conflict with or derogate from the provisions of the Agreement or the terms of this Order. This Order shall bind any trustee appointed for any of the Debtors, including any trustee appointed in the Chapter 11 case or a subsequently appointed Chapter 7 trustee. This Order shall survive and shall not be vacated by any dismissal of any of the Debtors' cases.

33) Pursuant to Bankruptcy Rules 7062, 9014, 6004(h) and 6006(d), this Order shall be effective immediately upon entry and the Debtors and Highest Bidder are authorized to close the Sale immediately upon entry of this Order.

34) No bulk sales law or any similar law of any state or other jurisdiction applies in any way to the Sale.

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

36) To the extent permitted by 11 U.S.C. § 525, no governmental unit may revoke or suspend any permit or license relating to the operation of the Purchased Assets sold, transferred, or conveyed to the Highest Bidder on account of the filing or pendency of these chapter 11 cases or the consummation of the Sale.



37) The failure specifically to include any particular provision of the Agreement in this 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; provided, however, that any Permitted Encumbrance (as such term is defined in the Agreement), that as a matter of law can be extinguished against or otherwise released from an asset sold under Section 363 (or its related provisions) of the Bankruptcy Code, shall be fully extinguished or released upon Closing and shall attach to the Sale Proceeds or the assets of the Debtors estates, as the case may be, in the same order and priority as they existed prior to the entry of this Order.

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

39) The Court shall retain jurisdiction to, among other things, interpret, implement, and enforce the terms and provisions of this order and the Agreement, all amendments thereto and any waivers and consents thereunder and each of the agreements executed in connection therewith to which the Debtors are a party or which has been assigned by the Debtors to the Highest Bidder, and to adjudicate, if necessary, any and all disputes concerning or relating in any way to the Sale.

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

41) To the extent that this Order is inconsistent with any prior order or pleading with respect to the Motion in these chapter 11 cases, the terms of this Order shall govern.

42) The Court directs entry of this Order as a final order.

**IT IS SO ORDERED:**

**[END OF DOCUMENT]**

Prepared and submitted by:

GREENBERG TRAURIG, LLP

By: \_\_\_\_\_  
David B. Kurzweil (Ga. Bar No. 430492)  
John J. Dyer (Ga. Bar No. 236844)  
Greenberg Traurig, LLP  
The Forum  
3290 Northside Parkway, Suite 400  
Atlanta, Georgia 30327  
Telephone: (678) 553-2100  
Facsimile: (678) 553-2212  
Email: kurzweild@gtlaw.com  
dyerj@gtlaw.com

Proposed Counsel for Debtors and  
Debtors-in-Possession

**EXHIBIT A**

**Acquired Contracts and Cure Amounts**

## ASSIGNMENT OF TRANSFERRED INTELLECTUAL PROPERTY

THIS ASSIGNMENT OF TRANSFERRED INTELLECTUAL PROPERTY (the "Agreement"), is made and entered into as of the 30th day of October, 2008, by and among Atlantis Plastics, Inc., a Delaware corporation ("Parent"), Atlantis Plastics Films, Inc., a Delaware corporation ("AP Films"), Linear Films, Inc., an Ontario, Canada corporation ("Linear Films" and together with Parent and AP Films, the "Seller") and AEP Industries Inc., a Delaware corporation (the "Purchaser").

### RECITALS

A. The Seller owns certain intellectual property used or held for use in the operation of the Business.

B. The Seller and the Purchaser have entered into an Asset Purchase Agreement, dated August 9, 2008 (the "Purchase Agreement"), pursuant to which the Purchaser is acquiring substantially all of the assets of the Business, including, without limitation, the Seller's rights and interests in and to the aforementioned intellectual property.

C. All capitalized terms used but not otherwise defined herein shall have the meaning given to such terms in the Purchase Agreement.

### AGREEMENT

NOW, THEREFORE, in consideration of the foregoing, the covenants and agreements contained herein and in the Purchase Agreement, the release set forth below and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Effective as of the closing of the transactions contemplated under the Purchase Agreement (the "Effective Date"), the Seller assigns, sells, transfers, conveys and delivers to the Purchaser any and all worldwide rights, common law rights, title and interest in and to the Transferred Intellectual Property (including without limitation as set forth in the attached Schedule) for Purchaser's own use and enjoyment and for the use and enjoyment of its successors, assigns and representatives, including without limitation claims for damages for past, present and future infringement with the right to sue for and collect the same.

2. Seller and all successors in interest consent to Purchaser's use and registration of the marks (collectively, the "Trademark Rights"):

- U.S. Trademark Reg. No. 2,313,280 for the mark "STA DRI" in International Classes 20 and 24;
- U.S. Trademark Reg. No. 3,010,954 for the mark "ATLANTIS PLASTICS LINEAR STRETCH FILMS & Design" in International Class 17;
- PROFLEX (in word and composite word and design formats), a common law mark used at least as early as 2007 in connection with plastic film goods;

- Any and all rights and privileges provided under the trademark and other laws of the U.S. and the individual states thereof; any and all goodwill of the business in which the above marks may have been used; and any and all renewals thereof, together with the right to bring suit and collect for past infringements thereof; and
- Any similar mark comprising the same terms in the United States or any other jurisdiction throughout the world.

Seller agrees to do all things and execute all further documents necessary to give full force and effect to this consent. Seller agrees that it shall not oppose any application or seek to cancel any registration or object to any use by Purchaser of the Trademark Rights listed above. Seller shall not assist any other party to do what Seller agrees it will not do.

3. As of the Effective Date, except as otherwise provided for in the Purchase Agreement, the Purchaser accepts and assumes and agrees to observe, perform or otherwise discharge in accordance with their respect terms and subject to the respective conditions thereof, all liabilities and obligations relating to or arising out of the Transferred Intellectual Property.

4. No Person other than the Seller, the Purchaser and their respective successors and permitted assigns shall have any rights hereunder.

5. The Seller and the Purchaser shall each execute, acknowledge and deliver, or cause the execution, acknowledgement and delivery of, such further documents and instruments as may reasonably be requested by the other party hereto to implement the purposes of this Agreement.

6. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Georgia (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 or other applicable federal law.

7. This Agreement and the rights and obligations hereunder shall inure to the benefit of, and be binding upon, the parties hereto and their respective successors and permitted assigns.

8. This Agreement is executed and delivered pursuant to the Purchase Agreement and shall be subject to the terms and conditions of, and interpreted in accordance with, the Purchase Agreement. In the event of a conflict between the terms and conditions of this Agreement and the Purchase Agreement, the terms and conditions of the Purchase Agreement will govern, supersede and prevail.

9. This Agreement may be executed in two or more counterparts, each of which shall be considered an original and all of which, taken together, shall be deemed to be one and the same instrument. Delivery of an executed counterpart of a signature page to this Agreement shall be as effective as delivery of a manually executed counterpart of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Assignment of Transferred Intellectual Property, as of the day first written above.

ATLANTIS PLASTICS, INC.

By: Paul Saari  
Name: Paul Saari  
Title: Chief Financial Officer

ATLANTIS PLASTICS FILMS, INC.

By: Paul Saari  
Name: Paul Saari  
Title: Chief Financial Officer

LINEAR FILMS, INC.

By: Paul Saari  
Name: Paul Saari  
Title: Chief Financial Officer

AEP INDUSTRIES INC.

By: \_\_\_\_\_  
Name: Paul Feeney  
Title: Executive Vice President, Finance  
and Chief Financial Officer

DETROIT.3355920.2

TRADEMARK  
REEL: 003880 FRAME: 0962

**IN WITNESS WHEREOF**, the parties hereto have executed this Assignment of Transferred Intellectual Property, as of the day first written above.

**ATLANTIS PLASTICS, INC.**

By: \_\_\_\_\_  
Name: Paul Saari  
Title: Chief Financial Officer

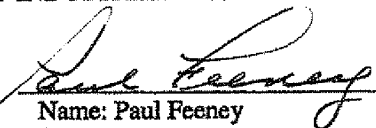
**ATLANTIS PLASTICS FILMS, INC.**

By: \_\_\_\_\_  
Name: Paul Saari  
Title: Chief Financial Officer

**LINEAR FILMS, INC.**

By: \_\_\_\_\_  
Name: Paul Saari  
Title: Chief Financial Officer

**AEP INDUSTRIES INC.**

By:  \_\_\_\_\_  
Name: Paul Feeney  
Title: Executive Vice President, Finance  
and Chief Financial Officer

DETROIT.3355920.2

**TRADEMARK**  
**REEL: 003880 FRAME: 0963**



SCHEDULE

Patents, Trademarks and Copyrights

I. Patents

<u>Name of Patent</u>	<u>Business Unit</u>	<u>Serial/Patent Number</u>	<u>Filing/Registration Date</u>	<u>Status</u>	<u>Owner</u>
Deformable Label	Stretch	5,302,431	01/06/92	Issued 04/12/94	Atlantis Plastic Films, Inc (successor to National Poly Products, Inc.)
Apparatus for Controlled Manual Unrolling of rolled flexible Material	Stretch	4,600,163	12/10/82	Issued 07/15/86	Atlantis Plastic Films, Inc. (Linear Films, Inc.)

II. Trademarks

<u>Name of Trademark</u>	<u>Business Unit</u>	<u>Owner</u>	<u>Country</u>	<u>Registration No.</u>	<u>Registration Date</u>	<u>Class</u>
Sta-Dri	Institutional Products	Atlantis Plastic Films, Inc.	United States	2,313,280	02/01/00, Renewal 02/01/10	20, 24, 25
Atlantis Plastics Linear Stretch Films	Stretch	Atlantis Plastics, Inc.	United States	U.S. Serial No. 78/429,685 Reg. No. 3,010,954	Registered 11/1/05. Section 8 due 11/1/11, Renewal due 11/1/15	17
PROFLEX - common law rights.						

III. Copyrights

None.

IV. IP License Agreements

Settlement Agreement, dated October 3, 2007, between Pliant Corporation and Atlantis Plastics, Inc.