TRADEMARK ASSIGNMENT

Electronic Version v1.1
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SUBMISSION TYPE:	CORRECTIVE ASSIGNMENT
NATURE OF CONVEYANCE:	Corrective Assignment to correct the cover sheet to delete U.S. Registration Nos. 1872481 and 2536083 previously recorded on Reel 003890 Frame 0192. Assignor(s) hereby confirms the Asset Purchase Agreement.

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
Atlantis Plastics, Inc.		08/08/2008	CORPORATION: DELAWARE

RECEIVING PARTY DATA

Name:	Custom Plastic Solutions, LLC
Street Address:	390 Community Drive
City:	Henderson
State/Country:	KENTUCKY
Postal Code:	42420
Entity Type:	LIMITED LIABILITY COMPANY: DELAWARE

PROPERTY NUMBERS Total: 5

Property Type	Number	Word Mark
Registration Number:	2595463	CEDARWAY
Registration Number:	2152268	PLY-J
Serial Number:	77009266	CEDARWAY
Serial Number:	77009255	THE LOOK AND FEEL OF REAL SPLIT CEDAR
Serial Number:	78463648	KWIKCUT

CH $140.00 2595463

CORRESPONDENCE DATA

Fax Number: (212)446-4900
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
Phone: 2129093078
Email: szablocki@kirkland.com
Correspondent Name: Kirkland & Ellis LLP; Att:Susan Zablocki
Address Line 1: 153 East 53rd Street
Address Line 4: New York, NEW YORK 10022

ATTORNEY DOCKET NUMBER:	41912-47
NAME OF SUBMITTER:	Susan Zablocki
Signature:	//susan zablocki//
Date:	12/15/2008

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TRADEMARK ASSIGNMENT

Electronic Version v1.1
Stylesheet Version v1.1

11/18/2008
900120945

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	Asset Purchase Agreement

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
Atlantis Plastics, Inc.		08/09/2008	CORPORATION: DELAWARE

RECEIVING PARTY DATA

Name:	Custom Plastic Solutions, LLC
Street Address:	142 West 57th Street
Internal Address:	17th Floor
City:	New York
State/Country:	NEW YORK
Postal Code:	10019
Entity Type:	LIMITED LIABILITY COMPANY: DELAWARE

PROPERTY NUMBERS Total: 7

Property Type	Number	Word Mark
~~Registration Number~~	~~1872481~~	~~A~~
Registration Number:	2595463	CEDARWAY
Registration Number:	2152268	PLY-J
~~Registration Number~~	~~2536083~~	~~ATLANTIS PLASTICS~~
Serial Number:	77009266	CEDARWAY
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Phone: 2129093078
Email: szablocki@kirkland.com
Correspondent Name: Kirkland & Ellis LLP; Att:Susan Zablocki
Address Line 1: 153 East 53rd STreet

Address Line 4:	New York, NEW YORK 10022
ATTORNEY DOCKET NUMBER:	41912-47
NAME OF SUBMITTER:	Susan Zablocki
Signature:	//susan zablocki//
Date:	11/18/2008

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ASSET PURCHASE AGREEMENT

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by and among

CUSTOM PLASTIC SOLUTIONS, LLC.

and

ATLANTIS PLASTICS, INC.

and

THE OTHER SELLERS NAMED HEREIN

Dated as of August 9, 2008

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EXHIBITS

ASSET PURCHASE AGREEMENT

ASSET PURCHASE AGREEMENT (this "Agreement"), dated as of August 9, 2008 (the "Execution Date"), by and among (i) Atlantis Plastics, Inc., a Delaware corporation ("ParentCo"), and each of its subsidiaries listed on the signature pages hereto (each, with ParentCo, a "Seller" and collectively, "Sellers"), and (ii) Custom Plastic Solutions, LLC., a Delaware limited liability company (the "Purchaser").

WHEREAS, the Sellers are engaged in the business of designing, manufacturing, marketing, selling and distributing custom injection molded and extruded plastic products used for appliance, automotive, recreational vehicle, construction, commercial and consumer applications at various locations in the United States, such locations currently being 74 Bonwood Drive, Jackson, Tennessee; 428 U Street, Fort Smith, Arkansas; 390 Community Drive, Henderson, Kentucky; 57500 County Road 3, Elkhart, Indiana; 2965 Lavanture Place, Elkhart, Indiana; 1121 Herman St, Elkhart, Indiana; 166 Jefferson Pike, La Vergne, Tennessee; 174 Jefferson Pike, La Vergne, Tennessee; and 105 N Tower Rd, Alamo, Texas (the "Business"); and

WHEREAS, the Sellers wish to sell to the Purchaser, and the Purchaser wishes to purchase from the Sellers, the Purchased Assets (as hereinafter defined) comprising the Business, and, in connection therewith, the Purchaser is willing to assume from the Sellers all of the Assumed Liabilities (as hereinafter defined), all upon the terms and subject to the conditions set forth herein; and

WHEREAS, Atlantis Plastics Films, Inc., a Delaware corporation and a wholly-owned subsidiary of ParentCo ("Films"), has an interest in certain of the computer equipment located in Aurora, Colorado; Alpharetta, Georgia, and ParentCo's Atlanta, Georgia corporate office (or in such other computer equipment shared by the Business and the films businesses of ParentCo and certain of its subsidiaries, with such equipment collectively referred to as the "Shared Computer Equipment"); and

WHEREAS, Films joins in this Agreement solely with regard to its interest in the Shared Computer Equipment and the term "Seller" or Sellers" as used herein shall include Films, but only with respect to the Shared Computer Equipment and for no other purpose; and

WHEREAS, because the Purchase Price for the Purchased Assets is insufficient to satisfy the Sellers' obligations to all of its creditors, the Sellers have concluded that, promptly after the date hereof, the Sellers will file a case (a "Bankruptcy Case") in the United States Bankruptcy Court for the Northern District of Georgia, Atlanta Division (the "Bankruptcy Court") pursuant to Title 11 of the United States Code, 11 U.S.C. §§ 101-1330, as amended by the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 (the "Bankruptcy Code"); and

WHEREAS, the Purchaser desires to effect the purchase and sale transaction hereunder in the manner and subject to the terms and conditions set forth in this Agreement, the Sale Order (defined herein) and the Bidding Procedures Order (defined herein) and in accordance with sections 105, 363, 365 and 1146 and other applicable provisions of the Bankruptcy Code; and

NOW, THEREFORE, in consideration of the promises and the mutual agreements and covenants hereinafter set forth, and intending to be legally bound, the Sellers and the Purchaser hereby agree as follows:

ARTICLE I

DEFINITIONS

SECTION 1.01 **Certain Defined Terms** For purposes of this Agreement:

"Acquired Contracts" means, collectively, the Assumed Contracts and the Assumed Leases.

"Action" means any claim, action, charge, complaint, grievance, mediation, hearing, order, suit, arbitration, inquiry, proceeding or investigation by or before any Governmental Authority or any other Person or arbitrator.

"Active Business Employees" means those employees of the Business who, immediately prior to the Closing, are actively working for the Business or are on short-term approved leaves of absence, including vacation, personal or medical leave, and any other employees of Sellers who the Purchaser has a legal obligation to rehire.

"Affiliate" means, with respect to any specified Person, any other Person that directly, or indirectly through one or more intermediaries, Controls, is Controlled by, or is under Common Control with, such specified Person.

"Ancillary Agreements" means the Bill of Sale, the Deeds, the Assignments of Leases, the Assignment of Transferred Intellectual Property, the Transition Services Agreement, the Assumption Agreement, the Escrow Agreement and the Intellectual Property License Agreement.

"Assigned Designated Remaining Lease" means any Designated Remaining Lease that is not a Non-Assigned Designated Remaining Lease.

"Assignment Effective Date" means, with respect to any Designated Remaining Lease, the fifth Business Day after the date on which Purchaser notifies Sellers and the landlord of such Designated Remaining Lease in writing that Purchaser elects to have Sellers assume and assign to Purchaser such Designated Remaining Lease; provided, however, that the Assignment Effective Date may be no later than the earlier of sixty (60) days from the Closing Date or one hundred fifteen (115) days from the date of the commencement of the Bankruptcy Case.

"Assignment of Lease" means the Assignment of Lease to be executed by the applicable Seller(s) and Purchaser at the Closing with respect to the Assumed Facility Leases, substantially in the form of Exhibit 1.01(a).

"Assignment of Transferred Intellectual Property" means the Assignment of Transferred Intellectual Property to be executed by the applicable Seller(s) and Purchaser at the Closing, substantially in the form of Exhibit 1.01(b).

"Assumed Contracts" means all Contracts identified in Section 2.01(a)(iii) of the Disclosure Schedule under the heading "Assumed Contracts", other than those Contracts excluded by Purchaser from the Purchased Assets pursuant to Section 2.01(d) hereof.

"Assumed Facility Leases" means all of the Facility Leases associated with the Leased Real Property, which Facility Leases are identified in Section 2.01(a)(iii) of the Disclosure Schedule under the heading "Assumed Facility Leases", other than those Facility Leases excluded by Purchaser from the Purchased Assets pursuant to Section 2.01(d) hereof.

"Assumed Leases" means, collectively, (i) all equipment leases identified in Section 2.01(a)(iii) of the Disclosure Schedule under the heading "Assumed Equipment Leases" other than those excluded by the Purchaser from the Purchased Assets pursuant to Section 2.01(c) hereof, and (ii) the Assumed Facility Leases.

"Assumed Owned Real Property" means the Owned Real Property identified in Section 2.01(a)(i) of the Disclosure Schedule.

"Auction" means the auction conducted by Sellers pursuant to the Bidding Procedures Order for substantially all of the Purchased Assets.

"Assumption Agreement" means the Assumption Agreement to be executed by the Purchaser and each Seller at the Closing, substantially in the form of Exhibit 1.01(c).

"Avoidance Actions" means any and all actions which a trustee, a debtor-in-possession or other appropriate party in interest may assert on behalf of the Estate under possession or other appropriate party in interest may assert on behalf of the Estate under applicable state statute or Chapter 5 of Bankruptcy Code, including actions under one or more provisions of sections 542, 543, 544, 545, 546, 547, 548, 549, 550, 551 and 553 of the Bankruptcy Code.

"Bankruptcy Case" has the meaning set forth in the recitals of this Agreement.

"Bankruptcy Code" has the meaning set forth in the recitals of this Agreement.

"Bankruptcy Court" has the meaning set forth in the recitals of this Agreement.

"Bidding Procedures Order" means an order of the Bankruptcy Court, containing, among other terms and conditions, the terms and conditions described in Exhibit 1.01(d) and reasonably acceptable to the Purchaser, and which approves, inter alia, bidding and auction procedures to be followed by Sellers and all potential bidders for the Purchased Assets that are consistent with the terms of this Agreement (including such Exhibit).

"Bill of Sale" means the Bill of Sale and Assignment to be executed by each Seller and the Purchaser at the Closing, substantially in the form of Exhibit 1.01(e).

"Books and Records" means all records and lists of the Sellers primarily relating to the Business, including: (i) all merchandise, analysis reports, marketing reports and creative material pertaining to the Purchased Assets, Assumed Liabilities or the Business, (ii) all records relating to customers, suppliers or personnel of the Sellers (including customer lists, mailing lists, e-mail address lists, recipient lists, sales records, correspondence with customers, customer files and account histories, supply lists and records of purchases from and correspondence with suppliers), (iii) all records relating to all product, business and marketing plans of any Seller, and (iv) all books, ledgers, files, reports, plans, drawings and operating records of every kind of the Sellers; provided, however, "Books and Records" shall not include (A) any records primarily relating to the Excluded Assets, (B) any Seller's minute books, stock books and Tax Returns or (C) any records and lists of Sellers not primarily relating to the Business.

"Business" has the meaning set forth in the recitals of the Agreement.

"Business Day" means any day that is not a Saturday, a Sunday or other day on which banks are required or authorized by Law to be closed in the cities of Atlanta, Georgia or New York, New York.

"Claims" means all rights, claims, causes of action, defenses, debts, demands, damages, offset rights, setoff rights, recoupment rights, obligations, and liabilities of any kind or nature under contract, at law or in equity, known or unknown, contingent or matured, liquidated or unliquidated, and all rights and remedies with respect thereto.

"Code" means the Internal Revenue Code of 1986, as amended through the date hereof.

"Contract" means any lease, agreement, contract, commitment or other binding arrangement or understanding, whether written or oral, to which any Seller is a party and which any Seller is permitted under the Bankruptcy Code to assume and assign.

"Control" (including the terms "Controlled by" and "under Common Control with"), with respect to the relationship between or among two or more Persons, means the possession, directly or indirectly or as trustee, personal representative or executor, of the power to direct or cause the direction of the affairs or management of a Person, whether through the ownership of voting securities, as trustee, personal representative or executor, by contract, credit arrangement or otherwise.

"Conveyance Taxes" means all sales, use, value added, transfer, stamp, stock transfer, real property transfer or gains and similar Taxes directly attributable to the sale of the Purchased Assets by the Sellers to the Purchaser.

"Deed" means, with respect to each parcel of Owned Real Property, the instrument of conveyance customary to the applicable jurisdiction to be executed by the applicable Seller at the Closing in order to convey to the Purchaser such Seller's right, title and interest, if any, in such parcel of Owned Real Property, substantially in the form of Exhibit 1.01(f).

"Deposit" means an amount of cash equal to One Million Dollars ($1,000,000) to be tendered to the Escrow Agent in escrow pursuant to the Escrow Agreement.

"Disclosure Schedule" means the Disclosure Schedule attached hereto, dated as of the date hereof, delivered by the Sellers to the Purchaser in connection with the execution and delivery of this Agreement.

"Employee Benefit Plans" means all employee benefit plans as defined in section 3(3) of the Employee Retirement Income Security Action of 1974, as amended ("ERISA"), all compensation, pay, severance pay, salary continuation, bonus, incentive, stock option, retirement, pension, profit sharing or deferred compensation plans, contracts, programs, funds or arrangements of any kind and all other employee benefit plans, programs, funds or arrangements (whether written or oral, qualified or nonqualified, funded or unfunded, foreign or domestic, currently effective or terminated, and whether or not subject to ERISA) and any trust, escrow or similar agreement related thereto, whether or not funded.

"Encumbrance" means any defect or imperfection in title, charge, deed of trust, security interest, pledge, hypothecation, mortgage, encumbrance, Lien (as such term is defined in the Bankruptcy Code), lease, license grant by any Seller, sublease, option, right of first refusal, easement, right-of-way, servitude, covenant, condition, proxy, voting trust or agreement or transfer restriction under any equityholder or similar Contract.

"Environmental Law" means any federal, state, local or foreign statute, law, ordinance, regulation, common law, rule, code, order, consent decree or judgment, in each case in effect as of the date hereof, relating to pollution or protection of the environment, health or safety.

"Environmental Liability" means any claim, demand, order, suit, obligation, liability, cost (including the cost of any investigation, testing, compliance or remedial action), consequential damages, loss or expense (including reasonable and incurred attorney's and consultant's fees and expenses) arising out of, relating to or resulting from any Environmental Law or environmental, health or safety matter or condition, including natural resources, and related in any way to the Purchased Assets or to this Agreement or its subject matter, in each case, whether arising or incurred before, at or after the Closing.

"Environmental Permits" means any permit, approval, identification number, license and other authorization required under or issued pursuant to any applicable Environmental Law.

"Escrow Agent" means Wells Fargo Bank, National Association or its successors.

"Escrow Agreement" means that certain escrow agreement among ParentCo, the Purchaser and the Escrow Agent, governing the deposit and release of the Deposit and the Net Working Capital Escrow Amount, substantially in the form of Exhibit 1.01(g).

"Escrow Funds" means the amount of cash held from time to time by the Escrow Agent pursuant to the Escrow Agreement.

"ERISA Affiliate" means any entity treated as a single employer with any Seller or any of its subsidiaries for the purposes of Section 414 of the Code.

"Estate" means, with respect to Sellers, the estate created pursuant to section 541 of the Bankruptcy Code.

"Excluded Taxes" means all Taxes relating to the Sellers, the Purchased Assets or the Business arising or related to periods prior to the Closing.

"Facility Leases" means all of Sellers' right, title and interest in all leases, subleases, licenses, concessions and other agreements (written or oral) and all amendments, extensions, renewals, guaranties and other agreements with respect thereto, pursuant to which any Seller holds a leasehold or subleasehold estate in, or is granted the right to use or occupy a Leased Real Property.

"Final Order" means an Order as to which the time to file an appeal, a motion for rehearing or reconsideration or a petition for writ of certiorari has expired and no such appeal, motion or petition is pending.

"GAAP" means United States generally accepted accounting principles and practices in effect from time to time applied consistently throughout the periods involved.

"Governmental Authority" means any federal, national, supranational, state, provincial, local or other government, governmental, regulatory or administrative authority, agency or commission or any court, tribunal, or judicial or arbitral body.

"Governmental Order" means any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority.

"Hazardous Material" means (a) any petroleum, petroleum products, by-products or breakdown products, radioactive materials, asbestos-containing materials or polychlorinated biphenyls, odors, noise, microbial agents, or radiation, or (b) any chemical, material or substance defined or regulated as toxic or hazardous or as a pollutant, contaminant or waste under, or for which Liability or standards of conduct are imposed by, any Environmental Law.

"Holdings" means Plastic Acquisition, Inc. a Delaware corporation.

"Holdings Common Stock" means common stock of Holdings, par value $0.01 per share.

"Insider" means any officer, director, governing body member, equityholder, partner or Affiliate, as applicable, of any Seller or any predecessor or Affiliate of any Seller or any individual related by marriage or adoption to any such individual or any entity in which any such Person owns any beneficial interest.

"Intellectual Property" means all intellectual property and property rights throughout the world, including: (a) patents, patent disclosures and patent applications, (b) trademarks, service marks, trade names, corporate names, trade dress, logos and slogans, and domain names, together with the goodwill associated therewith, (c) copyrights, including copyrights in computer software, and copyrightable works, (d) confidential and proprietary information, including trade secrets and know-how, and (e) registrations and applications for registration of the foregoing.

"Inventories" means all inventory, merchandise, finished goods, Supplies, work in progress and raw materials of Sellers used or held for use in the Business, whether or not included in Final Net Working Capital.

"Intellectual Property License Agreement" means the IP License Agreement to be executed between the applicable Seller(s) and the Purchaser at the Closing, substantially in the form of Exhibit 1.01(h).

"IRS" means the Internal Revenue Service of the United States.

"Law" means any federal, national, supranational, state, provincial, local or similar statute, law, ordinance, regulation, rule, code, order, requirement or rule of law (including common law).

"Leased Real Property" means the Real Property leased by any Seller, as tenant, and used in the Business, as set forth in Section 3.10(b) of the Disclosure Schedule, together with, in accordance with the applicable lease, all buildings and other structures, facilities or improvements currently or hereafter located thereon, all fixtures, systems, equipment and items of personal property of such Seller attached or appurtenant thereto and all easements, licenses, rights and appurtenances relating to the foregoing.

"Liabilities" means any and all debts, liabilities and obligations, whether accrued or fixed, absolute or contingent, matured or unmatured or determined or determinable, including those arising under any Law, Action or Governmental Order and those arising under any contract, agreement, arrangement, commitment or undertaking.

"Material Adverse Effect" means any event, circumstance, change in or effect that individually or in the aggregate with all other events, circumstances, changes and effects, is, or is reasonably likely to be, materially adverse to (a) the Purchased Assets, the Assumed Liabilities or the operations or financial condition of the Business taken as a whole or (b) the ability of the Sellers to perform their respective obligations under this Agreement, provided, however, that none of the following shall be deemed, in and of itself, either alone or in combination, to constitute, and none of the following shall be considered in determining whether there has been or will be a "Material Adverse Effect": (i) events, circumstances, changes or effects that generally affect the industries in which the Business operates (including legal and regulatory changes), except to the extent any such event, circumstance, change or effect has a disproportionate effect on the Business, (ii) general economic or political conditions or events or circumstances, changes or effects affecting the securities markets generally, in each case, except to the extent any such event, circumstance, change or effect has a disproportionate effect on the Business, (iii) any circumstance, change or effect that occurs as a result of any action taken pursuant to and in accordance with the terms of this Agreement or at the express written request of the Purchaser, and (iv) labor disputes of employees of the Business involving a work stoppage, labor strike, lockout or other work slowdown.

"Monomoy" means Monomoy Capital Partners, L.P.

"Net Working Capital Escrow Amount" means One Million Five Hundred Thousand Dollars ($1,500,000).

"Non-Assigned Designated Remaining Lease" means any Designated Remaining Lease which Purchaser does not elect to have Sellers assume and assign to it.

"Order" means any decree, order, injunction, rule, judgment, consent of or by any Governmental Authority.

"Ordinary Course of Business" means the operation of the Business by Sellers in the usual and ordinary course in a manner substantially similar to the manner in which Sellers operated the Business prior to the commencement of the Bankruptcy Case (including, without limitation, with respect to magnitude, quantity and frequency).

"Owned Real Property" means with respect to the Business the Real Property as set forth in Section 3.10(a) of the Disclosure Schedule in which any Seller has fee title (or equivalent) interest, together with all buildings and other structures, facilities or improvements currently or hereafter located thereon, all fixtures, systems, equipment and items of personal property of such Seller attached or appurtenant thereto and all easements, licenses, rights and appurtenances relating to the foregoing.

"Permits" means any license, permit, authorization, certificate of authority, qualification or similar document or authority, including any Environmental Permits.

"Permitted Encumbrances" means (a) zoning, entitlement, conservation restriction and other land use and environmental regulations by Governmental Authorities, (b) covenants, conditions, restrictions, easements, charges, rights-of-way, and other similar matters of record on Assumed Owned Real Property, and (c) matters which would be disclosed by an accurate survey or inspection of the Assumed Owned Real Property, in the case of clauses (a), (b) and (c) above, which do not, individually or in the aggregate, materially interfere with the present use, ownership, operation or occupancy of the assets or property which they encumber.

"Person" means any individual, partnership, firm, corporation, limited liability company, association, trust, unincorporated organization or other entity, as well as any syndicate or group that would be deemed to be a person under Section 13(d)(3) of the Securities Exchange Act of 1934, as amended.

"Petition" means the filing which commences the Bankruptcy Case.

"Petition Date" means the date on which the Bankruptcy Case is commenced.

"Post-Closing Period" means any taxable period (or portion thereof) beginning after the date of the Closing.

"Pre-Closing Period" means any taxable period (or portion thereof) ending on or prior to the date of the Closing.

"Product Liabilities" means, with respect to any products designed, manufactured, tested, marketed, distributed or sold by any Seller relating to the Business but manufactured prior to Closing, all Liabilities resulting from actual or alleged harm, injury, damage or death to persons, property or business, irrespective of the legal theory asserted from such products manufactured prior to Closing.

"Property Taxes" means real and personal ad valorem property Taxes.

"Purchase Price Bank Account" means a bank account in the United States to be designated by the Sellers in a written notice to the Purchaser at least five (5) Business Days before the Closing Date.

"Real Property" means the all land, buildings, improvements and fixtures erected thereon and all appurtenances related thereto.

"Receivables" means any and all accounts receivable, notes and other amounts receivable from third parties, including customers, as well as rights of payments arising from sales of consigned inventory, arising from the conduct or operations of the Business before the Closing, whether or not in the Ordinary Course of Business, together with any unpaid financing charges accrued thereon, but excluding any amounts owed by any of the Sellers' Affiliates.

"Regulations" means the Treasury Regulations (including Temporary Regulations) promulgated by the United States Department of Treasury with respect to the Code or other federal tax statutes.

"Rejection Effective Date" means, with respect to any Designated Remaining Lease, the date specified in a written notice from the Purchaser to Sellers and the landlord of such Designated Remaining Lease; provided, however, that (a) the Rejection Effective Date may be no later than the earlier of sixty (60) days from the Closing Date or one hundred fifteen (115) days from the date of the commencement of the Bankruptcy Case and (b) such written notice shall be given no less than fifteen (15) days prior to the Rejection Effective Date.

"Rule" or "Rules" means the Federal Rules of Bankruptcy Procedure.

"Sale Order" means the Final Order of the Bankruptcy Court, that substantially incorporates the provisions in Exhibit 1.01(i) and is otherwise in form and substance reasonably acceptable to the Sellers and the Purchaser, such form of which is to be filed with the Bankruptcy Court on or before two (2) weeks after the Sale Motion is filed and which is to be entered by the Bankruptcy Court pursuant to sections 363 and 365 of the Bankruptcy Code.

"Sellers' Knowledge", "Knowledge of the Sellers" or similar terms used in this Agreement means the actual (but not constructive or imputed) knowledge of each of Bud Philbrook, Paul Saari, Kevin Monroe, Ken Comer, Ty Scopel, David Probst, Lisa Makowski, and Tom Wilgus.

"Stock Consideration" means shares of Holdings Common Stock equal to 10% (subject to dilution for management equity and post-Closing equity issuances) of the Holdings Common Stock issued and outstanding immediately following the Closing.

"Straddle Period" means any taxable period beginning on or prior to and ending after the date of the Closing.

"Supplies" means all supplies, items and materials (including spare parts) owned by any Seller and used or held for use in the Business.

"Tax" or "Taxes" means any and all federal, state, local or foreign income, gross receipts, capital gains, franchise, alternative or add-on minimum, estimated, sales, use, goods and services, transfer, registration, value added, excise, natural resources, severance, stamp, occupation, premium, windfall profit, environmental, customs, duties, real property, personal property, capital stock, social security, unemployment, employment, disability, payroll, license, employee or other withholding, contributions or other tax or escheat obligation, of any kind whatsoever, (together with any and all interest, penalties, additions to tax and additional amounts imposed with respect thereto).

"Tax Returns" means any and all returns, reports and forms (including elections, declarations, amendments, schedules, information returns or attachments thereto) filed or required to be filed with a Governmental Authority with respect to Taxes.

"Title Company" means LandAmerica Title Insurance Company or such other title insurance company reasonably acceptable to the Purchaser.

"Transferred Intellectual Property" means all Intellectual Property owned by any Seller and used in or related to the Business, other than the Retained Names and Marks and the Intellectual Property included as an Excluded Asset in Sections 2.01(d)(vi) and 2.01(d)(xiv), and includes all Intellectual Property set forth in Section 3.09 of the Disclosure Schedule.

"Transferred Intellectual Property Agreements" means all (a) licenses of Intellectual Property to any Seller and (b) licenses of Intellectual Property by any Seller to any third party (other than with respect to the Retained Names and Marks), in each case, that are used in or related to the Business, and includes all such agreements set forth in Section 3.09 of the Disclosure Schedule (but excludes any license related to the Retained Names and Marks).

"Whirlpool Payables" means the Whirlpool accounts payable and accrued liabilities as reflected in the Sellers' Books and Records.

SECTION 1.02 **Definitions**. The following terms have the meanings set forth in the Sections set forth below:

Definition	Location
"Adjustment Report"	2.08(c)
"Agreement"	Preamble

Definition	Location
"Allocation"	2.03(c)
"Alternative Transaction"	5.13
"Assumed Liabilities"	2.02(a)
"Base Purchase Price"	2.03(b)
"Bid" or "Bids"	5.13
"Bidders"	5.13
"Break Up Fee"	5.14(b)
"Business"	Recitals
"COBRA"	2.02(a)(ix)
"Closing"	2.04
"Closing Certificate"	2.08(a)
"Closing Date"	2.04
"Closing Net Working Capital"	2.08(a)
"Closing Purchase Price"	2.03(b)
"Confidentiality Agreement"	5.03(a)
"Cure Costs"	2.02(d)
"Designated Remaining Leases"	2.10
"Designated Remaining Lease Obligations"	2.10
"Dispute Notice"	2.08(a)
"Estimated Closing Certificate"	2.07
"Estimated Net Working Capital"	2.07
"Excluded Assets"	2.01(b)
"Excluded Liabilities"	2.02(b)
"Execution Date"	Caption
"Existing Stock"	5.05(b)
"Final Net Working Capital"	2.08(a)
"Financial Statements"	3.04(a)
"Highest and Best Bids"	7.02(f)(iii)(H)
"Interim Financial Statements"	3.04(a)
"Independent Accounting Firm"	2.08(b)
"Material Contracts"	3.14
"Motor Vehicles"	2.01(a)(v)
"Net Working Capital"	2.07(b)
"Outside Date"	8.01(a)
"Plans"	3.12(a)
"Purchaser"	Preamble
"Purchase Price"	2.03(b)
"Purchased Assets"	2.01(a)
"Retained Names and Marks"	5.05
"Review Period"	2.08(a)
"Seller"	Preamble
"Seller Control Group"	2.01(b)(viii)
"Seller Benefit Plans"	2.01(b)(viii)

Definition	Location
"Target Net Working Capital"	2.07(a)
"Target Net Working Capital Statement"	2.07(a)
"Transferred Employee"	6.01
"Transition Services Agreement"	5.08
"Undisputed Amount"	2.08(a)
"WARN Act"	2.02(a)(x)

SECTION 1.03 Interpretation and Rules of Construction. In this Agreement, except to the extent otherwise provided or that the context otherwise requires:

(a) when a reference is made in this Agreement to an Article, Section, Exhibit or Schedule, such reference is to an Article or Section of, or an Exhibit or Schedule to, this Agreement unless otherwise indicated;

(b) the table of contents and headings for this Agreement are for reference purposes only and do not affect in any way the meaning or interpretation of this Agreement;

(c) whenever the words "include," "includes" or "including" are used in this Agreement, they are deemed to be followed by the words "without limitation";

(d) the words "hereof," "herein" and "hereunder" and words of similar import, when used in this Agreement, refer to this Agreement as a whole and not to any particular provision of this Agreement;

(e) all terms defined in this Agreement have the defined meanings when used in any certificate or other document made or delivered pursuant hereto, unless otherwise defined therein;

(f) the definitions contained in this Agreement are applicable to the singular as well as the plural forms of such terms;

(g) references to a Person are also to its successors and permitted assigns; and

(h) when the context so requires, the word "or" when used in this Agreement means "and/or."

ARTICLE II

PURCHASE AND SALE

SECTION 2.01 Purchase and Sale of Assets

(a) Purchased Assets. Upon the terms and subject to the conditions of this Agreement, at the Closing, the Sellers shall sell, assign, transfer, convey and deliver, or

cause to be sold, assigned, transferred, conveyed and delivered, to the Purchaser, and the Purchaser shall purchase, acquire, take assignment and delivery of, all properties, assets, rights, titles and interests of every kind and nature, owned or leased by Sellers as of the Closing Date that are used in or held for use by the Business, whether tangible or intangible, real or personal and wherever located and by whomever possessed, including, without limitation, all of the following assets, but excluding Excluded Assets pursuant to Section 2.01(d), which Excluded Assets are not sold, assigned, transferred, conveyed or delivered to the Purchaser hereunder (all of the assets to be sold, assigned, transferred and delivered to the Purchaser hereunder herein collectively called the "Purchased Assets"):

(i) the Assumed Owned Real Property;

(ii) the furniture, fixtures and equipment and other tangible property owned and used or held for use by any Seller in the Business, together with the Sellers' right, title and interest in and to any leases of furniture, fixtures and equipment and other tangible property used or held for use by any Seller in the Business, including those listed in Section 2.01(a)(ii) of the Disclosure Schedule;

(iii) the Acquired Contracts;

(iv) (A) all Inventories, including (1) all Inventories listed in Section 2.01(a)(iv) of the Disclosure Schedule, (2) all Inventories held by third parties on a consignment basis and (3) all Inventories held by third-party processors, and (B) all of the Sellers' rights to and under the warranties received from suppliers with respect to such Inventories (to the extent such warranties are assignable; it being agreed that the Sellers will use reasonable best efforts to assert all claims reasonably requested to be asserted by Purchaser under such warranties);

(v) all cars, trucks, forklifts, railcars, other industrial vehicles and other motor vehicles ("Motor Vehicles") owned by any Seller and used or held for use in the Business, together with the Sellers' right, title and interest in and to any leases of Motor Vehicles, including those listed in Section 2.01(a)(v) of the Disclosure Schedule;

(vi) the Receivables as included in the Final Net Working Capital;

(vii) all Books and Records and all other books of account, general, financial, tax and personnel records, invoices, shipping records, supplier lists, correspondence and other documents, records and files and any rights thereto owned, used or held for use by any Seller in the conduct of the Business; provided, however, that the Sellers are permitted to make and retain paper and electronic copies of all such books and records of the Business that are in existence as of the Closing, and, that for a period ending on the earlier of (A) the closing of the Bankruptcy Case or (B) the date that is two (2) years after the Closing, the Purchaser will grant reasonable access to the Sellers at reasonable times during the Purchaser's normal business hours after reasonable advance

notice to review and make paper and electronic copies of all such business books and records, in each case, as Sellers reasonably determine in good faith to be necessary to administer the Bankruptcy Estate and at the Sellers' sole cost and expense;

(viii) the goodwill of the Sellers to the extent relating to the Business as a going concern;

(ix) the Transferred Intellectual Property and the Transferred Intellectual Property Agreements;

(x) the sales and promotional literature, customer lists and other sales-related materials of any Seller related to the Business (subject to Section 5.05, with respect to any such literature or materials bearing the Retained Names and Marks);

(xi) all municipal, state and federal franchises, Permits, licenses, agreements, waivers and authorizations held or used by any Seller in connection with the conduct of operations of the Business (to the extent transferable);

(xii) the assets included in the Final Net Working Capital (and not otherwise listed in this Section 2.01(a));

(xiii) with respect to the Business, utility and security deposits, prepaid expenses, credits, orders, claims for refunds and rights to offset in respect thereof (and, to the extent not transferable, all proceeds therefrom at any time received by any Seller);

(xiv) all prepaid Taxes relating to the Purchased Assets or the Business (and, to the extent not transferable, all proceeds therefrom at any time received by any Seller);

(xv) (A) the computer equipment, servers, software and networking owned used or held for use by the Business that is currently located in Atlanta, Georgia and Denver, Colorado, as listed in Section 2.01(a)(xv) of the Disclosure Schedule, or, to the extent leased, Sellers' right, title and interest in and to such leases, (B) all the computer equipment, servers, software and networking located at any Assumed Owned Real Property or Assumed Facility Lease, and (C) all laptops, handhelds, computer equipment and related software primarily used or otherwise held for primary use in the Business, wherever located and by whomever possessed (including by Transferred Employees); and

(xvi) all Sellers' rights to proceeds under insurance policies with respect to claims relating to any Purchased Asset or the Business.

(b) All of the Purchased Assets shall be sold, assigned, transferred, conveyed and delivered to the Purchaser free and clear of all Encumbrances (other than (i)

Permitted Encumbrances, (ii) statutory liens for current Taxes not yet due or delinquent (or which may be paid without interest or penalties) the validity or amount of which is being contested in good faith by appropriate proceedings, and (iii) statutory mechanics', carriers', workers', repairers' and other similar liens arising or incurred in the ordinary course of business relating to obligations as to which there is no default on the part of the Sellers or the validity or amount of which is being contested in good faith by appropriate proceedings, or pledges, deposits or other liens that arise by statute and which secure the performance of statutory obligations, but, in the case of clauses (ii) through (iii) above, only to the extent the Purchased Assets cannot otherwise be sold, assigned, transferred, conveyed and delivered to Purchaser free and clear of such obligations, Claims, or Encumbrances under applicable Law, including sections 105 and 363 of the Bankruptcy Code), whether arising prior to or subsequent to the date of the filing of the Petition.

(c) Notwithstanding anything in this Agreement to the contrary, the Purchaser may revise the Disclosure Schedule (and, in particular, Sections 2.01(a)(iii) and 2.01(d)(xv) thereof) setting forth the Purchased Assets and the Excluded Assets (i) to include in the definition of Purchased Assets, and to exclude from the definition of Excluded Assets, any Contract used solely in the Business, but not previously included in the Purchased Assets, at any time on or prior to the eleventh Business Day prior to the Sale Hearing and require Sellers to give notice to the parties to any such Contract and (ii) to exclude from the definition of Purchased Assets, and to include in the definition of Excluded Assets, any Contract used in the Business and not otherwise included in the definition of Excluded Assets, at any time on or prior to the second Business Day prior to the Sale Hearing; provided that no such change of the Disclosure Schedule, the definition of the Purchased Assets or the definition of the Excluded Assets shall reduce the amount of the Purchase Price. Purchaser shall pay, as contemplated by Section 2.02(c), all Cure Costs related to any such Contract that the Purchaser removes from the definition of Excluded Assets and includes in the definition of Purchased Assets.

(d) Excluded Assets. Notwithstanding anything to the contrary, the Sellers shall not sell, convey, assign, transfer or deliver, nor cause to be sold, conveyed, assigned, transferred or delivered, to the Purchaser, and the Purchaser shall not purchase, acquire, or take assignment and delivery of, and the Purchased Assets shall not include, the Sellers' right title and interest to the following assets (the "Excluded Assets"):

(i) the Purchase Price Bank Account;

(ii) except as set forth in Section 2.01(a)(xiii), all cash and cash equivalents, securities (including the capital stock of each Seller), letters of credit and negotiable instruments of the Sellers on hand, in lock boxes, in financial institutions or elsewhere, including all cash residing in any collateral cash account securing any obligation or contingent obligation of the Sellers or any Affiliate of the Sellers;

(iii) any rights to Tax refunds to the extent attributable to Excluded Taxes;

(iv) the company seal, minute books, charter documents, stock or equity record books and such other books and records as pertain to the organization, existence or capitalization of the Sellers, as well as any other records or materials relating to the Sellers generally and not primarily involving or related to the Purchased Assets or the conduct or operations of the Business;

(v) the Retained Names and Marks;

(vi) any Intellectual Property that is owned by any Seller but not used in, or held for use by, or primarily related to the Business;

(vii) any Inventory of any Seller that otherwise would constitute a Purchased Asset but for the fact that it is conveyed, leased or otherwise disposed of in the Ordinary Course of Business consistent with the terms of this Agreement and any post-Petition credit agreement, during the time from the Execution Date until the Closing;

(viii) all leases of Sellers other than Assumed Leases, all Contracts other than Acquired Contracts, all Owned Real Property other than the Assumed Owned Real Property, and all non-disclosure agreements to which any Seller is a party which were provided to the Seller, within the past eight (8) months, solely with respect to the potential sale of the Business or other business of ParentCo or its direct and indirect subsidiaries;

(ix) all Employee Benefit Plans currently or previously sponsored or maintained by the Sellers or any of the Sellers' ERISA Affiliates (collectively, the "Sellers Controlled Group") or their respective predecessors or with respect to which the Sellers Controlled Group or their respective predecessors has made or is required to make payments, transfers or contributions in respect of any present or former employees, directors, officers, shareholders, consultants or independent contractors of the Sellers or any of the Sellers' ERISA Affiliates or their respective predecessors (collectively, the "Seller Benefit Plans"), and all insurance policies, fiduciary liability policies, benefit administration contracts, actuarial contracts, trusts, escrows, surety bonds, letters of credit and other Contracts primarily relating to any Seller Benefit Plan;

(x) all rights of the Sellers under this Agreement and the Ancillary Agreements;

(xi) all Tax Returns solely of the Sellers, other than those relating primarily to the Purchased Assets or the Business;

(xii) except as set forth in Section 2.01(a)(xvi), all current and prior insurance policies of the Sellers and all rights of any nature with respect thereto, including all rights to assert claims with respect to any such insurance recoveries (it being agreed that Sellers will use reasonable best efforts to assert all claims

reasonably requested to be asserted by the Purchaser under such insurance policies with respect to any claims relating to the Business);

(xiii) the Avoidance Actions;

(xiv) except as set forth in Section 2.01(a)(xv), the computer equipment, servers, operations and accounting software, and such other back-office services owned or leased by Atlantis Plastics, Inc. that are (A) located at (1) any Owned Real Property other than Assumed Owned Real Property or (2) any Leased Real Property other than that which is leased under an Assumed Facility Lease and (B) used by personnel other than the Transferred Employees to provide corporate operational support for the Business or for businesses of ParentCo and its subsidiaries other than the Business;

(xv) any Contract, right, property or asset that is listed in Section 2.01(d)(xv) of the Disclosure Schedule; and

(xvi) all other assets, personal or mixed, tangible or intangible, of the Sellers which are not used in, or held for use by, the Business.

SECTION 2.02 Assumption and Exclusion of Liabilities

(a) Assumed Liabilities. Upon the terms and subject to the conditions set forth in this Agreement, the Purchaser shall, by executing and delivering at the Closing the Assumption Agreement, assume, and agree to pay, perform and discharge when due, solely the following Liabilities of Sellers to the extent relating to the Business or the Purchased Assets (the "Assumed Liabilities"):

(i) all post-Petition trade accounts payable, all accrued operating expenses and all other current liabilities of the Sellers related to the Business, in each case, to the extent included in the Final Net Working Capital;

(ii) without duplication of the items described in clause (i) above, all Liabilities in respect of any and all accrued but unpaid wages and salary and payroll Taxes thereon, accrued but unpaid vacation and sick leave, and unpaid self-insured medical claims (such medical claims reduced by any stop-loss insurance proceeds received by Sellers) with respect to Transferred Employees, in each case, to the extent included in the Final Net Working Capital;

(iii) without duplication of the items described in clause (i) above, the Whirlpool Payables and current liabilities of the Sellers with respect to raw materials purchases from Whirlpool Corp., in each case, to the extent included in the Final Net Working Capital;

(iv) without duplication of the items described in clause (i) above, all post-Petition returns, customer allowances and warranty claims made in the

Ordinary Course of Business, in each case, to the extent included in the Final Net Working Capital;

(v) all Liabilities of the Sellers under the Acquired Contracts to the extent first arising after Closing;

(vi) subject to each Seller providing Purchaser with a list of employee layoffs as set forth in Section 6.01, all liabilities to any Business employee under the Worker Adjustment and Retraining Notification Act of 1988, as amended ("WARN Act"), or any similar state law arising from and after the Closing, in each case, arising from the Purchaser's termination of the employment of Transferred Employees following the Closing or Purchaser's failure, as required pursuant to Section 6.01 to make offers of employment to not less than the number of Sellers' employees employed in support of the Business as shall be necessary to avoid any potential liability by Sellers for a violation of the WARN Act or any similar state law; and

(vii) those certain other Liabilities set forth in Section 2.02(a)(vii) of the Disclosure Schedule.

(b) Excluded Liabilities. The Sellers shall retain, and shall be responsible for paying, performing and discharging when due, and the Purchaser shall not assume or have any responsibility for any Liabilities other than the Assumed Liabilities, including, without limitation, the following Liabilities (all such excluded Liabilities, collectively, the "Excluded Liabilities"):

(i) all Excluded Taxes;

(ii) all Liabilities relating to or arising out of the Excluded Assets;

(iii) the Sellers' obligations under this Agreement and the Ancillary Agreements;

(iv) all Liabilities arising under any Seller Benefit Plan, and all insurance policies, fiduciary liability policies, benefit administration contracts, actuarial contracts, trusts, escrows, surety bonds, letters of credit and other Contracts primarily relating to any Seller Benefit Plan;

(v) all Environmental Liabilities associated with or arising from conditions, events or circumstances occurring or in existence on or prior to the Closing;

(vi) except as set forth in Section 2.02(a)(iv), all Product Liabilities and other Liabilities with respect to products manufactured or sold, or services provided, prior to the Closing (including warranty claims, customer returns and allowances with respect to products manufactured or sold, or services provided, prior to the Closing);

(vii) all Liabilities with respect to any Action associated with or arising out of any event occurring prior to the Closing, including those matters set forth in Section 3.06 of the Disclosure Schedule;

(viii) all Liabilities with respect to any workers compensation, general liability or auto liability claim associated with or arising out of any event occurring prior to the Closing;

(ix) such other Excluded Liabilities as set forth in Section 2.02(b)(ix) of the Disclosure Schedule; and

(x) all other Liabilities of Sellers or the Business not expressly set forth in Section 2.02(a) or otherwise addressed in this Agreement (it being understood that this Section 2.02(b)(x) is not to be construed to defeat any obligation of Purchaser separately set forth in this Agreement).

(c) Cure Costs. To the extent any amount is required to be paid to cure any defaults which exist as of the Closing Date with respect to any of the Acquired Contracts, the Sellers shall cure such defaults at the Closing to the extent such cure is required by Section 365 of the Bankruptcy Code (any such amounts paid to cure any such defaults being referred to as the "Cure Costs"); provided, however, that if the aggregate of all Cure Costs with respect to the Acquired Contracts exceeds $400,000 (as adjusted from time to time pursuant to the last sentence of Section 5.06, the "Cure Cap"), then the Purchaser shall pay all additional Cure Costs in excess of the Cure Cap with respect to the Acquired Contracts; provided, further, however, that the Cure Cap shall be reduced by the Cure Costs related to any Contract that Purchaser hereafter removes from the definition of Purchased Assets and includes in the definition of Excluded Assets. The Purchaser shall also pay all Cure Costs related to any Contract that Purchaser hereafter removes from the definition of Excluded Assets and includes in the definition of Purchased Assets. To the extent the Sellers are responsible for Cure Costs (up to the Cure Cap, as adjusted pursuant to the immediately preceding proviso) pursuant to the terms hereof, the Purchaser may, upon prior written notice to Sellers, pay such amount(s) (on behalf of Sellers, in which case Sellers shall have no further responsibility therefor) and offset such amount(s) against any amount(s) Purchaser may owe the Sellers (including by deducting such amounts, at the Closing, from the Purchase Price or, without duplication, recovering such amounts from the Deposit held in Escrow Funds). Subject to the terms of this Agreement, the foregoing provision is in addition to, and not in derogation of, any statutory or other remedy that the Purchaser may have against the Sellers.

(d) Notwithstanding anything in this Agreement to the contrary, Section 2.02(a) shall not limit any claims or defenses that the Purchaser may have against any Person other than Sellers. The transactions contemplated by this Agreement shall in no way expand the rights or remedies of any third party against the Purchaser or the Sellers.

(e) Each Seller acknowledges and agrees that pursuant to the terms and provisions of this Agreement, the Purchaser will not assume, or in any way be liable or

responsible for, any Liability of any Seller or any Affiliate of any Seller (including Liabilities relating to the Sellers' pre-petition or post-petition operation of the Business, the Excluded Assets or to the Purchased Assets (and the use thereof)), whether relating to or arising out of the Business, the Excluded Assets or the Purchased Assets or otherwise, other than the Assumed Liabilities or Purchaser's obligations under this Agreement. For the avoidance of doubt, this Section 2.01(e) shall not apply with respect to Liabilities relating to the Purchaser's operation or conduct of the Business or the Purchased Assets (and the use thereof) from and after the Closing.

SECTION 2.03 Purchase Price

(a) Deposit. Within one Business Day of the date hereof, Purchaser shall deliver to the Escrow Agent the Deposit by wire transfer of immediately available funds, which Deposit shall be held and disbursed by the Escrow Agent pursuant to the Escrow Agreement. The Deposit will be (i) payable to Sellers at the Closing and applied to the Base Purchase Price, (ii) immediately forfeit and paid by the Escrow Agent to the Sellers if this Agreement is terminated by Sellers pursuant to Section 8.01(d), in which case the receipt by the Sellers of the Deposit shall be the Sellers' sole and exclusive remedy as liquidated damages, or (iii) immediately refunded and paid by the Escrow Agent to the Purchaser if this Agreement is terminated for any reason other than the termination of this Agreement by the Sellers pursuant to Section 8.01(d) as contemplated by clause (ii) above.

(b) Closing Purchase Price. For purposes of this Agreement, the "Base Purchase Price" means an amount equal to Twenty Million Seven Hundred Thousand Dollars ($20,700,000) (subject to adjustment in accordance with Section 2.07) in cash, which amount, for the avoidance of doubt, shall be paid hereunder in addition to the Purchaser's assumption of the Assumed Liabilities and the delivery by the Purchaser to the Sellers of the Stock Consideration, in each case, at the Closing. At the Closing, in addition to the Stock Consideration, the Purchaser shall deliver to the Sellers by wire transfer in immediately available funds an amount equal to (i) the Base Purchase Price, *less* (ii) the Deposit (which shall be payable to Sellers by the Escrow Agent), *less* (iii) the Cure Costs (not to exceed the Cure Cap), to the extent paid by Purchaser on behalf of Sellers pursuant to Section 2.02(c), or, without duplication, paid to the Escrow Agent pursuant to Section 2.03(c), for distribution, on behalf of Sellers and in accordance with Section 2.02(c), to the counterparties under the Assumed Contracts, *less* (iv) the Net Working Capital Escrow Amount paid to the Escrow Agent pursuant to Section 2.03(c) for purposes of satisfying Sellers' obligations, if any, pursuant to Section 2.08(d), the Base Purchase Price being subject to adjustment determined prior to the Closing pursuant to Section 2.07 below (as so adjusted, the "Closing Purchase Price"). The Closing Purchase Price shall be subject to further adjustment as set forth in Section 2.08 below (as so adjusted, the "Purchase Price").

(c) Additional Escrow Amounts. At Closing, the Purchaser shall, in accordance with Section 2.03(b), deposit with the Escrow Agent an amount equal to the sum of (i) the Cure Costs (to the extent not paid by the Sellers or not payable as the

responsibility of Purchaser, and not to exceed the Cure Cap), *plus* (ii) the Net Working Capital Escrow Amount, which amounts shall be held and disbursed by the Escrow Agent pursuant to the terms of the Escrow Agreement.

SECTION 2.04 **Closing**. Subject to the terms and conditions of this Agreement, the sale and purchase of the Purchased Assets, the assumption of the Assumed Liabilities and the other transactions contemplated by this Agreement shall take place at a closing (the "Closing") to be held at the offices of Greenberg Traurig, LLP, 3290 Northside Parkway, Suite 400, Atlanta, Georgia 30327 at 10:00 A.M. Atlanta time on the first Business Day following the satisfaction or waiver of the conditions to the obligations of the parties hereto set forth in Sections 7.01 and 7.02, or at such other place or at such other time or on such other date as the Sellers and the Purchaser may mutually agree upon in writing (such date, the "Closing Date").

SECTION 2.05 **Closing Deliveries by the Sellers**. At the Closing, the Sellers shall deliver or cause to be delivered to the Purchaser:

(a) the Bill of Sale, the Deeds, each Assignment of Lease, and the Assignment of Transferred Intellectual Property and such other instruments, in form and substance reasonably satisfactory to the Purchaser, as may be reasonably requested by the Purchaser to effect the sale by the Sellers of the Purchased Assets;

(b) executed counterparts of the Assumption Agreement;

(c) executed counterparts of each Ancillary Agreement to which any Seller is a party other than the Ancillary Agreements delivered pursuant to Sections 2.05(a) and (b);

(d) a receipt for the Base Purchase Price paid to the Sellers;

(e) a certificate of non-foreign status pursuant to section 1.1445-2(b)(2) of the Regulations;

(f) an executed copy of the Sale Order;

(g) copies of (i) all books and records that are related to the Business but not included in the definition of Books and Records and (ii) all Tax Returns of the Sellers (to the extent previously filed within the past 5 years) relating to the Purchased Assets, the Assumed Liabilities or the Business;

(h) executed counterparts to the Stockholders Agreement; and

(i) any other document as Purchaser may reasonably request in connection with the consummation of the transactions contemplated by this Agreement.

SECTION 2.06 Closing Deliveries by the Purchaser. At the Closing, the Purchaser shall deliver to the Sellers:

(a) the Closing Purchase Price by wire transfer in immediately available funds to the Purchase Price Bank Account (and evidence of the payment to the Escrow Agent of the amounts described in Section 2.03(c));

(b) stock certificates representing the Stock Consideration in the name of the Sellers (or as designated by the Sellers);

(c) executed counterparts to the Stockholders Agreement, executed by each of Holdings and Monomoy;

(d) executed counterparts of the Assumption Agreement, each Assignment of Lease, the Assignment of Transferred Intellectual Property and such other instruments, in form and substance reasonably satisfactory to the Sellers, as may be reasonably requested by the Sellers to effect the assumption by the Purchaser of the Assumed Liabilities and to evidence such assumption on the public records;

(e) executed counterparts of each Ancillary Agreement (other than the Ancillary Agreements delivered pursuant to Section 2.06(b)) to which the Purchaser is a party; and

(f) any other document as the Sellers may reasonably request in connection with the consummation of the transactions contemplated by this Agreement.

SECTION 2.07 Pre-Closing Adjustment of Purchase Price

(a) Within five (5) days prior to the Closing, the Sellers shall cause to be prepared and delivered to the Purchaser a certificate (the "Estimated Closing Certificate") executed by a senior officer of the Sellers, dated as of the date of delivery, stating that there has been conducted under the supervision of such senior officer a review of all relevant information and data then available and setting forth the Sellers' good faith estimate of the Net Working Capital of the Business as of the close of business on the day immediately preceding the Closing Date (such estimate of the Net Working Capital of the Business, the "Estimated Net Working Capital"). The Estimated Net Working Capital shall be determined in accordance with GAAP applied on a basis consistent with the past practices of the Business as reflected in the preparation of the Target Net Working Capital Statement, as set forth in Exhibit 2.07(a) (the "Target Net Working Capital Statement), subject to the adjustments described therein. The Base Purchase Price shall be increased by the positive amount by which the Estimated Net Working Capital exceeds $20,319,174 (the "Target Net Working Capital"), or the Base Purchase Price shall be decreased by the positive amount by which Target Net Working Capital exceeds the Estimated Net Working Capital.

(b) For the purposes of this Agreement, including the determination of the Estimated Net Working Capital, the Target Net Working Capital, the Closing Net

Working Capital, and the Final Net Working Capital, the term "Net Working Capital" shall have the meaning and shall be calculated as set forth on Exhibit 2.07(b) attached hereto.

SECTION 2.08 Post-Closing Purchase Price Adjustment

(a) As promptly as practicable, but no later than thirty (30) days after the Closing Date, the Purchaser will prepare and deliver, or cause to be prepared and delivered, to the Sellers a certificate (the "Closing Certificate") signed by a senior officer of the Purchaser setting forth a reasonably detailed calculation of the Net Working Capital of the Business as of the close of business on the day immediately preceding the Closing Date (the "Closing Net Working Capital"), which shall be prepared in accordance with GAAP applied on a basis consistent with the past practices of the Business as reflected in the preparation of the Target Net Working Capital Statement, subject to the adjustments described therein. The Sellers will assist the Purchaser in the preparation of the Closing Certificate and will provide the Purchaser and its independent auditors access at all reasonable times to the Sellers' personnel and retained properties, books, and records for such purpose. The Closing Certificate shall present fairly, in all material respects, the Net Working Capital of the Business as of the close of business on the day immediately preceding the Closing Date. The Sellers shall have twenty-five (25) days from the date on which the Closing Certificate is delivered to them to review the Closing Certificate (the "Review Period"). The Sellers and their accountants shall be provided with prompt reasonable access to the books and records of Sellers acquired by Purchaser hereunder as well as the work papers of the Purchaser's independent accountants (and the independent accountants who worked on the calculation) in connection with such review, subject to the execution of customary confidentiality and other reasonable and customary undertakings. If the Sellers disagree in any respect with any item or amount shown (or not shown) or reflected (or not reflected) in the Closing Certificate or with the calculation of the Closing Net Working Capital, the Sellers may, on or prior to the last day of the Review Period, deliver a notice to the Purchaser setting forth, in reasonable detail, each disputed item or amount and the basis for the Sellers' disagreement therewith (the "Dispute Notice"). The Dispute Notice shall set forth the Sellers' position as to the proper Closing Net Working Capital. If no Dispute Notice is received by the Purchaser on or prior to the last day of the Review Period, their Closing Certificate shall be deemed accepted by the Sellers, as of the expiration of the Review Period, whereupon (1) the Closing Net Working Capital reflected on the Closing Certificate shall be deemed to be the "Final Net Working Capital," and (2) the Purchaser or the Sellers, as the case may be, will pay to the other party the amount owing in accordance with Section 2.08(d) hereof. In the event that the Sellers timely deliver a Dispute Notice to the Purchaser, the Purchaser or the Sellers, as the case may be, shall, within three (3) Business Days of the receipt by Purchaser of such Dispute Notice, pay to the other party, by wire transfer, to an account designated by such party, any undisputed portion of the amount determined under Section 2.08(d) hereof which would be payable regardless of how the matters set forth in the Dispute Notice are resolved (the "Undisputed Amount"), with interest on such amount accruing as of the Closing Date as determined in Section 2.08(e) hereof (provided, however, if the Sellers are required to so

pay the Undisputed Amount to the Purchaser in accordance with this sentence, the Sellers shall cause the Escrow Agent to pay such amount to the Purchaser, in immediately available funds, from the Net Working Capital Escrow Amount).

(b) For fourteen (14) days after the Purchaser's receipt of a Dispute Notice, if any, the parties shall endeavor in good faith to resolve by mutual agreement all matters in the Dispute Notice. In the event that the parties are unable to resolve by mutual agreement any matter in the Dispute Notice within such fourteen-(14-) day period, the Purchaser and the Sellers hereby agree that they shall engage FTI Consulting in Atlanta, Georgia (the "Independent Accounting Firm") in respect of this Section 2.08; provided that in the event FTI Consulting is unable or unwilling to serve as the Independent Accounting Firm, the parties shall promptly agree in good faith upon an accounting or valuation firm of national reputation to serve as the Independent Accounting Firm hereunder. The Sellers and the Purchaser shall submit the disputed matters, as described in the Dispute Notice, together with such arguments as either of them choose to make in connection therewith, in writing to the Independent Accounting Firm within twenty (20) days after the Independent Accounting Firm's engagement.

(c) The Sellers and the Purchaser shall use their reasonable best efforts to cause the Independent Accounting Firm to resolve the disputed matters based upon the materials submitted to it pursuant to the last sentence of Section 2.08(b) hereof and the definitions and provisions set forth herein within thirty (30) days following the submission of such materials. The Independent Accounting Firm shall determine, based solely on presentations by the Sellers and the Purchaser, and not by independent review, only those issues in dispute specifically set forth in the Dispute Notice and shall render a written report to the Sellers and the Purchaser (the "Adjustment Report") in which the Independent Accounting Firm shall, after considering all matters set forth in the Dispute Notice and the definitions and provisions set forth herein, determine what adjustments, if any, should be made to the Closing Certificate (and the calculation of the Closing Net Working Capital) solely as to the disputed items or amounts and shall determine the appropriate Final Net Working Capital on that basis. The Adjustment Report shall set forth, in reasonable detail, the Independent Accounting Firm's determination with respect to each of the disputed items or amounts specified in the Dispute Notice, and the revisions, if any, to be made to the Closing Certificate and the Closing Net Working Capital, together with supporting calculations. In resolving any disputed item, the Independent Accounting Firm (i) shall be bound to the principles of this Section 2.08, (ii) shall limit its review to matters specifically set forth in the Dispute Notice; and (iii) shall not assign a value to any item higher than the highest value for such item claimed by either party or less than the lowest value for such item claimed by either party. All fees and expenses relating to the work of the Independent Accounting Firm shall be borne by the Sellers, on the one hand, and by the Purchaser, on the other hand, in inverse proportion as they may prevail on the matters resolved by the Independent Accounting Firm (such inverse proportion for each party shall be the amount in dispute in the Dispute Notice not awarded to such party divided by the total amount in dispute in the Dispute Notice), which proportionate allocation will also be determined by the Independent Accounting Firm and be included in the Adjustment Report. The Adjustment Report,

absent fraud, shall be final and binding upon the Purchaser and the Sellers, shall be deemed a final arbitration award that is binding on each of the Purchaser and the Sellers, and no party shall seek further recourse to courts, other tribunals or otherwise, other than to enforce the Adjustment Report. Judgment may be entered to enforce the Adjustment Report in any court having proper jurisdiction.

(d) Effective upon the end of the Review Period (if a timely Dispute Notice is not delivered), or upon the resolution of all matters set forth in the Dispute Notice by mutual agreement of the parties or by the issuance of the Adjustment Report (if a timely Dispute Notice is delivered), the Closing Purchase Price shall be (i) increased dollar-for-dollar by the amount by which the Final Net Working Capital exceeds the Estimated Net Working Capital, or (ii) decreased dollar-for-dollar by the amount by which the Final Net Working Capital is less than the Estimated Net Working Capital. If the Final Net Working Capital is greater than the Estimated Net Working Capital, then the Purchaser shall, within three Business Days after the Closing Purchase Price becomes final and binding on the parties as set forth in Section 2.08(d), make payment by wire transfer to Sellers, to an account designated by Sellers, in immediately available funds, of the amount of such difference (after taking into account any Undisputed Amounts, if any, paid to Sellers pursuant to Section 2.08(a)), together with interest thereon (calculated in accordance with Section 2.08(e) below), which payment shall not be subject to offset, reduction or counterclaim by the Purchaser. If the Estimated Net Working Capital is greater than the Final Net Working Capital, then the Sellers shall, within three Business Days after the Closing Purchase Price becomes final and binding on the parties, (i) cause the Escrow Agent to make payment by wire transfer to Purchaser, to an account designated by Purchaser, in immediately available funds from the Net Working Capital Escrow Amount, of the amount of such difference (after taking into account any Undisputed Amounts, if any, paid pursuant to Section 2.08(a)), together with interest thereon (calculated in accordance with Section 2.08(e) below) up to, but not exceeding in the aggregate, the Net Working Capital Escrow Amount, and (ii) the remaining difference, if any, shall be a pre-Petition general unsecured claim against the Sellers in the Bankruptcy Case. Any Net Working Capital Escrow Amount (or earnings thereon) remaining in the Escrow Funds after any payments are made to Purchaser or Sellers pursuant to this Section 2.08(d) (or if no adjustment payments are necessary under this Section 2.08) shall be automatically released by the Escrow Agent and paid to Sellers within three Business Days after the Closing Purchase Price becomes final and binding on the parties. For avoidance of doubt, Purchaser and Sellers hereby agree that there shall be no limit to the amount that may be owed by Purchaser or Sellers to the other pursuant to this Section 2.08(d) and the existence of the Escrow Agreement and the Net Working Capital Escrow Amount shall in no way limit either party's obligations under this Section 2.08. The parties further agree and acknowledge, on behalf of themselves, that to the extent Purchaser is owed funds from Sellers pursuant to this Section 2.08, Sellers' obligations under this Section 2.08 that are not satisfied in full by the Net Working Capital Escrow Amount shall be a pre-Petition general unsecured claim against the Sellers in the Bankruptcy Case.

(e) Any interest payable pursuant to Section 2.08(a) or Section 2.08(d) shall be paid at an annual rate equal to the prime rate per annum as quoted in *The Wall Street Journal* on the Closing Date and shall be calculated on the basis of the actual days elapsed between the Closing Date and the date of payment over three hundred and sixty (360) days.

SECTION 2.09 Deemed Consents and Cures. For all purposes of this Agreement (including all representations and warranties of Sellers contained herein), Sellers shall be deemed to have obtained all required consents in respect of the assignment of any Acquired Contract if, and to the extent that, pursuant to the Sale Order or other Bankruptcy Court order, Sellers are authorized to assume and assign Acquired Contracts to Purchaser pursuant to section 365 of the Bankruptcy Code and any applicable cure cost has been satisfied by Purchaser and/or Sellers, as provided in this Agreement.

SECTION 2.10 Disposition of Designated Remaining Leases. Notwithstanding anything to the contrary in this Agreement, pursuant to the written notice by Purchaser to Sellers and the landlords of the affected premises no later than the earlier of sixty (60) days from the Closing Date or one hundred fifteen (115) days from the date of the commencement of the Bankruptcy Case, each Facility Lease designated in Section 2.10 of the Disclosure Schedule (the "Designated Remaining Leases") shall either be assumed by Sellers and be assigned to Purchaser on the Assignment Effective Date, or be rejected by Sellers on the Rejection Effective Date. Notwithstanding the foregoing, if, not less than two (2) Business Days prior to the Closing Date, Purchaser gives Sellers and the affected landlords written notice of Purchaser's intention to take an assignment of any Designated Remaining Lease, then each Designated Remaining Lease with respect to which such notice is given shall be assumed by Sellers and assigned to Purchaser on the Closing Date, and such Designated Remaining Lease shall after such notice is given be treated for purposes of this Agreement in the same manner as each other Facility Lease to be assumed by Sellers and assigned to Purchaser on the Closing Date. Notwithstanding anything in this Agreement to the contrary, on the Assignment Effective Date for each Assigned Designated Remaining Lease, such Assigned Designated Remaining Lease shall thereafter be deemed an Assumed Facility Lease and thereafter deemed scheduled in Section 2.01(a)(iii) of the Disclosure Schedule, under the appropriate heading for all purposes under this Agreement as of the Assignment Effective Date. From the Closing Date through, in the case of any Assigned Designated Remaining Lease, the Assignment Effective Date, or, in the case of any Non-Assigned Designated Remaining Lease, the Rejection Effective Date, Sellers shall provide Purchaser with full and complete access to the applicable leased premises of the Designated Remaining Leases (in accordance with such applicable lease). Following the Closing Date and through, in the case of any Assigned Designated Remaining Lease, the Assignment Effective Date, or, in the case of any Non-Assigned Designated Remaining Lease, the Rejection Effective Date, Purchaser shall pay to Sellers (in advance of when any such payments are due and payable to the landlord, Governmental Authority or other Person, to the extent Sellers timely advise Purchasers thereof or Purchaser has actual knowledge thereof), all costs first arising after the Closing Date and actually incurred by Sellers after the Closing in, or relating to, performing obligations under the Designated Remaining Leases through the Assignment Effective Date or Rejection Effective Date, as the case may be (the "Designated Remaining Lease Obligations") (provided that failure to so notify the Purchaser of any costs shall not affect the Purchaser's

obligation to pay any such amounts). For the avoidance of doubt, the Designated Remaining Lease Obligations shall not include any proration for costs incurred by Sellers, or for which Sellers are obligated under the Designated Remaining Leases or otherwise to pay, prior to the Closing Date. The Purchaser shall indemnify, defend and hold Sellers harmless from any and all Actions, liabilities or costs (including reasonable attorney's fees and costs) to the extent actually incurred by Sellers and directly or indirectly related to Purchaser's use or possession of any such property or premises (excluding Actions, liabilities or costs related to Sellers' willful misconduct, gross negligence or fraud). During the period in which the Purchaser continues to use or occupy any Remaining Designated Lease, the Purchaser shall use its commercially reasonable efforts to cause its general liability insurer(s) (to the extent it is possible to do so) to add the Sellers as additional insureds on the Purchaser's general liability insurance policies with respect to the Designated Remaining Leases and to provide Sellers with a certificate evidencing such addition of the Sellers as additional insureds.

SECTION 2.11 **Post-Closing Assignment of Contracts**. With respect to any Contract solely related to the Business which is not set forth in Section 2.01(a)(iii) of the Disclosure Schedule and provided such Contract has not been rejected by Sellers pursuant to section 365 of the Bankruptcy Code, upon written notice(s) from Purchaser, as soon as practicable, Sellers shall take all actions reasonably necessary to assume and assign to Purchaser pursuant to section 365 of the Bankruptcy Code any Contract(s), solely related to the Business, set forth in Purchaser's notice(s); provided that any Cure Cost applicable thereto shall be satisfied by Purchaser, and provided that such assumption and assignment (and payment by the Purchaser of such Cure Costs), shall not affect the amount of the Purchase Price. Sellers agree and acknowledge that they shall use reasonable efforts to provide Purchaser with reasonable advance notice of any motion(s) to reject any Contract. Notwithstanding anything in this Agreement to the contrary, on the date any Contract is assumed and assigned to Purchaser pursuant to this Section 2.11, such Contract shall thereafter be deemed an Acquired Contract and thereafter deemed scheduled in Section 2.01(a)(iii) of the Disclosure Schedule, under the appropriate heading for all purposes under this Agreement. Sellers shall have no liability to Purchaser as a result of the rejection of any such Contract(s) on or after the Closing Date. Notwithstanding the foregoing, this Section 2.11 shall not apply with respect to any Designated Remaining Lease.

ARTICLE III

REPRESENTATIONS AND WARRANTIES

OF THE SELLERS

Each Seller hereby represents and warrants to the Purchaser as follows:

SECTION 3.01 **Organization, Authority and Qualification of each Seller**. Each Seller is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation and has all necessary corporate power and authority to enter into this Agreement and the Ancillary Agreements, to carry out its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. Each Seller is

duly licensed or qualified to do business and is in good standing in each jurisdiction which the properties owned or leased by it or the operation of its business makes such licensing or qualification necessary, except to the extent that the failure to be so qualified or in good standing would not materially and adversely affect the ability of the Sellers to carry out their obligations under, and to consummate the transactions contemplated by, this Agreement and the Ancillary Agreements. The execution and delivery of this Agreement and the Ancillary Agreements by each Seller, the performance by each Seller of its obligations hereunder and thereunder and the consummation by each Seller of the transactions contemplated hereby and thereby have been duly authorized by all requisite action on the part of each Seller, subject to the approval of the Bankruptcy Court. This Agreement has been, and upon their execution the Ancillary Agreements shall have been, duly executed and delivered by each Seller, and (assuming due authorization, execution and delivery by the Purchaser) this Agreement constitutes, and upon their execution the Ancillary Agreements shall constitute, legal, valid and binding obligations of each Seller, enforceable against each Seller in accordance with their respective terms, subject to the approval of the Bankruptcy Court.

SECTION 3.02 **No Conflict**. Assuming that all consents, approvals, authorizations and other actions described in Section 3.03 have been obtained, all filings and notifications listed in Section 3.03 of the Disclosure Schedule have been made, and except as may result from any facts or circumstances relating solely to the Purchaser, subject to the approval of the Bankruptcy Court, the execution, delivery and performance of this Agreement and the Ancillary Agreements by the Sellers do not and will not:

(a) violate, conflict with or result in the breach of the certificate of incorporation or bylaws (or similar organizational documents) of any Seller;

(b) conflict with or violate, in any material respect, any Law or Governmental Order applicable to any Seller; or

(c) except as set forth in Section 3.02(c) of the Disclosure Schedule, conflict with, result in any material breach of, constitute a material default (or event which with the giving of notice or lapse of time, or both, would become a material default) under, require any notice or consent under, give rise to a material loss of any material benefit under or give rise to any Claim or Encumbrance or give to others any rights of termination, acceleration or cancellation of, any note, bond, mortgage or indenture, contract, agreement, lease, sublease, license, Permit (to the extent transferable), franchise or other instrument or arrangement to which any Seller is a party and which is necessary to operate the Business as currently conducted.

SECTION 3.03 **Governmental Consents and Approvals**. The execution, delivery and performance of this Agreement and each Ancillary Agreement by the Sellers do not and will not require any material consent, approval, authorization or other order of, action by, filing by Sellers with or notification to, any Governmental Authority (other than the Bankruptcy Court and with respect to the Bankruptcy Case), except:

(a) as described in Section 3.03 of the Disclosure Schedule; or

(b) as may be necessary as a result of any facts or circumstances relating solely to the Purchaser or any of its Affiliates.

SECTION 3.04 Financial Information

(a) True and complete copies of (i) Target Net Working Capital Statement, (ii) the unaudited balance sheet of the Business for the fiscal years ended as of December 31, 2007 and December 31, 2006, and the related unaudited statement of income of the Business (collectively, the "Financial Statements"), and (iii) the unaudited balance sheet of the Business as of May 31, 2008 and June 30, 2008 and the related unaudited statement of income of the Business are attached in Section 3.04 of the Disclosure Schedule (the "Interim Financial Statements").

(b) The Target Net Working Capital Statement was prepared in accordance with GAAP applied on a basis consistent with past practices of the Business and the Books and Records, subject to the adjustments set forth in Exhibit 2.07(a). The Financial Statements and the Interim Financial Statements were prepared in accordance with GAAP applied on a basis consistent with past practices of the Business and the Books and Records, subject, in the case of the Financial Statements and Interim Financial Statements, to normal recurring year-end adjustments and the absence of notes, the effect of which are not, individually or in the aggregate, material. The Target Net Working Capital Statement (subject to the adjustments set forth therein), the Financial Statements and the Interim Financial Statements are each accurate and complete and present fairly, in all material respects, the Business' financial condition and results of operations as of the times and for the periods referred to therein.

SECTION 3.05 Conduct in the Ordinary Course Since June 30, 2008, except for the Bankruptcy Case and matters related thereto and entering into this Agreement, the Business has been conducted in the Ordinary Course of Business, except for (i) activity which individually or collectively is immaterial to the Business taken as a whole, or (ii) as set forth in Section 3.05 of the Disclosure Schedule.

SECTION 3.06 Litigation. Except as set forth in Section 3.06 of the Disclosure Schedule, there is no Action by or against any Seller relating to the Business pending before any Governmental Authority and, to Sellers' Knowledge, no such Action is threatened which would reasonably be expected to result in Liability for any Seller or the Business exceeding $25,000 individually or $100,000 in the aggregate. None of Sellers, the Business, the Purchased Assets or the Assumed Liabilities is subject to any outstanding Governmental Order which would reasonably be expected to be material and adverse to any Seller or the Business.

SECTION 3.07 Compliance with Laws. Except as set forth in Section 3.07 of the Disclosure Schedule, the Sellers have conducted and continue to conduct the Business in compliance in all material respects with all Laws and Governmental Orders applicable to the Sellers and the Business and, to the Knowledge of Sellers, the Sellers are not in violation in any material respect of any such Law or Governmental Order. Except as set forth in Section 3.07 of

the Disclosure Schedule, to the Knowledge of the Sellers, with respect to the Business, no Seller has received notice alleging any such violation of any such Laws.

SECTION 3.08 Environmental Matters

(a) Except as disclosed in Section 3.08 of the Disclosure Schedule (i) each Seller (to the extent it relates to the Business or the Purchased Assets) is and has been in material compliance with all applicable Environmental Laws and has obtained and is in material compliance with all Environmental Permits, (ii) there are no Governmental Orders, Actions, written claims or other written notices from any Person pursuant to or alleging any violation of or liability under any Environmental Law pending or, to the Sellers' Knowledge, threatened, against any Seller (to the extent relating to the Business or the Purchased Assets), (iii) the Sellers have provided the Purchaser with copies of any and all environmental assessment or audit reports or other material environmental documentation, studies or analyses in the Sellers' possession that relate to the Business or the Purchased Assets, (iv) neither any Seller nor any predecessor of any Seller (to the extent relating to the Business or the Purchased Assets), has treated, stored, disposed of, arranged for or permitted the disposal of, transported, handled, released or exposed any Person to any Hazardous Material, or owned or operated any property or facility that is contaminated by any Hazardous Material, as would give rise to any current or future liabilities (contingent or otherwise) pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended ("CERCLA") or any other Environmental Laws, and (v) to the Sellers' Knowledge, there are no Environmental Liabilities associated with the Business or the Purchased Assets.

(b) The Purchaser acknowledges that (i) the representations and warranties contained in this Section 3.08 are the only representations and warranties being made with respect to compliance with or liability under Environmental Laws or with respect to any environmental, health or safety matter, including natural resources, related in any way to the Business, including the Purchased Assets, or to this Agreement or its subject matter, and (ii) no other representation contained in this Agreement shall apply to any such matters and no other representation or warranty, express or implied, is being made with respect thereto.

SECTION 3.09 Intellectual Property. Section 3.09 of the Disclosure Schedule sets forth a true and complete list of all patents and patent applications, registered trademarks and trademark applications, domain names and registered copyrights and copyright applications included in the Transferred Intellectual Property. Sellers do not own any computer software (or rights therein) used in or related to the Business (excluding operational firmware that is built-in to machines or equipment as an integral part thereof and is not separately licensed (none of which incorporate any third party software, including any "open source" or similar code)). The Transferred Intellectual Property, together with the Intellectual Property transferred pursuant to the Transferred Intellectual Property Agreements and any operational firmware that is built in to machines or equipment as an integral part thereof and is not separately licensed, the Intellectual property that is the subject of the Transition Services Agreement and the Retained Names and Marks, represents all Intellectual property currently used by the Sellers in the operation of the

Business. To the Knowledge of the Sellers, no person is engaging in any activity that infringes or otherwise violates any Transferred Intellectual Property. No claim has been asserted, or to the Knowledge of the Sellers, threatened against any Seller that the use of any Transferred Intellectual Property infringes or otherwise violates the Intellectual Property of any third party. With respect to each item of Transferred Intellectual Property, a Seller is the owner of the entire right, title and interest in and to such Transferred Intellectual Property (excluding operational firmware that is built-in to machines or equipment as an integral part thereof and is not separately licensed), and all such Transferred Intellectual Property is transferable. The automated, computerized and/or software systems that are used solely in the conduct of the Business have not suffered a material and extended outage in the past six (6) months.

SECTION 3.10 Real Property

(a) Section 3.10(a) of the Disclosure Schedule lists the street address of each parcel of Owned Real Property and the current owner of each parcel of Owned Real Property. Except as described in Section 3.10(a) of the Disclosure Schedule (i) to the Sellers' Knowledge, a Seller has good and marketable title in fee simple to each parcel of Owned Real Property free and clear of all Claims and Encumbrances, except for (1) Permitted Encumbrances, (2) statutory liens for current Taxes not yet due or delinquent (or which may be paid without interest or penalties) or the validity or amount of which is being contested in good faith by appropriate proceedings, and (3) statutory mechanics', carriers', workers', repairers' and other similar liens arising or incurred in the ordinary course of business relating to obligations as to which there is no default on the part of the Sellers or the validity or amount of which is being contested in good faith by appropriate proceedings, or pledges, deposits or other liens that arise by Law and which secure the performance of statutory obligations and (ii) the Sellers have made available to the Purchaser copies of each deed for each parcel of Owned Real Property and all title insurance policies and surveys relating to the Owned Real Property, in each case to the extent in the Sellers' possession or under any Seller's control.

(b) Section 3.10(b) of the Disclosure Schedule lists the street address of each parcel of Leased Real Property and the identity of the lessor, lessee and current occupant (if different from lessee) of each such parcel of Leased Real Property. Except as described in Section 3.10(b) of the Disclosure Schedule, (i) the Sellers have delivered to the Purchaser, true and complete copies of the leases in effect at the date hereof relating to the Leased Real Property, and (ii) there has not been any sublease or assignment entered into by any Seller in respect of the leases relating to the Leased Real Property.

SECTION 3.11 Purchased Assets

(a) Except as set forth in Section 3.11 of the Disclosure Schedule, Sellers have good and marketable title to, or a valid leasehold or license interest in, the Purchased Assets. Since the date of the Interim Financial Statements, no Seller has purchased any material amount of assets except in the Ordinary Course of Business, consistent with past practice.

(b) Except as described in Section 3.11 of the Disclosure Schedule attached hereto, the Purchased Assets (constituting machinery, equipment, and other tangible assets) currently used in the conduct or operations of the Business as presently conducted are in good operating condition and repair (ordinary wear and tear excepted) and are fit for use in the Ordinary Course of Business.

(c) Sellers own or lease all buildings, machinery, equipment, and other tangible assets used in the conduct of the Business as presently conducted. The Purchased Assets constitute all of the assets, contracts and properties owned by Sellers and that are used in the Business as currently conducted (other than the Excluded Assets). No Affiliate of any Seller (other than another Seller) owns any assets used in the Business (other than those certain Excluded Assets set forth in Section 3.11 of the Disclosure Schedule, assets subject to the Transition Services Agreement and the Retained Names and Marks).

(d) Upon the consummation of the transactions contemplated by this Agreement, Purchaser will acquire good and marketable title, or valid leasehold or license to the Purchased Assets, free and clear of all Claims and Encumbrances other than (i) Permitted Encumbrances, (ii) statutory liens for current Taxes not yet due or delinquent (or which may be paid without interest or penalties) or the validity or amount of which is being contested in good faith by appropriate proceedings, and (iii) statutory mechanics', carriers', workers', repairers' and other similar liens arising or incurred in the ordinary course of business relating to obligations as to which there is no default on the part of the Sellers or the validity or amount of which is being contested in good faith by appropriate proceedings, or pledges, deposits or other liens that arise by Law and which secure the performance of statutory obligations, but, in the case of clauses (ii) and (iii) above, only to the extent the Purchased Assets cannot otherwise be sold, assigned, transferred, conveyed and delivered to Purchaser free and clear of such obligations, Claims, or Encumbrances under applicable Law, including sections 105 and 363 of the Bankruptcy Code.

SECTION 3.12 Employee Matters. Except as set forth in Section 3.12 of the Disclosure Schedule, with respect to the Business: (a) there is no collective bargaining agreement or bargaining relationship with any labor organization; (b) no labor organization or group of employees has filed any representation petition or made any written demand for recognition; (c) to Sellers' Knowledge, no union organizing efforts are underway or threatened and no other question concerning representation exists; (d) no labor strike, work stoppage, or other material labor dispute has occurred, and none is underway or, to Sellers' Knowledge, threatened; (e) there is no employment-related Action pending or, to Sellers' Knowledge, threatened, in any forum, relating to an alleged violation or breach by Sellers with respect to the Business (or any of Sellers' officers or directors) of any law, regulation, or contract; (f) to Sellers' Knowledge, no employee or agent has committed any act or omission giving rise to any material liability for any such violation or breach; and (g) within the past three (3) years, with respect to the Business, Sellers have not implemented any plant closing or layoff of employees that could implicate the WARN Act.

SECTION 3.13 Employee Benefit Matters

(a) Employee Benefit Plans and Material Documents. Section 3.13 of the Disclosure Schedule lists:

(i) all Employee Benefit Plans and all bonus, stock option, stock purchase, restricted stock, incentive, deferred compensation, retiree medical or life insurance, supplemental retirement, severance or other benefit plans, programs or arrangements, and all employment, termination, severance or other contracts or agreements, to which any Seller is a party, with respect to which any Seller has any obligation or which are maintained, contributed to or sponsored by any Seller for the benefit of any current or former employee, officer or director of the Business;

(ii) each employee benefit plan for which any Seller could incur liability under Section 4069 of ERISA in the event such plan has been or were to be terminated;

(iii) any plan in respect of which any Seller could incur liability under Section 4212(c) of ERISA; and

(iv) any contracts, arrangements or understandings between any Seller or any of its Affiliates and any Transferred Employee (collectively, the "Plans"). Each Plan is in writing, and the Sellers have made available to the Purchaser a true and complete copy of each Plan.

(b) Compliance. Each Plan has been operated in all material respects in accordance with its terms and the requirements of all applicable Laws, including the Bankruptcy Code. The Sellers have performed all material obligations required to be performed by them under, are not in any material respect in default under or in material violation of, and no Seller has any Knowledge of any material default or violation by any

party to, any Plan. No Action is pending or, to the Knowledge of the Sellers, threatened with respect to any Plan (other than claims for benefits in the ordinary course) and, to the Knowledge of the Sellers, no fact or event exists that could give rise to any such Action.

(c) Qualification of Certain Plans. Each Plan that is intended to be qualified under Section 401(a) of the Code or Section 401(k) of the Code has timely received a favorable determination letter from the IRS covering all of the provisions applicable to the Plan for which determination letters are currently available that the Plan is so qualified and each trust established in connection with any Plan which is intended to be exempt from federal income taxation under Section 501(a) of the Code has received a determination letter from the IRS that it is so exempt, and no fact or event has occurred since the date of such determination letter or letters from the IRS to adversely affect the qualified status of any such Plan or the exempt status of any such trust.

SECTION 3.14 Taxes. Except as set forth in Section 3.14 of the Disclosure Schedule, with respect to the Purchased Assets or the Business, (a) each Seller has timely filed or shall timely file all material Tax Returns that are required to be filed by such Seller on or before the Closing Date, and all such Tax Returns are or will be true, complete and accurate in all material respects, (b) each Seller has paid in full all Taxes that have become due and payable by such Seller on or before the due date for payment thereof, (c) no deficiency for any material amount of Tax has been asserted or assessed by a taxing authority against any Seller, (d) there is no action, suit, proceeding or audit or any written notice of inquiry of any of the foregoing pending against or with respect to a Seller regarding Taxes and, to the Knowledge of Sellers, no action, suit, proceeding or audit has been threatened in writing against or with respect to a Seller regarding Taxes, (e) no Seller has consented to extend the time in which any Tax may be assessed or collected by any taxing authority, which extension remains in effect, (f) to Sellers' Knowledge, no claim has ever been made by a taxing authority in a jurisdiction where any Seller does not file Tax Returns that any Seller is or may be subject to Taxes assessed by such jurisdiction and (g) each Seller has withheld and paid all Taxes required to have been withheld and paid in connection with amounts paid or owing to any employee, independent contractor, creditor, stockholder or other third party. Section 3.14 of the Disclosure Schedule contains a list of states, territories and jurisdictions (whether foreign or domestic) in which each Seller currently files Tax Returns with respect to the Purchased Assets or the Business.

SECTION 3.15 Material Contracts

(a) Section 3.15(a) of the Disclosure Schedule lists each of the following Contracts of the Sellers with respect to the Business (such Contracts being "Material Contracts"):

(i) all employment contracts, management contracts and contracts with independent contractors or consultants (or similar arrangements) that are not cancelable without penalty or further payment and without more than 30 days' notice;

(ii) all Contracts relating to indebtedness for borrowed money, notes, bonds or debentures, capitalized leases, guarantees of indebtedness, granting of Encumbrances on the Purchased Assets, hedging or other arrangements;

(iii) all Contracts that limit or purport to limit the ability of the Business to compete in any line of business or with any Person or in any geographic area or during any period of time, or otherwise freely engage in business anywhere in the world;

(iv) all Contracts involving total annual payments in excess of $75,000;

(v) all Transferred Intellectual Property Agreements;

(vi) all settlements, conciliations, or similar agreements with any Governmental Authority or pursuant to which the Sellers, with respect to the Business, will be required after the execution date of this Agreement to pay any material consideration or to satisfy any reporting or monitoring obligations to any Governmental Authority;

(vii) all Contracts between or among any Seller, with respect to the Business, and any Insider or which grant to any Insider any interest in the Business, the Purchased Assets or the Assumed Liabilities; and

(viii) all other Contracts material to the Business or the Purchased Assets, whether or not entered into in the Ordinary Course of Business (excluding non-disclosure agreements to which any Seller is a party which were provided to the Seller, within the past eight (8) months, solely with respect to the potential sale of the Business or other business of ParentCo and its direct and indirect subsidiaries).

(b) Except as disclosed in Section 3.15(b) of the Disclosure Schedule, each Material Contract that is an Acquired Contract (i) is valid and binding on the applicable Seller and, to the Knowledge of the Sellers, the counterparties thereto, and is in full force and effect; and (ii) upon consummation of the transactions contemplated by this Agreement, subject to the approval of the Bankruptcy Court and the payment of any applicable Cure Cost, shall continue in full force and effect without penalty or other adverse consequence. Except as disclosed in Section 3.15(b) of the Disclosure Schedule, no Seller is in material breach of, or in default under, any Material Contract to which it is a party.

SECTION 3.16 **Brokers**. Except for Houlihan Lokey, no broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement or the Ancillary Agreements based upon arrangements made by or on behalf of the Sellers. The Purchaser shall not have any responsibility for payment of the fees and expenses of Houlihan Lokey.

SECTION 3.17 **Inventory**. Except with respect to Inventory reserves reflected on the unaudited balance sheet of the Business as of June 30, 2008 (which were determined in accordance with GAAP (consistently applied)) (as such reserves are adjusted from time to time from and after the date hereof until the date immediately preceding the Closing Date (including for purposes of determining the Final Net Working Capital) and as notified by Sellers to Purchaser on a regular basis through the Closing Date) or as set forth in Section 3.17 of the Disclosure Schedule, the Inventory (i) consists solely of materials and goods useable or saleable in the Ordinary Course of Business (taking into account, without limitation, the quantity and quality of the Inventory), (ii) is not defective, slow moving, obsolete or damaged, (iii) is fit and merchantable for its particular use, and (iv) is valued at lower of cost or market less applicable valuation reserves all in accordance with GAAP (consistently applied). None of the Inventory is subject to any Encumbrance, consignment, bailment, warehousing or similar agreement, except as set forth in Section 3.17 of the Disclosure Schedule.

SECTION 3.18 **Absence of Undisclosed Liabilities**. With respect to the Business, no Seller has any material obligations or Liabilities, except (a) obligations under Contracts described in Section 3.15(a) of the Disclosure Schedule, (b) Liabilities reflected on the Target Net Working Capital Statement or the Interim Financial Statements, and (c) Liabilities which have arisen after June 30, 2008 in the Ordinary Course of Business or otherwise in accordance with the terms and conditions of this Agreement.

SECTION 3.19 **Accounts Receivable**. Except as set forth in Section 3.19 of the Disclosure Schedule, each Receivable constitutes a bona fide Receivable resulting from a bona fide sale to a customer in the Ordinary Course of Business on commercially reasonable terms, the amount of which was actually due on the date thereof, is not, to Sellers' Knowledge, subject to any valid counterclaim or setoff, and is collectible net of any reserves for doubtful accounts (as such reserves are adjusted from time to time from and after the date hereof until the date immediately preceding the Closing Date (including for purposes of determining the Final Net Working Capital) and as notified by Sellers to Purchaser on a regular basis through the Closing Date) on any applicable Books and Records computed in accordance with GAAP (consistently applied).

SECTION 3.20 **Relationships with Customers and Suppliers**

Sellers have provided Purchaser with a true and accurate list of (i) the names and addresses of the top ten customers of the Business (on a consolidated basis) (by dollar volume of sales to such customers) and (ii) a list of the names and addresses of the top ten suppliers of the Business (on a consolidated basis) (by dollar volume of purchases from such suppliers), for the fiscal years ended December 31, 2006 and December 31, 2007, and the six-month period ended June 30, 2008. Except as set forth in Section 3.20 of the Disclosure Schedule, to Sellers'

Knowledge, no Seller has reason to believe that any material customer of the Business will stop, materially decrease the rate of (as compared to such customer's prior practice), or materially and adversely change the terms (whether related to payment, price or otherwise) with respect to, buying materials, products or services from any Seller (whether as a result of the consummation of the transactions contemplated hereby or otherwise). Except as set forth in Section 3.20 of the Disclosure Schedule to Sellers' Knowledge, no Seller has reason to believe that any material supplier of the Business will stop, materially decrease the rate of (as compared to such supplier's prior practice), or materially and adversely change the terms (whether related to payment, price or otherwise) with respect to, supplying materials, products or services to the Business (whether as a result of the consummation of the transactions contemplated hereby or otherwise).

SECTION 3.21 Cure Amounts. Section 3.21 of the Disclosure Schedule sets forth the Cure Costs, as of the date hereof, to be satisfied in order for Sellers to assume and assign the Acquired Contracts under section 365 of the Bankruptcy Code (as such Acquired Contracts are listed in Section 2.01(a)(iii) of the Disclosure Schedule as of the date hereof).

SECTION 3.22 Subsidiaries and Affiliates; Ownership Interests. Except as set forth in Section 3.22 of the Disclosure Schedule, no Seller (other than ParentCo) owns, of record or beneficially, any direct or indirect ownership interest in any Person (other than another Seller) or right (contingent or otherwise) to acquire any direct or indirect ownership interest in any Person (other than another Seller), nor is any Seller a member of (nor is any portion of the Business conducted through) any partnership or a participant in any joint venture or similar arrangement. No Person (other than another Seller) identified in Section 3.22 of the Disclosure Schedule has any properties, assets, rights, titles or interests (of any kind or nature) or business function which is used in the operation of the Business as currently conducted by Sellers.

SECTION 3.23 Other Representations and Warranties. Except for the representations and warranties and covenants contained in this Agreement (as modified by the Exhibits and Schedules hereto), no Seller makes any other express or implied representation or warranty with respect to the transactions contemplated hereby, and each Seller disclaims any other representations or warranties, whether made by such Seller or any of its Affiliates, officers, directors, employees, agents or representatives.

SECTION 3.24 **Credit Support.** To the Knowledge of Sellers, based solely upon the operation of the Business and the Purchased Assets as of the date hereof, following the Closing, except as set forth in Section 3.24 of the Disclosure Schedule, Purchaser will not be required to provide or arrange for any letters of credit, guaranties, or surety bonds to enable Purchaser to operate the Business or any of the Purchased Assets, as the Business or the Purchased Assets are operated as of the date hereof.

SECTION 3.25 **Permits**. Except as disclosed in Section 3.25 of the Disclosure Schedule, each Seller possesses or has been granted all material Permits necessary for the operation of the Business as currently conducted. True and correct copies of such Permits have previously been made available to the Purchaser by the Sellers. Except as disclosed in Section 3.25 of the Disclosure Schedule, all such material Permits are in full force and effect, are transferable to the Purchaser and will be in full force and effect immediately after the Closing.

SECTION 3.26 **Investment Intent**. Each Seller is acquiring Holdings Stock for its own account for investment only and not with a view to the distribution or resale thereof (as such terms are defined in the Securities Act of 1933, as amended (the "Securities Act")), and no Seller has the present intention of selling, granting any participation in, or otherwise distributing the same, except in compliance with the Securities Act. Each Seller is an "accredited investor" as such term is defined in Regulation D promulgated pursuant to Section 4(2) of the Securities Act. Each Seller understands that the Holdings Stock issued to such Seller has not been registered under the Securities Act or any state or foreign securities Laws, is being sold in reliance upon an exemption or exemptions from the registration and prospectus delivery requirements of the Securities Act and applicable state or foreign securities Laws, cannot be sold unless subsequently registered under the Securities Act and applicable state securities Laws or if an exemption from such registration is available, and there is not currently a trading market for the Holdings Stock and there can be no assurances that the same will be listed on any exchange or quoted on any quotation system.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

The Purchaser hereby represents and warrants to the Sellers as follows:

SECTION 4.01 **Organization and Authority of the Purchaser and Holdings**Purchaser is a limited liability company duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation and has all necessary limited liability company power and authority to enter into this Agreement and the Ancillary Agreements to which it is a party, to carry out its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. Holdings is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation and has all necessary corporate power and authority to enter into the Stockholders Agreement, to carry out its obligations thereunder and to consummate the transactions contemplated thereby. Each of the Purchaser and Holdings is duly licensed or qualified to do business and is in good standing in

each jurisdiction which the properties owned or leased by it or the operation of its business makes such licensing or qualification necessary, except to the extent that the failure to be so licensed, qualified or in good standing would not adversely affect the ability of the Purchaser or Holdings to carry out its obligations under, and to consummate the transactions contemplated by, this Agreement and the Ancillary Agreements. The execution and delivery by the Purchaser and Holdings of this Agreement and the Ancillary Agreements to which it is a party, the performance by the Purchaser and Holdings of its respective obligations hereunder and thereunder and the consummation by the Purchaser and Holdings of the transactions contemplated hereby and thereby have been duly authorized by all requisite limited liability company action or corporate action, as applicable, on the part of the Purchaser and Holdings. This Agreement has been, and upon their execution the Ancillary Agreements to which the Purchaser or Holdings is a party shall have been, duly executed and delivered by the Purchaser and Holdings, and (assuming due authorization, execution and delivery by the Sellers) this Agreement constitutes, and upon their execution the Ancillary Agreements to which the Purchaser or Holdings is a party shall constitute, legal, valid and binding obligations of the Purchaser or Holdings, as applicable, enforceable against the Purchaser or Holdings, as applicable, in accordance with their respective terms. Attached hereto as Exhibit 4.01 are true and complete copies of the Certificate of Incorporation and the By-laws of Holdings and the Certificate of Conversion of Purchaser, each as in effect on the date hereof.

SECTION 4.02 No Conflict. The execution, delivery and performance by the Purchaser and Holdings of this Agreement and the Ancillary Agreements to which it is a party do not and will not:

(a) violate, conflict with or result in the breach of any provision of the respective certificate of formation, certificate of incorporation or by-laws (or similar organizational documents) of the Purchaser or Holdings;

(b) conflict with or violate any Law or Governmental Order applicable to the Purchaser or Holdings or its respective assets, properties or businesses; or

(c) conflict with, result in any material breach of, constitute a material default (or event which with the giving of notice or lapse of time, or both, would become a material default) under, require any notice or consent under, give rise to a loss of any material benefit under or give rise to any Claim or Encumbrance or give to others any rights of termination, amendment, acceleration, suspension, revocation or cancellation of, any note, bond, mortgage or indenture, contract, agreement, lease, sublease, license, Permit, franchise or other instrument or arrangement to which the Purchaser or Holdings, as applicable, is a party.

SECTION 4.03 Governmental Consents and Approvals. The execution, delivery and performance by the Purchaser and Holdings, as applicable, of this Agreement and each Ancillary Agreement to which the Purchaser or Holdings is a party do not and will not require any consent, approval, authorization or other order of, action by, filing with, or notification to, any Governmental Authority, except as may be necessary as a result of any facts or circumstances relating solely to the Sellers or any of their Affiliates.

SECTION 4.04 **Financing**. The Purchaser has access to sufficient immediately available funds to pay, in cash, the Purchase Price and all other amounts payable pursuant to this Agreement and the Ancillary Agreements in connection with the Closing or otherwise necessary to consummate all the transactions contemplated hereby at or prior to the Closing.

SECTION 4.05 **Litigation**. As of the date hereof, no Action by or against the Purchaser or Holdings is pending or, to the knowledge of the Purchaser, threatened, which would reasonably be expected to adversely affect the legality, validity or enforceability of this Agreement, any Ancillary Agreement or the consummation of the transactions contemplated hereby or thereby.

SECTION 4.06 **Brokers**. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of the Purchaser or Holdings for which any Seller will be responsible.

SECTION 4.07 **Capitalization of Holdings**. As of the date hereof, the authorized capital stock of Holdings consists of (i) 1,000 shares of common stock, of which 90 shares are issued and outstanding and are held of record as indicated in Section 4.07 of the Disclosure Schedule, and (ii) 2,000 shares of preferred stock, par value $0.01 per share, of which no shares are issued or outstanding. All of the shares (including the Stock Consideration), have been or, upon issuance, will be validly issued, fully paid and nonassessable and free and clear of any Encumbrances other than those imposed by federal and securities laws or by the Stockholders Agreement. As of the date hereof, Holdings holds 100% of the issued and outstanding shares of common stock of the Purchaser. None of the shares of Holdings (including the Stock Consideration), has been or, upon issuance will be, issued in violation of any federal or state securities laws.

ARTICLE V

ADDITIONAL AGREEMENTS

SECTION 5.01 **Conduct of Business Prior to the Closing**. Except for actions contemplated by this Agreement, as set forth in Section 5.01 of the Disclosure Schedule, or as agreed to by Purchaser, each Seller covenants and agrees that, between the date hereof and the Closing, each Seller (to the extent it relates to the Business) shall (i) conduct the Business in all material respects in the Ordinary Course of Business and consistent with the Sellers' debt arrangements (and subject to the Bankruptcy Case), (ii) not enter into (except in the Ordinary Course of Business), modify, amend, or terminate any Acquired Contract; (iii) not implement any plant closing or layoff of employees that could implicate the WARN Act; (iv) use its reasonable efforts to preserve intact in all material respects the business organization of the Business (provided that Sellers shall not be required to incur any expense outside of the Ordinary Course of Business); (v) not make any material change in its methods of management, marketing, accounting or operating (or practices relating to payments, payables or receivables); (vi) not take any action which breaches its obligations under this Agreement; (vii) maintain the Purchased Assets in good operating condition and repair, subject to ordinary wear and tear; (viii)

continue all existing policies of insurance (or comparable insurance) of or for the benefit of Sellers and/or the Business in full force and effect and at least at such levels as are in effect on the date hereof, up to and including the Closing (and not cancel any such insurance or take, or fail to take, any action that would enable the insurers under such policies to avoid Liability for claims arising out of occurrences prior to the Closing); (ix) not grant any increase in the compensation payable or to become payable to any employee of the Business except in accordance with existing obligations (including, without limitation, retention but not stay bonus arrangements approved by the Bankruptcy Court); (x) not to modify or amend any Seller Benefit Plan in any way that would materially increase liabilities thereunder; and (xi) deliver to Purchaser, as soon as practicable after the close of each month, the unaudited balance sheet of the Business for such monthly period and the related unaudited statement of income of the Business.

SECTION 5.02 **Access to Information**. From the date hereof until the Closing, upon reasonable notice, the Sellers shall, and shall cause their respective officers, directors, employees, agents, representatives, accountants and counsel to (i) afford the Purchaser and its authorized representatives reasonable access to the offices, properties and books and records of the Sellers (to the extent relating to the Business) and (ii) furnish to the officers, employees, and authorized agents and representatives of the Purchaser such additional financial and operating data and other information regarding the Business (or copies thereof) as the Purchaser may from time to time reasonably request; provided, however, that any such access or furnishing of information shall be conducted at the Purchaser's expense, during normal business hours at times agreed by Sellers, under the supervision of the Sellers' personnel and in such a manner as not to unreasonably interfere with the normal operations of the Business. Notwithstanding anything to the contrary in this Agreement, the Sellers shall not be required to disclose to Purchasers (A) any information if such disclosure would, in the Sellers' good faith judgment and in the opinion of counsel to Sellers, jeopardize any attorney-client or other legal privilege or contravene any applicable Laws, or (B) any non-disclosure agreements to which any Seller is a party which were provided to such Seller, within the past eight (8) months, solely with respect to the potential sale of the Business or other business of ParentCo or its direct and indirect subsidiaries.

SECTION 5.03 **Confidentiality**

(a) The terms of the Confidentiality Agreement dated as of March 29, 2008 (the "Confidentiality Agreement") between Atlantis Plastics, Inc. and Monomoy Capital Partners, L.P. are hereby incorporated herein by reference and shall continue in full force and effect until the Closing, at which time such Confidentiality Agreement and the obligations of the Purchaser under this Section 5.03 shall terminate; provided, however, that the Confidentiality Agreement shall terminate only in respect of that portion of the Evaluation Material (as defined in the Confidentiality Agreement) exclusively relating to the transactions contemplated by this Agreement. If this Agreement is, for any reason, terminated prior to the Closing, the Confidentiality Agreement shall nonetheless continue in full force and effect.

(b) Nothing provided to the Purchaser pursuant to Section 5.02 shall in any way amend or diminish the Purchaser's obligations under the Confidentiality Agreement.

The Purchaser acknowledges and agrees that any Evaluation Material provided to the Purchaser pursuant to Section 5.02 or otherwise by any Seller or any officer, director, employee, agent, representative, accountant, tax advisor or counsel thereof shall be subject to the terms and conditions of the Confidentiality Agreement.

(c) Notwithstanding anything herein to the contrary, each party hereto (and its representatives, agents and employees) may consult any tax advisor regarding the tax treatment and tax structure of the transactions contemplated hereby, and may disclose to any person, without limitation of any kind, the tax treatment and tax structure of such transactions and all materials (including opinions and other tax analyses) that are provided relating to such treatment or structure.

SECTION 5.04 Regulatory and Other Authorizations; Notices and Consents

(a) The parties hereto shall use their reasonable best efforts to promptly obtain all authorizations, consents, Permits, orders and approvals of all Governmental Authorities and officials that may be or become necessary for the execution and delivery of, and the performance of their respective obligations pursuant to, this Agreement and the Ancillary Agreements and will cooperate fully with the other parties in promptly seeking to obtain all such authorizations, consents, Permits, orders and approvals.

(b) Each party to this Agreement shall promptly notify the other party of any written communication it or any of its Affiliates receives from any Governmental Authority to the extent relating to the matters that are the subject of this Agreement and permit the other party to review in advance any proposed written communication by such party to any Governmental Authority. Subject to the Bankruptcy Case, neither party to this Agreement shall agree to participate in any meeting with any Governmental Authority in respect of any filings, investigation or other inquiry to the extent relating to the matters that are the subject of this Agreement unless it consults with the other party in advance and, to the extent permitted by such Governmental Authority, gives the other party the opportunity to attend and participate at such meeting. Subject to the Confidentiality Agreement, the parties to this Agreement will coordinate and cooperate fully with each other in exchanging such information and providing such assistance as the other party may reasonably request in connection with the foregoing. Subject to the Confidentiality Agreement and the Bankruptcy Case, the parties to this Agreement will provide each other with copies of all correspondence, filings or communications between them or any of their representatives, on the one hand, and any Governmental Authority or members of its staff, on the other hand, with respect to this Agreement and the transactions contemplated by this Agreement.

SECTION 5.05 Retained Names and Marks

(a) Purchaser hereby acknowledges that all right, title and interest in and to the names "Atlantis" and "Atlantis Plastics" and any name not used or held for use solely in the Business (including "Proflex", "Atlantis Plastics Linear Stretch Films", and "Sta-Dri"), together with all variations thereof and all trademarks, service marks, domain

names, trade names, trade dress, corporate names and other identifiers of source containing, incorporating or associated with any of the foregoing, (the "Retained Names and Marks") are owned exclusively by the Sellers, and that, except as expressly provided below, any and all right of the Business to use the Retained Names and Marks shall terminate as of the Closing and shall immediately revert to the Sellers. Purchaser further acknowledges that it has no rights, and is not acquiring any rights, to use the Retained Names and Marks, except as provided herein.

(b) The Purchaser shall, for a period of one hundred eighty (180) Business Days after the date of the Closing, be entitled (on a non-exclusive basis) to use all of the existing stocks of signs, letterheads, advertisements and promotional materials, inventory and other documents and materials included in the Purchased Assets ("Existing Stock") containing the Retained Names and Marks, after which date the Purchaser shall remove or obliterate all Retained Names and Marks from such Existing Stock or cease using such Existing Stock, the foregoing shall not include use of the Sellers' Internet domain names or website incorporating any Retained Names or Marks.

(c) Except as expressly provided in this Agreement, no other right to use the Retained Names and Marks is granted by the Sellers to the Purchaser, and nothing hereunder shall permit the Purchaser to use the Retained Names and Marks on any documents, materials, products or services other than in connection with the Existing Stock. The Purchaser shall ensure that all use of the Retained Names and Marks by the Purchaser as provided in this Section 5.05 shall be only with respect to goods and services of a level of quality equal to or greater than the quality of goods and services with respect to which the Business used the Retained Names and Marks prior to the Closing.

(d) The Purchaser acknowledges that in connection with the Sellers' sale of its film business, the Sellers will be granting the purchaser thereof rights to use the names "Atlantis" and "Atlantis Plastics" for an agreed upon period of time for purposes of transitioning the sale of that line of business. The Purchaser further acknowledges that such names will be used in the administration of the Sellers' bankruptcy Estate under the Bankruptcy Code.

SECTION 5.06 Notifications; Update of Disclosure Schedule. Until the Closing, the Sellers shall promptly notify the Purchaser in writing of any fact, change, condition, circumstance or occurrence or nonoccurrence of any event of which any of them has Knowledge that will or is reasonably likely to result in any of the conditions set forth in Section 7.02 of this Agreement becoming incapable of being satisfied on or before the Closing Date. The Sellers shall, promptly upon attaining Knowledge of such matter, prior to the Closing, by notice given in accordance with this Agreement, supplement or amend the applicable Disclosure Schedule to correct any such matter that would otherwise constitute a material breach of any of Sellers' representations and warranties or covenants contained herein. Notwithstanding any other provision herein to the contrary, no such additional disclosure or update by Sellers shall be deemed to have cured any breach or inaccuracy of any of the Sellers' representations, warranties, covenants or agreements contained herein for purposes of Section 7.02(a) or Section 9.02. The

immediately preceding sentence shall not apply with respect to Disclosure Schedules that are amended to reflect (or as a result of) Purchaser's election to add any Seller's assets to the definition of Purchased Assets or Excluded Assets. Notwithstanding the foregoing, to the extent that the Cure Costs, as of the date hereof, exceed (or are less than) the amount set forth in Section 3.21 of the Disclosure Schedules, the amount of such excess (or the amount by which they are less than the Cure Costs in such Disclosure Schedule) shall be added to (or subtracted from, as applicable) the Cure Cap amount set forth in Section 2.02(c), in which event Section 3.21 of the Disclosure Schedules shall, for all purposes of this Agreement, be deemed to be complete and accurate for purposes of Section 7.02(a) and Section 9.02.

SECTION 5.07 Transition Services Agreement. At or prior to the Closing, the Sellers shall enter into a transition services agreement on terms reasonably satisfactory to the Sellers and the Purchaser (the "Transition Services Agreement"), which Transition Services Agreement shall provide that the Sellers will, or will cause to be provided, at the Purchaser's cost (which shall be based on the actual cost of such services to the Sellers, which cost shall include an allocable portion of the Sellers' cost to provide employees with health insurance coverage or premiums for COBRA continuation coverage), for a period of six (6) months from and after the Closing (or such other period as mutually agreeable to the Purchaser and the Sellers) certain services to the Business that are currently provided by the Sellers and their Affiliates to the Business, all as more fully set forth in on Exhibit 5.07. The Sellers shall bill such costs to the Purchaser monthly, on a prospective basis, pursuant to the Transition Services Agreement, which costs the Purchaser shall pay in full to the Sellers within 30 days of the monthly billing issue date.

SECTION 5.08 Further Action

(a) From and after the date hereof (including after the Closing), the parties hereto shall use all reasonable best efforts to take, or cause to be taken, all appropriate actions, to do or cause to be done all things necessary, proper or advisable under applicable Law, and to execute and deliver such documents and other papers, as may be required to carry out the provisions of this Agreement and consummate and make effective the transactions contemplated by this Agreement. The Sellers will use reasonable best efforts to secure lien waiver agreements in form reasonably satisfactory to Purchaser from the landlords of each Assumed Leased Property.

(b) Anything contained herein to the contrary notwithstanding, this Agreement shall not constitute an agreement to assign any Acquired Contract or any Permit, if, notwithstanding the provisions of sections 363 and 365 of the Bankruptcy Code, an attempted assignment thereof, without the consent of any other Person party thereto, would constitute a breach thereof or in any way negatively affect the rights of either of the Sellers or Purchaser (unless the restrictions on assignment would be rendered ineffective pursuant to sections 9-406 through 9-409, inclusive, of the Uniform Commercial Code, as amended (the "UCC")), as the assignee of such Acquired Contract or Permit, as the case may be, thereunder. If, notwithstanding the provisions of sections 363 and 365 of the Bankruptcy Code, such consent or approval is required but not obtained, Sellers shall cooperate with Purchaser without further consideration, in any

commercially reasonable arrangement designed to provide Purchaser with the material benefits and obligations intended to be assigned or transferred to, and assumed by, Purchaser under any such Acquired Contract or Permit, including, without limitation, at the Purchaser's sole cost and expense, enforcement for the benefit of Purchaser of any and all rights of Sellers against any other Person party to the Acquired Contract or Permit arising out of the breach or cancellation thereof by such Person, and seeking Bankruptcy Court approval for such transfer or assignment. Without limiting the generality of the foregoing, the beneficial interest in and to the Acquired Contracts or Permits, to the fullest extent permitted by the relevant Acquired Contract or Permit and applicable Law, will pass to Purchaser. Anything contained herein to the contrary notwithstanding, the Sellers and the Purchaser agree that the Sellers will be unable to transfer to the Purchaser at Closing, in accordance with Section 2.01(a), computer equipment located in Aurora, Colorado; Alpharetta, Georgia and ParentCo's Atlanta corporate office (or other computer equipment shared by the Business and the films businesses of ParentCo and certain of its other subsidiaries) or the Sellers' software licenses, provided that the foregoing shall not reduce the Purchase Price. During the period from and after the date hereof and during the term of the Transition Services Agreement, the Sellers will use their reasonable best efforts to assist the Purchaser in determining the Purchaser's software needs during and after the term of the Transition Services Agreement and use reasonable best efforts to assist the Purchaser in licensing or replacing existing licenses of the Sellers' software; provided, however, that the Purchaser shall be responsible for the payment of any software license fees, software license transfer fees or other fees related to the assignment by the Sellers to the Purchaser of any software license or computer equipment pursuant to this Agreement or the Purchaser's acquisition of new software licenses or computer equipment. The Sellers agree that the Purchaser will be treated no less favorably than the purchaser of the films businesses (of ParentCo and certain of its other subsidiaries) with respect to the allocation, splitting up and replacement of the software licenses and computer equipment that relate to the Business and the films businesses being sold by ParentCo and certain of its other subsidiaries.

SECTION 5.09 **Tax Cooperation and Exchange of Information**. The Sellers and the Purchaser will provide each other with such cooperation and information as either of them reasonably may request of the other in filing any Tax Return, amended Tax Return or claim for refund, determining any liability for Taxes or a right to a refund of Taxes or participating in or conducting any audit or other proceeding in respect of Taxes relating to the Purchased Assets or the Business. Such cooperation and information shall include providing copies of relevant Tax Returns or portions thereof, together with accompanying schedules and related work papers and documents relating to rulings or other determinations by taxing authorities, in such party's possession or under such party's control. The Sellers and the Purchaser will make themselves (and their respective employees) available, on a mutually convenient basis, to provide explanations of any documents or information provided under this Section 5.09. Each of the Sellers and the Purchaser will retain all Tax Returns, schedules and work papers and all material records or other documents in its possession (or in the possession of its Affiliates) relating to Tax matters relevant to the Purchased Assets or the Business for the taxable period first ending after the Closing and for all prior taxable periods until the later of (i) the expiration of the statute of

limitations of the taxable periods to which such Tax Returns and other documents relate, without regard to extensions, or (ii) six years following the due date (without extension) for such Tax Returns. After such time, before any Seller or the Purchaser shall dispose of any such documents in its possession (or in the possession of its Affiliates), the other party shall be given the opportunity, after ninety (90) days' prior written notice, to remove and retain all or any part of such documents as such other party may select (at such other party's expense). Any information obtained under this Section 5.09 shall be kept confidential, except as may be otherwise necessary in connection with the filing of Tax Returns or claims for refund or in conducting an audit or other proceeding.

SECTION 5.10 **Conveyance Taxes**. The Purchaser agrees to pay all Conveyance Taxes incurred as a result of or in connection with the transactions contemplated hereby.

SECTION 5.11 **INTENTIONALLY DELETED**.

SECTION 5.12 **Pre-Closing Covenants of the Parties**. Sellers and Purchaser covenant that, during the period from the date of this Agreement through and including the Escrow Closing Date or the earlier termination of this Agreement:

(a) Cooperation. Each party hereto shall use reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary or proper, consistent with applicable law, to consummate and make effective as soon as possible the transactions contemplated hereby.

(b) Adequate Assurances Regarding Acquired Contracts and Required Orders. With respect to each Acquired Contract, Purchaser shall provide adequate assurance of future performance of such Acquired Contract by Purchaser. Each party hereto shall take such actions as may be reasonably requested by each other party hereto to assist in obtaining the Bankruptcy Court's entry of the Sale Order and any other Order of the Bankruptcy Court reasonably necessary to consummate the transactions contemplated by this Agreement.

(c) Permits. Each party hereto shall use reasonable best efforts to promptly obtain or consummate the transfer (to the extent transferable and held by Sellers) by Sellers to Purchaser of any Permit required to own or operate the Purchased Assets under applicable Laws.

SECTION 5.13 **Sale Solicitations**

(a) Prior to the entry of the Bidding Procedures Order, Sellers shall not and shall cause their Affiliates and representatives not to market or solicit inquiries, proposals, offers or bids from, or negotiate with any Person other than Purchaser, or assist or participate in or facilitate in any manner any effort by any Person other than Purchaser regarding any (i) stock sale, merger, consolidation, business combination, recapitalization, liquidation, dissolution or similar transaction involving any Seller and its respective Affiliates, (ii) purchase or acquisition directly or indirectly by stock sale,

merger, recapitalization, consolidation, business combination, share exchange, joint venture or otherwise of the Purchased Assets or (iii) any combination of the foregoing (an "Alternative Transaction"), and shall not take any other action in connection therewith (including, but not limited to) (A) entering into any agreement, term sheet or letter-of-intent with respect thereto, (B) issuing press releases, placing advertisements or making other releases or disclosures in connection therewith), or (C) seeking approval of the Bankruptcy Court for any Alternative Transaction.

(b) The parties acknowledge that pursuant to the Bidding Procedures Order after the entry of the Bidding Procedures Order on the Bankruptcy Court's docket and before the entry of the Sale Order by the Bankruptcy Court, Sellers will solicit bids ("Bids") from other prospective purchasers (collectively, "Bidders") for the sale of all or substantially all of the Purchased Assets in accordance with the procedures set forth in the Bidding Procedures Order.

(c) Following entry of the Sale Order by the Bankruptcy Court, Sellers shall not seek, solicit, discuss, encourage, negotiate or consummate any Alternative Transaction, whether pursuant to a potential sale, plan or otherwise.

SECTION 5.14 Bankruptcy Actions.

(a) As soon as practicable after the execution of this Agreement and payment by Purchaser of the Deposit (and in no event later than three (3) Business Days thereafter), the Sellers shall (i) make all filings necessary to initiate the Bankruptcy Case in the Bankruptcy Court, (ii) file and serve a motion (together with supporting papers and with proper notice thereof on interested parties as required by the Bankruptcy Code and Rules) seeking entry of the Bidding Procedures Order on the Bankruptcy Court's docket, which order will set a date for the Auction as soon as practicable but in any event, no later than forty-seven (47) days after the date of commencement of the Bankruptcy Case, and (iii) seek a hearing in the Bankruptcy Court to approve such motion (with shortened notice if necessary) no later than twenty-one (21) days after the date of commencement of the Bankruptcy Case.

(b) Within three (3) days after the filing of the motion for entry of the Bidding Procedures Order on the Bankruptcy Court's docket or such earlier time as the Sellers shall determine, the Sellers shall file with the Bankruptcy Court a motion seeking to approve the transaction contemplated hereby (the "Sale Motion"), which motion shall seek the Bankruptcy Court's approval of this Agreement, the Sellers' performance under this Agreement and the assumption and the assignment of the Acquired Contracts. Sellers shall seek to set a hearing date in the Bankruptcy Court to approve the Sale Motion to be held no later than fifty (50) days after the date of the commencement of the Bankruptcy Case, or as soon thereafter as the Bankruptcy Court's schedule permits.

(c) The Acquired Contracts and the Designated Remaining Leases (as set forth in Sections 2.01(a)(iii) and 2.10 of the Disclosure Schedule, respectively) shall be identified on an exhibit to the Sale Motion. Such exhibit shall set forth the amounts

necessary to cure defaults under each of such Acquired Contracts and Designated Remaining Leases as determined by the Sellers based on the Books and Records. The Sellers shall, at the written direction of Purchaser delivered in accordance with Section 2.01(c), (i) at any time on or prior to the eleventh (11th) Business Day prior to the Sale Hearing, add any Contracts used solely in the Business, to the exhibit or (ii) any time prior to the two (2) Business Days before the Sale Hearing, remove Acquired Contracts and Designated Remaining Leases from the exhibit, provided that such change shall not affect the amount of the Purchase Price. In cases in which the Sellers are unable to establish that a default exists, the relevant cure amount shall be set at $0.00.

(d) The parties shall use their reasonable best efforts to close the transaction contemplated hereby within ten (10) Business Days of approval of the Sale Motion.

(e) The Sellers will provide Purchaser with a reasonable opportunity to review and comment upon all motions, applications, petitions, schedules and supporting papers prepared by the Sellers (including forms of orders and notices to interested parties) in connection with the motion to approve the Bidding Procedures Order, the Sale Motion and any other transactions contemplated by this Agreement. All motions, applications, petitions, schedules and supporting papers prepared by the Sellers and relating (directly or indirectly) to the transactions contemplated by this Agreement to be filed on behalf of the Sellers after the date hereof must be reasonably acceptable in form and substance to Purchaser.

SECTION 5.15 **Section 351 Contribution and Exchange**. Each of the parties to this Agreement intends that the transfer of the Purchased Assets to Purchaser shall be treated for federal income tax purposes as part of exchange of property for stock of Holdings described in Section 351(a) of the Code, and that (a) the Stock Consideration, in addition to the Base Purchase Price and Assumed Liabilities, constitutes stock issued as part of such exchange, (b) each Seller is a transferor of property to Holdings in such exchange, and (c) each Seller is part of the group of holders of Holdings stock that "control" (within the meaning of Section 368(c) of the Code) Holdings immediately after the consummation of the transactions contemplated by this Agreement. Each of the parties hereto shall, to the extent permitted by applicable Law, file all Tax Returns in a manner consistent with such treatment, and each such party shall provide the information required under Section 1.351-3 in such party's federal income Tax Return for the party's taxable period that including the Closing Date. Each Seller represents and warrants that, as of the date hereof and at all time from the date hereof through and including the Closing Date, such Seller has, and shall have, no plan or intention to sell, convey, assign, transfer, or otherwise dispose of any of the Stock Consideration, except as required in the Bankruptcy Case. ParentCo and each other Seller further covenant and agree that, except as required by Law or the Bankruptcy Court, it shall not cause or permit the Stock Consideration to be used to satisfy the claims of any creditors of ParentCo or Sellers pursuant to any order of the Bankruptcy Court. ParentCo and Holdings shall make an election under Section 362(e)(2) of the Code to not have Section 362(e)(2)(A) apply to the Purchased Assets and, if permitted by Law, to have ParentCo take an initial tax basis in the Stock Consideration in an amount not exceeding the fair market value of the Stock Consideration on the Closing Date.

ARTICLE VI

EMPLOYEE MATTERS

SECTION 6.01 **Offer of Employment**. As of the Closing, the Purchaser shall offer employment on substantially comparable terms and conditions as in effect prior to the Closing to those Active Business Employees of the Sellers chosen by Purchaser in its sole discretion. The Purchaser shall, prior to the Closing, provide the Sellers with a list of the Active Business Employees not being offered employment by the Purchaser. As used herein, "Transferred Employee" means each employee who accepts such offer. Provided that on or before Closing, Sellers supply Purchaser with a list of employee layoffs, by date and location, implemented by the Business in the ninety (90) day period preceding Closing, Purchaser agrees that its offers of employment shall not be less than the number of Sellers' employees employed in support of the Business as shall be necessary to avoid any potential liability by Sellers for a violation of the WARN Act attendant to a failure to notice such employees of a so-called "mass layoff" or "plant closing" as defined in the WARN Act or the Law of any State similar in nature to the WARN Act and the Purchaser shall indemnify, defend and hold Sellers harmless from all Liabilities arising from the Purchaser's breach of such covenant and agreement. Nothing contained herein shall be deemed a guarantee of continued employment for any particular length of time, to affect or to limit in any way the management prerogatives of Purchaser with respect to Transferred Employees, or to create or to grant to such employees any third-party beneficiary rights or claims or causes of action of any kind or nature. Each Transferred Employee shall receive credit for services with the Sellers and predecessors under the Purchaser's employee benefit plans for purposes of eligibility and vesting; provided, however, that in no event shall such credit result in the duplication of benefits or the funding thereof.

SECTION 6.02 **401(k) Plan Asset Transfer**. Effective as of the Closing Date, Sellers shall 100% vest each Transferred Employee in his or her account balance in Sellers' 401(k) plan ("Sellers' 401(k) Plan") and make any contributions necessary to fulfill Sellers' obligations for matching contributions or other employer contribution from the time period beginning January 1, 2008 through the Closing Date. Effective as of the Closing Date, the Transferred Employees shall cease to participate in Sellers' 401(k) Plan, and as soon as administratively practicable following the Closing Date, the Purchaser shall establish a new defined contribution "401(k) plan" for the Transferred Employees (the "Purchaser's 401(k) Plan") that is intended to meet the qualification requirements of Section 401(a) of the Code. As soon as is reasonably practicable following the Closing Date and the establishment of the Purchaser's 401(k) Plan, the Sellers shall cause the trustee of the Sellers' 401(k) Plan to transfer account balances related to the Transferred Employees (including any outstanding loans) from the Sellers' 401(k) Plan to the Purchaser's 401(k) Plan in accordance with the requirements of Sections 411(d)(6) and 414(l) of the Code. Such transfer shall be made in cash, except that any promissory notes evidencing participant loans shall be transferred in kind. The Sellers and the Purchaser shall use commercially reasonable efforts to effect such transfer of assets in a timely manner. Until such transfer is accomplished, the Sellers shall cause the trustee of the Sellers'

401(k) Plan to suspend any default on any loan from the Sellers' 401(k) Plan to any Transferred Employee, to the extent permitted by applicable Law.

SECTION 6.03 Health Insurance Coverage.

(a) Each Seller shall, either directly or through a third party, provide all notices that such Seller's former employees and retirees are entitled to receive under COBRA in connection with a group health plan provided by Sellers to the extent required under applicable law. Each Seller shall, at Purchaser's reasonable request, include with any notice described in this Section 6.03 any materials requested by the Purchaser in a timely manner, which materials shall be subject to such Seller's review and comment.

(b) Each Seller shall maintain records ("COBRA Records") of each of such Seller's former employees, retirees and their dependents who elect COBRA continuation coverage as a result of receiving the notice described in this Section 6.03 or who were receiving COBRA continuation coverage from such Seller on the Closing Date. Such COBRA Records shall include (i) the name and address of the former employee or retiree, (ii) the specific qualifying event (listed under Code section 4980B(f)(3)) that entitled the former employee or retiree and his or her dependents to elect COBRA continuation coverage, (iii) the date on which COBRA continuation coverage was elected, (iv) the type of health plan coverage elected; and (v) the name of the former employee or retiree's dependents who elected COBRA continuation coverage.

(c) Each Seller shall provide the continuation coverage pursuant to COBRA to any of such Seller's former employees, retirees and their dependents until such time as such Seller is not required to provide such continuation coverage under applicable law.

(d) Purchaser agrees that, at such time as Sellers are not required to provide continuation coverage under COBRA, Purchaser shall provide notification and continuation coverage under COBRA to the following: (i) those individuals who are M&A qualified beneficiaries (as defined in Treasury Regulation 54.4980B-9 Q/A 4(a).) with respect to the transactions contemplated by this agreement ("M&A Qualified Beneficiaries"); and (ii) those individuals set forth in Section 6.03 of the Disclosure Schedule (with the M&A Qualified Beneficiaries, collectively referred to as "COBRA Individuals"). The Seller shall provide to the Purchaser the COBRA Records of those COBRA Individuals who were receiving COBRA continuation coverage from the Seller as of the Closing Date.

SECTION 6.04 No Third Party Beneficiaries. Nothing contained in this Agreement shall (a) constitute or be deemed to be an amendment to any employee benefit plan sponsored or maintained by Purchaser or any Seller Benefit Plan, (b) require Purchaser to amend, modify, affect or terminate any employee benefit plan, or (c) restrict or limit the rights of any Seller, on or after the Closing, to amend, modify or terminate any Seller Benefit Plan. The provisions of this Article VI are for the sole benefit of the parties to this Agreement and nothing herein, expressed or implied, is intended or shall be construed to confer upon or give to any Person (including, for the avoidance of doubt, any Active Business Employee or Transferred

Employee), other than the parties hereto and their respective permitted successors and assigns, any legal or equitable or other rights or remedies (with respect to the matters provided for in this Article VI) under or by reason of any provision of this Agreement.

ARTICLE VII

CONDITIONS TO CLOSING

SECTION 7.01 Conditions to Obligations of the Sellers. The obligations of the Sellers to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or written waiver by Sellers, at or prior to the Closing, of each of the following conditions:

(a) Representations, Warranties and Covenants. (i) The representations and warranties of the Purchaser contained in this Agreement (A) that are not qualified as to "materiality" shall have been true and correct as of the date hereof in all material respects and shall be true and correct in all material respects as of the Closing and (B) that are qualified as to "materiality" shall have been true and correct as of the date hereof and shall be true and correct as of the Closing, other than, with respect to clauses (A) and (B), such representations and warranties are made as of another date, in which case such representations and warranties shall be true and correct in all material respects or true and correct, as the case may be, as of such other date, and (ii) the covenants and agreements contained in this Agreement to be complied with by the Purchaser on or before the Closing shall have been complied with in all material respects (although the obligation to pay the Purchase Price to the Sellers pursuant to Section 2.03(b) shall be complied with at the Closing).

(b) Ancillary Agreements. The Purchaser shall have delivered to Sellers copies of the Ancillary Agreements duly executed by the Purchaser and all other documents and materials described in Section 2.06.

(c) No Order. No Governmental Authority shall have enacted, issued, promulgated, enforced or entered any Law or Governmental Order (whether temporary, preliminary or permanent) that has the effect of making the transactions contemplated by this Agreement or the Ancillary Agreements illegal or otherwise restraining or prohibiting the consummation of such transactions.

(d) Bankruptcy Orders. The Bankruptcy Court shall have entered the Bidding Procedures Order and the Sale Order, which shall be final and non-appealable.

SECTION 7.02 Conditions to Obligations of the Purchaser. The obligations of the Purchaser to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or written waiver by Purchaser, at or prior to the Closing, of each of the following conditions:

(a) Representations, Warranties and Covenants. (i) The representations and warranties of the Sellers contained in this Agreement (A) that are not qualified as to "materiality" or "Material Adverse Effect" shall have been true and correct as of the date hereof in all material respects and shall be true and correct in all material respects as of the Closing and (B) that are qualified as to "materiality" or "Material Adverse Effect" shall have been true and correct as of the date hereof and shall be true and correct as of the Closing, other than, with respect to clauses (A) and (B), such representations and warranties that are made as of another date, in which case such representations and warranties shall be true and correct in all material respects or true and correct, as the case may be, as of such other date, and (ii) the covenants and agreements contained in this Agreement to be complied with by the Sellers at or before the Closing shall have been complied with in all material respects. The immediately preceding sentence shall not be deemed violated with respect to Disclosure Schedules that are amended to reflect (or as a result of) Purchaser's election to add any Seller's assets to the definition of Purchased Assets or Excluded Assets.

(b) No Order. No Governmental Authority shall have enacted, issued, promulgated, enforced or entered any Law or Governmental Order (whether temporary, preliminary or permanent) that has the effect of making the transactions contemplated by this Agreement or the Ancillary Agreements illegal or otherwise restraining or prohibiting the consummation of such transactions.

(c) Third Party Consents. The Purchaser and the Sellers shall have received the third party consents set forth in Section 7.02 of the Disclosure Schedule.

(d) Title Insurance. The Title Company shall have issued (or advised Purchaser in writing that it will issue), upon Purchaser's payment of the cost therefor and all fees and expenses of the Title Company and upon the Sellers' delivery of all customary documents, certificates and instruments required by the Title Company, an ALTA (or local equivalent) owner's policy of title insurance or a signed marked up binder in respect thereof, dated the Closing Date for each of the Owned Real Property identified in Section 2.01(a)(i) of the Disclosure Schedule as requiring title insurance, insuring in Purchaser or its designee fee simple absolute ownership of each such Owned Real Property or leasehold interest in each such Leased Real Property, subject only to Permitted Encumbrances (specifically deleting the standard exceptions, other than (i) the standard survey exception; and (ii) the parties-in-possession exception, except for properties where Purchaser has obtained a survey (and then limited as disclosed thereon) or where the Title Company will otherwise provide such coverage; provided, however, that Sellers shall nonetheless agree to make a reasonable knowledge-based representation for the Title Company as to parties-in-possession as part of the customary title affidavit requested by the Title Company) and including such endorsements as are available in the

particular states in which the properties are located and as Purchaser may reasonably require, and in each case in an amount not less than the portion of the Total Consideration allocated to the property being insured thereunder.

(e) Ancillary Agreements. The Sellers shall have delivered to the Purchaser copies of the Ancillary Agreements duly executed by each Seller party thereto and all other documents and materials described in Section 2.05.

(f) Bankruptcy Condition.

(i) The Bidding Procedures Order shall have been entered on the docket by the Clerk of the Bankruptcy Court and no later than twenty-one (21) days after the date of commencement of the Bankruptcy Case. The Sale Order shall have been entered on the docket by the Clerk of the Bankruptcy Court no later than the fiftieth (50th) day after the commencement of the Bankruptcy Case.

(ii) The Sale Order shall approve and authorize the assumption and assignment of the Acquired Contracts and the Acquired Contracts shall have been actually assumed and assigned to Purchaser such that the Acquired Contracts will be in full force and effect from and after the Closing with non-debtor parties being barred and enjoined from asserting against Purchaser, among other things, defaults, breaches or claims of pecuniary losses (including, without limitation, cure claims under section 365 of the Bankruptcy Code, except as otherwise specifically provided in the Sale Order) existing as of the Closing or by reason of the Closing.

(iii) The Bidding Procedures Order shall contain, among other terms and conditions, the Bidding Procedures described in Exhibit 1.01(d).

Notwithstanding Sections 7.02(f)(iii) and 2.04 (but subject to Section 7.01), nothing in this Agreement shall preclude Purchaser or the Sellers from consummating the transactions contemplated herein if Purchaser, in its sole discretion, waives the requirement that the Sale Order or any other Order shall have become Final Orders. No notice of such waiver of this or any other condition to Closing need be given, it being the intention of the parties hereto that Purchaser shall be entitled to, and is not waiving, the protection of section 363(m) of the Bankruptcy Code, the mootness doctrine and any similar statute or body of Law if the Closing occurs in the absence of Final Orders.

(g) Cure Costs. To the extent of the Cure Cap and as required by Section 2.02(c), Sellers shall have paid all cure obligations (pursuant to section 365 of the Bankruptcy Code) with respect to the Acquired Contracts or such cure obligations shall have been deducted from the amounts payable to Sellers at the Closing pursuant to Section 2.02(c) (not including, for purposes of determining the satisfaction of this condition, any Cure Costs that are the responsibility of Purchaser or that Purchaser agreed to pay on behalf of Sellers or that the Escrow Agent is to pay).

(h) No MAE. There shall not have been a Material Adverse Effect since June 30, 2008.

(i) Certain Business Conditions. Each of the conditions set forth in Section 7.02(i) of the Disclosure Schedules shall have been satisfied.

(j) Landlord Lien Waivers. The Purchaser shall have received lien waiver agreements in form reasonably satisfactory to Purchaser from the landlord of each Assumed Leased Property.

(k) Stockholders Agreement. Each Seller, Monomoy and Holdings shall have executed and delivered a stockholders agreement (the "Stockholders Agreement"), in form and substance reasonably acceptable to Monomoy, which Stockholders Agreement shall include (a) a drag-along right in favor of Monomoy (which shall require the Sellers to (i) sell their Holdings Stock in a transaction approved by Monomoy or approve an asset sale approved by Monomoy, (ii) execute a sale contract pursuant to which each Seller will severally (but not jointly) make representations and warranties concerning only such Seller and its Holdings Stock (if any) to be transferred by such Seller and provide indemnities (with liability not to exceed the amount of sale proceeds received by such Seller in such sale transaction) in respect of such representations and warranties made by such Seller as may be set forth in any agreement approved by Monomoy, (iii) provide an indemnity (along with all other selling stockholders) for liabilities arising in connection with a sale approved by Monomoy, including in respect of representations and warranties regarding the Holdings and its assets, Liabilities and business, provided that the sole source for payment of any such indemnity will be funds (in an amount determined by Monomoy) withheld from the proceeds otherwise distributed to the stockholders and deposited in escrow for such purpose or otherwise segregated, and will be borne by the selling stockholders pro rata based on the number of shares of Holdings stock sold), (but in no event shall such liability exceed the amount of sale proceeds received by such Seller in such sale transaction), (b) a tag-along right for Sellers on sales by Monomoy (other than to Affiliates of Monomoy) of all or substantially all of the equity of Holdings held by Monomoy, (c) a "put" by Sellers of the Stock Consideration to Holdings on the date that is four (4) years from the date hereof (which shall be exercisable for a period of thirty (30) days after such date) at an aggregate value equal to $600,000 for the total Stock Consideration, (d) beginning on the Closing Date until the date that is seven (7) years from the date hereof, a call by Holdings for the Stock Consideration at an aggregate value equal to $5,000,000 for the total Stock Consideration, (e) that the Stock Consideration shall not be transferable, other than to a liquidating trust at the termination of the Bankruptcy Case, and (f) a voting agreement whereby the Sellers shall agree to vote for directors of Holdings as designated by Monomoy (and Monomoy will indemnify, defend and hold harmless the Sellers from and against any Liability related to, or arising from, the Sellers' voting for such director as designated by Monomoy).

ARTICLE VIII

TERMINATION, AMENDMENT AND WAIVER

SECTION 8.01 **Termination**. This Agreement may be terminated at any time prior to the Closing:

(a) by either the Sellers, on the one hand, or the Purchaser, on the other hand, if the Closing shall not have occurred by October 30, 2008 (the "Outside Date"); provided, however, that the right to terminate this Agreement under this Section 8.01(a) shall not be available to any party whose failure to fulfill any obligation under this Agreement shall have been the cause of, or shall have resulted in, the failure of the Closing to occur on or prior to such date;

(b) by either the Purchaser, on the one hand, or the Sellers, on the other hand, in the event that any Law or Governmental Order restraining, enjoining or otherwise prohibiting the transactions contemplated by this Agreement shall have become final and nonappealable; provided, however, that the right to terminate this Agreement under this Section 8.01(b) shall not be available to any party whose failure to fulfill any obligation under this Agreement shall have been the cause of, or shall have resulted in, the failure of the Closing to occur on or prior to such date;

(c) by the Purchaser if (i) (A) a supplement or amendment of any section of the Disclosure Schedule made by the Sellers pursuant to Section 5.06 materially and adversely affects any rights, title, or interest to any Purchased Asset or benefits to be obtained by the Purchaser pursuant to this Agreement or any of the Ancillary Agreements and (B) any breach of a representation, warranty, covenant or other agreement referred to in such supplement or amendment that cannot be or has not been cured within fifteen (15) days after such supplement or amendment is made by the Sellers, or (ii) the Sellers fail to consummate the transactions contemplated hereby following the satisfaction of all conditions to their obligations to close pursuant to Section 7.01;

(d) by the Sellers if (i) the Purchaser shall have breached any of its representations, warranties, covenants or other agreements contained in this Agreement which would give rise to the failure of a condition set forth in Article VII, which breach cannot be or has not been cured within fifteen (15) days after the giving of written notice by the Sellers to the Purchaser specifying such breach, or (ii) the Purchaser fails to consummate the transactions contemplated hereby following the satisfaction of all conditions to its obligation to close pursuant to Section 7.02;

(e) by the Purchaser if the Sellers shall have breached any of their representations, warranties, covenants or other agreements contained in this Agreement which would give rise to the failure of a condition set forth in Article VII, which breach cannot be or has not been cured within fifteen (15) days after the giving of written notice by the Purchaser to the Sellers specifying such breach;

(f) by Purchaser if (i) any Seller consummates an Alternative Transaction; or (ii) the Purchaser is chosen as the Back-Up Bidder and Sellers fail to name the Purchaser as the Highest Bidder by the fifteenth (15^{th}) day following the entry of the Sale Order; or (iii) any Seller files a plan with the Bankruptcy Court contemplating the sale or retention of any portion of the Purchased Assets that is inconsistent with the terms of this Agreement;

(g) by the mutual written consent of the Sellers and the Purchaser;

(h) by the Purchaser if the Bidding Procedures Order shall not have been entered on the docket by the Clerk of the Bankruptcy Court as soon as practicable and no later than twenty-one (21) days after the date of commencement of the Bankruptcy Case; or

(i) by the Sellers if

(i) the Sellers have breached any of their representations, warranties, covenants or other agreements contained in this Agreement including a breach which would give rise to the failure of a condition set forth in Section 7.02, and

(ii) the Purchaser fails or refuses to consummate the transactions contemplated hereby within 15 days (but not later than October 30, 2008) following the Sellers' written notice to Purchaser (A) providing a description of the Sellers' breach or breaches, (B) stating the Sellers' intent to consummate the transactions contemplated hereby, and (C) requesting that Purchaser consummate the transactions contemplated hereby, notwithstanding such breach by Sellers or failure to satisfy all conditions to Purchaser's obligation to close pursuant to Section 7.02.

SECTION 8.02 Effect of Termination. In the event of termination of this Agreement as provided in Section 8.01, this Agreement shall forthwith become void and there shall be no liability on the part of any party hereto except (i) as provided in Section 2.03(a) and this Section 8.02, (ii) the provisions of Article X shall survive such termination, (iii) if this Agreement is terminated by the Sellers pursuant to Section 8.01(d), then the receipt by the Sellers of the Deposit pursuant to Section 2.03(a) shall be the sole and exclusive remedy (as liquidated damages) of the Sellers and the Purchaser shall promptly instruct the Escrow Agent to immediately disburse the Deposit to the Sellers; (iv) if this Agreement is terminated for any reason in Section 8.01, other than the termination of this Agreement by the Sellers pursuant to Section 8.01(d), then the Sellers shall not be entitled to any damages, losses, or payment from the Purchaser, and the Purchaser shall have no further obligation or liability under this Agreement, of any kind to the Sellers, any of their Affiliates or any other Person on account of this Agreement, and the Sellers shall promptly instruct the Escrow Agent to return to the Purchaser the Deposit; and (v) for Sellers' liability to the Purchaser pursuant to Section 8.03. Notwithstanding any other provision herein to the contrary, the Confidentiality Agreement shall survive any termination of this Agreement and shall survive in accordance with the terms thereof.

SECTION 8.03 Break-Up Fee and Expense Reimbursement

(a) If this Agreement is terminated for any reason other than as set forth in the proviso to this sentence, then Sellers shall immediately pay (in cash) to Purchaser the Expense Reimbursement, with Sellers being jointly and severally liable for such payment, and the Escrow Agent shall immediately return the Deposit to the Purchaser; provided, however, that no payment of Expense Reimbursement shall be due from the Sellers to the Purchaser if this Agreement is terminated (i) by the Sellers pursuant to Section 8.01(d) (and the Escrow Agent shall disburse the Deposit to the Sellers), (ii) by Purchaser pursuant to Section 8.01(f)(i) or 8.01(f)(iii), (iii) by either the Purchaser or the Sellers pursuant to Section 8.01(a) or 8.01(b) or (iv) by the Purchaser and the Sellers pursuant to Section 8.01(g).

(b) (i) Only if this Agreement is terminated by Purchaser pursuant to Section 8.01(f) or 8.01(i) (and under no other circumstances), will the Purchaser be entitled to a Break-Up Fee pursuant to this Section 8.03(b). In no event shall the Purchaser be entitled to payment of the Break-Up Fee in connection with any termination of this Agreement other than by Purchaser pursuant to Section 8.01(f) or 8.01(i).

(ii) If this Agreement is terminated by Purchaser pursuant to Section 8.01(f) then in lieu of (and not in addition to) the Expense Reimbursement, (1) substantially contemporaneous with the consummation of an Alternative Transaction (other than to or by Purchaser), Sellers shall pay (in cash) to Purchaser the Break-Up Fee, with Sellers being jointly and severally liable for such payment, and (2) the Escrow Agent shall immediately upon such termination of this Agreement return the Deposit to Purchaser; provided, however, that if the Purchaser has terminated this Agreement pursuant to Section 8.01(f)(ii), then (A) Purchaser's right to receive the Break-Up Fee under this Section 8.03(b) is conditioned upon Sellers consummating an Alternative Transaction with the Highest Bidder and (B) the payment of such Break-Up Fee to Purchaser shall be reduced dollar-for-dollar, by the full amount of any Expense Reimbursement previously received by Purchaser pursuant to Section 8.03(a).

(iii) If this Agreement is terminated by the Sellers pursuant to Section 8.01(i), and the Sellers enter into an Alternative Transaction (other than to or by Purchaser), which Alternative Transaction provides for aggregate economic and financial consideration (taking into account, without limitation, purchased assets, excluded assets, assumed liabilities, retained liabilities, working capital requirements and any other financial or economic terms) equal to or greater than the aggregate economic consideration provided to the Sellers in this Agreement, the Sellers shall pay to the Purchaser, upon the Sellers consummating the Alternative Transaction, an amount equal to (1) the positive difference, if any, between (A) the aggregate economic and financial consideration of the Alternative Transaction and (B) the aggregate economic and financial consideration of the transaction contemplated by this Agreement, up to a maximum of the Break-Up Fee, (2) such amount to be reduced dollar-for-dollar, by the full amount of any Expense Reimbursement previously received by Purchaser pursuant to Section 8.03(a).

(c) The Sellers' obligation to pay the Break-Up Fee in accordance with Section 8.03(b) or the Expense Reimbursement, if any, pursuant to Section 8.03(a), shall survive termination of this Agreement and shall constitute an administrative expense (which shall be an administrative expense claim under Section 507(a)(2) of the Bankruptcy Code) and shall be the sole and exclusive remedies of the Purchaser. For avoidance of doubt, in no event shall the Purchaser be entitled to receive both the Expense Reimbursement and the full amount of the Break-Up Fee. For purposes of this Section 8.03, (i) "Expense Reimbursement" means the amount of the Purchaser's actual reasonable fees, costs and expenses incurred in connection with the transactions described in this Agreement (including reasonable attorneys fees, other professional fees and lender fees) up to a maximum aggregate amount of Five Hundred Thousand Dollars ($500,000), and (ii) "Break-Up Fee" means an amount of One Million Dollars ($1,000,000)

ARTICLE IX

INDEMNIFICATION

SECTION 9.01 Survival of Representations and Warranties

The representations and warranties of the Sellers in this Agreement will survive the Closing without limitation until eighteen (18) months after the Closing Date, except that (a) the representations and warranties set forth in Section 3.08 shall survive for a period of two years after the Closing and (b) the representations and warranties set forth in Sections 3.01, 3.02, 3.03, 3.07, 3.11, 3.13 and 3.14 (the "Excluded Representations") shall survive for the statute of limitations corresponding to each such representation and warranty (the applicable period, the "Survival Period"). Each of the covenants and obligations of the Sellers in this Agreement and in the Ancillary Agreements shall survive in accordance with their respective terms. The Liabilities of the Sellers under their representations and warranties will expire as of the expiration of the applicable Survival Period; provided, however, that such expiration will not include, extend or apply to (x) any claim for fraud of the Sellers arising in connection with the transactions contemplated by this Agreement and the Ancillary Agreements (such exclusion, collectively, "Fraud Claims") or (y) any representation or warranty, the breach of which has been asserted by any Purchaser Indemnified Party by written notice to the Sellers during the Survival Period and such claim has not been resolved prior to the expiration of the Survival Period.

SECTION 9.02 Indemnification by the Sellers

The Sellers shall jointly and severally indemnify Purchaser and its Affiliates, equity holders, officers, directors, managers, employees, agents, representatives, successors and permitted assigns (collectively, the "Purchaser Indemnified Parties") and save and hold each of them harmless against any loss, Liability, demand, claim, action, cause of action, cost, damage, deficiency, Tax, fine or expense (including interest, penalties, reasonable attorneys' fees and expenses and all reasonable amounts paid in investigation, defense or settlement of any of the foregoing and enforcement of its rights hereunder) (collectively, "Losses") which any such Purchaser Indemnified Party may suffer, sustain or become subject to, as a result of, or in

connection with: (a) any breach of any representation or warranty of the Sellers in this Agreement or in the Disclosure Schedules or Exhibits attached hereto or in any certificate or other document delivered pursuant to this Agreement, (b) any breach of any covenant or obligation of the Sellers contained in this Agreement, or (c) any Excluded Liability or Excluded Asset. Any amounts owing from the Sellers to the Purchaser Indemnified Parties pursuant to this Section 9.02 shall be general unsecured claims against the Sellers in the Bankruptcy Case, it being understood and agreed that, except for Fraud Claims, the right to such general unsecured claims in the Bankruptcy Case shall be Purchaser's sole and exclusive remedy for Losses. Solely for the purposes of determining under this Article IX whether there has been a breach of any representation or warranty of the Sellers, or the amount of any Loss related to a breach of any representation or warranty of the Sellers, the representations and warranties of the Sellers set forth in this Agreement shall be considered without regard to any "material," or "Material Adverse Effect" or similar qualifications set forth therein.

SECTION 9.03 Defense of Third Party Claims

Any Purchaser Indemnified Party making a claim for indemnification under Section 9.02 (an "Indemnitee") shall notify the Sellers (each an "Indemnitor") of the claim in writing promptly after receiving written notice of any action, lawsuit, proceeding, investigation or other claim against it (if by a third party), describing the claim, the amount thereof (if known and quantifiable), and the basis thereof; provided, that the failure to so notify an Indemnitor shall not relieve the Indemnitor of its obligations hereunder except to the extent that (and only to the extent that) the Indemnitor is prejudiced thereby. Any Indemnitor shall be entitled to participate in the defense of such action, lawsuit, proceeding, investigation or other claim giving rise to an Indemnitee's claim for indemnification at such Indemnitor's expense, and at its option (subject to the limitations set forth below) shall be entitled to assume the defense thereof by appointing a nationally recognized and reputable counsel reasonably acceptable to the Indemnitee to be the lead counsel in connection with such defense; provided, that, prior to the Indemnitor assuming control of such defense it shall first verify to the Indemnitee in writing that such Indemnitor shall be responsible for all Liabilities relating to such claim for indemnification and that it will provide full indemnification to the Indemnitee with respect to such action, lawsuit, proceeding, investigation or other claim giving rise to such claim for indemnification hereunder and that, to the reasonable satisfaction of the Indemnitee, the Indemnitor has the financial capacity to pay such Liabilities; provided, further, that (a) the Indemnitee shall be entitled to participate in the defense of such claim and to employ counsel of its choice for such purpose (provided that the fees and expenses of such separate counsel shall be borne by the Indemnitee (other than any fees and expenses of such separate counsel that are incurred prior to the date the Indemnitor effectively assumes control of such defense which, notwithstanding the foregoing, shall be borne by the Indemnitor)); (b) the Indemnitor shall not be entitled to assume control of such defense and shall pay the fees and expenses of counsel retained by the Indemnitee if (i) the claim for indemnification relates to or arises in connection with any criminal proceeding, action, indictment, allegation or investigation; (ii) the claim primarily seeks an injunction or other equitable relief against the Indemnitee; or (iii) the Indemnitor failed or is failing to vigorously prosecute or defend such claim; and (c) if the Indemnitor shall control the defense of any such claim, the Indemnitor shall obtain the prior written consent of the Indemnitee (which shall not be unreasonably withheld or delayed) before entering into any settlement of a claim or ceasing to

defend such claim if, pursuant to or as a result of such settlement or cessation, injunctive or other equitable relief will be imposed against the Indemnitee or if such settlement does not expressly and unconditionally release the Indemnitee from all liabilities and obligations with respect to such claim, without prejudice.

SECTION 9.04 Limitation of Claims

Except for Fraud Claims and claims for breach of the Excluded Representations, no claim may be made by the Purchaser Indemnified Parties against the Sellers for indemnification pursuant to Section 9.02(a) unless and until the aggregate amount of all Losses asserted by the Purchaser shall exceed an amount equal to $100,000 (the "Basket Amount"), and then the Sellers shall only be responsible for indemnification of Losses in excess of the Basket Amount. Except for Fraud Claims and claims for breach of the Excluded Representations and breach of the representations and warranties set forth in Section 3.08, the Sellers shall not be liable for any Losses pursuant to Section 9.02(a) in excess of an aggregate (considering all Losses) of $2,500,000. Notwithstanding anything in this Article IX to the contrary, the parties understand and agree that other than Fraud Claims, all claims for Losses pursuant to this Article IX shall be subject to the limitation on recourse and remedies provided for in Section 9.02 above, including that all such claims for Losses shall constitute general unsecured claims in the Bankruptcy Case.

ARTICLE X

GENERAL PROVISIONS

SECTION 10.01 Expenses. Except as otherwise specified in this Agreement, all costs and expenses, including fees and disbursements of counsel, financial advisors and accountants, incurred in connection with this Agreement and the transactions contemplated by this Agreement shall be paid by the party incurring such costs and expenses, whether or not the Closing shall have occurred.

SECTION 10.02 Notices. All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given or made (and shall be deemed to have been duly given or made upon receipt) by delivery in person, by an internationally recognized overnight courier service, by facsimile or registered or certified mail (postage prepaid, return receipt requested) to the respective parties hereto at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 10.02):

(a) if to the Sellers:

Atlantis Plastics, Inc.
1870 The Exchange, Suite 200
Atlanta, GA 30339
Telecopy: 770-988-1643
Telephone: 770-953-4567
Attention: Paul Saari, CFO

with a copy to (which shall not constitute notice):

Greenberg Traurig, LLP
3290 Northside Parkway, Suite 400
Atlanta , GA 30327
Telecopy: (678) 553-2681
Telephone: (678) 553-2680
Attention: David Kurzweil, Esq.

(b) if to the Purchaser:

Plastic Acquisition, Inc.
c/o Monomoy Capital Partners
142 West 57th Street
New York, NY 10019
Telecopy: (212) 699-4010
Telephone: (212) 699-4000
Attention: Stephen Presser

with copies to (which shall not constitute notice):

Kirkland & Ellis LLP
200 East Randolph Drive
Chicago, IL 60601
Telecopy: (312) 861-2200
Telephone: (312) 861-2000
Attention: Richard W. Porter, P.C.

and

Kirkland & Ellis LLP
153 East 53rd Street
New York, NY 10022
Telecopy: (212) 446-4900
Telephone: (212) 446-4800
Attention: Kester Spindler

SECTION 10.03 **Public Announcements**. Prior to the filing of the Bankruptcy Case, neither party to this Agreement shall make, or cause to be made, any press release or public announcement in respect of this Agreement or the transactions contemplated by this Agreement or otherwise communicate with any news media without the prior written consent of the other party unless otherwise required by Law or applicable stock exchange regulation, and

the parties to this Agreement shall cooperate as to the timing and contents of any such press release, public announcement or communication.

SECTION 10.04 **Specific Performance**. The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that, prior to any valid termination of this Agreement as provided in Section 8.01, the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in any federal or state court in Georgia having jurisdiction (subject to the provisions of Section 10.12), this being in addition to any other remedy to which they are entitled at law or in equity.

SECTION 10.05 **Severability**. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any Law or public policy, all other terms and provisions of this Agreement shall nevertheless remain in full force and effect for so long as the economic or legal substance of the transactions contemplated by this Agreement is not affected in any manner materially adverse to either party hereto. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated by this Agreement are consummated as originally contemplated to the greatest extent possible.

SECTION 10.06 **Entire Agreement**. This Agreement, the Ancillary Agreements and the Confidentiality Agreement constitute the entire agreement of the parties hereto with respect to the subject matter hereof and thereof and supersede all prior agreements and undertakings, both written and oral, by and among the Sellers and the Purchaser with respect to the subject matter hereof and thereof.

SECTION 10.07 **Assignment**. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the parties hereto without prior written consent of the other parties (which shall not be unreasonably withheld or delayed); except that (a) Purchaser may assign any of its rights and obligations hereunder to any Affiliate of Purchaser (although no such assignment shall release the Purchaser from its obligations hereunder) and, following the Closing, in whole or in part to any financing source for collateral assignment purposes or to any Person acquiring Purchaser or such Affiliate or all or any portion of the Business or the Purchased Assets; (b) the rights and interests of the Sellers hereunder may be assigned to a trustee appointed under Chapter 11 or Chapter 7 of the Bankruptcy Code; (c) this Agreement may be assigned to any entity appointed as a successor to the Sellers pursuant to a confirmed Chapter 11 plan; and (d) as otherwise provided in this Agreement. The Sellers hereby agree that Purchaser may grant a security interest in its rights and interests hereunder to its lenders, and the Sellers will sign a consent (in form and substance reasonably acceptable to the Sellers) with respect thereto if so requested by Purchaser or its lenders, and that the terms of this Agreement shall be binding upon any subsequent trustee appointed under Chapter 11 or Chapter 7 of the Bankruptcy Code.

SECTION 10.08 **Amendment**. This Agreement may not be amended or modified except (a) by an instrument in writing signed by, or on behalf of, the Sellers and the Purchaser or (b) by a waiver in accordance with Section 10.09.

SECTION 10.09 **Waiver**. Either party to this Agreement may: (a) extend the time for the performance of any of the obligations or other acts of the other party; (b) waive any inaccuracies in the representations and warranties of the other party contained herein or in any document delivered by the other party pursuant hereto; or (c) waive compliance with any of the agreements of the other party or conditions to such party's obligations contained herein. Any such extension or waiver shall be valid only if expressly set forth in an instrument in writing signed by the party to be bound thereby. Any waiver of any term or condition shall not be construed as a waiver of any subsequent breach or a subsequent waiver of the same term or condition, or a waiver of any other term or condition of this Agreement. The failure of either party hereto to assert any of its rights hereunder shall not constitute a waiver of any of such rights.

SECTION 10.10 **No Third Party Beneficiaries**. This Agreement shall be binding upon and inure solely to the benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other Person any legal or equitable right, benefit or remedy of any nature whatsoever, including any rights of employment for any specified period, under or by reason of this Agreement.

SECTION 10.11 **Currency**. Unless otherwise specified in this Agreement, all references to currency, monetary values and dollars set forth herein means United States (U.S.) dollars and all payments hereunder shall be made in United States dollars.

SECTION 10.12 **Governing Law**. This Agreement shall be construed, performed and enforced in accordance with, and governed by, the 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. For so long as any Seller is subject to the jurisdiction of the Bankruptcy Court, the parties irrevocably elect, as the sole judicial forum for the adjudication of any matters arising under or in connection with the Agreement, and consent to the exclusive jurisdiction of, the Bankruptcy Court. During such time that no Seller is subject to the jurisdiction of the Bankruptcy Court, the parties irrevocably elect, as the sole judicial forum for the adjudication of any matters arising under or in connection with this Agreement, the jurisdiction of any state court in Cobb County, Georgia, or, to the extent competent jurisdiction exists therein, the United States District Court for the Northern District of Georgia. The parties hereto further: (a) submit to the exclusive jurisdiction of such non-Bankruptcy courts referenced above and (b) irrevocably waive, and agree not to assert by way of motion, defense, or otherwise, in any such action, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that any such action is brought in an inconvenient forum, that the venue of the action is improper, or that this Agreement or the transactions contemplated by this Agreement may not be enforced in or by any of the above-named courts.

SECTION 10.13 **Waiver of Jury Trial**. EACH OF THE PARTIES HERETO HEREBY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT. EACH OF THE PARTIES HERETO HEREBY (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF THE OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, AS APPLICABLE, BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 10.13.

SECTION 10.14 **Counterparts**. This Agreement may be executed and delivered (including by facsimile transmission) in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement.

[Signatures on Following Page]

IN WITNESS WHEREOF, the Sellers and the Purchaser have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

SELLERS:
ATLANTIS MOLDED PLASTICS, INC.
A Florida Corporation
By: _____
Name: V. Bud Philbrook
Title: President

PIERCE PLASTICS, INC.
A Delaware Corporation
By: _____
Name: V. Bud Philbrook
Title: President

EXTRUSION MASTERS, INC.
An Indiana Corporation
By: _____
Name: V. Bud Philbrook
Title: President

ATLANTIS PLASTICS INJECTION MOLDING, INC.
A Kentucky Corporation
By: _____
Name: V. Bud Philbrook
Title: President

ATLANTIS PLASTICS, INC.
A Delaware Corporation
By: _____
Name: V. Bud Philbrook
Title: President

PURCHASER:
CUSTOM PLASTIC SOLUTIONS, LLC
A Delaware Limited Liability Company
By: _____
Name: Stephen Presser
Title: President

ATLANTIS PLASTICS FILMS, INC.
a Delaware corporation,
but solely with respect to its interest in the Shared Computer Equipment and for no other purpose

By : _____
Name: V. Paul Pfahlbrook
Title: President

Signature Page to the Asset Purchase Agreement

Exhibit 1.01(a)

FORM OF ASSIGNMENT OF LEASE

THIS ASSIGNMENT OF LEASE (this "Agreement"), is made and entered into as of the _____ day of _____, 2008, by and among (i) Atlantis Plastics, Inc., a Delaware corporation ("Parent"), Atlantis Molded Plastics, Inc., a Florida corporation, Pierce Plastics, Inc., a Delaware corporation, Extrusion Masters, Inc., an Indiana corporation, and Atlantis Plastics Injection Molding, Inc., a Kentucky corporation (each, with Parent, a "Seller" and collectively, "Sellers"), and (ii) Custom Plastic Solutions, LLC, a Delaware limited liability company ("Purchaser").

RECITALS

A. Sellers and Purchaser have entered into an Asset Purchase Agreement dated as of July 31, 2008 (the "Purchase Agreement"), pursuant to which Purchaser is acquiring the Purchased Assets of the Seller, including, without limitation, the Seller's rights and interests under the Assumed Leases;

B. A Seller is a party to those certain Assumed Leases listed and described in Section [2.01(a)(iii)] of the Disclosure Schedule to the Purchase Agreement;

C. The execution and delivery of this Agreement is a Closing deliverable under the Purchase Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing, the covenants and agreements contained herein and in the Purchase Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Sellers and Purchaser hereby agree as follows:

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

2. Effective as of the date hereof ("Effective Date"), Sellers assign to Purchaser any and all right, title and interest owned by any Seller in and to each Assumed Lease, including any and all security deposits and any and all prepaid rents, if any.

3. As of the Effective Date, Purchaser accepts and assumes the duties, obligations, responsibilities and liabilities of Sellers arising on or after the Effective Date, under each such Assumed Lease, and further agrees to be bound by the terms, conditions and covenants contained in such Assumed Lease and this Agreement. Purchaser acknowledges that, effective as of the Effective Date, Sellers shall have no further duties, obligations, responsibilities and liabilities under each such Assumed Lease.

4. No Persons other than Sellers, Purchaser and their respective successors and permitted assigns shall have any rights hereunder.

5. 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.

6. 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. To the extent there is any conflict or inconsistency between the terms of the Purchase Agreement and the terms of this Agreement, then the terms of the Purchase Agreement shall control.

7. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which, taken together, shall be deemed to be one and the same instrument. Any counterpart may be executed by facsimile signature or email with scan attachment and such facsimile signature or email with scan attachment shall be deemed an original.

[The remainder of this page left intentionally blank; signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed this Assignment of Lease, as of the date first written above.

SELLERS:

ATLANTIS MOLDED PLASTICS, INC.
a Florida Corporation
By:_____
Name:_____
Title:_____

PIERCE PLASTICS, INC.
a Delaware Corporation
By:_____
Name:_____
Title:_____

EXTRUSION MASTERS, INC.
an Indiana Corporation
By:_____
Name:_____
Title:_____

ATLANTIS PLASTICS INJECTION MOLDING, INC.
a Kentucky Corporation
By:_____
Name:_____
Title:_____

ATLANTIS PLASTICS, INC.
a Delaware Corporation
By:_____
Name:_____
Title:_____

PURCHASER:
CUSTOM PLASTIC SOLUTIONS, LLC
a Delaware Limited Liability Company
By:_____
Name:_____
Title:_____

Exhibit 1.01(b)

FORM OF ASSIGNMENT OF TRANSFERRED INTELLECTUAL PROPERTY

THIS ASSIGNMENT OF TRANSFERRED INTELLECTUAL PROPERTY (this "Agreement"), is made and entered into as of the _____ day of _____, 2008, by and among (i) Atlantis Plastics, Inc., a Delaware corporation ("Parent"), Atlantis Molded Plastics, Inc., a Florida corporation, Pierce Plastics, Inc., a Delaware corporation, Extrusion Masters, Inc., an Indiana corporation, and Atlantis Plastics Injection Molding, Inc., a Kentucky corporation (each, with Parent, a "Seller" and collectively, "Sellers"), and (ii) Custom Plastic Solutions, LLC, a Delaware limited liability company ("Purchaser").

RECITALS

A. Sellers own certain Intellectual Property used or held for us in the operation of its business.

B. Sellers and Purchaser have entered into an Asset Purchase Agreement dated as of July 31, 2008 (the "Purchase Agreement"), pursuant to which Purchaser is acquiring the Purchased Assets, including, without limitation, the Seller's rights and interests in and to the Transferred Intellectual Property.

C. The execution and delivery of this Agreement is a Closing deliverable under the Purchase Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing, the covenants and agreements contained herein and in the Purchase Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Sellers and Purchaser hereby agree as follows:

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

2. Pursuant to the Purchase Agreement and in accordance with the terms thereof, Sellers hereby assign to Purchaser and Purchaser hereby accepts assignment of all of Sellers' rights, titles and interests in and to the Transferred Intellectual Property. Notwithstanding anything to the contrary contained in this Agreement, Purchaser does not purchase, or acquire any right, title or interest in, any Retained Names and Marks.

3. No Persons other than Sellers, Purchaser and their respective successors and permitted assigns shall have any rights hereunder.

4. Sellers and Purchaser shall each execute, acknowledge (if appropriate) 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.

5. 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.

6. 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. To the extent there is any conflict or inconsistency between the terms of the Purchase Agreement and the terms of this Agreement, then the terms of the Purchase Agreement shall control.

7. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which, taken together, shall be deemed to be one and the same instrument. Any counterpart may be executed by facsimile signature or email with scan attachment and such facsimile signature or email with scan attachment shall be deemed an original.

[The remainder of this page left intentionally blank; signature page follows]

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

SELLERS:

ATLANTIS MOLDED PLASTICS, INC.
a Florida Corporation
By:_____
Name:_____
Title:_____

PIERCE PLASTICS, INC.
a Delaware Corporation
By:_____
Name:_____
Title:_____

EXTRUSION MASTERS, INC.
an Indiana Corporation
By:_____
Name:_____
Title:_____

ATLANTIS PLASTICS INJECTION MOLDING, INC.
a Kentucky Corporation
By:_____
Name:_____
Title:_____

ATLANTIS PLASTICS, INC.
a Delaware Corporation
By:_____
Name:_____
Title:_____

PURCHASER:
CUSTOM PLASTIC SOLUTIONS, LLC
a Delaware Limited Liability Company
By:_____
Name:_____
Title:_____

Exhibit 1.01(c)

FORM OF ASSUMPTION AGREEMENT

This ASSUMPTION AGREEMENT (this "Agreement"), is made and entered into as of the _____ day _____, 2008, by and among (i) Atlantis Plastics, Inc., a Delaware corporation ("Parent"), Atlantis Molded Plastics, Inc., a Florida corporation, Pierce Plastics, Inc., a Delaware corporation, Extrusion Masters, Inc., an Indiana corporation, and Atlantis Plastics Injection Molding, Inc., a Kentucky corporation (each, with Parent, a "Seller" and collectively, "Sellers"), and (ii) Custom Plastic Solutions, LLC, a Delaware limited liability company ("Purchaser").

RECITALS

A. The Sellers and Purchaser have entered into that certain Asset Purchase Agreement dated as of July 31, 2008 (the "Purchase Agreement"), pursuant to which Purchaser has agreed to assume from the Sellers the Assumed Liabilities.

B. The execution and delivery of this Agreement is a Closing deliverable under the Purchase Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing, the covenants and agreements contained herein and in the Purchase Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Sellers and Purchaser hereby agree as follows:

1. All capitalized terms used but not defined herein shall have the meaning given to them in the Agreement.

2. Pursuant to the Purchase Agreement, the Sellers hereby transfer and assign, and Purchaser hereby accepts, the transfer and assignment of, the Assumed Liabilities, and Purchaser hereby expressly accepts and assumes the Assumed Liabilities, and undertakes and agrees to pay, perform and otherwise discharge when due, in accordance with the terms of the Purchase Agreement, the Assumed Liabilities.

3. The assignment by Sellers and the assumption by Purchaser of the Assumed Liabilities shall be effective as of the date hereof.

4. 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. To the extent any terms and provisions of this Agreement are in any way inconsistent with or in conflict with any term, condition or provision of the Purchase Agreement, the Purchase Agreement shall govern and control.

5. No Persons other than the Sellers and Purchaser and their respective successors and permitted assigns shall have any rights hereunder.

6. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Georgia and shall inure to the benefit of, and be binding upon, the parties hereto and their respective successors and permitted assigns, except to the extent that the laws of such state are superseded by the Bankruptcy Code.

7. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which, taken together, shall be deemed to be one and the same instrument. Any counterpart may be executed by facsimile signature or email with scan attachment and such facsimile signature or email with scan attachment shall be deemed an original.

[The remainder of this page left intentionally blank; signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed this Assumption Agreement as of the date first written above.

SELLERS:

ATLANTIS MOLDED PLASTICS, INC.
a Florida Corporation
By:_____
Name:_____
Title:_____

PIERCE PLASTICS, INC.
a Delaware Corporation
By:_____
Name:_____
Title:_____

EXTRUSION MASTERS, INC.
an Indiana Corporation
By:_____
Name:_____
Title:_____

ATLANTIS PLASTICS INJECTION MOLDING, INC.
a Kentucky Corporation
By:_____
Name:_____
Title:_____

ATLANTIS PLASTICS, INC.
a Delaware Corporation
By:_____
Name:_____
Title:_____

PURCHASER:
CUSTOM PLASTIC SOLUTIONS, LLC
a Delaware Limited Liability Company
By:_____
Name:_____
Title:_____

EXHIBIT 1.01(d)

Bidding Procedures

I. Sellers' Initial Bankruptcy Actions. This Exhibit 1.01(d) sets forth the bidding procedures (the "Bidding Procedures") that Sellers will seek authority from the Bankruptcy Court to effectuate the Sale of the Purchased Assets and the other transactions contemplated by this Agreement (collectively, the "Transaction"). The Sellers agree to use their best efforts to have a hearing to approve the Bidding Procedures on or before the twenty-first (21st) day following the commencement of the Bankruptcy Case. The Transaction is subject to competitive bidding as set forth herein and the Bankruptcy Court's approval by entry of the Sale Order. Further, in the event that the Bidding Procedures are modified by the Bankruptcy Court, Purchaser shall accept the Biding Procedures as approved, if Purchaser determines, in the exercise of its reasonable discretion, that such modifications are acceptable. The following overbid provisions and related bid protections are designed to compensate Purchaser for its efforts and agreements to date and to facilitate a full and fair process (the "Bidding Process") designed to maximize the value of the Purchased Assets for the benefit of Sellers' creditors and bankruptcy estate. Capitalized terms used, but not defined herein, shall have the meaning ascribed to such terms in the Agreement.

II. Potential Bidder. Unless otherwise ordered by the Bankruptcy Court or as otherwise determined by Sellers, in order to participate in the bidding process, each person (a "Potential Bidder"), other than the Purchaser, must deliver to Sellers (unless previously delivered):

A. an executed confidentiality agreement in form and substance satisfactory to Sellers; and

B. the most current audited (if available) and latest unaudited financial statements, as well as financial information evidencing the Potential Bidder's ability to close the Transaction.

As promptly as practicable after a Potential Bidder delivers the material required above, the Potential Bidder shall be eligible to commence due diligence with respect to the Purchased Assets provided in Section III below.

III. Due Diligence. Until the Bid Deadline (as defined below), Sellers will afford each Potential Bidder due diligence access to the Purchased Assets. Due diligence access may include access to data rooms, on site inspections and such other matters which a Potential Bidder may reasonably request and as to which Sellers, in their sole discretion, may agree. Sellers will designate an employee or other representative to coordinate all reasonable requests for additional information and due diligence access from Potential Bidders. Any and all due diligence shall cease after the Bid Deadline (as defined below). Sellers may, in their discretion, coordinate diligence efforts such that multiple Potential Bidders will have simultaneous access to due diligence materials and/or simultaneous attendance at site inspections. Neither Sellers nor any of their representatives are obligated to furnish any information relating to Purchased Assets to any person other than Potential Bidders. The Debtors, in consultation with the Lenders and any

Committee, reserve the right to refuse any Potential Bidder access to due diligence materials if such Potential Bidder's access is determined to be harmful to the Debtors' estates.

IV. Bid Deadline. A Potential Bidder that desires to make a bid shall deliver written copies of its offer (as described in Section V) to Greenberg Traurig, LLP, 3290 Northside Parkway, Suite 400, Atlanta, GA 30327, Attention: David Kurzweil, the Lenders and the Committee, so as to be received not later than 5:00 p.m. (Eastern Time), on September 12, 2008 (the "Bid Deadline").

V. Determination of Qualified Bid Status.

In order to participate in the Bidding Process each Potential Bidder must deliver to Sellers, a written offer (a "Qualified Bid"), so as to be received by the Bid Deadline that complies with each of the following:

A. Contains an executed Agreement, (the "Modified Agreement") in substantially the same form with all modifications, which shall be no less favorable than those proposed by the Purchaser in the Agreement, the Potential Bidder proposes, including:

1. which of the Purchased Assets the Potential Bidder seeks to acquire; and

2. which of the Debtors' executory contracts and unexpired leases the Potential Bidder seeks to assume and the proposed terms of cure, the value of such assumed liabilities to be added to the value of the bid in addition to other consideration.

B. The Modified Agreement shall be accompanied by a blacklined copy of the Modified Agreement showing all changes made to the Agreement.

C. The Modified Agreement shall not contain:

1. a request for any type of break-up fee, expense reimbursement, or similar type of payment; or

2. any due diligence or financing contingencies of any kind.

D. Evidence of authorization and approval from such Potential Bidder's board of directors (or comparable governing body) with respect to the submission, execution, delivery and closing of the Agreement or the Modified Agreement, as the case may be.

E. Information regarding such Potential Bidder's financial capability to consummate the transactions contemplated by the Agreement or Modified Agreement, as the case may be, containing such financial and other information that will allow Sellers, in consultation with the Lenders and the Committee, to make a reasonable determination as to the Qualified Bidder's financial and other capabilities to consummate the transactions

contemplated by the Agreement or the Modified Agreement, as the case may be, including, without limitation:

1. The most current audited (if available) and latest unaudited financial statements (the "Financial Information") of such Potential Bidder; or

2. If the Potential Bidder is an entity formed for the purpose of purchasing the Purchased Assets then:

   a. the Financial Information of the equity holder(s) of the Potential Bidder or such other form of financial disclosure acceptable to the Sellers; and

   b. the written commitment of such equity holder(s) to be responsible for the Potential Bidder's obligations in connection with the purchase of the Purchased Assets.

F. Discloses fully the identity of each entity that will be bidding for the purchased Assets or otherwise participating in connection with such Qualified Bid, and the complete terms of any such participation.

G. Discloses fully the terms of the proposed employment of any of Sellers' employees, management, or officers in connection with such bid.

H. Is accompanied by a cash deposit in the amount of $1,000,000 (the "Good Faith Deposit").

A competing bid meeting the above requirements constitutes a "Qualified Bid" with the Potential Bidder submitting a Qualified Bid constituting a "Qualified Bidder." Sellers will make a determination, in consultation with the Lenders and the Committee, regarding whether a bid is a Qualified Bid and will notify Potential Bidders whether their bids have been determined to be Qualified Bids by no later than September 19, 2008 at 5:00 p.m. (Eastern Time). Sellers reserve the right, in consultation with the Lenders and the Committee, to reject any bid if such bid is on terms that are materially more burdensome or conditional than the terms of the Agreement. Notwithstanding the foregoing, Purchaser is a Qualified Bidder, and the Agreement is a Qualified Bid, for all purposes in connection with the bidding process, the Auction, and the Transaction, entitling the Purchaser to all rights of a Qualified Bidder at the Auction, including, without limitation, submission of higher and better offers which may be accompanied by a Modified Agreement meeting with the requirements contained herein. Each Qualified Bid other than that of Purchaser is referred to as a "Subsequent Bid". If Sellers do not receive any Qualified Bids other than the Agreement received from Purchaser, Sellers will report the same to the Bankruptcy Court and will proceed with the Transaction pursuant to the terms of the Agreement, upon entry of an order approving the sale of the Purchased Assets to the Purchaser.

VI. Bid Protection. Recognizing Purchaser's expenditure of time, energy and resources, Sellers have agreed to provide certain bidding protections to Purchaser. Specifically, Sellers have determined that the Agreement will further the goals of the Bidding Procedures by

establishing a floor against which all other Potential Bids will be evaluated. As a result, Sellers have agreed that if Purchaser is not the Highest Bidder (as defined below), Sellers must, in certain circumstances enumerated in Section 8.03 of the Agreement below, pay to Purchaser the Break-Up Fee or the Expense Reimbursement as defined in Section XI and XII below. The payment of the Break-Up Fee or the Expense Reimbursement shall be governed by the provisions of the Agreement and the Bidding Procedures Order.

VII. Auction, Bidding Increments and Bids Remaining Open. If Sellers receive at least one (1) Qualified Bid in addition to that of Purchaser's, Sellers will conduct an auction (the "Auction") of the Purchased Assets upon notice to all Qualified Bidders who have submitted Qualified Bids at 11:00 a.m. (Eastern Time) on or before September 23, 2008 at the offices of Greenberg, Traurig, LLP, 3290 Northside Parkway, Suite 400, Atlanta, GA 30327, which the Sellers agree to use their best efforts to have occur within the three (3) days preceding the hearing to approve the Sale, or such later time or other place as Sellers notify all Qualified Bidders who have submitted Qualified Bids in accordance with the following procedures:

A. Only Sellers, Purchaser, any representative of any official committee, the Lenders and any Qualified Bidder who has timely submitted a Qualified Bid (and the legal and financial advisers to each of the foregoing) may attend the Auction, and only Purchaser and the other Qualified Bidders may make any subsequent Qualified Bids at the Auction.

B. At least three (3) Business Days prior to the Auction, each Qualified Bidder who has submitted timely a Qualified Bid must inform Sellers whether it intends to participate in the Auction and at least two (2) Business Days before the Auction, Sellers must provide copies of the Qualified Bid which Sellers believes is the highest or otherwise best offer to all Qualified Bidders who have informed Sellers of their intent to participate in the Auction.

C. All Qualified Bidders who have submitted a Qualified Bid shall be entitled to be present for all Subsequent Bids with the understanding that the true identity of each bidder shall be fully disclosed to all other bidders and that all material terms of each Subsequent Bid will be fully disclosed to all other bidders throughout the entire Auction. Qualified Bidders are entitled to reasonable inquiries to clarify these items during the Auction; provided, however, that the Sellers, in consultation with the Lenders and any official committee, may cease responding to such inquiries if they determine such inquiries are causing delay or are not constructive to the Auction and its goals.

D. All Qualified Bidders attending the Auction, including the Purchaser, shall agree to remain ready, willing and able to close the sale of the Purchased Assets under the terms of their last Qualified Bid submitted at such Auction as a back-up bidder until the earlier of (1) the close of the sale of the Purchased Assets or (2) October 30, 2008. The Sellers, in consultation with the Lenders and any official committee, shall designate one of the Qualified Bidders as the "Back-Up Bidder" at the end of the Auction

E. Sellers may employ and announce at the Auction additional procedural rules that are reasonable under the circumstances (e.g., the amount of time allotted to make Subsequent Bids) for conducting the Auction, provided that such rules are not inconsistent with these Bidding Procedures, the Bankruptcy Code or any Bankruptcy Court order entered in connection herewith.

F. Bidding at the Auction shall begin with the highest or otherwise best Qualified Bid, which, in the event such best Qualified Bid is not that of Purchaser, such Qualified Bid shall be in the minimum amount of the Base Purchase Price, plus the amount of the Break-Up Fee, plus an aggregate amount equal to the Assumed Liabilities, plus the fair market value of the Stock Consideration (as determined in the Sellers' reasonable discretion), plus $100,000. The bidding shall continue in minimum increments of at least $100,000 higher than the previous bid or bids. The Auction shall also continue in one or more rounds of bidding and shall conclude after each participating bidder has had the opportunity to submit an additional Subsequent Bid with full knowledge and written confirmation of the then-existing highest bid or bids. For the purpose of evaluating the value of the consideration provided by Subsequent Bids (including any Subsequent Bid by Purchaser), Sellers must give effect to any Break-Up Fee or Expense Reimbursement that may be payable to Purchaser under the Agreement.

G. At the conclusion of the Auction, or as soon thereafter as practicable, Sellers, in consultation with their financial advisors, shall: (1) review each Qualified Bid on the basis of financial and contractual terms and the factors relevant to the sale process, including those factors affecting the speed and certainty of consummating the Transaction; and (2) identify the highest or otherwise best offer(s) for the Purchased Assets received at the Auction (the "Highest Bid(s)," and the bidder(s) making such bid, the "Highest Bidder(s)").

VIII. Acceptance of Qualified Bids. Sellers shall sell the Purchased Assets to the Highest Bidder upon the Bankruptcy Court's approval of the Highest Bid after the hearing (the "Sale Hearing"). The Sale Hearing shall be set on or before the fiftieth (50^{th}) day after the commencement of the Bankruptcy Case. If, after an Auction in which Purchaser: (1) bids an amount in excess of the consideration presently provided for in the Agreement with respect to the Transaction; and (2) is the Highest Bidder, it shall, at the Closing under the Agreement, pay, in full satisfaction of the Highest Bid, an amount equal to: (a) the amount of the Highest Bid; less (b) the Break-Up Fee and Expense Reimbursement. Sellers' presentation of the Highest Bid to the Bankruptcy Court for approval does not constitute Sellers' acceptance of such Highest Bid. Sellers will be deemed to have accepted the Highest Bid upon the Bankruptcy Court's approval of the Highest Bid at the Sale Hearing.

IX. Sale Hearing. The Sale Hearing will be held, subject to the Court's Calendar on September 26, 2008 at the United States Bankruptcy Court for the Northern District of Georgia, located in 1340 Richard B. Russell Federal Building and United States Courthouse, 75 Spring Street, S.W., Atlanta, GA 30303, but may be adjourned or rescheduled without further notice by an announcement of the adjourned date at the Sale Hearing. If Sellers do not receive any Qualified Bids (other than Purchaser's Qualified Bid), Sellers will report the same to the

Bankruptcy Court at the Sale Hearing and will proceed with a sale of the Purchased Assets to Purchaser following entry of the Sale Order. If Sellers receive additional Qualified Bids, then, at the Sale Hearing, Sellers will seek approval of the Highest Bid.

X. Return of Good Faith Deposit. The Good Faith Deposits of all Qualified Bidders (except for the Highest Bidder) shall be held in an interest-bearing escrow account. Notwithstanding the foregoing, the Good Faith Deposit, if any, submitted by the Highest Bidder, together with interest accrued thereon, shall be applied against the payment of the Purchase Price upon closing of the Sale to the Highest Bidder. Except as otherwise provided in the Agreement or herein, all Good Faith Deposits (together with interest accrued thereon) shall be returned to each Qualified Bidder not selected by the Sellers as the Highest Bidder or Back-Up Bidder within five (5) days of the entry of the Sale Order. With respect to the Back-Up Bidder, their Good Faith Deposit shall be returned within five (5) days of the earlier of (i) the closing of the sale to the Highest Bidder or (ii) expiration of the applicable Back-Up Bidder deadline set forth in Section VII.D, above.

XI. Break-up Fee. In accordance with the terms of the Agreement, Purchaser shall be entitled to an amount equal to $1,000,000 (the "Break-Up Fee") in lieu of, and not in addition to, the Expense Reimbursement.

XII. Expense Reimbursement. In accordance with the terms of the Agreement, the Purchaser shall be entitled to the reimbursement of actual, reasonable fees and expenses (the "Expenses") in the maximum amount of $500,000 (the "Expense Reimbursement"), payable out of the cash proceeds of the closing of the sale of the Purchased Assets to the Highest Bidder (other than the Purchaser). Notwithstanding anything else to the contrary, in no event shall Purchaser be entitled to receive both the full amount of the Break-Up Fee and the Expense Reimbursement.

XIII. Failure to Consummate Transaction. Following the Sale Hearing, if the Highest Bidder fails to consummate the closing of the Sale because the Highest Bidder either breaches or otherwise fails to perform, Sellers are authorized, but not required, to consummate the Sale with the Back-Up Bidder without further order of the Bankruptcy Court, upon three (3) Business Days' written notice to the Lenders and the Committee. In such case, upon the expiration of the three (3) Business Days' notice, the Back-Up Bidder shall be deemed to be the Highest Bidder and shall be required to consummate the purchase of the Purchased Assets under the terms and conditions of the Agreement or Modified Agreement, as applicable. In addition, any defaulting Highest Bidder's deposit shall be forfeited to the Sellers.

Exhibit 1.01(e)

FORM OF BILL OF SALE AND ASSIGNMENT AGREEMENT

This BILL OF SALE AND ASSIGNMENT AGREEMENT (this "Agreement") is made and entered into as of the _____ day of _____, 2008, by and among (i) Atlantis Plastics, Inc., a Delaware corporation ("Parent"), Atlantis Molded Plastics, Inc., a Florida corporation, Pierce Plastics, Inc., a Delaware corporation, Extrusion Masters, Inc., an Indiana corporation, and Atlantis Plastics Injection Molding, Inc., a Kentucky corporation (each, with Parent, a "Seller" and collectively, "Sellers"), and (ii) Custom Plastic Solutions, LLC, a Delaware limited liability company ("Purchaser").

RECITALS

A. Sellers and Purchaser have entered into that certain Asset Purchase Agreement dated as of July 31, 2008 (the "Purchase Agreement"), pursuant to which Purchaser has agreed to acquire from Sellers the Purchased Assets.

B. The execution and delivery of this Agreement is a Closing deliverable under the Purchase Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing, the covenants and agreements contained herein and in the Purchase Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Sellers and Purchaser hereby agree as follows:

1. All capitalized terms used but not defined herein shall have the respective meanings given to them in the Purchase Agreement.

2. Pursuant to the Purchase Agreement and in accordance with the terms thereof, Sellers do hereby sell, transfer, convey, assign and deliver to Purchaser, and Purchaser hereby purchases, acquires, takes assignment and accepts, all of Sellers' rights, titles and interests in and to the Purchased Assets, in accordance with the Purchase Agreement. Notwithstanding anything to the contrary contained in this Agreement, Purchaser does not purchase, or acquire any right, title or interest in, any Excluded Asset.

3. No Persons other than Sellers and Purchaser and their respective successors and permitted assigns shall have any rights hereunder.

4. Sellers and Purchaser shall each execute, acknowledge (if appropriate) and deliver, or cause the execution, acknowledgement and delivery of, such further documents

and instruments as may reasonably be requested by any other party hereto to implement the purposes of this Agreement.

5. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Georgia (except to the extent that the laws of such State are superseded by the Bankruptcy Code) and shall inure to the benefit of, and be binding upon, the parties hereto and their respective successors and permitted assigns.

6. 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. To the extent there is any conflict or inconsistency between the terms of the Purchase Agreement and the terms of this Agreement, then the terms of the Purchase Agreement shall control.

7. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which, taken together, shall be deemed to be one and the same instrument. Any counterpart may be executed by facsimile signature or email with scan attachment and such facsimile signature or email with scan attachment shall be deemed an original.

[The remainder of this page left intentionally blank; signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed this Bill of Sale and Assignment Agreement, as of the date first written above.

SELLERS:

ATLANTIS MOLDED PLASTICS, INC.
a Florida Corporation
By:_____
Name:_____
Title:_____

PIERCE PLASTICS, INC.
a Delaware Corporation
By:_____
Name:_____
Title:_____

EXTRUSION MASTERS, INC.
an Indiana Corporation
By:_____
Name:_____
Title:_____

ATLANTIS PLASTICS INJECTION MOLDING, INC.
a Kentucky Corporation
By:_____
Name:_____
Title:_____

ATLANTIS PLASTICS, INC.
a Delaware Corporation
By:_____
Name:_____
Title:_____

PURCHASER:

CUSTOM PLASTIC SOLUTIONS, LLC
a Delaware Limited Liability Company
By:_____
Name:_____
Title:_____

SPECIAL WARRANTY DEED

THIS INDENTURE WITNESSETH, That _____ ("Grantor"), a _____ organized and existing under the laws of the State of _____ conveys and specially warrants to _____ ("Grantee") of _____ County, State of _____, for the sum of _____ Dollars ($_____) and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the following described real estate in _____ County, Indiana:

Subject to any and all easements, agreements and restrictions of record. The address of such real estate is commonly known as _____

Parcel No. _____

Grantor by execution and delivery hereof warrants the title to said real estate as to and against its own acts only and none other.

The undersigned person executing this deed on behalf of Grantor represents and certifies that he/she is the duly named _____ of Grantor and has been fully empowered, by proper resolution of the Grantor, to execute and deliver this deed; that Grantor has full capacity to convey the real estate described herein; and that all necessary company action for the making of such conveyance has been taken and done.

IN WITNESS WHEREOF, Grantor has caused this deed to be executed this _____ day of _____, 20_____.

_____
[Corporate Name]

By: _____

Name: _____
Title: _____

STATE OF _____)
) SS:
COUNTY OF _____)

Before me, the undersigned, a Notary Public in and for said County and State, personally appeared _____, the _____ of _____ _____, a(n) _____ corporation and acknowledged the execution of the foregoing Special Warranty Deed for and on behalf of Grantor, and who, have been duly sworn, stated that the representations therein contained are true.

Witness my hand and Notarial Seal this _____ day of _____, 20___.

Signature _____
Printed _____, Notary Public
Resident of _____ County, Indiana

My Commission Expires: _____

This document prepared by: _____
Return To: _____
Send Tax Statements To: _____

I affirm, under the penalties of perjury, that I have taken reasonable care to redact each Social Security number in this document, unless required by law.

Signature: _____, Printed Name: _____

This instrument prepared by:

SPECIAL WARRANTY DEED

Address of New Owners and Send Tax Bills To:

Map
Parcel

FOR AND IN CONSIDERATION of the sum of Ten dollars and no/100 ($10.00), cash in hand paid by the Grantees and other good and valuable consideration accepted as cash, the receipt and sufficiency of which is hereby acknowledged, _____, Grantor, has this day bargained and sold, and does hereby transfer and convey unto _____, the Grantees herein, their successors, heirs and assigns, that certain unimproved real estate located on _____ in _____ County, Tennessee, described in Exhibit A attached hereto.

TO HAVE AND TO HOLD said real estate, with the appurtenances, estate, title and interest thereto belonging, to the Grantees their successors, heirs and assigns forever. We covenant that we are lawfully seized and possessed of said real estate in fee simple, have a good right to convey it, and that the same is unencumbered, except for those encumbrances set forth in Exhibit B attached hereto.

We further covenant and bind ourselves, our successors and representatives, to warrant and forever defend the title to said real estate to said Grantees, their successors, heirs and assigns, against the lawful claims of all persons claiming by, through, or under Grantor, but no others.

Whenever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

Witness our hand as of the _____ day of _____, 20___, the corporate party, if any, having caused its name to be signed hereto by its duly authorized officers as of said day and date.

_____

By: _____
Its:

STATE OF _____
COUNTY OF _____

Before me, the undersigned, a Notary Public in and for said County and State, personally appeared _____, with whom I am personally acquainted, or proved to me on the basis of satisfactory evidence, and who, upon oath, acknowledged _____self to be the _____of _____, a _____ corporation, the within named bargainor, and that _____, acting in such capacity, and authorized so to do, executed the foregoing instrument in behalf of said corporation for the purposes therein contained.

Witness my hand and official seal, at office in _____, this ___ day of _____, _____.

_____
Notary Public

My Commission Expires:

STATE OF _____
COUNTY OF _____

The actual consideration or value, whichever is greater, for this transfer is $_____.

_____
Affiant

Subscribed and sworn to before me this the _____ day of _____, 20__.

_____
Notary Public

My commission expires:

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED is made and entered into as of the _____ day of _____, 20___, by and between: (i) [grantor], having an address [grantor address], ("Grantor"), and (ii) [grantee], whose address is [grantee address] ("Grantee").

W I T N E S S E T H:

For the consideration of [consideration] DOLLARS ($_____) received from Grantee, the receipt of which is hereby acknowledged, Grantor does hereby bargain, sell, grant and convey unto Grantee, its successors and assigns, forever, in fee simple, certain real property, together with all improvements located thereon and all appurtenances thereunto belonging, situated in _____ County, Kentucky (the "Property"), more fully described as follows:

[property description].

BEING the same property conveyed to Grantor by [grantor's source deed] recorded in Deed Book [recording date], in the office aforesaid.

TO HAVE AND TO HOLD, with covenant of SPECIAL WARRANTY, all of the Property, in fee simple, together with all the rights, privileges, appurtenances and improvements thereunto belonging, unto the Grantee, its successors and assigns, forever.

Grantor hereby specially covenants with Grantee, its successors and assigns, that Grantor is lawfully seized of the Property, has full right, power and authority to convey the Property, and that Grantor will forever warrant and defend all of the Property so granted to Grantee, its successors and assigns, against every person lawfully claiming the same or any part thereof by, through or under Grantor, but not otherwise.

This Deed is hereby made expressly subject to (a) zoning laws, rules and regulations affecting the Property, if any, (b) the lien of current ad valorem taxes not yet due and payable, which taxes shall be prorated as of the date of this Deed and are hereby assumed by Grantee, and the lien of all future ad valorem taxes, which taxes Grantee hereby assumes and agrees to pay, and (c) all restrictions, covenants, easements and stipulations of record affecting the Property.

The total aggregate fair market value of the Property is $[consideration].

IN TESTIMONY WHEREOF, witness the signature of Grantor on the day, month and year first above written.

[GRANTOR]

("Grantor")

COMMONWEALTH OF KENTUCKY)
) SS.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 20__, by _____, as _____ of _____, on behalf of the [corporation, partnership, etc.].

My commission expires:

_____
NOTARY PUBLIC

SEAL

CONSIDERATION CERTIFICATE

For purposes of KRS 382.135, Grantor and Grantee certify that the consideration reflected in this Deed is the full consideration paid for the Property. Grantee joins in this Deed for the sole purpose of certifying said consideration.

[GRANTOR]

COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 20___, by _____, as _____ of _____, on behalf of the [corporation, partnership, etc.].

My Commission expires: _____

_____
NOTARY PUBLIC KY STATE AT LARGE

[GRANTEE]

_____

COMMONWEALTH OF KENTUCKY)
) SS.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 20__, by by _____, as _____ of _____, on behalf of the [corporation, partnership, etc.].

My Commission expires:

_____
NOTARY PUBLIC

SEAL

This instrument was prepared by:

_____

[name, address & signature of preparer]

ESCROW AGREEMENT

This ESCROW AGREEMENT (this "Agreement") is made as of August ___, 2008, by and among Custom Plastic Solutions, LLC, a Delaware limited liability company ("Purchaser"), Atlantis Plastics, Inc., a Delaware corporation ("Parent"), and Wells Fargo Bank, National Association, as escrow agent (the "Escrow Agent"). Purchaser, Parent and the Escrow Agent are sometimes collectively referred to herein as the "Parties". Capitalized terms used but not otherwise defined herein shall have the meaning given to such terms in the Purchase Agreement referred to below.

WHEREAS, Purchaser, Parent and certain of Parent's subsidiaries (each a "Seller" and collectively, "Sellers") are parties to that certain Asset Purchase Agreement dated as of August [__], 2008 (as amended and modified from time to time in accordance with its terms, the "Purchase Agreement");

WHEREAS, pursuant to the Purchase Agreement and as part of the transactions contemplated thereby, the Parties have agreed to enter into this Escrow Agreement, and Purchaser has agreed to deposit the Escrow Amount (as defined below) with the Escrow Agent;

WHEREAS, the Escrow Funds (as defined below) held pursuant to this Escrow Agreement are intended to provide a source of funds for the payment of certain amounts which may be owed pursuant to the provisions of the Purchase Agreement;

WHEREAS, the Parties desire to more specifically set forth their rights and obligations with respect to the Escrow Funds and the distribution and release thereof; and

WHEREAS, the Escrow Agent has agreed to serve in the capacity described herein on the terms and subject to the conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Appointment of Escrow Agent.

Purchaser and Parent hereby appoint the Escrow Agent as escrow agent in accordance with the terms and conditions set forth herein, and the Escrow Agent hereby accepts such appointment.

2. Escrow Deposits.

(a) No later than the date of the execution and delivery of the Purchase Agreement (the "Initial Escrow Funding Date"), Purchaser shall deposit immediately available funds with the Escrow Agent in an amount equal to One Million Dollars ($1,000,000), representing the Deposit (the "Initial Escrow Deposit Amount").

(b) At or before the Closing (the "Additional Escrow Funding Date"), the Purchaser shall make an additional deposit (in immediately available funds) with the Escrow

Agent in an aggregate amount equal to the sum of One Million Five-Hundred Thousand Dollars ($1,500,000) representing the Net Working Capital Escrow Amount. The deposit described in this Section 2(b) is referred to herein as the "Additional Escrow Deposit Amount").

(c) The Escrow Agent hereby agrees to hold the Initial Escrow Deposit Amount and, after deposited pursuant to Section 2(b), the Additional Escrow Deposit Amount (such aggregate amount, the "Escrow Amount"), together with all interest, income and gains (collectively, "Interest") accrued thereon (collectively, the "Escrow Funds"), in a separate and distinct account (the "Escrow Account"), on the terms and subject to the conditions set forth in this Agreement. The Escrow Agent shall not distribute or release the Escrow Funds except in accordance with the express terms and conditions of this Agreement. The Escrow Agent shall have no responsibility to verify that the amounts deposited in the Escrow Account pursuant to this Section 2 are in accordance with the terms of the Purchase Agreement.

3. Permitted Investments of the Escrow Funds.

(a) Except as Purchaser and Parent may from time to time jointly instruct the Escrow Agent in writing, the Escrow Funds shall be invested from time to time, to the extent possible, in a Wells Fargo Bank Money Market Deposit Account (the "MMDA"), or any successor or similar fund or account with the Escrow Agent, until disbursement of all of the Escrow Funds. The Escrow Agent is authorized to liquidate in accordance with its customary procedures any portion of the Escrow Funds consisting of investments to provide for payments required to be made under this Agreement.

(b) The Parties recognize and agree that the Escrow Agent will not provide supervision, recommendations or advice relating to either the investment of money held in the Escrow Account or the purchase, sale, retention or other disposition of any investment of other securities held in the Escrow Account. Interest and other earnings on investments held in the Escrow Account shall be added to the Escrow Funds and held in the Escrow Account. Amounts in the MMDA are insured up to a total of $100,000 per depositor, per insured bank (including principal and accrued interest) by the Federal Deposit Insurance Corporation ("FDIC"), subject to the applicable rules and regulations of the FDIC. The Parties understand that deposits in the MMDA are not secured. Any loss or expense incurred as a result of an investment will be borne by the Escrow Account. The Escrow Agent is hereby authorized to execute purchases and sales of investments held in the Escrow Account through the facilities of its own trading or capital markets operations or those of any affiliated entity. The Escrow Agent shall send statements to each of Purchaser and Parent on a monthly basis reflecting all of the investment and other activity in the Escrow Account for the preceding month.

(c) The Parties acknowledge and agree that the transfer of any money from the Escrow Account is subject to the final settlement of the sale of any securities held in the Escrow Account.

(d) The Escrow Agent shall have no responsibility or liability for any diminution in value of any assets held hereunder which may result from any investment or reinvestment of cash or securities held in the Escrow Account made in accordance with any

provision contained herein, except in the case of the gross negligence, bad faith or willful misconduct of the Escrow Agent.

(e) Proceeds of a sale of permitted investments held in the Escrow Account will be delivered on the Business Day on which the appropriate instructions are delivered to the Escrow Agent if such instructions are received prior to the deadline for same day sale of permitted investments. If such instructions are received after the applicable deadline, then such proceeds will be delivered on the next succeeding Business Day.

4. Purpose of Escrow.

The purpose of the escrow established hereunder is to provide a source of funds for the payment of amounts owed by Purchaser or Parent, as the case may be, pursuant to the Purchase Agreement. The procedures for payments of such amounts are set forth in Section 5 below.

5. Payments from the Escrow Account.

(a) On the Closing Date, concurrently with and conditioned upon the Closing, pursuant to Section 2.03(a) of the Purchase Agreement, Purchaser and Parent shall immediately sign a joint written instruction (a "Joint Instruction") directing the Escrow Agent to release to Parent (on behalf of Sellers), an amount of Escrow Funds equal to the Initial Escrow Deposit Amount; provided, however, that if Purchaser has actually paid any of the Cure Costs (not to exceed the Cure Cap) otherwise payable by Sellers in accordance with Section 2.02(c) of the Purchase Agreement (the "Purchaser Paid Seller Cure Costs"), then the Joint Instruction shall direct the Escrow Agent to release to (i) Parent (on behalf of Sellers) an amount of Escrow Funds equal to the Initial Escrow Deposit Amount less the Purchaser Paid Seller Cure Costs, and (ii) to Purchaser an amount of Escrow Funds equal to the Purchaser Paid Seller Cure Costs.

(b) If the Purchase Agreement is terminated pursuant to Section 8.01 of the Purchase Agreement for any reason other than a termination by Sellers pursuant to Section 8.01(d) of the Purchase Agreement, then Purchaser and Parent shall immediately sign a Joint Instruction directing the Escrow Agent to release to Purchaser an amount of Escrow Funds equal to the Initial Escrow Deposit Amount.

(c) If the Purchase Agreement is terminated by Sellers pursuant to Section 8.01(d) of the Purchase Agreement, then Purchaser and Parent shall immediately sign a Joint Instruction directing the Escrow Agent to release to Parent (on behalf of Sellers) an amount of Escrow Funds equal to the Initial Escrow Deposit Amount.

(d) (i) If, pursuant to Section 2.08(d) of the Purchase Agreement, it is determined that the Final Net Working Capital is greater than, or equal to, the Estimated Net Working Capital, then, on or before three (3) Business Days after the Closing Purchase Price becomes final and binding on the Parties, pursuant to Section 2.08(d) of the Purchase Agreement, Purchaser and Parent shall immediately sign a Joint Instruction directing the Escrow Agent to release to Parent (on behalf of Sellers) an amount of Escrow Funds equal to the Net Working Capital Escrow Amount (plus interest as described in Section 2.08(e) of the Purchase Agreement).

(ii) If, pursuant to Section 2.08(d) of the Purchase Agreement, it is determined that the Estimated Net Working Capital is greater than the Final Net Working Capital, then, on or before three (3) Business Days after the Closing Purchase Price becomes final and binding on the Parties, pursuant to Section 2.08(d) of the Purchase Agreement, Purchaser and Parent shall immediately sign a Joint Instruction directing the Escrow Agent to release (A) first to Purchaser from the Escrow Funds the amount of such difference (plus interest as described in Section 2.08(e) of the Purchase Agreement), but not to exceed in the aggregate the Net Working Capital Escrow Amount and (B) second to Parent (on behalf of Sellers), from the Escrow Funds, an amount equal to the remaining Net Working Capital Escrow Amount, if any, after deducting the amount released to Purchaser pursuant to clause (A) of this sentence.

(e) The Escrow Agent shall distribute the Escrow Funds to the specified party in any written declaration to the Escrow Agent, executed by each of Purchaser and Parent, instructing the disposition of the Escrow Funds. Purchaser and Parent agree as between themselves to give notices to the Escrow Agent hereunder in conformity with the intention of the Purchase Agreement.

(f) The Escrow Agent shall distribute the Escrow Funds to the specified party in any Final Order (as defined in Section 6(f) below) received by the Escrow Agent.

(g) On the one hundred eightieth (180^{th}) day following the Closing, any and all Escrow Funds remaining in the Escrow Account shall be paid to Parent (on behalf of Sellers). Promptly following the Closing, Purchaser and Parent agree to issue a joint notice to the Escrow Agent indicating the date of the Closing.

6. Conditions to Escrow.

The Escrow Agent agrees to hold the Escrow Funds and to perform its obligations in accordance with the terms and provisions of this Agreement. Parent and Purchaser agree that the Escrow Agent shall not assume any responsibility for the failure of Parent and Purchaser to perform in accordance with the Purchase Agreement or this Agreement. The acceptance by the Escrow Agent of its responsibilities hereunder is subject to the following terms and conditions which Parent and Purchaser agree shall govern and control with respect to the Escrow Agent's rights, duties and liabilities hereunder:

(a) The Escrow Agent shall be protected in acting upon any written notice, request, waiver, consent, receipt or other paper or document furnished to it, not only as to its due execution and validity and the effectiveness of its provisions, but also as to the truth and accuracy of any information therein contained, which the Escrow Agent in good faith believes to be genuine and what it purports to be. Should it be necessary for the Escrow Agent to act upon any instructions, directions, documents or instruments issued or signed by or on behalf of any corporation, partnership, fiduciary or individual acting on behalf of another party hereto, it shall not be necessary for the Escrow Agent to inquire into such corporation's, partnership's, fiduciary's or individual's authority. The Escrow Agent is also relieved from the necessity of satisfying itself as to the authority of the persons executing this Agreement in a representative capacity on behalf of Parent or Purchaser.

(b) The Escrow Agent shall not be liable for anything that it may do or refrain from doing in connection herewith, except for its own gross negligence, bad faith or willful misconduct.

(c) The Escrow Agent may consult with, and obtain advice from, reputable legal counsel in the event of any question as to any of the provisions hereof or its duties hereunder, and it shall incur no liability and shall be fully protected in acting in good faith in accordance with the opinion and instructions of such counsel. If the Escrow Agent becomes involved in litigation on account of this Agreement, it shall have the right to retain counsel and shall have a first lien on the property deposited hereunder for any and all costs, attorneys' fees, charges, disbursements, and expenses in connection with such litigation; and the Purchaser shall pay to the Escrow Agent on demand its reasonable charges, counsel and attorneys' fees, disbursements, and expenses in connection with such litigation, and if Purchaser fails to make such payments then the Escrow Agent shall be entitled to reimburse itself therefor out of the property deposited hereunder.

(d) The Escrow Agent shall have no duties except those that are expressly set forth herein and it shall not be bound by any agreement of Parent and Purchaser, including, without limitation, the Purchase Agreement (whether or not it has any knowledge thereof).

(e) The Escrow Agent shall have the right to resign at any time by giving thirty (30) calendar days written notice of such resignation to Parent and Purchaser, and Parent and Purchaser shall have the right to terminate the services of the Escrow Agent hereunder at any time by giving written notice (with such written notice being signed by each of Purchaser and Parent) of such termination to the Escrow Agent, in each case specifying the effective date of such resignation or termination. Within thirty (30) calendar days after receiving or delivering the aforesaid notice, as the case may be, Parent and Purchaser agree to appoint a successor escrow agent to which the Escrow Agent shall distribute the property then held hereunder, less the amount of any fees owing to the Escrow Agent hereunder as of such date. If a successor escrow agent has not been appointed and has not accepted such appointment by the end of such thirty (30) day period, then the Escrow Agent may apply to a court of competent jurisdiction for the appointment of a successor escrow agent, and the costs, expenses and reasonable attorneys' fees which are incurred in connection with any such proceeding shall be paid out of the Escrow Funds. Except as otherwise agreed to in writing by Parent and Purchaser, the Escrow Funds shall not be released from the Escrow Account unless and until a successor escrow agent has been appointed in accordance with this Section 6(e).

(f) Upon delivery of all of the Escrow Funds pursuant to the terms of Section 5 above or to a successor escrow agent, the Escrow Agent shall thereafter be discharged from any further obligations hereunder. The Escrow Agent is hereby authorized, in any and all events, to comply with and obey any and all final judgments, orders and decrees of any court of competent jurisdiction which may be filed, entered or issued, and all final arbitration awards (each, a "Final Order") and, if it shall so comply or obey, it shall not be liable to any other person by reason of such compliance or obedience. The Escrow Agent shall be entitled to receive and may conclusively rely upon an opinion of counsel to the effect that a judgment, order or decree is final and nonappealable and from a court of competent jurisdiction.

(g) In the event that (i) any dispute shall arise between Parent and Purchaser with respect to the disposition or disbursement of any of the assets held hereunder or (ii) the Escrow Agent shall be uncertain as to how to proceed in a situation not explicitly addressed by the terms of this Agreement, whether because of conflicting demands by the other parties hereto or otherwise, the Escrow Agent shall be permitted to interplead all of the assets held hereunder into a court of competent jurisdiction, and thereafter be fully relieved from any and all liability or obligation with respect to such interpleaded assets. Parent and Purchaser further agree to pursue any redress or recourse in connection with such a dispute, without making the Escrow Agent a party to the same.

(h) The Escrow Agent shall have the right to perform any of its duties hereunder through agents, attorneys, custodians or nominees.

(i) Any banking association or corporation into which the Escrow Agent may be merged, converted or with which the Escrow Agent may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Escrow Agent shall be a party, or any banking association or corporation to which all or substantially all of the corporate trust business of the Escrow Agent shall be transferred, shall succeed to all the Escrow Agent's rights, obligations and immunities hereunder without the execution or filing of any paper or any further act on the part of any of the Parties, anything herein to the contrary notwithstanding.

(j) Parent hereby acknowledges that, for federal and state income tax purposes, any Interest shall be income of the Parent. The Escrow Agent shall be responsible for reporting any Interest to the United States Internal Revenue Service ("IRS"); provided that the Parties acknowledge that payments of any Interest will be subject to backup withholding penalties unless a properly completed IRS form W-8 or W-9 certification is submitted to the Escrow Agent on behalf of Parent. The Escrow Agent shall have no obligation to pay any taxes or estimated taxes.

(k) Preparations and Filing of Tax Returns. Parent is required to prepare and file any and all income or other tax returns applicable to the Escrow Account with the IRS and all required state and local departments of revenue in all years income is earned in any particular tax year to the extent required under the provisions of the United States Internal Revenue Code of 1986, as amended from time to time (the "Code").

(l) Payment of Taxes. Any taxes payable on income earned from the investment of any sums held in the Escrow Account shall be paid by Parent, whether or not the income was distributed by the Escrow Agent during any particular year and to the extent required under the provisions of the Code.

(m) Unrelated Transactions. The Escrow Agent shall have no responsibility for the preparation and/or filing of any tax or information return with respect to any transactions, whether or not related to this Agreement that occurs outside the Escrow Account.

(n) IN NO EVENT SHALL THE ESCROW AGENT BE LIABLE, DIRECTLY OR INDIRECTLY, FOR ANY (i) DAMAGES, LOSSES OR EXPENSES

ARISING OUT OF THE SERVICES PROVIDED HEREUNDER, OTHER THAN DAMAGES, LOSSES OR EXPENSES WHICH HAVE BEEN FINALLY ADJUDICATED TO HAVE RESULTED FROM THE ESCROW AGENT'S GROSS NEGLIGENCE, BAD FAITH OR WILLFUL MISCONDUCT, OR (ii) SPECIAL OR CONSEQUENTIAL DAMAGES OR LOSSES OF ANY KIND (INCLUDING, WITHOUT LIMITATION, LOST PROFITS), EVEN IF THE ESCROW AGENT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND REGARDLESS OF THE FORM OF ACTION.

(o) In the event that any Escrow Funds shall be attached, garnished or levied upon by any court order, or the delivery thereof shall be stayed or enjoined by an order of a court, or any order, judgment or decree shall be made or entered by any court order affecting the Escrow Funds deposited under this Agreement, the Escrow Agent shall give prompt written notice of such attachment, garnishment or levy to Purchaser and Parent, together with copies of all relevant documents in its possession, and is hereby expressly authorized, in its sole discretion, to obey and comply with all writs, orders or decrees so entered or issued, which it is advised by legal counsel of its own choosing is binding upon it, and in the event that the Escrow Agent obeys or complies with any such writ, order or decree it shall not be liable to any of the parties hereto or to any other person, firm or corporation, by reason of such compliance notwithstanding such writ, order or decree being subsequently reversed, modified, annulled, set aside or vacated.

7. Indemnification.

Purchaser and Parent hereby jointly and severally agree to indemnify the Escrow Agent for and to hold it harmless against any loss, liability or reasonable expense (including reasonable attorneys' fees and expenses) incurred without gross negligence, willful misconduct or bad faith on the part of the Escrow Agent arising out of or in connection with its performance under this Agreement.

8. Escrow Costs.

The Escrow Agent shall be entitled to be paid a fee for its services pursuant to the attached Schedule of Fees and to be reimbursed for its reasonable costs and expenses incurred in connection with maintaining the Escrow Account hereunder, which fees, costs and expenses shall be borne 50% by Parent (on behalf of Sellers) and 50% by Purchaser. The Escrow Agent shall be entitled and is hereby granted the right to set off and deduct any unpaid fees, non-reimbursed expenses and unsatisfied indemnification rights from amounts on deposit in the Escrow Account. Purchaser and Parent agree to promptly reimburse one another for any amount that the Escrow Agent deducts from the Escrow Funds for application to Purchaser's or Parent's (as the case may be) share of the Escrow Agent's fees and expenses due hereunder.

9. Limitations on Rights to the Escrow Funds.

Neither Parent nor Purchaser shall have any right, title or interest in or to, or possession of, the Escrow Account and therefore shall not have the ability to pledge, convey, hypothecate or grant as security all or any portion of the Escrow Funds unless and until the Escrow Funds have been released pursuant to Section 5 above. Accordingly, the Escrow Agent shall be in sole possession of the Escrow Funds and shall not act as custodian of Parent or

Purchaser under this Agreement for the purposes of perfecting a security interest therein, and no creditor of any of the Parties shall have any right to have or to hold or otherwise attach or seize all or any portion of the Escrow Funds as collateral for any obligation and shall not be able to obtain a security interest in any of the Escrow Funds unless and until the Escrow Funds have been released pursuant to Section 5 above.

10. Notices.

Except as otherwise expressly provided herein, all notices, demands and other communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given (a) when personally delivered, (b) when transmitted via facsimile to the number set out below or transmitted by electronic mail if the sender on the same day sends a confirming copy of such notice by a recognized overnight delivery service (charges prepaid), (c) the day following the day (except if not a Business Day then the next Business Day) on which the same has been delivered prepaid to a reputable national overnight courier service or (d) the third Business Day following the day on which the same is sent by certified or registered mail, postage prepaid, in each case to the respective parties at the address set forth below, or at such other address as such party may specify by written notice to the other party hereto:

Notices to Purchaser:

Custom Plastic Solutions, LLC
c/o Monomoy Capital Partners, LLC
152 West 57th Street, Ninth Floor
New York, New York 10019
Attn: Stephen Presser
Fax: (212) 699-4010
Phone: (212) 699-4000

with copies to (which shall not constitute notice to Purchaser):

Kirkland & Ellis LLP
200 East Randolph Drive
Chicago, Illinois 60601
Attn: Richard W. Porter, P.C.
Fax: (312) 861-2200

Kirkland & Ellis LLP
153 East 53rd Street
New York, NY 10022
Attn: Kester Spindler
Fax: (212) 446-6460

Notices to Parent:

Atlantis Plastics, Inc.
1870 The Exchange, Suite 200

Atlanta, GA 30339
Telecopy: 770 988 1643
Telephone: 770 953 4567
Attention: Paul Saari, CFO

with a copy to (which shall not constitute notice to Parent):

Greenberg Traurig, LLP
3290 Northside Parkway, Suite 400
Atlanta , GA 30327
Telecopy: (678) 553 2681
Telephone: (678) 553 2680
Attention: David Kurzweil, Esq.

Notices to the Escrow Agent:

Wells Fargo Bank, National Association
Corporate Trust Services
230 West Monroe, Suite 2900
Chicago, IL 60606
Attn: Timothy P. Martin
Fax: (312) 726-2158

11. Entire Agreement; Amendments.

This Agreement, along with the Purchase Agreement, contains the entire understanding of the parties hereto with respect to the subject matter hereof and supersedes any prior understandings or agreements by or among the parties hereto, whether written or oral, which may have related to the subject matter hereof in any way. This Agreement may be amended, or any provision of this Agreement may be waived, so long as such amendment or waiver is set forth in a writing executed by Purchaser and Parent (a copy of which shall be promptly provided to the Escrow Agent); provided that if any such amendment or waiver would have the effect of increasing or expanding the Escrow Agent's obligations or duties under this Agreement, the written consent of the Escrow Agent shall be required in addition to the written consent of Purchaser and Parent. No course of dealing between or among the parties hereto shall be deemed effective to modify, amend or discharge any part of this Agreement or any rights or obligations of any party hereto under or by reason of this Agreement.

12. Assigns and Assignment.

This Agreement and all actions taken hereunder shall inure to the benefit of and shall be binding upon all of the parties hereto and upon all of their respective successors and assigns; provided that (a) the Escrow Agent shall not be permitted to assign its obligations hereunder except as provided in Section 6(e) above and (b) no such assignment of Parent or Purchaser shall be binding against the Escrow Agent unless and until written notice of such assignment is delivered to and acknowledged by the Escrow Agent. Notwithstanding the foregoing, Parent and the Escrow Agent acknowledge and agree that the Purchaser may assign all or any portion of its rights hereunder, without prior written consent of Parent or the Escrow

Agent, as security to any bank or other financial institution providing financing to Purchaser or its Affiliates, and Parent and the Escrow Agent shall execute such documents provided by the Purchaser as are described by the Purchaser as being necessary in order to effect such assignments. The rights and interests of Parent hereunder may be assigned to a trustee appointed under Chapter 11 or Chapter 7 of the Bankruptcy Code; or this Agreement may be assigned to any entity appointed as a successor to Parent pursuant to a confirmed Chapter 11 plan.

13. No Other Third Party Beneficiaries.

Nothing herein expressed or implied is intended or shall be construed to confer upon or to give any person other than the Escrow Agent, Parent or Purchaser and their respective permitted assigns any rights or remedies under or by reason of this Agreement.

14. Interpretation.

The headings in this Agreement are inserted for convenience of reference only and shall not be a part of or control or affect the meaning hereof.

15. Business Days.

If any date on which the Escrow Agent is required to make an investment or a delivery pursuant to the provisions hereof is not a Business Day, then the Escrow Agent shall make such investment or delivery on the next succeeding Business Day.

16. No Waiver.

No failure or delay by any of the Parties in exercising any right, power or privilege hereunder shall operate as a waiver thereof, and no single or partial exercise thereof shall preclude any right of further exercise or the exercise of any other right, power or privilege.

17. Severability.

The Parties agree that (a) the provisions of this Agreement shall be severable in the event that for any reason whatsoever any provisions hereof are invalid, void or otherwise unenforceable and that (b) the remaining provisions shall remain enforceable to the fullest extent permitted by law. Upon any determination that a term or other provision herein is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner in order that the transactions contemplated by this Agreement are consummated as originally contemplated to the greatest extent possible,

18. No Strict Construction.

The language used in this Agreement shall be deemed to be the language chosen by the Parties to express their collective mutual intent, and no rule of strict construction shall be applied against any person. The term "including" as used herein shall be by way of example, and shall not be deemed to constitute a limitation of any term or provision contained herein.

Each defined term used in this Agreement has a comparable meaning when used in its plural or singular form.

19. Governing Law.

All issues and questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware without giving effect to the conflict of laws principles thereof, except to the extent superseded by the Bankruptcy Code or other applicable federal law. In the event that any Party commences a lawsuit or other proceeding relating to or arising from this Agreement, the Parties agree that the United Stated Bankruptcy Court for the Northern District of Georgia (the "Bankruptcy Court"), shall have the sole and exclusive jurisdiction over any such proceeding. The Bankruptcy Court shall be proper venue for any such lawsuit or judicial proceeding and the Parties waive any objection to such venue. The Parties consent to and agree to submit to the jurisdiction of the Bankruptcy Court and agree to accept service of process to vest personal jurisdiction over them in the Bankruptcy Court.

20. Counterparts.

This Agreement may be executed by the parties hereto individually or in any combination, in one or more counterparts (including by means of telecopied signature pages), each of which shall be an original and all of which shall together constitute one and the same agreement.

21. Termination.

This Agreement shall terminate when all of the Escrow Funds in the Escrow Account have been released and distributed strictly in accordance with Section 5 hereof. Upon such termination, this Agreement shall have no further force and effect, except that the provisions of this Section 21 and Sections 6, 7, 8, 10 through 23 inclusive shall survive such termination. The provisions of Sections 7 and 8 shall also survive the resignation or removal of the Escrow Agent.

22. Waiver of Jury Trial.

EACH OF THE PARTIES HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS ESCROW AGREEMENT OR THE ACTIONS OF THE PARTIES IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE AND ENFORCEMENT HEREOF.

23. Conflict.

The Parties agree and acknowledge that to the extent any term, condition or provision of this Agreement is in any way inconsistent with or in conflict with any term, condition or provision of the Purchase Agreement, the Purchase Agreement shall govern and control. Unless and until the Escrow Agent shall be notified in writing that an inconsistency or a conflict exists between this Agreement and the Purchase Agreement, it shall be entitled to

conclusively assume that no such inconsistency or conflict exists. In the event that the Escrow Agent shall be notified that an inconsistency or a conflict exists between this Agreement and the Purchase Agreement, the provisions of the Purchase Agreement shall apply.

* * * * *

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

CUSTOM PLASTIC SOLUTIONS, LLC

By: Stephen Presser

Name: Stephen Presser
Its: President

ATLANTIS PLASTICS, INC.

By:

Name: V. Gud Philbrook

Its: President

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Escrow Agent

By:

Name:

Its:

Signature Page to Escrow Agreement

Schedule of Fees

Annual Fee: $[3,000.00]

Any out-of-pocket expenses, or extraordinary fees or expenses such as attorney's fees or messenger costs, are additional and are not included in the above scheduled amount.

The Escrow Agent's fees cover a full year, or any part thereof, and thus are not prorated in the year of termination. The annual fee is billed in advance and payable prior to that year's service.

Exhibit 1.01(i)

Provisions for Sale Order

The Sale Order, entered by the Bankruptcy Court, shall substantially incorporate the provisions below (among others) and otherwise in form and substance agreed upon by Sellers and Purchaser:

(i) contain a finding that the Purchaser would not have entered into this Agreement and would not consummate the transactions contemplated thereby (by paying the Purchase Price and assuming the Assumed Liabilities set forth in this Agreement) if the sale of the Purchased Assets to the Purchaser, and the assumption, assignment and sale of the Acquired Contracts to the Purchaser, were not free and clear of all liens and claims of any kind or nature whatsoever, or if the Purchaser would, or in the future could be liable for any of such liens or claims;

(ii) contain a finding pursuant to Section 363(m) of the Bankruptcy Code to the effect that Purchaser is a "good faith" purchaser and authorize the Sale of the Purchased Assets, pursuant to the terms and conditions of this Agreement and Sections 363(b) and (f) and 365 of the Bankruptcy Code and to the extent, if any, necessary, Section 105 of the Bankruptcy Code, free and clear of all Claims (including Excluded Liabilities) and Encumbrances (other than: (i) Permitted Encumbrances, except to the extent that the Purchased Assets can be sold free and clear of the Permitted Encumbrances pursuant to the Bankruptcy Code or other applicable law, in which case they shall be sold free and clear; and (ii) the Assumed Liabilities);

(iii) provide that such Purchased Assets shall be transferred to the Purchaser 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 Liens and Claims;

(iv) provide that upon the Closing, the Purchaser shall take title to and possession of the Purchased Assets;

(v) to the extent provided in this Agreement, approve and direct (i) the assumption of all of the Acquired Contracts by Sellers, as debtors in possession, (ii) the assignment of all of the Acquired Contracts to Purchaser, (iii) except to the extent Section 365 of the Bankruptcy Code permits the non-cure of non-payment defaults, the cure by Seller of any non-payment defaults under any of the Acquired Contracts, and (iv) the establishment of the Cure Costs therefor and to authorize and

require payment by Sellers of all Cure Costs up to the Cure Cap and then by Purchaser pursuant to the terms of this Agreement, on or before Closing pursuant to Sections 365(a), (b), (c), (f) and (k) of the Bankruptcy Code and Section 2.02(c) of this Agreement;

(vi) provide that the assumption by the Sellers and assignment to the Purchaser of the Acquired Contracts shall not render the Acquired Contracts unenforceable, nor cause an event of default thereunder, on account of such assumption and assignment;

(vii) provide that there shall be no rent accelerations, assignment fees, increases (including advertising rates) or any other fees charged to Purchaser or the Debtors as a result of the assumption and assignment of the Acquired Contracts.

(viii) provide that, pursuant to sections 105(a), 363 and 365 of the Bankruptcy Code, all Contract Counter-Parties are forever barred and permanently enjoined from raising or asserting against Purchaser 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.

(ix) provide that after the Petition Date the Bankruptcy Court shall have and retain jurisdiction to resolve any controversy or claim arising out of or relating to this Agreement or breach thereof;

(x) authorize and direct Sellers to make all payments provided for by this Agreement and the Disclosure Schedules on the dates that Sellers are obligated to make such payments;

(xi) contain a finding that good, sufficient and appropriate notice under the circumstances and no further notice need be given of the Sale Hearing, the Auction, the Sale 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 Sale Motion and the relief requested therein has been provided to all proper interested persons and entities;

(xii) contain a finding that, in accordance with the provisions of the Bidding Procedures Order, the Debtors have served notice (the "Cure Notice") upon Purchaser and the Contract Parties: (i) that the Debtors seek to assume and assign certain executory contracts (the "Acquired Contracts") as of the Closing Date; and (ii) of the relevant cure amounts. The service of such Cure Notice was good, sufficient and appropriate under the circumstances and no further notice need be given in respect of establishing a cure amount for the Acquired

Contracts. Purchaser and the Contract Counter-Parties have had an opportunity to object to the cure amounts set forth in the Cure Notice;

(xiii) contain a finding that the Debtors have articulated good and sufficient reasons for the Court to grant the relief requested in the Sale Motion regarding the sales process, including, without limitation: (i) determination of final cure amount; and (ii) approval and authorization to serve the Sale Notice (as defined in the Bidding Procedures Order);

(xiv) contain a finding that the Debtors' Sale Notice provided all interested parties with timely and proper notice of the Sale, Sale Hearing and Auction;

(xv) contain a finding that the Cure Notice provided Purchaser and the Contract Parties with proper notice of the potential assumption and assignment of the Acquired Contracts and any cure 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;

(xvi) contain a finding that, as evidenced by the affidavits of service previously filed with the Court, proper, timely, adequate, and sufficient notice of the Sale Motion, Auction, Sale 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, Sale Hearing, and Sale required by the Bidding Procedures Order. The notices described above were good, sufficient and appropriate under the circumstances, and no other or further notice of the Sale Motion, Auction, Sale Hearing, Sale, or assumption, assignment and sale of the Acquired Contracts is required;

(xvii) contain a finding that the Purchaser is not merely a continuation of the Debtors, there is no substantial continuity between the Purchaser and the Debtors, and there is no continuity of enterprise between the Debtors and the Purchaser;

(xviii) contain a finding that no common identity of incorporators, directors or stockholders exists between Purchaser and the Debtors;

(xix) contain a finding that the Sale is not being entered into fraudulently;

(xx) contain a finding that Purchaser is not holding itself out to the public as a continuation of the Debtors;

(xxi) contain a finding that Purchaser is not, as a result of any action taken in connection with the purchase of the Purchased Assets 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;

(xxii) contain a finding that approval of the Sale Motion and this 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;

(xxiii) contain a finding that 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;

(xxiv) contain a finding that the consideration provided by the Purchaser pursuant to this 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;

(xxv) contain a finding that the Debtors have full corporate power and authority, subject to any required approval(s) of the Bankruptcy Court, to execute and deliver this Agreement and all other documents contemplated thereby, and no further consents or approvals are required for the Debtors to consummate the transactions contemplated by this Agreement, except as otherwise set forth in this Agreement;

(xxvi) contain a finding that the transfer of each of the Purchased Assets to the Purchaser will be, as of the Closing Date, a legal, valid, and effective transfer of such assets, and vests or will vest the Purchaser with all right, title, and interest of the Debtors to the Purchased Assets free and clear of all Liens and Claims (as defined in the Agreement) accruing, arising or relating thereto any time prior to the Closing Date;

(xxvii) provide that, 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 Purchaser in accordance with the terms of this Agreement and the Sale Order (other than by an appeal timely taken with respect to the Sale Order or a motion timely made under Bankruptcy Rules 9023 or 9024);

(xxviii) provide that, except as expressly provided by this Agreement with respect to the Assumed Liabilities, all persons and entities holding Liens, Claims or interests 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 Purchaser, hereby are forever barred, estopped and permanently enjoined from asserting against the Purchaser or its successors or assigns, their property or the Purchased Assets, such persons' or entities' Liens or Claims in and to the Purchased Assets;

(xxix) provide that, except as otherwise specifically set forth in this Agreement, the Purchaser shall not assume or be obligated to pay, perform or otherwise satisfy any obligations other than the Assumed Liabilities, including, without limitation, the Excluded Liabilities;

(xxx) provide that as otherwise provided in this Agreement, that no bulk sales law or any similar law of any state or other jurisdiction applies in any way to the Sale;

(xxxi) providing authorization to take any and all actions necessary or appropriate to (i) consummate the Sale of each of the Purchased Assets to the Purchaser pursuant to and in accordance with the terms and conditions of this Agreement, (ii) close the Sale as contemplated in this Agreement and the Sale Order, and (iii) execute and deliver, perform under, consummate, implement and close fully this Agreement, together with all additional instruments and documents that may be reasonably necessary or desirable to implement this 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 this Agreement and such other ancillary documents. Authorizing and empowering the Debtors to deliver special warranty deeds, bills of sale, assignments and other such documentation that may be necessary or requested by the Purchaser in accordance with the terms of this Agreement to evidence the transfers required by this Agreement;

(xxxii) provide that if any person or entity that has filed financing statements, mortgages, mechanic's liens, lis pendens, or other documents or agreements evidencing Liens and other Encumbrances of record against or in the Purchased Assets shall not have delivered to the Debtors or the Purchaser prior to the Closing, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfactions, releases of all Liens and other Encumbrances that the person has with respect to the Purchased Assets, or otherwise, then (i) each of the Debtors and the Purchaser are hereby authorized to execute and file such statements, instruments, releases and other documents on behalf of the Purchaser or entity with respect to the Purchased Assets, and (ii) the Purchaser 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 liens, claims, and other encumbrances against or in the Purchased Assets;

(xxxiii) provide that 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 Purchaser or its assignee at the Closing;

(xxxiv) provide that a certified copy of the Sale Order may be filed with the appropriate clerk and/or recorded with the recorder to act to cancel any of the Liens, Claims and other encumbrances of record;

(xxxv) provide that the Sale 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 this Agreement;

(xxxvi) provide that time is of the essence in consummating the Sale;

(xxxvii) provide that, in the absence of a stay pending appeal, the Purchaser will be acting in good faith pursuant to section 363(m) of the Bankruptcy Code in closing the transaction contemplated by this Agreement at any time on or after entry of this Sale Order;

(xxxviii) provide that 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 the Sale Order, shall conflict with or derogate from the provisions of this Agreement or the terms of the Sale Order; and

(xxxix) provide that this 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' estate.

Atlantis Plastics - Monomoy Target Net Working Capital - Exhibit 2.07(a)

Source: May 31, 2008 Trial Balance Sheet

	Corporate	Injection	Elkhart	Molded	Restatements	Whirlpool Adj.	Monomoy Adj.	Total
Accounts Receivable								
1200 TRADE A/R	$ -	$ 13,664,336	$ 3,015,667	$ 16,680,003	$ (495,000)	$ -	$ -	$ 16,185,003
1203 CANADIAN $ TRADE A/R - CAD	-	-	-	-	-	-	-	-
1202 BAD DEBT RESERVE	-	-	-	-	-	-	-	-
1215 SALES ALLOWANCE RESERVE	-	(300,838)	(38,310)	(339,148)	-	-	-	(339,148)
1220 BAD DEBT RESERVE	-	(269,411)	(223,193)	(492,604)	-	-	-	(492,604)
Net Accounts Receivable	-	13,094,087	2,754,164	15,848,251	(495,000)	-	-	15,353,251
Inventory								
1300 RESIN INVENTORY	-	2,222,360	1,316,297	3,538,657	330,000	-	-	3,868,657
1310 BLENDED RESINS	-	27,190	92,984	120,175	-	-	-	120,175
1315 MISC PURCHASED PARTS	-	785,595	27,141	812,736	-	-	-	812,736
1320 COLOR CONCENTRATES	-	673,124	527,013	1,200,137	-	-	-	1,200,137
1330 ADDITIVES	-	-	-	-	-	-	-	-
1350 SCRAP	-	-	-	-	-	-	-	-
1360 PACKAGING INVENTORY	-	129,107	198,593	327,700	-	-	-	327,700
1365 ROLL STOCK INVENTORY	-	-	-	-	-	-	-	-
1370 INK/SOLVENTS	-	-	-	-	-	-	-	-
1375 WORK IN PROCESS	-	-	29,709	29,709	-	-	-	29,709
1376 WIP-MATERIAL	-	401,041	8,599	409,640	-	-	-	409,640
1380 FINISHED GOODS	-	3,037,230	2,034,036	5,071,266	-	-	-	5,071,266
1385 RESERVE-INVENTORY	-	-	-	-	-	-	-	-
1396 INVENTORY RESERVE	-	(561,744)	(285,704)	(847,447)	-	-	-	(847,447)
1398 MARKET PRICING RESERVE	-	-	-	-	-	-	-	-
1399 INVENTORY RESERVE	-	-	-	-	-	-	-	-
Total Inventory	-	6,713,902	3,948,668	10,662,571	330,000	-	-	10,992,571
Other Current Assets								
1384 TOOLS IN PROCESS	-	99,522	-	99,522	-	-	-	99,522
1400 A/R-OTHER	-	3,966	19,739	23,705	58,000	-	-	81,705
1405 PREPAID-P&C INS	-	-	-	-	-	-	-	-
1408 PREPAID-GEN INS	-	-	-	-	-	-	-	-
1410 PREPAID OTHER	-	92,910	101,734	194,643	-	-	-	194,643
1411 PPD OTHER-RECONCILIATION	-	-	-	-	-	-	-	-
1415 PREPAID MGMT FEES	-	-	-	-	-	-	-	-
1423 PURCHASE DEPOSITS	-	-	5,400	5,400	-	-	-	5,400
1425 PREPAID SELLING COSTS	-	-	-	-	-	-	-	-
1435 RESIN REBATES RECEIVABLE	-	-	65,557	65,557	-	-	-	65,557
Total Other Current Assets	-	196,398	192,430	388,828	58,000	-	-	446,828
Deferred Tax Asset								
1450 DEFERRED TAX ASSET	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Deferred Tax Asset	-	-	-	-	-	-	-	-
Total Current Assets	$ -	$ 20,004,388	$ 6,895,262	$ 26,899,650	$ (107,000)	$ -	$ -	$ 26,792,650
Accounts Payable (Trade)								
2000 TRADE A/P [1]	$ -	$ 4,408,256	$ 870,900	$ 5,279,156	$ -	$ 540,585	$ (5,279,156)	$ 540,585
2003 AP TRADE CANADA	-	-	-	-	-	-	-	-
Total Accounts Payable (Trade)	-	4,408,256	870,900	5,279,156	-	540,585	(5,279,156)	540,585
Accrued Expenses								
2002 PO RECEIPTS (ACCRUED AP) [2]	-	4,049,146	6,256	4,055,402	-	3,749,068	(4,055,402)	3,749,068
2005 ACCRUED PAYABLES	-	10,146	-	10,146	-	-	(10,146)	-
2010 EXPENSED ITEM RECEIPTS	-	73,404	842	74,245	-	-	(74,245)	-
2020 OTHER ACCRUED PAYABLES	-	98,341	20,975	119,316	-	-	(119,316)	-
2025 LEGAL/ACCOUNTING FEES	-	4,000	-	4,000	-	-	(4,000)	-
2030 COMMISSIONS PAYABLE	-	33,397	8,312	41,709	-	-	-	41,709
2035 CUSTOMER REBATES PAYABLE	-	349,215	1,206	350,422	-	-	-	350,422
2035 Advertising - Myles Kelly	-	(250)	-	(250)	-	-	-	(250)
2055 UNEARNED INCOME	-	168,970	9,955	178,925	-	-	-	178,925
2200 PAYROLL PAYABLE	-	732,968	279,336	1,012,304	-	-	-	1,012,304
2210 VACATION PAYABLE	-	128,661	51,473	180,133	-	-	-	180,133
2250 WORKERS COMP RESERVE	-	159,916	43,736	203,652	-	-	(203,652)	-
2305 401(K) W/H-MATCH PAYABLE	-	282	-	282	-	-	-	282
2315 EMP HEALTH INS CONTRIB [3]	336,758	-	-	336,758	-	-	-	336,758
2330 MISC P/R DED PAYABLE	-	3,647	-	3,647	-	-	-	3,647
2365 ACCRUED UTILITIES	-	238,091	27,886	265,977	-	-	(265,977)	-
2370 ACCRUED FREIGHT	-	75,393	-	75,393	-	-	-	75,393
2375 ACCRUED T & E	-	2,500	2,000	4,500	-	-	-	4,500
2400 PROPERTY TAXES PAYABLE	-	120,579	216,912	337,491	-	-	(337,491)	-
2410 SALES/USE TAX PAYABLE	-	2,126	-	2,126	-	-	(2,126)	-
Total Accrued Expenses	336,758	6,250,532	668,889	7,256,179	-	3,749,068	(5,072,355)	5,932,891
Total Current Liabilities	$ 336,758	$ 10,658,787	$ 1,539,788	$ 12,535,334	$ -	$ 4,289,653	$ (10,351,511)	$ 6,473,476
Net Working Capital	$ (336,758)	$ 9,345,600	$ 5,355,474	$ 14,364,316	$ (107,000)	$ (4,289,653)	$ 10,351,511	$ 20,319,174

(1) Trade A/P adjusted to include Whirlpool Contra A/R as historically calculated by the Company, provided in supporting documentation to Purchaser and determined in accordance with GAAP

(2) PO Receipts (Accrued AP) adjusted to include PO Receipts related to Whirlpool as historically calculated by the Company, provided in supporting documentation to Purchaser and determined in accordance with GAAP

(3) Emp Health Ins Contrib included from the "Holding" Trial Balance allocated to the Molded business based on the LTM average of Molded Medical Members as historically calculated by the Company and provided in supporting documentation to Purchaser

Atlantis Plastics - Monomoy Target Net Working Capital - Exhibit 2.07(b)

	Corporate	Injection	Elkhart	Molded	Restatements	Whirlpool Adj.	Monomoy Adj.	Total
Accounts Receivable								
1200 TRADE A/R	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
1203 CANADIAN $ TRADE A/R - CAD	-	-	-	-	-	-	-	-
1202 BAD DEBT RESERVE	-	-	-	-	-	-	-	-
1215 SALES ALLOWANCE RESERVE	-	-	-	-	-	-	-	-
1220 BAD DEBT RESERVE	-	-	-	-	-	-	-	-
Net Accounts Receivable	-	-	-	-	-	-	-	-
Inventory								
1300 RESIN INVENTORY	-	-	-	-	-	-	-	-
1310 BLENDED RESINS	-	-	-	-	-	-	-	-
1315 MISC PURCHASED PARTS	-	-	-	-	-	-	-	-
1320 COLOR CONCENTRATES	-	-	-	-	-	-	-	-
1330 ADDITIVES	-	-	-	-	-	-	-	-
1350 SCRAP	-	-	-	-	-	-	-	-
1360 PACKAGING INVENTORY	-	-	-	-	-	-	-	-
1365 ROLL STOCK INVENTORY	-	-	-	-	-	-	-	-
1370 INK/SOLVENTS	-	-	-	-	-	-	-	-
1375 WORK IN PROCESS	-	-	-	-	-	-	-	-
1376 WIP-MATERIAL	-	-	-	-	-	-	-	-
1380 FINISHED GOODS	-	-	-	-	-	-	-	-
1385 RESERVE-INVENTORY	-	-	-	-	-	-	-	-
1396 INVENTORY RESERVE	-	-	-	-	-	-	-	-
1398 MARKET PRICING RESERVE	-	-	-	-	-	-	-	-
1399 INVENTORY RESERVE	-	-	-	-	-	-	-	-
Total Inventory	-	-	-	-	-	-	-	-
Other Current Assets								
1384 TOOLS IN PROCESS	-	-	-	-	-	-	-	-
1400 A/R-OTHER	-	-	-	-	-	-	-	-
1405 PREPAID-P&C INS	-	-	-	-	-	-	-	-
1408 PREPAID-GEN INS	-	-	-	-	-	-	-	-
1410 PREPAID OTHER	-	-	-	-	-	-	-	-
1411 PPD OTHER-RECONCILIATION	-	-	-	-	-	-	-	-
1415 PREPAID MGMT FEES	-	-	-	-	-	-	-	-
1423 PURCHASE DEPOSITS	-	-	-	-	-	-	-	-
1425 PREPAID SELLING COSTS	-	-	-	-	-	-	-	-
1435 RESIN REBATES RECEIVABLE	-	-	-	-	-	-	-	-
Total Other Current Assets	-	-	-	-	-	-	-	-
Deferred Tax Asset								
1450 DEFERRED TAX ASSET	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Deferred Tax Asset	-	-	-	-	-	-	-	-
Total Current Assets	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Accounts Payable (Trade)								
2000 TRADE A/P [1] [4]	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Accounts Payable (Trade)	-	-	-	-	-	-	-	-
Accrued Expenses								
2002 PO RECEIPTS (ACCRUED AP) [2] [4]	-	-	-	-	-	-	-	-
2030 COMMISSIONS PAYABLE	-	-	-	-	-	-	-	-
2035 CUSTOMER REBATES PAYABLE	-	-	-	-	-	-	-	-
2035 Advertising - Myles Kelly	-	-	-	-	-	-	-	-
2055 UNEARNED INCOME	-	-	-	-	-	-	-	-
2200 PAYROLL PAYABLE	-	-	-	-	-	-	-	-
2210 VACATION PAYABLE	-	-	-	-	-	-	-	-
2305 401(K) W/H-MATCH PAYABLE	-	-	-	-	-	-	-	-
2315 EMP HEALTH INS CONTRIB [3]	-	-	-	-	-	-	-	-
2330 MISC P/R DED PAYABLE	-	-	-	-	-	-	-	-
2365 ACCRUED UTILITIES [4]	-	-	-	-	-	-	-	-
2370 ACCRUED FREIGHT	-	-	-	-	-	-	-	-
2375 ACCRUED T & E	-	-	-	-	-	-	-	-
2400 PROPERTY TAXES PAYABLE [4]	-	-	-	-	-	-	-	-
Total Accrued Expenses	-	-	-	-	-	-	-	-
Total Current Liabilities	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Working Capital	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

(1) Trade A/P adjusted to include Whirlpool Contra A/R as historically calculated by the Company, provided in supporting documentation to Purchaser and determined in accordance with GAAP

(2) PO Receipts (Accrued AP) adjusted to include PO Receipts related to Whirlpool as historically calculated by the Company, provided in supporting documentation to Purchaser and determined in accordance with GAAP

(3) Emp Health Ins Contrib included from the "Holding" Trial Balance allocated to the Molded business based on the LTM average of Molded Medical Members as historically calculated by the Company and provided in supporting documentation to Purchaser

(4) Including all prorated (a) Real Property and other ad valorem Taxes on the Purchased Assets and (b) administrative obligations, personal property Taxes, water, gas, electricity and other utilities, common area maintenance and real estate Tax reimbursements to lessors, local business or other license fees or Taxes, merchants' association dues and other similar periodic charges payable with respect to the Purchased Assets calculated on a daily basis as of the close of business on the day immediately preceding the Closing Date. Such prorations shall be based on actual, current payments by Sellers wherever possible. To the extent such actual amounts are not available, such prorations shall be estimated by Purchaser and Sellers in good faith based on actual amounts for the most recent comparable billing period (and for real property and other ad valorem Taxes, such prorations shall be estimated using the most recent Tax rate).

EXHIBIT 5.07

List of Transition Services

(i) cash management and treasury,
(ii) credit, invoicing, collections and maintenance of customer files,
(iii) finance, audit and tax,
(iv) payroll services,
(v) legal services, including continued assistance with permitting, licensing and other regulatory compliance,
(vi) IT support,
(vii) HR/benefits support, and
(viii) sourcing support.

Exhibit 4.01

CERTIFICATE OF INCORPORATION AND BY-LAWS

Delaware

The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF INCORPORATION OF "PLASTIC ACQUISITION, INC.", FILED IN THIS OFFICE ON THE THIRTY-FIRST DAY OF JULY, A.D. 2008, AT 2:21 O'CLOCK P.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.

Harriet Smith Windsor

Harriet Smith Windsor, Secretary of State

4582285 8100

080835290

AUTHENTICATION: 6765096

DATE: 07-31-08

You may verify this certificate online at corp.delaware.gov/authver.shtml

State of Delaware
Secretary of State
Division of Corporations
Delivered 02:24 PM 07/31/2008
FILED 02:21 PM 07/31/2008
SRV 080835290 - 4582285 FILE

CERTIFICATE OF INCORPORATION

OF

PLASTIC ACQUISITION, INC.

ARTICLE ONE

The name of the Corporation is Plastic Acquisition, Inc.

ARTICLE TWO

The address of the Corporation's registered office in the State of Delaware is 1209 Orange Street, in the City of Wilmington, County of New Castle, 19801. The name of its registered agent at such address is The Corporation Trust Company.

ARTICLE THREE

The nature of the business or purposes to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware.

ARTICLE FOUR

The total number of shares of capital stock that the Corporation has authority to issue is 3,000 shares, consisting of:

(1) 2,000 shares of Preferred Stock, par value $0.01 per share; and

(2) 1,000 shares of Common Stock, par value $0.01 per share.

ARTICLE FIVE

The name and mailing address of the sole incorporator are as follows:

NAME	MAILING ADDRESS
Sonni M. Dellenbach	200 East Randolph Drive Suite 5700 Chicago, Illinois 60601

ARTICLE SIX

The Corporation is to have perpetual existence.

ARTICLE SEVEN

In furtherance and not in limitation of the powers conferred by statute, the board of directors of the Corporation is expressly authorized to make, alter or repeal the by-laws of the Corporation.

ARTICLE EIGHT

Meetings of stockholders may be held within or outside of the State of Delaware, as the by-laws of the Corporation may provide. The books of the Corporation may be kept outside the State of Delaware at such place or places as may be designated from time to time by the board of directors or in the by-laws of the Corporation. Election of directors need not be by written ballot unless the by-laws of the Corporation so provide.

ARTICLE NINE

To the fullest extent permitted by the General Corporation Law of the State of Delaware as the same exists or may hereafter be amended, a director of this Corporation shall not be liable to the Corporation or its stockholders for monetary damages for a breach of fiduciary duty as a director. Any repeal or modification of this ARTICLE NINE shall not adversely affect any right or protection of a director of the Corporation existing at the time of such repeal or modification.

ARTICLE TEN

The Corporation expressly elects not to be governed by §203 of the General Corporation Law of the State of Delaware.

ARTICLE ELEVEN

The Corporation reserves the right to amend, alter, change or repeal any provision contained in this certificate of incorporation in the manner now or hereafter prescribed herein and by the laws of the State of Delaware, and all rights conferred upon stockholders herein are granted subject to this reservation.

ARTICLE TWELVE

To the maximum extent permitted from time to time under the law of the State of Delaware, the Corporation renounces any interest or expectancy of the Corporation in, or in being offered an opportunity to participate in, business opportunities that are from time to time presented to its officers, directors or stockholders, other than those officers, directors or stockholders who are employees of the Corporation. No amendment or repeal of this ARTICLE TWELVE shall apply to or have any effect on the liability or alleged liability of any officer, director or stockholder of the Corporation for or with respect to any opportunities of which such officer, director, or stockholder becomes aware prior to such amendment or repeal.

* * * * *

I, THE UNDERSIGNED, being the sole incorporator hereinbefore named, for the purpose of forming a corporation pursuant to the General Corporation Law of the State of Delaware, do make this certificate, hereby declaring and certifying that this is my act and deed and the facts stated herein are true, and accordingly have hereunto set my hand on the 31st day of July, 2008.

/s/ Sonni M. Dellenbach
Sonni M. Dellenbach, Sole Incorporator

BY-LAWS
OF
PLASTIC ACQUISITION, INC.
A Delaware Corporation

(Adopted as of July 31, 2008)

ARTICLE I.

OFFICES

Section 1. Registered Office. The registered office of the corporation in the State of Delaware shall be located at 1209 Orange Street, in the City of Wilmington, County of New Castle, 19801. The name of the corporation's registered agent at such address shall be The Corporation Trust Company. The registered office and/or registered agent of the corporation may be changed from time to time by action of the board of directors.

Section 2. Other Offices. The corporation may also have offices at such other places, both within and without the State of Delaware, as the board of directors may from time to time determine or the business of the corporation may require.

ARTICLE II.

MEETINGS OF STOCKHOLDERS

Section 1. Place and Time of Meetings. An annual meeting of the stockholders shall be held each year within one hundred twenty (120) days after the close of the immediately preceding fiscal year of the corporation for the purpose of electing directors and conducting such other proper business as may come before the meeting. The date, time and place, if any, and/or the means of remote communication, of the annual meeting shall be determined by the president of the corporation; provided, that if the president does not act, the board of directors shall determine the date, time and place, if any, and/or the means of remote communication, of such meeting.

Section 2. Special Meetings. Special meetings of stockholders may be called for any purpose and may be held at such time and place, within or without the State of Delaware, and/or by means of remote communication, as shall be stated in a notice of meeting or in a duly executed waiver of notice thereof. Such meetings may be called at any time by the board of directors or the president and shall be called by the president upon the written request of holders of shares entitled to cast not less than fifty percent of the votes at the meeting, such written request shall state the purpose or purposes of the meeting and shall be delivered to the president. On such written request, the president shall fix a date and time for such meeting within two days of the date requested for such meeting in such written request.

Section 3. Place of Meetings. The board of directors may designate any place, either within or without the State of Delaware, and/or by means of remote communication, as the place of meeting for any annual meeting or for any special meeting called by the board of directors. If

no designation is made, or if a special meeting be otherwise called, the place of meeting shall be the principal executive office of the corporation.

Section 4. Notice. Whenever stockholders are required or permitted to take any action at a meeting, written or printed notice stating the place, if any, date and hour of the meeting, the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such meeting, and, in the case of special meetings, the purpose or purposes, of such meeting, shall be given to each stockholder entitled to vote at such meeting not less than 10 nor more than 60 days before the date of the meeting. All such notices shall be delivered, either personally, by mail, or by a form of electronic transmission consented to by the stockholder to whom the notice is given, by or at the direction of the board of directors, the president or the secretary, and if mailed, such notice shall be deemed to be delivered when deposited in the United States mail, postage prepaid, addressed to the stockholder at his, her or its address as the same appears on the records of the corporation. If given by electronic transmission, such notice shall be deemed to be delivered (a) if by facsimile telecommunication, when directed to a number at which the stockholder has consented to receive notice; (b) if by electronic mail, when directed to an electronic mail address at which the stockholder has consented to receive notice; (c) if by a posting on an electronic network together with separate notice to the stockholder of such specific posting, upon the later of 1) such posting and 2) the giving of such separate notice; and (4) if by any other form of electronic transmission, when directed to the stockholder. Any such consent shall be revocable by the stockholder by written notice to the corporation. Any such consent shall be deemed revoked if (1) the corporation is unable to deliver by electronic transmission two consecutive notices given by the corporation in accordance with such consent and (2) such inability becomes known to the secretary or an assistant secretary of the corporation or to the transfer agent. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened.

Section 5. Stockholders List. The officer having charge of the stock ledger of the corporation shall make, at least 10 days before every meeting of the stockholders, a complete list of the stockholders entitled to vote at such meeting arranged in alphabetical order, showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, for a period of at least 10 days prior to the meeting: (1) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting, and/or (ii) during ordinary business hours, at the principal place of business of the corporation. In the event that the corporation determines to make the list available on an electronic network, the corporation may take reasonable steps to ensure that such information is available only to stockholders of the corporation. If the meeting is to be held at a place, then the list shall be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present. If the meeting is to be held solely by means of remote communication, then the list shall also be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of the meeting.

Section 6. Quorum. The holders of a majority of the outstanding shares of capital stock, present in person or represented by proxy, shall constitute a quorum at all meetings of the stockholders, except as otherwise provided by statute or by the certificate of incorporation, if a quorum is not present, the holders of a majority of the shares present in person or represented by proxy at the meeting, and entitled to vote at the meeting, may adjourn the meeting to another time and/or place. When a quorum is once present to commence a meeting of stockholders, it is not broken by the subsequent withdrawal of any stockholders or their proxies.

Section 7. Adjourned Meetings. When a meeting is adjourned to another time and place, notice need not be given of the adjourned meeting if the time and place, thereof, and the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such adjourned meeting are announced at the meeting at which the adjournment is taken. At the adjourned meeting the corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than thirty days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

Section 8. Vote Required. When a quorum is present, the affirmative vote of the majority of shares present in person or represented by proxy at the meeting and entitled to vote on the subject matter shall be the act of the stockholders, unless the question is one upon which by express provisions of an applicable law or of the certificate of incorporation a different vote is required, in which case such express provision shall govern and control the decision of such question.

Section 9. Voting Rights. Except as otherwise provided by the General Corporation Law of the State of Delaware or by the certificate of incorporation of the corporation or any amendments thereto and subject to Section 3 of Article VI hereof, every stockholder shall at every meeting of the stockholders be entitled to one vote in person or by proxy for each share of common stock held by such stockholder.

Section 10. Proxies. Each stockholder entitled to vote at a meeting of stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for such stockholder him or her by proxy, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period.

Section 11. Action by Written Consent. Unless otherwise provided in the certificate of incorporation, any action required to be taken at any annual or special meeting of stockholders of the corporation, or any action which may be taken at any annual or special meeting of such stockholders, may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken and bearing the dates of signature of the stockholders who signed the consent or consents, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted and shall be delivered to the corporation by delivery to its registered office in the state of Delaware, or the corporation's principal place of business, or an officer or agent of

the corporation having custody of the book or books in which proceedings of meetings of the stockholders are recorded. Delivery made to the corporation's registered office shall be by hand or by certified or registered mail, return receipt requested. All consents properly delivered in accordance with this section shall be deemed to be recorded when so delivered. No written consent shall be effective to take the corporate action referred to therein unless, within sixty days of the earliest dated consent delivered to the corporation as required by this section, written consents signed by the holders of a sufficient number of shares to take such corporate action are so recorded. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing. Any action taken pursuant to such written consent or consents of the stockholders shall have the same force and effect as if taken by the stockholders at a meeting thereof.

Any copy, facsimile or other reliable reproduction of a consent in writing may be substituted or used in lieu of the original writing for any and all purposes for which the original writing could be used; provided that such copy, facsimile or other reproduction shall be a complete reproduction of the entire original writing.

Section 12. Action by Telegram, Cablegram or Other Electronic Transmission Consent. A telegram, cablegram or other electronic transmission consenting to an action to be taken and transmitted by a stockholder or proxyholder, or by a person or persons authorized to act for a stockholder or proxyholder, shall be deemed to be written, signed and dated for the purposes of this section; provided that any such telegram, cablegram or other electronic transmission sets forth or is delivered with information from which the corporation can determine (A) that the telegram, cablegram or other electronic transmission was transmitted by the stockholder or proxyholder or by a person or persons authorized to act for the stockholder or proxyholder and (B) the date on which such stockholder or proxyholder or authorized person or persons transmitted such telegram, cablegram or electronic transmission. The date on which such telegram, cablegram or electronic transmission is transmitted shall be deemed to be the date on which such consent was signed. No consent given by telegram, cablegram or other electronic transmission shall be deemed to have been delivered until such consent is reproduced in paper form and until such paper form shall be delivered to the corporation by delivery to its registered office in the State of Delaware, its principal place of business or an officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded if, to the extent and in the manner provided by resolution of the board of directors of the corporation.

ARTICLE III.

DIRECTORS

Section 1. General Powers. The business and affairs of the corporation shall be managed by or under the direction of the board of directors.

Section 2. Number, Election and Term of Office. The number of directors which shall constitute the first board shall be two (2). Thereafter, the number of directors shall be established from time to time by resolution of the board. The directors shall be elected by a plurality of the votes of the shares present in person or represented by proxy at the meeting and

entitled to vote in the election of directors. The directors shall be elected in this manner at the annual meeting of the stockholders, except as provided in Section 4 of this Article III. Each director elected shall hold office until a successor is duly elected and qualified or until his or her earlier death, resignation or removal as hereinafter provided.

Section 3. Removal and Resignation. Any director or the entire board of directors may be removed at any time, with or without cause, by the holders of a majority of the shares then entitled to vote at an election of directors. Whenever the holders of any class or series are entitled to elect one or more directors by the provisions of the corporation's certificate of incorporation, the provisions of this section shall apply, in respect to the removal without cause of a director or directors so elected, to the vote of the holders of the outstanding shares of that class or series and not to the vote of the outstanding shares as a whole. Any director may resign at any time upon notice given in writing or by electronic transmission to the corporation.

Section 4. Vacancies. Vacancies and newly created directorships resulting from any increase in the authorized number of directors may be filled by a majority of the directors then in office, though less than a quorum, or by a sole remaining director. Each director so chosen shall hold office until a successor is duly elected and qualified or until his or her earlier death, resignation or removal as herein provided.

Section 5. Annual Meetings. The annual meeting of each newly elected board of directors shall be held without other notice than this by-law immediately after, and at the same place, if any, as the annual meeting of stockholders.

Section 6. Other Meetings and Notice. Regular meetings, other than the annual meeting, of the board of directors may be held without notice at such time and at such place, if any, as shall from time to time be determined by resolution of the board. Special meetings of the board of directors may be called by or at the request of the president on at least 24 hours notice to each director, either personally, by telephone, by mail, telegraph, and/or by electronic transmission; in like manner and on like notice the Ranking Officer must call a special meeting on the written request of at least two of the directors.

Section 7. Quorum, Required Vote and Adjournment. A majority of the total number of directors shall constitute a quorum for the transaction of business. The vote of a majority of directors present at a meeting at which a quorum is present shall be the act of the board of directors. If a quorum shall not be present at any meeting of the board of directors, the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

Section 8. Committees. The board of directors may, by resolution passed by a majority of the whole board, designate one or more committees, each committee to consist of one or more of the directors of the corporation, which to the extent provided in such resolution or these bylaws shall have and may exercise the powers of the board of directors in the management and affairs of the corporation except as otherwise limited by law The board of directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by

the board of directors. Each committee shall keep regular minutes of its meetings and report the same to the board of directors when required.

Section 9. Committee Rules. Each committee of the board of directors may fix its own rules of procedure and shall hold its meetings as provided by such rules, except as may otherwise be provided by a resolution of the board of directors designating such committee. In the event that a member and that member's alternate, if alternates are designated by the board of directors as provided in Section 8 of this Article III, of such committee is or are absent or disqualified, the member or members thereof present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the board of directors to act at the meeting in place of any such absent or disqualified member.

Section 10. Communications Equipment. Members of the board of directors or any committee thereof may participate in and act at any meeting of such board or committee by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation in the meeting pursuant to this section shall constitute presence in person at the meeting.

Section 11. Waiver of Notice and Presumption of Assent. Any member of the board of directors or any committee thereof who is present at a meeting shall be conclusively presumed to have waived notice of such meeting except when such member attends for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened. Such member shall be conclusively presumed to have assented to any action taken unless his or her dissent shall be entered in the minutes of the meeting or unless his or her written dissent to such action shall be filed with the person acting as the secretary of the meeting before the adjournment thereof or shall be forwarded by registered mail to the secretary of the corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to any member who voted in favor of such action.

Section 12. Action by Written Consent. Unless otherwise restricted by the certificate of incorporation, any action required or permitted to be taken at any meeting of the board of directors, or of any committee thereof, may be taken without a meeting if all members of the board or committee, as the case may be, consent thereto in writing or by electronic transmission, and the writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the board, or committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

ARTICLE IV.

OFFICERS

Section 1. Number. The officers of the corporation shall be elected by the board of directors. Unless otherwise determined by the board of directors, the officers shall consist of at least a president and secretary and may consist of a chief executive officer, any number of vice presidents, a chief financial officer, any number of assistant secretaries and such other officers

and assistant officers as may be deemed necessary or desirable by the board of directors. Any number of offices may be held by the same person. In its discretion, the board of directors may choose not to fill any office for any period as it may deem advisable.

Section 2. Election and Term of Office. The officers of the corporation shall be elected annually by the board of directors at its first meeting held after each annual meeting of stockholders or as soon thereafter as conveniently may be. Vacancies may be filled or new offices created and filled at any meeting of the board of directors. Each officer shall hold office until a successor is duly elected and qualified or until his or her earlier death, resignation or removal as hereinafter provided.

Section 3. Removal. Any officer or agent elected by the board of directors may be removed by the board of directors whenever in its judgment the best interests of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

Section 4. Vacancies. Any vacancy occurring in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the board of directors for the unexpired portion of the term by the board of directors then in office.

Section 5. Compensation. Compensation of all officers shall be fixed by the board of directors, and no officer shall be prevented from receiving such compensation by virtue of his or her also being a director of the corporation.

Section 6. The President. The president shall be the chief executive officer of the corporation; shall preside at all meetings of the stockholders and board of directors at which he or she is present; subject to the powers of the board of directors, shall have general charge of the business, affairs and property of the corporation, and control over its officers, agents and employees; and shall see that all orders and resolutions of the board of directors are carried into effect. The president shall execute bonds, mortgages and other contracts requiring a seal, under the seal of the corporation, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the board of directors to some other officer or agent of the corporation. The president shall have such other powers and perform such other duties as may be prescribed by the board of directors or as may be provided in these by-laws.

Section 7. Chief Financial Officer. The chief financial officer of the corporation shall, under the direction of the chief executive officer, be responsible for all financial and accounting matters and for the direction of the offices of treasurer and controller. The chief financial officer shall have such other powers and perform such other duties as may be prescribed by the chairman of the board, the chief executive officer or the board of directors or as may be provided in these by-laws.

Section 8. Vice-Presidents. The vice-president, or if there shall be more than one, the vice-presidents in the order determined by the board of directors, shall, in the absence or disability of the president, act with all of the powers and be subject to all the restrictions of the

president. The vice-presidents shall also perform such other duties and have such other powers as the board of directors, the president or these by-laws may, from time to time, prescribe.

Section 9. The Secretary and Assistant Secretaries. The secretary shall attend all meetings of the board of directors, all meetings of the committees thereof and all meetings of the stockholders and record all the proceedings of the meetings in a book or books to be kept for that purpose. Under the president's supervision, the secretary shall give, or cause to be given, all notices required to be given by these by-laws or by law; shall have such powers and perform such duties as the board of directors, the president or these by-laws may, from time to time, prescribe; and shall have custody of the corporate seal of the corporation. The secretary, or an assistant secretary, shall have authority to affix the corporate seal to any instrument requiring it and when so affixed, it may be attested by his or her signature or by the signature of such assistant secretary. The board of directors may give general authority to any other officer to affix the seal of the corporation and to attest the affixing by his or her signature. The assistant secretary, or if there be more than one, the assistant secretaries in the order determined by the board of directors, shall, in the absence or disability of the secretary, perform the duties and exercise the powers of the secretary and shall perform such other duties and have such other powers as the board of directors, the president, or secretary may, from time to time, prescribe.

Section 10. The Treasurer and Assistant Treasurer. The treasurer shall have the custody of the corporate funds and securities; shall keep full and accurate accounts of receipts and disbursements in books belonging to the corporation; shall deposit all monies and other valuable effects in the name and to the credit of the corporation as may be ordered by the board of directors; shall cause the funds of the corporation to be disbursed when such disbursements have been duly authorized, taking proper vouchers for such disbursements; and shall render to the president and the board of directors, at its regular meeting or when the board of directors so requires, an account of the corporation; shall have such powers arid perform such duties as the board of directors, the president or these by-laws may, from time to time, prescribe. If required by the board of directors, the treasurer shall give the corporation a bond (which shall be rendered every six years) in such sums and with such surety or sureties as shall be satisfactory to the board of directors for the faithful performance of the duties of the office of treasurer and for the restoration to the corporation, in case of death, resignation, retirement, or removal from office, of all books, papers, vouchers, money, and other property of whatever kind in the possession or under the control of the treasurer belonging to the corporation. The assistant treasurer, or if there shall be more than one, the assistant treasurers in the order determined by the board of directors, shall in the absence or disability of the treasurer, perform the duties and exercise the powers of the treasurer. The assistant treasurers shall perform such other duties and have such other powers as the board of directors, the president or treasurer may, from time to time, prescribe.

Section 11. Other Officers, Assistant Officers and Agents. Officers, assistant officers and agents, if any, other than those whose duties are provided for in these by-laws, shall have such authority and perform such duties as may from time to time be prescribed by resolution of the board of directors.

Section 12. Absence or Disability of Officers. In the case of the absence or disability of any officer of the corporation and of any person hereby authorized to act in such officer's place during such officer's absence or disability, the board of directors may by resolution

delegate the powers and duties of such officer to any other officer or to any director, or to any other person whom it may select.

ARTICLE V.

INDEMNIFICATION OF OFFICERS. DIRECTORS AND OTHERS

Section 1. Nature of Indemnity. Each person who was or is made a party or is threatened to be made a party to or is involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a "proceeding"), by reason of the fact that he or she, is or was a director or officer, of the corporation or is or was serving at the request of the corporation as a director, officer, employee, fiduciary, or agent of another corporation or of a partnership, joint venture, trust or other enterprise, may be indemnified and held harmless by the corporation to the fullest extent which it is empowered to do so by the General Corporation Law of the State of Delaware, as the same exists or may hereafter be amended against all expense, liability and loss (including attorneys' fees actually and reasonably incurred by such person in connection with such proceeding) The corporation may, by action of its board of directors, provide indemnification to employees and agents of the corporation with the same scope and effect as the foregoing indemnification of directors and officers.

Section 2. Procedure for Indemnification of Directors and Officers. Any indemnification of a director or officer of the corporation under Section 1 of this Article V or advance of expenses under Section 5 of this Article V shall be made promptly, and in any event within 30 days, upon the written request of the director or officer. If a determination by the corporation that the director or officer is entitled to indemnification pursuant to this Article V is required, and the corporation fails to respond within sixty days to a written request for indemnity, the corporation shall be deemed to have approved the request. If the corporation denies a written request for indemnification or advancing of expenses, in whole or in part, or if payment in full pursuant to such request is not made within 30 days, the right to indemnification or advances as granted by this Article V shall be enforceable by the director or officer in any court of competent jurisdiction. Such person's costs and expenses incurred in connection with successfully establishing his or her right to indemnification, in whole or in part, in any such action shall also be indemnified by the corporation. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking, if any, has been tendered to the corporation) that the claimant has not met the standards of conduct which make it permissible under the General Corporation Law of the State of Delaware for the corporation to indemnify the claimant for the amount claimed but the burden of such defense shall be on the corporation. Neither the failure of the corporation (including its board of directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he or she has met the applicable standard of conduct set forth in the General Corporation Law of the State of Delaware, nor an actual determination by the corporation (including its board of directors, independent legal counsel, or its stockholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

Section 3. Article Not Exclusive. The rights to indemnification and the payment of expenses incurred in defending a proceeding in advance of its final disposition conferred in this Article V shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, provision of the certificate of incorporation, by-law, agreement, vote of stockholders or disinterested directors or otherwise.

Section 4. Insurance. The corporation may purchase and maintain insurance on its own behalf and on behalf of any person who is or was a director, officer, employee, fiduciary, or agent of the corporation or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, whether or not the corporation would have the power to indemnify such person against such liability under this Article V.

Section 5. Expenses. Expenses incurred by any person described in Section 1 of this Article V in defending a proceeding shall be paid by the corporation in advance of such proceeding's final disposition upon receipt of an undertaking by or on behalf of the director or officer to repay such amount if it shall ultimately be determined that he or she is not entitled to be indemnified by the corporation. Such expenses incurred by other employees and agents may be so paid upon such terms and conditions, if any, as the board of directors deems appropriate.

Section 6. Employees and Agents. Persons who are not covered by the foregoing provisions of this Article V and who are or were employees or agents of the corporation, or who are or were serving at the request of the corporation as employees or agents of another corporation, partnership, joint venture, trust or other enterprise, may be indemnified to the extent authorized at any time on from time to time by the board of directors.

Section 7. Contract Rights. The provisions of this Article V shall be deemed to be a contract right between the corporation and each director or officer who serves in any such capacity at any time while this Article V and the relevant provisions of the General Corporation Law of the State of Delaware or other applicable law are in effect, and any repeal or modification of this Article V or any such law shall not affect any rights or obligations then existing with respect to any state of facts or proceeding then existing.

Section 8. Merger or Consolidation. For purposes of this Article V, references to "the corporation" shall include, in addition to the resulting corporation; any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, and employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under this Article V with respect to the resulting or surviving corporation as he or she would have with respect to such constituent corporation if its separate existence had continued.

ARTICLE VI.

CERTIFICATES OF STOCK

Section 1. Form. Every holder of stock in the corporation shall be entitled to have a certificate, signed by, or in the name of the corporation by the chairman, president or a vice-president and the secretary or an assistant secretary of the corporation, certifying the number of shares owned by such holder in the corporation. If such a certificate is countersigned (1) by a transfer agent or an assistant transfer agent other than the corporation or its employee or (2) by a registrar, other than the corporation or its employee, the signature of any such president, vice-president, secretary, or assistant secretary may be facsimiles. In case any officer or officers who have signed, or whose facsimile signature or signatures have been used on, any such certificate or certificates shall cease to be such officer or officers of the corporation whether because of death, resignation or otherwise before such certificate or certificates have been delivered by the corporation, such certificate or certificates may nevertheless be issued and delivered as though the person or persons who signed such certificate or certificates or whose facsimile signature or signatures have: been used thereon had not ceased to be such officer or officers of the corporation. All certificates for shares shall be consecutively numbered or otherwise identified. The name of the person to whom the shares represented thereby are• issued, with the number of shares and date of issue, shall be entered on the books of the corporation. Shares of stock of the corporation shall only be transferred on the books of the corporation by the holder of record thereof or by such holder's attorney duly authorized in writing, upon surrender to the corporation of the certificate or certificates for such shares endorsed by the appropriate person or persons, with such evidence of the authenticity of such endorsement, transfer, authorization, and other matters as the corporation may reasonably require, and accompanied by all necessary stock transfer stamps. In that event, it shall be the duty of the corporation to issue a new certificate to the person entitled thereto, cancel the old certificate or certificates, and record the transaction on its books. The board of directors may appoint a bank or trust company organized under the laws of the United States or any state thereof to act as its transfer agent or registrar, or both in connection with the transfer of any class or series of securities of the corporation.

Section 2. Lost Certificates. The board of directors may direct a new certificate or certificates to be issued in place of any certificate or certificates previously issued by the corporation alleged to have been lost, stolen, or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost, stolen, or destroyed. When authorizing such issue of a new certificate or certificates, the board of directors may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost, stolen, on destroyed certificate or certificates, or his or her legal representative, to give the corporation a bond sufficient to indemnify the corporation against any claim that may be made against the corporation on account of the loss, theft or destruction of any such certificate or the issuance of such new certificate.

Section 3. Fixing a Record Date for Stockholder Meetings. In order that the corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, the board of directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the board of directors, and which record date shall not be more than sixty nor less than ten

days before the date of such meeting. If no record date is fixed by the board of directors, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be the dose of business on the next day preceding the day on which notice is given, or if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the board of directors may fix a new record date for the adjourned meeting.

Section 4. Fixing a Record Date for Action by Written Consent. In order that the corporation may determine the stockholders entitled to consent to corporate action in writing without a meeting, the board of directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the board of directors, and which date shall not be more than ten days after the date upon which the resolution fixing the record date is adopted by the board of directors. If no record date has been fixed by the board of directors, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting, when no prior action by the board of directors is required by statute, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the corporation by delivery to its registered office in the State of Delaware, its principal place of business, or an officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Delivery made to the corporation's registered office shall be by hand or by certified or registered mail, return receipt requested. If no record date has been fixed by the board of directors and prior action by the board of directors is required by statute, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting shall be at the close of business on the day on which the board of directors adopts the resolution taking such prior action.

Section 5. Fixing a Record Date for Other Purposes. In order that the corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment or any rights or the stockholders entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purposes of any other lawful action, the board of directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than sixty days prior to such action. If no record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the board of directors adopts the resolution relating thereto.

Section 6. Registered Stockholders. Prior to the surrender to the corporation of the certificate or certificates for a share or shares of stock with a request to record the transfer of such share or shares, the corporation may treat the registered owner as the person entitled to receive dividends, to vote, to receive notifications, and otherwise to exercise all the rights and powers of an owner. The corporation shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof.

Section 7. Subscriptions for Stock. Unless otherwise provided for in the subscription agreement, subscriptions for shares shall be paid in full at such time, or in such installments and

at such times, as shall be determined by the board of directors. Any call made by the board of directors for payment on subscriptions shall be uniform as to all shares of the same class or as to all shares of the same series. In case of default in the payment of any installment or call when such payment is due, the corporation may proceed to collect the amount due in the same manner as any debt due the corporation.

ARTICLE VII.

GENERAL PROVISIONS

Section 1. Dividends. Dividends upon the capital stock of the corporation, subject to the provisions of the certificate of incorporation, if any, may be declared by the board of directors at any regular or special meeting, pursuant to law. Dividends may be paid in cash, in property, or in shares of the capital stock, subject to the provisions of the certificate of incorporation. Before payment of any dividend, there may be set aside out of any funds of the corporation available for dividends such sum or sums as the directors from time to time in their absolute discretion, think proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the corporation, or any other purpose and the directors may modify or abolish any such reserve in the manner in which it was created.

Section 2. Checks, Drafts or Orders. All checks, drafts, or other orders for the payment of money by or to the corporation and all notes and other evidences of indebtedness issued in the name of the corporation shall be signed by such officer or officers, agent or agents of the corporation, and in such manner, as shall be determined by resolution of the board of directors or a duly authorized committee thereof.

Section 3. Contracts. The board of directors may authorize any officer or officers, or any agent or agents, of the corporation to enter into any contract or to execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

Section 4. Loans. The corporation may lend money to, or guarantee any obligation of, or otherwise assist any officer or other employee of the corporation or of its subsidiary, including any officer or employee who is a director of the corporation or its subsidiary, whenever, in the judgment of the directors, such loan, guaranty or assistance may reasonably be expected to benefit the corporation. The loan, guaranty or other assistance may be with or without interest, and may be unsecured, or secured in such manner as the board of directors shall approve, including, without limitation, a pledge of shares of stock of the corporation. Nothing in this section contained shall be deemed to deny, limit or restrict the powers of guaranty or warranty of the corporation at common law or under any statute.

Section 5. Fiscal Year. The fiscal year of the corporation shall be fixed by resolution of the board of directors.

Section 6. Corporate Seal. The board of directors may provide a corporate seal which shall be in the form of a circle and shall have inscribed thereon the name of the corporation and

the words "Corporate Seal, Delaware". The seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

Section 7. Voting Securities Owned By Corporation. Voting securities in any other corporation held by the corporation shall be voted by the president, unless the board of directors specifically confers authority to vote with respect thereto, which authority may be general or confined to specific instances, upon some other person or officer. Any person authorized to vote securities shall have the power to appoint proxies, with general power of substitution.

Section 8. Inspection of Books and Records. Any stockholder of record, in person or by attorney or other agent, shall, upon written demand under oath stating the purpose thereof, have the right during the usual hours for business to inspect for any proper purpose the corporation's stock ledger, a list of its stockholders, and its other books and records, and to make copies or extracts therefrom. A proper purpose shall mean any purpose reasonably related to such person's interest as a stockholder. In every instance where an attorney or other agent shall be the person who seeks the right to inspection, the demand under oath shall be accompanied by a power of attorney or such other writing which authorizes the attorney or other agent to so act on behalf of the stockholder. The demand under oath shall be directed to the corporation at its registered office in the State of Delaware or at its principal place of business.

Section 9. Section Heading. Section headings in these by-laws are for convenience of reference only and shall not be given any substantive effect in limiting or otherwise construing any provision herein.

Section 10. Inconsistent Provisions. In the event that any provision of these by-laws is or becomes inconsistent with any provision of the certificate of incorporation, the General Corporation Law of the State of Delaware or any other applicable law, the provision of these bylaws shall not be given any effect to the extent of such inconsistency but shall otherwise be given full force and effect.

ARTICLE VIII.

AMENDMENTS

These by-laws may be amended, altered, or repealed and new by-laws adopted at any meeting of the board of directors by a majority vote. The fact that the power to adopt, amend, alter, or repeal the by-laws has been conferred upon the board of directors shall not divest the stockholders of the same powers.