

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF COLORADO

IN RE:)	
)	
ACCENT WINDOWS, INC.,)	Case No. 11-14348- SBB
EIN #84-1292301)	Chapter 11
)	
Debtor.)	
)	

**ORDER ESTABLISHING PROCEDURES FOR BIDDING ON SALE OF ALL ASSETS
FREE AND CLEAR OF ALL LIENS, CLAIMS, AND ENCUMBRANCES**

THIS MATTER having come before the Court on the Debtor's Motion for Approval of Procedures for Sale of All Assets Free and Clear of All Liens, Claims, and Encumbrances (the "Motion"), there being no objections filed with respect to the Motion, and cause being shown to the Court, it is hereby

ORDERED

THAT the following overbid and auction terms and procedures are hereby approved:

The Debtor and PH Tech, Inc. ("PH Tech") have entered into an Asset Purchase Agreement ("Agreement"), which allows for PH Tech to place a credit bid equal to the amount of its allowed secured claim (the "Credit Bid"). All other bids shall be referred to as "Competing Bids", and the procedures for such bids shall be governed as follows:

To constitute a Qualified Bid, a bid must satisfy the following requirements:

- (a) The bid must be in writing and must include an executed definitive asset purchase agreement (the "APA") which shall be on the same terms and conditions in all material respects as those set forth in the Agreement, including payment of a cash component, closing costs, and administrative claims pursuant to Section 364(c).
- (b) Any bid shall not be conditioned upon the ability of the bidder to obtain financing or the outcome of unperformed due diligence by the bidder. The bid shall have no condition or contingency other than those associated with the assumption and assignment to the successful bidder of specific leases and contracts.

(c) Any bid must identify those executory contracts and unexpired leases of the Debtor that the bidder will request that the Debtor assume and assign to it. The successful bidder must negotiate a new contract or pay any and all amounts necessary to cure.

(d) Any bid must be accompanied by a signed letter directly (i) setting forth the identity of the bidder, the contact information for such bidder, and full disclosure of any affiliates or insiders of the Debtors involved in such bid, (ii) stating that the bidder offers to purchase the Assets upon the terms and conditions set forth in the APA, (iii) summarizing the proposed consideration the bidder proposes to pay under the APA, (iv) stating the bidder's best assessment of the aggregate value of the consideration the bidder proposes to pay under the APA (which statement of value shall not be binding on the Debtors or the Bankruptcy Court), (v) stating the form and amount of any deposit being delivered by such bidder, and (vi) further providing that such offer if determined to be the second highest and best bid shall be binding and irrevocable until 15 days after the auction occurs.

(e) The bid must be accompanied by a deposit payable to the Debtor's counsel (by means of a certified bank check from a U.S. bank or by wire transfer) in the amount of \$50,000, which is to be non-refundable should the bidder be the highest bidder but refuse or fail to proceed to closing.

(f) Any party submitting a bid must produce adequate documentation (a) to demonstrate such party's wherewithal to consummate the contemplated transaction, and/or (b) to provide adequate assurance of future performance to any parties to any leases or contracts it intends to assume. Notwithstanding anything in these Bidding Procedures to the contrary, the Debtor may declare that any bid is not a Qualified Bid if the party submitting such bid does not provide documents evidencing such party's wherewithal to consummate the contemplated transaction and/or adequate assurance of future performance.

(g) Initial incremental overbids shall be in the amount of \$50,000 (the "Initial Incremental Overbid Amount") and additional bids will be in the amount of \$50,000 each above the previous high incremental overbid (the "Minimum Incremental Bid Amount").

(h) The Debtor will provide reasonable access to its books and records to interested persons for the purpose of conducting due diligence, provided that any such person provide written evidence acceptable to the Debtor that such Competing Bidder has the present financial ability to consummate the transaction contemplated herein. All Competing Bidders are deemed to acknowledge that they had an opportunity to inspect the Debtor's Assets and all related documents thereto prior to making any bid and are also deemed to

have relied solely on such review and upon their investigation and inspection in making their offers.

(i) PH Tech shall be entitled to credit bid the total amount of the Debtor's monetary obligation pursuant to the PH Tech Agreement and DIP Loan, and pay the balance of the Purchase Price (as adjusted pursuant to the Agreement) in cash.

(j) Initial Competing Bids must be Qualified Bids and must be delivered to the Debtor's counsel (the "Bid Deadline") on or before 5:00 P.M., Mountain Standard Time, on Monday, May 2, 2011, (16 days prior to the Sale Hearing). If a Qualified Bid is received by the Bid Deadline, the auction of the Debtor's Assets (the "Auction") shall take place in Courtroom C-402, Byron Rogers Federal Courthouse, 1929 Stout Street, Denver, CO, on Wednesday, May 18, 2011 at 11:30 a.m. or such later time and date (or other place) as the Debtor shall notify all parties who have submitted Qualified Bids. The following terms shall govern the Auction and the subsequent sale:

(i) Only the Qualified Bidders shall be entitled to make any bids at the Auction.

(ii) At the commencement of the Auction, the Debtor will announce its determination, in its business judgment, of the highest and best Qualified Bid for the Assets. Subsequent competing bids must be Qualified Bids (except that they are not required to be in writing) and shall be made in increments of not less than \$50,000 in excess of the last submitted, highest Qualified Bid. Bidding at the Auction will continue until such time as the highest and best Qualified Bid is determined by the Debtor's business judgment.

(iii) At the Auction, the Debtor may announce additional procedural rules that are reasonable under the circumstances and not inconsistent with the Bidding Procedures or the Procedures Order

(k) Once a buyer is determined at the Auction, the Debtor will request the Court enter an order (i) approving (A) the Agreement in the event PH Tech is not overbid, or (B) in the event of a higher bid by a Competing Bidder pursuant to the above-described procedures, the amount of the bid, the form of the contract and the winning bidder, and (ii) authorizing the Debtor to sell the Debtor's Assets to such winning bidder pursuant to the terms of the APA, provided that, in the event the winning bidder pursuant to the above-described bidding procedures is not PH Tech, as consideration for PH Tech's role as the stalking horse bidder, \$50,000 of the Initial Incremental Overbid Amount shall be paid to PH Tech (the "Break-up Fee").

(l) In the event the sale to the winning bidder fails to close, Debtor shall be authorized to sell to the next highest Competing Bidder.

Done and entered this 5th day of April 2011, at Denver, Colorado.

BY THE COURT:



Honorable Sidney B. Brooks
United States Bankruptcy Court Judge