

ASSET PURCHASE AGREEMENT

By and Among

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

(As Sellers)

AND

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

(As Purchasers)

Dated as of June 16, 2009

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

RECITALS

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

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

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

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

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

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

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

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

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

ARTICLE 1 DEFINITIONS

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

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

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

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

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

“Affiliate” means, with respect to any Person, any other Person that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person, and the term “control” (including the terms “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or use the direction of the management and policies of such Person, whether through ownership of voting securities, by contract or otherwise.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

“Documents” means, with respect to each Seller, all files, documents, instruments, papers, books, reports, records, tapes, microfilms, photographs, letters, budgets, forecasts, ledgers, journals, title policies, customer lists, regulatory filings, operating data and plans, technical documentation (design specifications, functional requirements, operating instructions, logic manuals, flow charts, etc.), user documentation (installation guides, user manuals, training materials, release notes, working papers, etc.), marketing documentation (sales brochures, flyers, pamphlets, Web pages, etc.), cost of pricing information, business plans, quality control records and procedures, blueprints, accounting and tax files, all files, customer files and documents (including credit information), personnel files for employees, supplier lists, records,

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(f) all FF&E;

(g) all Intellectual Property;

(h) all Assigned Contracts;

(i) all Documents;

(j) all Permits;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(f) When calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period shall be excluded. If the last day of such period is a non-Business Day, the period in question shall end on the next succeeding Business Day.

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

(h) The parties hereto have participated jointly in the negotiation and drafting of this Agreement and, in the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as jointly drafted by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provision of this Agreement.

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

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

ARTICLE 2

PURCHASE AND SALE OF THE ACQUIRED ASSETS

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

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

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

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

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

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

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

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

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

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

(c) [intentionally deleted];

(d) [intentionally deleted];

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

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

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

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

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

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

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

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

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

(c) [intentionally deleted]

(d) [intentionally deleted]

(e) those specific liabilities and obligations of Canadian Sellers identified on Schedule 2.5(e) hereto for which monetary estimates are included;

(f) all liabilities and other obligations accruing or arising with respect to the Canadian Transferred Employees or Canadian Unionized Business Employees after the Closing Date;

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

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

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

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

2.7 Assignment and Assumption of Contracts.

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

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

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

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

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

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

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

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

2.8 Cure Amounts

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

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

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

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

ARTICLE 3
CONSIDERATION

3.1 US Purchase Price.

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

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

(ii) the amount of the US Assumed Liabilities.

3.2 Canadian Purchase Price.

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

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

(ii) the amount of the Canadian Assumed Liabilities.

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

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

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

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

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

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

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

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

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

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

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

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

3.5 Allocation of Purchase Price.

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

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

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

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

3.6 Preparation of Estimated Closing Date Statements.

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

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

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

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

3.7 Preparation of Closing Date Statements

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

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

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

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

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

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

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

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

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

ARTICLE 4
REPRESENTATIONS AND WARRANTIES OF SELLERS

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

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

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

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

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

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

Seller is or will become a party constitutes, or will constitute, when executed and delivered, the valid and binding obligation of such Seller enforceable against such Seller in accordance with its respective terms, subject to general principles of equity, including principles of commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is sought in a proceeding at law or in equity).

4.3 Conflicts; Consents of Third Parties.

(a) Except as set forth on Schedule 4.3(a), the execution, delivery and performance by each Seller of this Agreement and each Ancillary Agreement, the consummation of the transaction contemplated hereby and thereby, or compliance by each Seller with any of the provisions hereof do not, or will not at the time of execution, result in the creation of any Lien or Encumbrance upon the Acquired Assets and do not, or will not at the time of execution, conflict with, or result in any violation of or default (with or without notice or lapse of time, or both) under, or give rise to a right of termination or cancellation under any provisions of:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

4.22 Financial Matters.

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

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

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

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

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

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

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

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

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

ARTICLE 5
REPRESENTATIONS AND WARRANTIES OF PURCHASERS

Purchasers represent and warrant to Sellers as follows:

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 6 COVENANTS AND OTHER AGREEMENTS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

6.3 Other Covenants of Sellers and Purchasers.

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

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

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

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

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

6.4 Employment Covenants and Other Undertakings.

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

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

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

Business Employees who are not Canadian Unionized Business Employees of Canadian Sellers shall be substantially comparable in the aggregate in terms limited to the current title, compensation, benefits, hours of work and location, and with duties that are similar to the duties now being performed by such Business Employees. With respect to any Canadian Transferred Employees in the Province of Quebec, the terms and conditions of employment shall also include the terms and conditions required under the Laws of the Province of Quebec.

(d) Purchasers Employee Benefit Plans. Purchasers reserve the right in their sole and absolute discretion subject only to applicable Law and any collective bargaining agreement, or as otherwise provided herein, to establish their own employee benefit plans or programs for Transferred Employees. Eligibility and participation in such employee benefit plans or programs will be subject to the terms and conditions of such plans or programs.

(e) Sellers Employee Benefit Plans. Subject to paragraph (f) below, Sellers shall retain all liabilities and obligations under any "employee benefit plan", including employee benefit plans within the meaning of Section 3(3) of ERISA and any other employee benefit plan or program maintained or contributed to by a Seller or any ERISA Affiliate, including any Employee Benefit Plans, and Purchasers shall have no liability or obligation whatsoever under the Employee Benefit Plans nor shall Purchasers assume the sponsorship of the Employee Benefit Plans. Notwithstanding the foregoing provisions of this Section 6.4(e), Sellers and/or their Affiliates shall provide continuation coverage under COBRA to all M&A Qualified Beneficiaries for so long as Sellers maintain a group health plan. Thereafter, Purchasers shall provide COBRA coverage only to the extent required by Law.

(f) MEPP. Canadian Purchaser and Canadian Sellers will take all necessary steps as soon as practicable following the Closing Date to ensure that, effective as of the Closing Date, Canadian Purchaser replaces Indalex Limited as a participating employer under any MEPP in which Indalex Limited participates in respect of Canadian Unionized Business Employees immediately prior to the Closing Date. Following the Closing Date, Canadian Purchaser shall, to the extent required by applicable Laws and the applicable collective bargaining agreements, assume the liabilities and obligations as a participating employer under any such MEPP.

(g) Other Obligations. Except as specified in this Agreement, or otherwise agreed in writing by Purchasers and/or their Affiliates, neither Purchasers nor their Affiliates shall be obligated to provide any severance, separation pay, or other payments or benefits, including any key employee retention payments, to any employee of Sellers on account of any termination of such employee's employment on or before the Closing Date, and such payments and benefits (if any) shall remain obligations of the Sellers to be dealt with in accordance with the Bankruptcy Cases or Canadian Cases, as applicable.

(h) Forms W-2 and W-4. US Sellers and US Purchaser shall adopt the "standard procedure" for preparing and filing IRS Forms W-2 (Wage and Tax Statements) and Forms W-4 (Employee's Withholding Allowance Certificate) regarding the US Transferred Employees. Under this procedure, US Sellers shall keep on file all IRS Forms W-4 provided by the US Transferred Employees for the period required by applicable law concerning record retention and US Purchaser will obtain new IRS Forms W-4 with respect to each US Transferred Employee.

6.5 Non-Assignment of Contracts or Permits. Notwithstanding anything contained herein to the contrary, this Agreement shall not constitute an agreement to assign any Assigned Contract or any Permit, to the extent that such Contract or Permit is not assignable under the Bankruptcy Code or applicable Canadian Law, without the consent of any other Person party thereto, where the consent of such Person has not been given or received, as applicable, or where assignment would constitute a breach of such Agreement or in any way negatively affect the rights of Purchasers (unless the restrictions on assignment would be rendered ineffective pursuant to Sections 9-406 through 9-409, inclusive, of the Uniform Commercial Code, as amended), as the assignee of such Assigned Contract or Permit, as the case may be, thereunder. If such consent or approval (not including any approval under the HSR Act or the Competition Act, if applicable) is required but not obtained and Purchasers have not exercised their rights to terminate this Agreement pursuant to Section 11.1(c)(x) of this Agreement, neither Sellers nor Purchasers shall be in breach of this Agreement nor shall the Purchase Price be adjusted or the Closing delayed. For the avoidance of doubt, nothing in this Section 6.5 shall be deemed to alter any rights of the Purchasers under Section 11.1(c)(x) of this Agreement.

6.6 Casualty. If, between the date of this Agreement and the Closing, any of the Acquired Assets shall be destroyed, damaged or rendered inoperable in whole or in part by fire, earthquake, flood, other casualty or any other cause ("Casualty"), then Purchasers shall either (i) if as the result of a material Casualty where the Purchaser cannot operate a Facility or the Business as a whole as currently operated in all material respects, notify the Sellers that such Casualty is material, in which case Purchaser shall have the right to terminate this Agreement pursuant to Section 11.1(c)(xii) of this Agreement, or (ii) acquire such Acquired Assets on an "as is" basis and take an assignment from Sellers of all insurance proceeds payable to Sellers in respect of the Casualty.

6.7 Name Change. Within twenty (20) Business Days of Closing, Sellers will deliver to Purchasers a duly and properly authorized and executed evidence (in form and substance satisfactory to Purchasers) as to (i) the amendment of such Sellers' organizational documents (collectively, the "Organizational Amendments") changing each Seller's name to another name which does not include any of the following words "Indalex," "Caradon," "Dalton" or "Indalloy" and (ii) the termination of all business name registrations in respect of such names. Upon delivery, each Seller hereby

irrevocably authorizes Purchasers to file the Organizational Amendments and such terminations with the applicable Secretary of State or ministry of each Seller's jurisdiction of formation and in each state or province in which each such Seller is qualified to do business on each such Seller's behalf. Furthermore, after the Closing, each Seller shall (and cause its Subsidiaries to) discontinue the use of its current name (and any other tradenames currently utilized by any of the Sellers) and shall not subsequently change its name to or otherwise use or employ any name which includes the words "Indalex," "Caradon," or "Dalton," without the prior written consent of Purchasers. From and after the Closing, each of the Sellers covenants and agrees not to use or otherwise employ any of the trade names, corporate names, dba's or similar Intellectual Property rights utilized by any of the Sellers in the conduct of the Business, which rights shall be included in the Acquired Assets purchased hereunder.

ARTICLE 7 TAXES

7.1 Taxes Related to Purchase of Acquired Assets. All sales, use, goods and services, value-added and similar transfer taxes in connection with the transfer of the Acquired Assets, and all recording and filing fees (collectively, "Transaction Taxes"), that are imposed by reason of the sale, transfer, assignment and delivery of the Acquired Assets shall be borne by Purchasers. Purchasers and Sellers shall cooperate to (a) determine the amount of Transaction Taxes payable in connection with the transactions contemplated under this Agreement, (b) provide all requisite exemption certificates, and (c) prepare and file any and all required Tax Returns for or with respect to such Transaction Taxes with any and all appropriate taxing authorities.

7.2 GST/QST Elections. If applicable, at the Closing, Indalex Limited and the Canadian Purchaser shall execute jointly an election under Section 167 of the *Excise Tax Act* (Canada) and its equivalent in Quebec pursuant to Section 75 of the *Act respecting the Quebec sales tax* to have the sale of the Canadian Acquired Assets take place on a goods and services tax-free basis under Part IX of the *Excise Tax Act* (Canada) and on a Quebec sales tax-free basis pursuant to the *Act respecting the Quebec sales tax*. The Canadian Purchaser shall file the elections in the manner and within the time prescribed by the relevant legislation. Notwithstanding anything to the contrary in this Agreement, the Canadian Purchaser shall indemnify and hold Indalex Limited harmless in respect of any goods and services tax, Quebec sales tax, penalties, interest and other amounts which may be assessed against Indalex Limited as a result of the transactions under this Agreement not being eligible for such elections or as a result of a Canadian Purchaser's failure to file the elections within the prescribed time.

ARTICLE 8 BANKRUPTCY COURT MATTERS

8.1 Motions.

(a) The US Sellers shall file with the Bankruptcy Court, within two (2) Business Days after the execution and delivery of this Agreement, a motion or motions: (i) seeking the Bankruptcy Court's approval of the Bidding Procedures Order and the Bankruptcy Sale Order, (ii) scheduling the commencement of the Auction on or before July 16, 2009; and (iii) scheduling the Sale Hearing not more than three (3) Business Day following the completion of the Auction. The US Sellers shall affix a true and complete copy of this Agreement to such motion(s).

(b) The Canadian Sellers shall file with the Canadian Court within two (2) Business Days after the execution and delivery of this Agreement, a motion or motions: (i) seeking entry by the Canadian Court of the Canadian Bidding Procedures Order and the Canadian Sale Order, and (ii) scheduling the commencement of the Auction on or before July 16, 2009; and (iii) scheduling the Canadian Sale Hearing not more than three (3) Business Days following the completion of the Auction. The Canadian Sellers shall affix a true and complete copy of this Agreement to such motion. Canadian Sellers shall consult and co-ordinate with Canadian Purchaser and their respective legal advisors, regarding the parties upon whom the motions seeking the Canadian Bidding Procedures Order and the Canadian Sale Order will be served.

8.2 US Assigned Contracts. US Sellers shall serve on all counterparties to those Contracts which may be designated as Assigned Contracts pursuant to Section 2.7 a notice specifically stating that US Sellers are or may be seeking the assumption and assignment of the US Assigned Contracts and shall notify such parties of the deadline for objecting to the Cure Amounts, which deadline shall not be less than five (5) Business Days prior to the Auction. In cases in which the US Sellers are unable to establish that a default exists, the relevant cure amount shall be set at \$0.00. The motion shall reflect US Purchaser's agreement to perform from and after the Closing under the US Assigned Contracts, which, subject to Bankruptcy Court approval shall be the only adequate assurance of future performance necessary to satisfy the requirements of Section 365 of the Bankruptcy Code in respect of the assignment to US Purchaser's of such US Assigned Contracts.

8.3 Procedure. Sellers agree to diligently prosecute the entry of the Bankruptcy Sale Order and the Canadian Sale Order, as applicable. In the event the entry of the Bankruptcy Sale Order and/or the Canadian Sale Order shall be appealed, Sellers and Purchasers shall use their respective reasonable efforts to defend such appeal. Notwithstanding the foregoing, any resulting material changes to this Agreement or any Ancillary Agreements or any resulting material changes to the Bankruptcy Sale Order or the Canadian Sale Order shall be subject to Purchasers' approval, acting reasonably.

ARTICLE 9 CONDITIONS PRECEDENT TO PERFORMANCE BY THE PARTIES

9.1 Conditions Precedent to Performance by Sellers. The obligation of Sellers to consummate the transactions contemplated by this Agreement is subject to the

fulfillment, at or before the Closing, of the following conditions, any one or more of which (other than the conditions contained in Section 9.1(c) and Section 9.1(d)) may be waived by Sellers, in their sole discretion:

(a) Representations and Warranties of Purchasers. The representations and warranties of Purchasers made in this Agreement that are qualified by a materiality standard, in each case, shall be true and correct, and the representations and warranties of Purchasers made in this Agreement that are not qualified by a materiality standard, in each case, shall be true and correct in all material respects.

(b) Performance of the Obligations of Purchasers. Purchasers shall have performed in all material respects all obligations required under this Agreement or any Ancillary Agreements to which it is party that are to be performed by it on or before the Closing Date (except with respect to (i) the obligation to pay the US Purchase Price and the Canadian Purchase Price, as applicable, in accordance with the terms of this Agreement, and (ii) any obligations qualified by materiality, which obligations shall be performed in all respects as required under this Agreement).

(c) Bankruptcy Court Approval. On or before July 20, 2009, the Bankruptcy Sale Order shall have been entered by the Bankruptcy Court and shall not be subject to a stay.

(d) Canadian Court Approval. On or before July 20, 2009, the Canadian Sale Order shall have been entered by the Canadian Court and shall not be subject to a stay.

(e) No Violation of Orders. No preliminary or permanent injunction or other order of any court or Governmental Authority or Law that prevents the consummation of the transactions contemplated hereby shall be in effect.

(f) Bidding Procedures Order. On or prior to July 2, 2009, the Bidding Procedures Order shall have been entered in the Bankruptcy Cases.

(g) Canadian Bidding Procedures Order. On or prior to July 2, 2009, the Canadian Bidding Procedures Order shall have been entered in the Canadian Cases.

(h) Competition Act Approval. (i) The Commissioner shall have issued an advance ruling certificate under Section 102(1) of the Competition Act to the effect that the Commissioner is satisfied that she would not have sufficient grounds upon which to apply to the Competition Tribunal for an order under Section 92 of the Competition Act in respect of the transactions contemplated hereby, or (ii) the applicable waiting period under Section 123 of the Competition Act shall have expired or been terminated early or shall have been waived under Section 113(c) of the Competition Act and neither the Purchasers nor the Sellers shall have been advised in writing by the Commissioner that she has determined to make an application for an order under Section

92 or Section 100 of the Competition Act in respect of the transactions contemplated hereby.

(i) HSR Approval. Any waiting period applicable to the consummation of the transactions contemplated hereby under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the regulations thereunder (the "HSR Act") shall have expired or been earlier terminated.

(j) Canadian Purchaser Assignment. SAPA Holdings AB shall have assigned its right and obligations under this Agreement as Canadian Purchaser to one or more of its Canadian Affiliates.

For avoidance of doubt, there shall be no conditions precedent to Sellers' obligation to consummate the transactions contemplated by this Agreement, except for those conditions precedent specifically set forth in this Section 9.1.

9.2 Conditions Precedent to the Performance by Purchasers. The obligations of Purchasers to consummate the transactions contemplated by this Agreement are subject to the fulfillment, at or before the Closing, of the following conditions, any one or more of which (other than the conditions contained in Section 9.2(c), Section 9.2(d)), may be waived by Purchasers, in their sole discretion:

(a) Representations and Warranties of Sellers. The representations and warranties of Sellers made in this Agreement that are qualified by a materiality standard, in each case, shall be true and correct, and the representations and warranties of Sellers made in this Agreement that are not qualified by a materiality standard, in each case, shall be true and correct in all material respects.

(b) Performance of the Obligations of Sellers. Sellers shall have performed in all material respects all obligations required under this Agreement or any Ancillary Agreements to which each of them is party that are to be performed by them on or before the Closing Date (except with respect to any obligations qualified by materiality, which obligations shall be performed in all respects as required under this Agreement).

(c) Bankruptcy Court Approval. On or prior to July 20, 2009, the Bankruptcy Sale Order shall have been entered by the Bankruptcy Court and shall not be subject to a stay and the Bankruptcy Court shall have provided such other relief as may be necessary or appropriate to allow the consummation of the transactions contemplated by this Agreement.

(d) Canadian Court Approval. On or prior to July 20, 2009, the Canadian Sale Order shall have been entered into by the Canadian Court and shall not be subject to a stay and the Canadian Court shall have provided such other relief as may be

necessary and appropriate to allow the consummation of the transactions contemplated by this Agreement.

(e) No Violation of Orders. No preliminary or permanent injunction or other order of any court or Governmental Authority or Law that prevents the consummation of the transactions contemplated hereby shall be in effect.

(f) Bidding Procedures Motion. On or prior to June 16, 2009, the Bidding Procedures Motion shall have been filed in the Bankruptcy Cases.

(g) Bidding Procedures Order. On or prior to July 2, 2009, the Bidding Procedures Order shall have been entered in the Bankruptcy Cases.

(h) Canadian Motion. On or prior to June 16, 2009, the Canadian Motion shall have been filed in the Canadian Cases.

(i) Canadian Bidding Procedures Order. On or prior to July 2, 2009, the Canadian Bidding Procedures Order shall have been entered in the Canadian Cases.

(j) Assumption, Sale and Assignment of Contracts. To the extent required, subject to Section 6.5, the Assignable Contracts designated hereunder as Assigned Contracts shall be so assumed, sold and assigned to Purchasers by order of the Bankruptcy Court or the Canadian Court, as applicable, provided that if the Purchasers have received assignments of all Assigned Contracts necessary to operate each Facility or the Business as a whole as currently operated in all material respects before August 1, 2009, this condition will be satisfied.

(k) HSR Approval. Any waiting period applicable to the consummation of the transactions contemplated hereby under the HSR Act shall have expired or been earlier terminated.

(l) Competition Act Approval. (i) The Commissioner shall have issued an advance ruling certificate under Section 102(1) of the Competition Act to the effect that the Commissioner is satisfied that she would not have sufficient grounds upon which to apply to the Competition Tribunal for an order under Section 92 of the Competition Act in respect of the transactions contemplated hereby, or (ii) the applicable waiting period under Section 123 of the Competition Act shall have expired or been terminated early or shall have been waived under Section 113(c) of the Competition Act and neither the Purchasers nor the Sellers shall have been advised in writing by the Commissioner that she has determined to make an application for an order under Section 92 or Section 100 of the Competition Act in respect of the transactions contemplated hereby.

(m) Permits. The Permits necessary or required for the operation of the Business or the Acquired Assets shall have been transferred to Purchasers or substitute,

amended or new Permits shall have been issued to Purchasers in form and substance reasonably acceptable to Purchasers unless waived by Purchasers as provided in Section 6.5 of this Agreement, provided that if the Purchasers have received transfers of all Permits necessary to operate each Facility or the Business as a whole as currently operated in all material respects before August 1, 2009, this condition will be satisfied.

(n) Access Agreement. US Sellers and US Purchaser shall enter into an access agreement pursuant to which US Purchaser shall have the right to have access to the office facility of the US Sellers located in Lincolnshire, Illinois for at least 90 days following the Closing Date (and US Sellers agree not to reject the lease agreement for the Lincolnshire, Illinois office location without the consent of the US Purchaser), to permit access to and an orderly transition and removal of the Documents, books and records and other personal property relating to the Business and the Acquired Assets from such location.

(o) Discharges. With respect to real property Encumbrances only, Canadian Sellers shall have obtained the discharges or releases from each of those Persons as requested by the Canadian Purchaser, acting reasonably, discharging and/or releasing any such Person's security interest(s) in the Canadian Acquired Assets which have not been effectively, in the opinion of the Canadian Purchaser, acting reasonably, discharged or vested out by the Canadian Sale Order, with such discharges or releases to be effective as of Closing.

For avoidance of doubt, there shall be no conditions precedent to Purchasers' obligation to consummate the transactions contemplated by this Agreement, except for those conditions precedent specifically set forth in this Section 9.2.

ARTICLE 10 CLOSING AND DELIVERIES

10.1 Closing. The consummation and effectuation of the transactions contemplated hereby pursuant to the terms and conditions of this Agreement (the "Closing") shall be held no later than two (2) Business Days after the date that all conditions to the parties' obligations to consummate the transactions contemplated herein have been satisfied (the "Closing Date") (except for closing conditions that by their terms can only be satisfied on the Closing Date) or, if applicable, waived by the appropriate party or parties, at 10:00 a.m., local time, in the offices of Young Conaway Stargatt & Taylor, LLP, The Brandywine Building, 1000 West Street, 17th Floor, Wilmington, DE 19801, or on such other date or at such other place and time as may be mutually agreed to in writing by the parties. All proceedings to be taken and all documents to be executed and delivered by all parties at the Closing shall be deemed to have been taken and executed simultaneously and no proceedings shall be deemed to have been taken nor documents executed or delivered until all have been taken, executed and delivered.

10.2 US Sellers' Deliveries. At the Closing,

(a) the sale, transfer, assignment, conveyance and delivery by US Sellers of the US Acquired Assets to US Purchaser shall be effected by the execution and delivery by US Sellers of (i) the US Bill of Sale, (ii) the US Assignment and Assumption Agreement, and (iii) such special or limited warranty deeds, additional bills of sale, endorsements, assignments and other instruments of transfer and conveyance reasonably satisfactory in form and substance to US Purchaser;

(b) the assumption of the US Assumed Liabilities by US Purchaser shall be effected by the execution and delivery by US Purchaser of the US Assignment and Assumption Agreement;

(c) US Sellers shall have executed and delivered to US Purchaser, to the extent reasonably required by US Purchaser, any Ancillary Agreements;

(d) each US Seller shall deliver a non-foreign affidavit dated as of the Closing Date in form and substance required under Treasury Regulations issued pursuant to Section 1445 of the Code so that US Purchaser is exempt from withholding any portion of the US Purchase Price;

(e) US Sellers shall deliver possession of the US Acquired Assets (including all keys to the Facilities which form part of the US Acquired Assets, combinations to any safes thereon and passwords for all computers thereon and any security devices therein) on an "as is, where is" basis (except as otherwise set out in the Agreement), provided that delivery shall occur in situ wherever such US Acquired Assets are located on the Closing Date;

(f) US Sellers shall deliver a certified copy of the Bankruptcy Sale Order; and

(g) US Sellers shall deliver consents or approvals for the assignment or transfer of Permits or Assigned Contracts as provided in Section 6.5 of this Agreement.

10.3 Canadian Sellers' Deliveries. At the Closing,

(a) the sale, transfer, assignment, conveyance and delivery by Canadian Sellers of the Canadian Acquired Assets to Canadian Purchaser shall be effected by the issued and entered Canadian Sale Order (to be delivered at Closing by the Canadian Sellers) and by the execution and delivery by Canadian Sellers of (i) the Canadian Bill of Sale, (ii) the Canadian Assignment and Assumption Agreement, (iii) to the extent that a Canadian Seller is the registered owner of a Canadian Acquired Asset but that same Canadian Seller is not the beneficial owner of that Canadian Acquired Asset, an authorization and direction from the beneficial owner of that Canadian Acquired Asset wherein the beneficial owner: (A) authorizes and empowers the relevant Canadian Seller to execute this Agreement and all other documents in connection with

the transactions contemplated herein, and (B) transfers and conveys to the Canadian Purchaser of that Canadian Acquired Asset all of its beneficial ownership in and to that Canadian Acquired Assets, and (iv) such special or limited warranty deeds, additional bills of sale, endorsements, assignments and other instruments of transfer and conveyance reasonably satisfactory in form and substance to Canadian Purchaser;

(b) the assumption of the Canadian Assumed Liabilities by Canadian Purchaser shall be effected by the execution and delivery by Canadian Purchaser of the Canadian Assignment and Assumption Agreement;

(c) Canadian Sellers shall have executed and delivered to Canadian Purchaser, to the extent reasonably required by Canadian Purchaser, any Ancillary Agreements;

(d) Indalex Limited shall make the elections referred to in Section 7.2;

(e) Canadian Sellers shall deliver possession of the Canadian Acquired Assets (including all keys to the Facilities which form part of the Canadian Acquired Assets, combinations to any safes thereon and passwords for all computers thereon and any security devices therein) on an "as is, where is" basis (except as set out in this Agreement), provided that delivery shall occur in situ wherever such Canadian Acquired Assets are located on the Closing Date; and

(f) Canadian Sellers shall deliver certified copies of the Canadian Sale Order and Monitor's Certificate.

(g) Canadian Sellers shall deliver consents or approvals for the assignment or transfer of Permits or Assigned Contracts as provided in Section 6.5 of this Agreement.

10.4 US Purchaser's Deliveries. At the Closing,

(a) US Purchaser shall make the payments referred to in Sections 3.3 (b) and (c);

(b) US Purchaser shall execute and deliver to US Sellers the US Assignment and Assumption Agreement; and

(c) US Purchaser shall execute and deliver to US Sellers such other instruments of assignment and assumption of US Assigned Contracts reasonably satisfactory in form and substance to US Sellers.

10.5 Canadian Purchaser's Deliveries. At the Closing,

- (a) Canadian Purchaser shall make the payments referred to in Sections 3.4 (b) and (c);
- (b) Canadian Purchaser shall execute and deliver to Canadian Sellers the Canadian Assignment and Assumption Agreement;
- (c) Canadian Purchaser shall make the election referred to in Section 7.2; and
- (d) Canadian Purchaser shall execute and deliver to Canadian Sellers such other instruments of assignment and assumption of Canadian Assigned Contracts reasonably satisfactory in form and substance to Canadian Sellers.

ARTICLE 11 **TERMINATION**

11.1 Conditions of Termination. This Agreement may be terminated only in accordance with this Section 11.1. This Agreement may be terminated at any time before the Closing as follows:

- (a) by mutual written consent of Sellers and Purchasers;
- (b) automatically and without any action or notice by either the Sellers to Purchasers, or Purchasers to Sellers, immediately upon:
 - (i) the issuance of a final and nonappealable order, decree, or ruling or any other action by a Governmental Authority to restrain, enjoin or otherwise prohibit the transfer of the Acquired Assets contemplated hereby; or
 - (ii) consummation of an Alternate Transaction.
- (c) by Purchasers:
 - (i) if the Bidding Procedures Order shall not have been entered by July 2, 2009, unless agreed to in writing by Purchasers;
 - (ii) if the Canadian Bidding Procedures Order shall not have been entered by July 2, 2009, unless agreed in writing by the Purchasers;
 - (iii) if the Auction has not concluded by July 16, 2009, unless agreed to in writing by Purchasers;
 - (iv) if the Bankruptcy Court has not entered the Bankruptcy Sale Order by July 20, 2009 (or such later date as Purchasers may have designated in writing to Sellers);

(v) if the Canadian Court has not entered the Canadian Sale Order by July 20, 2009 (or such later date as Purchasers may have designated in writing to Sellers);

(vi) if there has been a violation or breach by any Seller of any representation, warranty or covenant contained in this Agreement which (1) has rendered the satisfaction of any condition to the obligations of Purchasers impossible or is not curable or, if curable, has not been cured on or before August 1, 2009 following receipt by Sellers of written notice of such breach from Purchasers, and (2) has not been waived by Purchasers;

(vii) at any time after August 1, 2009, if the Closing shall not have occurred and such failure to close is not caused by or the result of Purchasers' breach of this Agreement;

(viii) if, prior to the Closing Date, US Sellers' Bankruptcy Case shall be converted into a case under Chapter 7 of the Bankruptcy Code or dismissed, or if a trustee or examiner with expanded powers is appointed in the Bankruptcy Case;

(ix) if, prior to the Closing Date, a receiver, receiver and manager, interim receiver, custodian, trustee in bankruptcy or similar official shall be appointed with respect to any Canadian Seller or its respective property and assets;

(x) if there shall be excluded from the Acquired Assets any material Assigned Contract or material Permit that is not assignable or transferable pursuant to the Bankruptcy Code or applicable Canadian Law without the consent of any Person other than Sellers, to the extent that such consent or approval shall not have been given prior to the Closing, and such Assigned Contract or Permit is required for the Purchasers to operate a Facility or the Business as a whole, as currently operated in all material respects, subject to Purchasers having complied with its covenant pursuant to Section 6.2(e).

(xi) there shall occur a Material Adverse Effect from and after the date of the Reference Financial Statements; or

(xii) a Casualty shall occur as provided in Section 6.6(i) of this Agreement.

(d) by Sellers,

(i) if there has been a material violation or breach by Purchasers of any agreement or any representation or warranty contained in this Agreement which (x) has rendered the satisfaction of any condition to the obligations of Sellers impossible or is not curable or, if curable, has not been cured on or before August

1, 2009 following receipt by Purchasers of written notice of such breach from Sellers, and (y) has not been waived by Sellers; or

(ii) at any time after August 1, 2009, if the Closing shall not have occurred and such failure to close is not caused by or the result of Sellers' breach of this Agreement;

11.2 Effect of Termination. In the event of termination pursuant to Section 11.1, this Agreement shall become null and void and have no effect and neither party shall have any liability to the other (other than those provisions of Section 3.3(a), Section 3.4(a), Section 6.6, Article 11 and Article 12 that expressly survive termination or obligations to be performed on or after the Closing) and each party shall be liable to the other after the Closing for any prior breach hereof). If the Agreement is terminated by the Sellers as a result of a breach of Section 11.1(d) by Purchasers, the Purchasers shall forfeit the US Deposit and the Canadian Deposit.

11.3 Break Fee. In the event that this Agreement is terminated pursuant to Section 11.1(b)(ii), the Break Fee shall be payable from the proceeds received upon consummation of such Alternate Transaction, as follows:

(a) each US Seller shall pay to US Purchaser its pro-rata share of the Break Fee payable by US Sellers based upon US Purchaser's pro-rata share of Purchase Price payable hereunder.

(b) each Canadian Seller shall pay to Canadian Purchaser its pro-rata share of the Break Fee payable by Canadian Sellers based upon Canadian Purchaser's pro-rata share of Purchase Price payable hereunder.

(c) Any obligation to pay the Break Fee hereunder shall be absolute and unconditional and shall not be subject to any defense, claim, counterclaim, offset, recoupment or reduction of any kind whatsoever.

(d) This Section 11.3 and the rights and obligations created hereunder shall survive termination of this Agreement.

ARTICLE 12 MISCELLANEOUS

12.1 Survival. No representations, warranties, covenants and agreements of Sellers and Purchasers made in this Agreement shall survive the Closing Date except where, and only to the extent that, the terms of any such covenant or agreement expressly provide for rights, duties or obligations extending after the Closing, including Purchasers' assumption of the Assumed Liabilities or as otherwise expressly provided in this Agreement.

12.2 Further Assurances. At the request and the sole expense of the requesting party, Purchasers or Sellers, as applicable, shall execute and deliver, or cause to be executed and delivered, such other documents as Purchasers or Sellers, as applicable, or their respective counsel may reasonably request to effectuate the purposes of this Agreement and the Ancillary Agreements.

12.3 Successors and Assigns.

(a) Each Purchaser shall have the right to assign to an Affiliate any of their rights or obligations in whole or in part (including the right to acquire any of the Acquired Assets). In the event of any assignment pursuant to this Section 12.3(a), such Purchaser shall not be relieved of any liability or obligation hereunder.

(b) Each Purchaser shall have the right to assign this Agreement or any of their rights or obligations hereunder as collateral to any lender of such Purchaser; provided, however, that no such assignment shall relieve such Purchaser of their obligations to Sellers hereunder.

(c) Sellers shall not assign this Agreement or any of their rights or obligations hereunder and any such assignment shall be void and of no effect. This Agreement shall inure to the benefit of and shall be binding upon the successors and permitted assigns of the parties hereto, including any trustee appointed, with respect to US Sellers, in any of the Bankruptcy Cases or subsequent chapter 7 cases, or any trustee in bankruptcy, receiver, receiver and manager, interim receiver, custodian or similar official appointed with respect to Canadian Sellers or its property.

12.4 Governing Law; Jurisdiction. This Agreement shall be construed, performed and enforced in accordance with, and governed by, the Laws of the state of Delaware (without giving effect to the principles of conflicts of laws thereof), except to the extent that the Laws of such state are superseded by the Bankruptcy Code, the CCAA, or other applicable Law. For so long as US Sellers are subject to the jurisdiction of the Bankruptcy Court, the parties irrevocably elect, as the sole judicial forum for the adjudication of any matters arising under or in connection with the Agreement, and consent to the exclusive jurisdiction of, the Bankruptcy Court. After US Sellers are no longer subject to the jurisdiction of the Bankruptcy Court, the parties irrevocably elect, as the sole judicial forum for the adjudication of any matters arising under or in connection with this Agreement, and consent to the jurisdiction of, any state or federal court having competent jurisdiction in Delaware, provided that the Canadian Court shall have jurisdiction over the Canadian Acquired Assets and the Canadian Assumed Liabilities.

12.5 Expenses. Except as otherwise provided in this Agreement, each of the parties shall pay their own expenses in connection with this Agreement and the transactions contemplated hereby, including any legal and accounting fees and commissions or finder's fees, whether or not the transactions contemplated hereby are consummated. Notwithstanding any other provision of this Agreement, Purchasers shall

pay the cost of all surveys, title insurance policies and title reports ordered by Purchasers and any filing fees required to be made under the Competition Act.

12.6 Severability. In the event that any part of this Agreement is declared by any Governmental Authority having jurisdiction to be null, void or unenforceable, a suitable and equitable provision shall be substituted therefor in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision, said provision shall survive to the extent it is not so declared, and all of the other provisions of this Agreement shall remain in full force and effect only if, after excluding the portion deemed to be unenforceable and the application of any provision so substituted, the remaining terms shall provide for the consummation of the transactions contemplated hereby in substantially the same manner as originally set forth at the later of (a) the Execution Date, and (b) the date this Agreement was last amended.

12.7 Notices.

(a) All notices, requests, demands, consents and other communications under this Agreement shall be in writing and shall be sent via overnight courier, e-mail (including by way of PDF format) or facsimile. If the notice is received on a Business Day before 5:00 PM local time the notice will be deemed to have been received at such time. If the notice is received other than a Business Day or after 5:00 PM local time, the notice will be deemed to have been received the following Business Day. Notices shall be sent to the following addresses, as applicable:

If to Sellers:

c/o Indalex
75 Tri-State International
Suite 450
Lincolnshire, IL 60069
Attention: Timothy Stubbs
Facsimile: 866-312-0608
E-mail: Tim_Stubbs@Indalex.com

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

Young Conaway Stargatt & Taylor, LLP
The Brandywine Building
1000 West Street, 17th Floor
Wilmington, DE 19801
Attention: Michael R. Nestor, Esq.
Facsimile: (302) 576-3321
E-mail: mnestor@ycst.com

– and to –

Blake, Cassels & Graydon LLP
Commerce Court West
199 Bay Street Toronto, Ontario M5L 1A9
Attention: Linc Rogers
Facsimile: (416) 863-2653
E-mail: linc.rogers@blakes.com

If to Purchasers:

SAPA Holding AB
c/o Sapa Extrusions, Inc.
North American Headquarters
P.O. Box 535271
Pittsburgh, PA 15253
Attention: Svein Tore Holsether,
Marius Gronningsaeter and Peter Vandervelde
Facsimile: (412) 299-2157
E-mail: Svein-Tore.Holsether@sapagroup.com
Marius.Gronningsaeter@sapagroup.com
Peter.Vandervelde@sapagroup.com

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

Buchanan Ingersoll & Rooney, PC
20th Floor, One Oxford Centre
Pittsburgh, PA 15219
Attention: Craig S. Heryford, Esquire
Facsimile: (412) 562-1041
E-Mail: Craig.Heryford@bipc.com

(b) Any party may change its address or facsimile number for the purpose of this Section 12.7 by giving the other parties written notice of its new address in the manner set forth above.

12.8 Amendments: Waivers. This Agreement may be amended or modified, and any of the terms, covenants, representations, warranties or conditions hereof may be waived, only by a written instrument executed by Purchasers and Sellers, or in the case of a waiver, by the party waiving compliance. Any waiver by any party of any condition, or of the breach of any provision, term, covenant, representation or warranty contained in this Agreement, in any one or more instances, shall not be deemed to be or construed as a furthering or continuing waiver of any such condition, or of the breach of any other provision, term, covenant, representation or warranty of this Agreement.

12.9 Entire Agreement. This Agreement and the Ancillary Agreements contain the entire understanding between the parties with respect to the transactions contemplated

hereby and supersede and replace all prior and contemporaneous agreements and understandings, oral or written, with regard to such transactions. All Exhibits and Schedules hereto and any documents and instruments delivered pursuant to any provision hereof are expressly made a part of this Agreement as fully as though completely set forth herein.

12.10 Seller Disclosures. After notice to and consultation with Purchasers, Sellers shall be entitled to disclose, if required by applicable Law or by order of the Bankruptcy Court, or the Canadian Court, this Agreement and all information provided by Purchasers in connection herewith to the Bankruptcy Court, the Canadian Court, the United States Trustee, the Monitor, parties in interest in the Sellers' Bankruptcy Cases or the Canadian Cases and other Persons bidding on assets of Sellers. Other than statements made in the Bankruptcy Court or Canadian Court (or in pleadings filed therein), Sellers shall not issue (prior to, on or after the Closing) any press release or make any public statement or public communication with respect to the Agreement or transactions contemplated thereby without the prior written consent of Purchasers, which shall not be unreasonably withheld or delayed; provided, however, that Sellers, without the prior consent of Purchasers, may issue such press release or make such public statement as may, upon the advice of counsel, be required by applicable Law, any Governmental Authority with competent jurisdiction or any listing agreement with any national securities exchange.

12.11 Monitor. The parties hereto acknowledge and agree that the Monitor shall be entitled to file the Monitor's Certificate with the Canadian Court without independent investigation upon receiving confirmation from the Canadian Sellers that all conditions of Closing in favour of the Canadian Sellers have been satisfied by the Canadian Purchaser or waived by the Canadian Sellers, and the Monitor shall have no liability to the Sellers or the Purchasers or any other Person as a result of filing the Monitor's Certificate upon receiving such confirmation.

12.12 Headings. The article and section headings in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

12.13 Counterparts. This Agreement may be executed in any number of counterparts and by the undersigned in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same instrument. Delivery of an executed signature page to this Agreement by any of the undersigned by facsimile or "pdf" e-mail transmission shall be as effective as delivery of a manually executed copy of this Agreement by such undersigned.

12.14 No Third Party Beneficiaries. Nothing in this Agreement shall be construed to create any rights for any Persons not party to this Agreement, as third party beneficiaries or otherwise.

12.15 Waiver of Jury Trial. EACH PARTY HEREBY AGREES TO WAIVE ITS RESPECTIVE RIGHTS TO A TRIAL BY JURY OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS, ANTITRUST CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON-LAW OR STATUTORY CLAIMS. EACH PARTY HERETO ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO THIS AGREEMENT, AND THAT EACH WILL CONTINUE TO RELY ON THIS WAIVER IN THEIR RELATED FUTURE DEALINGS. EACH PARTY HERETO FURTHER WARRANTS AND REPRESENTS THAT IT HAS REVIEWED THIS WAIVER WITH LEGAL COUNSEL OF ITS OWN CHOOSING, OR HAS HAD AN OPPORTUNITY TO DO SO, AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS, HAVING HAD THE OPPORTUNITY TO CONSULT WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING, AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS, OR MODIFICATIONS TO THIS AGREEMENT. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT WITHOUT A JURY.

12.16 General Release. Effective upon the Closing, each Seller, on behalf of itself and its estate, acknowledges that it has no claim, counterclaim, setoff, recoupment, action or cause of action of any kind or nature whatsoever (including, for the avoidance of doubt, actions for avoidance, subordination or recharacterization of any of Purchasers' pre-Petition Date Claims, Encumbrances, and Liens against US Sellers) against Purchasers and any of their Related Persons, that directly or indirectly arise out of, are based upon, or in any manner are connected with (i) the pre-Petition Date agreements to which Purchasers (or their Affiliates) and any of the US Sellers were parties and all transactions referred to in such agreements, (ii) the pre-Filing Date agreements to which Purchasers (or their Affiliates) and any of the Canadian Sellers were parties and all transactions referred to in such agreements, or (iii) the acquisition by Purchasers of Claims and Liens in and against the Sellers (jointly, the "Released Claims"). Should any Released Claims nonetheless exist, each Seller, on behalf of itself and its estate, hereby (i) releases and discharges each of the Purchasers and their Related Persons from any liability whatsoever on such Released Claims and (ii) releases, waives and discharges all such Released Claims against any of the Purchasers and their Related Persons.

[Signatures on following page(s)]

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

PURCHASERS:

SAPA HOLDING AB, in its capacity as US Purchaser and for and on behalf of one or more Canadian Purchasers to be named.

By: *Sabin Tveit*

Name:

Title: CFO


By: *Manu Jagan*

Name:


Title: SUP Corporate Business

SELLERS


INDALEX HOLDINGS FINANCE, INC.

By: 
Name: TIMOTHY SPOTTS
Title: PRESIDENT / CEO


INDALEX HOLDING CORP.

By: 
Name: TIMOTHY SPOTTS
Title: PRESIDENT / CEO

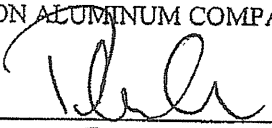
INDALEX LIMITED

By: 
Name: TIMOTHY SPOTTS
Title: PRESIDENT / CEO

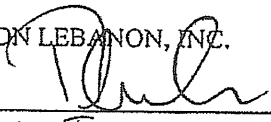
INDALEX INC.

By: 
Name: TIMOTHY SPOTTS
Title: PRESIDENT / CEO


DOLTON ALUMINUM COMPANY,
INC.

By: 
Name: TIMOTHY SPOTTS
Title: PRESIDENT / CEO


CARADON LEBANON, INC.

By: 
Name: TIMOTHY SPOTTS
Title: PRESIDENT / CEO

INDALEX HOLDINGS (B.C.) LTD.

By: 
Name: TIMOTHY SUSS
Title: PRESIDENT / CEO

6326765 CANADA INC.

By: 
Name: TIMOTHY SUSS
Title: PRESIDENT / CEO

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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

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

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

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

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

IT IS HEREBY FOUND AND DETERMINED THAT:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

validity, and priority as they had with respect to the US Acquired Assets prior to Closing.

Nothing contained in this Order shall relieve Purchaser or Debtors of obligations to pay transfer taxes, if any, pursuant to applicable law (“Transfer Tax”).

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

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

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

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

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

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

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

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

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

General Provisions

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

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

Approval of Asset Purchase Agreement

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Assumption and Assignment to Purchaser of Assumed Contracts

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

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

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

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

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

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

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

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

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

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

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

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

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

Post-Closing Accounts Receivable

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

Miscellaneous

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

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

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

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

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

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

35. This Order is and shall be binding upon and govern the acts of all entities including, without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies,

governmental departments, secretaries of state, federal, state, and local officials, and all other Persons and entities who may be required by operation of law, the duties of their office, or contract, to accept, file, register or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to any of the Assets and Real Property;

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

37. If any Person or entity that has filed financing statements or other documents or agreements evidencing liens on or interests in the US Acquired Assets shall not have delivered to the Debtors prior to the Closing, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfaction, releases of all liens or other interests which the Person or entity has with respect to the US Acquired Assets, the Debtors are hereby authorized and directed to execute and file such statements, instruments, releases and other documents on behalf of the person or entity with respect to the US Acquired Assets immediately prior to the Closing;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Dated: Wilmington, Delaware
July ____, 2009

The Honorable Peter J. Walsh
United States Bankruptcy Judge

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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

Debtors

Chapter 11

Case No. 09-10982 (PJW)

(Jointly Administered)

Ref. Docket No.: ____

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

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

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

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

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

FOUND, CONCLUDED AND DECLARED THAT:³

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

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

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

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

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

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

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

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

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

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

ORDERED, ADJUDGED AND DECREED THAT:

1. Pursuant to sections 105(a), 363, 365, 503, and 507 of the Bankruptcy Code, the relief requested in the Motion is granted on the terms and conditions of this Order.
2. The Bidding Procedures, including the proposed Break Fee payable to the Stalking Horse Bidder, attached to the Motion, are hereby approved and fully incorporated into this Order, and shall apply with respect to the proposed sale of the Assets. The Debtors are authorized to take any and all actions necessary to implement the Bidding Procedures.
3. Payment of the Break Fee under the conditions set forth in the APA and the Bidding Procedures is approved and directed upon the conditions set forth herein, and the Stalking Horse Bidder shall be entitled to the payment of such amounts to the extent set forth therein. If the APA is terminated for any reason by the Debtors (assuming that the Stalking Horse Bidder is ready, willing and able to perform under the APA), and if payment of the Break Fee is triggered under the terms of the APA and the Bidding Procedures, each of the Debtors is

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

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

5. All objections to the relief requested in the Motion that have not been withdrawn, waived, or settled, as announced to the Court at the hearing on the Motion or by stipulation filed with the Court, are hereby overruled.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

with the provisions of this Order.

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

18. Good Faith Deposits of the Successful Bidder shall be applied to the purchase price of such transaction at Closing. Good Faith Deposits of all other Qualified Bidders shall be held in an interest-bearing escrow account until two (2) days after Closing of the transactions contemplated by the Successful Bid, and thereafter returned to the respective bidders. If a Successful Bidder fails to consummate an approved sale because of a breach or failure to perform on the part of such Successful Bidder, the Debtors shall be entitled to retain the Good Faith Deposit as part of their damages resulting from the breach or failure to perform by the Successful Bidder.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Dated: July ___, 2009
Wilmington, Delaware

Peter J. Walsh
United States Bankruptcy Judge

EXHIBIT B

Bidding Procedures

CANADIAN ASSIGNMENT AND ASSUMPTION AGREEMENT

This CANADIAN ASSIGNMENT AND ASSUMPTION AGREEMENT (this "Agreement") is executed as of _____, 2009, by and among INDALEX LIMITED, INDALEX HOLDINGS (B.C.) LTD. and 6326765 CANADA INC. (collectively, the "Canadian Sellers"), and _____ (the "Canadian Purchaser").

WHEREAS, on the terms and subject to the conditions of that certain Asset Purchase Agreement, dated as of _____, 2009, by and among Indalex Holdings Finance, Inc., Indalex Holding Corp., Indalex Inc., Caradon Lebanon, Inc., Dolton Aluminum Company, Inc., the US Purchaser, the Canadian Purchaser and the Canadian Sellers (as modified, amended or supplemented, the "Asset Purchase Agreement"), the Canadian Sellers agreed to, at the Closing, sell, convey, transfer, assign and deliver to the Canadian Purchaser the Canadian Acquired Assets, free and clear of all Liens and Encumbrances, other than Permitted Exceptions and Permitted Liens; and

WHEREAS, the Asset Purchase Agreement requires the Canadian Sellers and the Canadian Purchaser to execute and deliver this Agreement for the purpose of evidencing the assignment to, and assumption by, the Canadian Purchaser of all of the Canadian Assumed Liabilities, including the rights and obligations under the Canadian Assigned Contracts, as more particularly set out in the Asset Purchase Agreement.

NOW, THEREFORE, for the consideration set forth in the Asset Purchase Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

Section 1. Defined Terms. All initially capitalized terms used but not defined herein have the meaning given them in the Asset Purchase Agreement.

Section 2. Assignment of Assigned Contracts. On the terms and subject to the conditions set forth in the Asset Purchase Agreement, the Canadian Sellers hereby sell, convey, transfer, assign and deliver to the Canadian Purchaser, and its successors and assigns, all right, title and interest of the Canadian Sellers in and to the Canadian Assigned Contracts.

Section 3. Assumption of Assumed Liabilities. On the terms and subject to the conditions set forth in the Asset Purchase Agreement, the Canadian Purchaser hereby assumes and agrees to pay, be liable for, perform, observe, discharge and fully satisfy, when due, the Canadian Assumed Liabilities, including the Canadian Assumed Liabilities under the Canadian Assigned Contracts.

Section 4. Paramountcy. This Agreement is delivered pursuant to, and is subject to all of the terms and conditions contained in, the Asset Purchase Agreement. In the event of any inconsistency between the provisions of this Agreement and the provisions of the Asset Purchase Agreement, the provisions of the Asset Purchase Agreement shall prevail.

Section 5. Binding on Successors; No Third Party Beneficiaries. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors in

interest and permitted assigns. This Agreement is not intended to confer any rights or remedies upon any Person other than the parties hereto.

Section 6. Counterparts. This Agreement may be executed in any number of counterparts and by the undersigned in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same instrument. Delivery of an executed signature page to this Agreement by any of the undersigned by facsimile or "pdf" e-mail transmission shall be as effective as delivery of a manually executed copy of this Agreement by such undersigned.

Section 7. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the province of Ontario and the laws of Canada applicable in such province and shall be treated in all respects as an Ontario contract.

{Signature page follows}

EXECUTION VERSION

IN WITNESS WHEREOF, the undersigned hereby execute this Agreement the day and year first above written.

INDALEX LIMITED

By: _____
Name:
Title:

INDALEX HOLDINGS (B.C.) LTD.,

By: _____
Name:
Title:

6326765 CANADA INC.

By: _____
Name:
Title:

[CANADIAN PURCHASER]

By: _____
Name:
Title:

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.) THURSDAY, THE
)
JUSTICE MORAWETZ) 2nd DAY OF JULY, 2009

IN THE MATTER OF THE *COMPANIES' CREDITORS*
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF INDALEX LIMITED, INDALEX
HOLDINGS (B.C.) LTD., 6326765 CANADA INC. and
NOVAR INC.

BIDDING PROCEDURES ORDER

THIS MOTION, made by Indalex Limited, Indalex Holdings (B.C.) Ltd.,
6326765 Canada Inc. and Novar Inc. (the "Applicants") for an Order:

- a) approving the bidding procedures attached hereto as Schedule "A" (the "Bidding Procedures") to be used in conjunction with the proposed conduct of a Court supervised Stalking Horse Process (as defined herein) for the sale of the assets of Indalex Holdings Finance, Inc., Indalex Holding Corp., Indalex Inc., Caradon Lebanon, Inc., Dolton Aluminum Company, Inc. (the "U.S. Debtors") and the Applicants (except Novar Inc.) (collectively, the "Canadian Debtors" and, together with the US Debtors, the "Debtors");
- b) deeming the Asset Purchase Agreement dated as of June 16, 2009 by and among Sapa Holding AB (the "Stalking Horse Bidder") and the Debtors (the "APA"), attached to the affidavit of Timothy R.J. Stubbs sworn [INSERT DATE] (the "Stubbs Affidavit"), to be a Qualified Bid (as defined in the Bidding Procedures) and accepted for the purposes of conducting the Stalking Horse Process; and

- c) approving and authorizing the payment of the Break Fee (as such term as defined in the APA) in the manner provided for in the APA, in conjunction with the Stalking Horse Process;

was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the material filed, including the Notice of Motion, the Stubbs Affidavit, and the Sixth Report (the "Sixth Report") of FTI Consulting Canada ULC (the "Monitor"), and on hearing the submissions of counsel for the Applicants, counsel for the Monitor, counsel for the Stalking Horse Bidder and counsel for the JPMorgan Chase Bank, N.A., and on being advised that the Applicants' Service List was served with the Motion Record herein;

1. **THIS COURT ORDERS** that all capitalized terms used herein and not otherwise defined shall have the meaning given to them in the APA or the Bidding Procedures.
2. **THIS COURT ORDERS** that the Bidding Procedures are hereby approved and, subject to approval of the Bidding Procedures in substantially the same form by the United States Bankruptcy Court for the District of Delaware in the Bankruptcy Cases of the U.S. Debtors, the Applicants shall be authorized to solicit Bids for the Canadian Acquired Assets and conduct the Auction as contemplated therein (the "Stalking Horse Process").
3. **THIS COURT ORDERS** that the APA is hereby deemed to be a Qualified Bid and accepted for the purposes of conducting the Stalking Horse Process.
4. **THIS COURT ORDERS** that the provisions of the APA providing for payment of the Break Fee are hereby authorized and approved and the Applicants are hereby authorized and directed to pay, in accordance with section 11.3(b) of the APA, their *pro rata* share of the Break Fee to the Stalking Horse Bidder in the event that the APA is terminated in accordance with section 11.1(b)(ii) thereof. The Applicants' *pro rata* share of the Break Fee will be paid by the Applicants to the Stalking Horse Bidder from the proceeds of an Alternate Transaction as provided for in the APA.
5. **THIS COURT ORDERS** that nothing herein approves the sale of the Canadian Acquired Assets on the terms set out in the APA and that the validity of any sale of the Canadian Acquired Assets will be determined on a subsequent motion made to this Court.

6. **THIS COURT ORDERS** that in connection with the Stalking Horse Process and pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, and pursuant to section 18 of the *Act Respecting the Protection of Personal Information in the Private Sector*, R.S.Q. c P-39.1, the Applicants may disclose personal information of identifiable individuals to Potential Bidders for the assets of the Canadian Debtors and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the assets of the Canadian Debtor (each, a “Sale”). Each Potential Bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Applicants, or in the alternative destroy all such information.

7. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada and the United States or elsewhere, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

8. **THIS COURT ORDERS** that each of the Applicants and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

SCHEDULE "A"
(Bidding Procedures)

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c.C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
INDALEX LIMITED, INDALEX HOLDINGS (B.C.) LTD., 6326765 CANADA INC. and
NOVAR INC.

Court File No: CV-09-8122-00CL

ONTARIO

**SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

BIDDING PROCEDURES ORDER

BLAKE, CASSELS & GRAYDON LLP
Barristers & Solicitors
Box 25, Commerce Court West
199 Bay Street, Suite 2800
Toronto, Ontario M5L 1A9

Line Rogers LSUC No.: 43562N
Tel: (416) 863-4168

Katherine McEachern LSUC No.: 38345M
Tel: (416) 863-2566

Jackie Moher LSUC#: 53166V
Tel: (416) 863-3174
Fax: (416) 863-2653

Lawyers for the Applicants

CANADIAN BILL OF SALE

This CANADIAN BILL OF SALE (this "Canadian Bill of Sale"), is executed and delivered as of _____, 2009, by and among INDALEX LIMITED, INDALEX HOLDINGS (B.C.) LTD. and 6326765 CANADA INC. (collectively, the "Canadian Sellers"), and _____ (the "Canadian Purchaser").

WHEREAS, on the terms and subject to the conditions of that certain Asset Purchase Agreement, dated as of _____, 2009, by and among Indalex Holdings Finance, Inc., Indalex Holding Corp., Indalex Inc., Caradon Lebanon, Inc., Dolton Aluminum Company, Inc., the US Purchaser, the Canadian Purchaser and the Canadian Sellers (as modified, amended or supplemented, the "Asset Purchase Agreement"), the Canadian Sellers agreed to, at the Closing, sell, convey, transfer, assign and deliver to the Canadian Purchaser the Canadian Acquired Assets, free and clear of all Liens and Encumbrances, other than Permitted Exceptions and Permitted Liens.

NOW, THEREFORE, for the consideration set forth in the Asset Purchase Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged:

Section 1. Defined Terms. All initially capitalized terms used but not defined herein have the meaning given them in the Asset Purchase Agreement.

Section 2. Transfer of Canadian Acquired Assets. Upon the filing of the Monitor's Certificate with the Canadian Court in accordance with the terms and conditions of the Canadian Sale Order, and on the terms and subject to the conditions set forth in the Asset Purchase Agreement, the Canadian Sellers hereby sell, convey, transfer, assign and deliver to the Canadian Purchaser, and its successors and assigns, all of the right, title and interest of the Canadian Sellers to the Canadian Acquired Assets free and clear of all Liens and Encumbrances, other than Permitted Exceptions and Permitted Liens.

Section 3. As-Is, Where-Is. The Canadian Purchaser acknowledges and agrees that the Purchased Assets are purchased on an "as is, where is" basis in accordance with section 4.19 of the Asset Purchase Agreement.

Section 4. Binding on Successors; No Third Party Beneficiaries. This Canadian Bill of Sale shall be binding upon and inure to the benefit of the parties hereto, their successors in interest and permitted assigns. This Canadian Bill of Sale is not intended to confer any rights or remedies upon any Person other than the parties hereto.

Section 5. Counterparts. This Canadian Bill of Sale may be executed in any number of counterparts and by the undersigned in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same instrument. Delivery of an executed signature page to this Agreement by any of the undersigned by facsimile or "pdf" e-mail transmission shall be as effective as delivery of a manually executed copy of this Agreement by such undersigned.

EXECUTION COPY

Section 6. Governing Law. This Canadian Bill of Sale shall be construed and enforced in accordance with the laws of the province of Ontario and the laws of Canada applicable in such province and shall be treated in all respects as an Ontario contract.

{Signature page follows}

EXECUTION COPY

IN WITNESS WHEREOF, the undersigned hereby execute this Canadian Bill of Sale as of the day and year first above written.

INDALEX LIMITED

By: _____
Name:
Title:

INDALEX HOLDINGS (B.C.) LTD.,

By: _____
Name:
Title:

6326765 CANADA INC.

By: _____
Name:
Title:

[CANADIAN PURCHASER]

By: _____
Name:
Title:

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.) [INSERT], THE
)
JUSTICE MORAWETZ) [INSERT]th DAY OF [INSERT], 2009

IN THE MATTER OF THE *COMPANIES' CREDITORS*
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF INDALEX LIMITED, INDALEX
HOLDINGS (B.C.) LTD., 6326765 CANADA INC. and
NOVAR INC.

APPROVAL AND VESTING ORDER

THIS MOTION, made by Indalex Limited, Indalex Holdings (B.C.) Ltd., and 6326765 Canada Inc. (collectively, the "Canadian Sellers") for an order approving the sale transaction (the "Transaction") contemplated by an agreement of purchase and sale (the "Sale Agreement") among Indalex Holdings Finance, Inc., Indalex Holding Corp., Indalex Inc., Caradon Lebanon, Inc., Dolton Aluminum Company, Inc., the Canadian Sellers, and [INSERT] (the "Canadian Purchaser" [or "Canadian Purchasers"]) made as of [DATE] and appended to the • Report of the court-appointed monitor, FTI Consulting Canada ULC (the "Monitor") dated [DATE] (the "• Report"), and vesting in the Canadian Purchaser, [or such entity as the Canadian Purchaser may direct,] the Canadian Sellers' right, title and interest in and to the Canadian Acquired Assets (as defined in the Sale Agreement), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the material filed, including the Notice of Motion and the • Report and on hearing the submissions of counsel for the Canadian Sellers, counsel for the Monitor, counsel for the Canadian Purchaser and counsel for the JPMorgan Chase Bank, N.A., and on being advised that the Canadian Sellers' Service List was served with the Motion Record herein;

APPROVAL AND VESTING

1. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved, and that the Sale Agreement is commercially reasonable and in the best interests of the Canadian Sellers and its stakeholders. The execution of the Sale Agreement by the Canadian Sellers is hereby authorized and approved, and the Canadian Sellers are hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Canadian Acquired Assets to the Canadian Purchaser.

2. THIS COURT ORDERS AND DECLARES that upon the delivery of a Monitor's certificate to the Canadian Purchaser substantially in the form attached as Schedule A hereto (the "Monitor's Certificate"), all of the Canadian Sellers' right, title and interest in and to the Canadian Acquired Assets described in the Sale Agreement (including, without limitation, the real and immovable property described in Schedule B) shall vest absolutely in the Canadian Purchaser free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Morawetz dated April 3, 2009, as amended and restated; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system, including, without limitation, registrations made at the Registry of Personal and Moveable Real Rights in the Province of Quebec; and (iii) those Claims listed on Schedule C hereto (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule D (the "Permitted Encumbrances")) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Canadian Acquired Assets are hereby expunged and discharged as against the Canadian Acquired Assets. Notwithstanding the foregoing, the Canadian Acquired Assets shall vest in the Canadian Purchaser subject to the Permitted Exceptions and Permitted Liens (as both terms are defined in the Sale Agreement);

REAL PROPERTY

(a) Ontario

3. THIS COURT ORDERS that upon the registration in the Land Registry Office for the Land Titles Division of Toronto (No. 66) of an Application for Vesting Order in the form prescribed by the *Land Titles Act* (Ontario) and the *Land Registration Reform Act* (Ontario) with respect to the Toronto Property (as defined in Schedule B), the Land Registrar is hereby directed to enter the Canadian Purchaser as the owner of the Toronto Property in fee simple, and is hereby directed to delete and expunge from title to the Toronto Property all of the Claims relating to the Toronto Property listed in Schedule C, subject only to the Permitted Encumbrances relating to the Toronto Property listed in Schedule D.

4. THIS COURT ORDERS that upon registration in the Land Registry Office for the Land Titles Division of Peel (No. 43) of an Application for Vesting Order in the form prescribed by the *Land Titles Act* (Ontario) and the *Land Registration Reform Act* (Ontario) with respect to the Mississauga Property (as defined in Schedule B), the Land Registrar is hereby directed to enter the Canadian Purchaser as the owner of the Mississauga Property in fee simple, and is hereby directed to delete and expunge from title to the Mississauga Property all of the Claims relating to the Mississauga Property listed in Schedule C, subject only to the Permitted Encumbrances relating to the Mississauga Property listed in Schedule D.

(b) Alberta

5. THIS COURT ORDERS that, subject to the Permitted Encumbrances relating to the Alberta Property (as defined in Schedule B) listed in Schedule D, upon being presented with an original letter from counsel to the Seller, Blake, Cassels & Graydon LLP, directed to the Alberta Land Titles Office confirming receipt of the Canadian Purchase Price (as defined in the Sale Agreement) payable on Closing Date (as defined in the Sale Agreement), and an Affidavit of Value as prescribed by the *Land Titles Act* (Alberta), the Alberta Land Titles Office be and is hereby authorized and directed to cancel the existing certificates of title to the Alberta Property and to issue new certificates of title in the name of the Canadian Purchaser, [INSERT ADDRESS FOR SERVICE], as specifically set out in the said letter, free and clear of all

Claims, whether registered before or after the date of this Order, subject only to the Permitted Encumbrances relating to the Alberta Property listed in Schedule D.

6. THIS COURT ORDERS that the cancellation of titles and issuance of new titles and discharge of instruments as set out in paragraph 5 shall be registered notwithstanding the requirements of Section 191(1) of the *Land Titles Act* (Alberta).

(c) British Columbia

7. THIS COURT ORDERS that the BC Property (as defined in Schedule C) is hereby conveyed to and vested in the Purchaser and upon presentation for registration in the Land Title Office for the Land Title District of New Westminster of a certified copy of this Order, the Registrar of Land Titles (the "BC Registrar") is hereby directed to enter the Canadian Purchaser as owner of the BC Property together with all buildings and other structures, facilities and improvements located thereon and fixtures, systems, interests, licences, rights, covenants, restrictive covenants, commons, ways, profits, privileges, easements and appurtenances to the said hereditaments belonging, or with the same or any part thereof, held or enjoyed or appurtenant thereto, in fee simple in respect of BC Property, and this Court, having considered the interests of third parties, further orders that the BC Registrar is hereby directed to discharge, release, delete and expunge from title to the BC Property all of the Claims relating to the BC Property listed in Schedule C, subject only to the Permitted Encumbrances relating to the BC Property listed in Schedule D, and this Court declares that it has been proved to the satisfaction of the Court on investigation that the title of the Canadian Purchaser in and to the BC Property is a good, safe holding and marketable title and directs the BC Registrar to register indefeasible title in favour of the Canadian Purchaser as aforesaid.

(d) Quebec

8. THIS COURT ORDERS AND DIRECTS the Registrar of the Land Registry Office for the registration division in Montreal (the "Quebec Registrar") to proceed, upon presentation of a summary of this Order, a certified copy of this Order and a copy of the Sale Agreement, to enter the Canadian Purchaser as the owner of the Quebec Property at the Land Registry Office of Quebec (Montreal division).

9. THIS COURT ORDERS AND DIRECTS the Quebec Registrar to proceed, upon presentation of a certified copy of this Order together with a copy of the Sale Agreement, to the cancellation of all of the Claims that currently affect the Quebec Property (as defined in Schedule B), as if said sale had the effect of a sale under control of justice pursuant to Section 3069 of the *Civil Code of Quebec*, these Claims being the Claims relating to the Quebec Property more fully described in Schedule C, subject only to the Permitted Encumbrances relating to the Quebec Property listed in Schedule D.

GENERAL PROVISIONS

10. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, proceeds from the sale of the Canadian Acquired Assets, which for clarity, shall include, without limitation, all deposits, reserves, holdbacks and adjustments to the Canadian Purchase Price in favour of the Canadian Sellers (as defined in the Sale Agreement) (including amounts released from the Canadian Escrow Amount in accordance with the Sale Agreement), but shall not include the (i) Canadian Escrow Amount, and (ii) the Canadian Sellers' Cure Cost Amount (collectively, the "Sale Proceeds") shall stand in the place and stead of the Canadian Acquired Assets, and that from and after the delivery of the Monitor's Certificate all Claims and Encumbrances (other than the Permitted Exceptions and Permitted Liens) shall attach to the Sale Proceeds with the same priority as they had with respect to the Canadian Acquired Assets immediately prior to the sale, as if the Canadian Acquired Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

11. THIS COURT ORDERS AND DIRECTS the Monitor to file with the Court a copy of the Monitor's Certificate, forthwith after delivery thereof.

12. THIS COURT ORDERS AND DIRECTS that on the Closing, subject to the Canadian Sellers maintaining a reserve for the Sale Proceeds in an amount satisfactory to the Monitor, the Canadian Sellers are hereby authorized and directed to make: (a) a distribution in the amount of [\$] from the Sale Proceeds, to JPMorgan Chase Bank, N.A., in its capacity as administrative agent (the "Agent") for and on behalf of the DIP Lenders (as defined in the Amended Amended and Restated Initial Order); and (b) such further distributions from the Sale Proceeds following the resolution of all claims of the Purchaser under the Sale Agreement (in accordance with the

terms of the Sale Agreement) to the Agent on behalf of the DIP Lenders (as defined in the Amended Amended and Restated Initial Order) up to the aggregate amount of all indebtedness, liabilities and obligations now or hereafter owing by the Canadian Sellers to the DIP Lenders (as defined in the Initial Order) (collectively, the "Distributions").

13. THIS COURT ORDERS that the payment and satisfaction of obligations to the Agent as directed by paragraph 12 of this Order do not and will not constitute a fraudulent preference, fraudulent conveyance, oppressive conduct, settlement or other challengeable or reviewable transaction under any applicable law.

14. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act* ("PIPEDA") and pursuant to section 18 of the *Act Respecting the Protection of Personal Information in the Private Sector*, R.S.Q. c P-39.1 (the "Quebec Privacy Act"), the Canadian Sellers are authorized and permitted to disclose and transfer to the Canadian Purchaser all human resources and payroll information in the Canadian Sellers' records pertaining to the Canadian Sellers' past and current employees. The Canadian Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects in compliance with the provisions of PIPEDA and the Quebec Privacy Act.

15. THIS COURT ORDERS that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of any of the Canadian Sellers and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of any of the Canadian Sellers;

the vesting of the Canadian Acquired Assets in the Canadian Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of any of the Canadian Sellers and shall not be void or voidable by creditors of the relevant Applicant nor

shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

16. THIS COURT ORDERS AND DECLARES that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario).

17. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Canadian Sellers and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Canadian Sellers, as may be necessary or desirable to give effect to this Order or to assist the Canadian Sellers and their agents in carrying out the terms of this Order.

Schedule A – Form of Monitor’s Certificate

Court File No. CV-09-8122-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF THE *COMPANIES’ CREDITORS*
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF INDALEX LIMITED, INDALEX
HOLDINGS (B.C.) LTD., 6326765 CANADA INC. and
NOVAR INC. (the “Applicants”)

MONITOR’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Mr. Justice Morawetz of the Ontario Superior Court of Justice (the “Court”) dated April 3, 2009, FTI Consulting Canada ULC was appointed as the monitor of the Applicants.

B. Pursuant to an Order of the Court dated [DATE], the Court approved the agreement of purchase and sale made as of [DATE OF AGREEMENT] (the “Sale Agreement”) among Indalex Limited, Indalex Holdings (B.C.) Ltd., and 6326765 Canada Inc. (collectively, the “Canadian Sellers”), Indalex Holdings Finance, Inc., Indalex Holding Corp., Indalex Inc., Caradon Lebanon, Inc., Dolton Aluminum Company, Inc., and [NAME OF PURCHASER] (the “Canadian Purchaser”) [or (“Canadian Purchasers”)] and provided for the vesting in the Canadian Purchaser [or such entity as the Canadian Purchaser may direct,] of the Canadian Sellers’ right, title and interest in and to the Canadian Acquired Assets, which vesting is to be effective with respect to the Canadian Acquired Assets upon the delivery by the Monitor to the Canadian Purchaser of a certificate confirming (i) the payment by the Canadian Purchaser of the Canadian Purchase Price for the Canadian Acquired Assets; (ii) that the conditions to Closing as set out in section 9 of the Sale Agreement have been satisfied or waived by the Canadian Sellers

and the Canadian Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Monitor.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE MONITOR CERTIFIES the following:

1. The Canadian Purchaser has paid and the Canadian Sellers have received the Canadian Purchase Price for the Canadian Acquired Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in section 9 of the Sale Agreement have been satisfied or waived by the Canadian Sellers and the Canadian Purchaser; and
3. The Transaction has been completed to the satisfaction of the Monitor.
4. This Certificate was delivered by the Monitor at _____ [TIME] on _____ [DATE].

**FTI Consulting Canada ULC, in its capacity
as Monitor of the Applicants, and not in its
personal capacity**

Per: _____
Name:
Title:

Schedule B – Real and Immoveable Property

1. PIN 10293-0044 (LT): Lot 4 on Plan 3521 North York and Part of Lots 5 and 9 on Plan 3521 North York, as in Instrument No. TB931608, subject to Instrument No. NY526170E, Toronto (North York), City of Toronto

(the “Toronto Property”).
2. Firstly: PIN 13291-1236 (LT): Parcel 48-1, Section 43M-425, being Block 48 on Plan 43M-425, except Part 2 on Plan 43R-25314, together with an easement over Part of Lot 4, Concession 2 east of Hurontario Street, Toronto Township, designated as Parts 1, 2, and 3 on Plan 43R-31684, as in Instrument No. PR1340212, City of Mississauga, Regional Municipality of Peel

Secondly: PIN 13291-1282 (LT): Part of Lot 4, Concession 2, east of Hurontario Street, as in Instrument No. RO1053352, save and except Part 1 on Plan 43R-25314 and Part 2 on Plan 43R-29386, subject to Instrument No. RO832725, together with an easement over Part of Lot 4, Concession 2 east of Hurontario Street, Toronto Township, designated as Parts 1, 2, and 3 on Plan 43R-31684, as in Instrument No. PR1340212, City of Mississauga, Regional Municipality of Peel

(collectively, the “Mississauga Property”).
3. PID: 011-122-111
Block 13, District Lot 288, Group 1
New Westminster District Plan 4667
(the “BC Property”)
4. Plan 2007JK, Block 8, Lots 13 & 14
Excepting thereout all mines and minerals
(the “Alberta Property”)
5. Lot 2 528 235 of the Cadastre of Quebec
Registration Division of Montreal
(the “Quebec Property”)

Schedule C – Claims to be deleted and expunged from title to Real Property

Toronto Property:

1. Instrument No. AT1013992, registered on December 19, 2005, is an Application to Change Name by Owner wherein the name of the registered owner is changed from 1053334 Ontario Limited to 6326765 Canada Inc.
2. Instrument No. AT1053604, registered on February 2, 2006, is a charge/mortgage in favour of JPMorgan Chase Bank, N.A.
3. Instrument No. AT1053605, registered on February 2, 2006, is a notice of assignment of rents – general in favour of JPMorgan Chase Bank, N.A.
4. Instrument No. AT2045510, registered on April 9, 2009, is a charge/mortgage in favour of JPMorgan Chase Bank, National Association.
5. Instrument No. AT2045603, registered on April 9, 2009, is a notice of assignment of rents – general in favour of JPMorgan Chase Bank, National Association.

Mississauga Property:

6. Instrument No. PR986328, registered on December 19, 2005, is an Application to Change Name by Owner wherein the name of the registered owner is changed from 1053334 Ontario Limited to 6326765 Canada Inc.
7. Instrument No. PR988798, registered on December 22, 2005, is an Application to Change Name by Owner wherein the name of the registered owner is changed from 1053334 Ontario Limited to 6326765 Canada Inc.
8. Instrument No. PR991412, registered on December 30, 2005, is an Notice of Change of Address for service respecting a change in the address for service for 6326765 Canada Inc.
9. Instrument No. PR1008796, registered on February 2, 2006, is a charge/mortgage in favour of JPMorgan Chase Bank, N.A.
10. Instrument No. PR1008797, registered on February 2, 2006, is a notice of assignment of rents – general in favour of JPMorgan Chase Bank, N.A.
11. Instrument No. PR1624662, registered on April 9, 2009, is a charge/mortgage in favour of JPMorgan Chase Bank, National Association.
12. Instrument No. PR1624663, registered on April 9, 2009, is a notice of assignment of rents – general in favour of JPMorgan Chase Bank, National Association.

BC Property:

13. Instrument No. BA463980, registered on February 8, 2006, is a mortgage in favour of JPMorgan Chase Bank, National Association.

14. Instrument No. BA463981, registered on February 8, 2006, is an assignment of rents in favour of JPMorgan Chase Bank, National Association.
15. Instrument No. CA1082821, registered on April 14, 2009, is a mortgage in favour of JPMorgan Chase Bank, National Association.
16. Instrument No. CA1082822, registered on April 14, 2009, is an assignment of rents in favour of JPMorgan Chase Bank, National Association.

Alberta Property:

17. Instrument No. 061 067 977, registered on February 15, 2006, is a mortgage in favour of JPMorgan Chase Bank, National Association.
18. Instrument No. 061 067 978, registered on February 15, 2006, is a caveat re: assignment of rents in favour of JPMorgan Chase Bank, National Association.
19. Instrument No. 091 100 289, registered on April 16, 2009, is a mortgage in favour of JPMorgan Chase Bank, National Association.
20. Instrument No. 091 100 290, registered on April 16, 2009, is a caveat re: assignment of rents in favour of JPMorgan Chase Bank, National Association.

Quebec Property:

21. Instrument No. 13 033 043, registered on February 2, 2006, is a deed of hypothec in favour of JPMorgan Chase Bank, N.A.
22. Instrument No. 16 074 149, registered on April 9, 2009, is a deed of hypothec in favour of JPMorgan Chase Bank, N.A.

Schedule D – Permitted Encumbrances, Easements and Restrictive Covenants Related to the Real Property (Registrations Unaffected by Vesting Order)

Toronto Property:

1. Instrument No. NY378985, registered on March 7, 1962, is a by-law passed by the Corporation of the Borough of North York.
2. Instrument No. NY526170E, registered on December 11, 1967, is a transfer of easement and an expropriation certificate in favour of the Corporation of the Borough of North York.
3. Instrument No. 64BA559, deposited on July 18, 1974, is a plan pursuant to the *Boundaries Act* which confirms the boundaries of Sheppard Avenue.
4. Instrument No. TR57844, registered on March 27, 2000, is notice of Pearson Airport zoning regulations.
5. [Instrument No. AT2005560, registered on February 2, 2009, is a notice of security interest in favour of NRB Inc.]

Mississauga Property:

6. Instrument No. TT120053, registered on June 15, 1959, is a notice of amendment to Toronto-Malton Airport zoning regulations.
7. Instrument No. TT144298, registered on March 13, 1962, is a notice of amendment to Toronto-Malton Airport zoning regulations.
8. Instrument No. VS248789, registered on February 12, 1973, is a notice of amendment to Toronto-Malton Airport zoning regulations.
9. Instrument No. LT350099, registered on November 4, 1981, is a notice of drainage and occupancy agreement in favour of the Corporation of the City of Mississauga.
10. Instrument No. LT351441, registered on November 12, 1981, is a by-law passed by the Corporation of the City of Mississauga.
11. Instrument No. LT1398393, registered on March 30, 1993, is an application (general) re: partial release of Instrument No. LT350099.
12. Instrument No. RO832725, registered on January 19, 1988, is a transfer of easement in favour of the Corporation of the City of Mississauga.
13. Instrument No. LT2057426, registered on March 27, 2000, is notice of Pearson Airport zoning regulations.

BC Property:

14. Instrument No. BE282930, registered on October 25, 1991, is a statutory right of way in favour of the City of Port Coquitlam.
15. Instrument No. BT274870, registered on July 30, 2002, is a development permit.
16. Instrument No. BH306436, registered on August 18, 1994, is a development permit.
17. Instrument No. BX589964, registered on December 1, 2005, is a covenant entered into between the City of Port Coquitlam and Indalex Holdings (B.C.) Ltd. with respect to the building covenant.

Alberta Property:

18. Instrument No. 6499IQ, registered on June 18, 1963, is a utility right of way in favour of the City of Calgary.
19. Instrument No. 6500IQ, registered on June 18, 1963, is a utility right of way in favour of the City of Calgary for pole anchor site.
20. Instrument No. 4661JC, registered on December 9, 1964, is a utility right of way in favour of Canadian Pacific Railway and C.N.R.
21. Instrument No. 4534LD, registered on November 4, 1971, is a utility right of way in favour of the City of Calgary.
22. Instrument No. 4535LD, registered on November 4, 1971, is a utility right of way in favour of the City of Calgary.
23. Instrument No. 731 074 497, registered on November 21, 1973 is a caveat re: encroachment agreement in favour of the City of Calgary.
24. Instrument No. 771 147 064, registered on October 20, 1977, is notice of Calgary International Airport zoning regulations.
25. Instrument No. 991 220 194, registered on August 3, 1999, is a caveat re: easement and common access agreement between Westway Equipment Leasing Inc. and Caradon Limited.

Quebec Property:

26. Instrument No. 1 459 846 is a servitude granted by Her Majesty The Queen in favour of the City of Pointe-Claire for sanitary trunk sewer.
27. Instrument No. 3 914 366 is a servitude in favour of Department of Transport (Canada) to limit the height of the buildings for the Dorval International Airport (Pierre-Elliott Trudeau International Airport).

28. Instrument No. 3 914 366 is a servitude in favour of Department of Transport (Canada) to limit the use of the immovables to industrial or commercial purposes.

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
INDALEX LIMITED, INDALEX HOLDINGS (B.C.) LTD., 6326765 CANADA INC. and
NOVAR INC.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

APPROVAL AND VESTING ORDER

BLAKE, CASSELS & GRAYDON LLP
Barristers & Solicitors
Box 25, Commerce Court West
199 Bay Street, Suite 2800
Toronto, Ontario M5L 1A9

Line Rogers LSUC No.: 43562N
Tel: (416) 863-4168

Katherine McEachern LSUC No.: 38345M
Tel: (416) 863-2566

Jackie Moher LSUC#: 53166V
Tel: (416) 863-3174
Fax: (416) 863-2653

Lawyers for the Applicants

U.S. ASSIGNMENT AND ASSUMPTION AGREEMENT

This U.S. ASSIGNMENT AND ASSUMPTION AGREEMENT (this “Agreement”) is executed as of _____, 2009, by and among INDALEX HOLDING FINANCE, INC., a Delaware corporation, as a debtor-in-possession, INDALEX HOLDING CORP., a Delaware corporation, as a debtor-in-possession, INDALEX INC., a Delaware corporation, as a debtor-in-possession, CARADON LEBANON, INC., a Tennessee corporation, as a debtor-in-possession, DOLTON ALUMINUM COMPANY, a Wisconsin corporation, as a debtor-in-possession (collectively, the “US Sellers”), and SAPA HOLDING AB (the “US Purchaser”).

WHEREAS, on the terms and subject to the conditions of that certain Asset Purchase Agreement, dated as of June 16, 2009, by and among the US Purchaser, the US Sellers, Indalex Limited, Indalex Holdings (B.C.) Ltd., 6326765 Canada Inc. and the Canadian Purchaser (as modified, amended or supplemented, the “Asset Purchase Agreement”), the US Sellers agreed to, at the Closing, sell, convey, transfer, assign and deliver to the U.S. Purchaser the US Acquired Assets, free and clear of all Liens and Encumbrances, other than Permitted Exceptions and Permitted Liens; and

WHEREAS, the Asset Purchase Agreement requires the US Sellers and the US Purchaser to execute and deliver this Agreement for the purpose of evidencing the assignment to, and assumption by, the US Purchaser of all of the US Assumed Liabilities, including the rights and obligations under the US Assigned Contracts.

NOW, THEREFORE, for the consideration set forth in the Asset Purchase Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

Section 1. Defined Terms. All initially capitalized terms used but not defined herein have the meaning given them in the Asset Purchase Agreement.

Section 2. Assignment of Assigned Contracts. On the terms and subject to the conditions set forth in the Asset Purchase Agreement, the US Sellers hereby sell, convey, transfer, assign and deliver to the US Purchaser, and its successors and assigns, all right, title and interest of the US Sellers and their Affiliates in and to the US Assigned Contracts.

Section 3. Assumption of Assumed Liabilities. On the terms and subject to the conditions set forth in the Asset Purchase Agreement, the US Purchaser hereby assumes and agrees to pay, be liable for, perform, observe, discharge and fully satisfy, when due, the US Assumed Liabilities, including the US Assumed Liabilities under the US Assigned Contracts.

Section 4. Paramountcy. This Agreement is delivered pursuant to, and is subject to all of the terms and conditions contained in, the Asset Purchase Agreement. In the event of any inconsistency between the provisions of this Agreement and the provisions of the Asset Purchase Agreement, the provisions of the Asset Purchase Agreement shall prevail.

Section 5. Binding on Successors; No Third Party Beneficiaries. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors in interest

and permitted assigns. This Agreement is not intended to confer any rights or remedies upon any Person other than the parties hereto.

Section 5. Counterparts. This Agreement may be executed in any number of counterparts and by the undersigned in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same instrument. Delivery of an executed signature page to this Agreement by any of the undersigned by facsimile or "pdf" e-mail transmission shall be as effective as delivery of a manually executed copy of this Agreement by such undersigned.

Section 6. Governing Law. THIS AGREEMENT SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH (A) THE INTERNAL LAWS OF THE STATE OF DELAWARE WITHOUT GIVING EFFECT TO RULES GOVERNING THE CONFLICT OF LAWS AND, (B) TO THE EXTENT APPLICABLE, THE BANKRUPTCY CODE.

{Signature page follows}

IN WITNESS WHEREOF, the undersigned hereby execute this Agreement the day and year first above written.

INDALEX HOLDING FINANCE, INC.,
as a US Seller and Debtor-in-Possession

By: _____
Name:
Title:

INDALEX HOLDING CORP.,
as a US Seller and Debtor-in-Possession

By: _____
Name:
Title:

INDALEX INC.,
as a US Seller and Debtor-in-Possession

By: _____
Name:
Title:

CARADON LEBANON, INC.,
as a US Seller and Debtor-in-Possession

By: _____
Name:
Title:

DOLTON ALUMINUM COMPANY,
as a US Seller and Debtor-in-Possession

By: _____
Name:
Title:

SAPA HOLDING AB,
As the US Purchaser

By: _____
Name:
Title:

US BILL OF SALE

This US BILL OF SALE (this "US Bill of Sale"), is executed and delivered as of _____, 2009, by INDALEX HOLDING FINANCE, INC., a Delaware corporation, as a debtor-in-possession, INDALEX HOLDING CORP., a Delaware corporation, as a debtor-in-possession, INDALEX INC., a Delaware corporation, as a debtor-in-possession, CARADON LEBANON, INC., a Tennessee corporation, as a debtor-in-possession, and DOLTON ALUMINUM COMPANY, a Wisconsin corporation, as a debtor-in-possession (collectively, the "US Sellers"), to SAPA HOLDING AB (the "U.S. Purchaser").

WHEREAS, on the terms and subject to the conditions of that certain Asset Purchase Agreement, dated as of June 16, 2009, by and among US Purchaser, the US Sellers, Indalex Limited, Indalex Holdings (B.C.) Ltd., 6326765 Canada Inc. and the Canadian Purchaser (as modified, amended or supplemented, the "Asset Purchase Agreement"), the US Sellers agreed to, at the Closing, sell, convey, transfer, assign and deliver to the US Purchaser the US Acquired Assets, free and clear of all Liens and Encumbrances, other than Permitted Exceptions and Permitted Liens.

NOW, THEREFORE, for the consideration set forth in the Asset Purchase Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged:

Section 1. Defined Terms. All initially capitalized terms used but not defined herein have the meaning given them in the Asset Purchase Agreement.

Section 2. Transfer of US Acquired Assets. Upon entry of the Bankruptcy Sale Order and on the terms and subject to the conditions set forth in the Asset Purchase Agreement, the US Sellers hereby sell, convey, transfer, assign and deliver to the US Purchaser, and its successors and assigns, all of the right, title and interest of the US Sellers to the US Acquired Assets free and clear of all Liens and Encumbrances, other than Permitted Exceptions and Permitted Liens.

Section 3. As-Is. Where Is. The US Purchaser acknowledges and agrees that the US Acquired Assets are purchased on an "as is, where is" basis in accordance with section 4.24 of the Asset Purchase Agreement.

Section 4. Binding on Successors: No Third Party Beneficiaries. This US Bill of Sale shall be binding upon and inure to the benefit of the parties hereto, their successors in interest and permitted assigns. This US Bill of Sale is not intended to confer any rights or remedies upon any Person other than the parties hereto.

Section 5. Counterparts. This US Bill of Sale may be executed in any number of counterparts and by the undersigned in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same instrument. Delivery of an executed signature page to this Agreement by any of the undersigned by facsimile or "pdf" e-mail transmission shall be as effective as delivery of a manually executed copy of this Agreement by such undersigned.

Section 6. Governing Law. THIS US BILL OF SALE SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH (A) THE INTERNAL LAWS OF THE STATE OF DELAWARE WITHOUT GIVING EFFECT TO RULES GOVERNING THE CONFLICT OF LAWS AND, (B) TO THE EXTENT APPLICABLE, THE BANKRUPTCY CODE.

{Signature page follows}

IN WITNESS WHEREOF, the undersigned hereby execute this US Bill of Sale as of the day and year first above written.

INDALEX HOLDING FINANCE, INC.,
as a US Seller and Debtor-in-Possession

By: _____
Name:
Title:

INDALEX HOLDING CORP.,
as a US Seller and Debtor-in-Possession

By: _____
Name:
Title:

INDALEX INC.,
as a US Seller and Debtor-in-Possession

By: _____
Name:
Title:

CARADON LEBANON, INC.,
as a US Seller and Debtor-in-Possession

By: _____
Name:
Title:

DOLTON ALUMINUM COMPANY,
as a US Seller and Debtor-in-Possession

By: _____
Name:
Title:

SAPA HOLDING AB,
As the US Purchaser

By: _____
Name:
Title:

DOLTON ALUMINUM COMPANY,
as a US Seller and Debtor-in-Possession

By: _____
Name:
Title:

SAPA HOLDING AB,
As the US Purchaser

By: _____
Name:
Title:

Schedule 1.1(b)

Leased Property

75 Tri-State International, Suite 450
Lincolnshire, IL 60069

1500 East Murden Street
Kokomo, IN 46901

Indalex City of Industry California Plant
18111 Railway Street
City of Industry, CA 91748

Indalex Connersville Indiana Plant
5129 North Western Avenue
Connersville, IN 47331

Real Property in Connersville IN, pursuant to
Lease/License Agreement between
C&NC Railroad Corporation and Indalex, Inc.
Dated May 19, 2005

Real property in Toronto, Ontario pursuant to
Lease Agreement for Use of Site for
Encroachment & Storage in, by and between
Canadian Pacific Railway Company and Indalloy
(Division of Indalex Limited) dated as of July 29,
2005

Schedule 1.1(c)

Permitted Liens

Permitted (Tax) Liens

None.

Schedule 1.1(d)

Real Property

Owned Real Property

Indalex Modesto California Plant
4555 North Star Way
Modesto, CA 95356

Indalex Watsonville California Plant
1715 West Beach Street
Watsonville, CA 95076

Indalex Elkhart Indiana Plant
23841 Reedy Drive
Elkhart, IN 46516

Indalex Girard Ohio Plant
706 S. State Street
Girard, OH 44420

Indalex Fostoria Ohio Plant
930 Sandusky Street
Fostoria, OH 44830

Indalex Burlington North Carolina Plant
1507 Industry Drive
Burlington, NC 27216

Indalex Gainesville Georgia Plant
2905 Old Oakwood Road
Gainesville, GA 30504

Indalex Mountaintop Pennsylvania Plant
330 Elmwood Road
Crestwood Industrial Park
Mountaintop, PA 18707

Indalex Mississauga Ontario Plant
5675 Kennedy Road
Mississauga, Ontario L4Z 2H9

Indalloy Toronto Ontario Casting Plant
7 Alloy Court and 2270 Sheppard Avenue West
Toronto, Ontario M9M 3A2

Owned Real Property

Indalex Pointe Claire Quebec Plant
325 Avro Avenue
Pointe-Claire, Quebec H9R 5W3

Indalex Calgary Alberta Plant
2980 & 3016 58th Avenue S.E.
Calgary, Alberta T2C 0B3

Indalex British Columbia Plant
1765 Coast Meridian Road
Port Coquitlam, British Columbia V3C 3T7

Schedule 1.1(e)

Sellers' Knowledge

Timothy Stubbs, President and Chief Executive Officer
Patrick Lawlor, Vice President and Chief Financial Officer
Dale Tabinowski, Vice President, Human Resources
Scott Williams, Director of Investor Relations
Robert Kavanaugh, Vice President, Corporate Controller
Mark Doig, Director, Strategic Sales & Marketing
Dominic Pauline, Director, Systems Development
Christopher D. Ramsey, Director of Corporate Environmental, Health & Safety
Jayne Shultz, Risk and Legal Supervisor

Schedule 1.1(f)

Estimated Canadian Current Assets and US Current Assets Utilized in Determining Canadian Base Current Assets Amount and US Base Current Assets Amount¹

See Attached

¹ Note: The determination of US Current Assets and Canadian Current Assets shall be made for the purposes of this Agreement in the aggregate and shall not be subject to an itemized or line by line analysis.

Schedule 1.1(f)
Estimated Indalex Current Assets assumed

(In \$000's)	Jul-09		Total
	US	Canada	
Accounts receivable, net	\$42,706	\$20,794	\$63,500
Receivable from suppliers	\$891	\$0	\$891
Inventories	\$11,649	\$7,351	\$19,000
Prepaid expenses	\$2,555	\$1,445	\$4,000
Other receivables and current assets	\$2,436	\$264	\$2,700
Current assets	\$60,237	\$29,854	\$90,091
US Health Insurance	\$301		\$301
Canada Health Insurance		\$178	\$178
Corporate Office Security Deposit	\$36		\$36
COI Building Security Deposit	\$560		\$560
Connversville Building Security Deposit	\$225		\$225
Deposits with utilities	\$530	\$219	\$749
Total Deposits*	\$1,652	\$397	\$2,049
Niles note (net)	\$328		\$328
Spare parts	\$405	120	\$525
Total non-current assets**	\$733	\$120	\$853
Total deposits & non-current assets	\$2,385	\$517	\$2,902
Total current assets + deposits + non-current assets	\$62,622	\$30,371	\$92,993

Note: Test for Current Assets as per the accounts above is established at \$95 million, as agreed by the parties

Note: For the purpose of the Current Assets test, the relevant amounts are aggregated in the US and Canada respectively

* Listed below is a table detailing all estimated deposits as of July 2009. Only the highlighted items have been assumed for the purpose of the Current Asset test

(In \$000's)	Total deposits - July 2009	
US Health Insurance	\$301	\$301
Canada Health Insurance	\$178	\$178
Corporate Office Security Deposit	\$36	\$36
Workers Comp/General insurance	\$291	\$291
Modesto Financial Assurance	\$0	\$0
Watsonville Financial Assurance	\$0	\$0
COI Building Security Deposit	\$560	\$560
Connversville Building Security Deposit	\$225	\$225
Leased Autos	\$60	\$92
Deposits with utilities	\$530	\$749
Other	\$0	\$7
Total deposits	\$2,003	\$2,439
Total deposits (assumed for the purpose of the Current Asset test)	\$1,652	\$2,049

** Listed below is a table detailing all estimated non-current assets as of July 2009. Only the highlighted items have been assumed for the purpose of the Current Asset test

(In \$000's)	Total non-current assets - July 2009	
Spare parts	\$405	\$525
Note receivable - Niles sale	\$328	\$328
Note receivable - Sale of ladder business	\$0	\$47
Other	\$0	\$0
Total non-current assets	\$733	\$900
Total non-current assets (assumed for the purpose of the Current Asset test)	\$733	\$853

Schedule 2.3(g)

Specifically-Excluded Assets

Capital Stock of Novar, Inc. and Indalex UK Limited

The following are the Excluded Facilities:

Indalex Modesto California Plant
4555 North Star Way
Modesto, CA 95356

Indalex Fostoria Ohio Plant
930 Sandusky Street
Fostoria, OH 44830

Schedule 2.4(e)

Specifically-Identified US Assumed Liabilities

See Attached.

Schedule 2.4(e) and 2.5(e)

Estimated Indalex liabilities and debt/leases assumed

(In \$000's)	Jul-09		
	US	Canada	Total
Health insurance	\$2,000	\$0	\$2,000
Payroll	\$827	\$1,233	\$2,060
DC/Multiemployer accrued contributions	\$26	\$93	\$119
Employer FICA accrual	\$191	\$0	\$191
Payroll taxes and withholdings	\$96	\$83	\$179
Workers compensation invoice accrual - Canada	\$0	\$405	\$405
Health insurance invoice accrual - Canada	\$0	\$289	\$289
Bonus - 2008 earned, payment pending	\$219	\$68	\$287
Holiday	\$61	\$0	\$61
Vacation (excluding California)	\$1,410	\$332	\$1,742
California salary vacation	\$173	\$0	\$173
California hourly vacation	\$116	\$0	\$116
Employee liabilities	\$5,119	\$2,503	\$7,622
Real estate taxes	\$561	\$0	\$561
Personal property taxes	\$931	\$0	\$931
State taxes (non income based) 2008	\$203	\$0	\$203
State taxes (non income based) 2009	\$45	\$0	\$45
Sales tax	\$0	\$0	\$0
Tax liabilities	\$1,740	\$0	\$1,740
Post-petition A/P*	\$3,448	\$487	\$3,935
Customer advance	\$1,046	\$0	\$1,046
Accounts receivable credits	\$547	\$518	\$1,065
Permasteelisa Gainesville paint damage claim	\$1,044	\$0	\$1,044
PGT Gainesville paint damage claim	\$0	\$0	\$0
Contra A/R	\$2,637	\$518	\$3,155
Environmental reserve	\$130	\$170	\$300
Liabilities to be assumed	\$13,074	\$3,678	\$16,752
UBE	\$4,429	\$0	\$4,429
Capital Lease Obligation	\$2,072	\$1,258	\$3,330
Finance Obligation	\$4,861	\$0	\$4,861
Debt / leases to be assumed	\$11,362	\$1,258	\$12,620
Total Employees + Taxes + Post-Petition A/P + Contra A/R + Environmental reserve	\$13,074	\$3,678	\$16,752
Total Capital Leases	\$11,362	\$1,258	\$12,620
Total liabilities and debt/leases to be assumed	\$24,436	\$4,936	\$29,372

* Post-petition A/P excludes \$200,000 in the US for professional fees

Note: As agreed by the parties, total liabilities and debt/leases to be assumed for the purpose of the liabilities test are \$29.2 millio.

Note: For the purpose of the assumed liabilities test, the relevant amounts are aggregated in the US and Canada respectively

Schedule 2.5(e)

Specifically-Identified Canadian Assumed Liabilities

See Attached.

Schedule 2.4(e) and 2.5(e)

Estimated Indalex liabilities and debt/leases assumed

(In \$000's)	Jul-09		
	US	Canada	Total
Health insurance	\$2,000	\$0	\$2,000
Payroll	\$827	\$1,233	\$2,060
DC/Multiemployer accrued contributions	\$26	\$93	\$119
Employer FICA accrual	\$191	\$0	\$191
Payroll taxes and withholdings	\$96	\$83	\$179
Workers compensation invoice accrual - Canada	\$0	\$405	\$405
Health insurance invoice accrual - Canada	\$0	\$289	\$289
Bonus - 2008 earned, payment pending	\$219	\$68	\$287
Holiday	\$61	\$0	\$61
Vacation (excluding California)	\$1,410	\$332	\$1,742
California salary vacation	\$173	\$0	\$173
California hourly vacation	\$116	\$0	\$116
Employee liabilities	\$5,119	\$2,503	\$7,622
Real estate taxes	\$561	\$0	\$561
Personal property taxes	\$931	\$0	\$931
State taxes (non income based) 2008	\$203	\$0	\$203
State taxes (non income based) 2009	\$45	\$0	\$45
Sales tax	\$0	\$0	\$0
Tax liabilities	\$1,740	\$0	\$1,740
Post-petition A/P*	\$3,448	\$487	\$3,935
Customer advance	\$1,046	\$0	\$1,046
Accounts receivable credits	\$547	\$518	\$1,065
Permasteelisa Gainesville paint damage claim	\$1,044	\$0	\$1,044
PGT Gainesville paint damage claim	\$0	\$0	\$0
Contra A/R	\$2,637	\$518	\$3,155
Environmental reserve	\$130	\$170	\$300
Liabilities to be assumed	\$13,074	\$3,678	\$16,752
UBE	\$4,429	\$0	\$4,429
Capital Lease Obligation	\$2,072	\$1,258	\$3,330
Finance Obligation	\$4,861	\$0	\$4,861
Debt / leases to be assumed	\$11,362	\$1,258	\$12,620
Total Employees + Taxes + Post-Petition A/P + Contra A/R + Environmental reserve	\$13,074	\$3,678	\$16,752
Total Capital Leases	\$11,362	\$1,258	\$12,620
Total liabilities and debt/leases to be assumed	\$24,436	\$4,936	\$29,372

* Post-petition A/P excludes \$200,000 in the US for professional fees

Note: As agreed by the parties, total liabilities and debt/leases to be assumed for the purpose of the liabilities test are \$29.2 million

Note: For the purpose of the assumed liabilities test, the relevant amounts are aggregated in the US and Canada respectively

Schedule 2.7(e)

**Assignable Contracts Permitted to be Rejected
Without Consent of Purchasers**

None.

Schedule 4.3(a)

Conflicts

None.

Schedule 4.3(b)

Consents

Competition Act (Canada) approval in accordance with Section 9.1(h) of the Agreement.

HSR approval in accordance with Section 9.1(i) of the Agreement.

Consents for the Canadian Assigned Contracts subject to Section 9.2(j) and for the Permits subject to Section 9.2(m) of the Agreement.

Schedule 4.4

US Permitted Exceptions

None.

Schedule 4.5

Canadian Permitted Exceptions

None.

Schedule 4.6
Material Contracts²

See Attached Spreadsheet.

²For purposes of this Schedule 4.6, a material contract is one where payment received or made by Sellers over the course of any year are in excess of \$1,000,000 and, for greater certainty, are not necessarily contracts necessary to operate the Business.

Indalex Master Contract List
 Indalex Contracts are Contracts in excess of \$1 million

Name	Contract Type	Contract Number	Contract Date	Contract Term	Contract Description	Debtor
A.A. MacPherson Corp.	Sales Representative Agreement		1/15/2003	Continuous		Indalex Inc.
A.L. Pickens Company, Inc.	Sales Representative Agreement		1/12/2001	Continuous		Indalex Inc.
ABC Signs	Fixed Price Purchase and Sale Agreement	2528	1/11/2008	1/12/2009 - 12/31/2009		Indalex Inc.
Admiral Metals	Fixed Price Purchase and Sale Agreement	2417	7/29/2008	1/1/2009 - 6/31/2009		Indalex Inc.
ADP, Inc.	Cobra/HIPAA Service Agreement		1/15/2008	1/15/2009 - 1/15/2011		Indalex Inc.
ADP, Inc.	National Account Agreement		9/22/1997	9/24/1997 - Continuously renewed	Payroll - Continuous	Indalex Inc.
ADT Security Services, Inc.	Service Agreement		12/3/2007	12/12/07 - 12/31/2010	Fire Alarm System	Indalex Inc.
ADT Security Drivers Company	Dedicated Operating Agreement		1/1/2008	1/1/2008 - 12/31/2010	Year-to Year	Indalex Inc.
Air Liquide	Amendment to Supply Contract		12/6/2006	12/6/2006 - 12/31/2012	Mountaintop	Indalex Inc.
Air Products	Amendment to Product Supply Agreement		12/13/2006	12/13/2006 - 12/31/2012	Extension of Previous Agreement	Indalex Limited
Airgas West, Inc.	Amendment to Supply Agreement		8/26/2004	8/26/2004 - 8/26/2006 (Year-to Year new)		Indalex Inc.
Angas, AGA Gas, Linde Gas	Product Sale Agreement (Year-to-Year)		19-Dec-07	1/1/2009 - 12/31/2012		Indalex Inc.
Akzo Nobel Coatings, Inc.	Sales Contract		10/14/2005	1/1/2005 - 12/31/2010	Gainesville	Indalex, Inc.
Akzo Nobel Powder Interpon Powder Coatings	Limited Warranty for Interior Architectural Application		23-Dec-98	12/23/1998 - 12/23/2018	For PermaSteel Projects	Indalex Inc.
Alfinil Inc.	Fixed Price Purchase and Sale Agreement	2535	1/1/2008	1/1/2008 - 12/31/2010		Indalex Inc.
Alkermes, Inc.	Fixed Price Purchase and Sale Agreement	2444	8/21/2008	9/1/2008 - 8/31/2009		Indalex Inc.
ALK Associates	Annual Maintenance Agreement	19034	1/23/2008	1/12/2009 - 12/31/2010	PC-Miller-AS400	Indalex Inc.
All Weather Windows	Rebate Contract	2600	4/25/2009	4/1/2009 - 12/31/2009		Indalex Limited
All Weather Windows	Fixed Price Purchase and Sale Agreement	1720	27-Mar-08	12/18/2008 - 12/16/2011	Gainesville Plant	Indalex Inc.
Allied Waste Services	Solid Waste Contract	1105990308	27-Mar-09	3/21/2009 - 3/21/2012	Gainesville Plant	Indalex Inc.
Allied Waste Services	Solid Waste Contract		January	December 2009		Indalex Inc.
Alumarail Ltd.	Aluar Contract		1/1/2008	1/1/2009 - 12/31/2009		Indalex Limited
Aluminum Extrusion Group	Rebate Contract		24-Feb-99			Indalex Inc.
Aluminum Shapes	Sales Representative Agreement		12/22/2008	1/1/2009 - 6/30/2009		Indalex Inc.
American Express Corporate Services	Limited Liability Account Agreement		2/13/2007	Continuous	Canadian Card Services	Indalex, Ltd.
Amex Bank of Canada	Limited Liability Account Agreement					Indalex Limited
Amex Canada	Services Agreement					Indalex Inc.
Anonco Deshva	Employee Retention Contract		1/27/2009	Continuous		Indalex Inc.
Aramark Refreshment Services, Inc.	Service Agreement	375	4/30/2009			Indalex Inc.
Aramark Uniform & Career Apparel	Uniform Services Contract		9/14/2008			Indalex Inc.
Argent	Software Support Renewal	3043	1-Jul-07	7/1/2007 - 7/1/2012		Indalex Inc.
Asia Aluminum Group Ltd.	Supply Agreement		15-Dec-08	12/12/2008 - 11/30/2009	Year-to-Year	Indalex Inc.
At&T ISDN Prime	Non-Standard Service Agreement		17-Dec-07	3/1/2008 - 2/2/2011	AT&T Giard & Lincolnshtire	Indalex Inc.
Amox Energy	Gas Service Contract		3/1/2006	6/7/2006 - 6/7/2010		Indalex Inc.
Avocod Mobile Products	Sales Contract		1-Dec-08	1/1/2009 - 12/31/2009		Indalex Inc.
Avocod Mobile Products	Sales Contract		1-Dec-08	1/1/2009 - 12/31/2009		Indalex Limited
Aurco Lighting, Inc.	Service Agreement		4/27/2005	NO Term	Credit Reports for hiring	Indalex Limited
Axis Lighting, Inc.	Rebate Contract		12/12/2008	1/1/2009 - 12/31/2009		Indalex Inc.
BASF	Sales Contract		4/12/07	3/1/2007 - 7/31/2009		Indalex Inc.
Becker Sales Company	Sales Representative Agreement		1/15/2003	Continuous		Indalex Inc.
Bell & McCoy	Sales Representative Agreement		3/21/2007	4/1/2007 - 3/31/2010	Gainesville & Burlington Service	Indalex, Inc.
Bell South	Service Contract		2/1/2000			Indalex Limited
BFI	Rebate Contract		1/12/2009	1/1/2009 - 12/31/2009		Indalex Inc.
BHM Medical Inc.	Sales Representative Agreement		1-Jan-09	1/1/2009 - 12/31/2010	Continuous after that	Indalex Inc.
Bill Peterson	Sales Representative Agreement		1/15/2003	Continuous		Indalex Inc.
Bixler Molding Group, Inc.	Sales Representative Agreement		5/3/2003	Continuous		Indalex Limited
Bob Gallagher	Employee Contract		8/12/07			Indalex Inc./ Indalex Ltd.
Bob Kavanalugh	Employee Bonus Contract		3-Jul-07			Indalex Inc.
Borchers	Sales Representative Agreement Amended	2471	9/23/2008	3/2/2009 - 12/31/2009		Indalex Inc.
Bosch Rexroth	Fixed Price Purchase and Sale Agreement	2540	11/20/2008	1/1/2010 - 12/31/2010		Indalex Inc.
Bramlag, Germany	Supply Agreement		13-Jul-05	6 Months Following Termination		Indalex Limited
Bramlag Canada, Inc.	Non-Compete Agreement		7/17/2008	8/1/2008 - 7/31/2010		Indalex, Inc.
Bryan Farwell	Supply Contract		5/18/2006	Year-to-year		Indalex Inc.
Bulk Chemicals	Supply Contract		1/25/2008	1/1/2008 - 12/31/2010		Indalex, Ltd.
C&C Railroad Corp.	Lease License Agreement	ON-93197				Indalex Inc.
Caracat Pacific Railway Company	Lease Agreement	TCMK156201				Indalex Limited
Casitol Tooling Systems	Auxiliary Tooling Supply Agreement		23-Jun-04	10/12/05 - 10/12/09	Giard, Lincolnshtire, Gainesville,	Indalex Inc.
CCC Technologies	Maintenance Agreement		1/5/2009	1/7/2009 - 1/6/2010		Indalex Inc.
CDW	Annual Maintenance Agreement		12-Jan-07	6 Months Following Termination		Indalex Inc.
Chad Fishback	Non-Compete Agreement		10-Oct-06	10/10/2006 - 10/10/2009		Indalex Inc.
Chad Maynor	Service Agreement		20-Apr-07	5/1/2007 - 5/1/2010		Indalex Inc.
Cingular	Remove Network Management Agreement	IND98183	8/2/2007	8/2/2007 - 8/2/2010		Indalex Inc.
Cleco	Equipment Lease Agreement		3/25/2004	3/25/2004 - 3/25/2009		Indalex Inc.
Clicorp Leasing, Inc.	Equipment Lease Agreement	AT-5000626	3/25/2004	3/10/2006 - 3/10/2010		Indalex Inc.
Clicorp Leasing, Inc.	Equipment Lease Agreement	SN# 0047	3/25/2004	3/25/2004 - 3/25/2009		Indalex Inc.
Clicorp Leasing, Inc.	Equipment Lease Agreement		6/13/2005	6/13/2005 - 6/13/2009		Indalex Limited
Clicorp Leasing, Inc.	Lease Agreement	DY9100-0012	10/20/2005	10/20/2005		Indalex Limited
Clicorp Leasing, Inc.	Lease Agreement	C66500-0031	72 months		Forklift Lease	Indalex Limited
Clicorp Leasing, Inc.	Lease Agreement	C66500-0030	72 months		Forklift Truck	Indalex Limited
Clicorp Leasing, Inc.	Lease Agreement	4252392				Indalex Limited
Clicorp Leasing, Inc.	Lease Agreement	751600-0449				Indalex Limited

Indalex Limited (Appendendum signed by Indalex, Inc.)

Company Name	Contract Description	Contract Number	Start Date	End Date	Contract Type	Company Name
GE Capital Leasing Services Company	Master Leasing Agreement		6/18/2001		Indalex Limited	
GE Commercial Finance	Letter Amending Schedule A to Agreement dated December 31, 1999		1/4/2006		Indalex Limited	
Genco Sales, Inc.	Sales Representative Agreement		1/15/2003	Continuous	Indalex Inc.	
General Electric Capital Corporation	Lease Renewal Agreement		1-Mar-06	3/1/2006 - 9/1/2010	Eikhart Press	
General Electric Capital Corporation	Lease Renewal Agreement Amendment		1-Mar-08	3/1/2008 - 8/31/2012	Eikhart Press	
General Power & Control Co.	Sales Representative Agreement		9/25/2002	Continuous	Indalex Inc.	
Glanore	Supply Contract	162-07-65759-S	4/2/12/08	1/1/2009 - 1/28/1/2009	Indalex Inc.	
Global Contract	Fixed Price Purchase and Sale Agreement	2558	12/16/2008	2/2/2009 - 8/29/2009	Indalex Inc.	
Global Contract	Global Contract	2597	3/9/2009	6/1/2009 - 9/30/2009	Indalex Inc.	
Global Contract	Fixed Price Purchase and Sale Agreement		1/1/12/08	1/1/2009 - 12/31/2009	Indalex Limited	
Global Crossing Telecommunications	Global Crossing Telecommunications	7179	6/3/2008	6/1/2008 - 6/31/2011	Indalex Inc.	
Global Crossing Telecommunications	Global Crossing Telecommunications		5-Apr-07	4/5/2007 - 4/5/2009	Indalex Inc.	
Global Crossing Telecommunications	Global Crossing Telecommunications		4-Dec-08	12/29/2008 - 12/29/2011	Indalex Inc.	
Global Crossing Telecommunications	Global Crossing Telecommunications		1/15/2003	Continuous	Indalex Inc.	
Golden Business Machines, Inc.	Sales Representative Agreement		3/26/2009	4/26/2009 - 4/25/2010	Indalex Inc.	
Golden Windows	Equipment Contract		10/30/2008	1/1/2009 - 12/31/2009	Indalex Limited	
Golden Windows	Rebate Contract		17-Nov-08	1/1/2009 - 12/31/2010	Indalex Inc.	
Great Dane	Supply Agreement		12/16/2005	1/9/2005 - 1/8/2011	Indalex Inc.	
GSX Groupware Solutions	Annual Maintenance Agreement		6/1/2003	Continuous	Indalex Inc.	
Gumarsell Cashdan	Sales Representative Agreement		1-Apr-09	4/1/2009 - 12/31/2009	Indalex Inc.	
H&B Lawn & Landscaping Maintenance Co.	Landscaping Service Contract		11/27/2008	11/27/2008 - 11/27/2010	Indalex Inc.	
Haas Automation, Inc.	Supply Contract	2467	9/22/2008	1/1/2009 - 12/31/2009	Indalex Inc.	
Halo	Fixed Price Purchase and Sale Agreement		1/1/24/2008	1/1/2009 - 1/1/2010	Indalex Inc.	
Healy/Matics, Inc.	Annual Maintenance Agreement	39250	3/5/2006	Continuous	Indalex Limited	
Helm Systems	Sales Representative Agreement		25-Jul-08	5/1/2008 - 4/30/2009	Indalex Inc.	
HFX Risk Management, Inc.	Maintenance Agreement	08284	27-Feb-09	7/1/2009 - 12/31/2009	Indalex Inc.	
Hight Wire Networks	Fixed Price Purchase and Sale Agreement	2694	21-Aug-08	1/1/2009 - 6/30/2009	Indalex Inc.	
Hitec Water Solutions	Fixed Price Purchase and Sale Agreement	2442	3/27/2006	Continuous	Indalex UK Ltd	
Hitec Water Solutions	Annual Maintenance Agreement		19-Nov-09	1/1/2009 - 12/31/2009	Indalex Inc.	
Hi-Tech Shutter Group	Supply Agreement		1/1/4/2008	1/1/2009 - 6/30/2009	Indalex Inc.	
Honeywell	Fixed Price Purchase and Sale Agreement	2531	28-Feb-09		Indalex Inc.	
Horton Ryerson	Consignment Agreement		1/8/2009		Indalex Limited	
Horton Ryerson	Lease and Service Agreement		25-Feb-06	2/25/2005 - 2/25/2010	Indalex Inc.	
Horton Ryerson	Imaga Management Agreement	21659			Indalex Inc.	
Horton Ryerson	Maintenance Agreement		12/1/2001	12/1/2001 - 12/1/2003	Indalex Limited	
Horton Ryerson	Fixed Price Purchase and Sale Agreement		10-Oct-08	1/1/2009 - 6/30/2009	Indalex Inc.	
Horton Ryerson	Fixed Price Purchase and Sale Agreement	2459	7-Nov-08	7/1/2009 - 3/31/2010	Indalex Inc.	
Horton Ryerson	Fixed Price Purchase and Sale Agreement	2529	10-Mar-08	3/1/2008 - 3/1/2013	Indalex Inc.	
Horton Ryerson	Fixed Price Purchase and Sale Agreement	195197	3/26/2009	5/1/2009 - 10/30/2009	Indalex Inc.	
Industrial Components	Maintenance Agreement	2599	1/1/2008	1/1/2009 - 12/31/2009	Indalex Inc.	
Industries Special	Annual Maintenance Agreement	4355	3/1/2009	5/1/2009 - 4/31/2010	Indalex Inc.	
Innovat	Fixed Price Purchase and Sale Agreement	4355	9/2/2008	1/1/2009 - 6/30/2009	Indalex Inc.	
Innovat	Annual Maintenance Agreement	4355	3/1/2009	5/1/2009 - 4/31/2010	Indalex Inc.	
Inpro Corp	Fixed Price Purchase and Sale Agreement	2448	3/1/2009	1/1/2010 - 12/31/2010	Indalex Inc.	
Inpro Corp	Fixed Price Purchase and Sale Agreement	2555	3/1/2009	1/3/2011 - 12/30/2011	Indalex Inc.	
Inpro Corp	Fixed Price Purchase and Sale Agreement	2599	9/26/2008	7/1/2009 - 12/31/2009	Indalex Inc.	
Inpro Corp	Fixed Price Purchase and Sale Agreement	2475	11/20/2008	1/1/2009 - 12/31/2009	Indalex Inc.	
Inpro Corp	Rebate Contract		7-Jan-09	1/1/4/2009 - 1/1/4/2010	Indalex Inc.	
Intron Services	Maintenance Agreement	9160			Indalex Limited	
IOS Financial Services	Lease Agreement	4367/2201			Indalex Limited	
IOS Financial Services	Lease Agreement	4367/2202			Indalex Limited	
IOS Financial Services	Lease Agreement	4367/2203			Indalex Limited	
IOS Financial Services	Lease Agreement	4367/2204			Indalex Limited	
IOS Financial Services	Lease Agreement	4367/2205			Indalex Limited	
IOS Financial Services	Lease Agreement	4367/2206			Indalex Limited	
J.R. Schmidt & Associates	Sales Representative Agreement		10/1/2006	Continuous	Indalex Limited	
J.D. Edwards	Maintenance Agreement		12/1/2006	Continuous	Indalex Inc.	
Jed-Wen	Fixed Price Purchase and Sale Agreement	2464	9/16/2006	1/1/2009 - 6/30/2009	Indalex Limited	
Jed-Wen	Fixed Price Purchase and Sale Agreement	2623	11/3/2008	1/1/2010 - 12/31/2010	Indalex Inc.	
Jed-Wen	Fixed Price Purchase and Sale Agreement	2470	9/23/2008	7/1/2009 - 12/31/2009	Indalex Inc.	
Jed-Wen	Fixed Price Purchase and Sale Agreement	2505	10/23/2008	7/1/2009 - 12/31/2009	Indalex Inc.	
Jed-Wen	Rebate Contract		2/3/2009	1/1/2009 - 12/31/2009	Indalex Inc.	
Jerrid Hoeft	Non-Compete Agreement		18-Feb-08	9 Months Following Termination	Indalex Inc.	
Jerry Crain	Consulting Agreement		2/11/2009	2/11/2009 - 2/11/2010	Indalex Inc.	
Jerry Nies	Amendment to Employee Contract		12/31/2008	Continuous	Indalex Inc.	
Jerry Nies	Employee Bonus Contract		8/12/07		Indalex Holding Finance, Inc.	
Jerry Nies	Employee Contract		12/22/2007	Continuous	Indalex Inc.	
JM Equipment Co., Inc.	Equipment Lease Agreement	01C1047674	9/13/2007	3/3/2008 - 3/3/2015	Indalex Inc.	
John Robinson	Non-Compete Agreement		5-Sep-07	6 Months Following Termination	Indalex Inc.	
Joseph J. Pecole	Non-Compete Agreement		13-Jul-07	6 Months Following Termination	Indalex Inc.	
JPMorgan Chase Bank	Amorted and Restated Credit Agreement		5/21/2008	Expires 2/22/11	Indalex Holding Corp.	
JPMorgan Chase Bank	Swap Agreement		4/29/2009	Continuous	Indalex Holding Corp.	
Keith Burlingame	Employee Bonus Contract		8/12/07		Indalex Inc.	
Kelly Services, Inc.	Temporary Labor Agreement		1/30/2006	Continuous	Indalex Limited	
Kino	Rebate Contract		11/19/2008	1/1/2009 - 12/31/2009	Indalex Inc.	
Koch Supply & Trading, LP	Swap Agreement	06749	10/23/2008	Continuous	Indalex Inc.	
Konecranes Crane Service	Maintenance Agreement		5/16/2006	Continuous until cancelled	Indalex Inc.	

Pacific Gas & Electric Company	Interconnection Agreement			11/17/2000	Continuous	Indalex Inc.
Package Research Laboratory, LLC	Inspection Agreement			1/20/2006	Continuous	Indalex Inc.
Panhandle Eastern Pipe Line Company	Service Agreement	16123		7/28/1988	7/28/1988 - 7/1/2000	Indalex, Inc.
Pat Woodley	Employee Bonus Contract			8/1/2007		Indalex Holdings Finance, Inc.
Pat Woodley	Rebate Contract			12/15/2008	1/1/2009 - 12/31/2009	Indalex Inc.
Patrick Lawlor	Amendment to Employee Contract			12/31/2008	Continuous	Indalex Inc.
Patrick Lawlor	Employee Contract			7/11/2007	Continuous	Indalex Inc.
PCS Sales	Non-Complete Agreement			28-Mar-08	9 Months Following Termination	Indalex Inc.
Pella	Sales Agreement			4/1/2007	Year-to-Year	Indalex Inc.
Pella Corp.	Rebate Contract			12/18/2008	1/1/2009 - 12/31/2009	Indalex Inc.
Pella Corp.	Fixed Price Purchase and Sale Agreement	2416 - A1		17-Oct-08	1/1/2009 - 12/31/2009	Indalex Inc.
Pella Corp.	Fixed Price Purchase and Sale Agreement	2416		1/1/2009	1/1/2009 - 12/31/2009	Indalex Inc.
Pennax	Fixed Price Purchase and Sale Agreement	2584		23-Jan-09	1/1/2010 - 12/31/2010	Indalex Inc.
Penske Truck Leasing	Lease Agreement			8/17/2008	1/1/2009 - 12/31/2009	Indalex, Inc.
Penske Truck Leasing	Lease Agreement	L19686718		9/13/2005	5/13/2005 - 5/13/2011	Indalex Limited
Penske Truck Leasing	Lease Agreement	L13702824				Indalex Limited
Penske Truck Leasing	Lease Agreement	L13478253				Indalex Limited
Penske Truck Leasing	Lease Agreement	441767 & 441765				Indalex Limited
Penske Truck Leasing Canada Inc.	Vehicle Lease Service Agreement			6/14/2004		Indalex Limited
Penske Truck Leasing Canada Inc.	Rental Invoice			1/29/2009		Indalex Limited
Penske Truck Leasing Canada Inc.	Rental Invoice			7/30/2008		Indalex Limited
Penske Truck Leasing Canada Inc.	Vehicle Lease Service Agreement			2/28/2008		Indalex Limited
Penske Truck Leasing Canada Inc.	Vehicle Lease Service Agreement			6/25/2004		Indalex Limited
Penske Truck Leasing Canada Inc.	Vehicle Lease Service Agreement			3/16/2007		Indalex Limited
PentTelData	Commercial Cable Services Agreement			5/20/2008	5/1/2008 - 6/1/2011	Indalex Inc.
Perrastellis Cladding Technologies	Fixed Price Purchase and Sale Agreement	2305		23-Oct-07	4/1/2008 - 6/30/2009	Indalex Inc.
Perrastellis Cladding Technologies	Fixed Price Purchase and Sale Agreement	2409		3-Jul-08	9/1/2008 - 11/30/2009	Indalex Inc.
Persimone Plus	Staff Management Services			5/5/2004	5/5/2004 - 5/4/2005	Indalex Inc.
Peter Wilson	Non-Complete Agreement			13-Jul-07	6 Months Following Termination	Indalex Inc.
PET Industries	Confidentiality Agreement			10/29/2008	Continuous	Indalex Inc.
PET Industries	Supply Agreement			1-Apr-09	4/1/2009 - 3/31/2011	Indalex Inc.
Phantom Manufacturing	Fixed Price Purchase and Sale Agreement	2538		19-Nov-08	1/1/2010 - 12/31/2010	Indalex Inc.
Phantom Manufacturing	Fixed Price Purchase and Sale Agreement	2539		19-Nov-08	1/1/2010 - 12/31/2010	Indalex Inc.
Pliney Bowes	Lease Agreement			9/20/2005	1/1/2005 - 5/1/2011	Indalex Limited
Pliney Bowes	Lease Agreement	415074				Indalex Limited
Pliney Bowes	Lease Agreement	469306				Indalex Limited
Pliney Bowes	Lease Agreement	507240				Indalex Limited
Pliney Bowes of Canada Ltd	Supply Agreement			11/28/2005	1/28/2005 - 7/28/2010	Indalex Inc.
Pliney Bowes of Canada Ltd	Lease Service Agreement			9/1/2005		Indalex Inc.
Pliney Bowes of Canada Ltd	Lease Service Agreement			9/20/2005		Indalex Limited
Pliney Bowes of Canada Ltd	Lease Service Agreement	059/0474		6/7/2004	Continuous	Indalex Inc.
Power Corp. Inc.	Sales Representative Agreement			1/15/2003	Continuous	Indalex Inc.
PPG Industries, Inc.	Sales Representative Agreement			9/1/2008	1/1/2009 - 12/31/2012	Indalex Inc.
PPG Industries, Inc.	Amendment to Lease Agreement			1/1/2009	No term listed	Indalex Inc.
PPG Industries, Inc.	Consignment Agreement			28-Dec-08	1/1/2009 - 12/31/2012	Indalex Inc.
PPG Industries, Inc.	Purchasing Agreement			25-Dec-08	1/1/2009 - 12/31/2012	Indalex Limited
PPG Industries, Inc.	Purchasing Agreement			12-Nov-08	1/1/2009 - 12/31/2009	Indalex Inc.
Prairie View	Fixed Price Purchase and Sale Agreement	2538		30-Sep-05	10/1/2005 - 10/1/2010	Indalex Inc.
Praxair Canada	Product Supply Agreement	761137A		7-Dec-08		Indalex Inc.
Praxair Canada	Product Supply Agreement			9/1/2007	9/1/2007 - 12/31/2008	Indalex Inc.
Press Metal International Ltd.	Supply Agreement			3/1/2009	4/1/2009 - 4/1/2010	Indalex Inc.
ProdData	Annual Maintenance Agreement	8292		1/1/2009	1/1/2009 - 12/31/2009	Indalex Limited
Prothrum	Rebate Contract			9/23/2008		Indalex Ltd
Prothrum	Maintenance Agreement			10/1/2008	1/1/2009 - 1/1/2010	Indalex Inc.
Quadrant Software	Annual Maintenance Agreement	PO 860065		9/1/2008	1/1/2009 - 11/28/2008	Indalex Inc.
Quadrant Software	Annual Maintenance Agreement	PO 859883		3/1/2008	5/29/2008 - 6/29/2009	Indalex Inc.
Quadrant Software	Annual Maintenance Agreement	V12191		24-Mar-09	3/24/2009 - 3/24/2010	Indalex Inc.
Quality Driver Solutions	Temporary Labor Agreement			27-Dec-06	12/27/2006 - 12/27/2011	Indalex Inc.
Quench	Rental Agreement	8070101012-01		2-May-07	5/2/2007 - 5/2/2012	Indalex Inc.
Quench	Rental Agreement			31-May-07	5/31/2007 - 5/31/2012	Indalex Inc.
Quench	Rental Agreement			6-Jan-09	3/1/2009 - 2/29/2010	Indalex Inc.
Quench	Fixed Price Purchase and Sale Agreement	2568		3/28/2003	1/1/2003 - 12/31/2009	Indalex Limited
Quench	Supply Agreement			14-Nov-06	6 Months Following Termination	Indalex Inc.
Raufuss Automotive Components Canada L.P.	Non-Complete Agreement					Indalex Limited
Richard Nickel	Rental Agreement	12387				Indalex Limited
RIGOL Lifttruck Limited	Rental Agreement	12388				Indalex Limited
RIGOL Lifttruck Limited	Rental Agreement	12389				Indalex Limited
RIGOL Lifttruck Limited	Rental Agreement	12390				Indalex Limited
RIGOL Lifttruck Limited	Rental Agreement	12391				Indalex Limited
RIGOL Lifttruck Limited	Rental Agreement	12392				Indalex Limited
Robert A. Arney Co., Inc.	Sales Representative Agreement			9/20/2007	Continuous	Indalex Inc.
Robert Bosch GmbH	Supply Agreement			10/1/2004	Continuous	Indalex Inc.
Robert Sharpe	Non-Complete Agreement			6-Sep-06	6 Months Following Termination	Indalex Inc.
Ross Engineering	Confidentiality Agreement			12/6/2005	12/5/2005 - 12/5/2010	Indalex Inc.
Russell Evans	Non-Complete Agreement			12-Jan-07	6 Months Following Termination	Indalex Inc.

UBB Machinery, Inc.	Purchasing Agreement			13-Dec-08 12/13/2006 - 7/15/2009			Indalex Inc.
Ujifmaster	Rebate Contract			11/17/2008 1/1/2009 - 12/31/2009			Indalex Inc.
U.S. Security	Security Service Agreement			24-Mar-09 3/27/2009 - 30/30/09			Indalex Inc.
Ujifmaster	Fixed Price Purchase and Sale Agreement	2483		23-Sep-08 5/1/2009 - 5/29/2009			Indalex Inc.
Ujifmaster	Fixed Price Purchase and Sale Agreement	2484		23-Sep-08 5/1/2009 - 5/30/2009			Indalex Inc.
Utility Trailer	Supply Agreement			24-Feb-09 1/1/2008 - 12/31/2009			Indalex Inc.
Utility Trailer Manufacturing Co.	Fixed Price Purchase and Sale Agreement	2591-A		11-Mar-09 4/1/2009 - 6/30/2009			Indalex Inc.
Utility Trailer Manufacturing Co.	Fixed Price Purchase and Sale Agreement	2592		18-Feb-09 7/1/2009 - 12/1/2009			Indalex Inc.
Utility Trailer Manufacturing Co.	Fixed Price Purchase and Sale Agreement	2590		14-Feb-09 7/1/2009 - 12/31/2009			Indalex Inc.
Utility Trailer Manufacturing Co.	Fixed Price Purchase and Sale Agreement	2603		7-Apr-09 7/1/2009 - 12/31/2009			Indalex Inc.
Ventex Inc.	Rebate Contract			11/1/2008 1/1/2009 - 12/31/2009			Indalex Limited
Verizon Wireless	Service Agreement			5/18/2008 5/18/2008 - 5/18/2008		Month-to-Month	Indalex Inc.
Vogel Funding LP	Lease Agreement			27-Jun-08 7/1/2008 - 1/31/2012		Equipment Lease	Indalex Inc.
Volve Commercial Finance Canada	Lease Agreement		003-7594555-001				Indalex Limited
VT Specialized Vehicles Corporation	Supply Agreement			19-Jan-09 1/1/2009 - 12/31/2010			Indalex Inc.
Wabash	Supply Agreement			1-Oct-08 10/1/2008 - 12/31/2010			Indalex Inc.
Wabash National	Fixed Price Purchase and Sale Agreement	2451-2463		18-Sep-08 1/1/2009 - 9/31/2009			Indalex Inc.
Wabash National	Fixed Price Purchase and Sale Agreement	2548		20-Nov-08 10/1/2009 - 12/31/2009			Indalex Inc.
Wabash National	Fixed Price Purchase and Sale Agreement	2541		20-Nov-08 4/1/2009 - 6/30/2009			Indalex Inc.
Wabash National	Fixed Price Purchase and Sale Agreement	2542		20-Nov-08 7/1/2009 - 10/30/2009			Indalex Inc.
Wahoo Boat Docks	Fixed Price Purchase and Sale Agreement	2579		22-Jan-09 3/2/2009 - 8/31/2009			Indalex Inc.
Walker-Loudermilk Co.	Sales Representative Agreement			1/15/2003 Continuous			Indalex Inc.

Company Name	Agreement Description	Effective Date	Expiration Date	Notes	Company
Waste Management	Service Agreement				Indalex Limited
Waste Management	Service Agreement				Indalex Limited
Wells Fargo Equipment Finance	Lease Agreement	196644-100	01/31/17-100		Indalex Inc.
William Truck Associates, Inc.	Representative Agreement				Indalex Inc.
Wilson Trailer Co.	Supply Agreement				Indalex Inc.
Woodruff Supply	Fixed Price Purchase and Sale Agreement	2552			Indalex Inc.
Woodruff Supply	Fixed Price Purchase and Sale Agreement	2552			Indalex Inc.
Worthington Cylinders	Paintline Quality Calibration Contract				Indalex Inc.
X-Rite, Inc.	Standard Pricing				Indalex Inc.
Young and Charmagne Co.	Sales Representative Agreement				Indalex Inc.
Ron Sullivan	Non-Complete Agreement				Indalex Inc.
Keith Burlington	Non-Complete Agreement				Indalex Inc.
OK Security	Service Agreement	100-01-038			Indalex Inc.
Edly	Service Agreement	9/1/07			Indalex Inc.
CIGNA Healthcare	Service Agr & Medical Stop Loss Insurance Matrix	2002 warrants			Indalex Inc.
ADBBIC	Mutual Confidentiality and Nondisclosure Agreement	19-Mar-09			Indalex Inc.
Aerotech International, Inc.	Confidential & Non-Circumvention Agreement	17-Mar-09			Indalex Inc.
Alston Transportation Inc.	Non-Disclosure and Confidentiality Agreement	21-Nov-08			Indalex Inc.
Alio-Shaam, Inc.	Confidential Disclosure Agreement	25-Feb-09			Indalex Inc.
AM General	Agreement				Indalex Inc.
Amcor	Amendment to Purchase Agreement	7-Jan-09	Extend until May 1, 2010		Indalex Inc.
Boise Corporation	Corporate Agreement	12-Dec-08			Indalex Inc.
Robert Bosch GmbH	Purchase Agreement	1-Apr-08			Indalex Inc.
C&C Manufacturing, Inc.	Non-Disclosure Agreement	9-Jan-09			Indalex Inc.
Flextronics	Non-Disclosure Agreement	10-Mar-09			Indalex Inc.
PPG Industries, Inc.	Master Warranty Agreement	4-Mar-09			Indalex Inc.
Production Tool & Manufacturing Co.	Supplier Nondisclosure Agreement	16-Feb-09			Indalex Inc.
Valecia Company LLC	Confidentiality Agreement	4-Mar-09			Indalex Inc.
Sapa Extrusions, Inc.	Purchase and Sale Agreement	21-Nov-08			Indalex Inc.
Ullmaster Corporation	Non-Disclosure Agreement	23-Mar-09			Indalex Inc.
Tennessee Tool & Engineering, Inc.	Confidentiality Agreement	31-Mar-09			Indalex Inc.
The Vehicle Production Group LLC	Confidentiality Agreement	24-Nov-08			Indalex Inc.
Viking Tool & Gage, Inc.	Confidential Disclosure Agreement				Indalex Inc.
ArgoSoft Intellectual Property Holdings Limited	Maintenance Agreement	14-Mar-08	36 months		Indalex Inc.
AT&T ISDN Prime	Non-Standard Service Agreement	14-Mar-08	36 months		Indalex Inc.
AT&T ISDN Prime	Non-Standard Service Agreement	28-Mar-07	36 months	4/1/2007 - 3/31/2010	Indalex Inc.
Bell South	Service Contract	3-May-09	Continuous		Indalex Limited
Bob Gallagher	Amendment to Employee Contract	15-Apr-07	24 months	5/1/2007-5/31/2009	Indalex Inc.
Global Crossing Telecommunications	Service Agreement	15-Dec-08	1/1/2009 - 12/31/2009		Indalex Inc.
Jedi-Wen	Aluminum Supply Agreement	28-Feb-07			Indalex Inc.
Lawson Computer Software Americas	Annual Software Support Agreement	9-Jun-08	5 year term		Indalex Inc.
Oracle	Mutual Confidentiality and Nondisclosure Agreement	15-Mar-07	5 year term		Indalex Inc.
Powder Coating	Supply and Service Agreement	15-May-01			Indalex Limited
Southern Aluminum Inc.	Postponement Agreement	4-May-09	One year, automatic renewals		Indalex Limited
TD Bank	Master Services Agreement	12-Jun-09	Continuous		Indalex Limited
Versyco, LLC	Software License	9/1/2005	Continuous		Indalex Inc.
Consulation NewEnergy - Gas Division LLC	Energy Agreement (No longer in effect)	8/1/2005	Continuous		Indalex Limited
Consulation NewEnergy Canada Inc.	Energy Agreement (No longer in effect)	2/2/2004	Continuous		Indalex Limited
Alumart	Fixed Price Agreement (Not valid)	10/31/2008	1/1/2009 - 12/31/2009		Indalex Inc.
Alyson	Pricing Contract (Not contract - proposal)	26-Sep-08	1/1/2009 - 12/31/2009		Indalex Inc.
Windsor Windows & Doors	Supply Agreement (Not valid)	7/5/2008	7/5/2008 - 12/31/2008		Indalex Inc.
Ron Sullivan	Sales Representative Agreement (No longer in effect)	7/1/2006	7/1/2006 - 1/22/2011		Indalex Inc.
TracRac, Inc.	Supply Agreement (Not signed)	2/1/2003	Continuous		Indalex Inc.
Southern Aluminum Finishing	Supply Agreement (Expired)				Indalex Inc.
Aluminum Casting Technology, LLC	Forbearance and Amendment Agreement (No longer operating)				Indalex Inc.
Aluminum Casting Technology, LLC	Purchase Agreement (No longer operating)				Indalex Inc.
Enbridge	Gas Delivery Agreement (Expired)				Indalex Inc.
Enbridge	Entrao User Agreement (Expired)				Indalex Inc.
Premstar Pacific	Management Agreement (Expired)	9/22/1995	Continuous		Indalex, Ltd.
Direct Energy Marketing Limited	Gas Sales Agreement (Expired)	6/1/1995	Continuous		Indalex, Ltd.
Alcan	Supply Agreement (Contract cancelled)	1-Jan-08	1/1/2008 - 12/31/2008		Indalex Inc.
Alcan	Supply Agreement (Contract cancelled)	1-Jan-08	1/1/2008 - 12/31/2008		Indalex Limited
Alexin, LLC	Supply Agreement (Buy on spot basis, not contract)	10-Oct-08	11/1/2008 - 12/31/2009		Indalex Inc.
Wachovia Bank	Hedge Agreement (No longer in effect)	7/9/2007	Continuous		Indalex Holding Corp.
Pure Green Water	Service Guarantee (Contract cancelled)	17-Feb-08	2/17/2009 - 2/17/2011		Indalex Inc.
JB Hunt	Carrier Agreement (Contract cancelled)	2/23/2008	4/1/2008 - 4/1/2011		Indalex Limited
AMT	Fixed Price Purchase and Sale Agreement (Never executed)	9-Jun-08	2/1/2008 - 7/31/2009		Indalex Inc.
M.G. Mather	Service Agreement (Expired)	9/6/2005	Continuous		Indalex Inc.
Quantum of Berlin II, LLC	License Agreement (Expired)	2/24/2005	Month-to-Month		Indalex Inc.
ICG Commerce	Service Agreement (Expired)	12/7/2007	2/1/2008 - 12/31/2009		Indalex Limited
ICG Commerce	Service Agreement (Expired)	12/7/2007	2/1/2008 - 12/31/2009		Indalex Limited
Dale Prows	Employee Bonus Contract (No longer with firm)	8/1/2007	Continuous		Indalex Holdings Finance, Inc.
Jeff Knappert	Employee Bonus Contract (No longer with firm)	8/1/2007	Continuous		Indalex Holdings Finance, Inc.
Jim Piferato	Employee Bonus Contract (No longer with firm)	8/1/2007	Continuous		Indalex Holdings Finance, Inc.
Joe Valvo	Employee Bonus Contract (No longer with firm)	8/1/2007	Continuous		Indalex Holdings Finance, Inc.
John Baguolo	Amendment to Employee Contract (No longer with firm)	12/31/2008	Continuous		Indalex Inc.

John Bagnuolo	Employee Contract (No longer with firm)	4/10/2008	Continuous	Indalex Inc.
Paul Miro	Employee Bonus Contract (No longer with firm)	8/1/2007		Indalex Holdings Finance, Inc.
Rob Kline	Employee Bonus Contract (No longer with firm)	8/1/2007		Indalex Holdings Finance, Inc.
Exco Technologies Limited	Supply Contract (No longer with firm)	2/1/2007	2/1/2007 - 12/31/2009	Indalex, Inc.
Exco Technologies Limited	Supply Contract (No longer with firm)	2/1/2007	2/1/2007 - 12/31/2009	Indalex, Ltd.

Schedule 4.7(b)

Amendments to Real Property Leases

An amendment dated June 25, 2004, to the lease on the property located at 75 Tri-State International, Lincolnshire, Illinois, dated March 11, 2004.

Amendments to that certain Kokomo Facility Lease Agreement dated December 12, 1994 by and between PPG Industries, Inc. as Lessor and Indalex, Inc. as Lessee, successor by assignment to Easco Corporation:

Lease Amendment No. 1 dated December 12, 1994;
Amendment Agreement dated as of June 5, 1997;
Letter agreements dated August 19, 1999 and September 28, 1999;
Second Lease Amendment Agreement dated as of December 3, 1999;
Lease Amendment Agreement dated as of March 7, 2001;
Lease Amendment Agreement dated as of May 15, 2003;
Lease Amendment Agreement dated as of December 22, 2004; and
Amendment to Lease Agreement dated September 1, 2008

Schedule 4.7(c)

Real Property and Leased Property Disclosure

With respect to the Girard Facility, the Department of Transportation has filed a general warranty deed to acquire a strip of land (3 ft wide x 40 ft long) for a purchase price of \$5,000.

The Certificate of Occupancy for the two anodizing buildings at the Watsonville facility have been revoked and those buildings cannot be occupied.

Schedule 4.8

Permits

<u>License or Permit Type</u>	<u>License or Permit Number</u>	<u>Expiration Date</u>	<u>Entity or Entities Covered Under this License</u>
DOT	USDOT328541	Until Cancelled	Indalex Inc. (Indalex Mountain Top, PA & City of Industry, CA)
DOT	USDOT168711	Until Cancelled	Indalex Limited (Indalloy Casthouse – North York, ON)
Wastewater Permit	Memo of Understanding	N/A	Indalex Inc.- Burlington
Stormwater Permit	NCG030000	10/31/2012	Indalex Inc.- Burlington
State only Air Permit	No. 40-00036/State only Air Permit	Operating under letter of authorization as of 12/6/07 until new permit arrives	Indalex Inc- Mountaintop
Stormwater	NPDES Stormwater Permit No. PAR 202210	9/26/2009 - in process of being filed	Indalex Inc- Mountaintop
Waste Water permit	MAJSA Agreement – No Number	4/15/2010	Indalex Inc- Mountaintop (Mideast Aluminum)
EPA ID Number - Hazwaste	PAD086718566	N/A	Indalex Inc- Mountaintop (Mideast Aluminum)
Waste water permit	97-04	Awaiting permit renewal	Indalex Inc.-Elkhart
Air Permit	R039-26331-00581	NA	Indalex Inc.-Elkhart
EPA ID Number - Hazwaste	IND086775160	N/A	Indalex Inc.-Elkhart
Waste Water Permit	KWP-008 (has been terminated)	9/11/2013 -	Indalex Inc.- Kokomo
Storm Water Permit	INR200067	6/16/2009	Indalex Inc.- Kokomo
Air registration	067-17114-00069	NA	Indalex Inc.- Kokomo
EPA ID Number - Hazwaste	IND062818620	N/A	Indalex Inc.- Kokomo
Waste Water Permit	CU-105	8/2/2010	Indalex Inc.-Connersville

<u>License or Permit Type</u>	<u>License or Permit Number</u>	<u>Expiration Date</u>	<u>Entity or Entities Covered Under this License</u>
Storm Water Permit	INR200176	1/10/2010	Indalex Inc.-Connersville
Air Registration	R041-20242-00019	NA	Indalex Inc.-Connersville
EPA ID Number - Hazwaste	IND981193949	N/A	Indalex Inc.-Connersville
Air Discharge	3354-139-0075-V-02-0	6/20/2011	Indalex Inc.- Gainesville
Wastewater Discharge	0046-A	8/30/2010	Indalex Inc.- Gainesville
Stormwater Discharge	General Permit – GAR000000	NA	Indalex Inc.- Gainesville
Hazardous Waste Management and Disposal	GAD981238199	NA	Indalex Inc.- Gainesville
Wastewater Permit	017097	12/30/2013	Indalex Inc.- City of Industry
AIR TITLE V Permit	123087	7/7/2010	Indalex Inc.- City of Industry
Storm Water Permit	4191016031	INDEFINITE	Indalex Inc.- City of Industry
CUPA Permit	FA0021458	3/1/2010	Indalex Inc.- City of Industry
EPA ID Number - Hazwaste	CAD053236022	N/A	Indalex Inc.- City of Industry
Waste water	#286	N/A	Indalex Limited- Montreal
2/14/2008 – Permit for Mutters concentrator and Biotox Thermal Oxidizier	#2033	N/A	Indalex Limited- Montreal
2/3/04 – 3 rd Press, Log oven, 4 th Age oven	201.20. - 15.146	N/A	Indalex Limited- Montreal
8/05/02 – 3 rd Age Oven	201.20. - 15.146	N/A	Indalex Limited- Montreal
11/13/01 – 3 rd paint booth & Dispersion system	201.20. - 15.146	N/A	Indalex Limited- Montreal
10/16/01 - Decantor	#286	N/A	Indalex Limited- Montreal

<u>License or Permit Type</u>	<u>License or Permit Number</u>	<u>Expiration Date</u>	<u>Entity or Entities Covered Under this License</u>
12/13/1990 - Burn off Oven form the City of Montreal	201.20. - 15.146	N/A	Indalex Limited- Montreal
7/12/1990 – Provincial Operation Permit	N/A	N/A	Indalex Limited- Montreal
2/15/1990 – Original Air & Operations Permit form the City of Montreal	201.20. - 15.146	N/A	Indalex Limited- Montreal
Waste Generator	1162176346	N/A	Indalex Limited- Montreal
Waste Generator	ON2046802	N/A	Indalex Limited- Mississauga
Certificate of Approval-Air	0658-5F9KMM	N/A	Indalex Limited- Mississauga
Wastewater generator Number	ON0100909	N/A	Indalex Limited- Mississauga
Air Permit	8966-6K4LBU	None	Indalloy,Div of Indalex Ltd.
Waste Permit	ON2046801	None	Indalloy,Div of+Indalex Ltd.
Waste Generator Number	ABG03771	N/A	Indalex Limited- (FKA Caradon Indalex) Calgary
Air Quality	GVA0518	NONE	Indalex Limited- Vancouver
Waste water	SC-1130	NONE	Indalex Limited- Vancouver
Wastewater Discharge Permit	208	12/31/2012	Indalex West, Inc. - Modesto, CA
Consolidated Permit/License to Operate (Fire Marshall)	AR0021459	12/11/2008	Indalex, Inc. - City of Industry
Stormwater Permit	NPDES # PAR202210	9/26/2014	Indalex, Inc. - Mountaintop, PA
Waste water Discharge	0046	8/30/2010	Indalex Aluminum Solutions - Gainesville, GA
Sec. H Permit to Construct & Temporary Permit to Operate	123087-Rev. #3	7/7/2010	Indalex West, Inc.

Schedule 4.9
Employee Benefit Plans

See Attached

SCHEDULE 4.9 - EMPLOYEE BENEFIT PLANS

No. Description

U.S. Health & Welfare Plans

- 1 Indalex Short-Term Disability Benefits Plan for Bargaining Employees
 - 2 Indalex Short-Term Disability Benefits Plan for Non-Union Employees
 - 3 Indalex Aluminum Solutions Long-Term Disability Plan (Policy # LK-961609)
 - 4 Retiree Medical Benefits Plan
 - 5 Retiree Life Insurance Plan
 - 6 Indalex Aluminum Solutions Dental PPO (National Plan)
- Medical Plans
- 7 o HRA PPO
 - 8 o National PPO
 - 9 o PACFED 170 Group Insurance Benefit Trust
 - 10 o HMO Plan (Geisinger)
 - 11 o HMO (other)
- CIGNA 2009 Healthcare Contract 3158784 (Stop Loss Insurance & ASO Agreement)
- 12 File: Indalex Inc 2002 ASO Agr (Base ASO Agreement)
 - 13 File: Indalex 2004 ASO Amendment
 - 14 File: Indalex 2008 Amendment (unsigned)
 - 15 File: 2009 Stop Loss Agreement
 - 16 Health Flexible Spending Account Plan
 - 17 Dependent Care Flexible Spending Account Plan
 - 18 Employee Paid Vision
 - 19 Employee Paid Accident (Aflac)
 - 20 Employee Paid Cancer (Aflac)
 - 21 Employee Paid Life Insurance
 - 22 Cigna Voluntary Life Insurance (Policy # FLX-962132)
 - 23 Union & Non-Union Basic Life Insurance (Policy # 962131)
 - 24 Vision Benefits Plan (EyeMed)
 - 25 Cigna Voluntary AD&D Plan (Policy # Q963769)
 - 26 Cigna Group Accident Plan (Policy # Q963768)
 - 27 NEAS Employee Assistance and Work-life Services Program
 - 28 Severance Arrangements for approximately 10 employees
 - 29 MATRIX ASO Agreement
 - 30 DK Security (Honorline) Service Agreement
 - 31 Edify (Healthcare Broker) Contract

U.S. Qualified Retirement Plans

- 32 Indalex USA Pension Plan
- 33 Pension Plan for the Employees of the Aluminum & Allied Industries of the Greater Youngstown, Ohio Metropolitan Area
- 34 Indalex 401(k) Plan for Union Employees
- 35 Indalex 401(k) Savings Plan
- 36 Operating Engineers Multiemployer Pension Plan

U.S. Nonqualified Retirement & Other Plans

- 37 Easco Corporation 1998 Supplemental Executive Retirement Plan
- 38 Easco Corporation Supplemental Executive Retirement Plan (SERP I)
- 39 Easco Corporation 1984 Retirement Plan for Corporate Vice Presidents and Other Selected Executives (SERP II)
- 40 Indalex USA Benefit Equalization Plan
- 41 Indalex USA Supplemental Retirement Income Plan
- 42 Novar USA Supplemental Retirement Income Plan
- 43 Russell SERP
- 44 Smith SERP
- 45 Gibson Severance / SERP

- 46 Gainshare Program
- 47 Annual Incentive Plan
- 48 Management Incentive Plan
- 49 Special Agreements (at least 3 special agreements providing nonqualified deferred compensation -- no documents provided)
- 50 Service Award Program
- 51 Post Retirement Benefits
- 52 Employment Agreements Containing Deferred Compensation (See Material Contracts Schedule)
- 53 Equity Participation (Options) [mentioned on spreadsheet - no documents provided]
- 54 The Company Group Welfare Benefit Plan [mentioned in independent audit notice - no documents provided]

Canadian Benefits

- 55 Retirement Plan for Executive Employees of Caradon Ltd & Assoc. Companies (w/Amendments 1-7)
- 56 CWIPP Supplement - Calgary
- 57 CWIPP Supplement - Indalloy
- 58 CWIPP Supplement - Mississauga
- 59 CWIPP - Plan Document
- 60 CWIPP Supplement - Montreal
- 61 Supplemental Retirement Plan for Executive Employees of Indalex Limited & Associated Companies (w/attachment)
- 62 Retirement Plan for Salaried Employees of Indalex Ltd & Assoc. Companies (w/ Ammednments 1-6 + Surplus Distribution
- 63 Policy for Indalex, Ltd. Group Registered Retirement Savings Plan (RRSP) - All Employees Except Vancouver Hourly
- 64 RRSP Policy & Quote (Standard Life) - Vancouver Hourly Only
- 65 The Deferered Profit Sharing Plan (DPSP) for Salaried Employees of Indalex Ltd. & Associated Companies (Plan Document)
- 66 DPSP Policy and Quote RS101484-S0431 (Standard Life)
- 67 Flexible Pension Plan (Salaried Wind Up) - Standard Life Policies & Quotes
- 68 Great West - ASO Service Agreement
- 69 Great West - Flex Benefits Service Agreement
- 70 Great West - funding status - Retail Sales Tax Act
- 71 Great West - Retail Sales Tax
- 72 Great West - Large Claim Pooling
- 73 Great West - #56796-1 - Early Referral Service (Plan Document)
- 74 Great West - 159192 GMRSC - Medical Referral Service (Group Contract)
- 75 Great West - 56796 - Health & Dental Plan Document
- 76 Great West - 159192 - Life, Health & Disability (Group Policy)
- 77 Great West - Group Contract #56796HCSA Healthcare Spending Account
- 78 Great West - Group Policy #159192GOCI Optional Critical Illness
- 79 Great West - Group Policy #159192GHWP Medical Replacement Insurance
- 80 Great West - Policy 330786 - Insured Coverage - Amendment
- 81 Great West - GroupNet Agreement - Signature Page (2008)
- 82 Great West - Policy 159192 Signature Pages (3.13.07)
- 83 Great West -File: Reg Cont (8) - Salaried Employees: Spousal & Dependent Life; LTD
- 84 Great West -File: ASO (8) - Salaried Employees - Hospital, Medi-Pack, Dental, Drug
- 85 Great West -File: ASO (12) - Indalloy Hourly - Weekly Indem, Hospital, Drug, Medi-Pack, Dental
- 86 Great West -File: Reg Cont (5) - Indalloy Hourly: Life, A/S, AD&D, LTD
- 87 Great West -File: ASO Cont (2) - Ontario Hourly (Div 29): STD, Hospital, Drug, Dental, Eye Glasses
- 88 Great West -File: Reg Cont (4) - Vancouver Hourly: Life, AD&D
- 89 Great West -File: ASO Cont (4) - Vancouver Hourly - Weekly Indemnity
- 90 Great West -File: Reg Cont (3) - Ontario Hourly (Div 29): Life, A&S, AD&D, LTD, Travel Assist
- 91 Great West - File: AS) Cont (3) - Montreal Hourly & Salaried: Weekly Indem, Hospital, Drug, Medi-pack, Dental
- 92 Great West - File: Reg Cont (10) - Montreal Hourly & Salaried: Life, AD&D, LTD, Travel Assist (Medi-Pack).
- 93 Steelworkers Health & Welfare Trust Fund of Aiberta (SPD)
- 94 Pacific Blue Cross - Extended Health Care Group #082082; Dental Care Group #000132
- 95 Canada 2009 Flex Plan - Benefit Summary
- 96 Indalex Annual Management Incentive Plan, Performance Year 2009
- 97 Indalex Annual Incentive Plan, Performance Year 2009
- 98 Operations Gainshare Program, 2009

Schedule 4.10

Labor Contracts

See attached.

Schedule 4.10

Labor Contracts

<u>No.</u>	<u>Location</u>	<u>Entity</u>	<u>Union</u>	<u>Duration</u>
1	Burlington, NC	Indalex, Inc.	International Union of Operating Engineers and its Local 465, AFL-CIO	5/1/2007 - 5/1/2011
2	Calgary, AB	Indalex Limited	United Steel Workers Local 6034	5/1/2007 - 4/30/2011
3	City of Industry, CA	Indalex, Inc.	Sheet Metal Workers' International Association Local Union No 170, affiliated with AFL-CIO	11/1/2006 - 10/31/2009
4	Connersville, IN	Indalex, Inc.	International Union, United Automobile, Aerospace and Agricultural Implement Workers of America UAW and its affiliated Local Union No. 151	6/1/2008 - 6/1/2011
5	North York, ON (Indalloy)	Indalex Limited	United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union on behalf of its Local 13571-20	12/1/2008 - 11/30/2011
6	Mississauga, ON	Indalex Limited	United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied-Industrial And Service Workers International Union on behalf of its Local 9042	1/12/2008 - 1/11/2011
7	Mountaintop, PA	Indalex, Inc.	International Union of Operating Engineers, and its Local Unions 542 and 835	4/1/2006 - 3/31/2010
8	Pointe Claire, QC (Office Employees)	Indalex Limited	United Steel Workers Local 7785-01	12/19/2006 - 12/31/2009
9	Vancouver, BC	Indalex Limited	United Steelworkers on behalf of Local Union 2952	10/1/2006 - 9/30/2011
10	Montreal, QC (Plant Employees)	Indalex Limited	United Steelworkers of America, Local 7785	12/23/2005 - 12/22/2008
11	Girard, OH	Indalex, Inc.	United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union on behalf of its Local 4564 and Memorandum of Agreement on the Closure of the Girard Facility	2/1/2005 - 1/31/2008 cba 2008 - memo of agreement

Schedule 4.11**Environmental Disclosure re: Hazardous Materials**

1. The Mideast, Mountaintop, Pennsylvania facility has a discharge of process materials to the subsurface from its anodizing operations. The containment in this area is degraded and anodizing solutions maybe leaching into the subsurface. Although Indalex has not been requested by the Pennsylvania Department of Environmental Protection to perform work to address this issue, they may do so in the future.

2. At the Mississauga, Ontario facility, it is anticipated that the installation of a thermal oxidizer may be necessary within the next year in order to continue paint line operations and remain in compliance with the environmental regulations. The cost to install a similar thermal oxidizer at the Montreal, Quebec facility was approximately \$1.7 million. If required, Indalex anticipates an expenditure of \$1.5 million to \$2 million at the Mississauga facility to address this compliance issue.

3. At the Girard, Ohio facility, former Easco employees have alleged that an unknown number of drums of solid waste paint are buried on the west side of the property. Eyewitnesses estimated that the drums were buried in the mid to late 1970's. The potential cost to address any government-required investigation and cleanup of this area cannot be determined by Indalex at this time within a reasonable degree of certainty.

Schedule 4.12

Insurance

<u>No.</u>	<u>Description</u>	<u>Description</u>
1	Ace	Umbrella (Excess Liability)
2	Ace Environmental Risk	Environmental
3	AIG/National Union Fire Insurance Co-PA	D&O
4	AIG/National Union Fire Insurance Co-PA	Fiduciary Liabilities
5	Liberty Insurance Underwriters	Special Crime Policy
6	National Union Fire Insurance Company of Pittsburgh, PA	Crime
7	ING	Tourist Vehicle Insurance Policy (Mexico)
8	St. Paul Fire & Marine/Travelers	Marine Cargo
9	St. Paul Travelers	Global Companion Commercial General Liability
10	St. Paul Travelers	Worker's Comp
11	Starr	Property
12	Travelers	Auto Liability (CND)
13	Travelers	Auto Liability (US)
14	Travelers	General Liability (Canada)
15	Travelers	Umbrella (Excess Liability)
16	Zurich	Umbrella (Excess Liability)
17	Zurich Insurance Company	Excess Drop-Down D&O/EPL
18	Zurich-American Insurance Company	Excess Crime Limits
19	Marsh USA	Client Service Agreement
20	Travelers	General Liability (US)
21	Comprehensive Risk Management ¹	TPA for OH Workers Comp prior to 2000
22	Constitution State Services ¹	TPA (arm of Travelers) for OH Workers Comp after 2000
23	Sedgwick Mangement Services ¹	TPA WC one open legacy claim
24	Galligher Basset ¹	TPA WC one open legacy claim

¹ These are Sun Capital Portfolio Company policies in which Indalex, Inc. and Indalex Limited are listed as named insureds.

25	ACE American Insurance Co. ¹	\$67.5M part of \$225M excess of \$275M
26	Allianz Global Risks US ¹	\$57.5M part of \$225M excess of \$275M
27	National Union Fire Insurance Co of Pittsburgh, PA ¹	\$50M part of \$225 M excess of \$275M
28	ACE American Insurance Co. & Princeton Excess and Surplus Insurance Company ¹	\$50M part of \$225M excess of \$275M

Schedule 4.19

Intellectual Property

See Attached

Schedule 4.19

Overall Intellectual Property



Patents

Title	Country	Type	Patent No./ Issue Date	Pub. No./ Pub. Date	Application No./ Filing Date	Expiration Date	Owner
METHOD AND APPARATUS FOR COUNTERACTING STRESS IN A METAL PRODUCT	US	Utility	N/A	2008/0041555-A1 02/21/08	11/461,135 07/31/06	N/A	INDALEX, INC.
METHOD AND APPARATUS FOR COUNTERACTING STRESS IN A METAL PRODUCT	China	Utility	N/A	101116940 02/06/08	200710138171.0 07/31/07	N/A	INDALEX, INC.
METHOD AND APPARATUS FOR COUNTERACTING STRESS IN A METAL PRODUCT	Mexico	Utility	N/A	N/A N/A	MX/a/2007/008946 07/25/07	N/A	INDALEX, INC.
METHOD AND APPARATUS FOR COUNTERACTING STRESS IN A METAL PRODUCT	Canada	Utility	N/A	N/A N/A	2,595,707 07/30/07	N/A	INDALEX, INC.



Trademarks and Industrial Designs

Canada




Registered Owner
Trade-mark
Registration No. Expiration Date
Indalex Limited

INDAL TECHNOLOGIES	TMA583,701	June 13, 2018
INDALTECH	TMA583,638	June 12, 2018
LOCK-WOOD	TMA292,977	July 13, 2014
LOCK-WOOD & Design	TMA290,415	April 27, 2014
WINDOWS DOORS & MORE	TMA481,167	August 21, 2012
INDAL	TMA443,277	May 26, 2010
INDALEX	TMA443,019	May 19, 2010
LOCK-WOOD WINDOWS DOORS & MORE	TMA442,265	April 28, 2010
INDALLOY	TMA340,002	May 6, 2018
LOCKOTE	TMA257,897	April 17, 2011
INDALEX ALUMINUM SOLUTIONS	TMA579,965	April 28, 2018
		
ITI	TMA569,964	October 30, 2017
GLOBAL SECURE	TMA592,775	October 22, 2018
INDALEX INTERNATIONAL	App. No. 1283916	Abandoned 10/22/2007
	TMA731,575	December 31, 2023
	TMA726,780	October 23, 2023

China

Registered Owner	Trade-mark	Registration No.	Expiration Date
Indalex, Inc.		1914733 08/28/2002	August 28, 2012
		1996348 01/21/2003	January 21, 2013
	INDALEX	1914731 08/28/2002	August 28, 2012
	INDALEX	1996350 01/21/2003	January 21, 2013

United States

Registered Owner	Trademark	Application/Registration Number	Expiration Date
Indalex Inc.		2,589,705 07/02/2002	07/02/2012
Indalex Inc.	INDALEX ALUMINUM SOLUTIONS	2,726,770 06/17/2003	06/17/2009
Indalex Inc.	INDALEX ALUMINUM SOLUTIONS	2,734,214 07/08/2003	07/08/2009
Indalex Inc.	SECURITY+	2,768,610 09/30/2003	09/30/2009
Indalex Inc.	REFLEX	2,617,601 09/10/2002	LAPSED 11-30-2007
Indalex Inc.		2,524,681 01/01/2002	01/01/2012
Indalex Inc.	INDALEX	1,950,075 01/23/1996	01/23/2016
Indalex Inc.	INDURALL	3,215,390 03/06/2007	03/06/2013
Indalex Inc.	GLOBAL SECURE	3,157,940 10/17/2006	10/17/2012
Indalex Inc.		3,180,288 12/05/2006	12/05/2012
Indalex, Inc.	INDALEX INTERNATIONAL	3,236,233 05/01/2007	05/01/2013

Indalex, Inc.	INDALEX EXPRESS	3622418 5/19/2009	5/19/2015
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DB02:8301699.2

TRADE NAMES

Entity Name:
Indalex Inc.
Indalex
Indal Extrusion
Caradon Indalex
Indalex Aluminum Solutions
Indalex Aluminum Solutions Group
Easco Corporation
Indalex Limited
Indalex West Inc.
Indalex West, Inc.
Indalex America Inc.
Indalex America, Inc.
MidEast Aluminum Division, Indalex America, Inc.
Easco Aluminum
Indalex Holding Corp.
Indalex Holdings Finance, Inc.
Caradon Lebanon, Inc.
Dolton Aluminum Company, Inc.
Caradon Lock-Wood
Caradon Life Products
Caradon Limited
Indalloy
Indalex MidEast
Indalloy Division, Indalex Limited

TRADE-MARKS

The following is a list of registered (i.e. active), abandoned and expunged trade-marks. We have included abandoned and expunged trade-marks in this list in the event that the owner has rights to the trade-marks at common law.

Registration Number	TM	Status	Owner
1	I DESIGN	registered	Indalex Limited (CA)
2	INDALEX INTERNATIONAL	registered	Indalex Limited (CA)
3	ITI	registered	Indalex Limited (CA)
4	INDALTECH	registered	Indalex Limited (CA)
5	INDAL TECHNOLOGIES	registered	Indalex Limited (CA)
6	INDALEX ALUMINUM SOLUTIONS	registered	Indalex Ltd (CA)
7	I DESIGN	registered	Indalex Ltd (CA)
8	WINDOWS DOORS & MORE	registered	Indalex Limited (CA)
9	INDAL	registered	Indalex Limited (CA)
10	INDALEX	registered	Indalex Limited (CA)
11	LOCK-WOOD WINDOWS DOORS & MORE	registered	Indalex Limited (CA)
12	INDALLOY	registered	Indalex Limited (CA)
13	LOCK-WOOD	registered	Indalex Limited (CA)
14	LOCK-WOOD & DESIGN	registered	Indalex Limited (CA)
15	LOCKOTE	registered	Indalex Limited (CA)
16	INDAL CONSUMER PRODUCTS	expunged	Indalex Limited (CA)
17	INDAL METALS	expunged	Indalex Limited (CA)
18	INDAL BUILDING PRODUCTS	expunged	Indalex Limited (CA)
19	INDALGLASS	expunged	Indalex Limited (CA)
20	GLOBAL SECURE	abandoned	Indalex Limited (CA)

	Registration Number	TM	Status	Owner
21	1149475	INDALEX EXPRESS	abandoned	Indalex Ltd (CA)
22	1082611	GRYPHON & DESIGN	abandoned	Indalex Limited (CA)
23	234941	TEMPGLASS	expunged	Caradon Limited (CA)
24	299667	LOCK-WEST & DESIGN	expunged	Caradon Limited (CA)
25	299668	LOCK-WEST	expunged	Caradon Limited (CA)

I. Domain Names

e-indalex.com
indalex.com
indalexaluminum.com

indalexaluminum.net
indalexaluminum.org
indalexaluminumsolutions.com
indalexholdings.com
indalexholdingsfinance.com
indalloy.com
indurall.com
mideastaluminum.com
myindalex.com
indalex-distribution.com
indalex-international.com
indalexinternational.com

II. Software Applications

System Name	Application/Module/Subsystem Name	Internally Developed? (Yes/No)
ISOM SO/Mfg/WIP/FG	Indalex Inc. Sales Order/Manufacturing System	Yes
PP&C SO/Mfg/WIP/FG	Indalex Ltd. Sales Order/Manufacturing System	Yes
Metal Purchasing System	Indalex Inc. Metal Purchasing System	Yes
Global Pricing Model Insight II	Indalex Global Pricing Model Order/Shipments/Backlog Reporting	Yes
Lotus Notes, Email Databases	Quote Tracking, Disputed Items Management	Yes

Schedule 4.21

Trust Fund Taxes Arrears

None.

Schedule 4.22(a)

Financial Statements

See Attached

INDALEX HOLDINGS FINANCE, INC.

CONSOLIDATED BALANCE SHEETS

As of December 31, 2007 and December 31, 2006

(Dollars in thousands)

	December 31, 2007	December 31, 2006
	(Successor)	(Successor)
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 7,919	\$ 11,157
Accounts receivable, less allowance of \$3,862 in 2007 and \$4,462 in 2006	83,288	103,924
Receivable from suppliers	5,241	8,980
Inventories	58,265	67,182
Prepaid expenses and other current assets	10,407	10,765
Deferred income taxes	5,434	—
	<hr/>	<hr/>
Total current assets	170,554	202,008
Investment in AAG	—	96,950
Property, plant, and equipment, net	192,391	199,638
Goodwill	—	3,537
Other intangibles, net	64,306	78,264
Deferred financing costs	9,563	14,594
Other assets	2,604	2,692
	<hr/>	<hr/>
Total assets	\$ 439,418	\$ 597,683
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	\$ 69,125	\$ 66,780
Income taxes payable	271	2,648
Deferred income taxes	—	2,456
Accrued expenses and other current liabilities	35,206	38,478
Accrued interest	10,160	13,806
Capital lease obligation	1,563	1,243
Revolver borrowings	67,500	55,717
	<hr/>	<hr/>
Total current liabilities	183,825	181,128
Other liabilities	40,767	30,667
Capital lease obligation	3,662	4,674
Long-term debt	196,138	266,957
Deferred income taxes	6,191	24,859
	<hr/>	<hr/>
Total liabilities	430,583	508,285
Commitments and contingencies (Note 20)		
Stockholders' equity:		
Common stock (\$.001 par value per share). Authorized shares 2,900,000.		
Issued and outstanding 1,000,114	I	I
Additional paid-in capital	35,124	110,665
Treasury stock, 90 shares at \$111.11 per share	(10)	(10)
Accumulated deficit	(30,874)	(23,898)
Accumulated other comprehensive income	4,594	2,640
	<hr/>	<hr/>
Total stockholders' equity	8,835	89,398
	<hr/>	<hr/>
Total liabilities and stockholders' equity	\$ 439,418	\$ 597,683

See accompanying notes to consolidated and combined financial statements.

INDALEX HOLDINGS FINANCE, INC.

CONSOLIDATED AND COMBINED STATEMENTS OF INCOME

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

	Years ended				
	December 31, 2007	December 31, 2006		December 31, 2005	
		Jan 1-Feb 1	Feb 2-Dec 31	Jan 1-Mar 31	Apr 1-Dec 31
		(Successor)	(Predecessor 2)	(Successor)	(Predecessor 1)
Net sales	\$ 1,105,335	\$ 100,019	\$ 1,142,842	\$ 239,849	\$ 781,521
Costs and expenses:					
Cost of sales	1,048,860	95,127	1,058,677	221,542	727,799
Selling, general, and administrative	51,929	5,548	54,966	15,593	35,933
Management fees to affiliates	1,071	125	1,634	700	1,131
Amortization of intangible assets	10,216	920	10,736	—	8,282
Other (income) expense	4,559	195	1,016	993	(825)
Restructuring charges	3,664	—	1,772	694	(222)
Impairment of long-lived assets	9,455	—	7,248	381	636
(Gain) loss on disposal of assets	(42)	—	255	(274)	(146)
Mark-to-market on derivatives	4,806	(3,619)	7,560	285	(1,200)
Total costs and expenses	1,134,518	98,296	1,143,864	239,914	771,388
Income (loss) from operations	(29,183)	1,723	(1,022)	(65)	10,133
Other income (expense):					
Interest to affiliates	—	—	—	(1,208)	(3,712)
External interest expense	(35,228)	(24)	(35,745)	—	(333)
Deferred financing costs	(2,280)	—	(2,220)	—	—
Interest income	465	—	—	—	144
Loss on redemption of notes	(7,140)	—	—	—	—
Income from equity method investment in AAG	8,937	643	11,841	1,557	9,380
Gain on sale of equity method investment in AAG	51,246	—	—	—	—
Affiliated acquisition fees	—	—	(5,475)	—	—
Dividend income from affiliates	—	—	—	9,077	—
Income (loss) before income taxes	(13,183)	2,342	(32,621)	9,361	15,612
Income tax provision (benefit)	(6,207)	703	(8,723)	9	1,912
Income (loss) from continuing operations	(6,976)	1,639	(23,898)	9,352	13,700
Discontinued operations, net of tax benefit of \$—, \$—, \$—, \$27, and \$—	—	—	—	(50)	—
Net income (loss)	\$ (6,976)	\$ 1,639	\$ (23,898)	\$ 9,302	\$ 13,700

See accompanying notes to consolidated and combined financial statements.

INDALEX HOLDINGS FINANCE, INC.

CONSOLIDATED AND COMBINED STATEMENTS OF CASH FLOWS

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

	Years ended				
	December 31, 2007	December 31, 2006		December 31, 2005	
		Jan 1-Feb 1	Feb 2-Dec 31	Jan 1-Mar 31	Apr 1-Dec 31
		(Predecessor 2)	(Successor)	(Predecessor 1)	(Predecessor 2)
Cash flows from operating activities					
Net income (loss)	\$ (6,976)	\$ 1,639	\$ (23,898)	\$ 9,302	\$ 13,700
Adjustments to reconcile net income (loss) to net cash from operating activities:					
Depreciation	34,199	2,821	32,327	7,953	24,943
Amortization of intangible assets	10,216	920	10,736	—	8,282
Amortization of deferred financing costs	2,280	—	2,220	—	—
Amortization of bond discount	373	—	394	—	—
(Gain) loss on disposal of assets	(42)	—	255	(274)	(146)
Impairment of long-lived assets	9,455	—	7,248	381	636
Dividend from affiliate	—	—	—	(9,077)	—
Other	403	743	21	245	—
Income from equity method investment in AAG	(8,937)	(643)	(11,841)	(1,557)	(9,380)
Dividends from equity method investment in AAG	5,895	—	4,891	4,602	—
Gain on sale of equity method investment in AAG	(51,246)	—	—	—	—
Loss on redemption of notes	7,140	—	—	—	—
Stock-based compensation	1,086	—	938	1,244	—
Executive compensation	—	—	—	311	—
Management fees to affiliates	—	125	—	700	—
Deferred income taxes	(8,099)	988	(11,329)	(218)	(6,201)
Changes in operating assets and liabilities, net of the effect of the acquisition:					
Accounts receivable	25,771	(12,255)	18,492	(25,297)	21,076
Receivable from affiliates	—	1,854	—	(183)	(2,338)
Inventories	11,576	(2,652)	3,001	(14,704)	29,397
Prepays and other assets	5,499	(3,684)	7,000	2,138	(6,086)
Income taxes payable/refundable	(2,545)	(292)	2,383	(10,154)	3,876
Checks issued in excess of bank balance	—	(242)	(1,260)	—	1,716
Accounts payable	(3,008)	(6,586)	8,659	2,422	(8,268)
Accrued expenses and other liabilities	(11,981)	19,798	(18,349)	1,433	(12,914)
Payable to affiliates	—	812	—	(465)	(261)
Net cash from operating activities	21,659	3,346	31,288	(31,198)	58,032
Cash flows from investing activities					
Capital expenditures	(36,815)	(3,006)	(21,277)	(8,770)	(20,228)
Proceeds from sales of property, plant and equipment	224	—	2,244	738	2,039
Proceeds from sale of business	—	—	4,548	—	—
Proceeds from sale of equity method investment in AAG	151,238	—	—	—	—
Cash paid for acquisition	—	—	(418,256)	—	—
Payment of acquisition transaction cost	—	—	(1,735)	—	—
Net cash from investing activities	114,647	(3,006)	(434,476)	(8,032)	(18,189)

INDALEX HOLDINGS FINANCE, INC.

CONSOLIDATED AND COMBINED STATEMENTS OF CASH FLOWS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

Cash flows from financing activities					
Dividends and distributions	(76,627)	(6,809)	(1,522)	—	(25,759)
Payments on capital lease obligation	(1,114)	(58)	(1,033)	—	(58)
Revolver borrowings (repayments)	10,469	—	(13,122)	—	—
Debt payments	—	—	—	—	(6,000)
Repurchases of common stock	—	—	(10)	—	—
Net (payments to) collections from affiliates on notes	—	(1,620)	—	30,596	(14,663)
Redemption of notes	(75,542)	—	—	—	—
Revolver borrowings, acquisition	—	—	68,839	—	—
Borrowings on long-term debt, acquisition	—	—	266,563	—	—
Capital contributions	—	—	111,250	—	—
Debt issuance costs	—	—	(16,814)	—	—
Net cash from financing activities	(142,814)	(8,487)	414,151	30,596	(46,480)
Effect of changes in foreign exchange rates on cash	3,870	(27)	194	2,887	(1,772)
Net change in cash and cash equivalents	(3,238)	(8,174)	11,157	(5,747)	(8,409)
Cash and cash equivalents					
Beginning of period	11,157	9,366	—	23,522	17,775
End of period	\$ 7,919	\$ 1,192	\$ 11,157	\$ 17,775	\$ 9,366
Supplemental cash flow information:					
Cash paid for interest	\$ 38,500	\$ 18	\$ 21,939	\$ 1,191	\$ 2,901
Cash paid for income taxes (refunds received)	4,400	—	(62)	10,401	4,888
Supplemental disclosure of non cash investing and financing activities:					
Property and equipment acquired under a capital lease	\$ —	\$ —	\$ 3,198	\$ —	\$ 3,724
Redemption of investment in preferred shares	—	—	—	161,214	—
Settlement of affiliate loan	—	—	—	30,423	—
Settlement dividend to affiliate	—	—	—	139,868	—
Supplemental disclosure of acquisition of a business:					
Fair value of assets acquired	\$ —	\$ —	\$ 627,568	\$ —	\$ —
Fair value of liabilities assumed	—	—	209,312	—	—
Cash paid for acquisition	\$ —	\$ —	\$ 418,256	\$ —	\$ —

See accompanying notes to consolidated and combined financial statements.

INDALEX HOLDINGS FINANCE, INC.

CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

	Common Stock	Additional Paid-in Capital	Treasury Stock	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total
Successor balance, January 1, 2007	\$ 1	\$ 110,665	\$ (10)	\$ (23,898)	\$ 2,640	\$ 89,398
Net loss	—	—	—	(6,976)	—	(6,976)
Dividends and distributions	—	(76,627)	—	—	—	(76,627)
Stock-based compensation	—	1,086	—	—	—	1,086
Translation adjustment (net of tax of \$3,444)	—	—	—	—	(1,487)	(1,487)
Adjustment to accrued benefit liability related to defined benefit plan (net of tax of \$2,665)	—	—	—	—	3,441	3,441
Successor balance, December 31, 2007	\$ 1	\$ 35,124	\$ (10)	\$ (30,874)	\$ 4,594	\$ 8,835

See accompanying notes to consolidated and combined financial statements.

INDALEX HOLDINGS FINANCE, INC.

CONSOLIDATED AND COMBINED STATEMENTS OF STOCKHOLDERS' EQUITY

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

	Common Stock	Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Total
Predecessor 2 balance, January 1, 2006	\$ 391	\$ 411,515	\$ 9,712	\$ —	\$ 1,488	\$ 423,106
Dividends and distributions	—	(12,708)	—	—	—	(12,708)
Divestiture incentive payment	—	743	—	—	—	743
Net income	—	—	1,639	—	—	1,639
Management fees to affiliates	—	125	—	—	—	125
Translation adjustment	—	—	—	—	(141)	(141)
Total comprehensive income						
Predecessor 2 Balance, February 1, 2006	\$ 391	\$ 399,675	\$ 11,351	\$ —	\$ 1,347	\$ 412,764
Successor balance, February 2, 2006	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Dividends and distributions	—	(1,522)	—	—	—	(1,522)
Capital contributions	1	111,249	—	—	—	111,250
Net loss	—	—	(23,898)	—	—	(23,898)
Stock-based compensation	—	938	—	—	—	938
Repurchase of common stock	—	—	—	(10)	—	(10)
Translation adjustment	—	—	—	—	(66)	(66)
Adjustment to accrued benefit liability and cumulative adjustment for the adoption of SFAS No. 158 related to defined benefit plan (net of tax of \$1,831)	—	—	—	—	2,706	2,706
Total comprehensive loss						
Successor balance, December 31, 2006	\$ 1	\$ 110,665	\$ (23,898)	\$ (10)	\$ 2,640	\$ 89,398

See accompanying notes to consolidated and combined financial statements.

INDALEX HOLDINGS FINANCE, INC.

CONSOLIDATED AND COMBINED STATEMENTS OF STOCKHOLDERS' EQUITY (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

	Common Stock	Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Unearned Deferred Compensation	Accumulated Other Comprehensive Income (Loss)	Total
Predecessor 1 balance, January 1, 2005	\$ 391	\$ 534,446	\$ 12,050	\$ (1,244)	\$ 16,209	\$ 561,852
Dividends and distributions	—	(118,516)	(21,352)	—	—	(139,868)
Net income	—	—	9,302	—	—	9,302
Stock-based compensation	—	—	—	1,244	—	1,244
Executive compensation	—	311	—	—	—	311
Management fees to affiliates	—	700	—	—	—	700
Translation adjustment	—	—	—	—	(2,040)	(2,040)
Predecessor 1 Balance March 31, 2005	\$ 391	\$ 416,941	\$ —	\$ —	\$ 14,169	\$ 431,501
Predecessor 2 balance, April 1, 2005	\$ 391	\$ 433,286	\$ —	\$ —	\$ —	\$ 433,677
Dividends and distributions	—	(21,771)	(3,988)	—	—	(25,759)
Net income	—	—	13,700	—	—	13,700
Translation adjustment	—	—	—	—	2,110	2,110
Minimum liability adjustment related to defined benefit plan (net of tax benefit of \$335)	—	—	—	—	(622)	(622)
Predecessor 2 balance, December 31, 2005	\$ 391	\$ 411,515	\$ 9,712	\$ —	\$ 1,488	\$ 423,106

See accompanying notes to consolidated and combined financial statements.

INDALEX HOLDINGS FINANCE, INC.

CONSOLIDATED AND COMBINED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

	Years ended				
	December 31, 2007	December 31, 2006		December 31, 2005	
		Jan 1-Feb 1	Feb 2-Dec 31	Jan 1-Mar 31	Apr 1-Dec 31
		(Successor)	(Predecessor 2)	(Successor)	(Predecessor 1)
Net income (loss)	\$ (6,976)	\$ 1,639	\$ (23,898)	\$ 9,302	\$ 13,700
Translation adjustment (net of tax of \$3,444, \$—, \$—, \$—, and \$—)	(1,487)	(141)	(66)	(2,040)	2,110
Adjustment to accrued benefit liability related to defined benefit plan (net of tax of \$2,665, \$—, \$1,831, \$—, and \$—)	3,441	—	(353)	—	—
Minimum liability adjustment related to defined benefit plan (net of tax benefit of \$—, \$—, \$—, \$—, and \$335)	—	—	—	—	(622)
Comprehensive income (loss)	\$ (5,022)	\$ 1,498	\$ (24,317)	\$ 7,262	\$ 15,188

See accompanying notes to consolidated and combined financial statements.

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 1—GENERAL

The Company is the second largest aluminum extruder, and the largest independent aluminum extruder, in the United States and Canada, based on shipment volume data compiled by the Aluminum Association, the Aluminum Extruders Council, and management estimates. As an independent aluminum extruder, the Company is not involved in aluminum mining, refining or smelting. In 2007, approximately 94% of the Company's products were customized, made-to-order aluminum extrusions for use in a wide array of end-user markets. In addition to aluminum extrusion, the Company also offers a broad range of services, including fabrication, painting and anodizing. The Company serves over 3,700 customers, including a broad spectrum of national, regional and local accounts.

On February 2, 2006, Indalex Holding Corp. acquired (the "Indalex Holdings acquisition"), Indalex Inc. and Indalex Limited, wholly owned subsidiaries of Honeywell International, Inc. ("Honeywell"). Indalex Holding Corp. is a holding company that is a wholly-owned direct subsidiary of Indalex Holdings Finance, Inc., (together with its predecessors, the "Company") which is beneficially owned by affiliates of Sun Capital Partners, Inc., certain other investors and members of the Company's management team. Honeywell had previously acquired (the "Honeywell acquisition") the former parent company, Novar plc ("Novar"), on March 31, 2005. Both the Indalex Holdings and the Honeywell acquisitions were accounted for under purchase accounting. The financial statements presented prior to the Honeywell acquisition are referred to as "Predecessor 1", and the statements following the Honeywell acquisition and prior to the Indalex Holdings acquisition are referred to as "Predecessor 2." The financial statements presented after the Indalex Holdings acquisition are referred to as the "Successor Company." Results prepared for each of these periods are not comparable.

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying consolidated and combined financial statements are prepared in accordance with accounting principles generally accepted in the United States of America and reflect the policies set out below.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the combined financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates include the allowance for doubtful accounts, accounts related to income taxes, liabilities related to environmental obligations and pension and other post-retirement benefits, and the valuation of intangible assets.

Revenue Recognition: The Company recognizes net sales when the revenue is realized or realizable, and has been earned, in accordance with the SEC's Staff Accounting Bulletin (SAB) No. 104, Revenue Recognition in Financial Statements.

The Company recognizes product revenue, net of trade discounts and allowances, in the reporting period in which the products are shipped and the title and risk of ownership pass to the customer.

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Company records tolling revenue when the revenue is realized or realizable, and has been earned. Tolling refers to the process by which certain customers provide metal to the Company for conversion to extrusions. The Company does not take title to the metal and, after the shipment of the extrusion to the customer, the Company charges them for the value-added conversion cost and records these amounts in net sales.

Shipping and handling amounts the Company bills to its customers are included in net sales and the related shipping and handling costs the Company incurs are included in cost of sales.

Cash Equivalents: For purposes of reporting cash flows, the Company considers all interest-bearing securities having maturities of three months or less at the date of purchase to be cash equivalents.

Accounts Receivable: Receivables include trade receivables, notes receivable, and other miscellaneous receivables from suppliers. The Company generally does not charge interest on its trade receivables.

Allowance for Doubtful Accounts: The allowance for doubtful accounts is determined by management based on the Company's historical losses, specific customer circumstances, and general economic conditions. Periodically, management reviews accounts receivable and adjusts the allowance based on current circumstances and charges off uncollectible receivables when all attempts to collect have failed.

Allowances of \$3,862 and \$4,462 have been provided at December 31, 2007 and December 31, 2006, respectively.

Inventories: Inventories are valued at the lower of cost or market. Cost includes labor, materials, and production overhead. The cost of domestic inventory is determined predominantly using the last-in, first-out ("LIFO") method. The cost of inventory in foreign operations is costed using the first-in, first out method.

Investment in AAG: Investment in AAG consisted of Indalex Limited's investment in AAG, which was accounted for using the equity method of accounting. On May 15, 2007 Indalex UK Limited sold its 25.01% interest in Asia Aluminum Group ("AAG") to OK Spring Roll Limited Partnership, an investment vehicle in association with ORIX Corporation. See Note 6.

Property, Plant, and Equipment: Additions to property, plant, and equipment, including expenditures which improve or prolong the useful lives of such assets, are valued at cost. Expenditures for improvements and betterments are capitalized, and repairs and maintenance are charged to expense as incurred. Property, plant, and equipment obtained through acquisitions are stated at their fair values

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

at the date of acquisition. Depreciation is computed principally on a straight-line basis for financial reporting purposes. The estimated useful lives for computing depreciation are as follows:

Building	20—40 years
Leasehold improvements	1—15 years
Machinery and equipment	2—15 years
Furniture and fixtures	3—10 years
Vehicles	3—5 years

Leasehold improvements are amortized on a straight-line basis over the estimated useful life of the improvement or remaining life of the lease, whichever is shorter.

Computer software is capitalized and included in machinery and equipment for the Company projects that have a significant long-term benefit. In accordance with Statement of Position 98-1, *Accounting for the Costs of Computer Software Developed for Internal Use*, the Company expenses costs incurred in the preliminary project stage and thereafter capitalizes costs incurred in developing or obtaining internal use software. Certain costs, such as maintenance and training, are expensed as incurred. Generally, a three-year life is used for depreciation.

The Company capitalizes the costs for tools and dies and depreciates the costs over two years.

Accounting for the Impairment of Long-Lived Assets: The Company accounts for impairment of long-lived assets in accordance with Statement of Financial Accounting Standards ("SFAS") No. 144, *Accounting for the Impairment or Disposal of Long-Lived Assets*. This Statement addresses financial accounting and reporting for the impairment or disposal of long-lived assets. At least annually, the Company evaluates whether events and circumstances have occurred that indicate whether the remaining estimated useful lives of its long-lived assets may warrant revision or whether the remaining balance of such assets may not be recoverable.

Goodwill: In accordance with SFAS No. 142, *Goodwill and Other Intangible Assets*, goodwill is reviewed for impairment on an annual basis or more frequently if events or circumstances indicate that the carrying value may not be recoverable. During the year ended December 31, 2007 the Company eliminated a deferred tax liability for book to tax differences related to certain inventory amounts. The liability existed at the time of acquisition and was determined to no longer be necessary based on information recently provided by the seller. The liability was reversed against goodwill and intangible assets, reducing goodwill to zero.

Financial Instruments: Derivative financial instruments are used to hedge existing inventory (metals) and anticipated purchases of aluminum and gas and are, therefore, held for purposes other than trading. These instruments may involve elements of credit and market risk in excess of the amounts recognized in the financial statements. The Company monitors its positions and the credit quality of counterparties, consisting primarily of major financial institutions, and does not anticipate nonperformance by any counterparty.

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 2--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

To manage foreign currency exposure, the Company enters into foreign currency forward contracts. The contracts are reported in the consolidated and combined financial statements at fair value using a mark to market valuation.

To manage the mix of fixed and floating rates in its revolving credit facility, the Company enters into interest rate swaps. The swaps are reported in the consolidated and combined financial statements at fair value using a mark to market valuation.

The Company accounts for financial instruments in accordance with SFAS No. 133, Accounting for Derivative Instruments and Hedging Activities, as amended by SFAS No. 138, Accounting for Derivative Instruments and Hedging Activities. The derivatives are marked to market through the income statement.

Stock-Based Compensation: Effective January 1, 2006 the Company adopted SFAS No. 123(R) ("SFAS 123(R)"). SFAS 123(R) requires the Company to record compensation expense for all share-based awards. The Company did not have share-based awards at the time SFAS 123(R) was adopted. Accordingly, the Company has recorded stock-based employee compensation cost using the calculated value method starting in 2006. The Company determined that it is not practicable for it to reasonably estimate its expected volatility. The Company reviewed the Dow Jones Industrial Metals Small Cap Index as the appropriate industry sector index. The Company obtained the historical daily closing return values of selected indices for the period equal to the expected term ending on the grant date and calculated the annualized historical volatility of those values. The indices were weighted evenly.

Under the Predecessor 1 company (Novar), the Company had stock-based employee compensation plans. The Company accounted for stock-based compensation by applying APB Opinion No. 25, *Accounting for Stock Issued to Employees*, as allowed under SFAS No. 123, *Accounting for Stock-Based Compensation*, under which compensation expense is recorded to the extent that the market price of the underlying stock (Novar stock) exceeds the exercise price at the measurement date using the intrinsic-value method.

The fair value of options on their grant date was measured using the Black-Scholes option-pricing model. See Note 22 for more information on stock-based compensation.

All options existing at March 31, 2005 were liquidated with the sale of Novar to Honeywell. Under the Predecessor 2 company, no stock-based compensation plans exist at December 31, 2005.

Environmental Remediation Costs: The Company accrues for costs associated with environmental remediation obligations when such costs are probable and reasonably estimable. Costs of future expenditures for environmental remediation obligations are not discounted to their present value.

Fair Value of Financial Instruments: The carrying values of cash, accounts receivable and payable, and accrued expenses approximate fair value because of the short-term maturities of these assets and liabilities. The carrying value of revolver borrowings approximates fair value because of the variable rate nature of the debt. The fair value of long-term debt is approximately \$174,288 as of December 31, 2007 based on the market trading price of the Company's 11 1/2% Notes. See Note 15 for further information.

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Concentration of Credit Risk: The Company maintains cash balances at several financial institutions in excess of the insurance limits provided by the Federal Deposit Insurance Corporation.

Foreign Currency Translation: Assets and liabilities of foreign entities in the Company's combined financial statements are translated to U.S. dollars at exchange rates in effect as of the balance sheet dates. Revenues and expenses are translated at the average exchange rates prevailing during the reporting period. Adjustments from translating foreign currency assets and liabilities into U.S. dollars are included as a component of accumulated other comprehensive income. Transaction gains and losses that arise from exchange rate fluctuations are included in the results of operations, as incurred.

Income Taxes: The Company (excluding Indalex Limited and subsidiaries) was included in the combined federal income tax return of Novar USA Inc. through March 31, 2005. From April 1, 2005 to February 1, 2006, the Company is included in the federal income tax return of Honeywell. Subsequent to February 1, 2006, the Company is included in the federal income tax return of Indalex Holdings Finance, Inc. The respective state corporate income tax returns of each subsidiary are filed on a separate or combined entity basis as applicable. Current federal income taxes payable or recoverable is generally determined as if each subsidiary were filing a separate return and loss companies are compensated for the benefit derived from the losses utilized. Indalex Limited and each of its subsidiaries file separate income tax returns. Indalex UK Limited files separate income tax returns in the United Kingdom.

Deferred income taxes are provided for temporary differences between the tax and book bases of assets and liabilities.

Significant judgment is required in determining income tax provisions under Statement of Financial Accounting Standards No. 109 "Accounting for Income Taxes" (SFAS No. 109) and in evaluating tax positions. The Company establishes additional provisions for income taxes when, despite the belief that tax positions are fully supportable, there remain certain positions that do not meet the minimum probability threshold, as defined by FASB Interpretation ("FIN") No. 48, "Accounting for Uncertainty in Income Taxes—An Interpretation of FASB Statement 109" ("FIN 48"), which is a tax position that is more likely than not to be sustained upon examination by the applicable taxing authority. As described in further detail in the Recent Accounting Pronouncements section to the financial statements, FIN 48 was effective beginning January 1, 2007. FIN 48 establishes a single model to address accounting for uncertainty in tax positions. FIN 48 clarifies the accounting for income taxes by prescribing a minimum recognition threshold a tax position is required to meet before being recognized in the financial statements. FIN 48 also provides guidance on derecognition, measurement, classification, interest and penalties, accounting in interim periods, disclosure and transition.

In the normal course of business, the Company and its subsidiaries are examined by various Federal, State and foreign tax authorities. The Company regularly assesses the potential outcomes of these examinations and any future examinations for the current or prior years in determining the adequacy of the provision for income taxes. The Company continually assesses the likelihood and amount of potential adjustments and adjusts the income tax provision, the current tax liability and deferred taxes in the period in which the facts that give rise to a revision become known.

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Comprehensive Income (Loss): Under SFAS No. 130, *Reporting Comprehensive Income*, comprehensive income (loss) for the Company consists of net income (loss), minimum pension liability adjustments, and cumulative translation adjustments.

Recent Accounting Pronouncements: In June 2006, the Financial Accounting Standards Board ("FASB") issued FIN 48, which establishes a single model to address accounting for uncertain tax positions. FIN 48 clarifies the accounting for income taxes by prescribing a minimum recognition threshold a tax position is required to meet before being recognized in the financial statements. FIN 48 also provides guidance on derecognition, measurement classification, interest and penalties, accounting in interim periods, disclosure and transition. The adoption of FIN 48 which occurred on January 1, 2007 had no effect on the Company's consolidated financial position and results of operations. See Note 19 for additional information related to FIN 48.

In May 2007, the FASB issued FASB Staff Position ("FSP") FIN 48-1 "Definition of Settlement in FASB Interpretation No. 48" (FSP FIN 48-1). FSP FIN 48-1 provides guidance on how to determine whether a tax position is effectively settled for the purpose of recognizing previously unrecognized tax benefits. FSP FIN 48-1 is effective retroactively to January 1, 2007. The implementation of this standard had no effect on the Company's consolidated financial position or results of operations.

In September 2006, the FASB issued FSP AUG AIR-1 "Accounting for Planned Major Maintenance Activities" (FSP AUG AIR-1). FSP AUG AIR-1 amends the guidance on the accounting for planned major maintenance activities; specifically it precludes the use of the previously acceptable "accrue in advance" method. FSP AUG AIR-1 is effective for fiscal years beginning after December 15, 2006. The implementation of this standard had no effect on the Company's consolidated financial position or results of operations.

In September 2006, the FASB issued Statement of Financial Accounting Standard ("SFAS") No. 157, "Fair Value Measurements" (SFAS No. 157). SFAS No. 157 establishes a common definition for fair value to be applied to US GAAP requiring use of fair value, establishes a framework for measuring fair value, and expands disclosure about such fair value measurements. SFAS No. 157 is effective for fiscal years beginning after November 15, 2007.

In February 2008, the FASB issued FSP 157-2 "Partial Deferral of the Effective Date of Statement 157" (FSP 157-2). FSP 157-2 delays the effective date of SFAS No. 157, for all nonfinancial assets and nonfinancial liabilities, except those that are recognized or disclosed at fair value in the financial statements on a recurring basis (at least annually) to fiscal years beginning after November 15, 2008. The Company is currently assessing the impact of SFAS No. 157 for nonfinancial assets and nonfinancial liabilities on its consolidated financial position and results of operations. The implementation of this standard, for financial assets and financial liabilities, will not have a material impact on the Company's consolidated financial position and results of operations.

In February 2007, the FASB issued SFAS No. 159 "The Fair Value Option for Financial Assets and Financial Liabilities" (SFAS No. 159). SFAS No. 159 permits entities to choose to measure many financial assets and financial liabilities at fair value. Unrealized gains and losses on items for which the fair value option has been elected are reported in earnings. SFAS No. 159 is effective for fiscal years .

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

beginning after November 15, 2007. The implementation of this standard will not have a material impact on the Company's consolidated financial position and results of operations.

In March 2007, the FASB ratified Emerging Issues Task Force ("EITF") Issue No. 06-10 "Accounting for Collateral Assignment Split-Dollar Life Insurance Agreements" (EITF 06-10). EITF 06-10 provides guidance for determining a liability for postretirement benefit obligations as well as recognition and measurement of the associated asset on the basis of the terms of the collateral assignment agreement. EITF 06-10 is effective for fiscal years beginning after December 15, 2007. The implementation of this standard will not have a material impact on the Company's consolidated financial position and results of operations.

In June 2007, the FASB ratified EITF 06-11 "Accounting for the Income Tax Benefits of Dividends on Share-Based Payment Awards" (EITF 06-11). EITF 06-11 provides that tax benefits associated with dividends on share-based payment awards be recorded as a component of additional paid-in capital. EITF 06-11 is effective, on a prospective basis, for fiscal years beginning after December 15, 2007. The implementation of this standard will not have a material impact on the Company's consolidated financial position and results of operations.

In December 2007, the FASB issued SFAS No. 141(revised 2007), "Business Combinations" (SFAS No. 141R). SFAS No. 141R provides revised guidance on how acquirers recognize and measure the consideration transferred, identifiable assets acquired, liabilities assumed, noncontrolling interests, and goodwill acquired in a business combination. SFAS No. 141R also expands required disclosures surrounding the nature and financial effects of business combinations. SFAS No. 141R is effective, on a prospective basis, for fiscal years beginning after December 15, 2008. The Company will apply the standard when required and applicable.

In December 2007, the FASB issued SFAS No. 160, "Noncontrolling Interests in Consolidated Financial Statements" (SFAS No. 160). SFAS No. 160 establishes requirements for ownership interests in subsidiaries held by parties other than the Company (sometimes called "minority interests") be clearly identified, presented, and disclosed in the consolidated statement of financial position within equity, but separate from the parent's equity. All changes in the parent's ownership interests are required to be accounted for consistently as equity transactions and any noncontrolling equity investments in deconsolidated subsidiaries must be measured initially at fair value. SFAS No. 160 is effective, on a prospective basis, for fiscal years beginning after December 15, 2008. The Company will apply the standard when required and applicable.

NOTE 3—THE INDALEX HOLDINGS ACQUISITION

On February 2, 2006, Indalex Inc. and Indalex Limited were acquired by Indalex Holdings Finance, Inc. through its wholly-owned subsidiary, Indalex Holding Corp. for a purchase price of

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 3—THE INDALEX HOLDINGS ACQUISITION (Continued)

\$418,256, net of acquired cash. The table below summarizes the allocation of purchase price based on estimates of the fair values of the assets acquired and liabilities assumed at the date of acquisition.

ASSETS	
Accounts receivable, net	\$ 125,872
Receivable from suppliers	8,986
Inventories	71,860
Prepaid expenses and other current assets	20,032
Investment in AAG	90,000
Property, plant, and equipment, net	217,806
Goodwill	3,537
Other intangibles	89,000
Other assets	475
	<hr/>
Total assets	627,568
	<hr/>
LIABILITIES	
Accounts payable	59,064
Accrued expenses and other current liabilities	67,461
Pension and other post-retirement benefits	37,162
Other liabilities	4,788
Capital lease obligation	3,796
Deferred income taxes	37,041
	<hr/>
Total liabilities	209,312
	<hr/>
NET ASSETS ACQUIRED	\$ 418,256
	<hr/>

Of the \$89,000 acquired intangibles, \$17,000 was assigned to a trade name, which is being amortized using a declining balance method over a 15-year life. The remaining \$72,000 of acquired intangible assets relates to customer relationships that are being amortized using a declining balance method and a seven year life. The other intangibles have a weighted average useful life of 10.7 years. Goodwill acquired of \$3,537 was not being amortized and was not deductible for tax purposes.

During the year ended December 31, 2007 the Company eliminated a deferred tax liability of \$7,279 for book to tax differences related to certain inventory amounts. The liability existed at the time of acquisition and was determined to no longer be necessary based on information recently provided by the seller. The liability was reversed against goodwill in the amount of \$3,537, reducing goodwill to zero. The remaining liability of \$3,742 was reversed against intangible assets related to customer relationships.

In connection with the Indalex Holdings acquisition certain executives of the Company received divestiture incentive payments totaling \$743 that were paid by Honeywell. The payments were accounted for as compensation expense in selling, general and administrative expense, and as an increase to additional paid-in capital.

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 4—HONEYWELL ACQUISITION

On March 31, 2005 ("the closing date"), the Company was acquired by Honeywell International, Inc. as part of Honeywell's acquisition of Novar for a purchase price of \$433,677 net of acquired cash. The table below summarizes the allocation of purchase price based on the estimated fair values of the assets acquired and liabilities assumed at the date of acquisition.

ASSETS	
Cash and cash equivalents	\$ 17,775
Accounts receivable, net	132,281
Trade receivable from affiliates	569
Inventories	86,988
Prepaid expenses and other current assets	18,805
Deferred income tax	2,627
Note receivable from affiliate	6,528
Investment in AAG	85,000
Property, plant, and equipment, net	222,831
Goodwill	14,626
Other intangibles	83,000
Other assets	652
	<hr/>
Total assets	671,682
	<hr/>
LIABILITIES	
Accounts payable	72,607
Trade payable to affiliates	622
Income taxes payable	4,791
Accrued expenses and other current liabilities	50,699
Short-term debt	6,000
Pension and other post-retirement benefits	56,007
Other liabilities	4,791
Note payable to affiliates	13,028
Deferred income taxes	29,460
	<hr/>
Total liabilities	238,005
	<hr/>
NET ASSETS ACQUIRED	\$ 433,677
	<hr/>

Of the \$83,000 acquired intangibles, \$13,000 were assigned to a trade name, which was being amortized using a declining balance method over a 15-year life. The remaining \$70,000 of acquired intangible assets related to customer relationships that were being amortized using a declining balance method and a seven-year life. The other intangibles had a weighted average useful life of 10.7 years.

Honeywell International, Inc. purchased Novar with the intent of disposing of the Company as soon as practical.

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 4—HONEYWELL ACQUISITION (Continued)

The following table summarizes the Company's financial results assuming the Honeywell Acquisition occurred at the beginning of the respective period.

	Year Ended December 31, 2005	
	Amounts in millions	
	(unaudited)	
Revenues	\$	1,021.4
Operating income		13.6
Income before income taxes		19.4
Net income		16.1

NOTE 5—INVESTMENT IN PREFERRED SHARES OF AFFILIATES

On March 24, 2005 just prior to the sale of Novar plc to Honeywell International, Indalex Limited exercised its put option included in the shareholders agreement to sell its investment in preferred shares of Novar affiliates. The redemption value of the preferred shares was set at the book value of \$161,214, plus dividends earned through the date of redemption of \$9,077. The dividends were declared by Novar plc based on the rates in the shareholder agreement. The dividend was reflected in the statement of operations as dividend income for the period January 1, 2005 through March 31, 2005.

Simultaneously with this transaction, Indalex Limited settled an outstanding loan with Novar plc of \$30,423. Also, simultaneously with this transaction, Novar plc caused Indalex Limited to declare a non-cash dividend of \$139,868 to Novar plc. The dividend to Novar plc represented the difference between (a) the redemption value of the preferred shares and the related interim dividend payable by Novar plc to Indalex Limited and (b) the intercompany loan owed by Indalex Limited to Novar plc. The dividend owed to Novar plc was accounted for as a reduction to retained earnings. All the transactions were net settled and not settled in cash so they are reported in the statement of cash flow as non-cash activities for the period January 1, 2005 through March 31, 2005.

NOTE 6—EQUITY METHOD INVESTMENT

On May 15, 2007 Indalex UK Limited sold its 25.01% interest in Asia Aluminum Group ("AAG") to OK Spring Roll Limited Partnership, an investment vehicle in association with ORIX Corporation. The Company received \$151,215 in cash (net of transaction costs) and recorded a book gain before tax of \$51,246 related to the sale.

The investment in AAG was accounted for using the equity method of accounting. The principal business transactions between AAG and the Company include the sale of finished aluminum products where the Company uses AAG as a contract manufacturer. The Company purchases finished extruded aluminum products from AAG for resale to customers when it is more economical than manufacturing the product directly or when there are capacity constraints. Approximately 4%, 4%, 6%, 2% and 3% of the Company's net sales were sourced from AAG for the periods January 1, 2007 to May 15, 2007, January 1, 2006 to February 1, 2006, February 2, 2006 to December 31, 2006, January 1, 2005 to March 31, 2005, and April 1, 2005 to December 31, 2005, respectively.

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 6—EQUITY METHOD INVESTMENT (Continued)

Summarized financial data for AAG's operations as of May 15, 2007, February 1, 2006, December 31, 2006, March 31, 2005, and December 31, 2005 and for the periods ended is as follows:

	Period ended				
	May 15, 2007	December 31, 2006		December 31, 2005	
		Jan 1-Feb 1	Feb 2-Dec 31	Jan 1-Mar 31	Apr 1-Dec 31
	Successor	Predecessor 2	Successor	Predecessor 1	Predecessor 2
Sales	\$ 342,167	\$ 27,840	\$ 597,347	\$ 85,100	\$ 380,407
Gross profit	62,321	6,067	112,288	18,042	82,262
Net income	33,678	2,573	44,095	6,228	37,507
Current assets	576,417	427,003	447,773	484,194	449,111
Current liabilities	665,984	350,990	492,116	380,663	370,779
Non-current liabilities	38	42,964	43,954	18,949	41,107
Total assets	1,024,008	695,343	872,221	656,216	710,875
Stockholders' equity	357,986	301,390	336,151	251,694	298,989
Retained earnings	277,726	218,160	255,891	171,434	215,587

NOTE 7—INTANGIBLE ASSETS

As part of the Indalex Holding acquisition, identifiable intangible assets were recorded. The identifiable intangible assets are being amortized on a declining balance method. The useful lives range from seven to fifteen years. The table below summarizes the identified intangible assets and annual amortization expense.

	December 31, 2007			December 31, 2006		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Customer lists	\$ 68,258	\$ (16,824)	\$ 51,434	\$ 72,000	\$ (8,682)	\$ 63,318
Indalex trademark	17,000	(4,128)	12,872	17,000	(2,054)	14,946
Total	\$ 85,258	\$ (20,952)	\$ 64,306	\$ 89,000	\$ (10,736)	\$ 78,264

During the year ended December 31, 2007, the Company eliminated a deferred tax liability for book to tax differences related to certain inventory amounts. \$3,742 of the liability was reversed against intangible assets related to customer relationships. See Note 3 for further information.

Future amortization expense is as follows:

Year Ended December 31,	
2008	\$ 8,073
2009	\$ 7,316
2010	\$ 6,860
2011	\$ 6,449
2012	\$ 6,449

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 8—RESTRUCTURING CHARGES

On January 5, 2007, the Company announced the closure of its aluminum extrusion facility located in Watsonville, California. The facility ceased operations in June 2007. As a result of the closure, the Company recorded an impairment on long-lived assets of \$2,000 during the year ended December 31, 2007 and \$3,446 during the period February 2, 2006 to December 31, 2006 based on the appraised values of the assets expected to be disposed. During the year ended December 31, 2007, the Company recorded expense of \$2,160 comprised of \$1,320 for severance and related costs resulting from the termination of 99 people, of which \$208 remains unpaid, and \$840 of lease obligations and other exit costs.

In September 2006, the Company initiated an overhead restructuring program. During the year ended December 31, 2007, the Company recorded expense of \$1,063 in severance and related costs resulting from the termination of 33 people during the year ended December 31, 2007. The cumulative severance and related costs are \$2,835 resulting from the termination of 65 people. As of December 31, 2007 and December 31, 2006, the Company had a remaining liability of \$802 and \$1,374, respectively.

On March 14, 2005, the Company announced the closure of its aluminum extrusion facility located in Fostoria, Ohio. The Fostoria closure, which involved 53 employees, occurred on July 31, 2005. For the period January 1, 2005 to March 31, 2005, the Company recorded restructuring expense of \$694, comprised of \$525 for severance costs for hourly and salaried employees, including associated benefits and outplacement. Additional exit costs of \$169 were recorded for lease obligations and other exit costs. All amounts were paid as of December 31, 2006. As a result of the closure, the Company recorded asset impairments of \$381 for the period January 1, 2005 to March 31, 2005 and \$366 for the period February 2, 2006 to December 31, 2006.

As part of the acquisition by Honeywell and included in the related purchase accounting, the Company initiated an overhead reduction program that resulted in the termination of 75 employees at a cost of \$2,054, of which \$127 was recorded during the year ended December 31, 2007. The program was accounting for as a part of purchase accounting. These costs related to severance costs and other eligible associated expenses. As of December 31, 2007 and December 31, 2006, the Company had a remaining liability of \$0 and \$8, respectively.

The Company recorded income of \$22 during the year ended December 31, 2007 related to restructuring programs initiated prior to 2005. The Company has a remaining liability of \$127 as of December 31, 2007 related to restructuring programs initiated prior to 2005.

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 8—RESTRUCTURING CHARGES (Continued)

The following table summarizes the status of the Company's total restructuring costs.

	Severance Costs	Asset Impairments	Exit Costs	Total
Balance at December 31, 2004	\$ 1,278	\$ —	\$ 25	\$ 1,303
January 1-March 31, 2005 charges	525	381	169	1,075
January 1-March 31, 2005 usage	(741)	(381)	(1)	(1,123)
Balance at March 31, 2005	1,062	—	193	1,255
April 1-December 31, 2005 charges	(250)	—	28	(222)
April 1-December 31, 2005 usage	(1,424)	—	(166)	(1,590)
Purchase Accounting reserve	2,054	—	—	2,054
Balance at December 31, 2005	1,442	—	55	1,497
January 1-February 1, 2006 charges	—	—	—	—
January 1-February 1, 2006 usage	(156)	—	(15)	(171)
Balance at February 1, 2006	1,286	—	40	1,326
February 2-December 31, 2006 charges	1,772	3,812	—	5,584
February 2-December 31, 2006 usage	(1,529)	(3,812)	(40)	(5,381)
Balance at December 31, 2006	1,529	—	—	1,529
2007 charges	2,824	5,928	840	9,592
2007 usage	(3,178)	(5,928)	(824)	(9,930)
Balance at December 31, 2007	\$ 1,175	\$ —	\$ 16	\$ 1,191

NOTE 9—DERIVATIVE INSTRUMENTS

SFAS No. 133 requires that an entity recognize all derivatives as either assets or liabilities measured at fair value. In accordance with the Company's risk management policy, derivatives are limited to futures, forwards, swaps, and options, which are used to mitigate commodity price, foreign currency, and interest rate risk. These hedging relationships do not qualify for hedge accounting as defined by SFAS No. 133. Therefore, the derivatives are marked to market through the income statement.

As of December 31, 2007, the Company had 297 contracts to purchase 62.3 million pounds of aluminum at prices per pound between \$1.09 and \$1.29 (actual). These purchase contracts are scheduled to mature between January 2008 and June 2009, and the notional amount was \$65,282. As of December 31, 2007, the Company had 39 contracts to sell 108.9 million pounds of aluminum at prices between \$1.07 and \$1.20 (actual). These sales contracts are scheduled to mature between January 2008 and June 2008, and the notional amount was \$117,854. As of December 31, 2007, the unrealized losses related to these derivatives are recorded within other current liabilities in the amount of \$175. The income statement reflects a loss of \$3,624 for the year ended December 31, 2007.

As of December 31, 2006, the unrealized gains related to these derivatives are recorded within other current assets in the amount of \$3,449. The income statement reflects a gain of \$3,619 for the

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 9—DERIVATIVE INSTRUMENTS (Continued)

period January 1, 2006 to February 1, 2006 and a loss of \$7,560 for the period February 2, 2006 to December 31, 2006.

As of December 31, 2005, the unrealized gains related to these derivatives are recorded within other current assets in the amount of \$7,390. The income statement reflects a loss of \$285 for the period January 1, 2005 to March 31, 2005 and a gain of \$1,200 for the period April 1, 2005 to December 31, 2005.

The Company transacts business in foreign currencies, giving rise to foreign exchange rate risk. The purpose of the Company's foreign currency hedging activity is to protect the Company from the risk that the eventual U.S. Dollar net cash outflows resulting from foreign purchases or net cash inflows denominated in foreign currency, will be adversely affected by the changes in exchange rates. As of December 31, 2007, the Company had two contracts to buy 8.5 million Swedish Krona (SEK) at prices per US Dollar between SEK 6.72 and SEK 6.73 (actual). These purchase contracts are scheduled to mature between January 2008 and March 2008, and the notional amount was \$1,264. As of December 31, 2007, the Company had nine contracts to buy 10.5 million Canadian Dollars (CAD) at prices per US Dollar between CAD .98 and CAD 1.02 (actual). These purchase contracts are scheduled to mature between January 2008 and February 2008, and the notional amount was \$10,500. As of December 31, 2007, the unrealized gains related to these derivatives are recorded within other current assets in the amount of \$155. The income statement reflects a gain of \$147 for the year ended December 31, 2007, of which \$97 is included in other expense.

The Company's short-term debt consists of a revolving credit facility providing for borrowings up to \$200.0 million. (See Note 15.) In order to manage the mix of fixed and floating rates in its revolving credit facility, the Company has entered into interest rate swaps to change the characteristics of interest rate payments from short-term LIBOR-based variable rate payments to fixed-rate payments for a portion of its total revolver balance. As of December 31, 2007, the Company had three interest rate swap contracts with a weighted average fixed rate of 5.1%. The contracts are scheduled to mature between July 2009 and September 2009, and the notional amount was \$57,500. As of December 31, 2007, the unrealized losses related to these derivatives are recorded within other current liabilities in the amount of \$1,232. The income statement reflects a loss of \$1,232 for the year ended December 31, 2007.

NOTE 10—AFFILIATE TRANSACTIONS

During the year ended December 31, 2007 and period February 2, 2006 to December 31, 2006, the Company incurred management fees of \$1,071 and \$1,634, respectively, to Sun Capital Partners, Inc. for operational management, debt financing support and corporate governance. Sun Capital Partners charges its fees to affiliates proportionately based on a percentage of EBITDA.

During the year ended December 31, 2007 the Company paid Sun Capital Partners fees associated with the sale of its investment in AAG of \$1,532. The fees are included as part of the gain on the sale reported on the statement of income.

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 10—AFFILIATE TRANSACTIONS (Continued)

During the year ended December 31, 2007 the Company distributed \$76,627 of the proceeds received from the sale of the AAG investment to its stockholders.

For the period February 2, 2006 to December 31, 2006 the Company paid Sun Capital Partners fees associated with the Indalex Holdings acquisition of \$5,475.

On July 18, 2006, the Company paid a dividend to stockholders of \$1,522.

For the period January 1, 2006 through February 1, 2006, net cash generated under the Honeywell cash sweep arrangement in the United States of \$5,899 was remitted as a return of capital. Cash generated of \$6,809 was remitted to Honeywell as a dividend. The Company was not charged management fees by Honeywell during this period. The Company recorded expense of \$125 in the statement of income as an estimate for the services provided by Honeywell during this period. The management fees for this period are reflected as an increase to additional paid-in-capital in the statement of stockholders' equity.

For the period April 1, 2005 through December 31, 2005 net cash generated under the Honeywell cash sweep arrangement in the United States of \$11,791 was remitted as a return of capital. Cash generated in Canada of \$13,968 was remitted to Honeywell as a dividend. The Company also paid management fees to Honeywell totaling \$1,131 for services provided on its behalf in the areas of tax and treasury which management believes were representative of the cost to provide those services. Honeywell proportionately allocates its support costs to its subsidiaries. The Company incurred costs directly for all other functions.

For the period January 1, 2005 through March 31, 2005 the Company was not charged management fees by Novar. The Company recorded expense of \$700 in the statement of income as an estimate for the services provided by Novar during this period. The management fees for this period are reflected as an increase to additional paid-in-capital in the statement of stockholders' equity.

The Company received dividend income from affiliated companies totaling \$9,077 for the period January 1, 2005 to March 31, 2005.

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 11—INVENTORIES

Inventories consisted of the following:

	December 31, 2007	December 31, 2006
Raw materials	\$ 33,206	\$ 37,883
Work in process	2,172	4,251
Finished goods	26,551	31,001
	61,929	73,135
Less LIFO allowance	(3,664)	(5,953)
Total inventories	\$ 58,265	\$ 67,182

Inventory stated on the LIFO basis amounted to \$34,123 at December 31, 2007 and \$35,922 at December 31, 2006. LIFO inventory liquidations resulted in a reduction of \$2,289 to cost of sales on the accompanying consolidated and combined statements of income for the year ended December 31, 2007.

NOTE 12—PROPERTY, PLANT AND EQUIPMENT

Net property, plant, and equipment consists of the following:

	December 31, 2007	December 31, 2006
Land, buildings and improvements	\$ 89,736	\$ 93,129
Machinery and equipment	128,622	121,774
Office equipment, furniture and vehicles	5,644	5,336
Construction in progress	15,117	3,788
	239,119	224,027
Accumulated depreciation	(46,832)	(24,539)
Net property, plant and equipment	192,287	199,488
Assets held for sale	104	150
Total property, plant and equipment	\$ 192,391	\$ 199,638

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 13—ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

Accrued expenses and other current liabilities consists of the following:

	December 31, 2007	December 31, 2006
Payroll and related benefits	\$ 11,865	\$ 18,052
Accrued accounts payable	16,830	14,678
Property and other taxes	1,685	1,040
Environmental	116	105
Restructuring	1,191	1,529
Unrealized losses on derivatives	1,407	—
Other	2,112	3,074
	<u>\$ 35,206</u>	<u>\$ 38,478</u>
Total accrued expenses and other current liabilities	\$ 35,206	\$ 38,478

NOTE 14—OTHER LIABILITIES

Other liabilities were comprised of the following:

	December 31, 2007	December 31, 2006
Pension	\$ 10,314	\$ 18,345
FIN-48	19,289	—
Environmental	1,608	1,565
Post-retirement benefits	3,868	4,362
Other post-retirement benefits	639	547
Other	5,049	5,848
	<u>\$ 40,767</u>	<u>\$ 30,667</u>
Total	\$ 40,767	\$ 30,667

NOTE 15—DEBT

The Company has significant debt service obligations. A revolving credit facility consists of a first-priority secured five-year asset-based revolving credit facility providing for borrowings up to \$200.0 million. In addition, to fund the purchase from Honeywell, the Company issued \$270.0 million of 11¹/₂% notes on February 2, 2006, which mature in 2014. The bonds were recorded net of a discount of \$3,437 which is amortized over the term of the bonds. On June 21, 2007 the Company repurchased Notes with a face value of \$71,945 with proceeds from the sale of its investment in AAG. The Notes were redeemed at a 5% premium plus accrued interest. As a result of the tender offer for the Notes the Company recorded a loss of \$7,140 which includes the following: repurchase premium (\$3,597), unamortized discount on Notes (\$754), unamortized debt issue costs (\$2,757) and transactions costs (\$32). The face value of the Notes is \$198,055 and the discount is \$1,917 at December 31, 2007.

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 15—DEBT (Continued)

Revolving Credit Facility

The revolving credit facility provides an aggregate principal amount of up to \$200.0 million, all of which is available in the form of loans denominated in U.S. dollars to Indalex Holding Corp. and up to \$80.0 million of which is available as a revolving credit sub-facility in the form of loans denominated in Canadian dollars and loans denominated in U.S. dollars to Indalex Limited or bankers' acceptances denominated in Canadian dollars, subject in each case to the borrowing base limitations described below. Up to an aggregate of \$30.0 million will be available to Indalex Holding Corp., Indalex Limited and subsidiaries of Indalex Holding Corp., to the extent that Indalex Holding Corp. or Indalex Limited is a co-applicant, for the issuance of letters of credit. As of December 31, 2007, borrowings under the revolving credit facility bore interest at a weighted average rate of 7.25%.

The aggregate amount of loans permitted to be made to Indalex Holding Corp. under the revolving credit facility may not exceed a borrowing base comprised of the eligible accounts receivable, inventory, machinery and equipment and real property of Indalex Holding Corp. and its wholly owned domestic subsidiaries, subject to an aggregate total cap, when taken together with loans made to Indalex Limited, of \$200.0 million.

The aggregate amount of loans permitted to be made to Indalex Limited under the Canadian revolving credit sub-facility may not exceed a borrowing base comprised of the eligible accounts receivable, inventory, machinery and equipment and real property of Indalex Limited and its wholly owned Canadian subsidiaries, subject to an aggregate sub-cap of \$30.0 million and further subject to an aggregate total cap, when taken together with loans made to Indalex Holding Corp., of \$200.0 million.

The Company's obligations under the revolving credit facility are guaranteed on a first-priority secured basis by Holdings and each domestic subsidiary of Indalex Holding Corp. The obligations of Indalex Limited under the Canadian revolving credit sub-facility will be guaranteed on a first-priority secured basis by Holdings, Indalex Holding Corp., each domestic subsidiary of Indalex Holding Corp. and certain foreign subsidiaries of Indalex Holding Corp., other than Indalex Limited.

Indalex Holding Corp.'s obligations under the U.S. portion of the revolving credit facility and the guarantees thereof are secured by a first-priority lien on all of the tangible and intangible assets of Holdings, Indalex Holding Corp. and each domestic subsidiary of Indalex Holding Corp., as well as 100% of the capital stock of Indalex Holding Corp. and the Company's domestic subsidiaries and 65% of the capital stock of the foreign subsidiaries directly owned by the Company or any of the Company's domestic subsidiaries. The obligations of Indalex Limited under the Canadian revolving credit sub-facility and the guarantees thereof are secured by a first-priority lien on all of the tangible and intangible assets of Holdings, Indalex Holding Corp., Indalex Limited, each domestic subsidiary of Indalex Holding Corp. and certain foreign subsidiaries of Indalex Holding Corp., as well as 100% of the capital stock of Indalex Holding Corp. and its domestic subsidiaries and 100% of the capital stock of the Company's foreign subsidiaries, including Indalex Limited.

Indalex Holding Corp. and Indalex Limited may, at their option, increase the aggregate commitments under the revolving credit facility by an additional \$40.0 million, subject to the satisfaction of certain conditions precedent.

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 15—DEBT (Continued)

The credit agreement contains a number of restrictive covenants that impose significant operating and financial restrictions. The credit agreement limits the Company's ability to:

- incur additional indebtedness and guarantee indebtedness;
- pay dividends on or make distributions in respect of capital stock or make certain other restricted payments or investments;
- enter into agreements that restrict distributions from restricted subsidiaries;
- sell or otherwise dispose of assets, including capital stock of restricted subsidiaries;
- enter into transactions with affiliates;
- create or incur liens;
- enter into sale/leaseback transactions;
- merge, consolidate or sell substantially all of our assets;
- make investments and acquire assets;
- make certain payments on indebtedness;
- amend certain material agreements;
- issue certain preferred stock or similar equity securities; and
- change our fiscal year.

Also, the credit agreement requires the Company to maintain compliance with a fixed charge coverage ratio if either an average borrowing availability over a three-calendar-month period (or twelve-calendar-week period, as the case may be) or actual borrowing availability for four consecutive business days falls below \$25.0 million.

The Company was in compliance with the covenants for the years ended December 31, 2007.

11¹/₂% Notes

Indalex Holding Corp. issued the 11¹/₂% Notes on February 2, 2006. The 11¹/₂% Notes will mature in 2014 and are guaranteed on a second-priority secured basis by each of the Company's domestic subsidiaries that incur indebtedness, and each of the Company's foreign subsidiaries that enter into a guarantee of any of the Company's senior indebtedness (other than indebtedness incurred by another foreign subsidiary). On the closing date, the 11¹/₂% Notes were guaranteed by each of the Company's domestic subsidiaries and none of the Company's foreign subsidiaries. Interest on the 11¹/₂% Notes is payable semi-annually in cash.

The 11¹/₂% Notes are secured by a second-priority lien on substantially all of Indalex Holding Corp.'s and the guarantors' assets to the extent that such assets secure the borrowings under the Company's revolving credit facility and a second-priority pledge of 100% of Indalex Holding Corp.'s and its domestic subsidiaries' capital stock and 65% of the capital stock of the Company's foreign

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 15—DEBT (Continued)

subsidiaries directly owned by Indalex Holding Corp. or any domestic subsidiary (in each case, subject to certain limitations.)

The indenture governing the 11 1/2% Notes, among other things, limits Indalex Holding Corp.'s ability and the ability of its restricted subsidiaries to: incur additional indebtedness; pay dividends on or make distributions in respect of capital stock or make certain other restricted payments or investments; enter into agreements that restrict distributions from restricted subsidiaries; sell or otherwise dispose of assets, including capital stock of restricted subsidiaries; enter into transactions with affiliates; create or incur liens; enter into sale/leaseback transactions; and merge, consolidate or sell substantially all of the Company's assets. These covenants are subject to important exceptions and qualifications. The Company was in compliance with the covenants for the years ended December 31, 2007.

Optional Redemption

Except as set forth below, the Company will not be entitled to redeem the Notes at its option prior to February 1, 2010.

On and after February 1, 2010, the Company will be entitled at its option to redeem all or a portion of the Notes upon not less than 30 or more than 60 days' notice, at the redemption prices (expressed as a percentage of principal amount on the redemption date), plus accrued and unpaid interest and additional interest thereon, if any, to the redemption date (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date), if redeemed during the 12-month period commencing on February 1 of the years set forth below:

Period	Redemption Price
2010	108.625%
2011	102.875%
2012 and thereafter	100.000%

Prior to February 1, 2009, the Company will be entitled at its option on one or more occasions to redeem Notes (which includes Additional Notes, if any) in an aggregate principal amount not to exceed 35% of the aggregate principal amount of the Notes (which includes Additional Notes, if any) originally issued at a redemption price (expressed as a percentage of principal amount) of 11 1/2%, plus accrued and unpaid interest and additional interest thereon, if any, to the redemption date, with the net cash proceeds from one or more Equity Offerings; *provided, however*, that

- (1) at least 65% of such aggregate principal amount of Notes (which includes Additional Notes, if any) remains outstanding immediately after the occurrence of each such redemption (other than Notes held, directly or indirectly, by the Company or its Affiliates); and
- (2) each such redemption occurs within 90 days after the date of the related Equity Offering.

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 15—DEBT (Continued)

Prior to February 1, 2010, the Company will be entitled on one or more occasions to redeem all or a portion of the Notes (which includes Additional Notes, if any) upon not less than 30 nor more than 60 days' notice at a redemption price equal to the sum of:

- (1) 100% of the principal amount thereof, plus accrued and unpaid interest and additional interest thereon, if any, to the redemption date (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date); plus
- (2) the Make-Whole Amount, if any.

The term "Make-Whole Amount" shall mean, in connection with any optional redemption of any Note, the greater of (1) 1.0% of the principal amount of such Note and (2) the excess, if any, of (A) the aggregate present value as of the date of such redemption of the redemption price of such Note on February 1, 2010 (as set forth in the table above) and the amount of interest (exclusive of interest accrued to the redemption date) that would have been payable in respect of such Note through February 1, 2010 if such redemption had not been made, determined by discounting, on a semiannual basis, such redemption price and interest at the Treasury Rate (determined on the business day preceding the date of such redemption) plus 0.5%, from the respective dates on which such redemption price and interest would have been payable if such redemption had not been made, over (B) the principal amount of the Note being redeemed.

"Treasury Rate" means, in connection with the calculation of any Make-Whole Amount with respect to any Note, the yield to maturity at the time of computation of United States Treasury securities with a constant maturity, as compiled by and published in the most recent Statistical Release that has become publicly available at least two Business Days prior to the redemption date, equal to the period from the redemption date to February 1, 2010. If no maturity exactly corresponds to such period, yields for the published maturities occurring prior to and after such maturity most closely corresponding to such maturity shall be calculated pursuant to the immediately preceding sentence and the Treasury Rate shall be interpolated or extrapolated from such yields on a straight-line basis, rounding in each of such relevant periods to the nearest month.

"Statistical Release" means the statistical release "H.15(519)" or any successor publication which is published weekly by the Federal Reserve System and which establishes yields on actively traded U.S. government securities adjusted to constant maturities or, if such statistical release is not published at the time of any determination, then such other reasonably comparable index which shall be designated by the Trustee.

Selection and Notice of Redemption

If the Company is redeeming less than all the Notes at any time, the Trustee will select the Notes to be redeemed on a *pro rata* basis to the extent practicable.

The Company will redeem Notes of \$1,000 or less in whole and not in part. The Company will cause notices of redemption to be mailed by first-class mail at least 30 but not more than 60 days before the redemption date to each Holder of Notes to be redeemed at its registered address.

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 15—DEBT (Continued)

If any Note is to be redeemed in part only, the notice of redemption that relates to that Note will state the portion of the principal amount thereof to be redeemed. The Company will issue a new Note in a principal amount equal to the unredeemed portion of the original Note in the name of the Holder upon cancellation of the original Note. Notes called for redemption become due on the date fixed for redemption. On and after the redemption date, interest ceases to accrue on Notes or portions of them called for redemption.

Mandatory Redemption; Offers to Purchase; Open Market Purchases

The Company is not required to make any mandatory redemption or sinking fund payments with respect to the Notes. However, under certain circumstances, the Company may be required to offer to purchase Notes as described under the captions "—Change of Control", "—Excess Cash Flow Offer" and "—Certain Covenants—Limitation on Sales of Assets and Subsidiary Stock". The Company may at any time and from time to time purchase Notes in the open market or otherwise.

As noted previously, on June 21, 2007 the Company repurchased Notes with a face value of \$71,945 at a 5% premium plus accrued interest. The offer to repurchase the Notes was required per the indenture agreement due to the sale of the Company's investment in AAG.

NOTE 16—DEBT ISSUE COSTS

As part of the transactions associated with the Indalex Holdings acquisition, the Company incurred \$4.2 million and \$12.6 million in debt issue costs for the Revolving Credit Facility and the 11 1/2% Notes, respectively. These costs are being amortized using the straight-line method over the life of the debt (5 years and 8 years, respectively).

As indicated in Note 15, on June 21, 2007 the Company repurchased Notes with a face value of \$71,945 with proceeds from the sale of its investment in AAG. As a result of the tender offer for the Notes the Company expensed \$2,757 of debt issue costs that were being amortized over 8 years. The expense is included in the statement of income as part of the loss on redemption of notes.

NOTE 17—DISPOSALS AND ASSETS HELD FOR SALE

On November 19, 2006, the Company sold its Drawn Tube and extrusion facilities located in Winton, North Carolina to Spectube USA. The aggregate purchase price was \$4,548, comprised of cash proceeds (net of transaction costs) of \$3,373, and a promissory note of \$1,175, payable over 3 years at an interest rate of 8% per annum. The Company also entered into a raw material supply agreement with Spectube. As a result of the sale the Company recorded an impairment charge of \$2,676.

In March 2005, the Company announced the closure of its extrusion plant in Fostoria, Ohio. As a result of the closure the Company recorded an impairment of \$381 on long-lived assets during the period January 1, 2005 to March 31, 2005. During the period February 2, 2006 through December 31, 2006, the Company recorded an additional impairment on long-lived assets of \$366. The remaining assets of \$150 are classified as assets held for sale as of December 31, 2006.

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

On December 14, 2004, the Company sold a cast house in Ahoskie, North Carolina, for a \$740 mortgage note receivable. The mortgage note receivable bears interest at 7%, was due December 31, 2007, and is collateralized by the Ahoskie land, building, and equipment. In connection with the sale, the Company entered into a five-year supply agreement with the buyer to purchase castings. Due to insufficient initial investment on the part of the buyer, this transaction was not recorded as a sale. Rather, an impairment loss of \$1,356 was recorded on property, plant and equipment during the year ended December 31, 2004, and the Company retained the property, plant and equipment in its combined financial statements. The buyer ceased operations, and the Company recorded additional impairments on long-lived assets of \$636 and \$104 for the periods April 1, 2005 to December 31, 2005 and February 2, 2006 to December 31, 2006, respectively. The book value for the mortgage note receivable and property, plant and equipment is zero as of December 31, 2007.

In June 2004, the Company announced the closure of its aluminum extrusion facility located in Berlin, Connecticut. The facility and equipment were disposed in 2005, generating proceeds of \$2,580 and a gain of \$292.

NOTE 18—EMPLOYEE BENEFIT PLANS

Pension and Post-Retirement Benefits: The Company maintains defined benefit pension plans which provide retirement benefits for certain employees. The assets of the plans are invested primarily in equity and bond-based funds, debt and equity securities, and short-term cash investments. Pension costs are calculated using the accrued benefit model of actuarial valuation with projected earnings where appropriate. The Company also maintains for select employees a defined benefit plan that provides healthcare and life insurance benefits upon retirement. The plan is unfunded.

In connection with the Indalex Holdings acquisition, the accrued pension was adjusted to exclude unamortized pension assets and liabilities at the acquisition date. In addition, part of the pension liability was retained by Honeywell. Also related to the Indalex Holdings acquisition, the Company executed a wind-up of part of its Canadian pension plan. The net impact of the Indalex Holdings acquisition was a \$10.0 million reduction to the pension liability.

As discussed in Note 2—Summary of Significant Accounting Policies, the Company adopted SFAS No. 158 as of December 31, 2006. SFAS No. 158 requires that employers recognize on a prospective basis the funded status of their defined benefit pension and other postretirement benefit plans on their consolidated balance sheet and recognize as a component of other comprehensive income (loss), net of tax, the gains or losses and prior service costs or credits that arise during the period but are not recognized as components of net periodic benefit cost. Additional minimum pension liabilities and related intangible assets are also derecognized upon adoption of the new standard. The impact of adopting SFAS No. 158 resulted in an adjustment to the pension liability as shown in the table below:

As of December 31, 2006	Pension Liability Adjustment	SFAS No. 158 Adjustment	Pension Liability & SFAS No. 158 Adjustments
(Increase) decrease to pension liabilities	\$ (592)	\$ 5,014	\$ 4,422
Decrease to post-retirement liabilities	—	115	115
Increase (decrease) in deferred income tax liabilities	239	(2,070)	(1,831)
Accumulated other comprehensive income (loss)	\$ (353)	\$ 3,059	\$ 2,706

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 18—EMPLOYEE BENEFIT PLANS (Continued)

The following tables summarize the balance sheet impact, including the benefit obligations, assets, and funded status associated with the Company's pension and post-retirement plans. The Company uses a December 31 measurement date.

	December 31, 2007		December 31, 2006	
	Pension Benefits	Post-Retirement Benefits	Pension Benefits	Post-Retirement Benefits
Change in projected benefit obligation				
Benefit obligation at February 1, 2006			\$ 139,530	\$ 5,081
Benefit obligation at January 1, 2007	\$ 129,768	\$ 4,853		
Service cost (including expenses)	377	33	956	54
Interest cost	6,940	242	6,760	244
Plan participants' contributions	—	41	—	27
Obligation being settled	(18,113)	—	(9,001)	—
Special termination benefits	1,110	—	—	—
Actuarial gain	(7,987)	(679)	(2,544)	(101)
Benefits paid	(6,555)	(322)	(5,268)	(452)
Impact of currency exchange	6,844	—	(665)	—
Projected benefit obligation at end of year	\$ 112,384	\$ 4,168	\$ 129,768	\$ 4,853
Change in plan assets				
Fair value of plan assets at February 1, 2006			\$ 107,583	\$ —
Fair value of plan assets at January 1, 2007	\$ 111,424	\$ —		
Actual return on plan assets	4,586	—	8,764	—
Employer contribution	5,404	281	10,565	425
Plan participants' contributions	—	41	—	27
Benefits paid	(6,555)	(322)	(5,268)	(452)
Expenses paid	(627)	—	(607)	—
Settlement payments	(16,703)	—	(9,265)	—
Impact of currency exchange	4,540	—	(348)	—
Fair value of plan assets at end of year	\$ 102,069	\$ —	\$ 111,424	\$ —
	December 31, 2007		December 31, 2006	
	Pension Benefits	Post-Retirement Benefits	Pension Benefits	Post-Retirement Benefits
Funded status	\$ (10,314)	\$ (4,168)	\$ (18,345)	\$ (4,853)
Net amount recognized	\$ (10,314)	\$ (4,168)	\$ (18,345)	\$ (4,853)
Amounts recognized in the statement of financial position consist of:				
Other long-term liabilities	\$ (10,314)	\$ (3,868)	\$ (18,345)	\$ (4,362)
Accrued expenses and other current liabilities	—	(300)	—	(491)
Net amount recognized	\$ (10,314)	\$ (4,168)	\$ (18,345)	\$ (4,853)

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 18—EMPLOYEE BENEFIT PLANS (Continued)

	December 31, 2007		December 31, 2006	
	Pension Benefits	Post-Retirement Benefits	Pension Benefits	Post-Retirement Benefits
Amounts recognized in accumulated other comprehensive income (loss) consist of:				
Actuarial gain	\$ 9,820	\$ 823	\$ 4,422	\$ 115
Net amount recognized, before tax effect	\$ 9,820	\$ 823	\$ 4,422	\$ 115

The accumulated benefit obligation for the defined benefit pension plans was \$84,012 and \$129,481 at December 31, 2007 and December 31, 2006, respectively.

Net periodic pension costs for the plans include the following components:

	Years ended				
	Dec 31, 2007	December 31, 2006		December 31, 2005	
		Jan 1-Feb 1	Feb 2-Dec 31	Jan 1-Mar 31	Apr 1-Dec 31
		Successor	Predecessor 2	Successor	Predecessor 1
Service cost	\$ 493	\$ 101	\$ 956	\$ 288	\$ 836
Interest cost	6,940	776	6,760	1,954	6,766
Expected return on assets	(6,782)	(671)	(6,270)	(1,492)	(5,160)
Amortization of prior service cost	—	—	—	31	—
Amortization of transition obligation	—	—	—	(122)	—
Recognized actuarial (gain) loss	(4)	5	—	820	—
Settlement (gain) loss	163	—	(11)	—	—
Curtailment income	—	—	—	—	(13)
Special termination benefits	1,023	—	—	—	—
Net periodic benefit cost	\$ 1,833	\$ 211	\$ 1,435	\$ 1,479	\$ 2,429

Net periodic post-retirement benefit cost (income) for the plans include the following components:

	Years ended				
	Dec 31, 2007	December 31, 2006		December 31, 2005	
		Jan 1-Feb 1	Feb 2-Dec 31	Jan 1-Mar 31	Apr 1-Dec 31
		Successor	Predecessor 2	Successor	Predecessor 1
Service cost	\$ 33	\$ 5	\$ 54	\$ 24	\$ 81
Interest cost	242	23	244	141	403
Recognized actuarial (gain) loss	(3)	—	—	63	—
Amortization of prior service cost	—	(10)	—	—	—
Curtailment income	—	—	—	—	(3,121)
Net periodic benefit cost (income)	\$ 272	\$ 18	\$ 298	\$ 228	\$ (2,637)

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 18—EMPLOYEE BENEFIT PLANS (Continued)

During the year ended December 31, 2007, the Company recognized a special termination benefits loss of \$1,110 and a net settlement loss of \$177 as a result of executing a wind-up of part of its Canadian pension plan. The losses are included in other expense.

During the period from February 2, 2006 to December 31, 2006, the Company recognized a net settlement gain of \$11 as a result of executing a wind-up of part of its Canadian pension plan.

During the period from April 1, 2005 to December 31, 2005, the Company recognized a curtailment gain of \$13 from reducing the number of participants in the Plan.

During the period April 1, 2005 to December 31, 2005, the Company approved amendments to the post-retirement plan to reduce the benefits provided to current and future retirees. The change resulted in a curtailment gain of \$3,121. The gain is included in other income.

Actuarial assumptions used in determining the benefit obligation and net periodic benefit cost for the benefit plans are presented in the following table:

	Dec 31, 2007	Jan 1-Feb 1, 2006	Feb 2-Dec 31, 2006	Jan 1-Mar 31, 2005	Apr 1-Dec 31, 2005
	Successor	Predecessor 2	Successor	Predecessor 1	Predecessor 2
Actuarial assumptions used to determine benefit obligations:					
Discount rate	6.41%	5.62%	5.84%	5.75%	5.50%
Expected annual rate of compensation increase	5.00%	5.00%	5.00%	5.00%	5.00%
Actuarial assumptions used to determine period benefit cost:					
Discount rate	5.84%	5.50%	5.62%	6.00%	5.75%
Expected rate of return on plan assets	7.00%	8.00%	8.00%	8.00%	8.00%

The Company used an assumption of 7.00% for the year ended December 31, 2007 and 8.00% for the periods January 1, 2006 to February 1, 2006, February 2, 2006 to December 31, 2006, January 1, 2005 to March 31, 2005, and April 1, 2005 to December 31, 2005 for long-term rate-of-return on plan assets used to determine period benefit cost. In evaluating the reasonableness of this assumption, the Company used a combination of historical returns and weighted-average expected returns for each asset class. The forward-looking approach is based on the most recent Investment Consulting Capital Markets Outlook of the Company's actuary. The Investment Consulting Capital Markets Outlook defines the outlook for various market assumptions based on a 20-year timeframe. The Company's actuary reviews its forward-looking investment returns assumptions every three months and repeatedly checks to see whether assumptions are consistent with market conditions.

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 18—EMPLOYEE BENEFIT PLANS (Continued)

Actuarial assumptions used in determining the benefit obligation and net periodic benefit cost for the post-retirement benefits are presented in the following table:

	<u>Dec 31, 2007</u>	<u>Jan 1-Feb 1, 2006</u>	<u>Feb 2-Dec 31, 2006</u>	<u>Jan 1-Mar 31 2005</u>	<u>Apr 1-Dec 31, 2005</u>
	Successor	Predecessor 2	Successor	Predecessor 1	Predecessor 2
Actuarial assumptions used to determine benefit obligations:					
Discount rate	6.10%	5.50%	5.70%	5.75%	5.50%
Actuarial assumptions used to determine period benefit cost:					
Discount rate	5.70%	5.50%	5.50%	6.00%	5.75%

A 9% increase in the per capita cost of healthcare has been assumed for 2006, increasing to 9.5% for 2007, before declining to an ultimate rate of 5% in 2013. A 1% increase in the assumed healthcare trend rate increases service and interest cost by \$13 and the accumulated benefit obligation by \$178. A 1% decrease in the rate reduces service and interest costs by \$12 and the accumulated benefit obligation by \$162.

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 18—EMPLOYEE BENEFIT PLANS (Continued)

Pension plans with accumulated benefit obligations exceeding the fair value of plan assets were as follows:

	Dec 31, 2007	Dec 31, 2006
Projected benefit obligation	\$ 84,149	\$ 103,957
Accumulated benefit obligation	84,012	103,670
Fair value of plan assets	81,024	85,378

The Company expects to contribute \$4,303 to the pension plans during 2008.

The objective of the Company's investment policy is to maximize the return of invested assets while maintaining an appropriate level of diversification to minimize risk. The Company's policy sets forth specific criteria used in the selection and ongoing evaluation of individual fund managers.

The Company's investment committee generally meets quarterly with a registered investment advisor to review actual performance against relevant benchmarks. The weighted-average asset allocations of invested assets held in the defined benefit plans were as follows:

	Asset Allocation							
	December 31, 2007				December 31, 2006			
	United States		Canada		United States		Canada	
	Actual	Target	Actual	Target	Actual	Target	Actual	Target
Equity securities	56.6%	60.0%	—%	—%	61.5%	60.0%	—%	—%
Debt securities and cash	43.4%	40.0%	100.0%	100.0%	38.5%	40.0%	100.0%	100.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Benefit payments over the next ten years, including amounts to be paid from Company assets, and reflecting expected future service, as appropriate, are expected to be paid as follows:

Year Ending December 31	Pension	Other Post-Retirement Benefits
2008	\$ 24,833	\$ 371
2009	5,689	398
2010	5,808	444
2011	5,914	376
2012	6,013	366
2013–2017	32,142	1,773
	\$ 80,399	\$ 3,728

The Company also participates in defined contribution and multi-employer pension plans. The contributions were \$4,141, \$343, \$3,473, \$917 and \$2,736 and the expense was \$4,164, \$268, \$3,622, \$940 and \$2,668 for the year ended December 31, 2007 and the periods from January 1, 2006 to February 1, 2006, February 2, 2006 to December 31, 2006, January 1, 2005 to March 31, 2005, and from April 1, 2005 to December 31, 2005, respectively.

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 19—INCOME TAXES

The income tax provision (benefit) consists of the following components:

	Years ended				
	December 31, 2006			December 31, 2005	
	December 31, 2007	Jan 1-Feb 1	Feb 2-Dec 31	Jan 1-Mar 31	Apr 1-Dec 31
	Successor	Predecessor 2	Successor	Predecessor 1	Predecessor 2
Current:					
Federal	\$ 1,134	\$ (200)	\$ 1,648	\$ (245)	\$ 5,476
State	284	(35)	420	(135)	310
Foreign	470	(50)	538	607	2,327
	<u>1,888</u>	<u>(285)</u>	<u>2,606</u>	<u>227</u>	<u>8,113</u>
Deferred:					
Federal	(6,973)	986	(8,066)	(434)	(5,510)
State	(70)	174	(73)	57	170
Foreign	(1,052)	(172)	(3,190)	159	(861)
	<u>(8,095)</u>	<u>988</u>	<u>(11,329)</u>	<u>(218)</u>	<u>(6,201)</u>
Total	\$ (6,207)	\$ 703	\$ (8,723)	\$ 9	\$ 1,912

The amount of the provision (benefit) for taxes differs from the amount that would result from calculating the provision at the Company's basic U.S. tax rate of 35%. Reconciliation between the federal statutory rate and the Company's effective tax rate follows:

	Years ended				
	December 31, 2006			December 31, 2005	
	December 31, 2007	Jan 1-Feb 1	Feb 2-Dec 31	Jan 1-March 31	April 1-Dec 31
	Successor	Predecessor 2	Successor	Predecessor 2	Predecessor 1
Tax at statutory rate	\$ (4,614)	\$ 820	(11,417)	\$ 3,273	\$ 5,464
State income taxes, net of federal benefits	215	139	420	(78)	480
Dividends not subject to tax	—	—	—	(3,177)	—
Equity earnings not subject to tax	(670)	(219)	(2,432)	(545)	(3,283)
Sale of equity method investment	367	—	—	—	—
Enacted foreign rate changes	(1,489)	—	—	—	—
Foreign rate differences	603	(22)	279	109	205
Transaction costs not deductible	57	—	1,171	—	—
Foreign tax (credits) allowance	(589)	—	1,648	—	—
Valuation allowance (reversal)	(1,806)	—	1,800	—	—
NOL write-off	1,275	—	—	—	—
Other, net	444	(15)	(192)	427	(954)
Tax at effective tax rate	\$ (6,207)	\$ 703	\$ (8,723)	\$ 9	\$ 1,912

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 19—INCOME TAXES (Continued)

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and liabilities at December 31, 2007 and 2006 are presented below:

	Dec 31, 2007	Dec 31, 2006
	<u> </u>	<u> </u>
Deferred tax assets:		
Accrued expenses	\$ 6,038	\$ 7,490
Inventory	1,818	—
Equity investment	—	2,732
Goodwill amortized for tax	13,014	14,750
Pension and post-retirement	5,063	9,147
Net operating losses	20,704	1,800
Hedging	511	—
Other	2,801	2,101
Valuation allowance	(1,536)	(1,800)
	<u> </u>	<u> </u>
Total deferred tax assets	48,413	36,220
Deferred tax liabilities:		
Property, plant, and equipment	(23,226)	(28,773)
Intangible assets	(22,500)	(26,746)
Inventory	—	(6,636)
Hedging	—	(1,380)
Foreign currency translation gain	(3,444)	—
	<u> </u>	<u> </u>
Total deferred tax liabilities	(49,170)	(63,535)
	<u> </u>	<u> </u>
Net deferred tax liability	\$ (757)	\$ (27,315)
	<u> </u>	<u> </u>
Included in the balance sheet:		
Current deferred tax assets in excess of liabilities	\$ 5,434	\$ —
Current deferred tax liabilities in excess of assets	—	(2,456)
Noncurrent deferred tax liabilities in excess of assets	(6,191)	(24,859)
	<u> </u>	<u> </u>
Net deferred tax liability	\$ (757)	\$ (27,315)
	<u> </u>	<u> </u>

The Company recognized a deferred tax liability related to other comprehensive income of \$2,665, \$0 and \$1,831 for the year ended December 31, 2007 and periods January 1, 2006 to February 1, 2006, and February 2, 2006 to December 31, 2006, respectively. The Company recognized a deferred tax benefit related to other comprehensive income of \$0, and \$335 for the periods January 1, 2005 to March 31, 2005 and April 1, 2005 to December 31, 2005, respectively. For financial statement purposes, the provision/benefit was included in other comprehensive income.

For the year ended December 31, 2007 the Company recorded a deferred tax liability of \$3,444 to other comprehensive income related to the translation of an intercompany loan.

As of January 1, 2007, the Company adopted the provisions of FIN 48 as described in Note 2. The adoption of FIN 48 had no effect on the Company's consolidated financial position and results of operations.

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 19—INCOME TAXES (Continued)

The following table summarizes the activity related to the Company's unrecognized tax benefits:

Unrecognized tax benefits, January 1, 2007	\$	—
Increases in positions taken in a prior period		—
Decreases in positions taken in a prior period		—
Increases in positions taken in a current period		18,880
Decreases in positions taken in a current period		—
Decreases due to settlements		—
Decreases due to lapse of statute of limitations		—
Foreign currency translation		409
		<hr/>
Unrecognized tax benefits, December 31, 2007	\$	19,289
		<hr/>

The net unrecognized tax benefits on uncertain tax positions, which would impact the effective tax rate if recognized as of December 31, 2007, are \$16,787. Net operating losses offset this tax expense.

Estimated interest and penalties related to the underpayment of income taxes are classified as a component of income tax expense. Accrued interest and penalties were \$0 and \$204 as of January 1, 2007 and December 31, 2007, respectively.

During the period January 1, 2007 through December 31, 2007, the Company increased its uncertain tax benefits by \$16,170 for uncertain tax positions related to the sale of its investment in AAG. The uncertain tax positions relate to the basis and trading activities of the investment in AAG. The provision for uncertain tax benefits was recorded against income tax expense, except for \$409 recorded to cumulative translation adjustment. Net operating losses offset the provision recorded against income tax expense. Over the next twelve months if proposed legislation is enacted a reduction to uncertain tax benefits of \$4,841 may be recorded.

During the period January 1, 2007 through December 31, 2007, the Company also increased its uncertain tax benefits by \$3,119 related to the use of incorrect accounting methods (\$1,909), deducting financing transaction costs in the US and Canada (\$922), and related party loans (\$288). Over the next twelve months the filing of forms 3115 may reduce the uncertain tax benefits by \$1,909. This amount will be substantially offset by the release of deferred tax assets.

The Company (excluding Indalex Limited and subsidiaries) was included in the combined federal income tax return of Novar USA Inc. through March 31, 2005. From April 1, 2005 to February 1, 2006, the Company was included in the federal income tax return of Honeywell. Tax years prior to February 1, 2006 are subject to an indemnification agreement with Honeywell so there are no open IRS audits for these years. There are no audits open for the period February 2, 2006 to December 31, 2007.

The respective state corporate income tax returns of each subsidiary are filed on a separate or combined entity basis as applicable. The state statutes are generally open for 2003-2007. Tax years prior to February 1, 2006 are subject to an indemnification agreement with Honeywell. There is one audit in process for the period 2003-2006.

Indalex Limited and each of its subsidiaries file separate income tax returns. Tax years prior to February 1, 2006 are subject to an indemnification agreement with Honeywell. There are no audits open.

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 20—COMMITMENTS AND CONTINGENCIES

The Company has entered into several long-term contracts with metal suppliers to purchase aluminum billet. The price of billet is based primarily on the average Midwest Transaction price plus a fixed billet premium. The Midwest Transaction average changes monthly. The minimum purchase commitments as of December 31, 2007 are as follows:

Year Ending December 31	Amount
2008	\$ 268,424
2009	31,408
Total commitments	\$ 299,832

The Company has also committed to purchasing natural gas. The commitments as of December 31, 2007 are as follows:

Year Ending December 31	Amount
2008	\$ 13,758
2009	10,842
2010	3,790
Total commitments	\$ 28,390

As of December 31, 2007, the Company has committed approximately \$9,248 for the purchase of property and equipment related to incomplete projects.

As of December 31, 2007, the Company has outstanding letters of credit commitments of \$9,175 related to its general insurance coverage. The letters of credit expire after one year but renew automatically for another year unless the Company notifies the beneficiary at least ninety days prior to the expiration date.

The Company is involved in various legal proceedings, claims, and litigations arising in the ordinary course of business. While any litigation contains an element of uncertainty, management presently believes that the outcome of each such proceeding or claim which is pending or known to be threatened, or all of them combined, will not have a material adverse effect on the consolidated financial position of the Company or on the consolidated results of operations or cash flows.

Environmental obligations

The Company established environmental reserves totaling \$1,724 and \$1,670 as of December 31, 2007 and December 31, 2006, respectively. \$116 and \$105 was included in current liabilities as of December 31, 2007 and December 31, 2006, respectively. Liabilities are recorded when environmental remedial efforts or damage claim payments are probable and the range of possible costs can be reasonably estimated. In those cases where an amount within the range is judged most likely to be incurred, that amount is recorded. Where no specific amount within the range of possible costs is considered more probable to be incurred than any other, the lower end of the range is typically used.

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 20—COMMITMENTS AND CONTINGENCIES (Continued)

Such liabilities are based on the Company's best estimate of the undiscounted future costs required to complete the remedial work. The recorded liabilities and reserves are adjusted periodically as remediation efforts progress or as additional technical or legal information becomes available.

The Company is subject to a wide variety of environmental laws including those governing air emissions, the generation, storage, handling, use and transportation of hazardous materials and employee health and safety. Costs of achieving compliance with environmental regulations are not included in the reserves, but instead are treated as operating items and expensed or amortized, as appropriate, based on the nature of the expenditure.

As an owner of real property and a generator of waste, the Company is subject to laws imposing responsibility for the cleanup of contaminated property, including its currently and formerly owned or operated properties. As part of its environmental management program, it is involved in investigatory and monitoring actions at some of these properties, but the Company has not identified any conditions that warrant active remediation efforts.

The Company is responsible for the cleanup of a formerly owned property that a release of hazardous substances occurred. There is the possibility of a claim for natural resources damages at the site and it is likely that the Company will have an obligation to pay compensation for that damage if the claim is asserted. The amount of natural resource damages to be paid would be determined by a formula. Based on the application of that formula, the Company estimates the total liability ranges from \$500 to \$1,350. The Company believes that the ultimate liability will be in the lower limits of the range. Also, an additional \$100 has been reserved to cover the costs of further groundwater monitoring at this site. The Company has recorded a reserve of \$600 for this location.

The Company has been identified as a potentially responsible party ("PRP") under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 or "CERCLA" with respect to approximately 19 offsite locations to which the Company's corporate predecessors sent waste materials. Although the designation of an entity as a PRP is rarely withdrawn, the Company's inquiries and evaluations have led it to conclude that it has little or no liability at most of these sites. For those sites where the Company is judged likely to share responsibility for cleanup and other costs, the Company has reserved a total of \$480 of which \$450 is attributable to one location. The full range of aggregate potential liability at these sites is estimated to be from \$255 to \$1,305.

The Company has installed groundwater-monitoring wells in one of its California facilities, and the Company performs semi-annual monitoring of those wells. Results to date indicate that a few constituents of materials used in the Company's processes are present in groundwater slightly above the selected screening criteria. However, this condition is very localized (within the boundaries of the Company's property), and the source of those constituents has been eliminated. In conjunction with the Regional Water Quality Control Board, the Company has agreed to continue to monitor the groundwater. Based on the results to date, no remediation is indicated. Management has established a reserve of \$100 within a range of costs of \$30 to \$350 for this site.

The Company is not currently a party to any judicial or administrative proceedings.

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 20—COMMITMENTS AND CONTINGENCIES (Continued)

The Company believes its reserves for environmental matters are adequate, based on the information currently available.

NOTE 21—LEASING ARRANGEMENTS

The Company leases property, plant, and equipment under operating leases which expire at various dates through 2015. At December 31, 2007, future minimum lease payments under noncancelable operating leases with terms of one year or more are as follows:

Year Ending December 31	Amount
2008	\$ 2,866
2009	1,975
2010	1,402
2011	726
2012	264
Thereafter	441
	<hr/>
Total commitments	\$ 7,674

Total lease expense for all operating leases was approximately \$3,459, \$415, \$3,593, \$1,834 and \$5,659 for the year ended December 31, 2007 and the periods January 1, 2006 to February 1, 2006, February 2, 2006 to December 31, 2006, January 1, 2005 to March 31, 2005, and April 1, 2005 to December 31, 2005, respectively.

In December 2005, the Company renegotiated its lease of an extrusion press in Canada. In March 2006, the Company renegotiated its lease of an extrusion press in Elkhart, Indiana. Both leases qualify as capital leases. As of December 31, 2007, future minimum lease payments, including the final buyout payment, are as follows:

Year Ending December 31	Amount
2008	2,017
2009	1,931
2010	1,758
	<hr/>
Amount representing interest	5,706 (481)
	<hr/>
Present value of net minimum lease payments	5,225
Current portion	(1,563)
	<hr/>
Long-term portion capital lease obligation	\$ 3,662

At December 31, 2007, the cost of the capital leases was \$6,965 and accumulated depreciation was \$3,036.

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 22—STOCK-BASED COMPENSATION

In May 2006, certain employees of the Company were granted options to purchase shares of Indalex Holdings Finance, Inc. Stock options expire ten years from the date of grant.

Under the Plan, options are granted with an exercise price equal to or greater than the market value of the Company on the date of grant. A public market does not exist for the stock so the market value of the Company was based on its recent purchase price. The fair value of options on their grant date was measured using the Black-Scholes option-pricing model. The weighted average estimated value of employee stock options granted was \$26.01 per share for the year ended December 31, 2007 and \$42.54 per share for the period February 2, 2006 to December 31, 2006. Key assumptions used to apply this pricing model are as follows:

	Years ended	
	December 31, 2007	December 31, 2006
Risk-free interest rate	4.41%	4.98%
Expected life option grants (in years)	10.0	6.42
Expected volatility of underlying stock	30.6%	26.3%
Expected dividend yield	0.0%	0.0%

The expected to vest options are based on forfeiture assumptions derived from historical experience. Forfeiture assumptions are reviewed through the vesting period, and adjustments are made if actual forfeitures differ materially from previous estimates. The cumulative effect of a change in estimated forfeitures is recognized in the period of change.

The expected volatility of the underlying stock for options granted during the period February 2, 2006 to December 31, 2006 was based on the daily historical closing price volatility of the Dow Jones Industrial Metals Small Cap Index over the period equal to the expected term ending on the grant date. The Dow Jones Industrial Metals Small Cap Index ceased to exist in 2007. The expected volatility of the underlying stock for options granted during the year ended December 31, 2007 was based on the daily historical closing price volatility of the Dow Jones Industrial Metals Index over the period equal to the expected term ending on the grant date.

For the year ended December 31, 2007, the Company recorded compensation expense of \$1,086. The Company expects to record future stock compensation expense of \$1,000 over a weighted average period of 2.3 years.

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 22—STOCK-BASED COMPENSATION (Continued)

A summary of stock option activity is provided below:

	Year ended December 31, 2007			
	Options	Weighted Average Exercise Price	Aggregate Intrinsic Value	Weighted Average Remaining Term
Outstanding at beginning of period	70,000	\$ 111.25		
Granted	7,000	132.32		
Forfeited	(12,400)	111.25		
Exercised	n/a	n/a		
Expired	n/a	n/a		
Outstanding at end of period	64,600	\$ 113.53	\$ —	8.54
Exercisable at end of period	14,400	\$ 113.30	\$ —	8.43

As of December 31, 2007, 50,200 options with a weighted average exercise price of \$113.60 are due to expire between 2016 and 2017.

As of December 31, 2007, 14,400 options have vested, and 48,960 options are expected to vest between 2008 and 2012.

Options vesting during the year ended December 31, 2007 were as follows:

Grant Date	Vesting Date	Numbers of Options Vesting During Period	Fair Value Per Option	Fair Value of Options Vesting
5/19/2006	5/19/2007	2,800	\$ 39.70	\$ 111
7/25/2007	12/1/2007	400	\$ 18.38	\$ 7
		3,200		\$ 118

Certain employees of the Company were granted options to purchase shares of Novar plc under the Novar plc Executive Share Option Scheme and the Novar plc 1996 Executive Share Option Scheme (the "Plans"). Under the Plans, options were granted with exercise prices equal to the quoted market price of Novar plc's stock on the date of the grant. All options existing at March 31, 2005 were liquidated with the sale of Novar to Honeywell. For the period January 1, 2005 to March 31, 2005 the Company recognized stock-based compensation expense of \$1,244. Additional compensation expense of \$311 was recognized during this period to reflect Honeywell's approval to compensate option holders for the dividend paid to Novar plc shareholders. Under the Predecessor 2 company, no stock-based compensation plans existed at December 31, 2005.

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 22—STOCK-BASED COMPENSATION (Continued)

A summary of stock option activity for the Plans is set forth below (shares in thousands):

	March 31, 2005	
	Number of options	Weighted Average Exercise Price
Outstanding at beginning of year	3,592	\$ 2.68
Granted	—	—
Exercised	(3,592)	2.68
Forfeited and expired	—	—
Outstanding at end of year	—	n/a
Options exercisable at year-end	—	—

NOTE 23—GEOGRAPHIC DATA

	Net Sales					Long-Lived Assets	
	Years ended					Years ended	
	Dec 31, 2007	December 31, 2006		December 31, 2005		Dec 31, 2007	Dec 31, 2006
		Jan 1-Feb 1	Feb 2-Dec 31	Jan 1-Mar 31	Apr 1-Dec 31		
Successor	Predecessor 2	Successor	Predecessor 1	Predecessor 2	Successor	Successor	
United States	\$ 903,388	\$ 85,253	\$ 957,328	\$ 199,689	\$ 648,753	\$ 177,035	\$ 192,859
Canada	199,272	14,497	182,403	39,275	130,544	91,829	202,816
Other International	2,675	269	3,111	885	2,224	—	—
	\$ 1,105,335	\$ 100,019	\$ 1,142,842	\$ 239,849	\$ 781,521	\$ 268,864	\$ 395,675

NOTE 24—IMPAIRMENT ON LONG-LIVED ASSETS

In December 2007, the Company idled an anodizing line at its Modesto, CA facility due to a slowdown in sales volume. As a result, the Company recorded an impairment on long-lived assets of \$2,051.

In December 2007, the Company razed one of its two Connersville, IN facilities, at which a six-inch press had been idled in June 2006. As a result, the Company recorded an impairment on long-lived assets of \$373.

In December 2007, the Company idled the small powder paint line at its Gainesville, GA facility. As a result of idling the paint line, the Company recorded an impairment on long-lived assets of \$172.

In December 2007, the Company idled the paint line at its Calgary, AB facility. As a result of idling the paint line, the Company recorded an impairment on long-lived assets of \$115.

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 24—IMPAIRMENT ON LONG-LIVED ASSETS (Continued)

In September 2007, the Company idled the paint line at its Modesto, CA facility due to a slowdown in sales volume. As a result, the Company recorded an impairment on long-lived assets of \$593.

In June 2007, the Company made plans to scrap components of a surplus handling system at its Kokomo, IN facility. As a result, the Company recorded an impairment on long-lived assets of \$223.

In November 2006, the Company sold its Drawn Tube and extrusion facilities located in Winton, NC to Spectube USA. As a result of the sale, the Company ceased depreciation on property, plant, and equipment and recorded an impairment charge of \$2,522.

In June 2006, the Company idled a six-inch press at its Connersville, IN facility to consolidate operations in Niles, OH. As a result of idling the press, the Company recorded an impairment on long-lived assets of \$487.

Measurement of impairment losses is based on the estimated fair value of the asset, generally determined on a discounted after-tax cash flow basis.

NOTE 25—DISCONTINUED OPERATIONS

During February 2004, the Company sold substantially all of the assets and related operational obligations of Brampton to Breyer Industries Limited. The Company incurred pre-tax expenses of \$77 for the period January 1, 2005 to March 31, 2005 related to this discontinued operation.

NOTE 26—CONSOLIDATED AND COMBINED GUARANTOR AND NON-GUARANTOR FINANCIAL INFORMATION

Indalex Holding Corp. (the "Issuer") issued \$270,000 aggregate principal amount of the 11¹/₂% Notes on February 2, 2006. On June 21, 2007, the Company repurchased \$71,945 aggregate principal amount of the 11¹/₂% Notes, and as of July 1, 2007, \$198,055 aggregate principal amount of 11¹/₂% Notes was outstanding. The notes are jointly and severally guaranteed on a full and unconditional basis by Indalex Holdings Finance, Inc., the parent company of Indalex Holding Corp., and each of the domestic subsidiaries of Indalex Holding Corp. (the "Guarantor Companies"). Indalex Holding Corp. and the Guarantor Companies are 100% owned, directly or indirectly, by Indalex Holdings Finance, Inc. Indalex Holding Corp.'s foreign subsidiaries (the "Non-Guarantor Companies") do not provide guarantees.

The following consolidated and combined financial information presents the financial information of Indalex Holdings Finance, Inc., the Guarantor Companies and the Non-Guarantor Companies in accordance with Rule 3-10 under the Securities and Exchange Commission's Regulation S-X. The financial information may not necessarily be indicative of results of operations or financial position had the Guarantor Companies or Non-Guarantor Companies operated as independent entities. The Guarantor Companies and Non-Guarantor Companies include the consolidated and combined financial results of their wholly owned subsidiaries accounted for under the equity method. All applicable corporate expenses have been allocated among the Guarantor Companies and Non-Guarantor Companies.

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 26—CONSOLIDATED AND COMBINED GUARANTOR AND NON-GUARANTOR FINANCIAL INFORMATION (Continued)

Indalex Consolidated Balance Sheet—Guarantor and Non-Guarantor
As of December 31, 2007 (Successor)

	Parent Company	Guarantor Company	Non-Guarantor Company	Eliminations	Consolidated
ASSETS					
Current Assets:					
Cash and cash equivalents	\$ —	\$ 7,179	\$ 740	\$ —	\$ 7,919
Accounts receivable, net	—	48,920	34,368	—	83,288
Receivable from affiliates	—	3,190	17,229	(20,419)	—
Receivable from suppliers	—	5,241	—	—	5,241
Inventories	—	40,465	17,800	—	58,265
Prepaid expenses and other current assets	—	2,238	8,169	—	10,407
Deferred income taxes	—	5,188	246	—	5,434
Total current assets	—	112,421	78,552	(20,419)	170,554
Notes receivable from affiliates	—	40,351	—	(40,351)	—
Investment in subsidiary	111,250	—	—	(111,250)	—
Property, plant, and equipment, net	—	128,655	63,736	—	192,391
Other intangibles, net	—	41,997	22,309	—	64,306
Deferred financing costs	—	4,404	5,159	—	9,563
Other assets	—	1,979	625	—	2,604
Total assets	\$ 111,250	\$ 329,807	\$ 170,381	\$ (172,020)	\$ 439,418
LIABILITIES AND STOCKHOLDERS' EQUITY					
Current Liabilities:					
Accounts payable	\$ —	\$ 33,480	\$ 35,645	\$ —	\$ 69,125
Payable to affiliates	—	17,229	3,190	(20,419)	—
Income taxes payable (refundable)	—	(853)	1,124	—	271
Accrued expenses and other current liabilities	—	28,400	6,806	—	35,206
Accrued interest	—	10,060	100	—	10,160
Capital lease obligation	—	605	958	—	1,563
Revolver borrowings	10	67,490	—	—	67,500
Total current liabilities	10	156,411	47,823	(20,419)	183,825
Notes payable to affiliates	—	—	40,351	(40,351)	—
Other liabilities	—	28,328	12,439	—	40,767
Capital lease obligation	—	1,793	1,869	—	3,662
Long-term debt	—	196,138	—	—	196,138
Deferred income taxes	—	(1,306)	7,497	—	6,191
Total liabilities	10	381,364	109,979	(60,770)	430,583
Commitments and contingencies (Note 20)					
Stockholders' equity:					
Common stock	1	1	—	(1)	1
Additional paid-in capital	111,249	4,864	30,260	(111,249)	35,124
Treasury stock	(10)	—	—	—	(10)
Retained earnings (accumulated deficit)	—	(69,184)	38,310	—	(30,874)
Accumulated other comprehensive income (loss)	—	12,762	(8,168)	—	4,594
Total stockholders' equity	111,240	(51,557)	60,402	(111,250)	8,835
Total liabilities and stockholders' equity	\$ 111,250	\$ 329,807	\$ 170,381	\$ (172,020)	\$ 439,418

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 26—CONSOLIDATED AND COMBINED GUARANTOR AND NON-GUARANTOR FINANCIAL INFORMATION (Continued)

Indalex Consolidated Balance Sheet—Guarantor and Non-Guarantor
Year Ended December 31, 2006 (Successor)

	Parent Company	Guarantor Company	Non-Guarantor Company	Eliminations	Consolidated
ASSETS					
Current Assets:					
Cash and cash equivalents	\$ —	\$ 6,777	\$ 4,380	\$ —	\$ 11,157
Accounts receivable, net	—	66,840	37,084	—	103,924
Receivable from affiliates	—	9,994	3,440	(13,434)	—
Receivable from suppliers	—	8,980	—	—	8,980
Inventories	—	46,254	20,928	—	67,182
Prepaid expenses and other current assets	—	8,641	2,124	—	10,765
Deferred income tax	—	—	567	(567)	—
Total current assets	—	147,486	68,523	(14,001)	202,008
Notes receivable from affiliates	—	156,728	—	(156,728)	—
Investment in AAG	—	—	96,950	—	96,950
Investment in subsidiary	111,250	—	—	(111,250)	—
Property, plant, and equipment, net	—	130,925	68,713	—	199,638
Goodwill	—	2,112	1,425	—	3,537
Other intangibles, net	—	50,913	27,351	—	78,264
Deferred financing costs	—	6,584	8,010	—	14,594
Other assets	—	2,325	367	—	2,692
Total assets	\$ 111,250	\$ 497,073	\$ 271,339	\$ (281,979)	\$ 597,683
LIABILITIES AND STOCKHOLDERS' EQUITY					
Current Liabilities:					
Accounts payable	\$ —	\$ 41,634	\$ 25,146	\$ —	\$ 66,780
Payable to affiliates	—	2,909	10,525	(13,434)	—
Income taxes payable	—	2,130	518	—	2,648
Deferred income taxes	—	3,023	—	(567)	2,456
Accrued expenses and other current liabilities	—	32,293	6,185	—	38,478
Accrued interest	—	13,617	189	—	13,806
Capital lease obligation	—	481	762	—	1,243
Checks in excess of bank balance	—	—	—	—	—
Revolver borrowings	10	40,090	15,617	—	55,717
Total current liabilities	10	136,177	58,942	(14,001)	181,128
Notes payable to affiliates	—	—	156,728	(156,728)	—
Other liabilities	—	25,673	4,994	—	30,667
Capital lease obligation	—	2,343	2,331	—	4,674
Long-term debt	—	266,957	—	—	266,957
Deferred income taxes	—	12,413	12,446	—	24,859
Total liabilities	10	443,563	235,441	(170,729)	508,285
Commitments and contingencies (Note 20)					
Stockholders' equity:					
Common stock	1	1	—	(1)	1
Additional paid-in capital	111,249	78,005	32,660	(111,249)	110,665
Treasury stock	(10)	—	—	—	(10)
Accumulated deficit	—	(23,821)	(77)	—	(23,898)
Accumulated other comprehensive income (loss)	—	(675)	3,315	—	2,640
Total stockholders' equity	111,240	53,510	35,898	(111,250)	89,398
Total liabilities and stockholders' equity	\$ 111,250	\$ 497,073	\$ 271,339	\$ (281,979)	\$ 597,683

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 26—CONSOLIDATED AND COMBINED GUARANTOR AND NON-GUARANTOR FINANCIAL INFORMATION (Continued)

Indalex Consolidated Statement of Income—Guarantor and Non-Guarantor
Year Ended December 31, 2007 (Successor)

	Parent Company	Guarantor Company	Non-Guarantor Company	Eliminations	Consolidated
Net sales	\$ —	\$ 770,954	\$ 449,721	\$ (115,340)	\$ 1,105,335
Costs and expenses:					
Cost of sales	—	733,143	431,057	(115,340)	1,048,860
Selling, general, and administrative	—	37,922	14,007	—	51,929
Management fees to affiliates	—	780	291	—	1,071
Amortization of intangible assets	—	6,471	3,745	—	10,216
Other (income) expense	—	(99)	4,658	—	4,559
Restructuring charges	—	3,106	558	—	3,664
Impairment of long-lived assets	—	9,340	115	—	9,455
Gain on disposal of assets	—	(42)	—	—	(42)
Mark-to-market on derivatives	—	4,806	—	—	4,806
Total costs and expenses	—	795,427	454,431	(115,340)	1,134,518
Income (loss) from operations	—	(24,473)	(4,710)	—	(29,183)
Other income (expense):					
Interest to affiliates, net	—	10,501	(10,501)	—	—
External interest expense	—	(34,131)	(1,097)	—	(35,228)
Deferred financing costs	—	(1,057)	(1,223)	—	(2,280)
Interest income	—	422	43	—	465
Loss on redemption of notes	—	(5,508)	(1,632)	—	(7,140)
Income from equity method investment in AAG	—	—	8,937	—	8,937
Gain on sale of equity method investment in AAG	—	—	51,246	—	51,246
Income (loss) before income taxes	—	(54,246)	41,063	—	(13,183)
Income tax benefit	—	(5,625)	(582)	—	(6,207)
Net income (loss)	\$ —	\$ (48,621)	\$ 41,645	\$ —	\$ (6,976)

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 26—CONSOLIDATED AND COMBINED GUARANTOR AND NON-GUARANTOR FINANCIAL INFORMATION (Continued)

Indalex Consolidated Statement of Cash Flows—Guarantor and Non-Guarantor
Year Ended December 31, 2007 (Successor)

	Parent Company	Guarantor Company	Non-Guarantor Company	Eliminations	Consolidated
Cash flows from operating activities					
Net income (loss)	\$ —	\$ (48,621)	\$ 41,645	\$ —	\$ (6,976)
Adjustments to reconcile net income (loss) to net cash from operating activities:					
Depreciation	—	23,479	10,720	—	34,199
Amortization of intangible assets	—	6,471	3,745	—	10,216
Amortization of deferred financing costs	—	1,057	1,223	—	2,280
Amortization of bond discount	—	373	—	—	373
Gain on disposal of assets	—	(42)	—	—	(42)
Impairment of long-lived assets	—	9,340	115	—	9,455
Other	—	3,259	(2,856)	—	403
Income from equity method investment in AAG	—	—	(8,937)	—	(8,937)
Dividends from equity method investment in AAG	—	—	5,895	—	5,895
Gain on sale of AAG investment	—	—	(51,246)	—	(51,246)
Loss on redemption of notes	—	5,508	1,632	—	7,140
Stock-based compensation	—	1,086	—	—	1,086
Deferred income taxes	—	(7,042)	(1,057)	—	(8,099)
Changes in operating assets and liabilities, net of the effect of the acquisition:					
Accounts receivable	—	17,920	7,851	—	25,771
Receivable from affiliates	—	6,804	(11,215)	4,411	—
Inventories	—	5,789	5,787	—	11,576
Prepays and other assets	—	10,488	(4,989)	—	5,499
Income taxes payable/refundable	—	(2,983)	438	—	(2,545)
Accounts payable	—	(8,182)	5,174	—	(3,008)
Accrued expenses and other liabilities	—	(12,129)	148	—	(11,981)
Payable to affiliates	—	14,320	(7,812)	(6,508)	—
Net cash from operating activities	—	26,895	(3,739)	(2,097)	21,059
Cash flows from investing activities					
Capital expenditures	—	(30,782)	(6,033)	—	(36,815)
Proceeds from sales of property, plant and equipment	—	224	—	—	224
Proceeds from sale of equity method investment in AAG	—	—	151,238	—	151,238
Net cash from investing activities	—	(30,558)	145,205	—	114,647
Cash flows from financing activities					
Dividends and distributions	—	(76,627)	—	—	(76,627)
Payments on capital lease obligation	—	(426)	(688)	—	(1,114)
Borrowings (repayments)	—	27,399	(16,930)	—	10,469
Net (payments to) collections from affiliates on notes	—	129,261	(129,261)	—	—
Redemption of notes	—	(75,542)	—	—	(75,542)
Net cash from financing activities	—	4,065	(146,879)	—	(142,814)
Effect of changes in foreign exchange rates on cash	—	—	1,773	2,097	3,870
Net change in cash and cash equivalents	—	402	(3,640)	—	(3,238)
Cash and cash equivalents					
Beginning of period	—	6,777	4,380	—	11,157
End of period	\$ —	\$ 7,179	\$ 740	\$ —	\$ 7,919

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 26—CONSOLIDATED AND COMBINED GUARANTOR AND NON-GUARANTOR FINANCIAL INFORMATION (Continued)

Indalex Combined Statement of Income—Guarantor and Non-Guarantor
For the Period January 1, 2006 through February 1, 2006 (Predecessor 2)

	Parent Company	Guarantor Company	Non-Guarantor Company	Eliminations	Combined
Net sales	\$ —	\$ 71,591	\$ 30,035	\$ (1,607)	\$ 100,019
Costs and expenses:					
Cost of sales	—	68,152	28,582	(1,607)	95,127
Selling, general, and administrative	—	4,157	1,391	—	5,548
Management fees to affiliates	—	125	—	—	125
Amortization of intangible assets	—	598	322	—	920
Other (income) expense	—	(14)	209	—	195
Mark-to-market on derivatives	—	(3,619)	—	—	(3,619)
Total costs and expenses	—	69,399	30,504	(1,607)	98,296
Income (loss) from operations	—	2,192	(469)	—	1,723
Other income (expense):					
External interest expense	—	1	(25)	—	(24)
Income from equity method investment in AAG	—	—	643	—	643
Income before income taxes	—	2,193	149	—	2,342
Income tax provision (benefit)	—	925	(222)	—	703
Net income	\$ —	\$ 1,268	\$ 371	\$ —	\$ 1,639

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 26—CONSOLIDATED AND COMBINED GUARANTOR AND NON-GUARANTOR FINANCIAL INFORMATION (Continued)

Indalex Consolidated Statement of Income—Guarantor and Non-Guarantor
For the Period February 2, 2006 through December 31, 2006 (Successor)

	Parent Company	Guarantor Company	Non-Guarantor Company	Eliminations	Consolidated
Net sales	\$ —	\$ 812,839	\$ 420,602	\$ (90,599)	\$ 1,142,842
Costs and expenses:					
Cost of sales	—	755,916	393,360	(90,599)	1,058,677
Selling, general, and administrative	—	39,448	15,518	—	54,966
Management fees to affiliates	—	1,128	506	—	1,634
Amortization of intangible assets	—	6,937	3,799	—	10,736
Other (income) expense	—	1,250	(234)	—	1,016
Restructuring charges	—	261	1,511	—	1,772
Impairment of long-lived assets	—	7,083	165	—	7,248
(Gain) loss on disposal of assets	—	(213)	468	—	255
Mark-to-market on derivatives	—	7,560	—	—	7,560
Total costs and expenses	—	819,370	415,093	(90,599)	1,143,864
Income (loss) from operations	—	(6,531)	5,509	—	(1,022)
Other income (expense):					
Interest to affiliates, net	—	16,955	(16,955)	—	—
External interest expense	—	(33,794)	(1,951)	—	(35,745)
Deferred financing costs	—	(1,047)	(1,173)	—	(2,220)
Income from equity method investment in AAG	—	—	11,841	—	11,841
Affiliated acquisition fees	—	(5,475)	—	—	(5,475)
Loss before income taxes	—	(29,892)	(2,729)	—	(32,621)
Income tax benefit	—	(6,071)	(2,652)	—	(8,723)
Net income (loss)	\$ —	\$ (23,821)	\$ (77)	\$ —	\$ (23,898)

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 26—CONSOLIDATED AND COMBINED GUARANTOR AND NON-GUARANTOR FINANCIAL INFORMATION (Continued)

Indalex Combined Statement of Cash Flows—Guarantor and Non-Guarantor
For the Period January 1, 2006 through February 1, 2006 (Predecessor 2)

	Parent Company	Guarantor Company	Non-Guarantor Company	Elimination	Combined
Cash flows from operating activities					
Net income	\$ —	\$ 1,268	\$ 371	\$ —	\$ 1,639
Adjustments to reconcile net income to net cash from operating activities					
Depreciation	—	1,966	855	—	2,821
Amortization of intangibles	—	598	322	—	920
Other	—	743	—	—	743
Income from equity method investment in AAG	—	—	(643)	—	(643)
Management fees to affiliates	—	125	—	—	125
Deferred income taxes	—	1,160	(172)	—	988
Changes in operating assets and liabilities					
Accounts receivable	—	(9,285)	(2,970)	—	(12,255)
Receivable from affiliates	—	3,212	(1,358)	—	1,854
Inventories	—	(774)	(1,878)	—	(2,652)
Prepays and other assets	—	(4,621)	937	—	(3,684)
Income taxes payable/refundable	—	(238)	(54)	—	(292)
Checks issued in excess of bank balance	—	(242)	—	—	(242)
Accounts payable	—	(4,674)	(1,912)	—	(6,586)
Accrued expenses and other liabilities	—	18,108	1,690	—	19,798
Payable to affiliates	—	770	42	—	812
Net cash from operating activities	—	8,116	(4,770)	—	3,346
Cash flows from investing activities					
Capital expenditures	—	(2,036)	(970)	—	(3,006)
Net cash from investing activities	—	(2,036)	(970)	—	(3,006)
Cash flows from financing activities					
Dividends and distributions	—	—	(6,809)	—	(6,809)
Payments on capital lease obligation	—	—	(58)	—	(58)
Net (payments to) collections from affiliates on notes	—	(5,899)	4,279	—	(1,620)
Debt issuance and other transaction costs	—	—	—	—	—
Net cash from financing activities	—	(5,899)	(2,588)	—	(8,487)
Effect of changes in foreign exchange rates on cash	—	—	(27)	—	(27)
Net change in cash and cash equivalents	—	181	(8,355)	—	(8,174)
Cash and cash equivalents					
Beginning of period	—	—	9,366	—	9,366
End of period	\$ —	\$ 181	\$ 1,011	\$ —	\$ 1,192

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 26—CONSOLIDATED AND COMBINED GUARANTOR AND NON-GUARANTOR FINANCIAL INFORMATION (Continued)

Indalex Consolidated Statement of Cash Flows—Guarantor and Non-Guarantor
For the Period February 2, 2006 through December 31, 2006 (Successor)

	Parent Company	Guarantor Company	Non-Guarantor Company	Eliminations	Consolidated
Cash flows from operating activities					
Net income (loss)	\$ —	\$ (23,821)	\$ (77)	\$ —	\$ (23,898)
Adjustments in reconcile net income to net cash from operating activities:					
Depreciation	—	22,775	9,552	—	32,327
Amortization of intangible assets	—	6,937	3,799	—	10,736
Amortization of deferred financing costs	—	1,047	1,173	—	2,220
Amortization of bond discount	—	394	—	—	394
(Gain) loss on disposal of assets	—	(713)	468	—	255
Impairment of long-lived assets	—	7,083	165	—	7,248
Other	—	22	(1)	—	21
Income from equity method investment in AAG	—	—	(11,841)	—	(11,841)
Dividends from equity method investment in AAG	—	—	4,891	—	4,891
Stock-based compensation	—	938	—	—	938
Deferred income taxes	—	(8,139)	(3,190)	—	(11,329)
Changes in operating assets and liabilities, net of the effect of the acquisition:					
Accounts receivable	—	11,850	6,642	—	18,492
Receivable from affiliates	—	(9,124)	4,851	4,273	—
Inventories	—	4,699	(1,698)	—	3,001
Prepays and other assets	—	6,949	51	—	7,000
Income taxes payable/refundable	—	2,129	254	—	2,383
Checks issued in excess of bank balance	—	(1,260)	—	—	(1,260)
Accounts payable	—	10,827	(2,768)	—	8,059
Accrued expenses and other liabilities	—	(15,851)	(2,498)	—	(18,349)
Payable to affiliates	—	(5,214)	9,477	(4,263)	—
Net cash from operating activities.	—	12,028	19,250	10	31,288
Cash flows from investing activities					
Capital expenditures.	—	(16,227)	(5,050)	—	(21,277)
Proceeds from sales of property, plant and equipment.	—	237	2,007	—	2,244
Proceeds from sale of business	—	4,548	—	—	4,548
Cash paid for acquisition	(111,250)	(361,665)	(216,741)	271,400	(418,256)
Payment of acquisition transaction costs	—	(1,735)	—	—	(1,735)
Net cash from investing activities	(111,250)	(374,842)	(219,784)	271,400	(434,476)
Cash flows from financing activities					
Dividends and distributions	—	(1,522)	—	—	(1,522)
Payments on capital lease obligation	—	(374)	(659)	—	(1,033)
Revolver payments, net	10	(749)	(12,383)	—	(13,122)
Repurchases of common stock	(10)	—	—	—	(10)
Revolver borrowings, acquisition	—	40,839	28,000	—	68,839
Borrowings on long-term debt, acquisition	—	266,563	160,150	(160,150)	266,563
Capital contributions	111,250	81,648	29,602	(111,250)	111,250
Debt issuance costs	—	(16,814)	—	—	(16,814)
Net cash from financing activities	111,250	369,591	204,710	(271,400)	414,151
Effect of changes in foreign exchange rates on cash	—	—	204	(10)	194
Net change in cash and cash equivalents	—	6,777	4,380	—	11,157
Cash and cash equivalents					
Beginning of period	—	—	—	—	—
End of period	\$ —	\$ 6,777	\$ 4,380	\$ —	\$ 11,157

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 26—CONSOLIDATED AND COMBINED GUARANTOR AND NON-GUARANTOR FINANCIAL INFORMATION (Continued)

Indalex Combined Statement of Income—Guarantor and Non-Guarantor
Period January 1, 2005 to March 31, 2005 (Predecessor 1)

	Parent Company	Guarantor Company	Non-Guarantor Company	Elimination	Combined
Net sales	\$ —	\$ 169,924	\$ 87,872	\$ (17,947)	\$ 239,849
Costs and expenses:					
Cost of sales	—	157,843	81,646	(17,947)	221,542
Selling, general, and administrative	—	11,522	4,071	—	15,593
Management fees to affiliates	—	550	150	—	700
Other expense	—	800	193	—	993
Restructuring charges	—	694	—	—	694
Impairment of long-lived assets	—	381	—	—	381
(Gain) loss on disposal of assets	—	(311)	37	—	(274)
Mark-to-market on derivatives	—	285	—	—	285
Total costs and expenses	—	171,764	86,097	(17,947)	239,914
Income (loss) from operations	—	(1,840)	1,775	—	(65)
Other income (expense):					
Interest to affiliates, net	—	(1,038)	(170)	—	(1,208)
External interest (expense) income, net	—	(45)	45	—	—
Income from equity method investment in AAG	—	—	1,557	—	1,557
Dividend income from affiliates	—	—	9,077	—	9,077
Income (loss) before income taxes	—	(2,923)	12,284	—	9,361
Income tax provision (benefit)	—	(757)	766	—	9
Income (loss) from continuing operations	—	(2,166)	11,518	—	9,352
Discontinued operations, net of tax benefit of \$27	—	—	(50)	—	(50)
Net income (loss)	\$ —	\$ (2,166)	\$ 11,468	\$ —	\$ 9,302

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 26—CONSOLIDATED AND COMBINED GUARANTOR AND NON-GUARANTOR FINANCIAL INFORMATION (Continued)

Indalex Combined Statement of Income—Guarantor and Non-Guarantor
Period April 1, 2005 to December 31, 2005 (Predecessor 2)

	Parent Company	Guarantor Company	Non-Guarantor Company	Elimination	Combined
Net sales	\$ —	\$ 549,602	\$ 288,167	\$ (56,248)	\$ 781,521
Costs and expenses:					
Cost of sales	—	514,800	269,247	(56,248)	727,799
Selling, general, and administrative	—	24,791	11,142	—	35,933
Management fees to affiliates	—	1,131	—	—	1,131
Amortization of intangible assets	—	5,383	2,899	—	8,282
Other (income) expense	—	(2,219)	1,394	—	(825)
Restructuring charges	—	(222)	—	—	(222)
Impairment of long-lived assets	—	636	—	—	636
Gain on disposal of assets	—	(126)	(20)	—	(146)
Mark-to-market on derivatives	—	(1,200)	—	—	(1,200)
Total costs and expenses	—	542,974	284,662	(56,248)	771,388
Income from operations	—	6,628	3,505	—	10,133
Other income (expense):					
Interest to affiliates, net	—	(3,712)	—	—	(3,712)
External interest expense	—	(333)	—	—	(333)
Interest income	—	46	98	—	144
Income from equity method investment in AAG	—	—	9,380	—	9,380
Income before income taxes	—	2,629	12,983	—	15,612
Income tax provision	—	446	1,466	—	1,912
Net income	\$ —	\$ 2,183	\$ 11,517	\$ —	\$ 13,700

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 26—CONSOLIDATED AND COMBINED GUARANTOR AND NON-GUARANTOR FINANCIAL INFORMATION (Continued)

Indalex Combined Statement of Cash Flows—Guarantor and Non-Guarantor
Period January 1, 2005 to March 31, 2005 (Predecessor 1)

	Parent Company	Guarantor Company	Non-Guarantor Company	Elimination	Combined
Cash flows from operating activities					
Net income (loss)	\$ —	\$ (2,166)	\$ 11,468	—	\$ 9,302
Adjustments to reconcile net income (loss) to net cash from operating activities					
Depreciation	—	6,241	1,712	—	7,953
(Gain) loss on disposal of assets	—	(311)	37	—	(274)
Impairment of long-lived assets	—	—	381	—	381
Dividend from affiliate	—	—	(9,077)	—	(9,077)
Other	—	245	—	—	245
Income from equity investment in AAG	—	—	(1,557)	—	(1,557)
Dividends from investment in AAG	—	—	4,602	—	4,602
Stock-based compensation	—	998	246	—	1,244
Executive compensation	—	235	76	—	311
Management fees to affiliates	—	550	150	—	700
Deferred income taxes	—	(377)	159	—	(218)
Changes in operating assets and liabilities					
Accounts receivable	—	(16,379)	(8,918)	—	(25,297)
Receivable from affiliates	—	(737)	1,550	(996)	(183)
Inventories	—	(17,223)	2,519	—	(14,704)
Prepays and other assets	—	1,257	881	—	2,138
Income taxes payable/refundable	—	(556)	(9,598)	—	(10,154)
Accounts payable	—	1,526	896	—	2,422
Accrued expenses and other liabilities	—	2,849	(1,416)	—	1,433
Payable to affiliates	—	(1,946)	485	996	(465)
Net cash from operating activities	—	(25,794)	(5,404)	—	(31,198)
Cash flows from investing activities					
Capital expenditures	—	(6,084)	(2,686)	—	(8,770)
Proceeds from sales of property, plant and equipment	—	742	(4)	—	738
Net cash from investing activities	—	(5,342)	(2,690)	—	(8,032)
Cash flows from financing activities					
Net collections from affiliates on notes	—	30,332	264	—	30,596
Debt issuance and other transaction costs	—	—	—	—	—
Net cash from financing activities	—	30,332	264	—	30,596
Effect of changes in foreign exchange rates on cash	—	—	2,887	—	2,887
Net change in cash and cash equivalents	—	(804)	(4,943)	—	(5,747)
Cash and cash equivalents					
Beginning of period	—	6,012	17,510	—	23,522
End of period	\$ —	\$ 5,208	\$ 12,567	\$ —	\$ 17,775

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 26—CONSOLIDATED AND COMBINED GUARANTOR AND NON-GUARANTOR FINANCIAL INFORMATION (Continued)

Indalex Combined Statement of Cash Flows—Guarantor and Non-Guarantor
Period April 1, 2005 to December 31, 2005 (Predecessor 2)

	Parent Company	Guarantor Company	Non-Guarantor Company	Eliminations	Combined
Cash flows from operating activities					
Net income	\$ —	\$ 2,183	\$ 11,517	\$ —	\$ 13,700
Adjustments to reconcile net income to net cash from operating activities					
Depreciation	—	17,752	7,191	—	24,943
Amortization of intangibles	—	5,383	2,899	—	8,282
Gain on disposal of assets	—	(126)	(20)	—	(146)
Impairment of long-lived assets	—	636	—	—	636
Income from equity method investment in AAG	—	—	(9,380)	—	(9,380)
Deferred income taxes	—	(5,340)	(861)	—	(6,201)
Changes in operating assets and liabilities					
Accounts receivable	—	16,190	4,886	—	21,076
Receivable from affiliates	—	(2,679)	(3,350)	3,691	(2,338)
Inventories	—	31,677	(2,280)	—	29,397
Prepays and other assets	—	(7,682)	1,596	—	(6,086)
Income taxes payable/refundable	—	3,855	21	—	3,876
Checks issued in excess of bank balance	—	1,716	—	—	1,716
Accounts payable	—	(13,001)	4,733	—	(8,268)
Accrued expenses and other liabilities	—	(14,349)	1,435	—	(12,914)
Payable to affiliates	—	3,609	(179)	(3,691)	(261)
Net cash from operating activities	—	39,824	18,208	—	58,032
Cash flows from investing activities					
Capital expenditures	—	(13,951)	(6,277)	—	(20,228)
Proceeds from sales of property, plant and equipment	—	2,020	19	—	2,039
Net cash from investing activities	—	(11,931)	(6,258)	—	(18,189)
Cash flows from financing activities					
Dividends and distributions	—	(11,791)	(13,968)	—	(25,759)
Payments on capital lease obligation	—	—	(58)	—	(58)
Debt payments	—	(6,000)	—	—	(6,000)
Net (payments to) collections from affiliates on notes	—	(15,308)	645	—	(14,663)
Net cash from financing activities	—	(33,099)	(13,381)	—	(46,480)
Effect of changes in foreign exchange rates on cash	—	—	(1,772)	—	(1,772)
Net change in cash and cash equivalents	—	(5,206)	(3,203)	—	(8,409)
Cash and cash equivalents					
Beginning of period	—	\$ 5,206	\$ 12,569	—	\$ 17,775
End of period	\$ —	\$ —	\$ 9,366	\$ —	\$ 9,366

INDALEX HOLDINGS FINANCE, INC.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued)

Years ended December 31, 2007, December 31, 2006 and December 31, 2005

(Dollars in thousands)

NOTE 27—SUBSEQUENT EVENT

On January 9, 2008, the Company announced the closure of its aluminum extrusion facility located in Girard, Ohio. The facility ceased operations in March 2008. As a result of the Company's decision to close the facility in 2007, the Company recorded an impairment on long-lived assets of \$3,928 during the year ended December 31, 2007 based on the appraised values of the assets expected to be disposed.

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INDALEX HOLDINGS FINANCE, INC.
CONSOLIDATED BALANCE SHEETS
As of December 31, 2008 and December 31, 2007
(Dollars in thousands, except per share amounts)

	<u>December 31, 2008</u> (Successor)	<u>December 31, 2007</u> (Successor)
ASSETS		
Current Assets:		
Cash and cash equivalents.....	\$ 2,874	\$ 7,919
Accounts receivable, less allowances.....	56,194	83,288
Receivable from suppliers.....	2,593	5,241
Inventories.....	38,799	58,265
Prepaid expenses and other current assets.....	10,031	10,407
Assets held for sale.....	2,900	304
Deferred income taxes.....	6,912	5,434
Total current assets.....	121,303	179,658
Property, plant, and equipment, net.....	163,032	192,287
Other intangibles, net.....	55,814	64,300
Deferred financing costs.....	8,274	9,563
Other assets.....	4,661	2,604
Deferred income taxes.....	1,136	-
Total assets.....	\$ 354,220	\$ 439,418
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable.....	\$ 46,628	\$ 69,125
Payable to affiliates.....	295	-
Income taxes payable.....	177	271
Accrued expenses and other current liabilities.....	28,848	35,206
Accrued interest.....	19,446	19,160
Capital lease obligation.....	1,237	1,363
Finance obligation.....	1,324	-
Revolver borrowings.....	62,158	67,500
Total current liabilities.....	158,312	183,825
Notes payable to affiliates.....	30,000	-
Other liabilities.....	65,476	40,767
Capital lease obligation.....	2,377	3,662
Finance obligation.....	3,455	-
Long-term debt.....	196,453	196,138
Deferred income taxes.....	-	6,191
Total liabilities.....	456,073	430,583
Stockholders' equity (deficit):		
Common stock (\$1.001 par value per share), Authorized shares 2,990,000.		
Issued and outstanding (100,114).....	1	1
Additional paid-in capital.....	35,565	35,124
Treasury stock, 39 shares at \$11.11 per share.....	(10)	(10)
Accumulated deficit.....	(114,526)	(30,874)
Accumulated other comprehensive income.....	(22,863)	4,594
Total stockholders' equity (deficit).....	(101,863)	3,825
Total liabilities and stockholders' equity (deficit).....	\$ 354,220	\$ 439,418

INDALEX HOLDINGS FINANCE, INC.
 CONSOLIDATED AND COMBINED STATEMENTS OF OPERATIONS
 Years ended December 31, 2008; December 31, 2007 and December 31, 2006
 (Dollars in thousands)

	Years ended			
	December 31, 2008		December 31, 2006	
	December 31, 2008 (Successor)	December 31, 2007 (Successor)	Jan 1-Feb 1 (Predecessor)	Feb 2-Dec 31 (Successor)
Net sales	\$ 999,446	\$ 1,103,335	\$ 199,019	\$ 1,143,842
Costs and expenses:				
Cost of sales	875,659	1,018,869	95,127	1,058,677
Selling, general, and administrative	46,385	51,929	5,348	54,966
Management fees to affiliates	938	1,071	125	1,634
Amortization of intangible assets	8,492	10,216	929	10,756
Other (income) expenses	(1,978)	4,539	195	1,016
Restructuring charges	3,027	3,604	-	1,722
Impairment of long-lived assets	19,132	9,453	-	7,348
(Gain) loss on disposal of assets	(372)	(472)	-	255
Mark-to-market on derivatives	17,601	3,806	(3,019)	7,560
Total costs and expenses	<u>964,930</u>	<u>1,134,518</u>	<u>98,296</u>	<u>1,143,861</u>
Loss from operations	(65,484)	(29,183)	1,723	(1,022)
Other income (expense):				
Interest to affiliates, net	(1,141)	-	-	-
External interest expense	(31,948)	(25,226)	(34)	(35,715)
Deferred financing costs	(2,412)	-	-	(2,320)
Interest income	182	465	-	-
Loss on redemption of notes	-	(7,149)	-	-
Income from equity method investment in AAO	-	8,937	643	11,811
Gain on sale of equity method investment in AAG	-	31,246	-	-
Affiliate acquisition fees	-	-	-	(5,473)
Income (loss) before income taxes	<u>(89,833)</u>	<u>(13,183)</u>	<u>2,342</u>	<u>(32,621)</u>
Income tax provision (benefit)	<u>(6,280)</u>	<u>(6,209)</u>	<u>703</u>	<u>(8,723)</u>
Net loss	<u>\$ (96,113)</u>	<u>\$ (19,392)</u>	<u>\$ 1,639</u>	<u>\$ (41,344)</u>

INDALEX HOLDINGS FINANCE, INC.
CONSOLIDATED AND COMBINED STATEMENTS OF CASH FLOWS
Years ended December 31, 2008, December 31, 2007 and December 31, 2006
(Dollars in thousands)

	Years ended			
	December 31, 2008		December 31, 2006	
	December 31, 2008 (Successor)	December 31, 2007 (Successor)	Jan 1-Feb 1 (Predecessor)	Feb 2-Dec 31 (Successor)
Net income (loss)	\$ (87,653)	\$ (6,976)	\$ 1,639	\$ (23,808)
Adjustments to reconcile net income (loss) to net cash from operating activities:				
Depreciation	30,920	34,159	2,821	32,337
Amortization of intangible assets	8,492	10,216	920	16,756
Amortization of deferred financing costs	2,345	2,280	-	2,228
Amortization of bond discount	315	277	-	394
(Gain) loss on disposal of assets	(1,275)	(172)	-	255
Impairment of long-lived assets	16,132	9,455	-	7,248
Other	(1)	463	743	21
Income from equity method investment in AAG	-	(8,937)	(642)	(11,841)
Dividends from equity method investment in AAG	-	5,895	-	4,891
Gain on sale of equity method investment in AAG	-	(51,249)	-	-
Loss on redemption of notes	-	7,130	-	-
Stock-based compensation	341	1,884	-	938
Management fees to affiliates	-	-	125	-
Deferred income taxes	(6,281)	(8,009)	988	(11,209)
Changes in operating assets and liabilities:				
Accounts receivable	23,055	25,771	(12,255)	18,401
Receivable from affiliates	-	-	1,854	-
Inventories	16,247	11,576	(2,632)	3,001
Prepays and other assets	(548)	5,439	17,684	7,609
Income taxes payable/deferred	(64)	(27,545)	(292)	2,387
Checks issued in excess of bank balance	-	-	(242)	(1,269)
Accounts payable	(48,289)	(3,808)	(6,385)	8,658
Accrued expenses and other liabilities	(8,894)	(11,981)	19,798	(18,349)
Payable to affiliates	295	812	-	-
Net cash from operating activities	(26,649)	21,830	3,346	31,288
Cash flows from investing activities:				
Capital expenditures	(32,546)	(36,815)	(3,606)	(21,277)
Proceeds from sales of property, plant and equipment	27,888	234	-	2,244
Proceeds from sale of business	-	-	-	4,548
Proceeds from sale of equity method investment in AAG	-	151,238	-	-
Cash paid for acquisition	-	-	-	(4,682,230)
Payment of acquisition transaction cost	-	-	-	(15,253)
Net cash from investing activities	(4,658)	144,907	(3,606)	(434,476)
Cash flows from financing activities:				
Dividends and distributions	-	(76,627)	(6,809)	(1,552)
Payments on capital lease obligation	(1,352)	(1,174)	(48)	(1,633)
Payments on finance obligation	(1,673)	-	-	-
Revolving borrowings (repayments)	5,158	10,469	-	(13,122)
Repurchases of common stock	-	-	-	(19)
Loan from affiliate	30,080	-	-	-
Net payments on collections from affiliates on notes	-	-	(1,626)	-
Redemption of notes	-	(75,521)	-	-
Revolving borrowings, acquisition	-	-	-	58,830
Borrowings on long-term debt, acquisition	-	-	-	266,563
Capital contributions	-	-	-	114,250
Debt issuance cost	(1,154)	-	-	(18,841)
Net cash from financing activities	31,579	(142,914)	(8,487)	418,151
Effect of changes in foreign exchange rates on cash	(5,227)	3,379	(27)	191
Net change in cash and cash equivalents	(5,845)	17,434	(8,174)	11,157
Cash and cash equivalents				
Beginning of period	7,919	11,137	9,366	-
End of period	\$ 2,074	\$ 7,919	\$ 1,192	\$ 11,157
Supplemental cash flow information:				
Cash paid for interest	\$ 31,292	\$ 38,580	\$ 18	\$ 21,939
Cash paid for income taxes (refunds received)	(28)	4,300	-	(64)

INDALEX HOLDINGS FINANCE, INC.
 CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (DEFICIT)
 Years ended December 31, 2008, December 31, 2007 and December 31, 2006
 (Dollars in thousands)

	Common Stock	Additional Paid-in Capital	Treasury Stock	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total
Successor balance, January 1, 2008.....	\$ 1	\$ 35,134	\$ (10)	\$ (30,871)	\$ 4,594	\$ 8,834
Net loss.....	-	-	-	(83,652)	-	(83,652)
Stock-based compensation.....	-	441	-	-	-	441
Transition adjustment.....	-	-	-	-	(178)	(178)
Adjustment to accrued benefit liability related to defined benefit plan.....	-	-	-	-	(27,299)	(27,299)
Successor balance, December 31, 2008.....	<u>\$ 1</u>	<u>\$ 34,565</u>	<u>\$ (10)</u>	<u>\$ (114,520)</u>	<u>\$ (22,883)</u>	<u>\$ (101,863)</u>

INDALEX HOLDINGS FINANCE, INC.
CONSOLIDATED BALANCE SHEETS
As of April 26, 2009 and December 31, 2008
(Dollars in thousands, except per share amounts)

	<u>(Unaudited)</u> <u>April 26, 2009</u>	<u>(Unaudited)</u> <u>December 31, 2008</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 2,132	\$ 2,874
Accounts receivable	59,993	56,194
Receivable from suppliers	1,203	3,593
Inventories	20,162	38,799
Prepaid expenses and other current assets	6,552	10,032
Assets held for sale	-	2,900
Deferred income taxes	6,912	6,912
Total current assets	96,954	121,303
Property, plant, and equipment, net	164,418	163,032
Other intangibles, net	53,355	55,814
Deferred financing costs	7,601	8,274
Other assets	3,163	4,661
Deferred income taxes	1,988	1,130
Total assets	\$ 326,499	\$ 354,220
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	\$ 50,118	\$ 46,638
Payable to affiliates	788	295
Income taxes payable	38	177
Accrued expenses and other current liabilities	32,746	28,848
Accrued interest	11,789	10,446
Capital lease obligation	1,354	1,237
Finance obligation	1,691	1,524
Revolver borrowings	65,147	69,138
Total current liabilities	163,581	158,312
Notes payable to affiliates	30,000	30,000
Other liabilities	66,005	65,425
Capital lease obligation	1,976	2,377
Finance obligation	3,260	3,455
Long-term debt	196,532	196,433
Total liabilities	461,354	456,022
Commitments and contingencies		
Stockholders' equity (deficit):		
Common stock (\$.001 par value per share), Authorized shares 2,500,000		
Issued and outstanding 1,000,114	1	1
Additional paid-in capital	35,676	35,565
Treasury stock, 90 shares at \$11.11 per share	(10)	(10)
Accumulated deficit	(147,585)	(114,526)
Accumulated other comprehensive income	(32,937)	(32,983)
Total stockholders' equity (deficit)	(134,835)	(101,833)
Total liabilities and stockholders' equity (deficit)	\$ 326,499	\$ 354,220

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INDALEX HOLDINGS FINANCE, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
For the periods January 1, 2009 through April 26, 2009 and January 1, 2008 through April 27, 2008
(Dollars in thousands)
(Unaudited)

	One month ended		Four months ended	
	April 26, 2009	April 27, 2008	April 16, 2009	April 27, 2008
Net sales	\$ 32,039	\$ 82,888	\$ 148,073	\$ 333,477
Costs and expenses:				
Cost of sales	30,367	80,173	149,133	324,808
Selling, general, and administrative	2,383	4,042	12,631	17,532
Management fees to affiliates	-	83	250	332
Amortization of intangible assets	(61)	710	2,458	2,970
Other (income) expense	116	(123)	(82)	(81)
Restructuring charges	87	357	1,150	4,038
Impairment of long-lived assets	-	-	-	380
Other fees on disposal of assets	(10)	(179)	25	(684)
Mark-to-market on derivatives	(103)	(2,582)	(553)	(5,233)
Total costs and expenses	<u>35,441</u>	<u>82,472</u>	<u>165,980</u>	<u>342,384</u>
Loss from operations	(3,402)	417	(16,447)	(9,007)
Other income (expense):				
Interest to affiliates, net	(254)	-	(1,039)	-
External interest expense	(802)	(2,571)	(3,324)	(11,008)
Deferred financing costs	(850)	(177)	(1,423)	(712)
Interest income	9	13	308	42
Contract termination expense	-	-	(6,983)	-
Debt restructuring expense	(752)	-	(2,389)	-
Loss before income taxes	<u>(4,052)</u>	<u>(2,315)</u>	<u>(17,459)</u>	<u>(19,385)</u>
Income tax benefit	-	(507)	-	(1,032)
Net loss	<u>\$ (4,052)</u>	<u>\$ (2,822)</u>	<u>\$ (17,459)</u>	<u>\$ (20,417)</u>

INILALEX HOLDINGS FINANCE, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the periods January 1, 2009 through April 26, 2009 and January 1, 2008 through April 27, 2008
(Dollars in thousands)
(Unaudited)

	One month ended		Four months ended	
	April 26, 2009	April 27, 2008	April 26, 2009	April 27, 2008
Net loss	\$ (4,053)	\$ (5,011)	\$ (13,059)	\$ (18,553)
Adjustments to reconcile net loss to net cash from operating activities:				
Depreciation	2,539	3,785	9,139	11,286
Amortization of intangible assets	601	716	2,458	2,976
Amortization of deferred financing costs	850	177	1,433	712
Amortization of bond discount	-	26	79	105
(Gain) loss on disposal of assets	(10)	(179)	25	(680)
Impairment of long-lived assets	-	-	-	389
Other	-	-	-	(1)
Stock-based compensation	-	30	111	227
Deferred income taxes	-	(308)	-	(1,183)
Changes in operating assets and liabilities:				
Accounts receivable	(2,259)	(5,718)	(3,067)	(17,266)
Inventories	(2,023)	(10,677)	18,734	311
Prepays and other assets	371	(266)	4,862	(18,478)
Income taxes payable/refundable	-	(13)	(139)	72
Checks issued in excess of bank balance	-	(2,203)	-	2,180
Accounts payable	(340)	6,929	3,204	11,915
Accrued expenses and other liabilities	379	(234)	1,174	5,450
Payable to affiliates	251	-	494	-
Net cash from operating activities	<u>(1,363)</u>	<u>(8,932)</u>	<u>7,338</u>	<u>(45,336)</u>
Cash flows from investing activities:				
Capital expenditures	(634)	(4,278)	(3,202)	(14,869)
Proceeds from sales of property, plant and equipment	9	179	41	1,012
Net cash from investing activities	<u>(625)</u>	<u>(4,099)</u>	<u>(3,221)</u>	<u>(13,857)</u>
Cash flows from financing activities:				
Payments in capital lease obligations	(54)	(122)	(380)	(486)
Payments on finance obligations	60	-	(11)	-
Revolving borrowings (payments)	2,433	13,212	(4,750)	\$2,347
Debt issuance costs	(730)	-	(730)	-
Net cash from financing activities	<u>2,089</u>	<u>13,090</u>	<u>(5,411)</u>	<u>31,877</u>
Effect of changes in foreign exchange rates on cash	796	194	359	(110)
Net change in cash and cash equivalents	<u>11,700</u>	<u>(739)</u>	<u>(742)</u>	<u>(7,116)</u>
Cash and cash equivalents:				
Beginning of period	<u>1,832</u>	<u>1,242</u>	<u>2,874</u>	<u>7,019</u>
End of period	<u>\$ 3,132</u>	<u>\$ 503</u>	<u>\$ 2,132</u>	<u>\$ -503</u>

INDALEX HOLDINGS FINANCE, INC.
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (DEFICIT)
For the periods January 1, 2009 through April 26, 2009 and January 1, 2008 through April 27, 2008
(Dollars in thousands)
(Unaudited)

	Common Stock	Additional Paid-in Capital	Treasury Stock	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total
January 1, 2009.....	\$ 1	\$ 35,868	\$ (10)	\$ (114,526)	\$ (22,885)	\$ (101,853)
Net loss.....	-	-	-	(33,059)	-	(33,059)
Stock-based compensation.....	-	111	-	-	-	111
Translation adjustment.....	-	-	-	-	(54)	(54)
April 26, 2009.....	<u>\$ 1</u>	<u>\$ 35,676</u>	<u>\$ (10)</u>	<u>\$ (147,585)</u>	<u>\$ (22,937)</u>	<u>\$ (134,855)</u>

INDALEX HOLDINGS FINANCE, INC.
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (DEFICIT)
 For the periods January 1, 2009 through April 26, 2009 and January 1, 2008 through April 27, 2008
 (Dollars in thousands)
 (Unaudited)

	Common Stock	Additional Paid-in Capital	Treasury Stock	Accumulated Deficit	Accumulated Other Comprehensive Income	Total
January 1, 2008.....	\$ 1	\$ 35,124	\$ (10)	\$ (30,874)	\$ 4,594	\$ 8,835
Net loss.....	-	-	-	(18,553)	-	(18,553)
Stock-based compensation.....	-	229	-	-	-	229
Translation adjustment.....	-	-	-	-	152	152
April 27, 2008.....	<u>\$ 1</u>	<u>\$ 35,353</u>	<u>\$ (10)</u>	<u>\$ (49,427)</u>	<u>\$ 4,746</u>	<u>\$ (9,337)</u>

INDALEX HOLDINGS FINANCE, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
 For the periods January 1, 2009 through April 26, 2009 and January 1, 2008 through April 27, 2008
 (Dollars in thousands)
 (Unaudited)

	One month ended		Four months ended	
	April 26, 2009	April 27, 2008	April 26, 2009	April 27, 2008
Net loss.....	\$ (4,053)	\$ (2,011)	\$ (33,050)	\$ (18,553)
Translation adjustment.....	(10)	6	(34)	152
Comprehensive loss.....	<u>\$ (4,063)</u>	<u>\$ (2,005)</u>	<u>\$ (33,113)</u>	<u>\$ (18,401)</u>

INDALEX HOLDINGS FINANCE, INC.
CONSOLIDATED BALANCE SHEETS
As of April 26, 2009 and December 31, 2008
(Dollars in thousands, except per share amounts)

	<u>(Unaudited)</u> <u>April 26, 2009</u>	<u>(Unaudited)</u> <u>December 31, 2008</u>
ASSETS		
Current Assets:		
Cash and cash equivalents.....	\$ 2,132	\$ 2,874
Accounts receivable.....	59,993	56,194
Receivable from suppliers.....	1,203	3,593
Inventories.....	20,162	38,799
Prepaid expenses and other current assets	6,552	10,032
Assets held for sale.....	-	2,900
Deferred income taxes.....	<u>6,912</u>	<u>6,912</u>
Total current assets.....	96,954	121,303
Property, plant, and equipment, net.....	164,418	163,032
Other intangibles, net.....	53,355	55,814
Deferred financing costs.....	7,601	8,274
Other assets.....	3,163	4,661
Deferred income taxes.....	<u>1,008</u>	<u>1,136</u>
Total assets.....	<u>\$ 326,499</u>	<u>\$ 354,220</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable.....	\$ 50,118	\$ 46,628
Payable to affiliates.....	788	295
Income taxes payable.....	38	177
Accrued expenses and other current liabilities.....	32,746	28,848
Accrued interest.....	11,789	10,446
Capital lease obligation.....	1,354	1,237
Finance obligation.....	1,601	1,524
Revolver borrowings.....	<u>65,147</u>	<u>69,158</u>
Total current liabilities.....	163,581	158,312
Notes payable to affiliates.....	30,000	30,000
Other liabilities.....	66,005	65,476
Capital lease obligation.....	1,976	2,377
Finance obligation.....	3,260	3,455
Long-term debt.....	<u>196,532</u>	<u>196,453</u>
Total liabilities.....	461,354	456,073
Commitments and contingencies		
Stockholders' equity (deficit):		
Common stock (\$.001 par value per share). Authorized shares 2,900,000.		
Issued and outstanding 1,000,114.....	1	1
Additional paid-in capital.....	35,676	35,565
Treasury stock, 90 shares at \$111.11 per share.....	(10)	(10)
Accumulated deficit.....	(147,585)	(114,526)
Accumulated other comprehensive income.....	<u>(22,937)</u>	<u>(22,883)</u>
Total stockholders' equity (deficit).....	(134,855)	(101,853)
Total liabilities and stockholders' equity (deficit).....	<u>\$ 326,499</u>	<u>\$ 354,220</u>

INDALEX HOLDINGS FINANCE, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
For the periods January 1, 2009 through April 26, 2009 and January 1, 2008 through April 27, 2008
(Dollars in thousands)
(Unaudited)

	One month ended		Four months ended	
	April 26, 2009	April 27, 2008	April 26, 2009	April 27, 2008
Net sales.....	\$ 32,039	\$ 82,889	\$ 148,673	\$ 333,477
Costs and expenses:				
Cost of sales.....	30,367	80,173	149,133	324,008
Selling, general, and administrative	2,384	4,042	12,641	17,532
Management fees to affiliates.....	-	83	250	332
Amortization of intangible assets.....	601	710	2,458	2,970
Other (income) expense.....	116	(122)	(32)	(981)
Restructuring charges.....	87	357	1,150	4,038
Impairment of long-lived assets.....	-	-	-	389
(Gain) loss on disposal of assets.....	(10)	(179)	25	(680)
Mark-to-market on derivatives.....	(104)	(2,592)	(535)	(5,224)
Total costs and expenses.....	<u>33,441</u>	<u>82,472</u>	<u>165,090</u>	<u>342,384</u>
Loss from operations.....	(1,402)	417	(16,417)	(8,907)
Other income (expense):				
Interest to affiliates, net.....	(251)	-	(1,039)	-
External interest expense.....	(802)	(2,571)	(5,326)	(10,008)
Deferred financing costs.....	(850)	(177)	(1,423)	(712)
Interest income.....	9	13	398	42
Contract termination expense.....	-	-	(6,983)	-
Debt restructuring expense.....	(757)	-	(2,269)	-
Loss before income taxes.....	(4,053)	(2,318)	(33,059)	(19,585)
Income tax benefit.....	-	(307)	-	(1,032)
Net loss.....	<u>\$ (4,053)</u>	<u>\$ (2,011)</u>	<u>\$ (33,059)</u>	<u>\$ (18,533)</u>

INDALEX HOLDINGS FINANCE, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the periods January 1, 2009 through April 26, 2009 and January 1, 2008 through April 27, 2008
(Dollars in thousands)
(Unaudited)

	One month ended		Four months ended	
	April 26, 2009	April 27, 2008	April 26, 2009	April 27, 2008
Net loss.....	\$ (4,053)	\$ (2,011)	\$ (33,059)	\$ (18,553)
Adjustments to reconcile net loss to net cash from operating activities:				
Depreciation.....	2,339	2,785	9,139	11,286
Amortization of intangible assets.....	601	710	2,458	2,970
Amortization of deferred financing costs.....	850	177	1,423	712
Amortization of bond discount.....	-	26	79	105
(Gain) loss on disposal of assets.....	(10)	(179)	25	(680)
Impairment of long-lived assets.....	-	-	-	389
Other.....	-	-	-	(1)
Stock-based compensation.....	-	50	111	229
Deferred income taxes.....	-	(308)	-	(1,183)
Changes in operating assets and liabilities:				
Accounts receivable.....	(2,259)	(3,718)	(3,067)	(42,260)
Inventories.....	(2,097)	(10,677)	18,724	311
Prepays and other assets.....	374	(266)	6,882	(18,478)
Income taxes payable/refundable.....	-	(13)	(139)	72
Checks issued in excess of bank balance.....	-	(2,203)	-	2,380
Accounts payable.....	(340)	6,929	3,294	11,915
Accrued expenses and other liabilities.....	379	(234)	1,174	5,450
Payable to affiliates.....	251	-	494	-
Net cash from operating activities.....	<u>(3,965)</u>	<u>(8,932)</u>	<u>7,538</u>	<u>(45,336)</u>
Cash flows from investing activities				
Capital expenditures.....	(631)	(4,270)	(3,262)	(14,869)
Proceeds from sales of property, plant and equipment.....	9	179	41	1,012
Net cash from investing activities.....	<u>(622)</u>	<u>(4,091)</u>	<u>(3,221)</u>	<u>(13,857)</u>
Cash flows from financing activities				
Payments on capital lease obligation.....	(54)	(122)	(300)	(480)
Payments on finance obligation.....	60	-	(118)	-
Revolver borrowings (repayments).....	2,833	12,212	(4,250)	52,357
Debt issuance costs.....	(750)	-	(750)	-
Net cash from financing activities.....	<u>2,089</u>	<u>12,090</u>	<u>(5,418)</u>	<u>51,877</u>
Effect of changes in foreign exchange rates on cash.....	798	194	359	(100)
Net change in cash and cash equivalents.....	(1,700)	(739)	(742)	(7,416)
Cash and cash equivalents				
Beginning of period.....	3,832	1,242	2,874	7,919
End of period.....	<u>\$ 2,132</u>	<u>\$ 503</u>	<u>\$ 2,132</u>	<u>\$ 503</u>

INDALEX HOLDINGS FINANCE, INC.
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (DEFICIT)
For the periods January 1, 2009 through April 26, 2009 and January 1, 2008 through April 27, 2008
(Dollars in thousands)
(Unaudited)

	Common Stock	Additional Paid-in Capital	Treasury Stock	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total
January 1, 2009	\$ 1	\$ 35,565	\$ (10)	\$ (114,526)	\$ (22,883)	\$ (101,853)
Net loss.....	-	-	-	(33,059)	-	(33,059)
Stock-based compensation.....	-	111	-	-	-	111
Translation adjustment.....	-	-	-	-	(54)	(54)
April 26, 2009	<u>\$ 1</u>	<u>\$ 35,676</u>	<u>\$ (10)</u>	<u>\$ (147,585)</u>	<u>\$ (22,937)</u>	<u>\$ (134,855)</u>

INDALEX HOLDINGS FINANCE, INC.
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (DEFICIT)
For the periods January 1, 2009 through April 26, 2009 and January 1, 2008 through April 27, 2008
(Dollars in thousands)
(Unaudited)

	Common Stock	Additional Paid-in Capital	Treasury Stock	Accumulated Deficit	Accumulated Other Comprehensive Income	Total
January 1, 2008.....	\$ 1	\$ 35,124	\$ (10)	\$ (30,874)	\$ 4,594	\$ 8,835
Net loss.....	-	-	-	(18,553)	-	(18,553)
Stock-based compensation.....	-	229	-	-	-	229
Translation adjustment.....	-	-	-	-	152	152
April 27, 2008.....	<u>\$ 1</u>	<u>\$ 35,353</u>	<u>\$ (10)</u>	<u>\$ (49,427)</u>	<u>\$ 4,746</u>	<u>\$ (9,337)</u>

INDALEX HOLDINGS FINANCE, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
 For the periods January 1, 2009 through April 26, 2009 and January 1, 2008 through April 27, 2008
 (Dollars in thousands)
 (Unaudited)

	One month ended		Four months ended	
	April 26, 2009	April 27, 2008	April 26, 2009	April 27, 2008
Net loss.....	\$ (4,053)	\$ (2,011)	\$ (33,059)	\$ (18,553)
Translation adjustment.....	(10)	6	(54)	152
Comprehensive loss.....	<u>\$ (4,063)</u>	<u>\$ (2,005)</u>	<u>\$ (33,113)</u>	<u>\$ (18,401)</u>

Schedule 4.22(a)(1)

Notes to Financial Statements and Exceptions to GAAP

None.

Schedule 4.22(b)

Undisclosed Liabilities

None.

Schedule 4.22(d)**Accounts Receivable**

The Sellers are engaged in a dispute with Permasteelisa North America (“Permasteelisa”) regarding the shipments of alleged defective product from the Sellers to Permasteelisa. In discussions to settle the dispute, the Sellers have tentatively agreed to absorb \$1,043,543.00 in labor charges, contingent on Permasteelisa making payment to the Seller for a loss resulting from the termination of a fixed price contract in the amount of \$917,243.00. Permasteelisa made a payment of \$461,623.00 against this balance. The labor charges will be processed as a credit against Permasteelisa’s open accounts receivable.

Schedule 5.4

Purchasers' Consents and Approvals

Competition Act (Canada) approval in accordance with Section 9.2(1) of the Agreement.

HSR approval in accordance with Section 9.2(k) of the Agreement.