

## **AMENDED BIDDING PROCEDURES**

The Bankruptcy Court will approve, or has approved, the following Amended Bidding Procedures:

1. Sale Means. The Sale (as defined in the Sale Motion) shall be by means of an absolute auction (the "Auction") subject only to confirmation by the Court at the Final Sale Hearing that the Order Approving the Asset Purchase Agreement and Bidding Procedures was followed and that an Acceptable Bidder (defined below) was the Highest Bidder (defined below).

2. Time and Date of Auction. The Auction shall take place at 1:00 PM, December 6, 2016 (prevailing Central Time). The Final Sale Hearing will be held immediately thereafter. Time is of the essence.

3. Location. The Auction shall take place in Courtroom 4D of the Frank M. Johnson, Jr. Federal Courthouse located at One Church Street, Montgomery, Alabama, 36104.

4. Sale Assets. Except as expressly provided in the Asset Purchase Agreement, the Sale Assets shall be sold "AS-IS," "WHERE-IS" and "WITH ALL FAULTS."

5. Auction Method. Pursuant to that certain Court Order, issued on or about November 17, 2016, the Sale Assets may be sold in separate lots. In order to accommodate this procedure, the Auction of the Sale Assets will be administered two-fold: first, an auction will proceed with all entities that wish to make a bid on specific lots (the "Lot Auction"); second, after the Lot Auction, the Court will hold an auction with entities that wish to bid on all lots as a whole, similar to that of JET Polymer Recycling, Inc. (the "Wholesale Auction")

6. Lots. The following separate lots will be available for bid at the Lot Auction:

- a. Mobile Highway real property
- b. Alatex real property
- c. Selma Highway real property
- d. Inventory
- e. Equipment/Machinery
- f. Mexico Operation
- g. Office Equipment
- h. Rolling Stock

7. Acceptable Bidder for the Lot Auction. Only a party who has provided the following, on or before November 28, 2016 at 11:59PM prevailing central time, in writing where applicable, may be eligible for consideration to become an "Acceptable Bidder" for each individual lot at the Lot Auction:

a. His/her/its contact information and full disclosure any of its related affiliates.

b. An acknowledgment that he/she/it is only bidding on a specific lot of the assets of the Debtors. Additionally, the Prospective Upset Bidder (defined below as a bidder prior to being designated as an Acceptable Bidder) must disclose which Executory Contracts and Leases that he/she/it intends to assume, if such Executory Contracts or Leases accompany said lot.

c. A good faith deposit in the IOLTA Trust Bank Account at the Law Offices of Memory & Day. One (1) deposit is required for each lot bidder (i.e. if a Prospective Upset Bidder desires to bid on two separate lots, then two separate good faith deposits are required). The good faith deposit amounts for the lots go as follows:

i.	Mobile Highway real property:	\$50,000.00
ii.	Alatex real property:	\$50,000.00
iii.	Selma Highway real property:	\$50,000.00
iv.	Inventory:	\$25,000.00
v.	Equipment/Machinery:	\$25,000.00
vi.	Mexico Operation:	\$5,000.00
vii.	Office Equipment:	\$5,000.00
viii.	Rolling Stock:	\$25,000.00

If any depositor is not the Highest Bidder, Sellers' attorneys shall cause all such deposits to be returned to the unsuccessful bidder within five (5) business days following the Lot Auction. The deposit shall be returned to the address and entity instructed to the attorneys of the Sellers. If an unsuccessful bidder desires that the good faith deposit be returned by wire transfer, then said instructions for wire transfer shall be provided to the said attorneys upon submission of the deposit. Failure of an unsuccessful bidder to provide proper instructions for the return of deposit will authorize Sellers' attorney to hold said deposit pending written instructions.

d. In conjunction with the submission of the good faith deposit, a Prospective Upset Bidder shall deliver evidence displaying financial ability to purchase the assets in

the specific lot in a timely manner if such Prospective Upset Bidder becomes the Highest Bidder at the Auction for that lot. Additionally, each Prospective Upset Bidder must provide written proof of corporate authority to consummate the purchase of the lots.

e. The Sellers shall promptly provide the name of each Prospective Upset Bidder of each lot to the Unsecured Creditors Committee, the Bankruptcy Administrator, JET Polymer Recycling, Inc., and Renasant Bank.

f. The Sellers shall promptly, but not later than two (2) business days of receiving the good faith deposit and evidence of ability to consummate, inform the Prospective Upset Bidder whether the Sellers designate the Prospective Upset Bidder as an Acceptable Bidder or takes the position, based upon evidence presented, that said party should not be so designated as an Acceptable Bidder.

g. All objections to the qualification of bidders, whether an Acceptable Bidder or Prospective Upset Bidder, must be made not later than the end of business time, December 1, 2016. Any and all objections shall be heard by the Court on an expedited basis to ensure that a hearing is held before the Final Sale Hearing.

h. In the event that the collective highest bids of all lots is not greater than Two Million, Six Hundred Thousand and NO/100 dollars (\$2,600,000.00), then the Lot Auction is cancelled and all bidders of lots shall be deemed an unsuccessful bidder.

i. In the event the collective highest bids of all lots at the Lot Auction is greater than the highest bid at the Wholesale Auction (defined below), and subject to the constraints of Section 7(h) above, then every entity that purchases a parcel of real estate is responsible for the removal and disposal of any unclaimed assets located on that parcel at the winning bidders sole cost (i.e., if one bidder purchases a parcel of real estate and no one bids to purchase the inventory located on that parcel, then the purchaser of the real estate is responsible to remove the inventory).

8. Acceptable Bidder for the Wholesale Auction. Only a party who has provided the following, on or before November 28, 2016 at 11:59PM prevailing central time, in writing where applicable, may be eligible for consideration to become an "Acceptable Bidder" for the Wholesale Auction:

a. His/her/its contact information and full disclosure any of its related affiliates.

b. An acknowledgment that the Sale in the Wholesale Auction is on the same terms and conditions as provided in the Asset Purchase Agreement with JET Polymer Recycling, Inc. Additionally, a Prospective Upset Bidder, in its bid in the Wholesale Auction, must disclose which Executory Contracts and Leases that he/she/it intends to assume.

c. A good faith deposit in the IOLTA Trust Bank Account at the Law Offices of Memory & Day in the amount of One Hundred Thousand and NO/100 dollars (\$100,000.00). If any depositor is not the Highest Bidder, Sellers' attorneys shall cause all such deposits to be returned to the unsuccessful bidder within five (5) business days following the Wholesale Auction. The deposit shall be returned to the address and entity instructed to the attorneys of the Sellers. If an unsuccessful bidder desires that the good faith deposit be returned by wire transfer, then said instructions for wire transfer shall be provided to the said attorneys upon submission of the deposit. Failure of an unsuccessful bidder to provide proper instructions for the return of deposit will authorize Sellers' attorney to hold said deposit pending written instructions.

d. In conjunction with the submission of the good faith deposit, a Prospective Upset Bidder shall deliver evidence displaying financial ability to purchase the Sale Assets in Wholesale Auction in a timely manner if such Prospective Upset Bidder becomes the Highest Bidder at the Wholesale Auction. Additionally, each Prospective Upset Bidder must provide written proof of corporate authority to consummate the purchase.

e. The Sellers shall promptly provide the name of each Prospective Upset Bidder to the Unsecured Creditors Committee, the Bankruptcy Administrator, JET Polymer Recycling, Inc., and Renasant Bank.

f. The Sellers shall promptly, but not later than two (2) business days of receiving the deposit and evidence of ability to consummate, inform the Prospective Upset Bidder whether the Sellers designate the Prospective Upset Bidder as an Acceptable Bidder or takes the position, based upon evidence presented, that said party should not be so designated as an Acceptable Bidder.

g. All objections to the qualification of bidders, whether an Acceptable Bidder or Prospective Upset Bidder, must be made not later than the end of business time, December 1, 2016. Any and all objections shall be heard by the Court on an expedited basis to ensure that a hearing is held before the Final Sale Hearing.

h. JET Polymer Recycling, Inc. shall be deemed an Acceptable Bidder at the Wholesale Auction (and Lot Auction) based upon its execution of the Asset Purchase Agreement and delivery of a good faith deposit.

i. If there are no Acceptable Bidders for the Wholesale Auction other than JET Polymer Recycling, Inc. and the collective amount of winning bids in the Lot Auction is less than Two Million, Six Hundred Thousand and NO/100 (\$2,600,000.00), the Wholesale Auction shall be cancelled and the Sellers shall seek final approval of the Sale to JET Polymer Recycling, Inc. at the Final Sale Hearing.

9. Acceptable Opening Bids for the Lot Auction. The following shall be the opening bids for the lots offered in the Lot Auction:

a. Mobile Highway real property                      \$300,000.00

b.	Alatex real property	\$750,000.00
c.	Selma Highway real property	\$1,500,000.00
d.	Inventory	\$50,000.00
e.	Equipment/Machinery	\$1,500,000.00
f.	Mexico Operation	\$5,000.00
g.	Office Equipment	\$1,000.00
h.	Rolling Stock	\$15,000.00

10. Acceptable Opening Bid for Wholesale Auction. The opening bid at the Wholesale Auction shall be deemed to be Two Million Four Hundred Thousand and NO/100 Dollars (\$2,400,000.00) made by JET Polymer Recycling, Inc. upon the terms and conditions set forth in the Asset Purchase Agreement (the “Acceptable Opening Bid”).

11. Acceptable Upset Bids at the Lot Auction. The Sellers and their professionals shall direct and preside over the Lot Auction. An acceptable upset bid at the Lot Auction must be made by an Acceptable Bidder approved by the Sellers and the Court (such bid shall hereinafter be referred to as “Acceptable Upset Bid”). The following is a list of the first Acceptable Upset Bid on each lot:

a.	Mobile Highway real property	\$25,000.00 over Opening Bid
b.	Alatex real property	\$25,000.00 over Opening Bid
c.	Selma Highway real property	\$50,000.00 over Opening Bid
d.	Inventory	\$10,000.00 over Opening Bid
e.	Equipment/Machinery	\$25,000.00 over Opening Bid
f.	Mexico Operation	\$1,000.00 over Opening Bid
g.	Office Equipment	\$500.00 over Opening Bid
h.	Rolling Stock	\$2,500.00 over Opening Bid

After the first Acceptable Upset Bid, each incremental bid for each lot will be cast in the amount equal to the first Acceptable Upset Bid (i.e. if the first Acceptable Upset Bid calls for \$500.00 over the Opening Bid, then each incremental bid thereafter will be \$500.00 over the previous bid).

12. Acceptable Upset Bids in the Wholesale Auction. The Sellers and their professionals shall direct and preside over the Auction. An Acceptable Upset Bid in the Wholesale Auction must be a bid to purchase all of the Sale Assets upon the same terms and conditions set forth in the Asset Purchase Agreement approved by the Court. An Acceptable Upset Bid may only be made by an Acceptable Bidder. The first Acceptable Upset Bid made after the Acceptable Opening Bid must be in an amount equal to or greater than Two Hundred Thousand and NO/100 Dollars (\$200,000.00) in excess of the Acceptable Opening Bid. Thereafter, any Acceptable Upset Bids must exceed the previous Acceptable Upset Bid by an amount equal to or greater than Fifty Thousand and NO/100 Dollars (\$50,000.00). The ultimate highest bidder at the Auction shall be referred to herein as the “Highest Bidder.”

13. How to Make an Acceptable Upset Bid. For an Acceptable Bidder to submit valid Acceptable Upset Bid in either Auction, the following is required from the Acceptable Bidder:

a. The Acceptable Upset Bid shall be made by a person or persons who satisfy the conditions set forth in these Bidding Procedures to qualify as an Acceptable Bidder. Due to its good faith deposit in the Asset Purchase Agreement, JET Polymer Recycling, Inc. is deemed to qualify as an Acceptable Bidder and shall be deemed to qualify as such for all purposes of participating in both the Lot Auction and the Wholesale Auction;

b. The Acceptable Upset Bid made by the Highest Bidder(s) shall remain open and be irrevocable through the Final Sale Hearing, and, if such Acceptable Upset Bid is approved at such hearing, said Acceptable Upset Bid made by the Highest Bidder shall remain open and be irrevocable through the date of Closing;

c. Upon being deemed the Highest Bidder at the Auction(s), said Acceptable Bidder shall execute a representation and agreement that its highest bid has been submitted pursuant to the terms and conditions of the Order Approving the Asset Purchase Agreement and Bidding Procedures.

d. The bid of the Highest Bidder(s) are not subject to any upset bid after the close of the Auctions or at the Final Sale Hearing.

14. Procedures if No Acceptable Upset Bid is Received. If no Acceptable Upset Bid is received, then the Acceptable Opening Bid shall be deemed the highest and best offer for the Sale Assets and shall therefore be submitted for approval by the Court at the Final Sale Hearing.

15. Court Hearings.

a. Initial Hearing on Sale Motion. A hearing on the Sale Motion was held by the Bankruptcy Court on November 15, 2016 at which the Bankruptcy Court approved the Asset Purchase Agreement with JET Polymer Recycling, Inc. and these Bidding Procedures.

b. Final Sale Hearing. The Final Sale Hearing will be held on December 6, 2016, after the Auctions, in Courtroom 4D of the Frank M. Johnson, Jr. Federal Courthouse located at One Church Street, Montgomery, Alabama, 36104. It shall be the purpose of the Final Sale Hearing to confirm that the procedures as set forth in the Order Approving the Asset Purchase Agreement and the Bidding Procedures have been followed by the Sellers and the Auctions were conducted in accordance with the same, and to make such findings as are necessary to provide the Highest Bidder(s) with an order that properly passes title to the assets sold.

c. Closing Date. The Closing Date shall be deemed to be the date upon which the consideration is paid and all closing documents are signed. This may take place immediately after the Final Sale Hearing, but must occur within thirty (30) days of the entry of the Final Sale Order.

d. Absolute Sale. The Auction shall be an absolute sale and not subject to upset bid after the Auction. Cause exists to allow for the Court to waive the stay provided for in Bankruptcy Rules 6004(h) and 6006(d), in order that the order authorizes the Sellers to close this sale immediately upon entry of the order approving the sale following the Final Sale Hearing.

e. Necessary Findings for Purchaser. The Sale shall result in the assets, either in the Lot Auction or Wholesale Auction, being sold to the Highest Bidder as a good-faith purchaser. Said purchaser shall acquire all rights as can be conveyed pursuant to 11 U.S.C. § 363 including, but not limited to, the rights of a good faith purchaser pursuant to 11 U.S.C. § 363(m) and a finding, based upon the sworn representation of the Highest Bidder, that the bidding was not pursuant to any improper collusion that would cause the Sale to be avoided for reasons including, but not limited to, those listed in 11 U.S.C. § 363(n).

16. Dispute Resolution. The United States Bankruptcy Court for the Middle District of Alabama shall retain exclusive jurisdiction to resolve any disputes which may arise concerning the Bidding Procedures or other issues relevant Auctions as outlined herein.

17. Emergency Court Hearing with Notice and Hearing. The Order Approving the Asset Purchase Agreement and Bidding Procedures shall authorize the Court to hold emergency hearings to resolve any disputes that may arise prior to the Auction, however, such disputes and/or objection must be filed on or before the end of business time, December 1, 2016. These emergency hearings would include, but not be limited to, any hearing as to whether a party should be designated as an Acceptable Bidder. All such emergency hearings shall be held on notice and hearing as determined by the Court to be necessary under the circumstances and may include limited notice and/or telephonic notice to the designated parties. Where deemed necessary, the Order Approving the Asset Purchase Agreement and the Bidding Procedures shall allow for ex parte orders to be issued by the Court to aid and assist in the consummation of the Sale.

18. Break-up Fee. In the event that JET Polymer Recycling, Inc. is not the Highest Bidder pursuant to the terms found herein, it shall be allotted a Break-up Fee of One Hundred Fifty Thousand and NO/100 Dollars (\$150,000.00) (hereafter the "Break-up Fee"), in addition to a

refund of its good faith deposit. JET Polymer Recycling, Inc. may bid, and win, on separate lots in the Lot Auction and still be entitled to the Break-up Fee. The only way that JET Polymer Recycling, Inc. may be entitled to the Break-Up Fee is if the winning bid of either Auction is greater than Two Million, Six Hundred Thousand and NO/100 dollars (\$2,600,000.00). In the event that any terms of the Break-up Fee differ in the Asset Purchase Agreement or these Bidding Procedures, the terms of these Bidding Procedures shall prevail. NO OTHER BIDDERS SHALL BE ENTITLED TO ANY SORT OF BREAK-UP FEE, TERMINATION FEE, OR EXPENSE REIMBURSEMENT.