

EXHIBIT B

FORM SALE PROCEDURES

**UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
WESTERN DIVISION**

IN RE:)	
)	Chapter 11
)	
ROCKFORD PRODUCTS CORPORATION, <i>et</i>)	Case No. 07 B 71768
<i>al.</i> ,)	Jointly Administered
)	
Debtors)	Hon. Manuel Barbosa

SALE PROCEDURES

By motion (the Sale Motion), dated October 29, 2007, Rockford Products Corporation (“Rockford Products” or the “Debtors”), and Rockford Products Global Services, Inc. (“Rockford Global”), chapter 11 debtors and debtors-in-possession (each a “Debtor” and collectively, the “Debtors”), among other things, approval of the process and procedures for the sale (the “Sale”) of substantially all of their assets (the “Assets”). On October 31, 2007, the United States Bankruptcy Court for the Northern District of Illinois (the “Bankruptcy Court”) entered an order (the “Sale Procedures Order”), which among other things, authorizes and directs the Debtors to market the Assets through the Sale Procedures (the “Sale Procedures”) described below. As part of the Sale Procedures, the Bankruptcy Court has scheduled a hearing (the “Sale Hearing”) on November 15, 2007 at 1:00 p.m. to approve the Sale of the Assets.

I. Important Dates

The Debtors shall, in consultation with the Official Committee of Unsecured Creditors (the “Creditors’ Committee”) and the Debtors’ pre and postpetition lenders (the “Agents”):

- (a) Assist each interested party or entity (a “Potential Bidder”) in conducting their respective due diligence investigations and accept Bids (as defined herein) no later than **Thursday, November 8, 2007 at 5:00 p.m. (Central Time)**.
- (b) To the extent of multiple bids, negotiate with Qualified Bidders (as defined below) in preparation for an auction (the “Auction”) to be held on **Monday, November 12, 2007 starting at 10:00 a.m. (Central Time)**.
- (c) Select the Highest Bidder (as defined herein) at the conclusion of the Auction and seek authority to sell Assets to such Highest Bidder(s) at the Sale Hearing to be held by the Bankruptcy Court on **Thursday, November 15, 2007 at 1:00 p.m. (Central Time)**.

II. Qualified Bidder. Unless otherwise ordered by the Bankruptcy Court or as otherwise determined by Debtors, in consultation with the Agents and Creditors’ Committee, in order to

participate in the bidding process, each Potential Bidder, other than the Potential Buyer¹ and Agents (as defined in the Sale Motion), must deliver (unless previously delivered) to Debtors a copy of an executed confidentiality agreement in form and substance satisfactory to Debtors.

A Potential Bidder that delivers an executed confidentiality agreement described above and whose financial information and credit-quality support or enhancement demonstrate Potential Bidder's financial capability to consummate the Sale, if selected as a Highest Bidder (as defined below), and that Debtors determine, in consultation with the Agents and Creditors' Committee, is able (based on availability of financing, experience and other considerations) to consummate the Sale within the time frame provided by these Sale Procedures is a "Qualified Bidder." As promptly as practicable, after a Potential Bidder delivers all of the materials required above, Debtors will determine, in consultation with the Agents and Creditors' Committee, and notify Potential Bidder, if such Potential Bidder is a Qualified Bidder. Notwithstanding the above, Potential Bidders may commence due diligence immediately and at any time with respect to the Assets provided in Section III below. Notwithstanding the foregoing, the Potential Buyer and the Agents constitute Qualified Bidders for purposes of the Bidding Process.

III. Due Diligence. Until the Auction (as defined below), Debtors will afford each Qualified Bidder due diligence access to the Assets. Due diligence access may include access to data rooms, on site inspections and such other matters which a Qualified Bidder may request and as to which Debtors, in their sole discretion, may agree. Debtors will designate an employee or other representative to coordinate all reasonable requests for additional information and due diligence access from Qualified Bidders. Debtors may, in their discretion, coordinate diligence efforts such that multiple Qualified Bidders have simultaneous access to due diligence materials and/or simultaneous attendance at site inspections. Neither Debtors nor any of their representatives are obligated to furnish any information relating to Assets to any person other than Qualified Bidders who make an acceptable preliminary proposal.

IV. Bid Deadline. A Qualified Bidder that desires to make a bid shall deliver written copies of its bid to (a) Dewey & LeBoeuf LLP, Two Prudential Plaza, 180 North Stetson Avenue, Suite 3700, Chicago, IL 60601, Attn.: Mohsin N. Khambati, Tel: (312) 794-8052, Fax (312) 792-6552, Email: mkhambati@dl.com, (b) counsel for the Official Committee of Unsecured Creditors at Greenberg Traurig, LLP, 77 W. Wacker Drive, Suite 2500, Chicago, IL 60601, Attn: Nancy A. Peterman, and (c) counsel for the Agents at Goldberg, Kohn, Bell, Block, Rosenbloom & Moritz, Ltd., 55 E. Monroe Street, Suite 3300, Chicago, Illinois 60603, Attn: Andrew R. Cardonick, so as to be received no later than **5:00 p.m. (prevailing Central Time), on Thursday, November 8, 2007** (the "Bid Deadline").

V. Determination of "Qualified Bid" Status. In order to participate in the Bidding Process each Qualified Bidder (other than the Potential Buyer and the Agents) must deliver to Debtors, a written offer (a "Qualified Bid"), so as to be received by no later than **5:00 p.m. (prevailing Central Time), on Thursday, November 8, 2007**, that complies with each of the following:

¹ Capitalized terms not defined herein shall have the meaning set forth in the Sale Motion.

- (a) states such Qualified Bidder (1) offers to purchase the all or a portion of the Assets, as identified in the APA (as defined in the Sale Motion), upon the terms and conditions substantially as set forth in the APA or, alternatively, (2) is prepared to enter into a legally binding purchase and sale agreement or similar agreement for the acquisition of the Assets on terms and conditions no less favorable to the Debtors than the terms and conditions contained in the APA (the “Modified Agreement”) (as determined by the Debtors in their reasonable business judgment in consultation with the Agents and the Committee) and such Qualified Bidder’s terms relating to the assumption of any executory contracts or unexpired leases relating to the Assets;
- (b) is accompanied by a clean and duly executed Modified Agreement and to the extent applicable, a marked Modified Agreement reflecting any variations from the APA;
- (c) states that the purchase price for the Assets shall be paid in full in cash upon closing;
- (d) states that, unless otherwise agreed to by the Agents, the purchase price for the Assets (net of all adjustments and deductions thereto) shall be sufficient to pay all “Aggregate Debt” (as defined in the Final Cash Collateral/Financing Order) of the Agents after also taking into account any senior claims or liens, or amounts the Agents have otherwise agreed to pay pursuant to or in connection with the Final Cash Collateral/Financing Order;
- (e) states such Qualified Bidder is financially capable of consummating the transactions contemplated by the Modified Agreement;
- (f) contains such financial and other information that will allow Debtors, in consultation with the Agents and the Committee, to make a reasonable determination as to the Qualified Bidder’s financial and other capabilities to consummate the transactions contemplated by the Modified Agreement;
- (g) states that such Qualified Bidder’s offer is irrevocable until the closing of the purchase of the Assets if such Qualified Bidder is the Highest Bidder or the Back-Up Bidder, as discussed below;
- (h) fully discloses the identity of each entity that will be bidding for the Assets or otherwise participating in connection with such Qualified Bid, and the complete terms of any such participation;
- (i) fully discloses the terms of the proposed employment of any of Debtors’ employees, management, or officers in connection with such bid;
- (j) (1) does not contain any due diligence or financing contingencies of any kind; and (2) contains evidence that such Qualified Bidder has financial

resources readily available sufficient in the aggregate to finance the purchase of the Assets, which evidence is reasonably satisfactory to Debtors in consultation with the Agents and the Committee;

- (k) includes evidence of authorization and approval from such Qualified Bidder's board of directors (or comparable governing body) with respect to the submission, execution, delivery and closing of the Modified Agreement;
- (l) should the APA be executed by October 31, 2007 and be deemed the stalking horse, results in a value to the Debtors, in the Debtors' reasonable judgment after consultation with their financial and legal advisors and the Creditors' Committee and Agents, that is more than the aggregate of the value of the sum of: (A) the Purchase Price (as defined in the APA), plus (B) the Break-Up Fee in the amount of **3%** of the Purchase Price net of any applicable deductions and adjustments; plus (C) **\$100,000** (the "Initial Minimum Overbid"); and
- (m) is accompanied by a cash deposit in the amount of **\$250,000** (the "Good Faith Deposit").

A competing bid meeting the above requirements constitutes a "Qualified Bid." Debtors will make a determination, in consultation with the Agents and the Committee, regarding whether a bid is a Qualified Bid and will notify bidders whether their bids have been determined to be qualified by **no later than 5:00 p.m. on Friday, November 9, 2007**. Debtors reserve the right, in consultation with the Agents and the Committee, to reject any bid if such bid is on terms that are materially more burdensome or conditional than the terms of the APA. Notwithstanding the foregoing, Potential Buyer and the Agents are Qualified Bidders, and the APA and any credit bid by the Agents are Qualified Bids, for all purposes in connection with the bidding process, the Auction, and the Sale. Each Qualified Bid other than that of Potential Buyer is referred to as a "Qualified Bid". If Debtors do not receive any Qualified Bids other than the APA received from the Potential Buyer or a credit bid from the Agents Debtors will report the same to the Bankruptcy Court and will proceed with the Sale, subject to the rights of any parties in interest, including, without limitation the Creditors' Committee, to object to such proposed sale.

VI. Bid Protection. Recognizing the Potential Buyer's expenditure of time, energy and resources, Debtors have agreed to provide certain bidding protections to the Potential Buyer. Specifically, Debtors have determined that the APA will further the goals of the Sale Procedures by setting a floor that all other Potential Bids must exceed. As a result, Debtors have agreed that under certain circumstances described in Section XIII below, Debtors must pay the Break-Up Fee to the Potential Buyer. The payment of the Break-Up Fee shall be governed by Section XIII below.

VII. No Qualified Bids. If no timely, conforming Qualified Bids are submitted by the Bid Deadline and the Debtors have timely executed an APA with the Potential Buyer, the Debtors shall not hold the Auction and instead shall request at the Sale Hearing that the Court approve the APA with the Potential Buyer.

VIII. Auction, Bidding Increments and Bids Remaining Open. If Debtors receive at least one (1) Qualified Bid in addition to the APA, Debtors will conduct an auction (the “Auction”) of the Assets upon notice to all Qualified Bidders who have submitted Qualified Bids, with such Auction starting at **10:00 a.m. (Central Time) on Monday, November 12, 2007**, at the offices of Dewey & LeBoeuf LLP, Two Prudential Plaza, 180 North Stetson Avenue, Suite 3700, Chicago, IL 60601, or such later time or other place as Debtors shall notify all Qualified Bidders who have submitted Qualified Bids, in accordance with the following procedures:

- (a) Only the Debtors, the Potential Buyer, any representative of the Creditors’ Committee, the Agents (and the legal and financial advisers to each of the foregoing), and any Qualified Bidder who has timely submitted a Qualified Bid may attend the Auction, and only the Potential Buyer and the other Qualified Bidders may make any subsequent Qualified Bids (a “Subsequent Bid”) at the Auction.
- (b) No later than **Saturday, November 10, 2007 at 5:00 p.m.**, any Qualified Bidder, other than the Potential Buyer, must inform the Debtors whether it intends to participate in the Auction and prior to the commencement of the Auction, Debtors must provide copies of the Qualified Bid which Debtors believe is the highest or otherwise best offer to all Qualified Bidders who have informed Debtors of their intent to participate in the Auction.
- (c) All Qualified Bidders who have submitted a Qualified Bid shall be entitled to be present for all Subsequent Bids with the understanding that the true identity of each bidder shall be fully disclosed to all other bidders and that all material terms of each Subsequent Bid will be fully disclosed to all other bidders throughout the entire Auction.
- (d) Debtors may employ and announce at the Auction additional procedural rules, after consultation with the Agents and the Creditors’ Committee and subject to their respective rights to object to such additional procedural rules, that are reasonable under the circumstances (e.g., the amount of time allotted to make Subsequent Bids) for conducting the Auction, provided that such rules are not inconsistent with these Sale Procedures, the Bankruptcy Code or any order of the Bankruptcy Court entered in connection herewith.
- (e) Bidding at the Auction shall begin with the highest or otherwise best Qualified Bid and continue in minimum increments of at least **\$50,000** higher than the previous bid or bids. The Auction shall continue in one or more rounds of bidding and shall conclude after each participating bidder has had the opportunity to submit an additional Subsequent Bid with full knowledge and written confirmation of the then-existing highest bid or bids. For the purpose of evaluating the value of the consideration provided by Subsequent Bids (including any Subsequent Bid by Potential Buyer), Debtors must give effect to any Break-Up Fee that may be payable to the Potential Buyer under the Agreement.

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

IX. Acceptance of Highest Bid. Debtors and the Highest Bidder shall enter into an asset purchase agreement (the "Successful APA") no later than **Tuesday, November 13, 2007**. Debtors shall sell the Assets pursuant to the Successful APA upon the approval of such Successful APA by the Bankruptcy Court after the hearing (the "Sale Hearing"). If, after an Auction in which Potential Buyer: (1) bids an amount in excess of the consideration presently provided for in the APA with respect to the transactions contemplated under the APA; and (2) is the Highest Bidder, it shall, at the Closing under the APA, pay, in full satisfaction of the Highest Bid, an amount equal to: (a) the amount of the Highest Bid; less (b) the Break-Up Fee. Debtors' presentation of a particular Qualified Bid to the Bankruptcy Court for approval does not constitute Debtors' acceptance of the bid. Debtors will be deemed to have accepted a bid only when the bid has been approved by the Bankruptcy Court at the Sale Hearing.

X. Notice and Filing of Successful APA. The Debtors propose to file with the Court, no later than **5:00 p.m. Central Time on Tuesday, November 13, 2007**, each of: (i) a copy of the executed Successful APA entered into by and between the Debtors and the successful bidder; (ii) a notice (the "Assumption Notice") of executory contracts, licenses, and unexpired leases that the Debtors will seek to assume and assign to the successful bidder, which will identify the amounts, if any, that the Debtors believe they owe to such contract or lease counterparty to cure defaults under each respective executory contract, license, and unexpired lease; and (iii) a draft of the proposed Sale Order (collectively, the "Sale Materials").

The Debtors must serve copies of the Sale Materials, no later than **5:00 p.m. Central Time on Tuesday, November 13, 2007**, by overnight delivery on each of: (a) the parties on the Master Service List; (b) all persons or entities known or reasonably believed to have asserted a Lien on any of the Assets; and (c) all counterparties to any executory contracts or unexpired leases that the Debtors seek to assume and assign as part of the Sale.

XI. Objections. The deadline for objecting to the relief requested in the Sale Order, including the approval of the Sale free and clear of liens, claims, encumbrances and interests pursuant to section 363(f) of the Bankruptcy Code shall be **4:00 p.m. (Central Time) on Wednesday, November 14, 2007** (the "Objection Deadline")

Objections to the relief requested in the Sale Order, if any, shall also be served no later than **4:00 p.m. (Central Time) on Wednesday, November 14, 2007** upon (a) counsel to the Debtor, Dewey & LeBoeuf LLP, Two Prudential Plaza, 180 North Stetson Avenue, Chicago, Illinois, 60601, Attn: Mohsin N. Khambati; (b) counsel for the Official Committee of Unsecured Creditors at Greenberg Traurig, LLP, 77 W. Wacker Drive, Suite 2500, Chicago, IL 60601, Attn: Nancy A. Peterman; and (c) counsel for the Agents at Goldberg, Kohn, Bell, Block, Rosenbloom

& Moritz, Ltd., 55 E. Monroe Street, Suite 3300, Chicago, Illinois 60603, Attn: Andrew R. Cardonick.

XII. Sale Hearing. The Sale Hearing will be held before the Honorable Jacqueline P. Cox or any other Judge sitting in her stead on **Thursday, November 15, 2007 at 1:00 p.m. (Central Time)** at the United States Bankruptcy Court for the Northern District of Illinois, located in Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street, Chambers 656, Chicago, Illinois 60604, but may be adjourned or rescheduled without further notice by an announcement of the adjourned date at the Sale Hearing. If Debtors do not receive any Qualified Bids (other than the Qualified Bid of Potential Buyer), Debtors will report the same to the Bankruptcy Court at the Sale Hearing and will proceed with a sale of the Assets to Potential Buyer following entry of the Sale Order and subject to the rights of any parties in interest, including, without limitation, the Creditors' Committee, to object to such sale. If Debtors do receive additional Qualified Bids, then, at the Sale Hearing, Debtors will seek approval of the Highest Bid, subject to the rights of any parties in interest, including, without limitation, the Creditors' Committee, to object to such proposed sale.

XIII. Break-up Fee. In the event the APA is deemed the stalking horse but is terminated upon (a) the closing of a transaction involving the Sale of the Assets by Rockford Products to a buyer or buyers other than the Potential Buyer; (b) the Agents exercising their rights to credit-bid under Section 363(k) of the Bankruptcy Code; and/or (c) Rockford Products filing any plan of reorganization or liquidation that does not permit for the separate sale of the Assets, the Potential Buyer shall receive, (b) an amount equal to 3% of the purchase price, net of any applicable deductions and adjustments (the "Break-Up Fee") within two (2) Business Days of the closing of the Sale. In the event of a Sale of the Assets to a buyer other than the Potential Buyer, the Break-Up Fee shall be paid from the proceeds of such transaction. In the event of a credit-bid, the Break-Up fee shall be paid by the Agents. Any Break-Up Fee payable to Potential Buyer pursuant to the APA shall be paid as an administrative expense claim of Debtors under Section 503(b)(1) of the Bankruptcy Code. The Break-Up Fee shall only apply to the benefit of the Potential Buyer (and not any other Qualified Bidder) and only if the APA is executed no later than Wednesday, October 31.

XIV. Failure to Consummate Purchase. If the Auction is conducted and after determining the Highest Bid, the Debtors, in consultation with the Creditors' Committee and the Agents, in the exercise of their business judgment, shall determine the next highest or otherwise best Qualified Bid (excluding for this purpose the Potential Buyer), and such bidder shall be required to serve as a back-up bidder (the "Back-up Bidder") and keep such bid open and irrevocable until the earlier of 5:00 p.m. (prevailing Central time) on the date which is five (5) days after the date of the Sale Hearing (the "Outside Back-up Date") or the closing of the Sale with the Highest Bidder. Following the Sale Hearing, if the Highest Bidder fails to consummate the closing of the Sale because of a breach or failure to perform on the part of such Highest Bidder, the Back-up Bidder (other than the Potential Buyer and the Agents) will be deemed to be the new Highest Bid, and the Debtors will be authorized, but not required, to consummate the Sale with the Back-up Bidder without further order of the Bankruptcy Court, upon at least 24 hours notice to the Creditors' Committee and Agents. In such case, the defaulting Highest Bidder's deposit shall be forfeited to the Debtors. Additionally, the Debtors reserve the right to seek all available damages from the defaulting Highest Bidder. Notwithstanding anything to the contrary in this Section

XII, in no event shall the Potential Buyer or the Agents constitute a Back-up Bidder, and none of the provisions of this Section XII shall apply to the Potential Buyer or the Agents.

XV. Closing Deadline. Debtors reserve the right, in consultation with the Agents and the Committee, to set the date of the Closing Deadline.

XVI. Modification of Procedures. The Debtors may amend these Sale Procedures or the sale process without prior Court approval (and only after consultation with the Agents and the Creditors' Committee and with the Agents and Creditors' Committee retaining any and all rights to object to such proposed modifications) at any time in any manner that will best promote the goals of the sale process, including extending or modifying any of the dates described herein.

XVII. Return of Good Faith Deposit. The Good Faith Deposits of all Qualified Bidders (except for the Highest Bidder) shall be held in an interest-bearing escrow account with a national bank. Notwithstanding the foregoing, the Good Faith Deposit, if any, submitted by the Highest Bidder, together with interest thereon, shall be applied against the payment of Purchase Price upon closing of the Sale to the Highest Bidder. Except as otherwise provided herein, all deposits shall be returned to each bidder not selected by the Debtors as the Highest Bidder or the Back-up Bidder by no later than the fifth (5th) business day following the conclusion of the Auction. The deposit of the Back-up Bidder shall be held by the Debtors until the earlier of 24 hours after (a) the closing of the sale transaction with the Highest Bidder and (b) the Outside Back-up Date.

Dated: October 29, 2007

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