

Exhibit A

Form of Bidding Procedures Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	Chapter 11
Urban Brands, Inc., <i>et al.</i> , ¹)	Case No. 10-13005 (KJC)
Debtors.)	Joint Administration Pending

**ORDER (A) ESTABLISHING BIDDING AND AUCTION PROCEDURES
RELATED TO THE SALE OF SUBSTANTIALLY ALL OF THE DEBTORS' ASSETS;
(B) APPROVING RELATED BID PROTECTIONS; (C) SCHEDULING AN AUCTION
AND SALE HEARING; (D) ESTABLISHING CERTAIN NOTICE PROCEDURES FOR
DETERMINING CURE AMOUNTS FOR EXECUTORY CONTRACTS AND LEASES
TO BE ASSIGNED; AND (E) GRANTING CERTAIN RELATED RELIEF**

Upon consideration of the motion (the "Motion")² of the Debtors for entry of an order (the "Bidding Procedures Order") (A) establishing bidding and auction procedures (the "Bidding Procedures"), substantially in the form attached hereto as Exhibit 1, in connection with the sale (the "Sale") of substantially all of the Debtors' assets (the "Assets") free and clear of all claims (as defined in section 101(5) of the Bankruptcy Code) and any other interests, liens,

¹ The Debtors in these cases, along with the last four digits of the federal tax identification number for each of the Debtors, are Urban Brands, Inc. (3678), 100% Girls Ltd. (4150), 100% Girls of Georgia, Inc. (4159), 100% Girls of New York, Inc. (2149), 100 Percent Girls of New Jersey, Inc. (4167), A.S. Interactive, Inc. (3472), Ashley Stewart Ltd. (4541), Ashley Stewart Apparel Corporation (4049), Ashley Stewart Clothing Company, Inc. (4051), Ashley Stewart Management Co., Inc. (4053), Ashley Stewart Woman Ltd. (4152), ASIL 6, Inc. (3996), ASNJ 10, Inc. (4004), Carraizo Alto Apparel Corporation (4651), Church Street Retail, Inc. (5954), Kid Spot Ltd. (2585), Kidspot of Delaware, Inc. (2596), Kidspot of Illinois, Inc. (2606), Kidspot of Michigan, Inc. (2603), Kidspot of New Jersey, Inc. (2601), Kidspot of Ohio, Inc. (4705), Kidspot of Pennsylvania, Inc. (2599), Kidspot of Texas, Inc. (3809), Large Apparel of Alabama, Inc. (0624), Large Apparel of California, Inc. (2129), Large Apparel of Connecticut, Inc. (5161), Large Apparel of District of Columbia, Inc. (8613), Large Apparel of Florida, Inc. (2209), Large Apparel of Georgia, Inc. (3894), Large Apparel of Illinois, Inc. (4650), Large Apparel of Indiana, Inc. (4055), Large Apparel of Louisiana, Inc. (3790), Large Apparel of Maryland, Inc. (5158), Large Apparel of Michigan, Inc. (9420), Large Apparel of Mississippi, Inc. (5913), Large Apparel of Missouri, Inc. (2135), Large Apparel of New Jersey, Inc. (5157), Large Apparel of New York, Inc. (5956), Large Apparel of North Carolina, Inc. (8611), Large Apparel of Ohio, Inc. (3815), Large Apparel of Pennsylvania, Inc. (4057), Large Apparel of South Carolina, Inc. (2029), Large Apparel of Tennessee, Inc. (3895), Large Apparel of Texas, Inc. (3787), Large Apparel of Virginia, Inc. (2809), Large Apparel of Wisconsin, Inc. (3898), Marianne Ltd. (3940), Marianne USPR, Inc. (2193), Marianne VI, Inc. (2206), Metro Apparel of Kentucky, Inc. (7533), Metro Apparel of Massachusetts, Inc. (1367), The Essence of Body & Soul, Ltd. (4165), Urban Acquisition Corporation of New Jersey, Inc. (2976), Urban Acquisition Corporation of New York, Inc. (4103), and Urban Brands TM Holding Co. (5909). The Debtors' corporate offices are located at 100 Metro Way, Secaucus, New Jersey 07094.

² Capitalized terms used but not defined herein shall have the same meanings ascribed to them in the Motion or in the Stalking Horse Asset Purchase Agreement, as applicable.

mortgages, pledges, security interests, rights of first refusal, obligations and encumbrances of any kind whatsoever (collectively, the “Interests”), as more fully described and except to the extent identified in the Stalking Horse Asset Purchase Agreement or the asset purchase agreement of any other Successful Bidder (as defined in the Bidding Procedures), as applicable; (B) approving the proposed bid protections, the break-up fee (the “Break-Up Fee,” which is defined in the Stalking Horse Asset Purchase Agreement as the “Termination Fee”) and the Overbid Amount (as defined in the Bidding Procedures) (the Break-Up Fee and the Overbid Amount together, the “Bid Protections”), to New Ashley Stewart, LLC (the “Stalking Horse Bidder”) in accordance with that certain Asset Purchase Agreement dated September 21, 2010, (the “Stalking Horse Asset Purchase Agreement”) for the purchase of the Assets; (C) scheduling an auction (the “Auction”) and sale hearing (the “Sale Hearing”) for the Sale of the Assets and approving the form and manner of notice thereof; (D) establishing certain notice procedures for determining cure amounts (the “Cure Amounts”) for executory contracts (the “Executory Contracts”) and unexpired nonresidential real property leases (the “Real Property Leases”) that may be assigned (the “Cure Procedures”); and (E) granting certain related relief; and it appearing that the relief requested is in the best interests of the Debtors’ estates, their creditors, and other parties-in-interest; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that this Motion is a core proceeding pursuant to 28 U.S.C. § 157; and adequate notice of the Motion and opportunity for objection having been given, with no objections having been filed, or all objections having been overruled, as the case may be; and it appearing that no other notice need be given; and after due deliberation and sufficient cause therefore, it is hereby:

FOUND AND DETERMINED THAT:

A. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). The statutory predicates for the relief sought herein are sections 105, 363, and 365 of the Bankruptcy Code and Bankruptcy Rules 2002, 6004 and 6006. Venue for these cases and this Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

B. Notice of the Motion, including the proposed entry of the Bidding Procedures Order, the Bidding Procedures, the Cure Procedures, and the hearing to consider entry of this Bidding Procedures Order (the "Bidding Procedures Hearing") has been provided as set forth in the Motion. The Debtors' notice of the Motion, the proposed entry of the Bidding Procedures Order, the Bidding Procedures, the Cure Procedures, and Bidding Procedures Hearing is appropriate and reasonably calculated to provide all interested parties with timely and proper notice under Bankruptcy Rules 2002, 4001, 6004 and 6006, and no other or further notice of, or hearing on, the Motion or this Bidding Procedures Order is required.

C. The Debtors' proposed notices of (i) the proposed Sale of the Assets, (ii) the assumption and assignment of Executory Contracts and Real Property Leases, (iii) the Stalking Horse Asset Purchase Agreement, (iv) the Cure Procedures, and (v) the Bidding Procedures are appropriate and reasonably calculated to provide all interested parties with timely and proper notice of each, and no further notice of, or hearing on, each is necessary or required.

D. The Bidding Procedures and the Cure Procedures substantially in the form set forth in the Motion are fair, reasonable, and appropriate and are designed to maximize the value of the Debtors' estates.

E. The Debtors have demonstrated a compelling and sound business justification for approving the payment of the Break-Up Fee under the circumstances and timing set forth in the Motion and Stalking Horse Asset Purchase Agreement.

F. The Debtors' granting of Bid Protections to the Stalking Horse Bidder is (a) an actual and necessary cost and expense of preserving the Debtors' estates, within the meaning of section 503(b) of the Bankruptcy Code, (b) of substantial benefit to the Debtors' estates, (c) fair, reasonable and appropriate, in light of, among other things, (i) the size and nature of the proposed Sale of the Assets, (ii) the substantial efforts that have been expended by the Stalking Horse Bidder, and (iii) the benefits the Stalking Horse Bidder has provided to the Debtors' estates and creditors and all parties-in-interest herein.

G. The Debtors have (a) articulated good and sufficient reasons to this Court to grant the relief requested in the Motion and the Stalking Horse Asset Purchase Agreement and (b) demonstrated sound business justifications to support such relief.

H. Entry of this Bidding Procedures Order is in the best interests of the Debtors and their respective estates and creditors, and all other parties-in-interest.

IT IS THEREFORE, ORDERED, ADJUDGED AND DECREED THAT:

1. The (i) Bidding Procedures, including references to the Stalking Horse Asset Purchase Agreement, and (ii) Cure Procedures, are hereby APPROVED, and fully incorporated into this Bidding Procedures Order, and shall apply with respect to the proposed Sale of the Assets and assumption and assignment of Executory Contracts and unexpired Real Property Leases contemplated by the Motion. The Debtors are authorized to take any and all actions necessary or appropriate to implement the Bidding Procedures.

2. All objections to the relief requested in the Motion with respect to (i) the Bidding Procedures and (ii) the Cure Procedures that have not been withdrawn, waived or settled as announced at the Bidding Procedures Hearing, or resolved by stipulation signed by the Debtors and filed with this Court, are overruled on their merits.

AUCTION AND BIDDING PROCEDURES

3. The Debtors are authorized (i) to conduct the Auction with respect to all or some of the Assets. The Auction, if any, shall be conducted at Richards, Layton & Finger, P.A., One Rodney Square, 920 N. King Street, Wilmington, Delaware 19801 (the "Auction Site") at 10:00 a.m. (prevailing Eastern time) on October 25, 2010 (the "Auction Date"), or at such other place and time or later date as determined by the Debtors. The Debtors shall notify all Qualified Bidders who have submitted Qualified Bids and expressed their intent to participate in the Auction as set forth in the Bidding Procedures. The Debtors are authorized, subject to the terms of this Bidding Procedures Order, to take all actions necessary, in the discretion of the Debtors, to conduct and implement such Auction.

4. The Debtors, in consultation with Bank of America, N.A. (the "Lender") and any unsecured creditors' committee appointed in these chapter 11 cases (the "Committee") may (i) select, in their business judgment, pursuant to the Bidding Procedures the highest or otherwise best offer(s) and the Successful Bidder or Bidders, and (ii) reject any bid that, in the Debtors' business judgment, is (a) inadequate or insufficient, (b) not in conformity with the requirements of the Bankruptcy Code, the Bankruptcy Rules or the Bidding Procedures, or (c) contrary to the best interests of the Debtors and their estates, creditors, interest holders or parties-in-interest.

5. The failure to specifically include or reference any particular provision, section or article of the Bidding Procedures in this Bidding Procedures Order shall not diminish or impair the effectiveness of such procedures, it being the intent of this Court that the Bidding Procedures be authorized and approved in their entirety.

6. The Stalking Horse Bidder is deemed a Qualified Bidder, and the Stalking Horse Bidder's bid for the Assets is deemed a Qualified Bid. In the event there are no other Qualifying Bids, the Debtors shall accept the Stalking Horse Bid and the Stalking Horse shall be the Successful Bidder.

THE BIDDING PROTECTIONS

7. The Bid Protections set forth in the Bidding Procedures including the Break-Up Fee and the minimum overbid are a reasonable inducement for the Stalking Horse Bidder's offer to purchase the Assets on the terms set forth in the Stalking Horse Asset Purchase Agreement and compensation for the risks and lost opportunity costs incurred by the Stalking Horse Bidder. Solely for the purposes of determining a Successful Bid, any overbid submitted by the Stalking Horse Bidder shall be credited for the full amount of the Break-Up Fee potentially payable by the Debtors.

8. The payment to the Stalking Horse Bidder of the Break-Up Fee (i) is an actual and necessary cost and expense of preserving the Debtors' estates within the meaning of section 503(b) of the Bankruptcy Code, (ii) is of substantial benefit to the Debtors' estates, (iii) is reasonable and appropriate, including in light of the size and nature of the proposed Sale of the Assets and the efforts that have been and will be expended by the Stalking Horse Bidder, notwithstanding that the proposed Sale is subject to higher or better offers for the Assets, (iv) was negotiated on an arm's-length basis and in good faith, and (v) is necessary to ensure that

Stalking Horse Bidder will continue to be bound to the offer contained in the Stalking Horse Asset Purchase Agreement.

9. Pursuant to sections 105, 363, 364, 503, 506 and 507 of the Bankruptcy Code, the Debtors are hereby authorized to pay, without further order of this Court, the Break-Up Fee pursuant to the terms and conditions set forth in the Stalking Horse Asset Purchase Agreement and the Bidding Procedures.

10. The Break-Up Fee is hereby approved and shall be paid to the Stalking Horse Bidder as set forth in Section 7.11 of the Stalking Horse Asset Purchase Agreement.

11. The Break-Up Fee shall be the sole remedy of the Stalking Horse Bidder if the Stalking Horse Asset Purchase Agreement is terminated under circumstances where the Break-Up Fee is payable.

12. The Bid Protections provide that the \$150,000 of expense reimbursement provided to the Stalking Horse Bidder pre-petition be unavoidable by further Order of this Court

ADDITIONAL NOTICE PROVISIONS

13. Within two (2) days after the entry of this Bidding Procedures Order (the “Mailing Date”) or as soon thereafter as practicable, the Debtors (or their agents) shall serve the Sale Notice and a copy of this Bidding Procedures Order by first-class mail, postage prepaid, upon (a) the United States Trustee for the District of Delaware; (b) counsel to the Lender; (c) counsel for the indenture trustee for the 10.38% senior notes due 2010; (d) the creditors listed on the Debtors’ consolidated list of 20 largest unsecured creditors, as filed with the chapter 11 petitions; (e) counsel to the Stalking Horse Bidder; (f) all parties asserting a security interest in the assets of the Debtors to the extent reasonably known to the Debtors; (g) each of the Debtors’ landlords and each of the notice parties identified in the real property leases, to the extent

possible; (h) the National Association of Attorneys General; (i) the State Attorney General's offices (upon (1) Chief or Director of the Consumer Protection Division or Bureau; and (2) Chief or Director of the Bankruptcy Division or Bureau) and State Consumer Protection Agency for each State where a store or distribution center is located; (j) various federal, state, county and city tax and regulatory authorities; (k) all entities known to have expressed an interest in a transaction with respect to the Assets or that has been indentified by the Debtors or their advisors as a potential purchaser of the Assets; and (l) all parties requesting notice pursuant to Bankruptcy Rule 2002.

14. On the Mailing Date or as soon as practicable thereafter, the Debtors shall publish the Sale Notice once in The New York Times, and such publication notice shall be deemed proper notice to any other interested parties whose identities are unknown to the Debtors.

CURE PROCEDURES

15. The Cure Procedures are approved.

16. On September __, 2010, the Debtors filed a notice identifying all Executory Contracts and Real Property Leases that may be assumed and assigned in connection with the Sale (the "Cure Notice"), substantially in the form attached hereto as Exhibit 2, with this Court and serve the Cure Notice on all non-debtor parties to any Executory Contracts and Real Property Leases (the "Contract Notice Parties") that may be assumed by the Debtors and assigned to the Successful Bidder; *provided, however*, that the presence of an Executory Contract or Real Property Lease listed on Exhibit 2 does not constitute an admission that such Executory Contract or Real Property Lease is an executory contract or unexpired lease. The Debtors reserve

all of their rights, claims and causes of action with respect to the Executory Contracts and Real Property Leases listed on Exhibit 2.

17. The Cure Notice stated the Cure Amounts that the Debtors believe are necessary to assume such Executory Contracts and Real Property Leases pursuant to section 365 of the Bankruptcy Code and notified the non-debtor party that such party's Executory Contract or Real Property Lease may be assumed and assigned to a purchaser of the Assets to be identified at the conclusion of the Auction. In addition, the Cure Notice provided the non-debtor party to an Executory Contract or Real Property Lease with the Stalking Horse Adequate Assurance Information. The Cure Notice set a deadline by which the non-debtor party shall be required to file an objection to the Cure Amount or the Stalking Horse Adequate Assurance Information. The Cure Notice shall also provided that objections to any Cure Amount will be heard at the Sale Hearing or at a later hearing, as determined by the Debtors.

18. All objections by non-debtor parties to the Cure Amount or the Stalking Horse Adequate Assurance Information, must be filed within fourteen (14) days after service of the Cure Notice (the "Cure Objection Deadline") and served on (i) the Debtors' counsel by mail Richards Layton & Finger, P.A., One Rodney Square, 920 N. King Street, Wilmington, Delaware 19801, (Attn: Mark D. Collins, Esq. and Michael J. Merchant, Esq.), and by facsimile, (302) 571-1253, (ii) the Debtors by mail, Urban Brands, Inc., 100 Metro Way, Secaucus, NJ 07094-1906 (Attn: Laura Weil), and by facsimile, (201) 319-9582; and (iii) counsel to the Stalking Horse Bidder, Curtis, Mallet-Prevost, Colt & Mosle LLP, 101 Park Avenue, New York, NY 10178 (Attn: Steven J. Reisman, Esq. and Timothy A. Barnes, Esq.), and by facsimile, (212) 697-1559 (the "Cure Objection Notice Parties"). In the event that the Successful Bidder is not

the Stalking Horse Bidder, objections regarding adequate assurance of future performance may be raised at the Sale Hearing

19. The Debtors may amend the Cure Notice with respect to any Cure Amount. If the Debtors amend the Cure Notice, any non-debtor parties affected by the amendment must file any objection to the amended Cure Amount within fourteen (14) days after service of the amended Cure Notice and serve such objection on the Cure Object Notice Parties.

20. Unless a non-debtor party to any Executory Contract or Real Property Lease files an objection to the Cure Amount by the Cure Objection Deadline, then such counterparty shall be (i) forever barred from objecting to the Cure Amount; and (ii) forever barred and estopped from asserting or claiming any Cure Amount against the Debtors, any Successful Bidder or any other assignee of the relevant Executory Contract or Real Property Lease.

21. All timely filed objections to any Cure Amount must set forth (i) the basis for the objection, (ii) the exact amount the party asserts as the Cure Amount, and (iii) sufficient documentation to support the Cure Amount alleged.

22. Hearings on objections to any Cure Amount may be held at the Sale Hearing or upon such other date as this Court may designate upon request by Debtors with prior consent of the Successful Bidder.

23. As soon as possible after the Closing Date, the Debtors shall file with this Court a post-closing notice that identifies the Executory Contracts and Real Property Leases which were assumed and assigned to the Successful Bidder as of the Closing Date.

ADDITIONAL PROVISIONS

24. The Debtors are authorized and empowered to take such actions as may be necessary to implement and effect the terms and requirements established under this Bidding Procedures Order.

25. A Sale Hearing to approve the sale of substantially all of the Assets to any Successful Bidder and authorizing the assumption and assignment of certain executory contracts and unexpired leases shall be held on October __, 2010 at __: __ .m. (prevailing Eastern Time), unless otherwise continued upon request by the Debtors.

26. Objections, if any, to any Sale must be filed by October __, 2010 at 4:00 p.m. (prevailing Eastern Time) (the "Sale Objection Deadline") and served on (i) the Debtors' counsel by mail Richards, Layton & Finger, P.A., One Rodney Square, 920 N. King Street, Wilmington, Delaware 19801, (Attn: Mark D. Collins, Esq. and Michael J. Merchant, Esq.), and by facsimile, (302) 651-7701; (ii) the Debtors by mail, Urban Brands, Inc., 100 Metro Way, Secaucus, NJ 07094-1906 (Attn: Laura Weil), and by facsimile, (201) 319-9582; (iii) the counsel for the Official Committee of Unsecured Creditors by mail (Attn: _____) and by facsimile at _____; (iv) the counsel to the Stalking Horse Bidder, Curtis, Mallet-Prevost, Colt & Mosle LLP, 101 Park Avenue, New York, New York 10178, (Attn: Steven J. Reisman, Esq. and Timothy A. Barnes, Esq.); and (v) all other parties that have requested notice in these cases.

27. This Bidding Procedures Order shall be binding on and inure to the benefit of the Stalking Horse Bidder and its affiliates, successors and assigns, and the Debtors, including any chapter 7 or chapter 11 trustee or other fiduciary appointed for the estates of the Debtors.

28. This Bidding Procedures Order shall constitute the findings of fact and conclusions of law and shall take immediate effect upon execution hereof.

29. To the extent this Bidding Procedures Order is inconsistent with any prior order or pleading with respect to the Motion in these cases, the terms of this Bidding Procedures Order shall govern.

30. Notwithstanding the possible applicability of Bankruptcy Rules 6004(h), 6006(d), 7062, 9014, or otherwise, this Court, for good cause shown, orders that the terms and conditions of this Bidding Procedures Order shall be immediately effective and enforceable upon its entry.

31. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation or interpretation of this Bidding Procedures Order, including, but not limited to, any matter, claim or dispute arising from or relating to the Break-Up Fee, the Stalking Horse Asset Purchase Agreement, the Bidding Procedures and the implementation of this Bidding Procedures Order.

Dated: September __, 2010
Wilmington, Delaware

THE HONORABLE KEVIN J. CAREY
UNITED STATES BANKRUPTCY JUDGE

Exhibit 1

Bidding Procedures

Bidding Procedures

On September 21, 2010, Urban Brands, Inc., a Delaware corporation (“Urban Brands”), and 54 of its affiliates (collectively, the “Debtors”) filed voluntary petitions under chapter 11 of the United States Code in the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”). The Debtors’ cases are jointly administered for procedural purposes under Case No. 10-13005 (KJC).

Set forth below are the bidding procedures (the “Bidding Procedures”) to be employed in connection with an auction (the “Auction”) for (i) the sale of all or some of the assets (the “Assets”) of the Debtors as a going-concern and (ii) the rights to liquidate the inventory at some or all of the Debtors’ stores (together, the “Sale”). At a hearing following the Auction (the “Sale Hearing”), the Debtors will seek entry of an order (the “Sale Order”) from the Bankruptcy Court authorizing and approving the Sale to the Qualified Bidder(s) (as defined below) that the Debtors determine to have made the highest or otherwise best bid(s) for the Assets (the “Successful Bidder(s)”).

The Debtors have entered into (i) an asset purchase agreement (the “Purchase Agreement”) with New Ashley Stewart, LLC and (ii) an agency agreement (the “Agency Agreement,” and together with the Purchase Agreement, the “Stalking Horse Agreements”) with Gordon Brothers Retail Partners, LLC (each of New Ashley Stewart, LLC and Gordon Brothers Retail Partners, LLC, a “Stalking Horse Bidder” and, together, the “Stalking Horse Bidders”) to establish a minimum bidding price for the Debtors’ Assets.

On September 21, 2010, the Debtors filed the *Debtors’ Motion Pursuant to 11 U.S.C. §§ 105(a), 363, and 365 and Fed. R. Bankr. P. 2002, 6004, and 6006 for (I) Entry of an Order (A) Establishing Bidding and Auction Procedures Related to the Sale of Substantially All of the Debtors’ Assets; (B) Approving Related Bid Protections; (C) Scheduling an Auction and Sale Hearing; (D) Establishing Certain Notice Procedures for Determining Cure Amounts for Executory Contracts and Leases to Be Assigned; and (E) Granting Certain Related Relief; and (II) Entry of an Order (A) Approving the Sale of Substantially All of the Debtors’ Assets Free and Clear of All Liens, Claims, Encumbrances and Interests; (B) Authorizing the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases; (C) Establishing Assumption and Rejection Procedures for Certain Additional Executory Contracts and Unexpired Leases; (D) Approving Guidelines for Conducting Store Closing Sales; (E) Approving Agency Agreement; and (F) Extending the Deadline to Assume or Reject Unexpired Leases of Nonresidential Real Property Pursuant to 11 U.S.C. § 365(d)(4) (the “Bidding Procedures and Sale Motion”).* On October __, 2010 the Bankruptcy Court entered an order approving the Bidding Procedures set forth herein (the “Bidding Procedures Order”). The Bidding Procedures Order also set October __, 2010 as the date the Bankruptcy Court will conduct the Sale Hearing. At the Sale Hearing, the Debtors shall seek entry of an order from the Bankruptcy Court authorizing and approving the Sale of the Assets of the Debtors to the Stalking Horse Bidder or one or more Successful Bidders.

Assets to be Sold

The Debtors are offering for sale substantially all of their Assets and Potential Bidders (as defined below) may submit bids only for all or substantially all of the Assets. The Debtors shall retain all rights to the Assets that are not subject to a bid accepted by the Debtors and approved by the Bankruptcy Court at the Sale Hearing.

Communication with the Debtors

Any party desiring to obtain a copy of the Bidding Procedures Order approving these bidding procedures may do so by contacting the Debtors' counsel at Richards, Layton & Finger, PA, 920 North King Street, Wilmington, Delaware 19801, Attn: Mark D. Collins, Esq. and Michael J. Merchant, Esq. or by contacting the Debtors' claims, noticing and solicitation agent, BMC Group, Inc. at (888) 909-0100.

Requests for additional information and due diligence access from Potential Bidders (as defined below) should be addressed to PricewaterhouseCoopers LLP, 300 Madison Avenue New York, New York 10017, Attn: Perry M. Mandarino and Adam Rosen.

The Bidding Process

The Debtors and their advisors, after consultation with any statutorily appointed committee (the "Committee") and Bank of America, N.A., as the Debtors' pre- and postpetition secured lender (the "Lender"), shall (i) coordinate the efforts of Potential Bidders in conducting their due diligence investigations and receive offers from Potential Bidders, and (ii) negotiate and evaluate any offers made to purchase all or substantially all of the Assets (collectively, the "Bidding Process"). The Debtors, after consultation with the Committee, and the Lender, shall have the right, in the exercise of their fiduciary duties, to adopt such other rules for the Bidding Process (including rules that may depart from those set forth herein) that will better promote the goals of the Bidding Process; *provided, however*, that such other rules are not inconsistent with any of (i) the provisions of the Stalking Horse Asset Purchase Agreement (including the deadlines therein), (ii) the Bid Deposit Requirement (as defined below), (iii) the Break-Up Fee (as defined below) requirement, and (iv) the bid protections granted to the Stalking Horse Bidder herein.

Participation and Qualified Bid Requirements and Bid Deadline

Any person that wishes to participate in the Bidding Process (a "Potential Bidder") must become a "Qualified Bidder." As a prerequisite to becoming a Qualified Bidder, a Potential Bidder must deliver (unless previously delivered) to (i) the Debtors, Urban Brands, Inc., 100 Metro Way, Secaucus, New Jersey 07094-1906 (Attn: Laura Weil); (ii) counsel to the Debtors, Richards, Layton & Finger, P.A., One Rodney Square, 920 N. King Street, Wilmington, Delaware 19801 (Attn: Mark D. Collins, Esq. and Michael J. Merchant, Esq.); (iii) financial advisors to the Debtors, PricewaterhouseCoopers LLP, 300 Madison Avenue, New York, New York 10017 (Attn: Perry M. Mandarino); (iv) counsel to the Lender, Riemer & Braunstein LLP, 3 Center Plaza, Boston, Massachusetts 02108 (Attn: Donald E. Rothman, Esq.); (v) counsel to

the Stalking Horse Bidder, Curtis, Mallet-Prevost, Colt & Mosle LLP, 101 Park Avenue, New York, New York 10178 (Attn: Steven J. Reisman, Esq. and Timothy A. Barnes, Esq.) (provided, however, that confidential information with respect to Financing Sources need not be provided to the Stalking Horse Bidder); and (vi) counsel to the Creditors Committee [], (Attn: [] Esq.), not later than 5:00 p.m. on October 22, 2010, its bid and the following information and documents (the “Required Bid Materials”):

- i. Identification of Potential Bidder. Identification of the Potential Bidder and any equity holders, in the case of a Potential Bidder which is an entity specially formed for the purpose of effectuating the contemplated transaction, and the representatives thereof who are authorized to appear and act on their behalf for all purposes regarding the contemplated transaction; and
- ii. Marked Agreements: An executed copy of a purchase agreement and a redline of a Potential Bidder’s proposed purchase agreement and/or agency agreement reflecting variations from the Purchase Agreement and/or Agency Agreement (the “Marked Agreements”). All Qualified Bids must provide (a) a commitment to close immediately upon the entry of the Sale Order; and (b) the identity of and contact information for the bidder and full disclosure of any affiliates and any debt or equity financing sources involved in such bid.
- iii. Financing Sources: Sufficient information, as may be requested by the Debtors, to allow the Debtors to determine that the bidder has the financial wherewithal to close a sale of the Assets, including:
 - (a) but not limited to, a signed commitment for any debt or equity financing;
 - (b) a bank account statement showing the ability of a Potential Bidder to pay cash for the Assets;
 - (c) contact names and numbers for verification of financing sources; and
 - (d) current audited financial statements (or such other form of financial disclosure and credit-quality support or enhancement acceptable to the Debtors) of the Potential Bidder or those entities that will guarantee in full the payment obligations of the Potential Bidder.
- iv. Minimum Bid Amount: Total consideration with a value equal to or greater than \$15,525,000 (the “Minimum Bid Amount”).
- v. Irrevocability of Bid: A letter stating that the bidder’s offer is irrevocable until the first business day after the Assets for which the Potential Bidder is submitting a bid have been sold pursuant to the closing of the sale or sales approved by the Bankruptcy Court.

- vi. Bid Deposit: A cash deposit in the amount of 10% of the total consideration offered in the bid in the form of a wire transfer, certified check or such other form acceptable to the Debtors (the “Bid Deposit”) which shall be placed into escrow with Richards, Layton & Finger, P.A. (in such capacity the “Escrow Agent”). The Bid Deposits shall not be subject to the claims, liens, security interests, or encumbrances of the Debtors’ creditors, including those creditors serving as debtor in possession or cash collateral lenders to the Debtors, and funds shall be disbursed by the Escrow Agent only as follows: (i) if the Potential Bidder becomes the Successful Bidder, its Bid Deposit will be used to satisfy any Break-Up Fee to which the Stalking Horse Bidder is entitled hereunder by reason of it not being the Successful Bidder, with the balance, if any, to be released to the Debtors, and (ii) if such Potential Bidder is not the Successful Bidder at the Auction, then its Bid Deposit shall be returned to it as set forth herein (subject to the other provisions of these Bid Procedures and the terms of its asset purchase agreement with the Debtors).
- vii. Identification of Executory Contracts and Unexpired Real Property Leases: The bid shall identify with particularity the Debtors’ executory contracts and unexpired leases with respect to which the bidder seeks to receive an assignment and any designation rights it seeks. The bid shall not request or entitle the bidder to any transaction or break up fee, expense reimbursement, termination or similar type of fee or payment and shall include an acknowledgement and representation of the bidder that it has had an opportunity to conduct any and all due diligence regarding the Assets prior to making its offer, that it has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Assets in making its bid, and that it did not rely upon any written or oral statements, representations, warranties, or guarantees, express, implied, statutory or otherwise, regarding the Assets, the financial performance of the Assets or the physical condition of the Assets, or the completeness of any information provided in connection therewith or the Auction, except as expressly stated in these Bidding Procedures or the Stalking Horse Asset Purchase Agreement.
- viii. No Financing or Diligence Constituencies: The bid shall not contain any due diligence, financing or regulatory contingencies of any kind, though the bid may be subject to the satisfaction of specific conditions in all material respects at Closing.
- ix. Consent to Jurisdiction: The bid shall state that the offering party consents to the jurisdiction of the Bankruptcy Court.
- x. Corporate Authority: The bid shall include evidence of authorization and approval from the bidder’s board of directors (or comparable governing body) with respect to the submission, execution, delivery and closing of the submitted purchase agreement of the bidder.

A “Qualified Bidder” is a Potential Bidder that delivers the Required Bid Materials described in subparagraphs i. - x. above, and that the Debtors, in consultation with the Committee and the Lender, determine is reasonably likely (based on financial information submitted by the Potential Bidder, the availability of financing, experience and other consideration deemed relevant by the Debtors), to be able to consummate a sale if selected as the Successful Bidder (as defined below). Not later than one (1) business day after a Potential Bidder delivers all of the Required Bid Materials required by subparagraphs i. - x. above, the Debtors shall determine, in consultation with the Committee and the Lender, and shall notify the Potential Bidder, if such Potential Bidder is a Qualified Bidder. A bid from a Qualified Bidder is a “Qualified Bid.”

All bids, other than the Stalking Horse Bid, must include (unless such requirement is waived by the Debtors, *provided* that such waiver will not to be granted without the prior written consent of the Stalking Horse Bidder) the Required Bid Materials.

The Debtors, in consultation with the Committee and the Lender, reserve the right to determine the value of any Qualified Bid, and which Qualified Bid constitutes the highest or best offer. Notwithstanding the bid requirements detailed above, the Stalking Horse Bid shall be deemed a Qualified Bid. The Debtors shall notify the Stalking Horse Bidder as soon as practicable if one or more Qualified Bids are received.

Access to Due Diligence Materials

Only Potential Bidders who have executed a confidentiality agreement in form and substance acceptable to the Debtors are eligible to receive due diligence access or additional non-public information. If the Debtors determine that a Potential Bidder that has executed such a confidentiality agreement does not constitute a Qualified Bidder, then such Potential Bidder’s right to receive due diligence access or additional non-public information shall terminate. As noted above, the Debtors have designated PricewaterhouseCoopers LLP to coordinate all reasonable requests for additional information and due diligence access from the Potential Bidders. The Debtors shall not be obligated to furnish any due diligence information after the Bid Deadline (as defined below). Neither the Debtors nor any of their employees, officers, directors, affiliates, subsidiaries, representatives, agents advisors or professionals are responsible for, and shall bear no liability with respect to, any information obtained by Potential Bidders in connection with the sale of the Assets.

Each Qualified Bidder shall be deemed to acknowledge and represent that it has had an opportunity to conduct any and all due diligence regarding the Assets that are the subject of the Auction prior to making any such bids; that it has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the assets in making its bid; and that it did not rely upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express, implied, by operation of law or otherwise regarding the Assets, or the completeness of any information provided in connection therewith, except as expressly stated in these Bidding Procedures or, as to the Successful Bidder or the Stalking Horse Agreements.

Any access or information made available to any Potential Bidders or Qualified Bidders not previously made available to Stalking Horse Bidders shall be promptly provided to Stalking Horse Bidders.

Due Diligence From Bidders

Each Potential Bidder and Qualified Bidder (collectively, a “Bidder”) shall comply with all reasonable requests for additional information and due diligence access by the Debtors or their advisors regarding each such Bidder and its contemplated transaction. Failure by a Potential Bidder to comply with the requests for additional information and due diligence access shall be a basis for the Debtors to determine that such Potential Bidder is not a Qualified Bidder. Failure by a Potential or Qualified Bidder to comply with requests for additional information and due diligence access shall be a basis for the Debtors to determine that a Bid made by such Potential or Qualified Bidder is not a Qualified Bid. Notwithstanding anything to the contrary contained herein, the Stalking Horse Bidder shall not be required to furnish any additional information or other diligence pursuant to this paragraph.

“As Is, With All Faults”

The sale of the Assets shall be on an “as is” and “with all faults” basis and without representations, warranties, or guarantees, express, implied or statutory, written or oral, of any kind, nature, or description by the Debtors, their agents, their representatives or their estates, except as otherwise provided in a definitive purchase agreement with the Debtors. By submitting a bid, each Potential Bidder shall be deemed to acknowledge and represent that it has had an opportunity to conduct any and all due diligence regarding the Assets prior to making its offer, that it has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Assets in making its bid, and that it did not rely upon any written or oral statements, representations, warranties, or guarantees, express, implied, statutory or otherwise, regarding the Assets, the financial performance of the Assets or the physical condition of the Assets, or the completeness of any information provided in connection therewith or the Auction, except as expressly stated in these Bidding Procedures or as set forth in a definitive purchase agreement with the Debtors.

Free of Any and All Interests

Except as otherwise provided in the Stalking Horse Asset Purchase Agreement or another Successful Bidder’s purchase agreement all of the Debtors’ right, title and interest in and to the Assets subject thereto shall be sold free and clear of any pledges, liens, security interests, encumbrances, claims, charges, options and interests thereon (collectively, the “Interests”) to the maximum extent permitted by section 363 of the Bankruptcy Code, with such Interests to attach to the net proceeds of the sale of the Assets with the same validity and priority as such Interests applied against the Assets.

The Auction and Auction Procedures

If a Qualified Bid, other than that submitted by the Stalking Horse Bidder, has been received by the Debtors, the Debtors may conduct an auction (the “Auction”) with respect to all

or some of the Assets. The Auction shall be conducted at the offices of Richards, Layton & Finger, P.A., One Rodney Square, 920 N. King Street, Wilmington, Delaware 19801 (the "Auction Site") at 10:00 a.m. (prevailing Eastern time) on October 25, 2010 (the "Auction Date"), or such other place and time as the Debtors shall notify all Qualified Bidders who have submitted Qualified Bids and expressed their intent to participate in the Auction as set forth above. Prior to moving the Auction Date, the Debtors shall consult with the Stalking Horse Bidder, the Lender, and the Committee.

Except as otherwise provided herein, based upon the terms of the Qualified Bids received, the number of Qualified Bidders participating in the Auction, and such other information as the Debtors determine is relevant, the Debtors, in consultation with the Committee and the Lender, may conduct the Auction in any manner that they determine will achieve the maximum value for the Assets. Bidding at the Auction shall be transcribed or videotaped. The Debtors thereafter, in consultation with the Committee and the Lender, may offer the Assets in such successive rounds as the Debtors, in consultation with the Committee and the Lender, determine to be appropriate so as to obtain the highest or otherwise best bid or combination of bids for the Assets. The Debtors, in consultation with the Committee and the Lender, also may set opening bid amounts in each round of bidding as the Debtors determine to be appropriate.

If Qualified Bidders submit Qualified Bids, then the Debtors, in consultation with the Committee and the Lender, shall (i) promptly following the Bid Deadline, review each Qualified Bid on the basis of the 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 (ii) as soon as practicable after the conclusion of the Auction, identify the highest or otherwise best offer for the Assets (to the extent any such bid is acceptable to the Debtors, in consultation with the Monitor, the Committee and the Lender, a "Successful Bid"). At the Sale Hearing, the Debtors, after consultation with the Committee and the Lender, may present the Successful Bid to the Bankruptcy Court for approval. The Debtors reserve all rights not to submit any bid which is not acceptable to the Debtors for approval by the Bankruptcy Court. The Debtors acknowledge that the Stalking Horse Bid is a Qualified Bid and shall be submitted to the Bankruptcy Court for approval in the event that there are no other Successful Bids. Except as otherwise provided herein or as restricted by the Stalking Horse Asset Purchase Agreement, the Debtors, in the exercise of their fiduciary duties, may adopt rules for bidding at the Auction that, in their business judgment, will better promote the goals of the bidding process, the Bankruptcy Code or any order of the Bankruptcy Court entered in connection herewith.

If no Qualified Bid is submitted by the Bid Deadline or all Qualified Bids that have been submitted have been withdrawn prior to the Bid Deadline or the Auction Date, then the Debtors shall cancel the Auction and accept the Stalking Horse Bid (in which case, the Successful Bid shall be the Stalking Horse Bid, and the Successful Bidder shall be the Stalking Horse Bidder).

Break-Up Fee

To provide an incentive and to compensate the Stalking Horse Bidder for performing the substantial due diligence and incurring the expenses necessary and entering into the Stalking Horse Asset Purchase Agreement with the knowledge and risk that arises from participating in

the sale and subsequent bidding process, the Debtors have agreed to pay the Stalking Horse Bidder, under the conditions outlined herein and in the Stalking Horse Asset Purchase Agreement, a break-up fee in the amount of three percent (3%) of the Estimated Closing Date Cost Value of the Inventory (as defined in the Stalking Horse Asset Purchase Agreement) (the "Break-Up Fee"). The Debtors will take into account the Break-Up Fee in each round of bidding. For purposes of the Bidding Procedures, the Debtors have estimated the amount of the Break-Up Fee to be \$325,000 based on the Debtors' current estimate of the aggregate cost value of the Saleable Inventory (as defined in the Stalking Horse Asset Purchase Agreement) as of the Closing Date.

The Break-Up Fee was a material inducement for, and a condition of, the Stalking Horse Bidder's entry into the Stalking Horse Asset Purchase Agreement. The Break-Up Fee shall be payable as set forth herein and in the Bidding Procedures Order.

Overbid Amount; Minimum Bid Increment

There shall be an overbid amount that a Qualified Bidder must bid to exceed the Stalking Horse Bid ("Overbid Amount"), and that amount shall be at least \$200,000 in total consideration for all bids made by Qualified Bidders. For example, if a Qualified Bidder bids the Overbid Amount, the next bid cannot be less than \$15,525,000 (the \$15,000,000 total consideration of the Stalking Horse Bid plus \$325,000, the estimated Break-Up Fee plus \$200,000, the Overbid Amount) in total consideration. Subsequent bids shall not be less than \$150,000 in total consideration in excess of the preceding bid subject to the Debtors' ability to adjust the bidding increments in accordance with the Bidding Procedures. The Debtors will take into account the Break-Up Fee in each round of bidding by the Stalking Horse Bidder.

Acceptance of Qualified Bids

The Debtors shall sell the Assets to any Successful Bidder only upon the approval of a Successful Bid by the Bankruptcy Court after the Sale Hearing. The Debtors' presentation of a particular Qualified Bid to the Bankruptcy Court for approval does not constitute the Debtors' acceptance of the bid. The Debtors will be deemed to have accepted a bid only when the bid has been approved by the Bankruptcy Court at the Sale Hearing.

Return of Bid Deposit

The Bid Deposit of the Successful Bidder shall be applied to the Purchase Price. The Bid Deposit of the Back-up Bidder shall be held in an interest-bearing account until two (2) business days after the Closing of the transaction contemplated by the Successful Bid, and thereafter returned to the Back-up Bidder. Bid Deposits of all other Qualified Bidders shall be held in an interest-bearing escrow account until no later than two (2) business days after the Sale Hearing, and thereafter returned to the respective bidders.

Sale Hearing

A Sale Hearing is scheduled for October __, 2010 at __:00 __.m. (prevailing Eastern Time) in the Bankruptcy Court with Objections to the Sale to be filed on or before October __, 2010 at 4:00 p.m. Following the approval of the Sale of all or substantially all of the Assets to any Successful Bidder at the Sale Hearing, if the Successful Bidder fails to consummate an approved Sale with the Successful Bidder, the Debtors shall be authorized, but not required, to deem the next highest or otherwise best Qualified Bid (the "Back-Up Bid") and the party submitting the Back-Up Bid, the "Back-Up Bidder"), as disclosed at the Sale Hearing, the Successful Bid, and the Debtors in consultation with the Committee and the Lender shall be authorized, but not required, to consummate the sale with the Back-Up Bidder submitting such bid without further order of the Bankruptcy Court. The Back-Up Bid shall remain open until the first business day following the consummation of a Sale of the Assets to the Successful Bidder. The Debtors, in the exercise of their business judgment, in consultation with the Lender and the Committee, reserve their right to the extent consistent with the Stalking Horse Asset Purchase Agreement to change the date of the Sale Hearing in order to achieve the maximum value for the Assets.

Modifications

The Debtors, in consultation with the Committee and the Lender, may (a) determine which Qualified Bid, if any, is the highest or otherwise best offer; and (b) reject at any time before entry of an order of the Bankruptcy Court approving a Qualified Bid, any bid that is (i) inadequate or insufficient, (ii) not in conformity with the requirements of the Bankruptcy Code, the Bidding Procedures, or the terms and conditions of sale, or (iii) contrary to the best interests of the Debtors, their estates and creditors. Notwithstanding the foregoing, the provisions of this paragraph shall not operate or be construed to permit the Debtors to (i) accept any Qualified Bid that (x) does not require a bid deposit of at least \$325,000 be placed in a protected, segregated account, which shall serve as protection and security for the Stalking Horse Bidder as outlined herein or (y) does not equal or exceed the Overbid Amount, or (ii) impose any terms and conditions upon the Stalking Horse Bidder that are contradictory to or in breach of the terms of the Stalking Horse Asset Purchase Agreement.

Miscellaneous

The Auction and Bid Procedures are solely for the benefit of the Debtors and the Stalking Horse Bidder and nothing contained in the Bidding Procedures Order or Bid Procedures shall create any rights in any other person or bidder (including without limitation rights as third party beneficiaries or otherwise) other than the rights expressly granted to a Successful Bidder under the Bidding Procedures Order.

Except as provided in the Bidding Procedures Order and Bidding Procedures, the Bankruptcy Court shall retain jurisdiction to hear and determine all matters arising from or relating to the implementation of the Bidding Procedures Order.