

EXHIBIT J

I hereby certify that the annexes and foregoing is a true and complete copy of a document, or, an authorized electronic entry, on file in the United States Bankruptcy Court for the District of Utah

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**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF UTAH, CENTRAL DIVISION**

<p>In re</p> <p>RENEWABLE ENERGY DEVELOPMENT CORPORATION,</p> <p>Debtor.</p>	<p>Bankruptcy No. 11-38145 (WTT)</p> <p>Chapter 7</p>
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TRUSTEE'S MOTION FOR ORDER (A) APPROVING BID PROCEDURES FOR SALE OF SUBSTANTIALLY ALL OF THE DEBTOR'S ASSETS, (B) AUTHORIZING THE SALE OF THE DEBTOR'S ASSETS FREE AND CLEAR OF LIENS, CLAIMS, ENCUMBRANCES, AND INTERESTS, (C) WAIVING THE 14 DAY STAY OTHERWISE APPLICABLE UNDER BANKRUPTCY RULES 6004 AND 6006, AND (D) AUTHORIZING ASSUMPTION AND ASSIGNMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

Pursuant to Bankruptcy Code §§ 105, 363, and 365 and Federal Rules of Bankruptcy Procedure 2002, 6004, and 6006, George Hofmann, in his capacity as Chapter 7 Trustee (the "Trustee") of the bankruptcy estate of Renewable Energy Development Corporation (the "Debtor"), through his counsel, hereby moves this Court for an order (a) approving bid procedures for the sale of the Debtor's assets, (b) authorizing the sale of the Debtor's assets free and clear of liens, claims, encumbrances

and interests, (c) waiving the 14 day stay otherwise applicable under Bankruptcy Rules 6004 and 6006, and (d) authorizing the assumption and assignment of executory contracts and unexpired leases. In support of this Motion, the Trustee respectfully represents as follows:

JURISDICTION AND GENERAL BACKGROUND

1. This Court has jurisdiction over this Motion pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The Debtor commenced this case under Chapter 7 of the Bankruptcy Code by filing a voluntary petition on December 30, 2011.

3. On December 30, 2011, the Trustee was appointed as the interim Chapter 7 Trustee of the Debtor's estate.

4. Since his appointment, the Trustee has performed his duties as required by Bankruptcy Code § 704. The Trustee has commenced an investigation of the financial affairs of the Debtor, and the acts, conduct, assets, liabilities and financial condition of the Debtor, and other matters relevant to the administration of the Debtor's estate. This investigation is ongoing.

5. Based upon his ongoing investigation, the Trustee believes that the Debtor is in the business of developing solar and wind energy. Generally, the Debtor's business model is to negotiate packages of contract and leasehold rights to develop solar and wind energy projects and hire contractors to implement the project. The Debtor has fully completed only one such project, a solar panel system atop the University of Utah's Natural History Museum. The Debtor has approximately ten other projects in various

other stages of development, ranging from preliminary term sheets to projects otherwise ready to commence installation (the "Remaining Projects"). The Debtor does not own or have an interest in real property or similarly appreciable assets, other than leasehold interests. Rather, the bulk of the Debtor's Assets (as defined below) consist of potentially valuable business opportunities in the form of contract and leasehold rights associated with the Remaining Projects.

6. However, the value of the Debtor's Assets is time sensitive, and may decrease substantially if the Remaining Projects are interrupted. Among other things, the value of the Debtor's Assets is conditioned upon the availability of federal and state tax credit incentives to implement the Remaining Projects, which expire at varying points in time. If eligibility for these tax credits were to expire, the Trustee believes the Remaining Projects would not be economically viable.

7. In light of the potentially depreciating nature of the Debtor's Assets, the Trustee has concluded that a sale of the Debtor's assets pursuant to Bankruptcy Code § 363 on an expedited basis is the best means to reduce the Debtor's Assets to cash. By this Motion, the Trustee requests the Court to establish the procedures for the auction of substantially all of the Debtor's Assets.

RELIEF REQUESTED

8. The Trustee requests entry of an order, substantially in the form attached as Exhibit A, approving bidding procedures (the "Bid Procedures") for the proposed sale of substantially all of the Debtor's assets, including, without limitation, all of the Debtor's interests, intellectual property, patents, patent rights, notebooks, know-how, trademarks, leases, contract rights, claims and causes of action (collectively, the "Assets"):

9. The Trustee has requested this Court to conduct and set a hearing (the "Sale Hearing") to approve any sale of the Debtor's assets pursuant to the Bid Procedures on January 30, 2012 at 11:30 a.m.

10. The Trustee also requests the waiver of the 14 day stay that would otherwise apply under Bankruptcy Rules 6004 and 6006 on the ground that cause exists to waive this stay.

11. Finally, the Trustee seeks authority to assume and assign any unexpired leases and executory contracts to the Successful Bidder (as defined below) to the extent the Successful Bidder requests such assumption and assignment in its bid.

A. The Stalking Horse Bid

12. The Trustee has received a proposal (the "Stalking Horse Bid") from Sustainable Power Group, LLC ("SPG") and its assigns, the holder of the secured claim of AEG Power Solutions USA, Inc., a copy of which is attached as Exhibit B. The Trustee understands that SPG has agreed that its proposal will serve as the stalking horse bid at the Auction (as defined below).

13. SPG is the holder of a secured claim in the amount of \$1,058,767.12 that is not listed as contingent, unliquidated, or disputed in the Debtor's schedules (the "AEG Secured Claim"). Under the terms of the Stalking Horse Bid, SPG has offered to purchase the following portion of the Assets (collectively, the "SPG Assets¹"):

- A. the Debtor's member or equity interests in: UofU Solar 1, LLC, REDCO-CIN Solar 1, LLC, OUS Solar 1, LLC, OUS Solar 2, LLC, and OUS Solar 4, LLC;
- B. all right, title and interest in and to the Intellectual Property;

¹ Unless otherwise noted, capitalized terms shall have the meanings as defined in the Stalking Horse Bid, as defined below. To the extent there are any inconsistencies between any summary description of the Stalking Horse Bid in this Motion and the terms and conditions of the Stalking Horse Bid, the terms and conditions of the Stalking Horse Bid control.

C. all ownership, leasehold and real property interests of whatever nature, except those "Excluded Leases" contained in Exhibit A to the Stalking Horse Bid (as defined below), including the Cal Farley's Boys Ranch Lease Option Agreement, the Cal Farley's Ranch MET Tower Agreement, the Option Agreement for Rooftop Lease with Prudential REIT (together with any other intangible assets related to the Prudential contract and project, including, without limitation, all buildings, structures, fixtures and other improvements situated thereon or attached thereto), and including all of Seller's right, title and interest in and to all leases, subleases, franchises, licenses, permits, easements, privileges, rights-of-way, riparian and other water rights, lands underlying any adjacent streets or roads and appurtenances pertaining to or accruing to the benefit of such property;

D. all Equipment used in the operation of the Business, wherever located and all warranties and guarantees, if any, express or implied, existing on the Closing Date for the benefit of the Seller in connection with the Equipment;

E. all management information systems, computers, hardware and software either owned by the Seller or otherwise used in the operation of the Business;

F. with the exception of the books and records included in the definition of Excluded Assets below, all books, records and accounts, correspondence, production records, technical, accounting, manufacturing and procedural manuals, customer lists, vendor lists, employment records, research material, drawings, studies, reports or summaries relating to any environmental conditions or consequences of any operation, present or former, and any information (including confidential information) which has been reduced to writing relating to or arising out of the operation of the Business;

G. all Inventories;

H. the Assumed Contracts;

I. all licenses, permits or franchises issued by any federal, state, municipal or foreign authority relating to the development, use, maintenance or occupation of the Seller or the Business;

J. all rights under express or implied warranties in favor of the Seller existing on the Closing Date;

K. all right, title and interest in and to all goods and services and all other economic benefits to be received subsequent to the Closing Date arising out of prepayments and payments by the Seller prior to the Closing Date, including without limitation Seller's deposit with Idaho Power, PacifiCorp, and Parkway Office Condos, LLC;

L. all right, title and interest in and to any insurance policies in existence on the Closing Date;

M. all personal computers, computer hardware and software, and other management information systems of Seller, whether owned by Seller or used in the Business;

N. all rights to non-disclosure agreements, including any rights of REDCO or the Seller in any non-disclosure agreements signed after the date of this Agreement and before the Closing, including without limitation any rights to sue for breach of any such agreements or any rights to obtain injunctive relief pursuant to such agreements;

O. all Accounts Receivable; and

P. the goodwill in or arising from the Assets and the Business.

14. Notwithstanding the foregoing paragraph, under the Stalking Horse Bid the SPG Assets do not include the following Excluded Assets:

A. all of Seller's cash and cash equivalents, interests in deposit or checking accounts, certificates of deposit, treasury bills and other freely-tradable marketable securities of Seller as of the Closing Date, and the Cash Consideration;

B. all of Seller's rights to insurance proceeds or other insurance contract recoveries in respect of any the Excluded Assets and Excluded Liabilities;

C. all Contracts other than the Assumed Contracts;

D. all business books and records of REDCO which the Seller deems necessary to administer REDCO's bankruptcy estate, provided that Buyer shall have access to such books and records and the right to make a copy of such books and records at the Buyer's expense;

E. all claims arising under Chapter 5 of the Bankruptcy Code in connection with the Bankruptcy Case;

F. all claims of any nature of REDCO against Ryan Davies;

G. the Debtor's equity interests in Blue Mountain Wind, LLC and OUS Solar 3, LLC; and

H. the Excluded Leases contained in Exhibit A to the Stalking Horse Bid.

15. Under the Stalking Horse Bid, SPG has offered to purchase the SPG Assets for (i) \$40,000 in cash (the "Cash Consideration"), payable (a) through a deposit

in the amount of \$20,000 paid by Buyer to Seller contemporaneously with the execution of this Agreement (the "Deposit"), and (b) an additional \$20,000 paid by SPG to the Trustee on the Closing Date; (ii) \$1,058,767.12 in the form of a credit bid of the AEG Secured Claim, which is the full amount of the AEG Secured Claim; and (iii) SPG's assumption of (a) the Debtor's liability to McCalmont Engineering, in the approximate amount of \$52,043.10; (b) REDCO's liability to Okland Construction, in the approximate amount of \$2,101,600; (c) all Cure Amounts; and (d) any taxes (including sales or transfer taxes), transfer fees, any personal property taxes, or other costs incurred in connection with the sale of the SPG Assets. In the event the Closing does not occur for any reason other than the fault of SPG, including without limitation, the failure to obtain approval from the Bankruptcy Court, the Deposit shall be fully refunded to SPG.

16. Because SPG is mostly associated with a group of equity holders of the Debtor, SPG likely is an "insider" of the Debtor as that term is defined in Bankruptcy Code § 101(31).

17. Under the terms of the Stalking Horse Bid, the SPG Assets will be sold to SPG free and clear of all liens, claims, interests and any and all other encumbrances of any kind or nature, except any valid mechanics' liens held by Okland Construction and McCalmont Engineering.

18. The Stalking Horse Bid is the highest and best proposal that the Trustee has received to date for a portion of the Assets.

B. The Bid Procedures

19. As described above, the Trustee believes that a controlled liquidation of the Debtor's Assets is the best way to maximize returns to creditors of this estate. The

Trustee proposes to further test the marketplace by the sale and bidding process to ensure that the Debtor's estate realizes the maximum value for the Assets.

20. Although the Trustee presently intends to sell the Assets as a whole to the highest bidder, the Trustee reserves the right in the Bid Procedures to offer the Debtor's Assets for sale in other lots as the Trustee determines in the exercise of his business judgment if an alternative sale would result in the highest or otherwise best collective value for the Assets. SPG has no obligation to purchase less than all the SPG Assets.

21. The Trustee intends to publicize and market the Assets, to the extent possible, in the energy industry. In addition, the Trustee proposes to give notice, immediately and not later than one business day after the entry of the Order approving the Bid Procedures, of the Bid Procedures, Stalking Horse Bid, the Cure Notices (as defined below), the time and place of the Auction, the Sale Hearing, and the Objection Deadline. The Trustee further proposes to give notice of the Sale Hearing and Objection Deadline by sending the Notice of Auction and Sale Hearing to (a) all entities reasonably known to the Trustee to have expressed an interest in a transaction with respect to the Assets during the past twelve months, (b) the Office of the United States Trustee, (c) all non-debtor parties to relevant contracts or leases (executory or other), (d) all known creditors of the Debtors, including all known persons asserting a lien, claim, encumbrance or other interest in any of the Debtor's Assets, and (e) all parties who have requested service under Bankruptcy Rule 2002.

22. Upon execution of a confidentiality and nondisclosure agreement in the form attached as Exhibit E to the Stalking Horse Bid (the "Nondisclosure Agreement"),

SPG has agreed to provide reasonable access to Qualified Bidders through an electronic data room for the purposes of due diligence.

23. In order for a potential buyer (each, a "Potential Bidder") to participate in the sale process, the Potential Bidder must deliver to the Trustee (a) an executed non-disclosure agreement in form and substance satisfactory to the Trustee; (b) written evidence of a commitment for financing or other evidence of ability to consummate the proposed transaction satisfactory to the Trustee in his sole discretion; (c) an irrevocable proposal to purchase some or substantially all of the Debtor's Assets. A "Qualified Bidder" is a Potential Bidder that delivers these items to the Trustee.

24. A Qualified Bidder that desires to make a bid shall deliver a written copy of its bid to the Trustee as follows: George Hofmann, Trustee of Renewable Energy Development Corporation, LLC, c/o Parsons Kinghorn Harris, 111 East Broadway, 11th Floor, Salt Lake City, Utah 84111, not later than 4:00 p.m. (Prevailing Mountain Time) on January 24, 2012 (the "Bid Deadline"). The Trustee may extend the Bid Deadline once or successively, but he is not obligated to do so. All bids must include the following documents (the "Required Bid Documents"):

A. A letter stating that the bidder's offer is irrevocable until the earlier of (i) two business days after the Assets upon which the bidder is bidding have been disposed of pursuant to the Bid Procedures, or (ii) thirty days after the Sale Hearing;

B. An executed form of asset purchase agreement in form and substance acceptable to the Trustee;

C. A list of all executory contracts of the Debtor that the bidder wishes to receive through assumption and assignment under Bankruptcy Code § 365, including a

description of each contract, the addresses of all counterparties to each contract, and any cure amount that the bidder believes to be due; and

D. Written evidence of a commitment for financing or other evidence of ability to consummate the proposed transaction satisfactory to the Trustee in his sole discretion.

25. After all Qualified Bids have been received, the Trustee shall conduct an auction (the "Auction") with respect to any Assets as to which a Qualified Bid has been received. The Auction shall take place at 10:00 a.m. on January 27, 2012 at the offices of the Trustee's counsel, Parsons Kinghorn Harris, P.C., 111 East Broadway, 11th Floor, Salt Lake City, Utah 84111. At the Trustee's discretion, Qualified Bidders may participate in the Auction by telephone.

26. The Trustee intends to conduct the Auction by announcing the highest and best Qualified Bid received, which may be the Stalking Horse Bid. The Trustee will then open the Auction to competing bids for either some or substantially all of the Assets in whatever lots the Trustee in the exercise of his business judgment deems appropriate to result in the highest or otherwise best collective value for the Assets. The Trustee will thereafter entertain bids for the Assets in such successive rounds as the Trustee determines to be appropriate so as to obtain the highest or otherwise best bid or combination of bids for the Assets. The Trustee also may set opening bid amounts in each round of bidding as the Trustee determines to be appropriate.

27. The Trustee may consider waivers or assignments of claims against the Debtor's estate in conjunction with any bid. The Trustee intends to inform all parties

present at the Auction of his evaluation of the economic value of any waivers or assignments of claims that may be offered at the Auction.

28. At the Auction, the Trustee, in consultation with his advisors, shall (a) review each bid or bids 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 (b) identify the highest and otherwise best offer or group of offers for the Assets (the "Successful Bid(s)"). At the Sale Hearing, the Trustee shall present the Successful Bid(s) for approval to the Bankruptcy Court.

C. Assigned Contracts

29. In connection with the sale of the Assets, the Trustee seeks authority, to the extent necessary, to assume and assign certain unexpired leases and executory contracts to the maker of the Successful Bid(s) under Bankruptcy Code § 365. In particular, on January 5, 2012, the Debtor filed its schedules, including Schedule G [Docket No. 3, pp. 32-34]. On its Schedule G, the Debtor listed 21 wind and renewable energy leasehold interests and five solar power contracts. The Trustee seeks authority to assume and assign any unexpired leases and executory contracts to the Successful Bidder to the extent the Successful Bidder requests such assumption and assignment in its bid.

30. Because of the need to close any transactions as quickly as possible in order to maximize value, the Trustee proposes the following procedures for assuming and assigning unexpired leases and executory contracts.

31. On or before January 26, 2012, the Trustee will file a notice (a "Cure Notice") with the Court and serve the Cure Notice on each non-debtor party to those

executory contracts and unexpired leases that the Trustee determines, in the exercise of his business judgment, are necessary to maximize value of any proposed transaction(s). The Cure Notice shall designate the proposed purchaser(s) and shall provide information regarding adequate assurance of future performance.

32. The Cure Notice shall state the cure amounts that the Trustee believes are necessary to assume such contracts and leases pursuant to Bankruptcy Code § 365 (the "Cure Amount") and notify the non-debtor party that such party's contract or lease may be assumed and assigned to the purchaser of the Assets should the sale be consummated. The Cure Notice shall set a deadline by which the non-debtor party shall file an objection to the Cure Amount, adequate assurances of future performance or assumption and assignment of the relevant executory contract or unexpired lease generally. Any such objections shall be addressed at the Sale Hearing or such other date as the Court determines.

33. The Trustee intends to request entry of an order requesting approval of the assumption and assignment of any unexpired leases and executory contracts to the Successful Purchaser(s) at the Sale Hearing.

APPLICABLE AUTHORITY

A. Bid Procedures

34. Bankruptcy Code § 363 provides that the Trustee, "after notice and a hearing, may use, sell or lease, other than in the ordinary course of business, property of the estate." Bankruptcy Code § 363(b). To approve the use, sale or lease of property outside of the ordinary course of business, the Trustee must show four requirements: "(1) that a sound business reason exists for the sale; (2) there has been adequate and

reasonable notice to interested parties, including full disclosure of the sale terms and the Debtor's relationship with the buyer; (3) that the sale price is fair and reasonable; and (4) that the proposed buyer is proceeding in good faith." In re Medical Software Solutions, 286 B.R. 431 (Bankr. D. Utah 2002); accord Committee of Equity Security Holders v. Lionel Corp. (In re Lionel Corp.), 722 F.2d 1063, 1071 (2d Cir. 1983) (identifying the "sound business purpose" test); In re Abbotts Dairies of Penn., Inc., 788 F.2d 143, 145-47 (3d Cir. 1986) (implicitly adopting the articulated business justification test of Lionel, and adding the "good faith" requirement).

35. In general, bankruptcy courts often defer to a trustee's business judgment regarding the sale of estate assets, unless such decision is arbitrary and capricious. See In re Curlew Valley Assocs., 14 B.R. 506, 511-13 (Bankr. D. Utah 1981). Courts generally will not second-guess a trustee's business decisions when those decisions involve "a business judgment made in good faith, upon a reasonable basis, and within the scope of his authority under the Code." Curlew Valley, 14 B.R., at 513-14 (footnotes omitted).

36. The Trustee has sound business reasons for the proposed sale. This is a Chapter 7 liquidation case, and the Trustee has a duty to "collect and reduce to money the property of the estate." Bankruptcy Code § 704(a)(1). The Trustee has concluded that a sale of the Debtor's Assets is the best means to maximize returns to creditors in light of the nature of the Assets. A sale by auction, using reasonable procedures, presents the best opportunity to realize the maximum value of the estate's assets for distributions to creditors.

37. Specifically, the time-sensitive and potentially decreasing value of the Debtor's Assets are such that the Trustee believes the value of the Debtor's Assets and,

therefore, the consummation of a sale will be seriously jeopardized unless the Trustee can begin the sale process contemplated in the Bid Procedures as expeditiously as possible. See, e.g., In re Medical Software Solutions, 286 B.R. at 441 (emphasizing "whether the asset is increasing or decreasing in value" as the most important consideration in case where the "assets' value is reducing rapidly").

38. The Trustee submits that this motion and the Bid Procedures provide ample notice to parties in interest of the proposed sale. Among other things, the Trustee proposes to provide notice and sufficient time for parties in interest to submit objections and for bidders to formulate and submit competing proposals, using due diligence materials that are reasonably accessible under the circumstances.

39. The Trustee believes that the proposed sale price obtained through the Auction will likely represent fair value for the Debtor's assets. The Trustee will use his best efforts to publicize the Auction and the Bid Procedures. The Trustee believes that exposing all Assets of the Debtor to the market will be the best indication of the true value of those assets.

40. Moreover, the Trustee submits that the Bid Procedures and Stalking Horse Bid satisfy the heightened good faith requirement set out in the Medical Software Solutions case. See 286 B.R. at 241 (agreeing that where "the asset sale is to a purported insider, the purchaser has a heightened responsibility to show that the sale is proposed in good faith and for value"). The Bankruptcy Code does not define "good faith." Courts have therefore turned to the traditional equitable definition of a "good faith purchaser"—a purchaser who buys in "good faith" and for "value." Tomkins v. Frey (In re Bel Air Assocs., Ltd.), 706 F.2d 301, 305 (10th Cir. 1983). In addition, certain types of

misconduct, including "fraud, collusion between the purchaser and other bidders or the trustee, or an attempt to take advantage of other bidders," will "destroy a buyer's 'good faith purchaser' status." Id. (quoting In re Rock Indus. Machinery Corp., 573 F.2d 1195, 1197 (7th Cir. 1197)). Although Tomkins was a case arising under the Bankruptcy Act, it remains good law in this circuit. See Plotner v. AT&T Corp., 224 F.3d 1161, 1171 (10th Cir. 2000) (citing Tomkins with approval).

41. The identity and affiliations of SPG, the stalking horse bidder, have been fully disclosed. See id. at 445-446 (finding that debtor acted in good faith where the debtor "disclosed all elements of the transaction, including the insider status of the proposed purchaser").

42. In addition, the Trustee has engaged in extensive good faith negotiations with SPG, and submits that SPG also has negotiated in good faith to acquire a substantial portion of the Debtor's Assets. The Trustee submits that SPG has proceeded in good faith and is offering to pay value. With respect to the "value" requirement, the value of the Debtor's Assets is difficult to quantify. Nevertheless, the Debtor listed the total value of the Assets in its schedules at \$792,297.19, and SPG has offered to credit bid the full amount of the AEG Secured Claim—in excess of \$1 million—in addition to cash consideration and the assumption of certain liabilities. In sum, the Trustee estimates the Purchase Price for the SPG Assets to be approximately \$3,252,410.22.

43. Moreover, the Stalking Horse Bid is subject to higher and better offers, and SPG has not requested any compensation or additional bid protections from the estate for its role as stalking horse bidder. As such, the Trustee does not believe that SPG has engaged in any conduct that would preclude this Court from making a "good faith" finding

at the hearing to approve this proposed sale. The Court, therefore, should conclude that the Bid Procedures and the Stalking Horse Bid meet each of the four Medical Software Solutions requirements.

B. The Sale Satisfies the Requirements of Bankruptcy Code § 363(f) for a Sale Free and Clear of Liens, Claims, Encumbrances and Interests

44. Pursuant to Bankruptcy Code § 363(f), the Trustee may sell property free and clear of any lien, claim, or interest in such property, if, among other things:

- (1) applicable nonbankruptcy law permits sale of such property free and clear of such interest;
- (2) such entity consents;
- (3) such interest is a lien and the price at which such property is sold is greater than the aggregate value of all liens on such property;
- (4) such interest is in bona fide dispute; or
- (5) such entity could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of such interest.

45. Because Bankruptcy Code § 363(f) is drafted in the disjunctive, satisfaction of any one of the five requirements will be sufficient to permit the sale of the Assets free and clear of lines, claims, encumbrances, pledges, mortgages, security interests, charges, options, and other interests (collectively, the "Interests"). The Trustee believes that three parties may assert that they hold Interests in the Assets:

A. AEG is listed on the Debtor's amended Schedule D dated January 5, 2012 as the holder of a secured claim, which claim SPG has subsequently acquired;

B. McCalmont Engineering ("McCalmont") is listed on the Debtor's amended Schedule D dated January 5, 2012 as the holder of a security interest in assets held by the Debtor's subsidiary UofU Solar 1, LLC; and

C. Okland Construction ("Okland") is listed on the Debtor's amended Schedule D dated January 5, 2012 as the holder of a mechanic's lien arising out of a construction project at the University of Utah, but the entire amount of its claim is listed as unsecured.

46. SPG has consented to the sale free and clear of liens, therefore satisfying Bankruptcy Code § 363(f)(2). Moreover, under the terms of the Stalking Horse Bid, the SPG Assets will be sold to SPG free and clear of all liens, claims, interests and any and all other encumbrances except any valid mechanics' liens held by Okland Construction and McCalmont Engineering.

47. Moreover, McCalmont and Okland can be compelled to accept a money satisfaction of such Interests in legal or equitable proceedings in accordance with Bankruptcy Code § 363(f)(5). Such legal or equitable proceedings include proceedings to confirm a plan, under which the holder of a lien may be compelled to accept payment in satisfaction of its lien pursuant to Bankruptcy Code § 1129(b)(2)(A).

48. Indeed, Bankruptcy Code § 1129(b)(2)(A) specifically allows a trustee to sell property subject to a lien, free and clear of such lien, if such lien attaches to the net proceeds of the sale, subject to any claims and defenses the trustee may possess with respect thereto. The Trustee proposes that any Interests in the Assets attach to the net proceeds of the sale. Accordingly, the Assets may also be sold free and clear of the alleged secured claims asserted by McCalmont and Okland pursuant to Bankruptcy Code § 363(f)(5).

49. The Assets also may be sold free and clear of any interests asserted by the Purported Interest Holders pursuant to Bankruptcy Code § 363(f)(3). That section

permits a trustee to sell property free and clear of liens if "such interest is a lien and the price at which such property is to be sold is greater than the aggregate value of all liens on such property." (Emphasis added). While the Trustee acknowledges that courts are divided on the interpretation of this section, the better view is that "value" means the economic value of the liens on the property, rather than the face amount of the debts secured by the property. See, e.g., In re Beker Indus. Corp., 63 B.R. 474, 476 (Bankr. S.D.N.Y. 1986); In re Terrace Gardens Park Partnership, 96 B.R. 707, 713 (Bankr. W.D. Tex. 1989); In re Oneida Lake Development, Inc., 114 B.R. 352, 357 (Bankr. N.D.N.Y. 1990); In re Equity Management Systems, 149 B.R. 120, 123 (Bankr. S.D. Iowa 1993); In re Collins, 180 B.R. 447, 451 (Bankr. E.D. Va. 1995).

50. Since the Trustee will expose the Assets to the market through these Bid Procedures, the market will dictate the value of the Assets at the Auction. Therefore, the requirements of Bankruptcy Code § 363(f)(3) will be satisfied.

C. Cause Exists to Waive the 14 Day Stay Otherwise Applicable Under Bankruptcy Rules 6004 and 6006

51. Bankruptcy Rule 6004(h) provides that unless the Court orders otherwise, all orders authorizing the sale of property under Bankruptcy Code § 363 are automatically stayed for 14 days after entry of the order. Similarly, under Bankruptcy Rule 6006(d), unless the Court orders otherwise, all orders authorizing the assignment of contracts or unexpired leases are automatically stayed for 14 days after entry of the order.

52. The Trustee submits that cause exists to waive the automatic 14 day stay otherwise applicable under Bankruptcy Rules 6004(h) and 6006(d). The Stalking Horse Bid sets the Closing Date to occur no later than January 31, 2012. SPG bargained for

this Closing Date. Accordingly, the 14 day stay would prevent the closing from going forward as scheduled. If the closing is postponed, the sale may be lost, interest would continue to accrue on claims against the estate, and the value of the Assets is likely to decrease. Closing the sale at the earliest possible time will reduce the costs of administering this estate and thus maximize creditor recoveries

D. The Assumption and Assignment of Executory Contracts and Unexpired Leases Should Be Authorized

53. Bankruptcy Code § 365(f)(2) provides that:

[t]he trustee may assign an executory contract or unexpired lease of the debtor only if—

(A) the trustee assumes such contract or lease in accordance with the provisions of this section; and

(B) adequate assurance of future performance by the assignee of such contract or lease is provided, whether or not there has been a default in such contract or lease.

54. Under Bankruptcy Code § 365(a), a trustee, "subject to the court's approval, may assume or reject any executory contract or unexpired lease of the debtor." 11 U.S.C. § 365(a). Section 365(b)(1) of the Bankruptcy Code, in turn, codifies the requirements for assuming an unexpired lease or executory contract of a debtor. This subsection provides as follows:

(b)(1) If there has been a default in an executory contract or unexpired lease of the debtor, the trustee may not assume such contract or lease unless, at the time of assumption of such contract or lease, the trustee –

(A) cures, or provides adequate assurance that the trustee will promptly cure, such default;

(B) compensates, or provides adequate assurance that the trustee will promptly compensate, a party other than the debtor to such

contract or lease, for any actual pecuniary loss to such party resulting from such default; and

(C) provides adequate assurance of future performance under such contract or lease.

11 U.S.C. § 365(b)(1).

55. The meaning of "adequate assurance of future performance" depends on the facts and circumstances of each case, but should be given a "practical, pragmatic construction." See e.g., EBG Midtown South Corp. v. McLaren/Hart Env. Engineering Corp. (In re Sanshoe Worldwide Corp.), 139 B.R. 585, 593 (S.D.N.Y. 1992); In re Prime Motor Inns Inc., 166 B.R. 993, 997 (Bankr. S.D. Fla. 1994) ("[a]lthough no single solution will satisfy every case, the required assurance will fall considerably short of an absolute guarantee of performance"); Carlisle Homes, Inc. v. Azzari (In re Carlisle Homes, Inc.), 103 B.R. 524, 538 (Bankr. D.N.J. 1988).

56. Among other things, adequate assurance may be provided by demonstrating the assignee's financial health and experience in managing the type of enterprise or property assigned. See, e.g., In re Bygaph, Inc., 56 B.R. 596, 605-06 (Bankr. S.D.N.Y. 1986) (reasoning that adequate assurance of future performance is present when prospective assignee of lease from debtor has financial resources and has expressed willingness to devote sufficient funding to business in order to give it strong likelihood of succeeding).

57. To the extent that any defaults exist under any executory contract or unexpired lease that is to be assumed and assigned in connection with the sale of any Assets, the Trustee will cure any such default prior to such assumption and assignment. At the Sale Hearing, the Trustee will further adduce facts demonstrating the financial

wherewithal of the Successful Bidder, its industry experience, and its willingness and ability to perform under the contracts to be assumed and assigned to it.

58. Therefore, the Sale Hearing will provide the Court and other interested parties ample opportunity to evaluate and, if necessary, challenge the ability of the Successful Bidder to provide adequate assurance of future performance under the contracts to be assumed. Thus, the Court will have a sufficient basis to authorize the Trustee to reject or assume and assign contracts as will be set forth in an asset purchase agreement.

WHEREFORE, the Trustee respectfully requests entry of an order (i) approving bid procedures in connection with the sale of the Debtor's assets; (ii) authorizing the sale of assets free and clear of liens, claims, encumbrances and interests; (iii) waiving the 14 day stay otherwise applicable under Bankruptcy Rules 6004 and 6006 (iv) authorizing assumption and assignment of executory contracts and unexpired leases and (v) granting the Trustee such other and further relief as the Court deems just and proper.

Dated: January 10, 2012

PARSONS KINGHORN HARRIS
A Professional Corporation

/s/ Victor P. Copeland

GEORGE B. HOFMANN
VICTOR P. COPELAND

Proposed Attorneys for Trustee

EXHIBIT A

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF UTAH, CENTRAL DIVISION**

In re

RENEWABLE ENERGY DEVELOPMENT
CORPORATION,

Debtor.

Bankruptcy No. 11-38145 (WTT)

Chapter 7

**ORDER APPROVING BID PROCEDURES FOR SALE OF
SUBSTANTIALLY ALL OF THE DEBTOR'S ASSETS**

The Trustee's Motion for Order (A) Approving Bid Procedures for Sale of Substantially All of the Debtor's Assets, (B) Authorizing the Sale of the Debtor's Assets Free and Clear of Liens, Claims, Encumbrances, and Interests, (C) Waiving the 14 Day Stay Otherwise Applicable under Bankruptcy Rules 6004 and 6006, and (D) Authorizing Assumption and Assignment of Executory Contracts and Unexpired Leases (the "Motion"¹) came on for hearing before this Court on January 18, 2012 at 1:00 p.m. with regard to approval of the Bid Procedures.² Appearances were noted on the record of the hearing on the Motion. The Court having considered the Motion, having determined that appropriate notice of the Motion was provided to creditors and parties in interest in this case, having heard the statements of counsel at the hearing in support of

¹ Unless otherwise defined, capitalized terms used in this Order shall have the meanings ascribed to them in the Motion.

² The remaining aspects of the Motion, other than approval of the Bid Procedures, will be addressed at a later date.

the Motion, and good cause appearing to grant the relief sought through the Motion, it is hereby

ORDERED, ADJUDGED, AND DECREED AS FOLLOWS:

1. The Motion is granted in part, specifically with regard to the Court's approval of the Bid Procedures.
2. All objections to the Motion or the relief requested in the Motion related to the Bid Procedures that have not been withdrawn, waived, or settled, and all reservations of rights included therein, are overruled on the merits.
3. The Bid Procedures, in the form attached as Exhibit 1 to this Order, are approved in all respects.
4. The Auction for the Assets shall take place at 10:00 a.m. on January 27, 2012 at the offices of the Trustee's counsel, Parsons Kinghorn Harris, P.C., 111 East Broadway, 11th Floor, Salt Lake City, Utah 84111.
5. The Sale Hearing to approve the Successful Bid(s) for the Assets shall be held before this Court on January 30, 2012 at 11:30 a.m.
6. On or before January 26, 2012, the Trustee will file a notice (the "Cure Notice") with the Court and serve such Cure Notice on each non-debtor party to those executory contracts and unexpired leases that the Trustee determines, in the exercise of his business judgment, are necessary to maximize value of any proposed transaction(s). The Cure Notice shall designate the proposed purchaser(s) and shall provide information regarding adequate assurances of future performances.
7. The Cure Notice shall state the cure amounts that the Trustee believes

are necessary to assume such contracts and leases pursuant to Bankruptcy Code § 365 (the "Cure Amount") and notify the non-debtor party that such party's contract or lease may be assumed and assigned to the purchaser of the Assets should the sale be consummated. The Cure Notice shall set a deadline by which the non-debtor party shall file an objection to the Cure Amount, adequate assurances of future performance or assumption and assignment.

8. At the Sale Hearing, the Court shall consider approval of the assumption and assignment of any Assigned Agreements to the Successful Purchaser(s).

— END OF ORDER —

EXHIBIT 1

RENEWABLE ENERGY DEVELOPMENT CORPORATION

The Bid Procedures

Set forth below are the bid procedures (the "Bid Procedures") to be employed with respect to the prospective sale(s) (the "Sale(s)") of the business and assets of Renewable Energy Development Corporation (the "Debtor") in connection with case number 11-38145 (the "Bankruptcy Case") pending in the United States Bankruptcy Court for the District of Utah (the "Bankruptcy Court"). George Hofmann, in his capacity as Chapter 7 trustee (the "Trustee") of the Debtor's bankruptcy estate will seek entry of an order from the Bankruptcy Court authorizing and approving Sale(s) of the assets to the Qualified Bidder(s) (as hereinafter defined) as the Trustee, in the exercise of his business judgment after consultation with his advisors may determine to have made the highest or otherwise best offers to purchase assets (the "Successful Bidder(s)").

Stalking Horse Bid

The Trustee has received a "stalking horse" bid proposal from Sustainable Power Group, LLC or its assigns ("SPG"). SPG has proposed to buy the following portion of the Assets (collectively, the "SPG Assets³"):

- A. the Debtor's member or equity interests in: UofU Solar 1, LLC, REDCO-CIN Solar 1, LLC, OUS Solar 1, LLC, OUS Solar 2, LLC, and OUS Solar 4, LLC;
- B. all right, title and interest in and to the Intellectual Property;
- C. all ownership, leasehold and real property interests of whatever nature, except those "Excluded Leases" contained in Exhibit A to the Stalking Horse Bid (as defined below), including the Cal Farley's Boys Ranch Lease Option Agreement, the Cal Farley's Ranch MET Tower Agreement, the Option Agreement for Rooftop Lease with Prudential REIT (together with any other intangible assets related to the Prudential contract and project, including, without limitation, all buildings, structures, fixtures and other improvements situated thereon or attached thereto), and including all of Seller's right, title and interest in and to all leases, subleases, franchises, licenses, permits, easements, privileges, rights-of-way, riparian and other water rights, lands underlying any adjacent streets or roads and appurtenances pertaining to or accruing to the benefit of such property;

³ To the extent there are any inconsistencies between any summary description of the Stalking Horse Bid and the terms and conditions of the Stalking Horse Bid, the terms and conditions of the Stalking Horse Bid control.

D. all Equipment used in the operation of the Business, wherever located and all warranties and guarantees, if any, express or implied, existing on the Closing Date for the benefit of the Seller in connection with the Equipment;

E. all management information systems, computers, hardware and software either owned by the Seller or otherwise used in the operation of the Business;

F. with the exception of the books and records included in the definition of Excluded Assets below, all books, records and accounts, correspondence, production records, technical, accounting, manufacturing and procedural manuals, customer lists, vendor lists, employment records, research material, drawings, studies, reports or summaries relating to any environmental conditions or consequences of any operation, present or former, and any information (including confidential information) which has been reduced to writing relating to or arising out of the operation of the Business;

G. all Inventories;

H. the Assumed Contracts;

I. all licenses, permits or franchises issued by any federal, state, municipal or foreign authority relating to the development, use, maintenance or occupation of the Seller or the Business;

J. all rights under express or implied warranties in favor of the Seller existing on the Closing Date;

K. all right, title and interest in and to all goods and services and all other economic benefits to be received subsequent to the Closing Date arising out of prepayments and payments by the Seller prior to the Closing Date, including without limitation Seller's deposit with Idaho Power, PacifiCorp, and Parkway Office Condos, LLC;

L. all right, title and interest in and to any insurance policies in existence on the Closing Date;

M. all personal computers, computer hardware and software, and other management information systems of Seller, whether owned by Seller or used in the Business;

N. all rights to non-disclosure agreements, including any rights of REDCO or the Seller in any non-disclosure agreements signed after the date of this Agreement and before the Closing, including without limitation any rights to sue for

breach of any such agreements or any rights to obtain injunctive relief pursuant to such agreements;

- O. all Accounts Receivable; and
- P. the goodwill in or arising from the Assets and the Business;

Notwithstanding the foregoing, under the Stalking Horse Bid the SPG Assets do not include the following Excluded Assets:

- A. all of Seller's cash and cash equivalents, interests in deposit or checking accounts, certificates of deposit, treasury bills and other freely-tradable marketable securities of Seller as of the Closing Date, and the Cash Consideration;
- B. all of Seller's rights to insurance proceeds or other insurance contract recoveries in respect of any the Excluded Assets and Excluded Liabilities;
- C. all Contracts other than the Assumed Contracts;
- D. all business books and records of REDCO which the Seller deems necessary to administer REDCO's bankruptcy estate, provided that Buyer shall have access to such books and records and the right to make a copy of such books and records at the Buyer's expense;
- E. all claims arising under Chapter 5 of the Bankruptcy Code in connection with the Bankruptcy Case;
- F. all claims of any nature of REDCO against Ryan Davies;
- G. the Debtor's equity interests in Blue Mountain Wind, LLC and OUS Solar 3, LLC; and
- H. the Excluded Leases contained in Exhibit A to the Stalking Horse Bid.

Under the terms of the Stalking Horse Bid, SPG has offered to purchase the SPG Assets for (i) \$40,000 in cash (the "Cash Consideration"), payable (a) through a deposit in the amount of \$20,000 paid by Buyer to Seller contemporaneously with the execution of this Agreement (the "Deposit"), and (b) an additional \$20,000 paid by SPG to the Trustee on the Closing Date; (ii) \$1,058,767.12 in the form of a credit bid of the AEG Secured Claim, which is the full amount of the AEG Secured Claim; and (iii) Buyer's assumption of (a) the Debtor's liability to McCalmont Engineering, in the approximate amount of \$52,043.10; (b) REDCO's liability to Okland Construction, in the approximate amount of \$2,101,600; (c) all Cure Amounts; and (d) any taxes (including sales or

transfer taxes), transfer fees, any personal property taxes, or other costs incurred in connection with the sale of the Assets. In the event the Closing does not occur for any reason other than the fault of SPG, including without limitation, the failure to obtain approval from the Bankruptcy Court, the Deposit shall be fully refunded to SPG.

Reservation of Rights

The Trustee reserves the right to entertain bids for the Assets, the Assets together with the Debtor's business as a going concern (the "Entire Business"), or to sell the Debtor's Assets and business in other lots as the Trustee determines in the exercise of his business judgment if an alternative sale would result in the highest or otherwise best collective value for the Assets.

The Bidding Process

The Trustee shall (i) determine whether any person is a Qualified Bidder, (ii) coordinate the efforts of the Qualified Bidders in conducting their due diligence investigations of the Assets, (iii) receive offers from Qualified Bidders, and (iv) negotiate any offers made to purchase the Assets (collectively, the "Bidding Process"). Any person who wishes to participate in the Bidding Process must be a Qualified Bidder. Neither the Trustee nor his representatives shall be obligated to furnish any information of any kind whatsoever relating to the Assets to any person who is not a Qualified Bidder. The Trustee shall have the right to adopt such other rules for the Bidding Process which, in his sole judgment, will better promote the goals of the Bidding Process and which are not inconsistent with any of the other provisions hereof or of any Bankruptcy Court order.

Participation Requirements

Unless otherwise ordered by the Bankruptcy Court for cause shown or as otherwise determined by the Trustee in his sole discretion, to participate in the Bidding Process, each person (a "Potential Bidder") must deliver (unless previously delivered) to the Trustee:

- i. An executed non-disclosure agreement in form and substance satisfactory to the Trustee;
- ii. Written evidence of a commitment for financing or other evidence of ability to consummate the proposed transaction satisfactory to the Trustee in his sole discretion;
- iii. An irrevocable proposal to purchase some or substantially all of the Debtor's Assets; and

A Qualified Bidder is a Potential Bidder that delivers the documents described in subparagraphs (i), (ii), and (iii) above, whose financial information demonstrates the financial capability of the Potential Bidder to consummate the Sale, and that the Trustee determines is reasonably likely (based on availability of financing, experience and other considerations) to submit a bona fide offer and to be able to consummate the Sale if selected as the Successful Bidder. SPG is a Qualified Bidder.

Within three (3) business days after a Potential Bidder delivers all of the materials required by subparagraphs (i), (ii), and (iii) above, the Trustee shall determine, and shall notify the Potential Bidder, whether the Potential Bidder is a Qualified Bidder. At the same time that the Seller notifies the Potential Bidder that it is a Qualified Bidder, the Trustee shall allow the Qualified Bidder to conduct due diligence with respect to the Assets sought to be acquired as hereinafter provided.

Due Diligence

The Trustee shall afford each Qualified Bidder reasonable due diligence access to the Assets sought to be acquired. The Trustee coordinate all reasonable requests for additional information and due diligence access from such bidders. The Trustee shall not be obligated to furnish any due diligence information after the Bid Deadline (as hereinafter defined). Neither the Trustee nor any of his representatives are obligated to furnish any information relating to the Assets to any person except to a Qualified Bidder who makes an acceptable preliminary proposal. Bidders are advised to exercise their own discretion before relying on any information regarding the Assets provided by anyone other than the Trustee or his representatives.

Bid Deadline

A Qualified Bidder that desires to make a bid shall deliver a written copy of its bid to the Trustee as follows: George Hofmann, Trustee of Renewable Energy Development Corporation, LLC, c/o Parsons Kinghorn Harris, 111 East Broadway, 11th Floor, Salt Lake City, Utah 84111, not later than 4:00 p.m. (Prevailing Mountain Time) on January 24, 2012 (the "Bid Deadline"). The Trustee may extend the Bid Deadline once or successively, but he is not obligated to do so.

All bids must include the following documents (the "Required Bid Documents"):

- A letter stating that the bidder's offer is irrevocable until the earlier of (a) two business days after the Assets upon which the bidder is bidding have been disposed of pursuant to these Bid Procedures, or (b) thirty days after the Sale Hearing.
- An executed copy of an asset purchase agreement in form acceptable to the Trustee (the "Asset Purchase Agreement").

- A list of all executory contracts of the Debtor that the bidder wishes to receive through assumption and assignment under Bankruptcy Code § 365, including a description of each contract, the addresses of all counterparties to each contract, and any cure amount that the bidder believes to be due; and
- Written evidence of a commitment for financing or other evidence of ability to consummate the proposed transaction satisfactory to the Trustee in his sole discretion.

The Trustee will consider a bid only if the bid is on terms that are not conditioned on obtaining financing or on the outcome of unperformed due diligence by the bidder. A bid received from a Qualified Bidder that includes all of the Required Bid Documents and meets all of the above requirements is a "Qualified Bid."

"As Is, Where Is"

The sale of the Assets shall be on an "as is, where is" basis and without representations or warranties of any kind, nature, or description by the Trustee, his agents or the Debtor's estate except to the extent set forth in the applicable Asset Purchase Agreement(s) of the successful Bidder(s) as accepted by the Trustee. Except as otherwise provided in such Agreements, all of the Debtor's right, title and interest in and to the Assets shall be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options and interests thereon and there against (collectively, the "Interests") in accordance with section 363 of the Bankruptcy Code, with such Interests to attach to the net proceeds of the sale(s) of the Assets.

Each bidder shall be deemed to acknowledge and represent that it has had an opportunity to inspect and examine the Assets and 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 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 or the Auction, except as expressly stated in these Bid Procedures or, as to the Successful Bidders, the respective Asset Purchase Agreement(s).

Auction

After all Qualified Bids have been received, the Trustee shall conduct an auction (the "Auction") with respect to any Assets as to which a Qualified Bid has been received. The Auction shall take place on January 27, 2012 at 10:00 a.m. (Prevailing Mountain Time) at the offices of the Trustee's counsel, Parsons Kinghorn Harris, P.C., 111 East Broadway, 11th Floor, Salt Lake City, Utah 84111. At the Trustee's discretion, Qualified Bidders may participate in the Auction by telephone.

In particular, the Trustee may commence the Auction by entertaining bids for the Entire Business or groupings of certain of the Assets. The Trustee thereafter may offer the Assets in such lots in such successive rounds as the Trustee determines to be appropriate so as to obtain the highest or otherwise best bid or combination of bids for the Assets. The Trustee also may set opening bid amounts in each round of bidding as the Trustee determines to be appropriate. SPG has no obligation to purchase less than all the SPG Assets.

Upon conclusion of the Auction, the Trustee, in consultation with his advisors, shall (i) review each Qualified Bid or Bids 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 (ii) identify the highest and otherwise best offer or group of offers for the Assets (the "Successful Bid(s)"). At the Sale Hearing, the Trustee shall present to the Bankruptcy Court for approval the Successful Bid(s). The Trustee may adopt rules for the bidding process at the Auction that, in his judgment, will better promote the goals of the bidding process and that are not inconsistent with any of the provisions of the Bankruptcy Code, any Bankruptcy Court order, or these Bid Procedures.

Acceptance of Qualified Bids

The Trustee shall sell the Assets for the highest or otherwise best Qualified Bid(s) received. The Trustee's presentation to the Bankruptcy Court for approval of a particular Qualified Bid does not constitute the Trustee's acceptance of the bid. The Trustee will be deemed to have accepted a bid only when the bid has been approved by the Bankruptcy Court at the Sale Hearing.

Sale Hearing

The Sale Hearing is presently scheduled to take place on January 30, 2012, at 11:30 a.m. before the Honorable William T. Thurman at the United States Bankruptcy Court for the District of Utah, located in Room 376 of the Frank E. Moss United States Courthouse, 350 South Main Street, Salt Lake City, UT 84101. The Sale Hearing may be adjourned or rescheduled without notice by an announcement of the adjourned date at the Sale Hearing. At the Sale Hearing, the Seller shall present to the Bankruptcy Court for approval the Successful Bid(s) for the Assets.

Following the Sale Hearing approving the sale Assets to a Successful Bidder(s), if such Successful Bidder(s) fails to consummate an approved sale because of a breach or failure to perform on the part of such Successful Bidder(s), the next highest or otherwise best Qualified Bid, as disclosed at the Sale Hearing, shall be deemed to be the Successful Bid and the Seller shall be authorized to effectuate such sale without further order of the Bankruptcy Court.

Modifications

The Trustee may (a) determine, in his business judgment, which Qualified Bid(s), 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, in the Trustee's sole discretion, is (i) inadequate or insufficient, (ii) not in conformity with the requirements of the Bankruptcy Code, the Bid Procedures, or the terms and conditions of sale, or (iii) contrary to the best interests of the Debtor, its estate, and its creditors. At or before the Sale Hearing, the Trustee may impose such other terms and conditions as they may determine to be in the best interests of the Debtor's estate, its creditors and other parties in interest.

EXHIBIT B

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (the "Agreement") is entered into and effective as of January 10, 2012, by and among Sustainable Power Group, LLC (the "Buyer") and George Hofmann (the "Seller"), solely in his capacity as Chapter 7 Trustee of Renewable Energy Development Corporation ("REDCO"). The Buyer and the Seller are referred to collectively herein as the "Parties" and individually as a "Party."

A. REDCO filed a voluntary petition under Chapter 7 of Title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the District of Utah (the "Bankruptcy Court"), Case No. 11-38145 WTT (the "Bankruptcy Case") on December 30, 2011;

B. REDCO was in the business, working in conjunction with certain of its subsidiaries, to develop a variety of solar and wind projects in the United States (the "Business");

C. Among REDCO's debts was a secured claim REDCO owed to AEG Power Solutions USA, Inc. ("AEG"), in the original principal amount of \$1,000,000 (the "AEG Secured Claim");

D. AEG's claim was secured by substantially all of the assets of REDCO;

E. Pursuant to a Sale Agreement dated January 5, 2012, the Buyer purchased the AEG Secured Claim;

F. Seller wishes to sell to Buyer, and Buyer wishes to purchase from Seller, substantially all of the Debtor's assets, free and clear of liens, claims, encumbrances and interests pursuant to Bankruptcy Code § 363, other than the Assumed Obligations; and

G. Seller wishes to assign to Buyer, and Buyer wishes to assume from Seller, certain executory contracts and unexpired leases pursuant to Bankruptcy Code § 365.

Now, therefore, in consideration of the premises and the mutual promises herein made, and in consideration of the representations, warranties, and covenants herein contained, the Parties hereby agree as follows.

DEFINITIONS

The following terms shall have the meanings set forth below as used in this Agreement:

"Accounts Receivable" means any and all accounts receivable, trade receivables, notes receivable and other receivables arising out of the Business.

"AEG" shall have the meaning assigned to it in the Recitals.

"AEG Secured Claim" shall have the meaning assigned to it in the Recitals.

"Agreement" means this Asset Purchase Agreement, including all Exhibits hereto, as it may be amended from time to time in accordance with its terms.

“Assets” means substantially all of the tangible and intangible assets of every kind and nature of Seller existing on the Closing Date, including the following assets:

(a) Seller’s member or equity interests in: UofU Solar 1, LLC, REDCO-CIN Solar 1, LLC, OUS Solar 1, LLC, OUS Solar 2, LLC, and OUS Solar 4, LLC;

(b) all right, title and interest in and to the Intellectual Property;

(c) all ownership, leasehold and real property interests of whatever nature, except those “Excluded Leases” contained in Exhibit A, including the Cal Farley’s Boys Ranch Lease Option Agreement, the Cal Farley’s Ranch MET Tower Agreement, the Option Agreement for Rooftop Lease with Prudential REIT (together with any other intangible assets related to the Prudential contract and project, including, without limitation, all buildings, structures, fixtures and other improvements situated thereon or attached thereto), and including all of Seller’s right, title and interest in and to all leases, subleases, franchises, licenses, permits, easements, privileges, rights-of-way, riparian and other water rights, lands underlying any adjacent streets or roads and appurtenances pertaining to or accruing to the benefit of such property;

(d) all Equipment used in the operation of the Business, wherever located and all warranties and guarantees, if any, express or implied, existing on the Closing Date for the benefit of the Seller in connection with the Equipment;

(e) all management information systems, computers, hardware and software either owned by the Seller or otherwise used in the operation of the Business;

(f) with the exception of the books and records included in the definition of Excluded Assets below, all books, records and accounts, correspondence, production records, technical, accounting, manufacturing and procedural manuals, customer lists, vendor lists, employment records, research material, drawings, studies, reports or summaries relating to any environmental conditions or consequences of any operation, present or former, and any information (including confidential information) which has been reduced to writing relating to or arising out of the operation of the Business;

(g) all Inventories;

(h) the Assumed Contracts;

(i) all licenses, permits or franchises issued by any federal, state, municipal or foreign authority relating to the development, use, maintenance or occupation of the Seller or the Business;

(j) all rights under express or implied warranties in favor of the Seller existing on the Closing Date;

(k) all right, title and interest in and to all goods and services and all other economic

benefits to be received subsequent to the Closing Date arising out of prepayments and payments by the Seller prior to the Closing Date, including without limitation Seller's deposit with Idaho Power and PacifiCorp;

(l) all right, title and interest in and to any insurance policies in existence on the Closing Date;

(m) all personal computers, computer hardware and software, and other management information systems of Seller, whether owned by Seller or used in the Business;

(n) all rights to non-disclosure agreements, including any rights of REDCO or the Seller in any non-disclosure agreements signed after the date of this Agreement and before the Closing, including without limitation any rights to sue for breach of any such agreements or any rights to obtain injunctive relief pursuant to such agreements;

(o) all Accounts Receivable; and

(p) the goodwill in or arising from the Assets and the Business

provided, however, that, notwithstanding the foregoing, the term "Assets" shall not include the Excluded Assets.

"Assignment and Assumption Agreement" means the Assignment and Assumption Agreement, substantially in the form attached hereto as Exhibit B.

"Assumed Contracts" shall mean those Contracts that are listed on Exhibit C hereto, as such exhibit may be amended by Buyer, in its sole discretion, at or prior to the Auction Date. Exhibit C includes a list of the contracts to be assumed by the Seller and assigned to the Buyer pursuant to Bankruptcy Code § 365, and in each instance an amount determined by the Buyer in good faith, which Buyer believes represents the amount, if any, required to cure any defaults under each of the Assumed Contracts pursuant to Bankruptcy Code § 365(b)(1).

"Assumed Obligations" shall have the meaning set forth in Section 1.02 hereof.

"Auction Date" shall have the meaning assigned to it in Section 4.04.

"Bankruptcy Case" shall have the meaning assigned to it in the Recitals.

"Bankruptcy Code" shall have the meaning assigned to it in the Recitals.

"Bankruptcy Court" shall have the meaning assigned to it in the Recitals.

"Bill of Sale" means the Bill of Sale, substantially in the form attached hereto as Exhibit D.

“Business” shall have the meaning assigned to it in the recitals.

“Cash Consideration” shall have the meaning assigned to it in Section 1.02;

“Claims” means all claims, encumbrances, liabilities, options, charges, obligations, Taxes, Employee Claims, rights of third parties (express or implied), restrictions, licenses, and interests of any kind or nature whatsoever, in law or equity, including, but not limited to, the definition of “claim” under the Bankruptcy Code.

“Closing” means the consummation of the transactions contemplated herein in accordance with Article V hereof.

“Closing Date” means the date on which the Closing occurs or is to occur.

“Contract” means any contract, lease, commitment, sales order, purchase order, indenture, mortgage, note, bond, instrument, license or other agreement.

“Cure Amounts” means the amounts designated by the Buyer as the “cure amount” with respect to each of the Assumed Contracts on Exhibit C.

“Deposit” shall have the meaning assigned to it in Section 1.02.

“Employee Claims” means (i) any claims for severance pay, termination pay, redundancy pay, pay in lieu of notice or any other claim for similar compensation or damages relating to the termination of any employee or independent contractor of the Seller prior to the Closing Date, or (ii) any claims for compensation by any employee or independent contractor of the Seller for services rendered prior to the Closing Date.

“Encumbrance” means any and all Liens and Claims.

“Environmental Law(s)” means any federal, state or local law (including any statute, rule, regulation, ordinance, code or rule of common law), and any judicial or administrative interpretation thereof, and any decree, judgment, policy, written guidance or judicial or administrative order relating to the environment, health, safety, or Hazardous Materials, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9901 et seq., the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901 et seq., the Emergency Planning and Community Right-to-Know Act, 42 U.S.C. § 11001 et seq., the Clean Air Act, 42 U.S.C. § 7401 et seq., the Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq., the Toxic Substance Control Act, 15 U.S.C. § 2601 et seq., the Safe Drinking Water Act, U.S.C. § 300f et seq., the Occupational Safety and Health Act, 42 U.S.C. § 1801 et seq., the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. § 136 et seq., the Hazardous Materials Transportation Act, 49 U.S.C. § 1801 et seq., and their state counterparts or equivalents, all as amended, and any regulations or rules adopted or publications promulgated pursuant thereto.

“Environmental Liabilities” means claims under any Environmental Law relating to the

real property or operation of the Business; provided, that such claims relate to violations of Environmental Law (and only to such extent) that existed prior to the Closing Date.

“Environmental Permit” means any of the Permits required by or pursuant to any applicable Environmental Law.

“Equipment” means any and all of the machinery, equipment, installations, furniture, tools, molds, spare parts, supplies, maintenance equipment and supplies, materials, automobiles, trucks and other vehicles and other items of personal property of every kind and description, usually located on or at the real property, or otherwise used in connection with the Business.

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

“Excluded Assets” means the following tangible and intangible assets of Seller:

(a) all of Seller’s cash and cash equivalents, interests in deposit or checking accounts, certificates of deposit, treasury bills and other freely-tradable marketable securities of Seller as of the Closing Date, and the Cash Consideration;

(b) all of Seller’s rights to insurance proceeds or other insurance contract recoveries in respect of any of the Excluded Assets and Excluded Liabilities;

(c) all Contracts other than the Assumed Contracts; and

(d) all business books and records of REDCO which the Seller deems necessary to administer REDCO’s bankruptcy estate, provided that Buyer shall have access to such books and records and the right to make a copy of such books and records at the Buyer’s sole discretion and expense;

(e) all claims arising under Chapter 5 of the Bankruptcy Code in connection with the Bankruptcy Case;

(f) all claims of any nature of REDCO against Ryan Davies;

(g) Seller’s member or equity interests in: Blue Mountain Wind, LLC and OUS Solar 3, LLC;

(h) all right, title and interest in and to Seller’s deposit with Parkway Office Condos, LLC; and

(i) the Excluded Leases contained in Exhibit A.

“Excluded Liabilities” means all Claims against, liabilities or obligations other than those liabilities specifically identified as Assumed Obligations, including, without limitation:

- (a) all Employee Claims;
- (b) all liabilities or obligations arising out of or relating to the violation of any federal, state, local or foreign law, treaty, statute, ordinance, regulation, rule, code, order or requirement of any federal, state, local or foreign governmental authority;
- (c) all liabilities or obligations arising from or in connection with the Excluded Assets;
- (d) all liabilities or obligations of every kind and nature, whether actual, contingent, or otherwise, with respect to all actions, suits, proceedings or investigations arising out of or related to the operation of the Business prior to the Closing Date;
- (e) all liabilities or obligations with respect to Taxes for periods, including the partial period immediately preceding the Closing Date, prior to the Closing Date;
- (f) all liabilities or obligations relating to products sold or services provided (including, without limitation, any product liability or claim for injury) by or on behalf of the Seller prior to the Closing Date; and
- (g) all Environmental Liabilities.

“Final Order” means an order of the Bankruptcy Court which waives the stay period which would otherwise apply under Fed. R. Bankr. P. 6004(g), that is final, and not subject to any stay.

“Governmental Authority” means the government of the United States or any state or political subdivision thereof and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

“Hazardous Materials” means any materials which are crude or refined oil or fractions thereof, petroleum, PCBs, friable asbestos, urea formaldehyde, flammable explosives, radioactive materials, hazardous wastes, toxic, mutagenic or pathogenic substances, paint containing lead or mercury; including, without limitation, any substances which are substances defined as or included in the definition of “hazardous substances,” “hazardous wastes,” “hazardous materials,” or “toxic substances” under any applicable federal or state laws or regulations.

“Intellectual Property” means all United States and foreign patents, patent registrations and patent applications, patent licenses, trade names, trademarks, trademark licenses, service marks and trademark registrations (and applications therefor), copyrights, copyright registrations, copyright licenses (and applications therefor), trade secrets, inventions, processes, designs, know-how, show-how, recipes, formulae, operating manuals, computer software, technology or the like, and all applications for any of the foregoing, used in the conduct of the Business, together with the goodwill associated therewith and including all rights to sue for past

infringement in connection therewith.

“Inventories” means all of Seller’s inventories, including all raw materials, work in process and finished goods inventories, wherever located.

“Lien” means any interest in property securing an obligation, whether such interest is based on common law, statute, or contract (and including, but not limited to, any security interest or lien arising from a mortgage, pledge, charge, easement, servitude, security agreement, conditional sales or trust receipt, or a lease, consignment or bailment for security purposes), reservations, exceptions covenants, conditions, restrictions, leases, subleases, licenses, occupancy agreements, pledges, equities, charges, assessments, covenants, reservations, mechanics’ liens, Taxes, defects in title, encroachments and other burdens, and other title exceptions and encumbrances affecting property of any nature, whether accrued or unaccrued, tangible or intangible, or absolute or contingent, including, but not limited to, the definition of “lien” under the Bankruptcy Code.

“Losses” means all liabilities, losses, costs, damages and penalties (including, without limitation, attorneys’ fees and expenses and costs of investigation and litigation).

“McCalmont Obligation” shall have the meaning set forth in Section 1.02.

“Notice to Exclude Assets” shall have the meaning set forth in Section 4.05.

“Okland Obligation” shall have the meaning set forth in Section 1.02.

“Permits” means all of the licenses, permits, variances, interim permits, permit applications, approvals or other authorizations under any law, statute, rule, regulation, order or ordinance required by any Governmental Authority in connection with the operation of the Business and ownership of real property.

“Purchase Price” shall have the meaning set forth in Section 1.02.

“Tax” or “Taxes” means all taxes, charges, fees, duties, levies or other assessments, including (without limitation) income, gross receipts, net proceeds, ad valorem, turnover, real and personal property (tangible and intangible), sales, use, franchise, excise, value added, stamp, leasing, lease, user, transfer, fuel, excess profits, occupational, interest equalization, windfall profits, severance and employees, income withholding, unemployment and Social Security taxes, which are imposed by the United States, or any state, local or foreign government or subdivision or agency thereof, and such term shall include any interest, penalties or additions to tax attributable to such Taxes.

ARTICLE I PURCHASE AND SALE

Section 1.01. Sale and Purchase. Subject to the terms and conditions set forth in this

Agreement, on the Closing Date Seller shall sell, assign, transfer, convey and deliver to Buyer, and Buyer shall accept, acquire and take assignment and delivery of, all of the Assets. Seller shall transfer the Assets to Buyer pursuant to a Bill of Sale substantially in the form of Exhibit D. Buyer shall purchase the Assets pursuant to a Final Order of the Bankruptcy Court, free and clear of all Encumbrances (other than the Assumed Obligations) to the fullest extent possible under Bankruptcy Code Section 363. Buyer acknowledges that it is not purchasing and Seller is not selling, any of the Excluded Assets under this Agreement.

Section 1.02. Payment of Purchase Price. Subject to the terms and conditions hereof, at the Closing, Buyer shall provide consideration in the amount of approximately \$3,252,410.22^a (the "Purchase Price"), as follows:

(i) \$40,000 in cash (the "Cash Consideration"), payable (a) through a deposit in the amount of \$20,000 paid by Buyer to Seller contemporaneously with the execution of this Agreement (the "Deposit"), and (b) an additional \$20,000 paid by Buyer to Seller on the Closing Date; and

(ii) \$1,058,767.12 in the form of a credit bid of the AEG Secured Claim, which is the full amount of the AEG Secured Claim;

(iii) Buyer's assumption of (a) REDCO's liability to McCalmont Engineering, in the approximate amount of \$52,043.10 related to engineering services for the solar installation at the University of Utah (the "McCalmont Obligation"); (b) REDCO's liability to Okland Construction, in the approximate amount of \$2,101,600 related to installation services for the solar installation at the University of Utah (the "Okland Obligation"); (c) all Cure Amounts; and (d) any taxes (including sales or transfer taxes), transfer fees, any personal property taxes, or other costs incurred in connection with the sale of the Assets (collectively, the "Assumed Obligations").

Section 1.03 "As Is" Sale. Notwithstanding anything to the contrary, the Assets are being sold "as is" and "where is" in all respects; neither Seller nor any of his agents, attorneys, or representatives have made or makes any warranty or representation whatsoever regarding the Assets, or any other matter in any way related to the Assets, including, but not limited to, title to the Assets, use, value, or any other condition of the Assets. Buyer agrees that it is not relying on and specifically waives any claim of liability based on any statement, representation, warranty, promise, covenant, or undertaking by Seller or any other person representing or purporting to represent Seller in connection with the sale of the Assets. To the extent Buyer wishes to move or transport any of the Assets from their present location, it shall be Buyer's responsibility at Buyer's expense to move or transport the Assets. BY SIGNING BELOW, SELLER EXPRESSLY DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES, EXPRESS, IMPLIED, OR STATUTORY, IN CONNECTION WITH THE SALE OF THE ASSETS, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

^a Subject to any applicable adjustment to the lien amounts set forth in Section 1.02(iii).

Section 1.04 Buyer's Breach. In the event of Buyer's default of its obligations described in Section 1.01, Seller will retain as damages the Deposit, without notice to Buyer. In such event, Seller reserves the right to resell the Assets without notice to Buyer. In the event the Closing does not occur for any reason other than the fault of Buyer, including without limitation, the failure to obtain approval from the Bankruptcy Court, the Deposit shall be fully refunded to Buyer. Notwithstanding anything to the contrary contained in this Agreement, Buyer's obligations hereunder are subject to the Bankruptcy Court's approval of the transaction contemplated hereunder, and the terms and conditions of this Agreement.

ARTICLE II REPRESENTATIONS AND WARRANTIES OF SELLER

The Seller hereby represents and warrants to Buyer as follows:

Section 2.01 Authority. Subject to Bankruptcy Court approval, this Agreement has been duly and validly executed and delivered by the Seller and constitutes a legal and binding obligation of the Seller, enforceable against the Seller in accordance with its terms. Subject to Bankruptcy Court approval, the Seller has the requisite power and authority to execute, deliver and perform this Agreement and to consummate the transactions contemplated hereby.

Section 2.02 Non-Contravention. The execution, delivery and performance by the Seller of this Agreement and the consummation by the Seller of the transactions contemplated hereby, will not, with or without the giving of notice or lapse of time, (A) violate any provision of law, statute, rule or regulation to which the Seller is subject, (C) violate any order, judgment or decree applicable to the Seller, or (C) conflict with, or result in a breach or default under, any term or condition of any material agreement or other instrument to which the Seller is a party or by which the Seller is bound.

Section 2.03 No Other Agreement. Seller has not entered into any contract, agreement, arrangement or understanding with respect to the sale or other disposition of the Assets except as set forth in this Agreement.

Section 2.04 Brokers. Seller has not agreed to pay any party a commission, finder's fee or similar payment in regard to the transaction contemplated by this Agreement and has not taken any action on which a claim for any such payment could be based.

ARTICLE III REPRESENTATIONS AND WARRANTIES OF THE BUYER

The Buyer represents and warrants to the Seller as follows:

Section 3.01 Authority. This Agreement has been duly and validly executed and delivered by Buyer and constitutes a legal and binding obligation of the Buyer, enforceable against Buyer in accordance with its terms. Buyer has the requisite corporate power and authority to execute, deliver and perform this Agreement and to consummate the transactions

contemplated hereby.

Section 3.02 Non-Contravention. The execution, delivery and performance by Buyer of this Agreement and the consummation by the Purchaser of the transactions contemplated hereby, will not, with or without the giving of notice or lapse of time, (A) violate any provision of the articles of organization or operating agreement of the Buyer, (B) violate any provision of law, statute, rule or regulation to which Buyer is subject, (C) violate any order, judgment or decree applicable to Buyer, or (D) conflict with, or result in a breach or default under, any term or condition of any material agreement or other instrument to which Buyer is a party or by which Buyer is bound.

Section 3.03 No Representations. No oral or written representations have been made other than as stated in this Agreement, and no oral or written information furnished to Buyer or Buyer's advisor(s) in connection with the purchase and sale of the Assets was in any way inconsistent with the information stated in this Agreement. Buyer acknowledges that it has been advised that no person or entity is authorized to give any information, or to make any statement regarding the Seller or the Assets, and that any such information or statement must not be relied upon as having been authorized by the Seller, its officers, directors, affiliates or professional advisors.

Section 3.04 No Reliance. Buyer is not relying on Seller with respect to the tax and other economic considerations of its acquisition. Buyer has consulted its own financial, legal and tax advisors with respect to the economic, legal and tax consequences of an investment in the Assets and has not relied on Seller or his agents or representatives for advice as to such consequences.

Section 3.05 Brokers. Buyer has not agreed to pay any party a commission, finder's fee or similar payment in regard to the transaction contemplated by this Agreement and has not taken any action on which a claim for any such payment could be based.

ARTICLE IV PRE-CLOSING COVENANTS

The Parties agree that from the date hereof to the Closing Date:

Section 4.01 Implementing Agreement. The Parties will use their best efforts in good faith to perform and fulfill all conditions and obligations to be fulfilled or performed by them hereunder, to the end that the transactions contemplated hereby will be fully and timely consummated. Seller covenants and agrees that he shall as soon as practicable after execution of this Agreement take all steps necessary to obtain a Final Order of the Bankruptcy Court approving this Agreement and the transactions contemplated hereby (including, without limitation the assumption of the Assumed Contracts, and the sale of the Assets, in each case free and clear of all Encumbrances to the fullest extent possible under Bankruptcy Code Section 363, with the exception of the Assumed Obligations), the form of which, prior to filing, must be approved by the Buyer in its reasonable discretion.

Section 4.02 Consents and Approvals. The Parties will use their reasonable best efforts to obtain all necessary consents and approvals to the performance of its obligations under this Agreement and the transactions contemplated hereby. The Parties will make all filings, applications, statements and reports to all Governmental Authorities which are required to be made prior to the Closing Date pursuant to any applicable statute, rule or regulation in connection with this Agreement and the transactions contemplated hereby.

Section 4.03 Access to Information. Seller shall give Buyer and Buyer's representatives full access during normal business hours, to all of the facilities, properties, books, contracts, commitments and records of Seller. In order that the Buyer may have full opportunity to make such examination and investigation as it may desire of the business and affairs of the Seller, the Seller will furnish the Buyer and its representatives during such period with all such information as such representatives may reasonably request.

Section 4.04 Subject to Higher and Better Offers. This sale and the transactions contemplated by this Agreement are subject to higher and better offers. That means that if another buyer is willing to purchase the Assets, or a portion of the Assets, for consideration which the Seller believes, in its reasonable judgment, represents a higher and better offer for some or all of the Assets, then the Seller may accept that higher and better offer. However, if the Seller receives a higher and better offer from a third party, the Seller will provide the Buyer with an opportunity to submit an even higher offer. The Seller intends to publicize the sale of the Assets, and to provide other parties with access to information concerning the Assets, provided that any party provided access to information concerning the Assets shall have first executed an appropriate non-disclosure agreement in the form attached hereto as Exhibit E. The Seller will request the Bankruptcy Court to approve his conduct of a public auction sale of the Assets to be conducted on January 27, 2012 at 10:00 a.m. (the "Auction Date") at the offices of the Seller.

Section 4.05 Right to Exclude Assets. At any time at or prior to the Auction Date, Buyer may provide written notice to Seller (the "Notice to Exclude Assets") that it elects to remove any particular asset from the list of Assets to be purchased under this Agreement. Upon delivery of the Notice to Exclude Assets, the assets identified therein shall each be considered an "Excluded Asset" as defined herein. Any exclusion of an asset under this Section 4.05 shall not reduce the Purchase Price.

ARTICLE V CLOSING

Section 5.01 Closing. The Closing shall take place at the offices of Parsons Kinghorn Harris, P.C. no later than January 31, 2012.

Section 5.02 Deliveries by Seller. At the Closing, Seller will deliver to Buyer the following:

- (a) The Bill of Sale, executed by Seller, in form and substance satisfactory to

the Buyer transferring the Assets to the Buyer; and

(b) The Assignment and Assumption Agreement, executed by the Seller, in form and substance satisfactory to the Buyer,

Section 5.03 Deliveries by Buyer. At the Closing, Buyer will deliver the following:

(a) the Purchase Price; and

(b) the Assignment and Assumption Agreement, executed by the Buyer, in form and substance reasonably satisfactory to the Seller.

ARTICLE VI POST-CLOSING COVENANTS

The Parties agree to perform and/or observe, as may be the case, the provisions of this Article VI with respect to the period following the Closing Date.

Section 6.01 Further Assurances. In case at any time after the Closing Date any further action is necessary or desirable to carry out the purposes of this Agreement, each of the Parties will take such further action, including the execution and delivery of additional instruments and documents, as the other Party reasonably may request, all at the sole cost and expense of the requesting Party (unless the requesting Party is entitled to and to the extent of indemnification therefor under Article VII below).

Section 6.02 Litigation Support. In the event and for so long as any Party actively is contesting or defending against any action, suit, proceeding, hearing, investigation, charge, complaint, claim, or demand regarding a third party(ies) in connection with (i) any transaction contemplated under this Agreement or (ii) any fact, situation, circumstance, status, condition, activity, practice, plan, occurrence, event, incident, action, failure to act, or transaction occurring on or prior to the Closing Date involving the Business, the other Party will cooperate with the contesting or defending Party and its counsel in the contest or defense, reasonably make available its personnel, and provide such testimony and access to its books and records as shall be necessary in connection with the contest or defense, all at the sole cost and expense of the contesting or defending Party (unless the contesting or defending Party is entitled to and to the extent of indemnification therefor under Article VII below).

ARTICLE VII INDEMNIFICATION

Section 7.01 Indemnification by the Buyer. The Buyer agrees to indemnify, defend and hold harmless the Seller and REDCO's bankruptcy estate, and their successors and assigns from, against and with respect to any and all Losses arising out of or in any manner incident, relating or attributable to the McCalmont Obligation or the Okland Obligation. Buyer's indemnification obligations under this Agreement shall be secured by a first-priority security interest in the Assets, and Buyer hereby grants Seller a first-priority security interest in the Assets to secure its obligations under this Article VII.

Section 7.02 Claims for Indemnification. In the event of the occurrence of any event which Seller asserts is an identifiable event pursuant to this Article VII, the Seller shall provide the Buyer notice, specifying the facts and circumstances with respect to such claim and the basis for which indemnification is available hereunder, provided, however, that the failure to provide such notice shall only release Buyer from any of its obligations under this Article VII to the extent Buyer is prejudiced by such failure. The Seller shall be entitled to sole control over the defense of any such claim.

Section 7.03 Release of First-Priority Security Interest. Upon payment in full of the McCalmont Obligation and the Okland Obligation, (i) the indemnification obligations under this Agreement together with Seller's first-priority security interest in the Assets shall expire and be null and void; (ii) Buyer shall be authorized to file any and all terminations to Uniform Commercial Code financing statements to evidence the termination of the first-priority security interest in the Assets; and (iii) Seller shall cooperate in taking any actions or providing any documentation that Buyer deems reasonably necessary to evidence the termination of the first-priority security interest in the Assets.

ARTICLE VIII TERMINATION

Section 8.01 Termination. This Agreement may be terminated at any time on or prior to the Closing Date:

- (a) with the written mutual consent of the Seller and Buyer;
- (b) by Buyer or Seller, if any court, including the Bankruptcy Court, or Governmental Authority has issued an order, decree or ruling or taken any other action restraining, enjoining or otherwise prohibiting the transactions contemplated by this Agreement, and such order, decree, ruling or other action has become final and non-appealable, provided that this Agreement shall not be terminated unless the Party terminating this Agreement has utilized its reasonable best efforts to oppose the issuance of such order, decree or ruling or the taking of such action;
- (c) by either Buyer or Seller, if the other Party is in material breach of any representation, warranty, covenant or agreement contained in this Agreement and fails to cure such breach within fifteen (15) days of notice of such breach by the non-breaching Party (provided, that no Party may terminate this Agreement under this clause if such Party is in material breach of its obligations under this Agreement); or
- (d) by Buyer, if the Bankruptcy Court has not issued on or before January 31, 2012, a Final Order, reasonably acceptable to Buyer, approving the transactions contemplated hereby; and
- (e) by either Buyer or Seller, if the Closing has not occurred on or prior to

January 31, 2012, for any reason other than the breach of any provision of this Agreement by the Party terminating this Agreement.

In the event of any termination pursuant to this Section 8.01, written notice setting forth the reasons thereof shall forthwith be given by Buyer, if Buyer is the terminating Party, to Seller, or by Seller, if Seller is the terminating Party, to Buyer.

Section 8.02 Effect of Termination; Remedies.

(a) In the event of termination pursuant to Section 8.01, this Agreement shall become null and void and have no effect (other than this Article VIII, which shall survive termination), with no liability on the part of Seller or Buyer, or their respective directors, officers, employees, agents or stockholders, with respect to this Agreement.

(b) This Article VIII shall terminate upon the Closing.

**ARTICLE IX
MISCELLANEOUS**

Section 9.01 Expenses. Subject to the terms of this Agreement, each Party hereto shall bear its own expenses with respect to the transactions contemplated by this Agreement.

Section 9.02 Survival. All covenants and agreements made herein or in any document delivered pursuant to this Agreement shall survive the Closing Date and remain in full force and effect in accordance with their respective terms and until the applicable statute of limitations has expired.

Section 9.03 Amendment. This Agreement may be amended, modified or supplemented only in a writing signed by each of the Parties hereto.

Section 9.04 Notices. Any notice, request, instruction or other document to be given hereunder by a Party hereto shall be in writing and shall be deemed to have been given, (i) when received if given in person, (ii) on the date of acknowledgment of receipt if sent by telex, facsimile or other wire transmission or (iii) three days after being deposited in the U.S. mail, certified or registered mail, postage prepaid:

If to Buyer, addressed to Buyer as follows:

Sustainable Power Group, LLC
Attn: J.I. Everest, II
1524 East Arlington Drive
Salt Lake City, Utah 84103
Phone: 801-886-3000
Fax: 801-886-0424

with a copy to:

Danny C. Kelly
Stoel Rives LLP
201 S. Main Street, Suite 1100
Salt Lake City, Utah 84111
Phone: 801-578-6979
Fax: 801-578-6999

If to Seller, addressed to Seller as follows:

George Hofmann, Trustee
Parsons Kinghorn Harris
111 East Broadway, 11th Floor
Salt Lake City, Utah 84111
Phone: 801-363-4300
Fax: 801-363-4378

or to such other individual or address as a Party hereto may designate for itself by notice given as herein provided.

Section 9.05 Waivers. The failure of a Party hereto at any time or times to require performance of any provision hereof shall in no manner affect its right at a later time to enforce the same. No waiver by a Party of any condition or of any breach of any term, covenant, representation or warranty contained in this Agreement shall be effective unless in writing, and no waiver in any one or more instances shall be deemed to be a further or continuing waiver of any such condition or breach in other instances or a waiver of any other condition or breach of any other term, covenant, representation or warranty.

Section 9.06 Counterparts; Facsimile Signatures. This Agreement (and any agreement, certificate or other document delivered hereunder) may be executed simultaneously in counterparts and with facsimile signatures, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Section 9.07 Headings. The headings preceding the text of Articles and Sections of this Agreement are for convenience only and shall not be deemed part of this Agreement.

Section 9.08 Applicable Law. This Agreement shall be governed by and construed and enforced in accordance with the internal laws of the State of Utah.

Section 9.09 Consent to Jurisdiction. Any legal action or other proceeding for any purpose with respect to this Agreement shall be brought in the Bankruptcy Court. The Parties hereby submit to the exclusive jurisdiction of the Bankruptcy Court and waive any objection to the propriety or convenience of venue in the Bankruptcy Court.

Section 9.10 Assignment. This Agreement shall be binding upon and inure to the

benefit of the Parties hereto and their respective heirs, personal representatives, successors and assigns.

Section 9.11 Entire Understanding. This Agreement (including the Exhibits attached hereto and the agreements and other ancillary documents referenced or contemplated herein) set forth the entire agreement and understanding of the Parties hereto in respect to the transactions contemplated hereby and supersede all prior agreements, arrangements and understandings relating to the subject matter hereof and are not intended to confer upon any other person any rights or remedies hereunder. There have been no representations or statements, oral or written, that have been relied on by any Party hereto, except those expressly set forth in this Agreement.

Section 9.12 Parties in Interest. This Agreement shall be binding upon and inure solely to the benefit of each Party hereto and their permitted assigns, and nothing in this Agreement, express or implied, is intended to confer any rights or remedies of any nature whatsoever under or by reason of this Agreement upon any other person. Nothing in this Agreement shall be construed to create any rights or obligations except between the Parties hereto, and no person or entity shall be regarded as a third-party beneficiary of this Agreement.

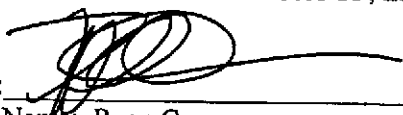
Section 9.13 Interpretation. The Parties hereto acknowledge and agree that: (i) each Party and its or his counsel reviewed and negotiated the terms and provisions of this Agreement and have contributed to their revision; (ii) the rule of construction to the effect that any ambiguities are resolved against the drafting party shall not be employed in the interpretation of this Agreement; and (iii) the terms and provisions of this Agreement shall be construed fairly as to all Parties hereto and not in favor of or against any Party, regardless of which Party was generally responsible for the preparation of this Agreement.

Section 9.14 Severability. In the event that any court of competent jurisdiction shall finally determine that any provision, or any portion thereof, contained in this Agreement shall be void or unenforceable in any respect, then such provision shall be deemed limited to the extent that such court determines it enforceable, and as so limited shall remain in full force and effect. In the event that such court shall determine any such provision, or portion thereof, wholly unenforceable, the remaining provisions of this Agreement shall nevertheless remain in full force and effect.

[signature page follows]

IN WITNESS WHEREOF, the Parties hereto have caused this Asset Purchase Agreement to be executed and delivered on the date first above written.

SUSTAINABLE POWER GROUP, LLC

By: 
Name: Ryan Creamer
Title: CEO


By: 
George Hofmann, solely in his capacity
as Chapter 7 Trustee for Renewable
Energy Development Corporation

EXHIBIT A
Excluded Leases

Lessor	Date Signed	Location of Property
Nielson, Garda—Trustee	11/04/2011	San Juan County, Utah
Redd, Grayson & Jan	11/18/2011	San Juan County, Utah
Schafer, Nila	11/21/2011	San Juan County, Utah
SSP, Scott Rasmussen Trustee	11/14/2011	San Juan County, Utah
Urry, Lawrence W. & Judith L.	11/21/2011	San Juan County, Utah
Wildman, Lester	11/21/2011	San Juan County, Utah
Black, Kenneth S. & Amber N.	11/09/2011	San Juan County, Utah
Christiansen, Clay D. & Diane E.	11/21/2011	San Juan County, Utah
Francom, William Bruce Sr. & Kay	11/16/2011	San Juan County, Utah
Francom, Richard D.	11/21/2011	San Juan County, Utah
Halls, Gary	10/23/2011	San Juan County, Utah
Meyer, Stephen Kenneth & Bonnie G.	11/29/2011	San Juan County, Utah

EXHIBIT B
(Assignment and Assumption Agreement)

**EXHIBIT B
FORM OF ASSIGNMENT AND
ASSUMPTION AGREEMENT**

ASSIGNMENT AND ASSUMPTION AGREEMENT

This ASSIGNMENT AND ASSUMPTION AGREEMENT (this "Agreement"), is entered into and effective as of January __, 2012, by and among Sustainable Power Group, LLC (the "Assignee") and George Hofmann (the "Assignor"), solely in his capacity as Chapter 7 Trustee of Renewable Energy Development Corporation.

WHEREAS, Assignor and Assignee have entered into that certain Asset Purchase Agreement dated January 10, 2012, (as amended, restated, modified or supplemented from time to time, the "Purchase Agreement"), providing for the sale and transfer by Assignor to Assignee of certain assets relating to the operation of the "Business" (as defined in the Purchase Agreement); and

WHEREAS, pursuant to the Purchase Agreement, Assignor has agreed to assign to Assignee on the date hereof, the Assumed Contracts, and any other agreement or instrument, listed on Attachment A hereto (collectively, the "Assigned Agreements").

NOW THEREFORE in consideration of the mutual covenants contained herein and in the Purchase Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged and the parties intending to be legally bound hereby, Assignor and Assignee agree as follows:

1. Capitalized terms used but not defined herein shall have the meanings given to them in the Purchase Agreement.

2. In accordance with the terms of the Purchase Agreement, Assignor hereby transfers, assigns and delivers to Assignee, free and clear of all Encumbrances, all of Assignor's right, title and interest in, to and under the Assigned Agreements pursuant to Section 365 of the Bankruptcy Code.

3. In accordance with the terms of the Purchase Agreement, Assignee shall hold all of Assignor's right, title, and interest in each of the Assigned Agreements and assumes all liabilities, obligations, commitments and responsibilities of Assignor accruing or arising from and after the Closing.

4. Assignor further transfers and assigns to Assignee, all of Assignor's right, title and interest in, to and under the Assumed Obligations. Assignee is not assuming and shall not have any obligations of Assignor with respect to any liability not specifically included within the definition of Assumed Obligations.

5. From time to time, at Assignee's or Assignor's request, whether on or after the date hereof and without further consideration, Assignor or Assignee, as applicable, shall execute and deliver to the other, or cause to be executed and delivered to the other, such further instruments of assignment, conveyance, and transfer as may be reasonably necessary to assign, convey and transfer the aforementioned contracts, permits, liabilities and obligations.

6. This Agreement is intended to evidence the consummation of the transactions contemplated by the Purchase Agreement and is in all respects subject to the provisions of the Purchase Agreement and is not intended in any way to supersede, limit or qualify any provision of the Purchase Agreement. To the extent that any provision of this Agreement is inconsistent or conflicts with the Purchase Agreement, the Purchase Agreement shall control.

7. No oral or written representations have been made other than as stated herein and in the Purchase Agreement, and no oral or written information furnished to Assignee or Assignee's advisor(s) in connection with the purchase and sale of the Assigned Agreements was in any way inconsistent with the information stated herein and in the Purchase Agreement. Assignee acknowledges that it has been advised that no person or entity is authorized to give any information, or to make any statement regarding Assignor or the Assigned Agreements, and that any such information or statement must not be relied upon as having been authorized by Assignor, its officers, directors, affiliates or professional advisors.

8. The construction and performance of this Agreement shall be governed by the laws of the State of Utah without regard to its conflicts or choice of law provisions.

9. Subject to the Purchase Agreement, this Agreement shall be binding upon, and inure to the benefit of, the Assignor and Assignee and their respective successors and assigns. Nothing contained in this Agreement, express or implied, is intended to confer to any person other than the parties hereto or their respective successors and assigns, any rights, remedies, obligations or liabilities of any kind whatsoever under or by reason of this Agreement.

10. This Agreement (including any amendment hereof) may be executed in one or more counterparts, by facsimile signature or an email of a PDF signature, each of which shall be deemed an original, but all of which together shall be one and the same instrument.

11. None of the provisions of the Agreement may be waived, changed or altered except in a signed writing by Assignor and Assignee.

[Signature page follows]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and delivered effective as of the date first written above.

ASSIGNOR:

By: _____
George Hofmann, solely in his capacity as Chapter 7
Trustee for Renewable Energy Development
Corporation

ASSIGNEE:

SUSTAINABLE POWER GROUP, LLC

By: _____

Name: _____

Title: _____

Signature Page to Assignment and Assumption Agreement

ATTACHMENT A
Assigned Agreements

EXHIBIT C
(Assumed Contracts)

Lessor	Cure Amount	Location of Property
Roring, Corinne	\$0	San Juan County, Utah
Roring, John	\$0	San Juan County, Utah
Roring, Michale	\$0	San Juan County, Utah
Halls, Franklin Eric	\$0	San Juan County, Utah
Adams, Mike	\$0	San Juan County, Utah
Adams, Joseph John	\$0	San Juan County, Utah
Hoover Commercial Construction	\$0	San Bernardino County, CA
Cal Farley's Boys Ranch	\$0	Oldham County, Texas

EXHIBIT D
(Bill of Sale)

**EXHIBIT D
FORM OF BILL OF SALE**

BILL OF SALE

THIS BILL OF SALE (this "Bill of Sale"), dated as of January __, 2012, is delivered by George Hofmann (the "Seller"), solely in his capacity as Chapter 7 Trustee of Renewable Energy Development Corporation, to and in favor of, Sustainable Power Group, LLC (the "Buyer"), in connection with, and is subject to all of the terms and conditions of, that certain Asset Purchase Agreement, entered into by and between Seller and Buyer as of January 10, 2012 (as amended, restated, modified or supplemented from time to time on or prior to the date hereof, the "Purchase Agreement").

Capitalized terms, unless otherwise defined herein, have the respective meanings set forth in the Purchase Agreement. This Bill of Sale is in all respects subject to the Purchase Agreement, which shall govern the respective rights of Seller, on the one hand, and Buyer, on the other hand, with respect to the Assets, and nothing contained in this Bill of Sale shall in any way supersede, modify, replace, amend, change, rescind, waive, defeat, limit, impair, expand, exceed, enlarge or affect the provisions set forth in, or any person's rights, remedies or obligations under, the Purchase Agreement, this Bill of Sale being intended solely to effect the transfer of the purchased Assets pursuant to the Purchase Agreement. To the extent that any provision of this Bill of Sale is inconsistent or conflicts with the Purchase Agreement, the Purchase Agreement shall control.

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which is acknowledged and the parties intending to be legally bound hereby, Seller sells, transfers, assigns, conveys and delivers to Buyer and its successors and assigns to have and to hold forever, free and clear of all Encumbrances, all of such Seller's right, title and interest in, to or under the purchased Assets.

Seller covenants and agrees to execute and deliver to Buyer such other instruments of transfer as shall be reasonably necessary or appropriate to vest in Buyer good and indefeasible title to the purchased Assets free and clear of all Encumbrances.

This Bill of Sale shall be binding upon Seller and its successors and assigns and shall inure to the benefit of Buyer and its successors and assigns. Nothing in this Bill of Sale, express or implied, is intended to confer upon any person other than Buyer and its successors and assigns any legal or equitable benefit, claim, cause of action, remedy or right of any kind.

No oral or written representations have been made other than as stated herein and in the Purchase Agreement, and no oral or written information furnished to Buyer or Buyer's advisor(s) in connection with the purchase and sale of the purchased Assets was in any way inconsistent with the information stated herein and in the Purchase Agreement. Buyer acknowledges that it has been advised that no person or entity is authorized to give any information, or to make any statement regarding Seller or the purchased Assets, and that any such information or statement must not be relied upon as having been authorized by Seller, its officers, directors, affiliates or professional advisors.

The construction and performance of this Agreement shall be governed by the laws of the State of Utah without regard to its conflicts or choice of law provisions.

This Bill of Sale (including any amendment hereof) may be executed in one or more counterparts, by facsimile signature or an email of a PDF signature, each of which shall be deemed an original, but all of which together shall be one and the same instrument.

This Bill of Sale shall become effective as of the Closing.

[Signature page follows]

IN WITNESS WHEREOF, Seller has caused this Bill of Sale to be executed and delivered by its duly authorized representative as of the date first written above.

SELLER:

By: _____
George Hofmann, solely in his capacity as
Chapter 7 Trustee for Renewable Energy
Development Corporation

Acknowledged by Buyer:

SUSTAINABLE POWER GROUP, LLC

By: _____

Name: _____

Title: _____

SIGNATURE PAGE TO BILL OF SALE

EXHIBIT E
(Form of Non-Disclosure Agreement)

NON-DISCLOSURE AGREEMENT

This Non-Disclosure Agreement (this "Agreement"), effective as of _____, 2012 (the "Effective Date"), is entered into by _____ ("Potential Bidder"), and the employees and/or representatives of Potential Bidder who execute this Agreement below.

WHEREAS, Potential Bidder is considering entering into an agreement to acquire some or all of the assets of Renewable Energy Development Corporation (the "Debtor");

WHEREAS, the Debtor commenced bankruptcy case number 11-38145 under Chapter 7 of the Bankruptcy Code by filing a voluntary petition on December 30, 2011;

WHEREAS, George Hofmann (the "Trustee") is the duly appointed and acting Chapter 7 Trustee of the Debtor's bankruptcy estate;

WHEREAS, it is the Trustee's duty to maximize the assets of the Debtor's estate, and the Trustee believes that this duty includes exploring the sale of the Debtor's assets;

WHEREAS, Potential Bidder is unwilling to consider making an offer for the purchase of some or all of the Debtor's assets before Potential Bidder is able to perform its due diligence in connection with a potential offer;

WHEREAS, in connection with Potential Bidder's contemplated due diligence, it may become necessary for the Trustee to provide Potential Bidder with information the Trustee considers to be valuable, confidential, and proprietary to the Debtor;

NOW, THEREFORE, in consideration of the promises and covenants contained in this Agreement, and the Trustee's provision of Confidential Information to Potential Bidder, Potential Bidder and the employees and/or representatives of Potential Bidder executing this Agreement below agree as follows:

1. **Definitions.** For purposes of this Agreement, the following terms shall have the following meanings:

(a) "Trade Secrets" shall mean any information, including, without limitation, technical or non-technical data, formulas, patterns, compilations, computer programs and software, devices, drawings, processes, methods, techniques, data, lists of actual or potential customers and suppliers, and other business information of Debtor which (a) derives economic value, actual or potential, from not being generally known to or readily ascertainable by other persons who can obtain economic value from its disclosure or use; and (b) is maintained as secret by Debtor, to the extent reasonably possible under the circumstances.

(b) "Intellectual Property" shall mean any names, logos, trademarks, trademark rights, copyrights, copyright rights, patents, patent rights, internet domain names, insignia and any other identification and marks registered or otherwise used by the Debtor at any time during the existence of the Debtor's business; any and all customer

lists and prospect client lists, sales and marketing materials, case studies, project descriptions and histories, artwork (limited to artwork produced specifically for use in the Debtor's trade or business), brochures, videos, disks, tapes, titles, online materials, websites, source files, programming code, productions, recordings, reproductions and transcriptions; and any and all notebooks.

(c) "Confidential Information" shall mean any data or information that is proprietary to or confidential to Debtor and in the lawful possession of the Debtor, whether in tangible or intangible form, including, but not limited to, the following information:

- (i) Trade Secrets;
- (ii) Marketing strategies, plans, finance, operations, sales estimates, business plans, and performance results relating to the past, present, or future business activities of the Debtor;
- (iii) Information relating to the number, type, or content of the accounts processed by Debtor, including personal information and financial information about the Debtor's customers;
- (iv) Any policies, plans, procedures, methods, designs, systems, or processes used by the Debtor to maintain the security of any business operation;
- (v) Any scientific or technical information, design, algorithm, process, procedure, formula, or improvement;
- (vi) Any concepts, reports, data, know-how, curricula, programs, works-in-progress, designs, development tools, specifications, computer software, source code, object code, flow charts, databases, inventions, and information, whether or not the same is or may be patented or copyrighted; and
- (vii) Intellectual Property.

2. No Obligation to Mark Confidential Information. The Trustee and the Debtor shall have no obligation to designate information they provide to Potential Bidder as Confidential Information. All information received by Potential Bidder from the Trustee or the Debtor shall be deemed information treated by Debtor as Confidential Information and shall be treated by the parties hereto as Confidential Information unless otherwise established (under Section 5., below, or otherwise) or expressly designated in writing by the Trustee.

3. Obligations of Confidentiality. Potential Bidder shall:

(a) Strictly limit access to any Confidential Information received by Potential Bidder to its employees or its subcontractors who have a need to know, are directly responsible for the work for which the Trustee or the Debtor have revealed Confidential Information to Potential Bidder, and have agreed in writing to be bound by this Agreement;

(b) Safeguard all Confidential Information received by it using a reasonable degree of care, but not less than that degree of care used by it in safeguarding its own Confidential Information; and

(c) Not disclose any Confidential Information received by it to any third party, except as permitted under this Agreement.

4. Destruction of Information. Upon the termination of this Agreement or upon the request of the Trustee following the completion of the due diligence investigation by Potential Bidder, Potential Bidder shall collect and surrender, or confirm the destruction or non-recoverable data erasure of, all Confidential Information and all copies thereof, regardless of form, including information based on or including any Confidential Information, and any such destruction shall be certified and warranted in writing to the Trustee by Potential Bidder or an authorized officer of Potential Bidder supervising such destruction, as the case may be.

5. Exception to Confidentiality. The obligations of confidentiality and restriction on use contained in this Agreement shall not apply to any Confidential Information (including any Trade Secrets) that:

(a) Was in the public domain prior to the date of this Agreement or subsequently came into the public domain through no fault of Potential Bidder;

(b) Was lawfully received by Potential Bidder from a third party, which third party was, to the knowledge of the Potential Bidder, free of any obligation of confidentiality;

(c) Was already in the lawful possession of Potential Bidder without an obligation to maintain its confidentiality prior to disclosure by the Trustee or the Debtor;

(d) Is readily and lawfully available to the industry or the public, other than through a breach of this Agreement;

(e) Is required to be disclosed by applicable law, or in a judicial or administrative proceeding, but only so long as Potential Bidder gives the Trustee notice as soon as practical of any request to disclose Confidential Information so that the Trustee has an opportunity to object to the production or disclosure of the requested information. However, in the event that Confidential Information is produced under such legal compulsion, such production shall be strictly limited to the parameters dictated by applicable law or court order, and shall not, unless so ordered, otherwise affect the Obligations of Confidentiality delineated herein;

(f) Can be proven to have been subsequently and independently developed, without violation of this Agreement, by employees, consultants, or agents of Potential Bidder who did not have access to the Confidential Information; or

(g) Is disclosed by Potential Bidder in accordance with the prior written approval of the Trustee, but only to the extent allowed and for the limited purposes

specified in such written approval. Such permitted disclosure shall not otherwise affect the Obligations of Confidentiality delineated herein.

6. Rights in Confidential Information/Non-Circumvention. This Agreement does not, nor does the act of disclosure, confer upon Potential Bidder any right, license, interest, or title to the Confidential Information. Title to the Confidential Information shall remain solely in the Debtor's bankruptcy estate and the Trustee as the representative of that estate, and Potential Bidder may not use the Confidential Information except as contemplated by this Agreement.

For a period of one (1) year following the Effective Date of this Agreement, Potential Bidder shall not utilize any Confidential Information to circumvent or compete with the winning bidder in the Trustee sale on the business opportunities disclosed in the Confidential Information.

7. Unauthorized Use or Disclosure of Confidential Information. Potential Bidder shall notify the Trustee immediately upon discovery of any unauthorized use or disclosure of Confidential Information or any breach of this Agreement by Potential Bidder and will cooperate with the Trustee in every reasonable way to help the Trustee regain possession of the Confidential Information and prevent its further unauthorized use.

8. No Representations or Warranties. Potential Bidder acknowledges that neither the Trustee, the Debtor, nor their representatives, trustees, officers, employees, agents, advisors, or attorneys (collectively, the "Trustee Representatives") make any representations or warranties, express or implied, as to the accuracy or completeness of the Confidential Information or any other information provided to Potential Bidder.

9. Rights and Remedies.

(a) If Potential Bidder violates this Agreement, then the Trustee shall be entitled, if he so elects, to institute and prosecute court proceedings, either at law or in equity, to obtain damages for breach of this Agreement and to obtain equitable relief to enforce its rights hereunder. Potential Bidder acknowledges that money damages would not be a sufficient remedy for breach of the confidentiality and other obligations of this Agreement. Accordingly, Potential Bidder agrees that in an action for equitable remedies under this Agreement, the Trustee shall not be required to prove the inadequacy or insufficiency of monetary damages. Potential Bidder further agrees to waive any requirement for a bond in connection with any application for a temporary restraining order or other injunction with a duration of no more than ten (10) calendar days, only, but does not waive and specifically reserves its right to require the posting of a bond or other security with respect to any preliminary injunction or other injunction (including continued restraining orders or injunctions) with a duration of more than ten (10) calendar days.

(b) Potential Bidder agrees that the Trustee and the Debtor shall be entitled to enforce the provisions of this Agreement.

10. Term. This Agreement shall be in effect for three years from the effective date of

this Agreement.

11. General.

(a) THIS AGREEMENT WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF UTAH, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAW. POTENTIAL BIDDER HEREBY IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF UTAH AND HEREBY AGREES THAT THIS COURT SHALL BE A PROPER FORUM FOR THE DETERMINATION OF ANY AND ALL DISPUTES ARISING HEREUNDER. THE TRUSTEE MAY, HOWEVER, BRING AN ACTION FOR INJUNCTIVE RELIEF IN A COURT WHEREIN POTENTIAL BIDDER IS LOCATED TO ENJOIN THE DISCLOSURE OF CONFIDENTIAL INFORMATION OR TO ENFORCE OR COLLECT ON A JUDGMENT.

(b) This Agreement supersedes any and all prior or contemporaneous understandings and agreements, whether written or oral, with respect to the subject matter of this Agreement and is the complete and exclusive statement of that subject matter.

(c) This Agreement can only be modified by a written amendment executed by Potential Bidder and assented to by the Trustee. Further, no oral agreements may alter any term or conditions of this Agreement.

(d) Waiver of any breach of this Agreement must be in writing to be effective and shall not be a waiver of any subsequent breach, nor shall it be a waiver of the underlying obligation.

(e) Should any court determine that any provision of this Agreement is not enforceable, such provision shall be modified, rewritten or interpreted to include as much of its nature and scope as will render in enforceable.

(f) Potential Bidder may not assign this Agreement.

IN WITNESS WHEREOF, Potential Bidder and the employees and/or agents of Potential Bidder have executed this Non-Disclosure Agreement as of the date first written above.

By:
Its: