

MEMORANDUM

July 30, 2008

To: Official Committee of Unsecured Creditors (the “Committee”) of Propex Inc., *et al.* (“Propex” or the “Debtors”)

From: Akin Gump Strauss Hauer & Feld LLP (“Akin Gump”)

Re: Propex Inc., *et al.* – Recently Filed Pleading

Debtors’ Motion for Approval of Assumption of Real Property Leases (the “Motion”)

By the Motion, the Debtors request authorization to assume each of their unexpired leases of non-residential real property, excluding any such leases that have previously been rejected or are the subject of a pending motion to reject (collectively, the “Leases”). The Debtors previously obtained an order extending the deadline to assume or reject the Leases, and pursuant to that order, the deadline for doing so is August 15, 2008. According to the Motion, the Leases are necessary for the Debtors’ future operations based on the Debtors’ current business plan and, therefore, assumption of the Leases is appropriate.

The hearing date on the Motion is scheduled for August 6, 2008 at 9:00 a.m. (ET). The deadline to object to the Motion is August 1, 2008 at 5:00 p.m. (ET).