

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF OHIO
WESTERN DIVISION**

In re)	Chapter 11
)	
SENCORP, <u>et al.</u> , ¹)	Case No. 09-12869 (JVA)
)	(Joint Administration Requested)
)	
Debtors.)	Honorable J. Vincent Aug, Jr.
)	

**MOTION OF THE DEBTORS FOR AUTHORITY TO CONTINUE INTERCOMPANY
TRANSFERS AMONG DEBTORS AND WITH NON-DEBTOR AFFILIATES**

(“INTERCOMPANY TRANSFERS MOTION”)

The above-captioned debtors and debtors-in-possession (collectively, the “**Debtors**”), hereby move this Court (the “**Motion**”) for entry of an order (the “**Order**”), in substantially the form attached hereto as Exhibit A, authorizing Debtors to continue intercompany transfers among the Debtors and between the Debtors and non-debtor affiliates thereof. In support, the Debtors respectfully state:²

JURISDICTION

1. This Court has jurisdiction over this Motion under 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Venue of this proceeding and this Motion in this District is proper under 28 U.S.C. §§ 1408 and 1409.

¹ The Debtors in these Chapter 11 cases are: SENCORP, Senco Products, Inc., Senco Export, Inc., SenSource Global Sourcing, LLC, TyRex, LLC, Global Fastening Solutions, LLC, Agrifast, LLC, Nexicor, LLC, Omnifast, LLC, S C FINANCIAL, INC., Senco International, Inc., Sentron Medical, Inc., and Gregg Laboratories, Inc.

² The facts and circumstances supporting this Motion are set forth in the Affidavit of David T. Fyffe, Vice President-Corporate Financial Operations and Treasurer of SENCORP, in Support of First Day Motions (the “**First Day Affidavit**”), filed contemporaneously herewith.

2. The statutory basis for the relief requested herein is Section 105(a) of title 11 of the United States Code, 11 U.S.C. §§ 101-1330, as amended by the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 (the “**Bankruptcy Code**”) and Rule 6003 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”).

BACKGROUND

3. The Debtors commenced these above-captioned cases (the “**Chapter 11 Cases**”) by filing voluntary petitions for relief under chapter 11 of the Bankruptcy Code on May 8, 2009 (the “**Petition Date**”). Pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code, the Debtors are operating their businesses and managing their affairs as debtors-in-possession. As of the date hereof, no creditors’ committee, trustee or examiner has been appointed in any of these Chapter 11 Cases.

4. The Debtors are a group of privately-held companies that collectively constitute a leading designer, manufacturer and distributor of branded pneumatic and battery powered staplers, nailers and screw systems and collated staples, nails and screws. The Debtors’ brand names are well-known in the industry for quality, reliability and service. The Debtors sell to a diversified customer base, including pro trades, industrial, consumer, international and commercial customer segments. Certain aspects of the Debtors’ businesses, including the SENCO name, have existed for over 50 years. As further evidence of the Debtors’ long-term success, most of the Debtors’ top ten customers have purchase products from the Debtors for more than 20 years.

5. Despite the Debtors' historical strength, the Debtors have not been immune to the recent widespread economic downturn. Over the past several years, the Debtors' sales volume and profitability have been negatively impacted by several economic factors, including (a) the sharp rise in the price of steel rod (the Debtors' primary raw material) to historic levels in 2008, (b) a severe decline in residential and commercial construction (the Debtors' primary customer segments) and (c) the deteriorating economic conditions leading to the current recession.

6. In response to these economic challenges, the Debtors implemented several critical initiatives in 2008 and early 2009. Among other things, the Debtors have implemented significant workforce reductions, as well as significant pay reductions for all of the Debtors' remaining employees, including senior management. The Debtors have also consolidated domestic manufacturing operations from two facilities to one, and have closed three of their six distribution centers. The Debtors have also implemented several moves designed to increase efficiency in inventory, supply and international operations.

7. Despite these efforts, it has recently become clear that the Debtors do not have sufficient liquidity to survive the current economic downturn in their current state. As a result, the Debtors engaged Mesirow Financial, Inc. ("Mesirow") on March 9, 2009 to serve as investment bankers for the Debtors to assist the Debtors in exploring possible sale transactions. Mesirow contacted over 100 financial and strategic parties, and after an intense, expedited marketing period the Debtors determined that the highest and best offer presently available to the Debtors was an offer from Wynnchurch Capital, Ltd. ("Wynnchurch") to serve as a stalking

horse bidder in a sale of substantially all of the Debtors' assets under Section 363 of the Bankruptcy Code.

8. On April 10, 2009, the Debtors executed a Letter of Intent (the "**LOI**") with Wynnchurch representing Wynnchurch's stalking horse bid for substantially all of the Debtors' assets. Thereafter, on May 7, 2009, the Debtors entered into a binding asset purchase agreement (the "**APA**") with Wynnchurch and Wynnchurch's affiliate Senco Holdings, Inc. for the purchase of substantially all of the Debtors' assets for \$41 million in cash, plus the assumption of certain liabilities. The APA requires the Debtors, among other things, to commence these Chapter 11 Cases by May 11, 2009, obtain by May 28, 2009 an order from this Court approving bidding procedures for the sale of the Debtors' assets, and to obtain an order from this Court by July 7, 2009 approving the sale of substantially all of the Debtors' assets to Wynnchurch (or its affiliates) or such other successful bidder as may be selected at the auction in accordance with the bidding procedures. The Debtors are proceeding with a proposed sale process on those timelines.

9. Subject to the approval of this Court, the Debtors have obtained a proposed debtor-in-possession financing facility (the "**DIP Facility**") from the Debtors' prepetition secured lenders, led by Bank of America, NA, as administrative agent (the "**DIP Agent**") and as a lender, which the Debtors believe will provide the Debtors with sufficient liquidity through the above-described sale process.

RELIEF REQUESTED

10. By this Motion, the Debtors seek entry of an order pursuant to Section 105(a) of the Bankruptcy Code authorizing the Debtors, on an emergency basis, in their discretion, except as otherwise described herein, to continue to make intercompany transfers among the Debtors and between Debtors and non-debtors as such entities engaged in prior to the Petition Date, and granting administration priority for such intercompany transfers.

BASIS FOR RELIEF

A. Intercompany Transactions With Debtors and Non-Debtor Affiliates

11. In the past, the Debtors have provided loans to one another and to non-debtor affiliates and, in certain instances, Debtors were the recipients of funds loaned from one another (the “**Intercompany Debt Transactions**”). Further, in the ordinary course of business, the Debtors regularly participate in transactions with one another and with non-debtor affiliates³ in which they purchase and sell goods for use in the manufacturing processes of the various entities or purchase, for resale, certain manufactured products (the “**Intercompany Trade Transactions**,” and together with the Intercompany Debt Transactions, the “**Intercompany Transactions**”). As a result of the Intercompany Transactions, the Debtors’ books and records reflect prepetition obligations among the Debtors and between Debtors and non-debtor affiliates. By this Motion, the Debtors seek authority to setoff prepetition obligations related to Intercompany Debt Transactions. The Debtors further seek authority, in their discretion, to pay for prepetition Intercompany Trade Transactions, if, in the exercise of the Debtors’ business judgment, they deem the payment necessary and in the best interest of the Debtors’ estates and

³ Attached hereto as **Exhibit B** is an organizational chart of the Debtors and their non-debtor affiliates.

other parties in interest. Finally, the Debtors seek the authority, in their discretion, to continue to participate in Intercompany Trade Transactions postpetition, in the ordinary course of business, and to treat obligations related thereto as super-priority administrative expenses subject and subordinate only to any superpriority claims granted pursuant to an Order of this Court and to statutory fees of the United States Trustee.

12. Before the commencement of these Chapter 11 Cases, the Debtors engaged in Intercompany Debt Transactions and Intercompany Trade Transactions including, but not limited to, the following:

Intercompany Transactions Among Debtors:

- Payment of Expenses: Expenses paid by a Debtor on behalf of other Debtors (for example, payment of employee expenses, treasury services, human resources, payroll services, freight, insurance, imported and domestic purchases and other promotional and customer related programs), which are allocated among the beneficiaries of such payments.
- Cash Management Systems: Transfers of cash among the Debtors via the Debtors' cash management system.⁴
- Product Sales: Ordinary course transactions involving product purchased by a Debtor from another Debtor and then re-sold to a customer.

Intercompany Transactions Between Debtors and Non-Debtors:

- Payment of Expenses: Cash amounts paid by the Debtors to the non-debtor affiliates to fund the Debtors' share of such non-debtor affiliates' expenses.

⁴ The Debtors' cash management system (the "**Cash Management System**") is fully described in the Motion of the Debtors for Entry of an Order (I) Approving Continued Use of Existing Cash Management System, (II) Authorizing Use of Prepetition Bank Accounts and Business Forms, (III) Waiving Certain Requirements of the United States Trustee, and (IV) Waiving the Requirements of 11 U.S.C. § 345(B), filed contemporaneously herewith.

- Advances to Fund General Expenses: Cash amounts loaned by the Debtors to the non-debtor affiliates to be used by the non-debtors to pay general and administrative expenses.
- Product Sales / Delivery of Services: Ordinary course transactions involving products purchased by a Debtor from a non-debtor affiliate Debtor and then re-sold to a customer, or involving services provided by a non-debtor affiliate to a Debtor.

13. Discrete transfers to intercompany accounts are made in furtherance of the Intercompany Transactions. The Intercompany Transactions are recorded by each entity as an intercompany obligation to be satisfied between the entities at a later point.

14. The Intercompany Trade Transactions allow the Debtors and their non-debtor affiliates, among other things, to meet the needs of their customers and suppliers in an efficient and cost-effective manner using comparative advantages in the manufacturing process. In this regard, like the payment of various critical vendors in order to maximize the value of the Debtors' estates by avoiding disruption to the business, the Intercompany Trade Transactions are critical to maintaining the Debtors' businesses. Moreover, in many cases, due to the nature of the Debtors' businesses and operations, the Intercompany Trade Transactions help the Debtors to function in a tax efficient and operationally efficient manner. Accordingly, the Debtors believe that the authorization to pay prepetition obligations related to Intercompany Trade Transactions, and the continuation of the Intercompany Trade Transactions postpetition, is beneficial to their estates, their creditors, and other parties in interest and should therefore be authorized by the Court.⁵

⁵ The Debtors engaged in Intercompany Transactions on a regular basis prior to the commencement of these Chapter 11 Cases. Such transactions are common for enterprises such as the Debtors. The Debtors believe that these transactions are in the ordinary course within the meaning of Section 363(c)(1) of the Bankruptcy Code and, thus, do not require this Court's approval. Nevertheless, out of an abundance of caution, the Debtors are seeking express authority to engage in such transactions.

15. The Intercompany Trade Transactions involve the purchase and sale of goods as an efficient, cost-saving feature of the Debtors', and their affiliates', worldwide operations. By this Motion, the Debtors seek authority to pay, in their discretion, prepetition obligations for Intercompany Trade Transactions that are due and owing other Debtors or non-debtor affiliates solely for product they purchased from such Debtors or non-debtor affiliates. In its obligations as a fiduciary, and in order to maintain worldwide operations and the solvency of their foreign counterparts, the Debtors believe having the discretion, based on their reasonable judgment, to pay for goods delivered through the use of intercompany transfers of funds is in the best interest of the Debtors, their estates, and all parties-in-interest in these Chapter 11 Cases.

16. The Intercompany Debt Transactions involve loans between affiliates. Although the Debtors do not seek authority to pay prepetition obligations related to these transactions, they do seek authority to setoff mutual obligations that may exist between Debtors or between a Debtor and an affiliated non-debtor entity.

17. The Debtors seek authorization to preserve and exercise intercompany setoff rights pursuant to Section 553(a) of the Bankruptcy Code, which provides that:

Except as otherwise provided in this section and in sections 362 and 363 of this title, this title does not affect any right of a creditor to offset a mutual debt owing by such creditor to the debtor that arose before the commencement of the case under this title against a claim of such creditor against the debtor that arose before the commencement of the case.

18. 11 U.S.C. § 553(a). A creditor need only establish two elements before a setoff may be asserted; mutuality and timing. Official Comm. of Unsecured Creditors v. Mfrs. & Traders Trust Co. (In re The Bennett Funding Group, Inc.), 212 B.R. 206, 212 (2d Cir. B.A.P.

1997); see also In re Verco Industr., 704 F.2d 1134, 1139 (9th Cir. 1983); In re Lundell Farms, 86 B.R. 582, 584 (Bankr. W.D. Wis. 1988). Although courts have not uniformly defined the elements of mutuality, most courts require the following elements: that the debts be (i) owed between the same parties and (ii) in the same right or capacity. See 5 Collier on Bankruptcy ¶ 553.03[3][a] at 553-28-29 (15th rev. ed. 2004) (citing Davidovich v. Welton (In re Davidovich), 901 F.2d 1533, 1537 (10th Cir. 1990); Lubman v. Sovran Bank, N.A. (In re A & B Homes, Ltd.), 98 B.R. 243, 248 (Bankr. E.D. Va. 1989)); see also In re U.S. Aeroteam, Inc., 327 B.R. 852, 864 (Bankr. S.D. Ohio 2005) (“Generally speaking, debts are ‘mutual’ when they are owing between two parties in the same right and in the same capacity.”); Cohen v. Says. Bldg. & Loan Co. (In re Bevill, Bresler & Schulman Asset Mgmt. Corp.), 896 F.2d 54, 57 (3d Cir. 1990) (explaining that the right of setoff depends on the existence of mutual debts and claims between the creditor and debtor). Timing requires that both claims arose prepetition. See Cooper Jarrett, Inc. v. Cent. Transp. Inc., 726 F.2d 93, 96 (3d Cir. 1984) (noting that a creditor may not [setoff] its prepetition claims against a debt owed to a debtor which came into existence after filing the bankruptcy petition); see also In re Sentinel Prods. Corp., 192 B.R. 41, 45 (N.D.N.Y. 1996) (quoting 11 U.S.C. §553(a)) (“Section 553(a) of the bankruptcy code preserves a creditor’s right to set off . . . between the debtor and creditor as long as both debts ‘arose before the commencement of the [bankruptcy] case’”); In re Westchester Structures, 181 B.R. 730, 739 (Bankr. S.D.N.Y. 1995) (same); Arnold M. Quittner, Setoff and Recoupment, 715 PLI/Comm 633, 661 (1995) (same).⁶ As a result, “obligations that arise pre-petition may not be setoff

⁶ In addition, courts have allowed parties to offset claims postpetition in the same manner as a prepetition setoff, as long as the mutuality requirements are met. See e.g., United States v. Gordon Sel-Way, Inc. (In re Gordon

against countervailing obligations that arise post-petition.” In re Gordon Sel-Way, Inc., 270 F.3d 280, 290 (6th Cir. 2001); see also In re Metco Mining and Minerals, Inc., 171 B.R. 210, 216 (Bankr. W.D. Pa. 1994) (“A creditor may not set off a pre-petition claim it has against a post-petition debt it owes to the debtor. Cooper-Jarrett, Inc. v. Central Transport, Inc., 726 F.2d 93 at 93-96 (3d Cir. 1984). [And likewise it] may not set off a post-petition claim it has against a pre-petition debt it owes to a debtor. In re Sherry & O’Leary, Inc., 148 Bankr. 248[, 253 (Bankr. W.D.Pa. 1993)].”)

19. The Cash Management System and other processes allow the Debtors to track all obligations owing between related entities and thereby ensure that all setoffs of Intercompany Transactions will meet both the mutuality and timing requirements of Section 553 of the Bankruptcy Code. The Debtors respectfully request, therefore, that they expressly be authorized to setoff prepetition obligations arising on account of Intercompany Debt Transactions between Debtors or between a Debtor and a non-debtor affiliate.

20. Additionally, the Debtors respectfully request that, pursuant to Section 507(a)(i) of the Bankruptcy Code, all Intercompany Trade Transactions arising after the Petition Date be accorded administrative priority status, with priority over any and all administrative expenses of the kind specified in Sections 503(b) and 507(b) of the Bankruptcy Code, subject and subordinate to only the priorities, liens, claims, and security interests, if any, of the Debtors’ DIP Lenders and to statutory fees of the United States Trustee. This Court and courts in other districts frequently have granted such superpriority status to postpetition intercompany claims.

Sel Way, Inc., 239 B.R. 741, 751 (E.D. Mich. 1999), aff’d. 270 F.3d 280 (6th Cir. 2001); In re Mohawk Indus. Inc., 82 B.R. 174, 179 (Bankr. D. Mass. 1987).

See e.g., In re The Antioch Company, Case No. 08-35741 (Bankr. S.D. Ohio Dec. 9, 2008) (Judge Humphrey); In re Horizon PCS, Inc., Case No. 03-62424 (Bankr. S.D. Ohio Aug. 20, 2003) (Judge Caldwell); In re Chiquita Brands Int'l, Inc., Case No. 01-188 12 (Bankr. S.D. Ohio Nov. 28, 2001) (Judge Aug); see also In re Delphi Corp., Case No. 05-4448 1 (Bankr. S.D.N.Y. Nov. 4, 2005); In re Phillip Servs. (Delaware), Inc., Case No. 99-02385 (Bankr. D. Del. June 28, 1999).

21. Notwithstanding any provisions to the contrary in this Motion or in the Order, in the case of conflict, the provisions of the DIP Facility shall govern. The absence of any objection to this Motion by the DIP Lenders does not constitute a waiver of the ability of the DIP Lenders to seek to enforce the DIP Facility.

22. Pursuant to the recent revisions to Bankruptcy Rule 6003, the Court may authorize payment of a prepetition claim within 20 days after the Petition Date if such relief is necessary to avoid immediate and irreparable harm. As explained above, continuing the Intercompany Trade Transactions is essential to the continued, uninterrupted operation of the Debtors' businesses. The Intercompany Trade Transactions allow the Debtors and their non-debtor affiliates, among other things, to meet the needs of their customers and suppliers in an efficient and cost-effective manner using comparative advantages in the manufacturing process. Moreover, in many cases, due to the nature of the Debtors' businesses and operations, the Intercompany Trade Transactions help the Debtors to function in a tax efficient and operationally efficient manner.

23. For the foregoing reasons, the Debtors submit that they have satisfied the requirements of Bankruptcy Rule 6003 and accordingly, the Court should grant the relief requested herein.

WAIVER OF MEMORANDUM OF LAW

24. This Motion includes citations to the applicable authorities and a discussion of their application to this Motion. Accordingly, the Debtors respectfully submit that such citations and discussion satisfy the requirement that the Debtors submit a separate memorandum of law in support of this Motion pursuant to Local Bankruptcy Rule 9013-1(a).

NOTICE

25. No trustee, examiner or creditors' committee has been appointed in the Chapter 11 Cases. The Debtors have provided notice of this Motion to: (i) the Office of the United States Trustee for the Southern District of Ohio; (ii) counsel to the administrative agent for the Debtors' prepetition lenders; (iii) counsel to the administrative agent for the Debtors' proposed debtor-in-possession lenders; (iv) counsel to Wynnchurch; (v) the creditors listed on the Debtors' consolidated list of thirty largest unsecured creditors, as filed with the chapter 11 petitions; (vi) all parties asserting a security interest in the assets of the Debtors to the extent reasonably known to the Debtors; and (vii) any governmental unit listed in LBR 5003-1(d). In light of the nature of the relief requested, the Debtors submit that no further notice is required or needed under the circumstances. **Please take notice that the Debtors have filed a Motion for an Expedited Hearing to consider First Day Motions and Applications, including the foregoing. The Debtors shall serve notice of the objection deadline and expedited hearing date pursuant to further order(s) of this Court.**

NO PRIOR REQUEST

26. No prior motion for the relief requested herein has been made to this Court or any other court.

WHEREFORE, the Debtors respectfully request that this Court enter the Order, substantially in the form attached hereto as Exhibit A, (a) authorizing the Debtors to make Intercompany Transactions; (b) authorizing the preservation and exercise of existing intercompany setoff rights among the Debtors or between Debtors and the non-debtor affiliates; (c) authorizing, but not directing the Debtors, in their discretion, to pay obligations related to Intercompany Trade Transactions for goods produced and sold by Debtors or by non-debtor affiliates; (d) granting administrative priority status for postpetition Intercompany Transactions; and (e) granting such other and further relief as this Court deems appropriate.

Dated: May 8, 2009
Cincinnati, OH

Respectfully submitted,

LATHAM & WATKINS LLP

Josef S. Athanas (pro hac vice motion pending)
Stephen R. Tetro II (pro hac vice motion pending)
Sears Tower, Suite 5800
233 South Wacker Drive
Chicago, Illinois 60606-6401
Telephone: (312) 876-7700
Facsimile: (312) 993-9767

- and -

FROST BROWN TODD LLC

By: /s/ Ronald E. Gold
Ronald E. Gold, Esq. (0061351)
Beth A. Buchanan, Esq. (0068430)
2200 PNC Center
201 East Fifth Street
Cincinnati, Ohio 45202
Telephone: (513) 651-6800
Facsimile: (513) 651-6981
Email: rgold@fbtlaw.com
Email: bbuchanan@fbtlaw.com

**PROPOSED ATTORNEYS FOR DEBTORS
AND DEBTORS-IN-POSSESSION**

EXHIBIT A

Proposed Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF OHIO
WESTERN DIVISION**

In re:)	Chapter 11
)	
SENCORP , <u>et al.</u>)	Case No. 09-12869 (JVA)
)	
Debtors.)	Jointly Administered
)	

**ORDER AUTHORIZING CONTINUATION OF INTERCOMPANY
TRANSFERS AMONG DEBTORS AND WITH NON-DEBTOR AFFILIATES**

Upon consideration of the motion (the “**Motion**”)¹ of the Debtors² for entry of an order authorizing the Debtors to continue intercompany transfers among the Debtors and between the Debtors and non-debtor affiliates thereof; and it appearing that the relief requested is in the best

¹ Capitalized terms used but not defined herein shall have the same meanings ascribed to them in the Motion.

² The Debtors in these Chapter 11 cases are: SENCORP, Senco Products, Inc., Senco Export, Inc., SenSource Global Sourcing, LLC, TyRex, LLC, Global Fastening Solutions, LLC, Agrifast, LLC, Nexicor, LLC, Omnifast, LLC, S C FINANCIAL, INC., Senco International, Inc., Sentron Medical, Inc., and Gregg Laboratories, Inc.

interests of the Debtors' estates, their creditors, and other parties in interest; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that this Motion is a core proceeding pursuant to 28 U.S.C. § 157; and adequate notice of the Motion and opportunity for objection having been given, with no objections or requests for hearing having been filed, or all objections having been overruled, as the case may be; and it appearing that no other notice need be given; and after due deliberation and sufficient cause therefore, it is hereby:

1. ORDERED that the Motion is granted; and it is further
2. ORDERED that the Debtors are authorized, postpetition, to engage in Intercompany Trade Transactions in a manner consistent with their practice prior to the Petition Date; and it is further
3. ORDERED that the Debtors are authorized to exercise setoff rights against other Debtors or against non-debtor affiliates with respect to prepetition obligations arising from Intercompany Debt Transactions; and it is further
4. ORDERED that all Intercompany Trade Transactions by and among the Debtors, and by and among the Debtors and between the Debtors and any of their non-debtor affiliates, arising on and after the Petition Date, shall be accorded superpriority status, with priority over any and all administrative expenses of the kind specified in Sections 503(b) and 507(b) of the Bankruptcy Code subject and subordinate to any superpriority claims granted pursuant to order of this Court and to statutory United States Trustee fees; and it is further
5. ORDERED that the Debtors are authorized, in their discretion, to pay prepetition obligations related to Intercompany Trade Transactions; and it is further

6. ORDERED that notwithstanding anything to the contrary contained herein, (a) any payment to be made, or authorization contained hereunder, shall be subject to the requirements imposed on the Debtors under the DIP Facility, or budget in connection therewith, or any order regarding the use of cash collateral, and (b) to the extent that any payment to be made pursuant to this Order is treated as an administrative expense of the Debtors' chapter 11 estates, such claim shall be subject and subordinate to the priorities, liens, claims and security interests, if any, of the DIP Lenders; and it is further

7. ORDERED that the Court finds and determines that the requirements of Bankruptcy Rule 6003 are satisfied and that the relief requested is necessary to avoid immediate and irreparable harm; and it is further

8. ORDERED that notwithstanding any provisions to the contrary in the Motion, or in this Order, in the case of conflict between this Order and the DIP Facility the DIP Facility shall govern; and it is further

9. ORDERED that the Debtors are authorized and empowered to take all actions necessary to implement the relief granted in this Order; and it is further

10. ORDERED that this Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

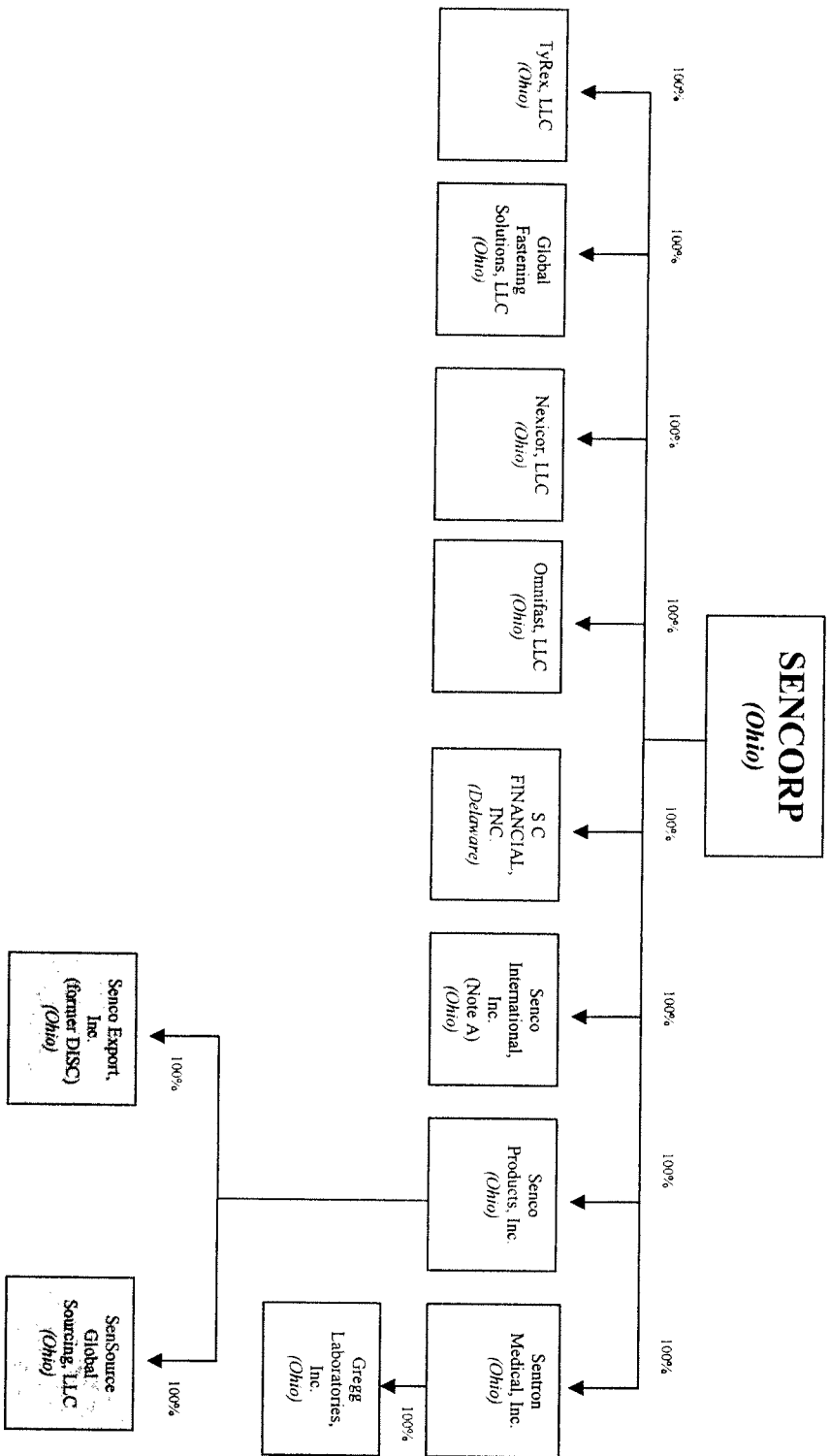
SO ORDERED

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EXHIBIT B

Organizational Chart

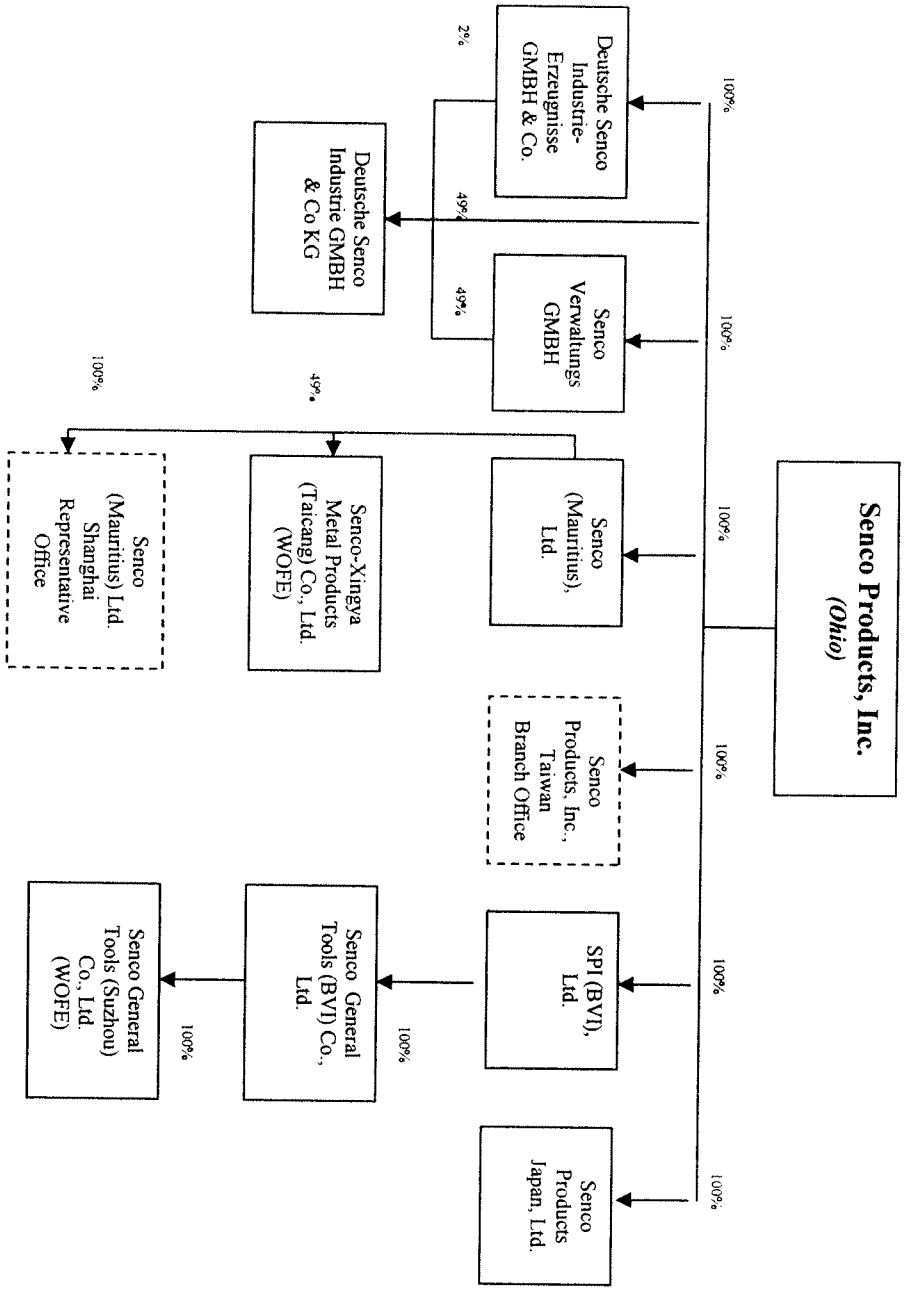
SENCORP and Subsidiaries
Organization Chart - Domestic Subsidiaries
March 1, 2009



Denotes companies that are currently conducting no operations.

Note A: Senco International, Inc. currently dba SenSource Global Sourcing.

Senco Products, Inc. Organization Chart - International Operations March 1, 2009



Note: Not a legal entity. A branch office