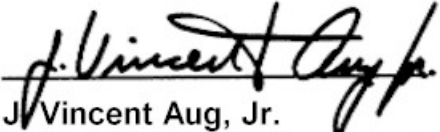


This document has been electronically entered in the records of the United States Bankruptcy Court for the Southern District of Ohio.

IT IS SO ORDERED.

Dated: May 12, 2009


J. Vincent Aug, Jr.
United States Bankruptcy Judge

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 (A) AUTHORIZING THE DEBTORS TO (1) PAY AND HONOR CERTAIN PREPETITION CLAIMS FOR (I) WAGES, SALARIES, EMPLOYEE BENEFITS AND OTHER COMPENSATION, (II) WITHHOLDINGS AND DEDUCTIONS AND (III) REIMBURSABLE EXPENSES; (2) CONTINUE TO PROVIDE CERTAIN EMPLOYEE BENEFITS IN THE ORDINARY COURSE OF BUSINESS; (3) PAY ALL RELATED COSTS AND EXPENSES; AND (B) DIRECTING BANKS TO RECEIVE, PROCESS, HONOR AND PAY ALL CHECKS PRESENTED FOR PAYMENT AND ELECTRONIC PAYMENT REQUESTS RELATING TO THE FOREGOING

(“WAGES AND BENEFITS ORDER”)

Upon consideration of the motion (the “**Motion**”)¹ of the Debtors² for entry of an order (A) authorizing, but not directing, the Debtors to (1) pay and honor certain prepetition claims for (i) wages, salaries, employee benefits and other compensation, (ii) withholdings and deductions and (iii) reimbursable expenses; (2) continue to provide certain employee benefits in the ordinary course of business; (3) pay all related costs and expenses; and (B) directing banks to receive, process, honor and pay all checks presented for payment and electronic payment requests relating to the foregoing; and it appearing that the relief requested is in the best interests of the Debtors’ estates, their creditors, and other parties in interest; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that this Motion is a core proceeding pursuant to 28 U.S.C. § 157; and adequate notice of the Motion and opportunity for objection having been given, with no objections 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, but not directed, to (a) honor, pay and modify the Employee Wages and Benefits in accordance with the Debtors’ stated policies and prepetition practices, and in the ordinary course of the Debtors’ businesses, including, but not limited to, the Unpaid Compensation, the Deductions, the Withheld Amounts, the Payroll Taxes, the Reimbursable Expenses (including the Director Expenses), the Director Expenses, the Severance Payments, the Health Benefits, the Medical Plan, the Dental Plan, the Workers’ Compensation Programs, Vacation Time, Holiday Pay, Paid Leave, the 401(k) Savings Plan, the

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.

Employee Insurance Benefits, the Miscellaneous Programs, the D&O Policies and any other policy or program described in the Motion, and (b) pay any claims arising thereunder without regard to whether such claims arose before or after the Petition Date, in each case without further notice to or order of the Court; and it is further

3. ORDERED that the Debtors are authorized, but not directed, to continue the Employee Wages and Benefits programs and policies on a postpetition basis and to alter, modify or discontinue such programs and policies as they deem necessary or appropriate in the ordinary course of business, without further notice to or order of the Court; and it is further

4. ORDERED that the Debtors are authorized, but not directed, to continue to allocate and distribute all funds held in trust for the benefit of the Employees, including the Deductions, the Payroll Taxes and other amounts withheld, which include any and all amounts withheld from the Employee wages, including but not limited to, Social Security, FICA, federal state and local income taxes, garnishments, child support, health care payments, insurance, and other types of withholding, in accordance with the Debtors' stated policies and prepetition practices or as required by applicable federal, state and local law, without regard to whether such amounts arose before or after the Petition Date; and it is further

5. ORDERED that the Debtors are authorized, but not directed, to pay all processing fees, costs and expenses associated with the payment and administration of the Employee Wages and Benefits, including payment to third-party administrators in connection with maintaining and providing record keeping and/or processing services relating to the various Employee Wages and Benefits relating thereto, without regard to whether such amounts arose before or after the Petition Date; and it is further

6. ORDERED that the Debtors are authorized, but not directed, to honor and make payments to Independent Contractors in accordance with their prepetition practices, without regard to whether such amounts arose before or after the Petition Date; and it is further

7. ORDERED that to the extent that checks are issued to Employees or other entities in connection with the Employee Wages and Benefits programs and policies, the banks upon which any checks are drawn in payment thereof, either before, on or after the date on which the Debtors filed these Chapter 11 Cases be, and hereby are, authorized to honor such checks upon presentation; and it is further

8. ORDERED the Debtors are authorized, but not obligated or directed, to issue postpetition checks, or to effectuate postpetition fund transfer requests, in replacement of any checks or fund transfer requests in respect of Employee Wages and Benefits, Deductions and Payroll Taxes dishonored as a consequence of the commencement of these Chapter 11 Cases; and it is further

9. ORDERED that all applicable banks and other financial institutions are hereby authorized to receive, process, honor, and pay any and all checks evidencing amounts paid by Debtors under this Order whether presented prior to or after the Petition Date. Such banks and financial institutions are authorized and directed to rely on the representations of the Debtors as to which checks are issued or authorized to be paid pursuant to this Order; and it is further

10. ORDERED that the Debtors are authorized to reissue any check, electronic payment or other transfer that was drawn in payment of any claims arising from or related to the Employee Wages and Benefits programs and policies that is not cleared by a depository; and it is further

11. ORDERED that any payment or transfer made or service rendered by the Debtors pursuant to this Order is not, and shall not be deemed, an admission as to the validity of the underlying obligation, a waiver of any rights the Debtors may have to dispute such obligation or an approval or assumption of any agreement, contract, or lease under section 365 of the Bankruptcy Code; and it is further

12. 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

13. ORDERED that the terms and conditions of this Order shall be immediately effective and enforceable upon its entry; and it is further

14. ORDERED that the requirement set forth in Rule 9013-1(a) of the Local Bankruptcy Rules for the Southern District of Ohio that any motion or other request for relief be accompanied by a memorandum of law is hereby deemed satisfied by the contents of the Motion or otherwise waived; and it is further

15. ORDERED that, notwithstanding anything in this Order to the contrary, the payment of any claims pursuant to this Order and other honoring of the Employee Wages and Benefit claims shall neither (a) make such obligations administrative expenses of the estates entitled to priority status under sections 503 and 507 of the Bankruptcy Code nor (b) constitute approval by this Court of any employee plan or program under any section of the Bankruptcy Code, including section 503(c); and it is further

16. ORDERED that to the extent the Debtors seek to assume any employee programs prior to the confirmation of any plan of reorganization, such assumption shall be made by separate motion; and it is further

17. 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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