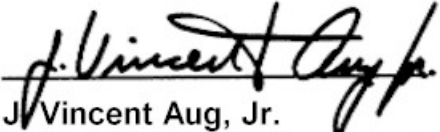


This document has been electronically entered in the records of the United States Bankruptcy Court for the Southern District of Ohio.

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 AUTHORIZING PAYMENT OF CERTAIN
PREPETITON CLAIMS OF CRITICAL VENDORS**

Upon consideration of the motion (the "**Motion**")¹ of the Debtors² for entry of an order authorizing the Debtors to pay, in their discretion, certain prepetition claims of critical vendors; and it appearing that the relief requested is in the best interests of the Debtors' estates, their

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.

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, in their discretion and in the reasonable exercise of their business judgment, to pay certain Critical Vendor Claims subject to the conditions set forth in this Order; provided that the Debtors' payments of Critical Vendor Claims do not exceed \$2,045,000 in the aggregate unless otherwise ordered by this Court after notice and hearing; and it is further
3. ORDERED that the Debtors may, in the Debtors' discretion, condition the payment of Critical Vendor Claims on the agreement of the individual Critical Vendor to continue supplying goods and services to the Debtors under Customary Trade Terms or such other trade terms as are agreed to by the Debtors and the Critical Vendor; and it is further
4. ORDERED that the Debtors or the Buyer (after the closing under the APA) are authorized, in their discretion and in the reasonable exercise of their business judgment, to deem any Critical Vendor that refuses to supply goods or services to the Debtors or the Buyer under the APA on Customary Trade Terms or such other trade terms as were agreed to by the Debtors and the Critical Vendor following payment of any portion of its Critical Vendor Claim to be a Terminated Critical Vendor; and it is further

5. ORDERED that if the Debtors or Buyer (after the closing under the APA) choose not to deem a Critical Vendor to be a Terminated Critical Vendor immediately upon a refusal by the participating Critical Vendor party to provide goods and/or services in accordance with Customary Trade Terms or such other trade terms as were agreed to by the Debtors and the Critical Vendor, the Debtors or Buyer shall not be deemed to have waived the ability to do so; and it is further

6. ORDERED that in the event the Debtors or Buyer (after the closing under the APA) exercise the right to deem a Critical Vendor to be a Terminated Critical Vendor as set forth herein, the Debtors may, in their discretion, deem provisional payments made to the Critical Vendor on account of its Critical Vendor Claim to have been in payment of then outstanding postpetition amounts owed to such Terminated Critical Vendor without further order of this Court or action by any person or entity, and such Terminated Critical Vendor shall be required to immediately return any payments made on account of its Critical Vendor Claim to the extent that such payments exceed the postpetition amounts then owed to such Terminated Critical Vendor, without giving effect to any rights of setoff or reclamation; and it is further

7. ORDERED that the payment of a Critical Vendor Claim shall not be deemed a waiver of any causes of action, including causes of action under Chapter 5 of the Bankruptcy Code, that may be held by the Debtors; and it is further

8. ORDERED that nothing herein shall prohibit the Debtors from seeking Court authority to increase the Critical Vendor Cap; 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 nothing herein shall be deemed to constitute the postpetition assumption of any executory contracts by the Debtors and all rights of the Debtors under Section 365 of the Bankruptcy Code are hereby preserved; and it is further

11. 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

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 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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