

FILED
CLERK U.S. DISTRICT COURT
DISTRICT OF DELAWARE

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

2007 FEB 21 PM 12:29

40-7580

In re:)
)
FANSTEEL INC., et al.,¹) Case No. 02-CV-44
)
Debtors.)
)
)
)

ORDER AUTHORIZING DEBTORS TO EMPLOY AND COMPENSATE CERTAIN PROFESSIONALS UTILIZED IN THE ORDINARY COURSE OF DEBTORS' BUSINESS

Upon consideration of the motion (the "Motion") of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an order authorizing the Debtors to employ and compensate certain professionals; and it appearing that the relief requested is in the best interests of Debtors' estates, their creditors and other parties in interest; and it appearing that this proceeding is a core proceeding under 28 U.S.C. § 157(a); and due and sufficient notice of the Motion having been given under the circumstances; and after due deliberation and cause appearing therefore;

ORDERED that the Motion is granted; and it is further

ORDERED Debtors are hereby authorized to employ and retain, pursuant to §§ 105 and 327 of chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code"), the ordinary course professionals (the "OCP") identified in Exhibit A attached to the Motion and any OCP who may be hereafter identified and who conforms to the procedures set forth in this Order; and

¹ The Debtors are the following entities: Fansteel Inc., Fansteel Holdings, Inc., Custom Technologies Corp., Escast, Inc., Wellman Dynamics Corp., Washington Mfg. Co., Phoenix Aerospace Corp., American Sintered Technologies, Inc., and Fansteel Schulz Products, Inc.

Nm5501 Add: Rick's Eye Mail Center

it is further

ORDERED that Debtors are authorized to pay, without formal application to the Court by any OCP, 100% of the interim fees and disbursements to each of the OCPs, after submission to Debtors an Affidavit of Disinterestedness as described below, and upon the submission to Debtors of an appropriate invoice setting forth in reasonable detail the nature of the services rendered after the Petition Date, provided that such interim fees and disbursements for each OCP do not exceed \$15,000 per month (the "OCP Monthly Fees") and \$200,000 in the aggregate for all OCP's hired by Debtors for the duration of these bankruptcy cases; and it is further

ORDERED that Debtors shall file with the Court and serve on (i) the United States Trustee, (ii) Counsel for the Official Committee of Unsecured Creditors, and (iii) Counsel for Debtors' post petition lenders on March 31, June 30, September 30, and December 31 of every year that these chapter 11 cases are pending a statement that includes the following information for each OCP: (a) the name of the OCP; (b) the aggregate amounts paid as compensation for services rendered and reimbursement of expenses incurred by such OCP during the previous period; and (c) a general description of the services rendered by each OCP; and it is further

ORDERED that in the event that in a given month the invoice of an OCP exceeds the OCP Monthly Fee amount for such OCP, such firm shall apply for approval by the Court of all such firm's fees and disbursements for such month, but is entitled to an interim payment up to the OCP Monthly Fee for such OCP as a credit against the fees and disbursements for such month ultimately allowed by the Court; and it is further

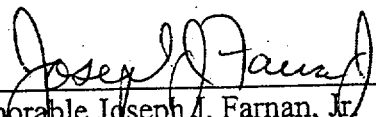
ORDERED that, prior to submitting an invoice to Debtors, each OCP that Debtors wish to retain shall file with the Court and serve upon the (i) United States Trustee, (ii) counsel for the Official Committee of Creditors Holding Unsecured Claims (the "Committee"), if such a

committee is appointed, (iii) the counsel to Debtors, and (iv) counsel for the Debtors' current Post petition lenders (collectively, the "Notice Parties"), an Affidavit of Disinterestedness pursuant to Federal Rules of Bankruptcy Procedure 2014 tting an invoice to Debtors; and it is further

ORDERED that the United States Trustee and the other Notice Parties shall have ten (10) days after the receipt of an Affidavit of Disinterestedness from, an OCP (the "Objection Deadline") to object to such Professionals' retention. The objecting party shall serve any such objections upon Debtors, the OCP, the United States Trustee, and the other Notice Parties on or before the Objection Deadline. If any such objection cannot be resolved within ten (10) days, the matter shall be scheduled for hearing before the Court at the next regularly scheduled omnibus hearing date or other date otherwise agreeable to the parties thereto. If no objection is received from any of the Notice Parties by the Objection Deadline, Debtors shall be authorized to retain such Professional as a final matter; and it is further

ORDERED that the Court shall retain jurisdiction with respect to any matters, claims rights or disputes arising from or related to the implementation of this Order.

Dated: February 21, 2002


Honorable Joseph J. Farnan, Jr.
United States District Court Judge