

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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In re:) Chapter 11
)
FANSTEEL INC., et al.,¹) Case No. 02-_____ ()
) (Jointly Administered)
Debtors.)
)
)

**ORDER AUTHORIZING AND APPROVING RETENTION OF
AND APPOINTING BANKRUPTCY MANAGEMENT CORPORATION
AS NOTICING, CLAIMS AND BALLOTING AGENT OF THE BANKRUPTCY COURT**

Upon the Motion of the above-captioned debtors and debtors-in-possession (collectively, the "Debtors"), for entry of an order under 28 U.S.C. §156(c) and Rule 2002-1(f) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Local Rules"), authorizing and approving the retention of and appointing Bankruptcy Management Corporation, a California corporation ("BMC"), as noticing, claims and balloting agent of the Bankruptcy Court (the "Agent"); and the Court having reviewed the Declaration of Sean Allen (the "Allen Declaration"); and the Court being satisfied with the representations made in the Motion and the Allen Declaration that BMC represents no interest adverse to Debtors' estates with respect to the matters upon which BMC is to be engaged, that BMC is a "disinterested person" as that term is defined in Section 101(14) of the Bankruptcy Code, as modified by Section 1107(b) of the Bankruptcy Code, and that BMC's appointment is necessary and would be in the best interests of Debtors' estates; and it appearing that proper and

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

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adequate notice has been given and that no other or further notice is necessary; and upon the record herein; and after due deliberation thereon; and good cause appearing therefore, it is hereby

ORDERED, that the Motion is granted; and it is further

ORDERED, that BMC is appointed as the noticing, claims and balloting agent in these chapter 11 cases, pursuant to 28 U.S.C. §156(c) and Local Rule 2002-1(f), and is authorized to perform the following services as requested by the office of the Clerk of the Bankruptcy Court for the District of Delaware (the "Clerk's Office") or Debtors:

a. prepare and serve required notices in these chapter 11 cases, including, without limitation:

- (1) notice of the claims bar date;
- (2) notice of objections to claims;
- (3) notice of any hearings on a disclosure statement and confirmation of a plan of reorganization; and
- (4) other miscellaneous notices to any entities, as Debtors or the Court may deem necessary or appropriate for an orderly administration of these chapter 11 cases;

b. within five days after the mailing of a particular notice, file with the Clerk's Office a declaration of service that includes a copy of the notice involved, an alphabetical list of persons to whom the notice was mailed and the date of mailing;

c. receive and maintain originals and at least one set of copies of all proofs of claim and proofs of interest filed;

d. maintain the official claims register by docketing all proofs of claim and proofs of interest on the claims register including, among other things, the following information:

(1) the name and address of the claimant and any agent thereof, if the proof of claim or proof of interest was filed by an agent;

(1) the date received;

(2) the claim number assigned; and

(3) the asserted amount and classification of the claim;

e. implement necessary security measures to ensure the completeness and integrity of the claims register;

f. periodically audit the claims information to satisfy the Clerk's Office that the claims information is being appropriately and accurately recorded in the Court's claims register;

g. transmit to the Clerk's Office a copy of the claims register on a bi-weekly basis, unless requested by the Clerk's office on a more or less frequent basis;

h. maintain an up-to-date mailing list for all entities that have filed a proof of claim or proof of interest, which list shall be available upon request of a party in interest or the Clerk's Office;

i. provide access to the public for examination of copies of the proofs of claim or interest without charge during regular business hours;

- j. receive and record all transfers of claims pursuant to Bankruptcy Rule 3001(e) and provide notice of such transfers as required by Bankruptcy Rule 3001(e);
- k. comply with applicable federal, state, municipal and local statutes, ordinances, rules, regulations, orders and other requirements;
- l. provide temporary employees to process claims, as necessary;
- m. allow the Clerk's Office to independently audit the claims information at any time;
- n. allow the Clerk's office to inspect its premises at any time; and
- o. promptly comply with such further conditions and requirements as the Clerk's Office may at any time prescribe; and it is further;

ORDERED, that the Clerk's Office is authorized to allow BMC to receive and record all Proofs of Claim and Transfers of Claim heretofore filed in these chapter 11 cases, and to transmit to BMC, not less often than weekly, all Proofs of Claim and Transfers of Claim hereafter received by the Clerk's Office, and it is further

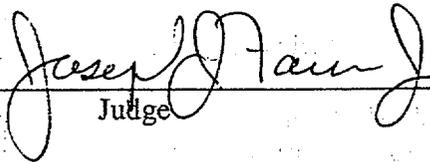
ORDERED, that BMC is also authorized to assist Debtors and Debtors' counsel with, among other things: (a) creation and maintenance of its Schedules of Assets and Liabilities; (b) the reconciliation and resolution of claims, (c) the preparation, mailing and tabulation of ballots for the purpose of voting to accept or reject a plan of reorganization, and (d) such other administrative, consulting, technical and document management services of a similar nature necessary to facilitate Debtors' emergence from chapter 11; and it is further

ORDERED, that the fees and expenses of BMC incurred in the performance of the above services and in accordance with the BMC Agreement attached hereto as Exhibit A shall be treated as an administrative expense of Debtors' chapter 11 estates and shall be paid by Debtors in the ordinary course of business; and it is further

ORDERED, that BMC shall submit to the United States Trustee for this region, on a monthly basis, copies of the invoices it submits to the Debtors for services rendered; and it is further

ORDERED, that BMC shall not have the right to discontinue its employment as noticing, claims and balloting agent in the event of a payment dispute with Debtors, absent a further order of this Court.

Dated: March 1, 2002



Judge

Chapter 11 Cases (including terminal digit assignment):

Cathy Murphy	1	252-2915
Barbara Gray	3,6	252-2941
Donna Brown	4,5	252-2907
Wayne Davis	8	252-2903
Janet Lardner	9,0	252-2905
Ginger Akin	7	252-2897
Lisa Ciconte	2	

Chapter 7 Cases:

Ian Densmore	252-2927
Nancy L'Heureux*	252-2913

Chapter 13 Cases:

Julie Johnston	252-2939
Mary Littlepage-Davis	252-2541
Nancy L'Heureux*	252-2913

Appeals:

Sandra Arlequin	252-2888
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Chapter 11 and Adversary Closing:

Margit Walter	252-2917
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Confirmation Calendar

Margaret Stansbury	252-2880
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Betsy Magnuson

* Nancy L'Heureux will work mornings on Chapter 7 cases and afternoons on Chapter 13 cases.

INTAKE

Violetta Blanco	252-2902
Remigio Tabangin	252-2942
Patrick Foss	252-2904
Pat Kirk	252-2947
Nickita Barksdale	252-2905
Lillie Lewis	252-2912