

IN THE UNITED STATES BANKRUPTCY COURT

FOR THE DISTRICT OF DELAWARE

40-7580

IN RE:

FANSTEEL, INC., et al.,

Debtors.

) Chapter 11
)
)
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)
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)
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Case No. 02-10109 (JJF)

(Jointly Administered)

**AFFIDAVIT OF LATICIA HILL IN SUPPORT OF
MOTION OF FISHER-ANDERSON, LC FOR THE ENTRY
OF AN ORDER TO MODIFY THE AUTOMATIC STAY OR,
ALTERNATIVELY, FOR ADEQUATE PROTECTION (Docket No. 1167)**

BKRP01

[illegible]

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re)	Chapter 11
)	
FANSTEEL, INC., et al.,)	Case No. 02-10109 (JJF)
)	
Debtors.)	(Jointly Administered)

AFFIDAVIT OF LATICIA HILL

I, Laticia Hill, being first duly sworn on oath, states as follows:

1. I am an adult individual over the age of 18. The following statements are based upon personal knowledge, and if called upon to testify as a witness, I could competently testify thereto.

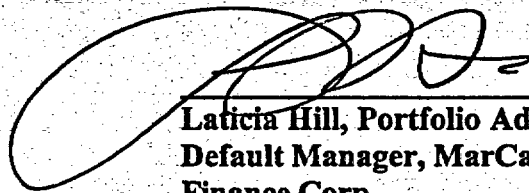
2. I am employed at MarCap Vender Finance Corp. (“MarCap”), which now owns Fisher Anderson, LC (“Fisher”). Marcap is located at 9665 Chesapeake, San Diego, California. At MarCap, I hold the position of Portfolio Administration and Default Manager.

3. In my capacity as Portfolio Administration and Default Manager, I am familiar with the books and records of Fisher. On or about June 5, 2001, Daniel Langstraat, as the CFO of Fansteel Washington Manufacturing, Inc., executed an Equipment Lease Agreement (hereinafter the "Lease") in favor of Fisher, for the lease of (1) 20 User License for INFISY Software, more specifically described in the Lease, and 10 Bar Code Laser Guns (together the "Equipment").

4. On or about June 21, 2001, Fisher caused to be filed a UCC Financing Statement with the Secretary of State of Iowa, in order to secure the Equipment.

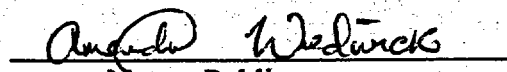
5. The current gross balance due under the Lease from Fansteel Washington Manufacturing, Inc. is \$99,413.28. The principal balance is \$73,098.00, and the interest to date is \$26,315.28. Under the terms of the Lease, the per diem interest rate is 18% and the per diem interest amount is \$36.55. Attached hereto is a Statement of Damages.

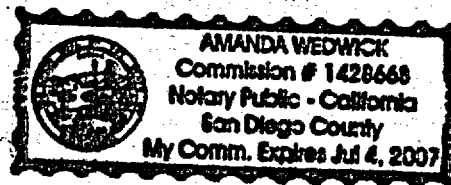
FURTHER AFFIANT SAYETH NAUGHT.



Laticia Hill, Portfolio Administration and
Default Manager, MarCap Vender
Finance Corp.

Subscribed and Sworn to Before Me
This 18 day of August, 2003.


Notary Public



STATEMENT OF DAMAGES

LESSEE FANSTEEL

LEASE NO. 32366-1

DATE OF DEFAULT: 21-Aug-01

1) Total Lease Contract:				
60 x	\$1,981.13		\$ 118,867.80	
0 x	\$0.00			
2) Less Payments Received:				
2 x	\$1,981.13		\$ (3,962.26)	\$ (49,342.79)
0 x	\$0.00			
Misc Paid Over/(Under)	\$ -			\$ (53,305.05)
Less PV Discount on Future Payments			\$ 65,562.75	
Discount Rate				
FUTURES	35	4%		
3) Plus Personal Property Tax:			\$ -	
4) Plus Late Charges: Rate		15%		
25 x	\$ 297.17		\$ 7,429.25	
0 x	\$ -			
5) Collection Calls : \$15 per call				
7 x	\$ 15.00		\$ 105.00	
6) Less Security Deposit	(-)		\$ -	
7) Balance Due On Lease			\$ 73,097.00	Subtotal
8) Plus Residual			\$ 1.00	
9) Sales Tax	0.00%		\$ 73,098.00	Subtotal
10) Plus Extraordinary Costs:			\$ -	
Atty Fees/Costs	\$ -	*tbd		
Repo/Remktg	\$ -	*tbd		
Ship/Storage	\$ -	*tbd		
Cost of Sale	\$ -	*tbd		
11) Subtotal	\$ -		\$ 73,098.00	Subtotal
12) Less Sales Proceeds	(-)		\$ -	
13) Per Diem Int., Annualized =	18%			
Per diem Amt. =	36.55		26315.28	
Days =	720		\$ 26,315.28	
14) Total Damages			\$ 99,413.28	

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PA 8/11/2003

Miscellaneous:**02-10109-JJF Fansteel Inc.****U.S. Bankruptcy Court****District of Delaware****Notice of Electronic Filing**

The following transaction was received from Tacconelli, Theodore J. entered on 8/20/2003 at 11:27 AM EDT and filed on 8/20/2003

Case Name: Fansteel Inc.**Case Number:** 02-10109-JJF**Document Number:** 1200**Docket Text:**

Affidavit Of Laticia Hill In Support Of Motion Of Fisher-Anderson, LC For The Entry Of An Order To Modify The Automatic Stay Or, Alternatively, For Adequate Protection (Docket No. 1167) (related document(s)[1167]) Filed by Fisher-Anderson, LC (Attachments: # (1) Certificate of Service # (2) Service List) (Tacconelli, Theodore)

The following document(s) are associated with this transaction:

Document description:Main Document**Original filename:**F:\Christine\TJT\Fisher-Anderson, LC\AffidavitLH.pdf**Electronic document Stamp:**

[STAMP bkecfStamp_ID=983460418 [Date=8/20/2003] [FileNumber=1838061-0 [58fb9b97566a06278f2c00e0c4bf18ebf4c8da47b8d231627f18cd5f1128e95aeea4b730735dea2d4034238a075cc720221cfff8cf988a3ffe56df02d4ed21f3]]]

Document description:Certificate of Service**Original filename:**F:\Christine\TJT\Fisher-Anderson, LC\CertofServ8203.pdf**Electronic document Stamp:**

[STAMP bkecfStamp_ID=983460418 [Date=8/20/2003] [FileNumber=1838061-1 [9fe5ff750ab7458cc09af38fcb713f2502f10e4bb81931872728599bd47e7f1e66712c88e74c1332610659bbb0b69e00be671ee05e30c471b43f34c48ed840b2]]]

Document description:Service List**Original filename:**F:\Christine\TJT\Fisher-Anderson, LC\Serviceclist.pdf**Electronic document Stamp:**

[STAMP bkecfStamp_ID=983460418 [Date=8/20/2003] [FileNumber=1838061-2 [696595cae63c09f3e03e1480a69f14a28ebbc7f47a9e9548367bf90059f0568965099b9416157326885e34ee0924a5943d0889d38b9b29928099af02c7ce140c]]]

02-10109-JJF Notice will be electronically mailed to:

Frank C Aiello faiello@jafferaitt.com,

David L. Buchbinder david.l.buchbinder@usdoj.gov, david.l.buchbinder@usdoj.gov

Teresa K.D. Currier currier@klettrooney.com, tercurrier@aol.com