

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

TAYLOR-WHARTON  
INTERNATIONAL LLC<sup>1</sup>, *et al.*,

Debtors.

Chapter 11

Case No. 09-14089 (BLS)  
(Joint Administration Pending)

Re: Docket No. 11

**ORDER PURSUANT TO 11 U.S.C. §§ 105(a), 363 AND 507(a) AUTHORIZING THE DEBTORS, IN THEIR DISCRETION, TO (I) PAY CERTAIN PRE-PETITION EMPLOYEE WAGES, COMPENSATION AND EMPLOYEE BENEFITS AND CONTINUE PAYMENT OF WAGES, COMPENSATION AND EMPLOYEE BENEFITS IN THE ORDINARY COURSE OF BUSINESS; AND (II) AUTHORIZING THE DEBTORS' BANKS AND OTHER FINANCIAL INSTITUTIONS TO PROCESS, HONOR AND PAY CERTAIN CHECKS PRESENTED FOR PAYMENT AND TO HONOR CERTAIN FUND TRANSFER REQUESTS**

Upon the Debtors' Motion Pursuant to 11 U.S.C. §§ 105(a), 363 and 507(a) for an Order Authorizing the Debtors, in Their Discretion, to (I) Pay Certain Pre-Petition Employee Wages, Compensation and Employee Benefits and Continue Payment of Wages, Compensation and Employee Benefits in the Ordinary Course of Business; and (II) Authorizing the Debtors' Banks and Other Financial Institutions to Process, Honor and Pay Certain Checks Presented for Payment and to Honor Certain Fund Transfer Requests (the "Motion")<sup>2</sup>, the Court finds that (a) it has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; (b) this is a core

<sup>1</sup> The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number are: Taylor-Wharton International LLC (1577); TWI-Holding LLC (8154); Taylor-Wharton Intermediate Holdings LLC (6890)]; Alpha One Inc. (1392); Beta Two Inc. (1408); Gamma Three Inc. (1367); Delta Four Inc. (1320); Epsilon Five Inc. (1344); TW Cryogenics LLC (1713); TW Cylinders LLC (1665); Sherwood Valve LLC (1781); American Welding & Tank LLC (1945); and TW Express LLC (6414).

<sup>2</sup> Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Motion.

proceeding pursuant to 28 U.S.C. § 157(b)(2); (c) venue of this proceeding and the Motion are proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409; (d) notice of the Motion and the hearing was sufficient under the circumstances; (e) the requirements of Bankruptcy Rule 6003 have been satisfied; and (f) upon the Declaration of Leonard York in Support of Debtors' Chapter 11 Petitions and First Day Motions and the record herein, and after due deliberation, good and sufficient cause exists for the relief requested. Accordingly, it is hereby

**ORDERED, ADJUDGED AND DECREED that:**

1. The Motion is granted as set forth herein.
2. The Debtors are authorized, but not directed, pursuant to Sections 105(a) and 363(b) of the Bankruptcy Code in the reasonable exercise of their business judgment to pay and honor amounts relating to the Pre-petition Employee Claims and Employee Benefits that become due and owing.
3. The Debtors are authorized, but not directed, to pay in the ordinary course of the Debtors' business the aggregate amount of current earned, but unpaid, pre-petition wages and salaries inclusive of withholding for payroll taxes as of the Petition Date in an aggregate amount not to exceed \$8.5 million.
4. No single Employee or Terminated Employee will receive in excess of the \$10,950.00 limitation set forth in 11 U.S.C. §§507(a)(5) and (6), unless the amount in excess of \$10,950.00 to any individual Employee or Terminated Employee is merely a payment under the Medical Plan, Dental Plan, or Corporate Card Programs.
5. The Debtors are authorized to pay any outstanding withholding taxes, tax deposits and processing fees that accrued and were owed to the taxing authorities prior to the Petition Date and in the ordinary course of business on a going forward basis.

6. The Debtors are authorized, to the extent applicable, to allow Employees to use paid time off and holiday time accrued with respect to pre-petition periods.

7. The Debtors are authorized to permit all Employees to take ordinary course paid time off and holiday time in accordance with the Debtors' pre-petition policies and procedures.

8. The Debtors are authorized to remit withholdings to the appropriate programs or funds from Employees' payroll checks.

9. The Debtors are authorized to reimburse the Employees and Terminated Employees for pre-petition business expenses in the ordinary course of business, regardless of when such obligations arose in an aggregate amount not to exceed \$125,000.

10. The Debtors are authorized to pay all amounts related to Workers' Compensation Policies and related agreements and Unemployment Obligations that arose prior to the Petition Date, including, without limitation, any payments for workers compensation claims, premiums, deductibles, taxes, assessments and fees owed for administrative costs (including claims handling fees of ESIS, Inc.) and other amounts required in connection with the Debtors' workers' compensation programs, as such become due in the ordinary course of the Debtors' business.

11. The Debtors are authorized to pay all amounts related to Workers' Compensation Policies and related agreements and Unemployment Obligations that arise from and after the Petition Date, including, without limitation, any payments for workers compensation claims, premiums, deductibles, taxes, assessments and fees owed for administrative costs (including claims handling fees of ESIS, Inc.) and other amounts required in connection with the Debtors' workers' compensation programs, as such become due in the ordinary course of the Debtors' business.

12. The Debtors are authorized (a) to pay any amounts related to the Employee Benefits that were due as of the Petition Date, (b) to continue to provide the Employee Benefits to the Employees post-petition, and (c) to continue to provide the Employee Benefits to Terminated Employees through the period defined in pre-petition policies and practices.

13. The Debtors are authorized to pay all Benefit Contributions (defined to include: Health & Welfare, Pension, and Claims) in an aggregate amount not to exceed \$3 million and to continue the Employee Benefits in the ordinary course of business post-petition.

14. The Debtors are authorized to honor any and all Medical Plan obligations, Dental Plan obligations or Benefit Contributions, including (a) payment of all claims and administrative fees currently in arrears and (b) payment of any claims and administrative fees that may have accrued prior to the Petition Date but will not become due until a later date and to continue the Medical Plan, Dental Plan and any other benefit plans related to the Benefit Contributions, including payment of arising claims and administrative fees in the ordinary course of the Debtors' business. For the avoidance of doubt, the Debtors are authorized to pay administrative fees of the administrators of the Dental Plan and the Medical Plan on a current basis going forward.

15. The Debtors are authorized to continue to offer the Life Insurance Policies, AD&D Rider, Business Travel Accident Insurance and Disability Coverages to their Employees in the ordinary course of the Debtors' business.

16. The Debtors are authorized to: (a) make the pre-petition contributions comprising the Outstanding 401(k) Plan Match Obligations up to an aggregate amount of \$400,000 (b) make Employee 401(k) Contributions; (c) pay any 401(k) Plan Administrative Fees outstanding as of

the Petition Date; (d) pay any 401(k) Loan Obligations; and (e) continue the 401(k) Plan in the ordinary course of the Debtors' business.

17. The Debtors are authorized to pay the Employee Contributions and any administrative fees outstanding as of the Petition Date to NCAS and continue to make payments in the ordinary course of the Debtors' business on account of the Flexible Spending Account Plan.

18. The Debtors are authorized to pay the EAP Obligations outstanding as of the Petition Date and continue to make payments in the ordinary course of the Debtors' business on account of the EAP Program.

19. The Debtors are authorized to maintain any such miscellaneous benefits in the ordinary course of business and in accordance with their pre-petition practices.

20. All Banks are authorized and directed to process, honor, and pay all checks presented for payment and to honor all fund transfer requests made by the Debtors related to the Pre-petition Employee Claims and Employee Benefits, regardless of whether they are presented or submitted prior to or after the Petition Date.

21. The Debtors are authorized to reissue checks and initiate fund transfers to cover amounts owing on any checks or fund transfers covered by the order that have been dishonored or fund transfers that have been terminated.

22. The Debtors are authorized to pay any outstanding indebtedness owed to the Credit Card Company in an aggregate amount not to exceed \$50,000.

23. Nothing in the Motion or this order, nor the Debtors' payment of claims pursuant to this order, shall be deemed or construed: (a) as an admission as to the validity of any claim against the Debtors; (b) as a waiver of the Debtors' rights to dispute any claim; (c) to waive or


release any right, claim, defense, or counterclaim of the Debtors or their estates, or to estop the Debtors or their estates from asserting any right, claim, defense, or counterclaim; (d) as an approval or assumption of any agreement, contract or lease, pursuant to Section 365 of the Bankruptcy Code; or (e) as an admission that any obligation is entitled to administrative expense priority or any such contract or agreement is executory or unexpired for purposes of Section 365 of the Bankruptcy Code or otherwise.

24. The Debtors are authorized to take any such actions as may be necessary or appropriate to implement the terms of this order.

25. This Court shall retain jurisdiction to hear and determine all matters arising from the interpretation and implementation of this Order.

26. Notwithstanding any applicability of Federal Rules of Bankruptcy Procedure 6003(b) and/or 6004(h), the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

Date: November 20, 2009  
Wilmington, Delaware

  
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United States Bankruptcy Judge