

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re :
 : **Chapter 11**
 :
WESTINGHOUSE ELECTRIC :
COMPANY LLC, et al., : **Case No. 17-10751 (MEW)**
 :
 : **(Jointly Administered)**
Debtors.¹ :
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**FINAL ORDER PURSUANT TO 11 U.S.C. §§ 105(a), 362(d), 363(b),
AND 507 AND FED. R. BANKR. P. 4001, 6003, AND 6004 AUTHORIZING
(I) DEBTORS TO PAY PREPETITION WAGES, SALARIES, AND OTHER
COMPENSATION AND BENEFITS, (II) MAINTAIN EMPLOYEE BENEFIT
PROGRAMS AND PAY RELATED ADMINISTRATIVE OBLIGATIONS, AND
(III) BANKS TO HONOR AND PROCESS RELATED CHECKS AND TRANSFERS**

Upon the motion (the “**Motion**”),² dated March 29, 2017, of Westinghouse Electric Company LLC and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “**Debtors**”), pursuant to sections 105(a), 362(d), 363(b), and 507 of title 11 of the United States Code (the “**Bankruptcy Code**”) and Rules 4001, 6003, and 6004 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), for a final order (the “**Final Order**”) to (i) authorizing the Debtors pay or otherwise honor all Prepetition Employee

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, if any, are: Westinghouse Electric Company LLC (0933), CE Nuclear Power International, Inc. (8833), Fauske and Associates LLC (8538), Field Services, LLC (2550), Nuclear Technology Solutions LLC (1921), PaR Nuclear Holding Co., Inc. (7944), PaR Nuclear, Inc. (6586), PCI Energy Services LLC (9100), Shaw Global Services, LLC (0436), Shaw Nuclear Services, Inc. (6250), Stone & Webster Asia Inc. (1348), Stone & Webster Construction Inc. (1673), Stone & Webster International Inc. (1586), Stone & Webster Services LLC (5448), Toshiba Nuclear Energy Holdings (UK) Limited (N/A), TSB Nuclear Energy Services Inc. (2348), WEC Carolina Energy Solutions, Inc. (8735), WEC Carolina Energy Solutions, LLC (2002), WEC Engineering Services Inc. (6759), WEC Equipment & Machining Solutions, LLC (3135), WEC Specialty LLC (N/A), WEC Welding and Machining, LLC (8771), WECTEC Contractors Inc. (4168), WECTEC Global Project Services Inc. (8572), WECTEC LLC (6222), WECTEC Staffing Services LLC (4135), Westinghouse Energy Systems LLC (0328), Westinghouse Industry Products International Company LLC (3909), Westinghouse International Technology LLC (N/A), and Westinghouse Technology Licensing Company LLC (5961). The Debtors’ principal offices are located at 1000 Westinghouse Drive, Cranberry Township, Pennsylvania 16066.

² Capitalized terms used but not otherwise herein defined shall have the meanings ascribed to such terms in the Motion.



Obligations, (ii) authorizing, but not directing, the Debtors to continue the Employee Programs, and honor any related Employee Obligations; (iii) modifying the automatic stay to the extent necessary to permit the Debtors' Employees and Temporary Workers to proceed with any claims they may have under the Workers' Compensation Programs, and (iv) authorizing Banks to process and honor related transfers, all as more fully set forth in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334 and the Amended Standing Order of Reference M-431, dated January 31, 2012 (Preska, C.J.); and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion and the Interim Order (as defined herein) having been provided to the Notice Parties as set forth in the affidavits of service filed at Docket Nos. 43 and 97, respectively; and such notice having been adequate and appropriate under the circumstances, and it appearing that no other or further notice need be provided; and the Court having reviewed the Motion; and the Court having held a hearing on March 30, 2017 to consider the relief requested in the Motion on an interim basis (the "**Interim Hearing**"); and the Court having entered an order granting the relief requested in the Motion on an interim basis (Docket No. 76) (the "**Interim Order**") and scheduling a final hearing on the Motion for May 23, 2017 (the "**Final Hearing**"); and the Final Hearing having been held to consider the relief requested in the Motion on a final basis; and upon the Donahue Declaration, filed contemporaneously with the Motion, and the record of the Interim Hearing and the Final Hearing; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion is in the best interests of the

Debtors, their estates, creditors, and all parties in interest; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that the Motion is granted to the extent set forth herein; and it is further

ORDERED that the Debtors are authorized, but not directed, pursuant to sections 105(a), 363(b), and 507 of the Bankruptcy Code, to pay or otherwise honor all Employee Obligations (including obligations owed in respect of work performed for the Debtors by employees from other entities that were seconded to the Debtors (“**Secondees**”) and obligations owed by the Debtors to independent contractors that are not hired through the Staffing Agencies (the “**Non-Agency Contractors**”)), that are due and payable and relate to the period prior to the Petition Date or come due postpetition, without further order of this Court, in accordance with the Debtors’ ordinary course of conduct and consistent with the Debtors’ prepetition practices; *provided*, that (i) the aggregate amount of payments made with respect to Prepetition Employee Obligations shall not exceed \$24,125,000 (the “**Cap Amount**”); (ii) the Debtors shall not pay any individual Employee or Non-Agency Contractor an amount greater than the Prepetition Compensation Cap on account of prepetition obligations, (iii) the Debtors (a) shall not pay on account of Secondees’ prepetition wages and benefits amounts in excess of the Prepetition Compensation Cap, (b) shall not pay to the Staffing Agencies any amounts that would result in Independent Contractors on average getting paid more than the Prepetition Compensation Cap on account of outstanding Staffing Agency Fees, and (c) shall use good faith reasonable efforts not to make any payments that would result in any individual Independent Contractor getting paid more than the Prepetition Compensation Cap on account of outstanding Staffing Agency Fees, and (iv) prior to the payment by the Debtors of any Reimbursable Expense accrued prepetition that exceeds \$15,000, the Debtors shall provide three (3) business days’ notice to (a) the Office of the

United States Trustee for Region 2, (the “**UST**”), (b) counsel to the statutory committee of unsecured claimholders (the “**UCC**”), and (c) counsel to the DIP Lenders (together with the UST and UCC, the “**Limited Notice Parties**”), *provided*, that in the event the Debtors receive an objection to such payment from any of the Limited Notice Parties, the payment shall not be made unless the Debtors resolve the objection with the objecting party or upon further order of this Court (after notice and a hearing); and it is further

ORDERED that the Cap Amount may only be increased upon further order of the Court; and it is further

ORDERED that the Debtors are further authorized, but not directed, pursuant to sections 105(a), 363(b), and 507 of the Bankruptcy Code, to maintain and continue to honor and pay, all amounts owed in connection with the Debtors’ ordinary course business practices, programs, and policies for their Employees, Temporary Workers, Independent Contractors, Secondees, and Non-Agency Contractors (including, without limitation, the Employee Benefit Programs) as such were in effect as of the commencement of these chapter 11 cases and as such may be modified or supplemented from time to time in the ordinary course of business, *provided*, *however*, that any material modification or supplement shall require the prior written consent of the DIP Lenders and the UCC; and it is further

ORDERED that the Debtors are authorized to pay and otherwise honor all Reimbursable Expenses (including amounts due in respect of the Employee Credit Card Programs) in the ordinary course, as and when due, subject to the provisions of this Final Order; and it is further

ORDERED that notwithstanding anything to the contrary, nothing in this Final Order shall permit the payment by the Debtors to or for the benefit of any (i) employees of non-

debtor affiliates (other than payments in respect of work performed for the Debtors by Secondees) or (ii) insiders of non-debtor affiliates (other than payments in respect of work performed for the Debtors by Secondees), in each case, solely in any such employee's or insider's capacity as an employee or insider of a non-debtor affiliate; and it is further

ORDERED that notwithstanding anything to the contrary, nothing in this Final Order shall permit the Debtors to pay any retention or bonus payments to any employees without separate application to and order of the Court; *provided, however*, that the Debtors are authorized to pay ordinary course prepetition Employee Bonus Obligations to non-insider Employees with the consent of the UCC; and it is further

ORDERED that pursuant to section 362(d) of the Bankruptcy Code, the automatic stay is modified to the extent necessary to permit the Debtors' employees to proceed with any claims they may have under the Workers' Compensation Programs; *provided, however*, that the Debtors shall provide counsel to the DIP Lenders and the UCC with monthly summaries, on the first day of each month, of such claims, including the alleged claim amounts and likely liability under the Debtors' self-retained policy; and it is further

ORDERED that in accordance with this Final Order (or other order of the Court), each of the Banks at which the Debtors maintain their accounts relating to the payment of the obligations described in the Motion is authorized to (i) receive, process, honor, and pay all checks presented for the payment of postpetition obligations; (ii) receive, process, honor, and pay all checks presented for the payment of prepetition obligations and honor all fund transfer requests made by the Debtors related thereto only upon the Debtors' representation that such payment or transfer is authorized by an Order of the Court; and (iii) accept and rely on all representations made by the Debtors with respect to which checks, drafts, wires, or automated clearing house transfers

should be honored or dishonored in accordance with this or any other order of the Court, whether such checks, drafts, wires, or transfers are dated prior to, on, or subsequent to the Petition Date, without any duty to inquire otherwise; and it is further

ORDERED that the Debtors are authorized, but not directed, to issue new postpetition checks, or effect new electronic funds transfers, on account of prepetition obligations and claims as set forth herein, and to replace any prepetition checks or electronic fund transfer requests that may be lost or dishonored or rejected as a result of the commencement of the Debtors' chapter 11 cases; and it is further

ORDERED that nothing contained in the Motion or this Final Order, nor any payment made pursuant to the authority granted by this Final Order is intended to be or shall be construed as (i) an admission as to the validity of any claim or lien against the Debtors, (ii) a waiver of the Debtors', the UCC's, or any appropriate party in interest's rights to dispute the amount of, basis for, or validity of any claim against the Debtors, (iii) a waiver of any claims or causes of action which may exist against any creditor or interest holder, or (iv) an approval, assumption, adoption, or rejection of any agreement, contract, lease, program, or policy between the Debtors and any third party under section 365 of the Bankruptcy Code, including, without limitation, any CBA; and it is further

ORDERED that notwithstanding entry of this Final Order, nothing herein shall create, nor is intended to create, any rights in favor of or enhance the status of any claim held by, any party; and it is further

ORDERED that notwithstanding anything to the contrary contained herein, any payment to be made or relief or authorization granted hereunder shall be not be inconsistent with, and shall be subject to, the requirements imposed on the Debtors under the DIP Orders, the budget

approved thereunder (the “**Budget**”), and the loan and security documents evidencing the DIP Facility (the “**DIP Loan Documents**”); and it is further

ORDERED that to the extent there is any conflict between this Order and the DIP Orders, the DIP Loan Documents, or the Budget, the terms of the DIP Order, DIP Loan Documents, or the Budget, as applicable, shall govern; *provided, however*, that nothing in the DIP Order, DIP Loan Documents, or Budget shall authorize the Debtors to make payments of Prepetition Employee Obligations unless such payments are otherwise authorized pursuant to the terms of this Order or another order of the Court; and it is further

ORDERED that under the circumstances of these chapter 11 cases, notice of the Motion is adequate under Bankruptcy Rule 6004(a); and it is further

ORDERED that notwithstanding Bankruptcy Rule 6004(h), this Final Order shall be immediately effective and enforceable upon its entry; and it is further

ORDERED that the Debtors are authorized to take all action necessary to effectuate the relief granted in this Final Order; and it is further

ORDERED that nothing contained in the Motion or this Final Order, nor any payment made pursuant to any interim order or this Final Order, shall be dispositive with respect to any allocation of responsibility between and among Debtors and non-Debtors for such payment, and all rights with respect thereto are expressly reserved by the UCC; and it is further

ORDERED that the Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, and/or enforcement of this Final Order.

Dated: June 2, 2017
New York, New York

s/Michael E. Wiles
UNITED STATES BANKRUPTCY JUDGE