

IT IS SO ORDERED.

Dated: 04:00 PM October 18 2006



**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION**

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In re: :
: Case No. 06-51848
CEP HOLDINGS, LLC, et al.,¹ : (Jointly Administered)
: :
Debtors. : Chapter 11
: :
: Honorable Marilyn Shea-Stonum
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STIPULATED ORDER

CEP Holdings, LLC and its debtor affiliates, debtors and debtors-in-possession in the above-captioned cases (the “**Debtors**”), Wachovia Capital Finance Corporation (Central) (“**WCFC**”), the Debtors’ senior secured lender, and the Official Committee of Unsecured Creditors (the “**Committee**”), appointed in the Debtors’ bankruptcy cases, hereby stipulate and agree as set forth herein.

¹ The Debtors include: CEP Holdings, LLC, Creative Engineered Polymer Products, LLC and Thermoplastics Acquisition, LLC.

WHEREAS, the Debtors filed a petition for relief under Chapter 11 of the Bankruptcy Code on September 20, 2006 in order to effectuate an orderly liquidation of the Debtors' assets;

WHEREAS, the Committee was appointed by the United States Trustee on September 28, 2006;

WHEREAS, the Debtors own certain customer specific machinery, equipment and tooling (the "**Customer Equipment**") which the Debtors use in the ordinary course of their business to produce automotive parts for such customers;

WHEREAS, the Customer Equipment has no value above scrap value except to the specific customer for whom the Customer Equipment is used to make parts;

WHEREAS, in the ordinary course of the Debtors' prepetition business, the Debtors would sell an exiting customer's Customer Equipment to such customer at a price agreed to between the Debtors and such customer because the Debtors had no other use for the Customer Equipment, no other party would buy the specific Customer Equipment and the value received far exceeded the scrap value of such Customer Equipment;

WHEREAS, the Debtor has the opportunity to continue to sell Customer Equipment to exiting customers for values which far exceed the scrap value of such Customer Equipment; and

WHEREAS, the Debtors, WCFC and the Committee agreed that it is in the best interests of the Debtors' creditors and estates that the Debtors continue to sell the Customer Equipment in the ordinary course of the Debtors' businesses on the terms set forth herein.

NOW, THEREFORE, it is hereby stipulated, agreed and ordered that:

1. Solely on the terms set forth herein, the Debtors may continue to sell the Customer Equipment to exiting customers in the ordinary course of their business and all such

transaction shall be deemed the sale of property “in the ordinary course of business” under Section 363(c)(1) of the Bankruptcy Code.

2. Upon notice to WCFC and the Committee as provided below, the Debtors may sell Customer Equipment to existing customer; provided, however, the aggregate amount of the purchase price for Customer Equipment sold to any single exiting customer may not exceed \$100,000. If the aggregate amount of purchase price for Customer Equipment proposed to be sold to any single exiting customer exceeds \$100,000, the Debtors shall seek approval of such sale by separate motion.

3. Unless shortened by the agreement of WCFC and the Committee, the Debtors shall provide notice (the “**Sale Notice**”) by electronic mail and facsimile two (2) full business days in advance of any sale of Customer Equipment. Notice to WCFC shall be provided electronic mail and facsimile to: Shira Isenberg at shira.isenberg@goldbergkohn.com and (312) 863-7849. Notice to the Committee shall be provided by electronic mail and facsimile to: Mark Freedlander at mfreedlander@mcguirewoods.com and (412) 667-7967. The Sale Notice must include the following information: (i) a written offer from the exiting customer which specifically identifies the Customer Equipment to be purchased and the purchase price consideration (without contingencies); (ii) a verification from the Debtors (by David Dick or Joseph Mallak) that the Customer Equipment subject to the offer is specific to the exiting customer, has no general use and that the consideration to be paid is fair, reasonable and in the best interests of the Debtors’ estates; and (iii) identification of any Customer Equipment subject to the Sale Notice that is specifically listed and valued in the Accuval appraisal.

4. If no objection by either WCFC or the Committee is received by the Debtors within two (2) business days of the sending of the Sale Notice, the Debtors may sell the

Customer Equipment pursuant to the terms of the Sale Notice. The Debtors shall provide a trustee's bill of sale conveying the Customer Equipment free and clear of all liens, claims and encumbrances.

5. All proceeds of Customer Equipment sales shall be remitted to WCFC and applied pursuant to (i) the Emergency Order Authorizing Debtors To: (A) Use Cash Collateral on an Emergency Basis; (B) Incur Postpetition Debt on an Emergency Basis; (C) Grant Adequate Protection and Provide Security and Other Relief to Wachovia Capital Finance Corporation (Central); and (D) Grant Certain Related Relief (the "**Emergency Financing Order**"), any "Final Hearing Order" (as defined in the Emergency Order) and all amendments, modifications and supplements to the Emergency Financing Order and Final Hearing Order entered with WCFC's consent (as the same are in effect from time to time) and (ii) the Postpetition Documents (as defined in the Emergency Financing Order), provided, that, in all events, no portion of the loans repaid with such proceeds may be reborrowed by Debtors. The Debtors will provide the Committee with copies of all bills of sale provided to purchasing customers.

6. No sales of Customer Equipment subject to objection under Section 4 may occur absent either written withdrawal of the objection by WCFC or the Committee, as the case may be, or further order of this Court authorizing and approving such sale.

IT IS SO ORDERED

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STIPULATED AND AGREED:

/s/ Joseph F. Hutchinson, Jr.

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