

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

In re

CEP HOLDINGS, LLC, *et al.*,

Debtors.

Case Nos. 06-51848

Chapter 11

Honorable Marilyn Shea-Stonum

Hearing Date: 10/24/06 at 9:30 a.m.

OBJECTION OF INDEPENDENT CONTRACTORS TO MOTION OF DEBTORS AND DEBTORS IN POSSESSION, PURSUANT TO SECTIONS 105(a), 363(b)(3) OF THE BANKRUPTCY CODE, FOR ENTRY OF AN ORDER AUTHORIZING THEM TO ADOPT A PERFORMANCE BONUS PLAN AND MAKE PAYMENTS THEREUNDER

Fabnet Associates, Inc. ("Fabnet"), Norris Sales Associates, Inc. ("Norris"), and C.H. Raches, Inc. ("Raches" and collectively with Fabnet and Norris the "Independent Contractors") by their undersigned attorneys hereby object to the Motion of Debtors and Debtors in Possession, Pursuant to Sections 105(a), 363(b)(3) of the Bankruptcy Code, for Entry of an Order Authorizing Them to Adopt a Performance Bonus Plan and Make Payments Thereunder (the "KERP Motion"). In support of their objection the Independent Contractors hereby represent as follows.

1. The Independent Contractors hereby incorporate by reference the information contained in their Reply to the Omnibus Response of the Unofficial Committee of Unsecured Creditors of CEP Holdings, LLC, *et al.* to Certain First Day Motions. For the convenience of the Court, a copy of that pleading is annexed hereto as Exhibit A.

2. The KERP Motion is predicated on the necessity of rewarding those whose services are essential to maintaining relationships with General Motors and Delphi. However, the real parties who continue to be, and long have been, key to relationships between the debtors and General Motors and Delphi are the Independent Contractors.

3. Bankruptcy Court is a court of equity. Whether or not a KERP plan is funded wholly or partly by third parties, a Bankruptcy Court should not authorize the plan if it is not equitable. It is respectfully submitted that it is not equitable under the circumstances of this case to reward internal employees while the Independent Contractors, the true key to the important relationships, are left disadvantaged.

4. The debtors' KERP plan appears in reality to be more of a severance plan prohibited under BAPCPA 2005 than a true incentive plan.

5. The Independent Contractors believe that the KERP motion should be granted unless and until the Independent Contractors are paid in full all amounts due under their executory contracts up to the date, if any, that a specific executory contract is authorized to be rejected.

Wherefore, the Independent Contractors hereby submit this limited objection to the Kerp Motion.

Respectfully submitted,

/s/ Darrell A. Clay

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Inc.

CERTIFICATE OF SERVICE

I hereby certify that on this 20th day of October, 2006, a copy of the foregoing Objection of Independent Contractors to Motion of Debtors and Debtors In Possession, Pursuant to Sections 105(A), 363(B)(3) of the Bankruptcy Code, For Entry of an Order Authorizing Them to Adopt a Performance Bonus Plan and Make Payments Thereunder was filed electronically. Notice of this filing will be sent to all parties by operation of the Court's electronic filing system. Parties may access this filing through the Court's system.

/s/ Darrell A. Clay
Attorneys for Fabnet Associates, Inc.,
Norris Sales Associates, Inc., C.H. Raches,
Inc.