

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

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In re: :
: Case No. 06-61796
CEP HOLDINGS, LLC, et al.,¹ : (Jointly Administered)
: :
Debtors. : Chapter 11
: :
: Honorable Russ Kendig
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**APPLICATION OF DEBTORS AND DEBTORS IN POSSESSION FOR ENTRY
OF AN ORDER, PURSUANT TO SECTIONS 327(a) AND 328(a) OF THE
BANKRUPTCY CODE AND BANKRUPTCY RULE 2014(a), AUTHORIZING
DEBTORS TO EMPLOY AND RETAIN BAKER & HOSTETLER, LLP AS
GENERAL BANKRUPTCY COUNSEL EFFECTIVE AS OF THE PETITION DATE**

CEP Holdings, LLC and its affiliated debtors and debtors-in-possession (each a “**Debtor**” and collectively, the “**Debtors**” or “**CEP**”) in the above-captioned cases (the “**Cases**”), hereby apply (the “**Application**”), pursuant to sections 327(a) and 328(a) of title 11 of the United States Code (the “**Bankruptcy Code**”), Rule 2014(a) of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”) and Local Bankruptcy Rule 2016-1, for entry of an order authorizing the Debtors to employ and retain Baker & Hostetler, LLP (“**Baker**”) as their general bankruptcy counsel effective as of the Petition Date. In support of the Application, the Debtors refer to and rely upon the Affidavit of Joseph Mallak in Support of Chapter 11 Petitions and First Day Motions (the “**Mallak Affidavit**”), and the Declaration of Joseph F. Hutchinson, Jr., a partner at Baker (the “**Hutchinson Declaration**”), attached hereto as **Exhibit A**, filed contemporaneously herewith, and respectfully represent as follows:

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

JURISDICTION AND VENUE

1. The Court has jurisdiction over this Application pursuant to 28 U.S.C. §§ 157 and 1334. Consideration of the Application is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).
2. Venue is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409.
3. The statutory predicates for the relief requested herein are sections 105(a), 327, and 328 of the Bankruptcy Code, Bankruptcy Rules 2014(a) and Local Bankruptcy Rule 2016-1.

BACKGROUND

4. On the date hereof (the “**Petition Date**”), each Debtor filed a voluntary petition for reorganization relief under Chapter 11 of the Bankruptcy Code. The Debtors have requested that the Cases be jointly administered for procedural purposes only.

5. The Debtors are operating their business as debtors in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code. No trustee, examiner or official committee of unsecured creditors has been appointed.

A. Summary of Capital Structure and Current Business Operations

6. Creative Engineered Polymer Products, LLC, (“**CEPP**”) is a limited liability company formed under the laws of the State of Ohio. CEPP is wholly owned by CEP Holdings, LLC (“**Holdings**”), a privately-held limited liability company formed under the laws of the State of Ohio. Holdings is a holding company whose sole asset is its membership interests in CEPP. CEPP has three subsidiaries: (i) Composite Parts Mexico S.A. de C.V. (the “**CEP Mexico**”), a Mexican corporation which is 99.9% owned by CEPP and .01% owned by non-debtor Reserve Capital Group, Ltd; (ii) Thermoplastics Acquisition, LLC (“**Thermoplastics**”), an Ohio limited liability company which is wholly owned by CEPP and is a debtor in these cases; and (iii) CEP Latin America, LLC (“**CEP LA**”), a non-debtor Ohio limited liability company which is wholly

owned by CEPP. CEP LA was never funded and has no operations or debt. The principal place of business of the Debtors is 3560 West Market Street, Suite 340, Akron, Ohio 44333.

7. The Debtors operate 10 manufacturing plants in Ohio, Michigan, Alabama, South Carolina and Mexico, including a plant in Canton, Ohio. CEPP operates six plants in Ohio, Michigan and Alabama. Non-debtor CEP Mexico operates two plants in Mexico. Thermoplastics operates one plant in Ohio and one in South Carolina.

8. CEP and its debtor subsidiaries are custom molders and extruders of rubber and plastic products, primarily for the OEM automotive market. The Debtors have achieved a unique position as preferred suppliers of high quality products to major customers, including General Motors, Delphi Corporation, Visteon, Nissan, Daimler-Chrysler, Honda and GKN Automotive. CEP has maintained this position as a leader in the marketplace through innovative manufacturing techniques and by continuously improving its broad base of material and process technology.

9. Gross sales for the Debtors' businesses are projected to be approximately \$190 million for fiscal 2006. The Debtors' nearly 1,106 employees manufacture the Debtors' products at ten strategically located manufacturing facilities in Ohio, Michigan, South Carolina, Alabama and Mexico.² The Debtors also maintain a Technical Center in Livonia, Michigan which offers design assistance and program management services for the Debtors' businesses.

B. Prepetition Debt Structure

10. The Debtors were formed as part of two separate purchase transactions on August 16, 2005 and December 20, 2005, respectively. As part of the August 16, 2005 transaction, the CEPP and CEP Mexico businesses were purchased from the Carlisle Companies. In conjunction

² CEP Mexico, a non-debtor, produces high quality plastic products at two factories in Mexico.

with the transaction, CEP Acquisition LLC n/k/a CEPP entered into a Loan and Security Agreement, dated as of August 16, 2005 (the “**Prepetition CEPP Credit Agreement**”) with Wachovia Capital Finance Corporation (Central) (“**WCFC**”), as both Agent and Lenders thereunder. The Prepetition CEPP Credit Agreement provided two term loans and a revolving credit facility to CEPP in the maximum amount of \$45 million (collectively, the “**CEPP Prepetition Loan**”). The CEPP Prepetition Loan is secured by substantially all the assets of CEPP, including, without limitation, all accounts, general intangibles, goods, inventory, equipment, real property, accounts receivable, other personal property and proceeds thereof (collectively, the “**Prepetition CEPP Collateral**”). As of the Petition Date, the amount outstanding under the CEPP Prepetition Loan was not less than \$21,693,507.60 (not taking into account pre-petition and post-petition interest, fees and expenses to which Agent may be entitled under the Prepetition CEPP Credit Agreement and applicable law).

11. As part of the December 20, 2005 transaction, CEPP purchased the Thermoplastics business from Parker Hannifan Corporation. In conjunction with the transaction, Thermoplastics entered into a Loan and Security Agreement, dated as of December 21, 2005 (the “**Prepetition Thermoplastics Credit Agreement**” and together with the Prepetition CEPP Credit Agreement, the “**Prepetition Credit Agreements**”) with WCFC, as both Agent and Lenders. The Prepetition Thermoplastics Credit Agreement provided a term loan and a revolving credit facility to Thermoplastics in the maximum amount of \$5 million (collectively, the “**Thermoplastics Prepetition Loan**” and together with the CEPP Prepetition Loan, the “**Prepetition Loans**”). The Thermoplastics Prepetition Loan is secured by substantially all the assets of Thermoplastics, including, without limitation, all accounts, general intangibles, goods, inventory, equipment, accounts receivable, other personal property and proceeds thereof

(collectively, the “**Prepetition Thermoplastics Collateral**” and together with the Prepetition CEPP Collateral, the “**Prepetition Collateral**”). As of the Petition Date, the amount outstanding under the Thermoplastics Prepetition Loan was not less than \$4,219,688.58 (not taking into account pre-petition and post-petition interest, fees and expenses to which Agent may be entitled under the Prepetition Thermoplastics Credit Agreement and applicable law). The Prepetition Credit Agreements are cross-defaulted and cross-collateralized.

12. Prior to the Petition Date, Visteon Corporation, General Motors Corporation and Delphi Corporation (collectively, the “**Customers**”) and WCFC entered into a Subordinated Participation Agreement dated June 30, 2006 and a First Amendment to Subordination Participation Agreement dated August 18, 2006 pursuant to which the Customers purchased subordinated, last out participation interests (the “**Participation Interests**”) in the Prepetition Loan Facilities. The Customers purchased \$2.9 million of Participation Interests, the proceeds of which were used by the Debtors to fund their operations and the building of the Customers’ parts.

C. Events Leading To The Filing Of These Chapter 11 Cases

13. The Debtors and other automotive suppliers and manufacturers have faced a series of unanticipated operational and market challenges that have adversely affected their operations and cash flows. These challenges have impaired both the Debtors’ suppliers and customers which in turn have severely affected the Debtors’ operations and businesses.

14. With respect to suppliers, the September 2005 hurricanes in the Gulf Coast region have disproportionately damaged manufacturers who rely on plastic resins. Shortly after the hurricanes, the Debtors began experiencing sharp increases in their principal raw materials (plastic resins) which increases were attributable to interrupted refining capacity. With prices already high due to increased global demand, insecurity and supply constraint issues, the

hurricanes magnified the rise in the price of crude oil and natural gas. The Debtors have continued to experience significantly higher costs for raw materials.

15. With respect to the Debtors' customers, the Debtors have been unsuccessful in recovering much of these increases in raw material costs from their customers through price increases. The structure of the American automotive industry is such that it is difficult for manufacturers such as the Debtors to pass rising material costs on to customers. Faced with rising costs, the Debtors have expended substantial effort in attempting to source cheaper alternatives (such as recycled materials and alternative formulations) for substitution of higher cost materials. Despite these efforts, most of the Debtors' customers have delayed approving these material substitutions. Although the Debtors are now starting to experience success in receiving approvals of the material substitutions, the damage to the Debtors' liquidity is irreversible outside the protections of the Bankruptcy Code.

16. In addition to increased material costs, the general instability of the industry has directly harmed the Debtors' liquidity. For example, the Debtors have been impaired by the bankruptcy filing of several large OEM's, including Delphi Corporation, the Debtors' second largest customer. The bankruptcy filing of Delphi in October 2005 alone resulted in a cash loss to the Debtors of nearly \$1.7 million based on the Debtors' unpaid prepetition claim in that case.

17. In addition to bankruptcy filings in the industry, the general credit downgrade has led to delays and increasingly delinquent customer payments for approved tooling programs. These programs are typically managed and paid for by the Debtors for the benefit of a particular customer which subsequently reimburses the Debtors. The increased delays and failure of customers to pay for these programs have decreased the portion of accounts receivable against

which Wachovia will lend under the Prepetition Credit Agreements. This, in turn, has further impaired the Debtors' liquidity.

18. The Debtors have further experienced excess capacity at their plants due to decisions by their customers. For example, GM's transfer from the GMT800 platform to the GMT900 platform has led to substantial idling of capacity. In late 2005, GM started phasing out the GMT800 platform, a manufacturing platform in which the Debtors were heavily involved. The Debtors have been harmed by this action because (i) the Debtors have significant up front costs invested in the GMT800 platform and (ii) GM has not provided the Debtors with replacement work in the new GMT900 platform. Thus, the Debtors have not recovered their costs associated with the GMT800 platform and are operating at significantly lower capacity at several manufacturing plants due to a failure to receive work under the GMT900 platform.

D. Prepetition Activities

19. In an attempt to create maximum value for the Debtors' creditors, the Debtors worked with the Customers and WCFC to allow the Debtors to formulate a restructuring plan which would reorganize the Debtors outside of a chapter 11 proceeding. As part of this plan, in May 2006 the Debtors entered into a series of forbearance, accommodation and access and security agreements with WCFC and the Customers, which agreements provided a 120-day window for the Debtors to effectuate an out-of-court restructuring plan. This window expired September 6, 2006.

20. Given the size and complexity of the Debtors' operations and the continuation of the market circumstances described above, the Customers, WCFC and the Debtors ultimately determined that an out-of-court restructuring was not feasible. Thus, after exploring all options and faced with a severe liquidity crisis, the Debtors have no choice but to commence these cases

as the only means of preserving the Debtors as going concerns, and, thus, maximize the value of the Debtors' assets for their creditors.

21. With the aide of this Court and the support of WCFC and the Customers, the Debtors' goal is to stabilize their business operations and financial situation and sell their assets in a manner to maximize value for the Debtors' Creditors. As detailed in the Debtors' DIP Financing Motion,³ filed contemporaneously herewith, WCFC and the Customers have agreed to provide post-petition financing and cash infusions to the Debtors which financing and cash infusions will fund the Debtors' costs of operations, wind down, restructuring and liquidation until such time that the Debtors' assets are sold pursuant to section 363 of the Bankruptcy Code. The Debtors believe that this course of action will maximize the value of their assets for all creditors.

RELIEF REQUESTED

22. The Debtors request an order of this Court authorizing the Debtors to employ and retain Baker as their general bankruptcy counsel effective as of the Petition Date

I. Selection of Baker

23. The Debtors selected Baker as their general bankruptcy counsel because Baker has substantial experience and expertise in Chapter 11 cases involving business entities (including those operating in the automotive industry), as well as in the practice areas of corporate law, labor, litigation, employee benefits, real estate, secured lending, finance, taxation and other fields that may be required by the Debtors in these cases. Baker has the resources necessary to manage Chapter 11 cases of this size, complexity and scope. Baker has represented

³ The full title of the DIP Financing Motion is CEP Holdings, LLC's Motion for 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.

debtors, creditors, purchasers, and other parties in interest before courts in the Sixth Circuit and in numerous other jurisdictions throughout the country.

24. For these reasons, the Debtors believe that Baker possesses the requisite expertise to serve as general bankruptcy counsel in these Cases, and can do so in an efficient and cost-effective manner.

25. Moreover, Baker is extremely familiar with the Debtors' businesses, financial affairs, and the circumstances surrounding the Debtors' Chapter 11 filings. In March 2006, attorneys from Baker's bankruptcy and financial restructuring practice became extensively involved in the Debtors' representation. Due to its prior representation of the Debtors and the knowledge of the Debtors' operations and financial condition gained therefrom, Baker is uniquely situated to represent the Debtors in these cases.

II. Services to be Rendered

26. The employment of Baker is necessary to assist the Debtors in executing faithfully their duties as debtors in possession and implementing the reorganization of the Debtors' financial affairs. Subject to further order of this Court, the professional services that Baker may render to the Debtors as their general bankruptcy counsel, as the Debtors may request from time to time, include, without limitation:

- (a) advising the Debtors with respect to their powers and duties as debtors in possession in the continued operation of their businesses;
- (b) advising the Debtors with respect to all general bankruptcy matters;
- (c) preparing on behalf of the Debtors all necessary motions, applications, answers, orders, reports, and papers in connection with the administration of their estates;
- (d) representing the Debtors at all critical hearings on matters relating to their affairs and interests as debtors in possession before this

Court, any appellate courts, the United States Supreme Court, and protecting the interests of the Debtors;

- (e) prosecuting and defending litigated matters that may arise during these Cases, including such matters as may be necessary for the protection of the Debtors' rights, the preservation of estate assets, or the Debtors' successful reorganization;
- (f) preparing and filing the disclosure statement and negotiating, presenting and implementing a plan of reorganization;
- (g) negotiating and seeking approval of a sale of some or all of the Debtors' assets should such be in the best interests of the Debtors' estates;
- (h) negotiating appropriate transactions and preparing any necessary documentation related thereto;
- (i) representing the Debtors on matters relating to the assumption or rejection of executory contracts and unexpired leases;
- (j) advising the Debtors with respect to corporate, securities, real estate, litigation, labor, tax-exempt finance, environmental, regulatory, tax, healthcare and other legal matters which may arise during the pendency of these Cases; and
- (k) performing all other legal services that are necessary for the efficient and economic administration of these Cases.

27. After due consideration and deliberation, the Debtors have concluded that their interests and the interests of their respective estates and creditors will be best served by the retention of Baker, as counsel to the Debtors, to render such legal services as are necessary and appropriate in connection with the matters set forth above and to render such additional legal services as may be required from time to time during the pendency of these Cases. Baker will work with the Debtors to efficiently utilize all professionals in these Cases.

28. Subject to the Court's approval of this Application, Baker has indicated a willingness to serve as the Debtors' counsel and to perform the services described above.

III. Professional Fees and Expenses

29. The Debtors' retention of Baker is evidenced by an engagement agreement dated March 31, 2006 (the "**Engagement Agreement**"), which provides on a retainer basis for the Debtors' representation by Baker in connection with the Debtors' efforts to restructure their businesses. The Engagement Agreement is included as *Exhibit 1* to the Hutchinson Declaration. Pursuant to the terms of the Engagement Agreement, Baker received a retainer payment of \$75,000 (as replenished from time to time pursuant to the Engagement Agreement, the "**Retainer**"). The Retainer is an "evergreen" retainer which means the Retainer was to be replenished on a weekly basis by the Debtors. Pursuant to the terms of the Engagement Agreement, the Retainer was increased to \$125,000 on August 24, 2006 in contemplation of the filing of these cases.

30. Prior to the Petition Date, Baker received the following evergreen payments to replenish the Retainer:

<u>Replenishment Amount</u>	<u>Replenishment Date</u>
\$48,450.00	4/12/06
\$20,422.82	4/28/06
\$35,339.00	5/4/06
\$19,939.28	5/9/06
\$21,985.00	5/18/06
\$23,220.73	6/8/06

\$26,881.41	7/6/06
\$28,104.71	7/26/06
\$26,030.81	7/28/06
\$14,336.25	8/8/06
\$14,746.43	8/18/06
\$28,900.86	8/22/06
\$66,393.60	8/28/06
\$35,505.53	9/1/06
\$12,399.31	9/13/06
\$34,203.05	9/14/06
\$35,490.69	9/19/06
Total = \$492,351.48	

31. As of the Petition Date, Baker estimates that the Retainer is approximately \$125,000.00. Baker intends to seek authority from this Court to apply the Retainer to any outstanding fees and disbursements that accrued prior to the Petition Date. Baker will request that any remainder in the Retainer be applied to compensation granted by this Court by final order.

32. Baker's fees for professional services are based upon its standard hourly rates, which are periodically adjusted. The Debtors, subject to Court approval in accordance with section 330(a) of the Bankruptcy Code, applicable Bankruptcy Rules, and the orders and Local Bankruptcy Rules of this Court, propose to pay Baker its customary hourly rates in effect from time to time as set forth in the Hutchinson Declaration, plus reimbursement of actual, necessary expenses incurred by Baker in the course of the representation. The Debtors are advised that the hourly rates set forth below are subject to periodic increases in the normal course of the firm's business, often due to increased experience of a particular professional. Baker will give prior notice to the Debtors of any such periodic increases.

33. The Debtors anticipate that the following Baker attorneys and staff will assist the Debtors in these Cases:

Attorney	Fee (per hour)
Joseph F. Hutchinson, Jr.	\$450.00 ⁴
Jeffrey Baddeley	\$440.00
Michael A. VanNiel	\$250.00
Thomas M. Wearsch	\$235.00
Eric R. Goodman	\$225.00
Timothy J. Richards	\$190.00
Sarah Maxwell	\$130.00

34. These are Baker's hourly rates for work of this nature and are subject to periodic adjustments to reflect economic and other conditions, although Baker will provide prior notice to the Debtors before any upward adjustments. The Debtors understand that other attorneys, paralegals, and staff at Baker may serve the Debtors at similar rates from time to time in connection with these Cases.

⁴ Mr. Hutchinson's normal hourly rate presently is \$500.00/hour. Baker has voluntarily agreed to provide his services to the Debtors at the discounted rate of \$450.00/hour through 2006.

35. Consistent with the firm's policy with respect to its other clients, Baker will continue to charge the Debtors for all other services provided and for other charges and disbursements incurred in the rendition of services. These charges and disbursements include, among other things, costs for telephone charges, photocopying, travel, business meals, computerized research, messengers, couriers, postage, witness fees, and other fees related to trials, hearings, and other proceedings which may arise from time to time in these Cases. Charges and disbursements are invoiced pursuant to Baker's terms of engagement and will comply with the United States Trustee's guidelines for fees and disbursements for professionals in Northern District of Ohio bankruptcy cases. Baker will charge \$0.10 per page for photocopies.

36. Baker intends to apply to the Court for allowance of compensation for professional services and reimbursement of expenses incurred in these Cases in accordance with applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, and the orders and Local Bankruptcy Rules of this Court.

37. Baker has agreed to accept as compensation such sums as may be allowed by the Court on the basis of (a) the professional time spent, (b) the rates charged for such services, (c) the necessity of such services to the administration of the estates, (d) the reasonableness of the time within which the services were performed in relation to the results achieved, and (e) the complexity, importance, and nature of the problems, issues, or tasks addressed in these cases.

IV. Disinterestedness of Professionals

38. Baker has undertaken a detailed database and electronic search to determine, and to disclose, whether it represents or has represented any significant creditors, insiders of the Debtors and other parties-in-interest. In connection with its proposed retention by the Debtors in these Cases, Baker conducted a search of its client database to determine whether it had any

relationships with any of the material parties-in-interest (the “**Interested Parties**”) in these Cases. To the extent that this review has indicated that Baker represents or has previously represented any of the Interested Parties in matters unrelated to these Cases, such persons and entities are identified in *Exhibit 2* of the Hutchinson Declaration.

39. Prior to the Petition Date, Baker represented the Debtors as outside counsel, including in connection with corporate matters, the stabilization of their operations, and the restructuring of their debts. None of the Debtors owe any unsecured amounts to Baker for the legal services performed or expenses incurred prior to the Petition Date. Baker does not represent and generally has not represented any entity, other than the Debtors, in matters related to the Debtors and these Cases. However, as set forth in the exhibit to the Hutchinson Declaration, Baker represents or has represented certain creditors and other parties with interests in the Debtors’ Cases on matters wholly unrelated to the Debtors and these Cases.

40. Prior to the Petition Date, Baker represented Container Concepts, Inc., a subsidiary of Hamlin Holdings, in certain labor and employment matters. R. Mark Hamlin, who holds a controlling interest in CEP Holdings, LLC, was part owner of Container Concepts, Inc. during the period when Baker represented Container Concepts, Inc. Further, prior to the Petition Date, Baker represented The Reserve Group on certain labor and employment matters. Mr. Hamlin holds a controlling interest in The Reserve Group.

41. Baker does not and has not represented Wachovia Capital Finance Corporation (Central) (“**WCFC**”). Baker currently or formerly represents the following affiliates (the “**Wachovia Affiliates**”) of WCFC:

- (a) Wachovia Bank of Delaware, N.A.;
- (b) Wachovia Bank, N.A.;
- (c) Wachovia Corp.;

- (d) Wachovia Securities, LLC;
- (e) Wachovia Small Business Capital; and
- (f) Professional Direct Agency, Inc.

Fees generated by Baker's representation of the Wachovia Affiliates in the last year constitute less than 0.7% of Baker's projected total revenues for fiscal year 2006. Baker's representation of the Wachovia Affiliates constitutes a *de minimis* amount of Baker's total revenues for fiscal year 2006.

42. To the best of the Debtors' knowledge, information and belief, and based upon the database search described above, Baker neither represents nor holds any interest materially adverse to the interests of the estates or any class of creditors or equity security holders by reason of any relationship or connections with or interest in the Debtors or any of their creditors or any party in interest in these cases, and is therefore "disinterested" as such term is defined in section 101(14) of the Bankruptcy Code. Baker has no present connections with the United States Trustee in these Cases or any person employed in the office of the United States Trustee. Except as set forth in the Hutchinson Declaration, and based upon the database search described above, Baker is not aware of its representation of any other entity that is a creditor of the Debtors.

43. Baker is conducting a continuing inquiry into any matters which would affect the firm's disinterested status, and Mr. Hutchinson will file promptly a supplemental declaration setting forth the results of that inquiry if additional disclosure is required.

NOTICE

44. Notice of the Application has been given to (a) the Office of the United States Trustee for the Northern District of Ohio, (b) the Debtors' secured lenders, and (c) the Debtors' fifty (50) largest unsecured creditors on a consolidated basis. The Debtors submit that, under the circumstances, no other or further notice need be given.

45. Because this Application presents no novel issues of law and the authorities relied upon are stated herein, the Debtors respectfully request that this Court waive the requirement contained in Local Bankruptcy Rule 9013-1(a) that the Debtors file a separate memorandum of law in support of this Application.

46. Notwithstanding the possible applicability of Bankruptcy Rules 6004(h), 7062, 9014 or otherwise, the Debtors request the relief sought by this Application be immediately effective and enforceable upon entry of the order requested hereby.

47. No previous application for the relief sought herein has been made to this or any other court.

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CONCLUSION

WHEREFORE, the Debtors respectfully request that this Court enter an order, substantially in the form attached hereto as **Exhibit B**, granting the relief requested herein and granting such other and further relief as the Court deems just and proper.

Dated: September 20, 2006
Cleveland, OH

CEP HOLDINGS, LLC, et al.,
Debtors and Debtors-in-possession

By: /s/ Joseph F. Hutchinson, Jr.
One of Their Attorneys

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/s/ Joseph Mallak
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