

**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF OHIO  
EASTERN DIVISION (AKRON)**

In Re: CEP HOLDINGS, LLC, et al.,	)	CASE NO. 06-51848-mss
	)	(Jointly Administered)
	)	
Debtors.	)	CHAPTER 11
	)	
	)	Judge Marilyn Shea-Stonum
	)	

**CARLISLE COMPANIES INCORPORATED’S RESPONSE TO MOTION FOR ORDER  
(A) GRANTING AUTHORITY TO SELL CERTAIN EQUIPMENT LOCATED IN  
CHIHUAHUA, MEXICO, PURSUANT TO SECTIONS 363(b) AND 541, AND  
(B) AUTHORIZING THE DEBTORS AS MAJORITY SHAREHOLDER  
TO DIRECT NONDEBTOR SUBSIDIARY TO DISPOSE OF ITS ASSETS IN  
CHIHUAHUA, MEXICO**

Carlisle Companies Incorporated (“Carlisle”), the guarantor of the lease of certain real property where the Debtors’ facility in Chihuahua, Mexico is located, submits its Response to the Motion for Order (A) Granting Authority to Sell Certain Equipment Located in Chihuahua, Mexico, Pursuant to §§ 363(b) and 541, and (B) Authorizing the Debtors as Majority Shareholder to Direct Nondebtor Subsidiary to Dispose of its Assets in Chihuahua, Mexico (the “Motion”). For its Response, Carlisle submits the following:

1. Carlisle Mexico, S.A. de C.V. (“CEP Mexico”) was the original lessee of the real property where the Debtors’ Chihuahua, Mexico facility is located pursuant to a certain Lease Contract between CEP Mexico and Grupo 7, S.A. de C.V. (the “Lease”). Carlisle guaranteed CEP Mexico’s obligations under the Lease pursuant to an Amendment Agreement to the Lease

Agreement thereafter signed by Grupo 7 as lessor, CEP Mexico as lessee, and Carlisle as guarantor.

2. In conjunction with the August, 2005 sale transaction between Carlisle Engineered Products, Inc. (“CEPI”) and the Debtors, the Lease was effectively transferred to the Debtors as a result of their acquisition of the shares of CEP Mexico.

3. Carlisle’s guarantee may have continued in effect following the transfer of the Lease to the Debtors, subject to any limitations contained therein.

4. Carlisle supports the Motion and, accordingly, does not object to the sale of equipment and machinery related to the Chihuahua facility and the assignment of the Lease to Century New Mexico, LLC (“Century”), *per se*.

5. However, the Motion and the Asset Purchase Agreement (“APA”), attached to the Motion as Exhibit A, appear to contain conflicting terms. The Motion states that the Lease will be assigned to Century. The APA provides that Century will enter into a new lease with the landlord for the Facility. This apparent contradiction must be clarified.

6. To the extent an assignment of the Lease to Century is contemplated, Carlisle believes its guarantor liability, if any, should be extinguished. However, if necessary to effectuate the relief sought in the Motion, Carlisle does not object to such assignment *provided that* the Lease is not modified, extended or renewed and Carlisle’s guaranty liability, if any, is not expanded or otherwise affected.

7. To the extent a new Lease between Grupo 7, S.A. de C.V., the landlord, and Century is envisioned, Carlisle submits that its guaranty obligations do not extend to such new lease and will abate.

WHEREFORE, Carlisle respectfully submits its Response to the Motion and requests that the Motion be granted subject to the conditions enumerated above.

Respectfully submitted,

/s/ Carrie M. Brosius

---

Drew T. Parobek (0016785)  
Carrie M. Brosius (0075484)  
Vorys, Sater, Seymour and Pease LLP  
2100 One Cleveland Center  
1375 East Ninth Street  
Cleveland, Ohio 44114  
(216) 479-6100 (Telephone)  
(216) 479-6060 (Facsimile)  
[dtparobek@vssp.com](mailto:dtparobek@vssp.com)  
[cmbrosius@vssp.com](mailto:cmbrosius@vssp.com)

*Attorneys for Carlisle Companies Incorporated*

**CERTIFICATE OF SERVICE**

I hereby certify that on November 22, 2006, a copy of the foregoing 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. A Service List of the Parties receiving electronic notification is attached.

/s/ Carrie M. Brosius  
One of the attorneys for  
Carlisle Companies Incorporated

**SERVICE LIST (ELECTRONIC NOTIFICATION)**

Donald F Baty dbaty@honigman.com  
Brenda K Bowers bkbowers@vssp.com, eplitfin@vssp.com;cdfricke@vssp.com  
Lynn M Brimer lbrimer@stoblpc.com, sfraser@stoblpc.com  
Carrie M Brosius cmbrosius@vssp.com, jahelseLvssp.com  
Darrell A Clay dclay@walterhav.com  
Kimberly A. Coleman bankruptcyleechtishman.com  
Jeremy M. Downs jeremy.downs@goldbergkohn.com  
Richard L Ferrell ferrell@tafflaw.com  
Mark E. Freedlander mfreedlander@mcguirewoods.com, hhickman@mcguirewoods.com  
David M Fusco dfusco@smcnlaw.com, dmfuscolaw@yahoo.com  
Eric R. Goodman egoodmanbakerlaw.com  
Michael C Hammer mchammer2dickinsonwright.com  
John 3 Hunter jrhunter@hunterschank.com,  
plemens@hunterschank.com;jrhunterwcnet.org  
Joseph F. Hutchinson jhutchinson@bakerlaw.com  
Shira R. Isenberg shira.isenberggoldbergkohn.com, amy.halpin@goldbergkohn.com  
Kristi A. Katsma kkatsmadickinsonwright.com  
Nicole Y Lamb-Hale nlamb-hale@foley.com, pkinney@foley.com  
David M Neumann dneumann@bfca.com,  
docket@bfca.com;lbehra@bfca.com;;cthompson@bfca.com  
Michael M. Parker mparkerfulbright.com, bbuchan@fulbright.com  
Drew T Parobek dtparobek@vssp.com  
James A Plemmons jplemmons@dickinsonwright.com  
Thomas B Radom Radom@butzel.com, Vangorpbuzel.com  
Carl D Rafter crafeth@fandrlaw.com  
Eric T. Ray eray@balch.com, rmjohnson@balch.com  
Jean Robertson jrobertson@mcdonaldhopkins.com, jrobertson@ncdonaldhopkins.com  
Edward T. Sable tsablehonigman.com  
Sarah Seewer sseewerhonigman.com  
toole@buckleyking.com  
Andrew L. Turscak andrew.turscak@thompsonhine.com  
W Clark Watson cwatson@balch.com  
Thomas M Wearsch twearsch@bakerlaw.com  
Gilbert B Weisman NOTICES@BECKET-LEE.COM  
Maria D. Giannirakis ustO6 maria.d.giannirakisusdoj.gov