

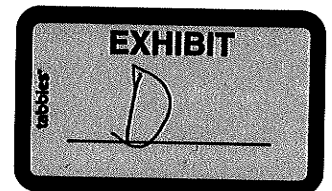
**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF OHIO  
EASTERN DIVISION**

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In re:	:	
	:	Case No. 06-51848
CEP HOLDINGS, LLC, <u>et al.</u> , <sup>1</sup>	:	(Jointly Administered)
	:	
Debtors.	:	Chapter 11
	:	
	:	Honorable Marilyn Shea-Stonum
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**AFFIDAVIT OF STEVEN M. LINDERMAN IN SUPPORT OF OPPOSITION  
OF WACHOVIA CAPITAL FINANCE CORPORATION (CENTRAL) TO  
MOTION TO APPOINT EXAMINER PURSUANT TO 11 U.S.C. § 1104(C)(1)  
FILED BY WASHINGTON PENN PLASTIC COMPANY, INC.**

1. I am the Portfolio and Relationship Manager at Wachovia Capital Finance Corporation (Central) ("Lender"), located at 150 S. Wacker Dr., Suite 2200, Chicago, Illinois 60606. I have substantial responsibility for Lender's involvement in the above-captioned bankruptcy cases. The statements in this affidavit are, except where specifically noted, based upon personal knowledge, and I am competent to testify thereto.<sup>2</sup>

2. Lender provided significant and valuable consideration to the Debtors and other parties in interest for the Release. Without an obligation to do so, Lender agreed to continue making postpetition advances to the Debtors under the Final Order, which allowed



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

<sup>2</sup> All defined terms used herein but not defined herein shall have the meanings given them in the Opposition of Wachovia Capital Finance Corporation (Central) to Motion To Appoint Examiner Pursuant to 11 U.S.C. § 1104(c)(1) Filed by Washington Penn Plastic Company, Inc.

the Debtors to complete the orderly liquidation of their facilities and maximize the value of these estates. Without the Release, Lender would not have otherwise consented to the terms of the Final Order, including its various provisions that were requested by the Debtors, the Committee and others, but not Lender.

3. Beyond its basic agreement to finance, Lender made several further agreements in exchange for the relief granted in the Final Order. Among other things, Lender:

(a) waived the balance of the postpetition facility fee (\$350,000) that was provided in the interim financing order, except in the event Lender needed funds from CEP Mexico to repay its loans (which it did not);

(b) agreed to escrow proceeds of assets located in Mexico and, therefore, not press a determination of its claims to and liens against such assets;

(c) accommodated the Participating Customers' need to remain in Debtors' facilities longer than Lender desired, which facilitated the exit of the Participating Customers from such facilities and was an inducement for them to agree to certain payment terms with respect to the accounts they owed the Debtors; and

(d) accepted the Debtors' orderly liquidation Budget (as defined in the Final Order), which included items that did not benefit Lender and put Lender at risk if the value of the Debtors' assets were otherwise insufficient to repay Lender's claims.

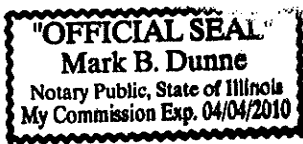
4. Each of the foregoing concessions to the Debtors, Committee and other parties occurred through the course of arms' length negotiations.

5. From and after its entry, Lender has abided by and relied on the terms of the Final Order, including the Release for which it negotiated.

6. The Release was a fundamental and necessary condition to Lender's agreement to consent to the Final Order.

7. Without the entry of the Final Order, I believe these cases would likely not have generated the millions of dollars that will be available to creditors.

I have executed this declaration under penalty of perjury under the laws of the United States of America this 23<sup>rd</sup> day of March 2007, in Chicago, Illinois.



  
Steven M. Linderman

[Notarization]

