

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

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In re : Case Nos. 06-51848
 : (Jointly Administered)
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CEP HOLDINGS, LLC, *et al.*, : Chapter 11
 : Honorable Marilyn Shea-Stonum
Debtors. :
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**OBJECTION OF VISTEON CORPORATION
TO MOTION TO APPOINT EXAMINER
PURSUANT TO 11 U.S.C. § 1104(c)(1)**

Visteon Corporation (“Visteon”), through its undersigned counsel, objects to the *Motion Of Washington Penn Plastic Company To Appoint Examiner Pursuant To 11 U.S.C. § 1104(c)(1)* (the “Examiner Motion”) as follows:

Visteon is an interested party in these proceedings as a “Participating Customer” (as defined in the final debtor-in-possession financing order (the “Final DIP Order”)) and as an unsecured creditor of a multimillion dollar claim against the Debtors. The Examiner Motion seeks to appoint an examiner to, among other things, recommend whether unsecured creditors should vote in favor of the proposed Joint Plan of Liquidation which will orderly liquidate the Debtors’ Estate to the benefit of the creditors. As the basis for its Examiner Motion, Washington Penn speculates that there may be a fraudulent conveyance action against Wachovia Capital Finance Corporation (Central) (“Wachovia”) which was improperly waived in connection with the Final DIP Order.

The Final DIP Order was the result of lengthy negotiations in which the Debtors, Participating Customers, Official Unsecured Creditors Committee (“Committee”), and Wachovia

participated over several days. All parties compromised in reaching the Final DIP Order. It is not extraordinary for a lender to receive a release as consideration to provide debtor-in-possession financing. In this instance, the release was a condition for Wachovia to participate in the debtor-in-possession financing and to allow the Debtors to orderly wind down production for its customers and orderly liquidate its estate. Further, Washington Penn, and all other interested parties were given notice and opportunity to object to the conditions of the Final DIP Order, including the Wachovia release. No objections were raised and the Final DIP Order became a final, nonappealable order of this Court. The Examiner Motion does not cite any new facts to support overruling this Court's earlier entry of the Final DIP Order and Wachovia release granted therein.

Washington Penn, and all unsecured creditors, have received the substantial benefit of the Final DIP Order. Had the parties been unable to reach terms with Wachovia which provided for the Debtors' DIP financing, the Debtor would have been forced to immediately discontinue production for its customers. This shut down would have caused hundreds of millions in damage claims against the Estate, further decreasing the projected 2-5% distribution to unsecured creditors in the event of a liquidation. As a result of the Final DIP Order, the Debtors were able to orderly wind down their operations, close the sale of one facility and have the opportunity to orderly liquidate their assets. Due to this orderly wind down process, the unsecured creditors are now projected to receive a 25% distribution on their claim.

Washington Penn, and all unsecured creditors, derived a substantial benefit through the Debtors' Chapter 11 bankruptcy process. This benefit would not have been possible without the financing provided through the Final DIP Order. It would be inequitable to allow Washington Penn to now attack the consideration behind the Final DIP Order after receiving its benefits.

Washington Penn was informed of the circumstances surrounding the Debtors' financing and purchase of the assets and itself chose not to object to the terms of the Final DIP Order, including the Wachovia release. Further, the appointment of an examiner to investigate whether a claim against Wachovia even exists (for which Wachovia has already been granted a binding release), will only further delay a distribution to unsecured creditors and add additional costs to the Estate.

Visteon further joins 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.*, filed by Wachovia and the *Objection Of The Official Committee Of Unsecured Creditors To Motion To Appoint Examiner Pursuant To 11. U.S.C. § 1104(c)(1)* filed by the Committee.

For the reasons stated above, Visteon respectfully requests that this Court deny the Examiner Motion in its entirety.

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