

**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 ENGINEERED PRODUCTS, INC.’S RESPONSE TO FIRST AMENDED
DISCLOSURE STATEMENT TO ACCOMPANY FIRST AMENDED JOINT PLAN OF
LIQUIDATION**

Carlisle Engineered Products, Inc. files this response in order to clarify a statement made in section III (B)(1), page 11 of the First Amended Disclosure Statement to Accompany First Amended Joint Plan of Liquidation under Chapter 11 of the Bankruptcy Code proposed by the Debtors and the Official Committee of Unsecured Creditors, dated May 25, 2007 (the “Disclosure Statement”) and to correct a statement made in section VI (G)(4), pp. 25-26 of the Disclosure Statement. In support of its response, Carlisle Engineered Products, Inc. states as follows:

1. In section III (B)(1), the Disclosure Statement states: “As part of the August 16, 2005 transaction, the Debtors purchased the businesses associated with CEP and CEP Mexico (as defined herein) businesses were purchased from the Carlisle Companies (the “Carlisle Transaction”).” The foregoing statement is incorrect because Carlisle Engineered Products, Inc. was the seller of the businesses associated with Creative Engineered Polymer Products, LLC (“CEP”) and Mexico S.A. de C.V., not Carlisle Companies, Inc. See Asset Purchase Agreement,

dated August 17, 2005 (the “Purchase Agreement”), p. 1, attached hereto and incorporated by reference as Exhibit A.¹

2. Section VI (G)(4) of the Disclosure Statement states that “the Bureau of Workers’ Compensation asserts claims against CEP for a period prior to its ownership and control in August, 2005.” Further, CEP, along with CEP Holdings, Inc. (“Holdings”), Thermoplastics Acquisition, LLC (“Thermoplastics,” collectively with CEP and Holdings, the “Debtors”) and the Official Committee of Unsecured Creditors (the “Committee”), take the position that the Debtors paid all workers compensation claims during the period at issue, that allowing the Bureau of Workers’ Compensation a claim for unpaid premiums would unjustly enrich the Bureau of Workers’ Compensation and that this claim is otherwise subject to disallowance.

3. The Debtors and the Committee indicate that the Debtors are not liable for claims arising before August, 2005, which contradicts the terms and conditions of the Purchase Agreement. Pursuant to section 8.4 of the Purchase Agreement, CEP, as the successor of CEP Acquisitions, LLC, assumed and became “responsible for the administration and payment of all workers’ compensation and occupational disease claims with respect to injuries or illness to any Transferred Employee whether *existing* at the time of Closing or arising thereafter... .” See Purchase Agreement, pp. 50-51, attached hereto and incorporated by reference as Exhibit B.

4. Consequently, pursuant to the terms of the Purchase Agreement, CEP assumed all workers’ compensation claims, including those which arose prior to its ownership and control of its businesses. Carlisle is working with the Debtors to resolve issues relating to the Debtors’ worker’s compensation claims.

¹ The Purchase Agreement is a voluminous document. Accordingly, only pertinent sections have been attached. However, should the Court deem it necessary to review the entire Purchase Agreement, a copy will be provided.

WHEREFORE, Carlisle Engineered Products, Inc. submits its response to the Disclosure Statement and requests that the Disclosure Statement be modified to clarify matters as set forth 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

cbrosius@vssp.com

Attorneys for Carlisle Engineered Products, Inc.

CERTIFICATE OF SERVICE

I hereby certify that on June 4, 2007, 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 0
Carlisle Engineered Products, Inc.

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,
pclemens@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
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