

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

In re:

CEP HOLDINGS LLC, *et al.*,¹

Case No. 06-51848
Chapter 11

Honorable Marilyn Shea-Stonum
United States Bankruptcy Judge

Debtors.

**STATE OF MICHIGAN, DEPARTMENT OF TREASURY, RESPONSE TO CEP
LIQUIDATING TRUST'S SECOND OMNIBUS OBJECTION TO
CLAIMS FILED WITH THE BANKRUPTCY COURT**

The State of Michigan, Department of Treasury, by and through its attorneys Michael A. Cox, Attorney General, and Victoria A. Reardon, Assistant Attorney General, hereby respond to CEP Liquidating Trust's Second Omnibus Objection to Claims filed with the Bankruptcy Court ("Objection"), and states the following:

1. The State of Michigan, Department of Treasury ("Treasury"), has filed a Priority Claim in the amount of \$28,729.54, an Unsecured Claim in the amount of \$4,095.75, and an Administrative Claim in the amount of \$12,737.50.
2. The CEP Liquidating Trust has objected to Treasury's Claims.
3. The Objection seeks to disallow the Claims on the ground that no liabilities for the Claims exist according to the Debtors' Books and Records. The Liquidating Trustee provides no basis or details to support the Objection.

¹ The Debtors are: DEP Holdings, LLC; Creative Engineered Polymer Products, LLC; and Thermoplastics Acquisition, LLC.

4. Section 502(a) of the Bankruptcy code and Bankruptcy Rule 3001(f) provide that a properly filed proof of claim constitutes *prima facie* evidence of the validity and the amount of the claim, unless a party objects. The party objecting to the claim has the burden of going forward and of introducing evidence sufficient to rebut the presumption of validity.² "An objection does not deprive a proof of claim of presumptive validity unless the objection is supported by substantial evidence."³ The Liquidating Trustee has failed to provide the required basis or evidence to support the Objection.

5. The CEP Liquidating Trust has failed to support its Objection.

WHEREFORE, The State of Michigan, Department of Treasury, respectfully requests that this Court enter an order denying the Objection to Treasury's Claims and award such other relief as may be proper.

Respectfully submitted,

MICHAEL A. COX
Attorney General

/s/ Victoria A. Reardon
VICTORIA A. REARDON (P41682)
Assistant Attorney General
Attorney for State of Michigan, Dept. of Treasury
3030 W. Grand Blvd., Ste. 10-200
Detroit, MI 48202
(313) 456-0140
reardonv@michigan.gov

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² In re Wells, 51 B.R. 563 (D. Colo. 1985); Matter of Unimet Corp., 74 B.R. 156 (Bankr. N.D. Ohio 1987).

³ In re Hemingway Transport, Inc, 993 F2d 915, 925 (CA 1, 1993).