

IT IS SO ORDERED.

Dated: 10:15 AM March 27 2008



**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF OHIO
EASTERN DIVISION**

IN RE: : Case No. 06-51848
: (Jointly Administered)
CEP HOLDINGS, LLC, et al.,¹ :
: Chapter 11
Debtors. :
: Honorable Marilyn Shea-Stonum
: United States Bankruptcy Judge
:
: Related to Docket No. 684, 685, 686
: and 702

**STIPULATION AND AGREED ORDER RESOLVING CLAIMS OF
HONDA OF AMERICA MFG., INC., ON ITS BEHALF AND ON BEHALF
OF HONDA OF SOUTH CAROLINA MFG., INC.**

The CEP Liquidating Trust, as successor in interest to the above-captioned debtors-in-possession, (the "Trust") and Honda of America Mfg., Inc., on its behalf and on behalf of Honda of South Carolina Mfg., Inc. ("Honda") hereby stipulate as follows:

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

RECITALS

A. On September 20, 2006, the Debtors filed with this Court its voluntary petitions for relief under Chapter 11 of the Bankruptcy Code (the "Petition Date").

B. On February 28, 2007, Honda filed a timely proof of claim asserting an unsecured claim against CEP Holdings, LLC, a predecessor in interest to the Trust, in the amount of \$1,081,487.60 with unspecified priority claims at Claim No. 581 (the "Honda Unsecured Claim").

C. On August 24, 2007, Honda filed a timely proof of claim asserting an unsecured claim against CEP Holdings, LLC, a predecessor in interest to the Trust, in the amount of \$1,081,487.60 with unspecified priority claims at Claim No. 667 (the "Honda Amended Unsecured Claim") on the alternative theory of rejection damages under section 365 of the Bankruptcy Code.

D. On August 24, 2007, Honda filed a timely Motion for Determination of Administrative Claim in Accordance with the Terms of First Amended Joint Plan of Liquidation Proposed by the Debtors and the Official Committee of Unsecured Creditors in the amount of \$1,081,487.60 (the "Honda Administrative Claim" together with the Honda Unsecured Claim and Honda Amended Unsecured Claim, collectively the "Honda Claims")² (Docket 685)³.

² The Trust's authorized claims agent, BMC Group, assigned the Honda Administrative Claim as Claim No. 666.

³ Honda filed the Honda Administrative Claim at Docket Nos. 684, 685 and 686 on August 27, 2007; however, the Bankruptcy Court issued a "corrective entry" at Docket No. 687 noting "Documents effective filed date of 08/24/2007 due to system error". The substance of Docket Nos. 684, 685 and 686 are substantially similar with Docket No. 685 containing the only full set of cited exhibits. As such, the Trust treats the Honda Administrative Claim as filed at Docket No. 685 on August 24, 2007.

E. On September 28, 2007, the Trust filed an objection to the Honda Administrative Claim (the "Trust Objection") (Docket 705).

F. The Trust and Honda have reconciled the Trust's liabilities to Honda and have agreed to the following treatment of the Honda Unsecured Claim, the Honda Amended Unsecured Claim and the Honda Administrative Claim under the terms set forth below.

STIPULATION

- G. The Trust and Honda agree the Honda Claims shall be treated as follows:
- i. The Honda Unsecured Claim shall be disallowed in its entirety.
 - ii. The Honda Amended Unsecured Claim shall be disallowed in its entirety.
 - iii. The Honda Administrative Claim shall be allowed and paid in the amount of \$270,371.90 as an administrative expense. Payment shall be made so that Honda actually receives payment of the \$270,371.90 amount on or within five (5) days from the date on which this Stipulation and Agreed Order becomes final and non-appealable.

H. Each person proposing this Stipulation represents that he or she has full authority and capacity to make the commitment contained in this Stipulation.

WHEREFORE, the Court finds that good cause exists for approving the settlement of the parties as contained in this Agreed Order.

IT IS, THEREFORE, ORDERED THAT:

1. The Honda Claims are hereby allowed or disallowed as follows:
 - i. The Honda Unsecured Claim shall be disallowed in its entirety.
 - ii. The Honda Amended Unsecured Claim shall be disallowed in its entirety.

iii. The Honda Administrative Claim shall be allowed and paid in the amount of \$270,371.90 as an administrative expense.

2. The amount set forth in paragraph 1 above represents the full and final obligation of the Trust to Honda.

3. The Trust is authorized and directed to pay Honda the administrative expense allowed in paragraph 1.iii above on or within five (5) days from the date on which this Stipulation and Agreed Order becomes final and non-appealable.

IT IS SO ORDERED.

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Respectfully submitted by:

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STIPULATED AND AGREED TO BY:

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