

**UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF WISCONSIN**

In re:

CPI PLASTICS GROUP LTD.,

Debtor in Foreign Proceeding.

Case No.:

Chapter 15

In re:

CRILA INVESTMENTS INC.,

Debtor in Foreign Proceeding.

Case No.:

Chapter 15

In re:

CRILA PLASTICS INDUSTRIES INC.,

Debtor in Foreign Proceeding.

Case No.:

Chapter 15

In re:

CPI PLASTICS GROUP, INC.,

Debtor in Foreign Proceeding.

Case No.:

Chapter 15

In re:

**CPI PLASTICS GROUP (CANADA)
LTD.,**

Debtor in Foreign Proceeding.

Case No.:

Chapter 15

***EX PARTE* APPLICATION FOR ORDER TO SHOW CAUSE WITH
TEMPORARY RESTRAINING ORDER AND, AFTER NOTICE AND
A HEARING, PRELIMINARY INJUNCTIVE RELIEF, PURSUANT
TO SECTIONS 105(a) AND 1519 OF THE BANKRUPTCY CODE**

Deloitte and Touche Inc. ("*Deloitte*"), as the court-appointed interim receiver (the "*Receiver*") and authorized foreign representative of CPI Plastics Group Ltd., Crila Investments Inc., Crila Plastics Industries Inc., CPI Plastics Group, Inc. and CPI Plastics Group (Canada) Ltd. (collectively, "*CPI Plastics*") in the proceeding pending in the Superior Court of Justice in Ontario, Canada (the "*Canadian Proceeding*") under Canada's Bankruptcy and Insolvency Act, by and through its undersigned counsel, respectfully files this application (the "*Application*") pursuant to sections 105(a) and 1519 of title 11 of the United States Code (the "*Bankruptcy Code*") for entry of an order to show cause with temporary restraining order substantially in the form attached hereto, and scheduling a hearing on the Receiver's request for a preliminary injunction (the "*Preliminary Injunction Hearing*").

PRELIMINARY STATEMENT

On January 8, 2009, the Bank of Montreal ("*BMO*") instituted the Canadian Proceeding pursuant to the Canadian Bankruptcy and Insolvency Act (the "*BIA*") in the Superior Court of Justice in Ontario, Canada (the "*Canadian Court*").¹ On that same date, the Canadian Court granted an initial order (the "*BIA Order*")² for relief, staying any proceeding or enforcement process against CPI Plastics or its assets. Further, all rights and remedies of any entity are stayed and suspended against CPI Plastics and its assets.

Upon entry of the BIA Order, the Receiver promptly filed a petition (the "*Petition*") pursuant to section 1515 of the Bankruptcy Code for entry of an order recognizing the Canadian Proceeding as a foreign main proceeding. Until the Court rules on the Petition, no law

¹ One United States Court has referred to the BIA as "the primary federal statute which deals with insolvency issues under Canadian law." *In re Fracmaster, Ltd.*, 237 B.R. 627, n. 5 (Bankr. E.D. Tex. 1999).

² A copy of the BIA Order is attached hereto as Exhibit 1.

automatically prevents or otherwise stays creditors from taking actions against CPI Plastics in the United States.

Accordingly, the Receiver files this Application, pursuant to sections 105(a) and 1519 of the Bankruptcy Code, to temporarily enjoin creditors from taking any actions against CPI Plastics, its assets and the Receiver. The Receiver believes the granting of the relief sought in this Application will assure an economical, expeditious, and equitable administration of CPI Plastics' estate. Without such relief, CPI Plastics will be exposed to an imminent risk of voluminous litigation and other actions against the estates, their assets and the Receiver, which would result in a "race to the courthouse" among creditors and other parties-in-interest. The Receiver submits that such actions would result in immediate and irreparable harm and loss to CPI Plastics for which there is no adequate remedy at law.

JURISDICTION AND VENUE

This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and sections 109 and 1501 of the Bankruptcy Code. Venue is proper in this district pursuant to 28 U.S.C. § 1410(1).

BACKGROUND³

I. The Structure and General Operations of CPI Plastics

The entities seeking protection in the Canadian Proceeding and under chapter 15 of the Bankruptcy Code are CPI Plastics Group Ltd., Crila Investments Inc., Crila Plastics Industries Inc., CPI Plastics Group, Inc. and CPI Plastics Group (Canada) Ltd.

CPI Plastics Group Ltd. is a corporation formed under the laws of the Ontario Business Corporation Act (the "OBCA") on September 7, 1972. In January of 1996, CPI Plastics merged

³ All facts stated in this Application are supported by the Declaration of Paul van Eyk (the "*van Eyk Affidavit*"), attached hereto as Exhibit 2.

with Extrusion Plastics Inc. and four other related companies under the OBCA. In April of 1998, CPI Plastics changed its name to its present form and altered its authorized and issued capital to enable the company to complete a reverse takeover of Waterford Capital Management Inc. On September 21, 1998, CPI Plastics' shares were listed on the Toronto Stock Exchange (the "TSX").

CPI Plastics operates from five facilities in Ontario, Canada, consisting of three manufacturing facilities and two inventory facilities, and one manufacturing facility in Pleasant Prairie, Wisconsin. CPI Plastics also operates a distribution center in Elkhart, Indiana. CPI Plastics' registered and head office is 151 Courtney Park Drive West, Mississauga, Ontario, L5W 1Y5 (the "*Mississauga Office*").

CPI Plastics Group Ltd. wholly owns Crila Investments Inc., which in turn wholly owns CPI Plastics Group (Canada) Ltd. CPI Plastics Group Ltd. also wholly owns CPI Plastics Group, Inc. and Crila Plastics Industries Inc. (collectively with Crila Investments Inc., CPI Plastics Group (Canada) Ltd. and CPI Plastics Group, Inc., the "*CPI Subsidiaries*") through another entity, Bulow Investments Inc.⁴ Except for CPI Plastics Group, Inc., none of the other CPI Subsidiaries holds substantial assets and most regular business activity for CPI Plastics is conducted through CPI Plastics Group Ltd. in Canada.

The corporate operations of CPI Plastics are directed and controlled through the Mississauga Office. Virtually every key corporate decision is directed and controlled at the Mississauga Office, and the CPI Subsidiaries rely heavily on CPI Plastics Group Ltd. to finance operations. In addition, the annual shareholder meeting is held at the Mississauga Office and all

⁴ A true and correct copy of the CPI Plastics organizational chart is attached hereto as Exhibit 3.

of CPI Plastics' directors reside in Canada. CPI Plastics' assets are primarily located in Canada, as all but one of the organizations' manufacturing facilities are located in Canada.

The United States operations are generally conducted through the manufacturing facility located in Pleasant Prairie, Wisconsin. Most of CPI Plastics' U.S. assets are located in the Pleasant Prairie facility, which is operated by CPI Plastics Group, Inc. ("*CPI U.S.*"). CPI Plastics Group Ltd. buys approximately ninety percent (90%) of the products manufactured by CPI U.S., which are ultimately sold to Canadian retailers. The remaining ten percent (10%) of CPI U.S.'s products are sold directly to United States retailers and customers.

CPI Plastics has roughly \$54.4 million in gross liabilities. Two of the companies' Canadian creditors, Bank of Montreal ("*BMO*") and Bank of Montreal Capital Corporation ("*BMOCC*"), an affiliate of BMO, hold approximately sixty two percent (62%) of that amount. U.S. creditors hold less than ten percent (10%) of the gross amount of value of CPI Plastics' liabilities.⁵

II. Business Operations of CPI Plastics

CPI Plastics is a North American leader in designing, engineering and manufacturing thermoplastics, an industry driven by a long term trend of replacing wood, rubber, metal, cardboard and glass with plastic. The company is comprised of three key divisions: (i) an outdoor living products group; (ii) a film products group; and (iii) the custom products group.

The outdoor living products group manufactures and markets the eon® brand of decking, fencing, furniture and spa products. These products are distributed through wholesale and retail channels, and they are also delivered directly to manufacturers and customers.

⁵ Notably, a significant number of those U.S. creditors also conduct business in Canada, and thus, likely are subject to the jurisdiction of the Canadian courts.

The film products group produces and distributes private label and branded household garbage and food content bags. This group also produces the Rack Sack® waste management system through retail channels in Canada and the United States. Additionally, the film products group manufactures industrial strength bags for the janitorial market in the United States.

The custom products division designs and produces proprietary, value-added profile solutions for numerous major North American manufacturers for consumer and industrial products.

III. CPI Plastics' Loan Agreements with Bank of Montreal

BMO is the primary lender to CPI Plastics in the approximate aggregate amount of not less than \$33,000,000 (the "*BMO Senior Indebtedness*"). On or about May 15, 2007, BMO and CPI Plastics entered into a credit agreement (the "*Original Credit Agreement*"). The Original Credit Agreement was subsequently amended by seven separate agreements (collectively with the Original Credit Agreement, the "*BMO Credit Agreement*"). Pursuant to the BMO Credit Agreement, certain credit facilities were made available to CPI Plastics, which consisted of the following as of November 25, 2008:

- (a) a demand revolving credit facility which authorizes Advances (as defined in the BMO Credit Agreement) up to a maximum principal amount of Canadian \$25,000,000 (the "*Revolving Facility*"), subject to the existence of a sufficient margin limit as defined in and established under the BMO Credit Agreement;
- (b) a demand non-revolving credit facility allowing for Advances thereunder in the original principal amount of Canadian \$18,000,000 (the "*Non-Revolving Facility*"); and
- (c) a demand corporate MasterCard facility (the "*MasterCard Line*").

As security for the repayment of the BMO Senior Indebtedness pursuant to the BMO Credit Agreement, CPI Plastics issued to BMO: (i) a general security agreement charging all of its assets, property and undertaking (the "*CPI Plastics GSA*"); (ii) a share pledge agreement in respect of its shares in several subsidiaries; and (iii) an assignment of insurance policies (the "*BMO Collateral*").

As security for the repayment of obligations pursuant to their respective guarantees executed and delivered to BMO, both CPI Plastics Group (Canada) Ltd. and Crila Investments Inc. provided: (i) a general security agreement charging all of their respective assets, property and undertaking (the "*Canadian Subsidiaries' GSAs*"); and (ii) an assignment of insurance policies.

As security for the repayment of obligations pursuant to their respective guarantees executed and delivered to BMO, both CPI Plastics Group, Inc. and Crila Plastics Industries, Inc. provided: (i) a general security agreement charging all of their respective assets, property and undertaking (the "*US Subsidiaries' GSAs*" and together with the Canadian Subsidiaries' GSAs, the "*Subsidiaries' GSAs*"); and (ii) an assignment of insurance policies.

Upon information and belief, the BMO Senior Indebtedness greatly exceeds the value of the BMO Collateral, inclusive of the Subsidiaries' GSAs and related rights.

BMOCC, an affiliate of BMO, also is a subordinated secured creditor of CPI Plastics, to which approximately Canadian \$5,000,000 of principal is owed. Upon information and belief, BMOCC is woefully undersecured on this investment.

IV. Events Leading to the Commencement of the Canadian Proceeding

Until recently, CPI Plastics had been substantially impacted by historically high resin prices and a strong Canadian dollar. Currently, CPI Plastics has been significantly impacted by

the weakening economy in the United States. CPI Plastics' sales have been soft in all three of the organizations' business divisions as channel partners adjust inventories and margins continue to diminish due to the reduced volumes. Due to the significant reduction in sales volumes, CPI Plastics' profitability fell short of expectations in the latest quarter, resulting in a loss before unusual items of approximately \$3.4 million

This loss resulted in the violation of financial covenants under the BMO Credit Agreement and other financing facilities. As a result of the covenant violations, CPI Plastics took as an expense the remaining unamortized portions of financing costs related to certain debt and bonus interest payments on a subordinated term loan. The result of this write off, as well as other actions, resulted in an unusual non-cash charge of \$7.5 million for the latest quarter, resulting in a total quarterly loss of \$10.2 million.

Consequently, CPI Plastics commenced a financial restructuring effort and engaged in numerous discussions with various parties. CPI Plastics notified its lenders that it was seeking additional financing sources to provide additional liquidity and allow the organization to restructure its debt.

After notifying its lenders that it was seeking additional financing, CPI Plastics held numerous meetings with BMO and, upon information and belief, other lenders. BMO has informed CPI Plastics that it is not prepared to advance funds to CPI Plastics beyond the amounts and in the manner stipulated under the Credit Agreement. From the week of November 21, 2008 until the week ending January 9, 2009, BMO supported CPI Plastics while the debtors and Peter Clark, on behalf of the majority shareholders of CPI Plastics, attempted to resolve CPI Plastics' liquidity crisis and formulate a restructuring proposal.

In conjunction therewith, Peter Clark made various proposals in this regard, but none met the requirements communicated by BMO to Peter Clark and CPI Plastics. During that period, BMO permitted the operating facility under the BMO Credit Agreement to go into a borrowing base margin deficit position in order to fund the operations of CPI Plastics while BMO, CPI Plastics and Peter Clark attempted to consensually resolve the liquidity crisis.

Unfortunately, those efforts ultimately were unsuccessful. Consequently, by way of letters dated January 7, 2009, BMO demanded payment and accelerated payment pursuant to the terms and conditions set forth in the BMO Credit Agreement.

V. The Canadian Proceeding

The Bankruptcy and Insolvency Act (the “*BIA*”) is “an act Respecting Bankruptcy and Insolvency” that sets out the law on bankruptcy in Canada. The BIA applies to both business and individuals, with its purpose being to preserve the debtor’s assets for the benefit of creditors and to rehabilitate debtors under certain circumstances.

Under the BIA, a party-in-interest may petition a proper court for the appointment of a receiver. A court-appointed receiver is an officer of the court, and is therefore accountable to both the court and all parties-in-interest.

Based upon CPI Plastics failure to comply with the terms of the BMO Credit Agreement, on January 8, 2009, BMO instituted the Canadian Proceeding by filing a request for the appointment of a receiver pursuant to the BIA in the Superior Court of Justice in Ontario, Canada (the “*Canadian Court*”). On January 8, 2009, the Canadian Court granted the BIA Order in the Canadian Proceeding, a certified copy of which is attached hereto as Exhibit 1.

Pursuant to the BIA Order, a stay is in place in Canada which prohibits any proceeding or enforcement process against CPI Plastics or its assets. (Exhibit 1, ¶ 8). Further, all rights and remedies of any entity are stayed and suspended against CPI Plastics and its assets. (*Id.* at ¶ 9).

The Canadian Court appointed Deloitte as the Receiver in the Canadian Proceeding under the BIA Order. (Exhibit 1, ¶ 2). Under the BIA Order, the Receiver is empowered and authorized to, *inter alia*, take possession and control of CPI Plastics' property; preserve and maintain CPI Plastics' property; market and sell the property of CPI Plastics; manage, operate and carry on the business of CPI Plastics, receive and control all monies and accounts of CPI Plastics; to settle, extend or compromise any indebtedness of CPI Plastics; and to initiate or continue any and all proceedings involving CPI Plastics. (*Id.* at ¶ 3).

Pursuant to the BIA Order, the Receiver is authorized to act as foreign representative of CPI Plastics and to take such actions in the United States as are necessary and appropriate in this capacity, including the filing of the instant chapter 15 proceedings. (*Id.* at ¶ 27).

VI. The Chapter 15 Cases

Concurrently with filing this Application, the Receiver filed the Petition in order to recognize the Canadian Proceeding as a foreign main proceeding. By filing the Petition, the Receiver wishes to obtain relief in substantially the same form provided in the Canadian Proceeding, and allow for the proper and necessary communication and coordination between the Canadian Proceeding and this case to ensure the orderly, fair and efficient distribution of CPI Plastics' assets.

RELIEF REQUESTED

The Receiver hereby respectfully requests: (i) the immediate entry of a temporary restraining order (the "TRO"): (a) staying execution against CPI Plastics' assets; (b) prohibiting

all persons from commencing or continuing any litigation or any other proceeding, including, without limitation, appeals, mediation, or any other judicial, quasi-judicial, administrative or regulatory action, proceeding or process whatsoever, or taking any other actions against or involving CPI Plastics, the Receiver (in its capacity as foreign representative of CPI Plastics) or CPI Plastics' property in the United States (the "*Property*"); and (c) entrusting the administration or realization of CPI Plastics' Property to the Receiver; and (ii) scheduling the Preliminary Injunction Hearing. Such relief will ensure that, *inter alia*, the Property will not be improperly attached, disposed of, or otherwise withheld by creditors or other parties.

BASIS FOR RELIEF REQUESTED

The rapid increase in cross-border insolvencies over the last decade spawned multiple efforts by insolvency organizations and the international community to devise better legal frameworks for addressing these cross-border insolvencies. Aaron L. Hammer and Matthew E. McClintock, *Understanding Chapter 15 of the United States Bankruptcy Code: Everything You Need to Know About Cross-Border Insolvency Legislation in the United States*, LAW AND BUSINESS REVIEW OF THE AMERICAS, Spring 2008. In response, Congress enacted chapter 15 of the Bankruptcy Code as part of the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005.

Chapter 15 incorporates the Model Law on Cross-Border Insolvency (the "*Model Law*") promulgated by the United Nations Commission on International Law ("*UNCITRAL*"). 11 U.S.C. § 1501(a). It is intended to promote "cooperation between the United States courts, trustees, examiners, debtors and debtors in possession and the courts and other competent authorities of foreign countries; greater legal certainty for trade and investment; fair and efficient administration of cross-border insolvencies that protects the interests of all creditors and other

interested entities, including the debtor; the protection and maximization of the debtor's assets; and the facilitation of the rescue of financially troubled businesses." *In re Oversight & Control Commission of Avanzit, S.A.*, 385 B.R. 525, 532 (Bankr. S.D.N.Y. 2008) (quoting *In re Bear Stearns High-Grade Structured Credit Strategies Master Fund*, 374 B.R. 122, 126 (Bankr. S.D.N.Y. 2007)).

Section 1519 of the Bankruptcy Code allows a representative petitioning for recognition of a foreign proceeding to obtain interim relief, including:

- (1) staying execution against the debtor's assets;
- (2) entrusting the administration or realization of all or part of the debtor's assets located in the United States to the foreign representative or another person authorized by the court, including an examiner, in order to protect and preserve the value of assets that, by their nature or because of other circumstances, are perishable, susceptible to devaluation or otherwise in jeopardy; and
- (3) any relief referred to in paragraph (3), (4) or (7) of section 1521(a).

11 U.S.C. § 1519(a).

The Receiver submits that the relief permitted under section 1519 and 362 – which may be provisionally applied under section 1519 – requested herein is absolutely necessary to ensure an economical, expeditious and equitable administration of CPI Plastics' estates. The absence of such relief will leave CPI Plastics vulnerable in the United States to litigation and other actions by creditors or other parties against CPI Plastics, its Property and the Receiver to enforce their respective rights. Should parties-in-interest take such actions against CPI Plastics, the certain result would be immediate and irreparable injury, loss and damage to CPI Plastics, for which there is no adequate remedy at law.

The BIA Order entered in the Canadian Proceeding currently protects CPI Plastics and its assets from actions of creditors BIA Order, and papers submitted in conjunction therewith,

establish that CPI Plastics is currently insolvent and unable to pay its debts as they become due. The filing of the Canadian Proceeding also may trigger certain rights and remedies of CPI Plastics' creditors and contract parties. The Receiver is concerned that these facts may cause creditors to seek prejudgment attachments and other remedies against CPI Plastics and its assets in the United States. Indeed, CPI Plastics holds substantial assets in the United States, including manufacturing facilities, machinery and equipment, and inventory.

Thus, until the Petition can be heard by this Court, substantial assets of CPI Plastics are largely unprotected from creditors, and will remain unprotected unless the TRO is entered by this Court. Litigation relating to such actions would distract CPI Plastics and the Receiver from the efforts underway in the Canadian Proceeding and disrupt this case as well. Accordingly, the relief requested herein will allow CPI Plastics and the Receiver to focus on the orderly review and distribution of CPI Plastics' assets in the Canadian Proceedings.

The Receiver also believes that there is a substantial likelihood that it will be successful in establishing that the Canadian Proceeding is a foreign main proceeding because: (i) the Canadian Proceeding is a foreign proceeding, as defined in the Bankruptcy Code; (ii) the Receiver is a proper and authorized foreign representative as defined in the Bankruptcy Code; and (iii) Canada is the center of CPI Plastics' main interests.⁶

The relief requested herein will not cause undue hardship to any party-in-interest, or at least any hardship is outweighed by the benefits of the relief requested. Indeed, the entry of the TRO would actually benefit CPI Plastics' creditors by ensuring an equitable and orderly distribution of assets, and will prevent the "race to the courthouse" that could ensue if the relief requested herein is not entered. *See In re Basis Yield Alpha Fund (Master)*, Case No. 07-12762

⁶ As further support for the substantial likelihood of the Petition's success, the Receiver references and incorporates the Petition.

(Bankr. S.D.N.Y.) (stating that failing to issue a restraining order against creditors could, *inter alia*, “undermine the Foreign Representative’s efforts to achieve an equitable result for the benefit of all of the Foreign Debtor’s creditors.”).⁷

Furthermore, the Court in the Canadian Proceeding respectfully requests that the United States’ courts aid and recognize the BIA Order and to make such orders and provide such assistance as necessary to give effect to the BIA Order. (Exhibit 1, ¶ 26). The Receiver believes that the entry of the TRO and preliminary injunction are necessary to accommodate this request.

The relief requested herein has been granted in other chapter 15 cases, and is therefore appropriate in these cases. *See e.g., In re Rock Well Petroleum, Inc., et al.*, Case No. 08-20802 (Bankr. D. Wy. 2008); *see also In re North America Steamships Ltd.*, Case No. 06-13077 (Bankr. S.D.N.Y.) (both granting similar relief after finding that: (i) the foreign representative established a substantial likelihood of success in establishing that the debtor is subject to a foreign main proceeding; and (ii) the debtor’s assets were subject to attack and piecemeal dissipation which would result in immediate and irreparable harm for which the debtor would have no adequate remedy at law); *see also In re Hollinger Inc., et al.*, Case No. 07-11029 (Bankr. D. Del.); *In re Bear Stearns High-Grade Structured Credit Strat. Master Fund, Ltd.*, Case No. 07-12383 (Bankr. S.D.N.Y.); *In re Afinsa Bienes Tangibles S.A.*, Case No. 07-10675 (Bankr. S.D.N.Y.); *In re Hatteras Reinsurance Ltd.*, Case No. 06-11304 (Bankr. S.D.N.Y.).⁸

⁷ A copy of the temporary restraining order entered in *In re Basis Yield Alpha Fund (Master)*, Case No. 07-12762 (Bankr. S.D.N.Y.) is attached hereto as Exhibit 4.

⁸ A copy of the temporary restraining orders entered in *In re Rock Well Petroleum, Inc.*, Case No. 08-20802 (Bankr. D. Wy. 2008); *In re North America Steamships Ltd.*, Case No. 06-13077 (Bankr. S.D.N.Y.); *In re Hollinger Inc., et al.*, Case No. 07-11029 (Bankr. D. Del.); *In re Bear Stearns High-Grade Structured Credit Strat. Master Fund, Ltd.*, Case No. 07-12383 (Bankr. S.D.N.Y.); *In re Afinsa Bienes Tangibles S.A.*, Case No. 07-10675 (Bankr. S.D.N.Y.); *In re Hatteras Reinsurance Ltd.*, Case No. 06-11304 (Bankr. S.D.N.Y.) are attached hereto as Group Exhibit 5.

REQUEST FOR WAIVER OF BANKRUPTCY RULE 7065(c)

The Receiver respectfully requests that Rule 7065(c) of the Federal Rules of Bankruptcy Procedure, incorporating Rule 65(c) of the Federal Rules of Civil Procedure, be waived. Security for the TRO is unnecessary in this matter, as the TRO will merely temporarily extend the reaches of the BIA Order, and will therefore only subject parties-in-interest to the same restraints imposed in the Canadian Proceeding.

HEARING DATE AND NOTICE

The Receiver respectfully requests that the initial relief sought, in the form of a TRO, be heard on an expedited basis on January 9, 2009 to avoid the immediate and irreparable harm described in this Application.

The Receiver also respectfully requests that this Court set the date and time for the Preliminary Injunction Hearing and a hearing on the Petition (the "*Hearing Dates*"). If no objections to this Application are filed by the date ordered for such objections, the Receiver requests that the Court enter the proposed order granting the preliminary injunction without a hearing.

The Receiver proposes that once the Hearing Dates have been scheduled by the Court, notice will be given as reasonable and appropriate under the circumstances in the Canadian Proceeding and in the United States and in accordance with Bankruptcy Rule 2002(q) and other applicable rules. Specifically, the Receiver proposes serving appropriate notice of the Hearing Dates, copies of the Application, TRO, Petition and related documents upon all parties-in-interest that are entitled to notice within two days of the entry of the TRO. The Receiver believes that such notice and service is reasonable and proper under the circumstances and no other or further notice is necessary or appropriate.

The Receiver shall serve notice of this Application on the Office of the United States Trustee through the Court's ECF filing system, by facsimile, and by overnight courier. Due to the harm that could result to CPI Plastics before adverse parties can be heard in opposition to the TRO, the Receiver believes that no further notice is required under the circumstances.

CONCLUSION

For the foregoing reasons, the Receiver respectfully requests that this Court: (i) enter an order granting a temporary restraining order substantially in the form attached hereto; (ii) schedule the Preliminary Injunction Hearing; and (iii) grant such other and further relief as this Court deems just and proper.

Dated: January 8, 2009

Respectfully Submitted,

DELOITTE & TOUCHE INC., as receiver
and authorized foreign representative of CPI
Plastics

By: /s/ Aaron L. Hammer
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