

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

In re: : Case No. 10-60702
: (Jointly Administered)
: Chapter 11
SCHWAB INDUSTRIES, INC, ET AL :
: Judge Russ Kendig
Debtors :

**STATE OF OHIO, DEPARTMENT OF TAXATION, AND THE OHIO BUREAU OF
WORKERS' COMPENSATION'S LIMITED OBJECTION TO CONFIRMATION OF
DEBTORS' FIRST AMENDED JOINT PLAN OF LIQUIDATION AND/OR
ADEQUACY OF FIRST AMENDED DISCLOSURE STATEMENT**

The State of Ohio Department of Taxation and the Ohio Bureau of Workers' Compensation, (collectively, "State"), through Ohio Attorney General Richard Cordray, hereby object to the *First Amended Joint Plan of Liquidation Dated October 26, 2010* ("Plan") [docket no. 655] and/or the adequacy of *First Amended Disclosure Statement with Respect to First Amended Joint Plan of Liquidation of Schwab Industries, Inc., et al. Pursuant to 11 U.S.C. § 1125* ("Disclosure Statement") [docket no. 657].

While on its face the Plan appears to propose treatment of priority tax claims consistent with 11 U.S.C. § 507(A)(8) and 11 U.S.C. § 1129 (a)(9)(C), in Article VIII (D)(20) of the Disclosure Statement, Debtors appear to have left open a mechanism for a structured dismissal without payment in full of priority tax claims.

Unless or until Debtors can unequivocally propose to pay priority tax claims in full, Debtors have not proposed a confirmable plan.

WHEREFORE, the State prays that the court enter an Order denying the confirmation of Debtors' Plan and/or adequacy of Disclosure Statement and granting such other and further relief as this Court deems just and proper.

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Attorney General

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CERTIFICATE OF SERVICE

The undersigned certifies that on or about December 3, 2010 a copy of the foregoing *State of Ohio Department of Taxation and Ohio Bureau of Workers' Compensation Limited Objection to Confirmation of First Amended Joint Plan of Liquidation and/or Adequacy of First Amended Disclosure Statement* was electronically transmitted via the Court's CM/ECF system to the following, who are listed on the Court's Electronic mail Notice List:

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I further certify that a copy of the foregoing document was mailed to the following at the address specified on the date indicated above or on the next business day:

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/s/ Cheryl A. Wear
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