

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

Supply Source Enterprises, Inc., *et al.*,¹

Debtors.

Chapter 11

Case No. 24-11054 (___)

(Joint Administration Requested)

**DEBTORS' MOTION FOR ENTRY OF INTERIM AND FINAL ORDERS
(I) AUTHORIZING THE DEBTORS TO (A) CONTINUE TO OPERATE
THEIR CASH MANAGEMENT SYSTEM, (B) HONOR CERTAIN
PREPETITION OBLIGATIONS RELATED THERETO, (C) PERFORM
INTERCOMPANY TRANSACTIONS, AND (D) MAINTAIN EXISTING
BUSINESS FORMS; (II) AUTHORIZING THE DEBTORS' BANKS TO HONOR
ALL RELATED PAYMENT REQUESTS; AND (III) GRANTING RELATED RELIEF**

The above-captioned debtors and debtors in possession (collectively, the “Debtors”) seek entry of interim and final orders, substantially in the forms attached hereto as **Exhibit A** and **Exhibit B** (the “Proposed Interim Order” and the “Proposed Final Order,” respectively), (i) authorizing the Debtors to (a) continue to operate their Cash Management System (as defined herein), (b) honor certain prepetition obligations related thereto, (c) perform intercompany transactions in the ordinary course of business and consistent with historical practice, and granting administrative expense status for postpetition Intercompany Claims (as defined herein), and (d) maintain existing business forms in the ordinary course of business; (ii) authorizing the Debtors’ banks to honor all related payment requests; and (iii) granting related relief. In support of this motion (this “Motion”), the Debtors respectfully state as follows:

¹ The Debtors in these chapter 11 proceedings, together with the last four digits of each Debtor’s federal tax identification number, are: Supply Source Enterprises, Inc. (0842); SSE Intermediate, Inc. (1772); SSE Buyer, Inc. (5901); Impact Products, LLC (7450); and The Safety Zone, LLC (4597). The Debtors’ headquarters are located at 385 Long Hill Road, Guilford, Connecticut 06437.



JURISDICTION AND VENUE

1. The United States Bankruptcy Court for the District of Delaware (this “Court”) has jurisdiction over the above-captioned chapter 11 cases (these “Chapter 11 Cases”), the Debtors, property of the Debtors’ estates, and these matters under 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District Court for the District of Delaware*, dated February 29, 2012. This is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).

2. Pursuant to rule 9013-1(f) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), the Debtors consent to the entry of a final judgment or order with respect to this Motion if it is determined that this Court, absent consent of the parties, cannot enter final orders or judgments consistent with Article III of the United States Constitution.

3. Venue of these Chapter 11 Cases in this district is proper under 28 U.S.C. §§ 1408 and 1409.

4. The statutory bases for the relief requested herein are sections 105(a), 345, 363, and 503(b) of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “Bankruptcy Code”), rules 6003 and 6004 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Local Rule 2015-2.

GENERAL BACKGROUND

5. On the date hereof (the “Petition Date”), each of the Debtors filed a voluntary petition for relief pursuant to chapter 11 of the Bankruptcy Code. The Debtors have also filed a motion requesting joint administration of these Chapter 11 Cases pursuant to Bankruptcy Rule 1015(b). The Debtors are operating their business and managing their properties, as debtors in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code. No request for the

appointment of a trustee or examiner has been made, and no official committees have been appointed in these Chapter 11 Cases.

6. The Debtors are leading distributors of branded and private label personal protective equipment and janitorial, safety, hygiene, and sanitation products. The Debtors' key products fall into the categories of gloves, core cleaning, safety, and food service. Working directly with suppliers and vendors in in the United States and Asia, the Debtors source, supply, and ship their products to a diverse customer base, including janitorial and sanitation providers, supply distributors, safety products resellers and wholesalers, and food service and food processing distributors and retailers. Additionally, the Debtors offer advanced customization capabilities, hot stamping, pad printing, and silk-screening labeling services for unique design, logo, or packaging specification requested by customers.

7. Additional factual background regarding the Debtors, including their business operations, their corporate and capital structure, and the events leading to the filing of these Chapter 11 Cases is set forth in the *Declaration of Thomas Studebaker in Support of Chapter 11 Petitions and First Day Motions* (the "First Day Declaration"), which is incorporated herein by reference.²

RELIEF REQUESTED

8. The Debtors seek entry of the Proposed Interim Order, pending the entry of the Proposed Final Order, (a) authorizing, but not directing, the Debtors to (i) continue to operate their Cash Management System (defined below) in the day-to-day operation of their business, (ii) honor certain prepetition obligations in accordance with the operation of the Cash

² Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the First Day Declaration.

Management System, (iii) continue to perform Intercompany Transactions (defined below) consistent with historical practice, and (iv) maintain existing forms; (b) granting administrative expense status to postpetition Intercompany Claims (defined below); and (c) granting related relief. The Debtors also request that, upon entry of the Proposed Interim Order, the Court schedule a final hearing (the “Final Hearing”) on the Motion to consider the relief requested herein on a final basis.

FACTS RELEVANT TO THIS MOTION

A. Overview of the Debtors’ Cash Management System.

9. The Debtors operate an integrated system of bank accounts to facilitate the collection and disbursement of funds across the Debtor entities (the “Cash Management System”). A diagram illustrating the flow of funds through the Cash Management System is attached hereto as **Exhibit C**. The Cash Management System enables transactions and transfers among the Debtors’ various bank accounts required to affect the Debtors’ collection and disbursement activities and facilitates the Debtors’ reporting through the development of timely and accurate information. The Debtors’ finance and accounting departments maintain oversight of the Cash Management System and implement cash management controls for receiving, processing, and releasing funds.

10. As of the Petition Date, the Debtors maintain 8 bank accounts (collectively, the “Bank Accounts”), six of which are held at JP Morgan Chase Bank (“JPM”), one of which is held at Fifth Third Bank (“Fifth Third”), and one of which is held at Citizens Bank, N.A. (“Citizens,” and together with JPM and Fifth Third, the “Banks”).

11. Three of the Bank Accounts are in the name of and maintained by Debtor The Safety Zone, LLC (“Safety Zone”): (i) a depository account held at JPM (the “Safety Zone Depository Account”); (ii) a disbursement account held at JPM associated with certain payroll

and benefit obligations (the “Safety Zone Disbursement Account”); and (iii) a payment account held at Citizens related to payments (and some deposits) associated with international vendors (the “Safety Zone Legacy Account”).

12. Additionally, Debtor Impact Products, LLC (“Impact Products”) maintains three Bank Accounts: (i) a depository account at JPM (the “Impact Products Depository Account”); (ii) a disbursement account held at JPM (the “Impact Products Disbursement Account”); and (iii) a depository account related to certain 401k obligations (the “Impact Products Legacy Account”).

13. Finally, Debtor Supply Source Enterprises, Inc. (“Supply Source”) maintains two Bank Accounts at JPM: (i) a cash concentration account utilized for operations (the “Operating Account”); and (ii) a disbursement account for the payment of utilities associated with the Adequate Assurance Deposit as defined and further explained in the *Debtors’ Motion for Entry of Interim and Final Orders (I) Approving Debtors’ Proposed Form of Adequate Assurance of Payment, (II) Establishing Procedures for Resolving Objections by Utility Companies, (III) Prohibiting Utility Companies from Altering, Refusing, or Discontinuing Services, and (IV) Granting Related Relief* (the “Utilities Deposit Account”).

14. A list of the Bank Accounts, including the location of each Bank and the last four digits of the account number for each Bank Account, is attached hereto as **Exhibit D**. Each of JPM, Fifth Third, and Citizens is party to a Uniform Depository Agreement with the Office of the United States Trustee for the District of Delaware (the “U.S. Trustee”) per the Operating Guidelines for Chapter 11 Cases as promulgated by the U.S. Trustee for Region 3, District of Delaware (the “Operating Guidelines”).

15. The Bank Accounts are described below:

Account	Debtor	ZBA / Non-ZBA	Account # (Last 4 digits)	Purpose
Operating Account	Supply Source	Non-ZBA	5539	This account is the Debtors' cash concentration account. Collections from the Safety Zone Depository Account and the Impact Products Depository Account are swept into this account on a daily basis; likewise disbursements that are made from the Safety Zone Disbursement Account and the Impact Products Disbursement Account are first deducted from this account. This account is used for disbursements related to payroll, payroll taxes, and various benefits and debt related payments. The Debtors also transfer funds between this account and various other accounts on account of intercompany transactions.
Utilities Deposit Account	Supply Source	Non-ZBA	6373	This account will be used to collect funds from the Debtors to satisfy obligations to third-party utility providers for adequate assurance purposes. The Debtors intend to transfer funds between this account and the Operating Account.
Safety Zone Depository Account	Safety Zone	ZBA	5562	This account is used to collect customer related deposits, lockbox receipts, automated clearinghouse transfers (" <u>ACHs</u> "), and check receipts. Funds from this account are swept into the Operating Account on a daily basis.
Safety Zone Disbursement Account	Safety Zone	ZBA	3590	This account is used to make payments to domestic and foreign vendors via ACH and wire and international wire transfer. The Debtors also transfer funds between this account and the Operating Account on account of intercompany transactions.

Account	Debtor	ZBA / Non-ZBA	Account # (Last 4 digits)	Purpose
Safety Zone Legacy Account	Safety Zone	Non-ZBA	6303	This account is used to collect various customer related deposits, lockbox receipts, ACHs, and check receipts. Additionally, this account is used to make payments related to employee reimbursements and domestic and foreign vendors via ACH and wire and international wire transfer. The Debtors also transfers funds between this account and the Operating Account on account of intercompany transactions.
Impact Products Depository Account	Impact Products	ZBA	5570	This account is used to collect customer related deposits, lockbox receipts, ACHs, and check receipts. Funds from this account are swept into the Operating Account on a daily basis.
Impact Products Disbursement Account	Impact Products	ZBA	3525	This account is used to make payments to domestic and foreign vendors via check, ACH, wire and international wire transfer. The Debtors also transfer funds between this account and the Operating Account on account of intercompany transactions.
Impact Products Legacy Account	Impact Products	Non-ZBA	3392	This account is used to collect various customer related deposits, lockbox receipts, ACHs, and check receipts. Additionally, this account is used to make payments related to employee 401k obligations, as well as various employee reimbursements and domestic and foreign vendors via ACH and wire and international wire transfer. The Debtors also transfer funds between this account and the Operating Account on account of intercompany transactions.

16. The Debtors request authority to maintain and continue to use their Bank Accounts during these Chapter 11 Cases in the ordinary course of their business, including depositing funds in, and withdrawing funds from, the Bank Accounts by usual means, including check, wire transfer, ACH transfer, draft, electronic fund transfer, centralized lockbox, or other items presented, issued, or drawn on the Bank Accounts subject to the terms in any order approving the *Debtors' Motion for Entry of Interim and Final Orders (I) Authorizing Debtors to (A) Obtain Postpetition Senior Secured Financing and (B) Use Cash Collateral, (II) Granting Adequate Protection to Prepetition Secured Parties, (III) Granting Liens and Superpriority Claims, (IV) Modifying the Automatic Stay, (V) Scheduling a Final Hearing, and (VI) Granting Related Relief* (the "DIP Motion" and the lender thereunder, the "DIP Lender") and any other or subsequent orders approving debtor in possession financing or use of cash collateral by this Court in these Chapter 11 Cases.

17. Continuity of the Cash Management System is critical to the Debtors' business operations, but so is flexibility. To that end, the Debtors also request authority to implement reasonable changes to the Cash Management System that they deem necessary or appropriate in the ordinary course, including closing any Bank Account and establishing new bank accounts, and that the applicable banks be authorized to honor such changes.

B. Fees and Related Expenses.

18. In the ordinary course of business, the Banks debit the Bank Accounts in arrears on account of payments and transfers made from the Bank Accounts. In connection with these payments and the general maintenance of the Bank Accounts, each Bank charges, and the Debtors pay them certain service charges and other fees, costs, and expenses (collectively, the

“Bank Fees”). These Bank Fees are paid by automatic deductions from the Bank Accounts. Although monthly Bank Fees can fluctuate on a month-to-month basis depending on the amount of transactions the Debtors engage in, the Bank Fees frequently exceed \$20,000 in a given month, typically debited mid-month.

19. As of the Petition Date, the Banks have not charged the Debtors on account of Bank Fees for the month of May. Although the Debtors cannot ascertain the exact amount of Bank Fees owed and due as of the Petition Date, out of an abundance of caution, the Debtors request authority to pay \$25,000 for any outstanding Bank Fees, which if owed, will come due during the first 30 days after the Petition Date (the “Interim Period”).

20. Additionally, the Debtors incur credit card payment processing fees (“Payment Processing Fees and together with the Bank Fees, the “Fees”) related to sale transactions by customers using a credit card. The Payment Processing Fees are collected by a third-party called Paytrace, who collects such fees on behalf of certain credit card companies. The Debtors estimate that they pay approximately \$50 a month on account of the Payment Processing Fees. Although the Debtors cannot ascertain the exact amount of Payment Processing Fees owed and due as of the Petition Date, out of an abundance of caution, the Debtors request authority to pay \$50 for any outstanding Payment Processing Fees, which if owed, will come due during the Interim Period.

C. The Intercompany Transactions.

21. The Debtors’ day-to-day operational and financial transactions are conducted by Debtors Supply Source, Impact Products, and Safety Zone on behalf of all the other Debtors. In the ordinary course of business, Debtors Supply Source, Impact Products, and Safety Zone make payments on behalf of the other Debtors, and non-cash intercompany transactions take place

between Supply Source, Impact Products, and Safety Zone (collectively, the “Intercompany Transactions”) to satisfy certain obligations and balance the books of the rest of the Debtors. The Debtors do not incur any liabilities or make on payments on behalf of their non-Debtor affiliates and, thus, have no Intercompany Transactions with such non-Debtor affiliates. Accordingly, the Debtors request authority to continue the Intercompany Transactions in the ordinary course consistent with past practice.

22. As a result of the various Intercompany Transactions, at any given time, there may be intercompany balances owing by one Debtor to another Debtor (the “Intercompany Claims”). For the reasons set forth herein and given the importance of the Intercompany Transactions to the Debtors’ business operations, if the Debtors were unable to maintain such Intercompany Transactions, their businesses and their estates would be negatively impacted. Therefore, the Debtors request that all post-petition Intercompany Claims be granted administrative expense priority status pursuant to section 503(b) of the Bankruptcy Code. If the Intercompany Claims are accorded administrative expense priority status, each entity utilizing funds that flow through the Cash Management System should continue to bear ultimate repayment responsibility for such ordinary-course transactions.

23. Because the Debtors engaged in the Intercompany Transactions on a prepetition basis and such transactions are common for businesses such as the Debtors, the Debtors believe that they may continue Intercompany Transactions in the ordinary course of business under section 363(c)(1) of the Bankruptcy Code without Court approval. Nonetheless, by this Motion, and in an abundance of caution, the Debtors seek express authority to continue engaging in the Intercompany Transactions. Consistent with their prepetition practice, the Debtors will maintain

records of all transfers and can ascertain, trace, and account for all of the Intercompany Transactions.

D. Business Forms.

24. As part of the Cash Management System, the Debtors utilize preprinted business forms (the “Business Forms”) in the ordinary course of their business. The Debtors also maintain books and records to document, among other things, their revenue and expenses. To minimize expenses to the estates and avoid confusion on the part of employees, vendors, and suppliers during the pendency of these Chapter 11 Cases, the Debtors request that the Court authorize the Debtors’ continued use of all correspondence and Business Forms (including, without limitation, letterheads, invoices, and preprinted checks) as such forms were in existence immediately before the Petition Date, without reference to the Debtors’ status as debtors in possession, rather than requiring the Debtors to incur the expense and delay of ordering entirely new Business Forms as required under the Operating Guidelines.

BASIS FOR RELIEF

I. Maintaining the Existing Cash Management System Is Essential to the Debtors’ Ongoing Operations and Restructuring Efforts.

25. The Operating Guidelines require a debtor in possession to, among other things:
- a. establish one debtor in possession bank account for all estate monies required for the payment of taxes, including payroll taxes;
 - b. close all existing bank accounts and open new debtor in possession accounts;
 - c. maintain a separate debtor in possession account for cash collateral; and
 - d. obtain checks that bear the designation “debtor in possession” and reference the bankruptcy case number and type of account on such checks.

26. These requirements are designed to provide a clear line of demarcation between prepetition and postpetition claims and payments and help protect against the inadvertent payment of prepetition claims by preventing banks from honoring checks drawn before the petition date. However, the Debtors' continued use of the Bank Accounts is nevertheless permitted pursuant to section 363(c)(1) of the Bankruptcy Code, which authorizes the debtor in possession to "use property of the estate in the ordinary course of business without notice or a hearing." 11 U.S.C. § 363(c)(1). Additionally, courts in this and other districts have recognized that an integrated cash management system "allows efficient utilization of cash resources and recognizes the impracticalities of maintaining separate cash accounts for the many different purposes that require cash." *In re Columbia Gas Sys., Inc.*, 136 B.R. 930, 934 (Bankr. D. Del. 1992), *aff'd in part and rev'd in part*, 997 F.2d 1039 (3d Cir. 1993). The United States Court of Appeals for the Third Circuit has agreed, emphasizing that requiring a debtor to maintain separate accounts "would be a huge administrative burden and economically inefficient." *Columbia Gas*, 997 F.2d at 1061; *see also In re Southmark Corp.*, 49 F.3d 1111, 1114 (5th Cir. 1995) (finding that a cash management system allows a debtor "to administer more efficiently and effectively its financial operations and assets"). Accordingly, the Debtors respectfully request that the Court allow the Bank Accounts to be maintained as they were in the ordinary course of business prior to the Petition Date.

27. Bankruptcy courts treat requests for authority to continue utilizing existing cash management systems as a relatively "simple matter." *In re Baldwin-United Corp.*, 79 B.R. 321, 327 (Bankr. S.D. Ohio 1987). In *In re Charter Co.*, 778 F.2d 617 (11th Cir. 1985), for example, the bankruptcy court entered an order authorizing the debtor and 43 of its subsidiaries "to continue to consolidate the management of their cash as has been usual and customary in the

past, and to transfer monies from affiliated entity to entity, including operating entities that are not debtors.” *Id.* at 620 (internal quotations omitted). The United States Court of Appeals for the Eleventh Circuit then affirmed a subsequent district court decision denying a creditor’s motion for leave to appeal the bankruptcy court’s cash management order, holding that authorizing the debtors to utilize their prepetition “routine cash management system” was “entirely consistent” with applicable provisions of the Bankruptcy Code. *Id.* at 621; *see also Columbia Gas*, 997 F.2d at 1061 (recognizing that a requirement to maintain all accounts separately “would be a huge administrative burden and economically inefficient”).

28. This Court has routinely granted chapter 11 debtors the same or similar relief as requested in this Motion. *See, e.g., In re Restoration Forest Prod. Group, LLC*, No. 24-10120 (KBO) (Bankr. D. Del. Feb. 22, 2024) (authorizing the use of existing cash management system); *In re Humanigen, Inc.*, No. 24-10003 (BLS) (Bankr. D. Del. Jan. 29, 2024) (same); *In re AN Global LLC*, No. 23-11294 (JKS) (Bankr. D. Del. Dec. 4, 2023) (same); *In re Tritex Int’l Inc.*, No. 23-10520 (TMH) (Bankr. D. Del. May 23, 2023) (same); *In re DeCurtis Holdings, LLC*, No. 23-10548 (JKS) (Bankr. D. Del. May 23, 2023) (same).³

29. Here, the Debtors satisfy the standards for maintaining their existing Cash Management System. The Debtors utilize the Cash Management System as part of their ordinary and usual business practices, and as such, the Debtors believe the continued use of the Cash Management System falls within the purview of ordinary course transactions permitted under Bankruptcy Code section 363(c)(1). Moreover, appropriate circumstances exist for the Court to authorize the Debtors’ continued use of the Cash Management System under Bankruptcy Code sections 363(b)(1) and 105(a). The relief requested in this Motion will help minimize any

³ Because of the voluminous nature of the unreported orders cited herein, they are not annexed to this Motion. Copies of these orders are available upon request.

disruption in the Debtors' business operations as they focus on and advance the Chapter 11 Cases and reorganize their estates. Indeed, any disruptions in the Cash Management System could lead to delays in satisfying the Debtors' obligations to employees, vendors, and suppliers. To avoid the potential erosion of value that could ensue from any such interruptions, the Debtors believe it is imperative that they be authorized to continue the Cash Management System consistent with the Debtors' historical practice.

30. Strict adherence to the Operating Guidelines would prove to be exceedingly burdensome to the Debtors and their management, reduce efficiencies, and cause unnecessary expense. The delays that would result from opening new accounts, revising cash management procedures, and instructing customers to redirect payments would disrupt the Debtors' business operations at this critical time, have little or no benefit to the Debtors' estates, and erode the value of the Debtors' enterprise to the detriment of all stakeholders. Accordingly, the Debtors should be allowed to continue using the Cash Management System consistent with their historical practice.

II. Waiving the Deposit and Investment Requirements of Section 345 of the Bankruptcy Code is Warranted.

31. The Debtors further request a waiver of the deposit and investment requirements of section 345 of the Bankruptcy Code to the extent the Bank Accounts do not strictly comply therewith.

32. Section 345(a) of the Bankruptcy Code governs a debtor's cash deposits during a chapter 11 case and authorizes deposits of money as "will yield the maximum reasonable net return on such money, taking into account the safety of such deposit or investment." 11 U.S.C. § 345(a). For deposits or investments that are not "insured or guaranteed by the United States or by a department, agency or instrumentality of the United States or backed by the full faith and

credit of the United States,” section 345(b) requires debtors to obtain, from the entity with which the money is deposited, a bond in favor of the United States and secured by the undertaking of an adequate corporate entity, or “the deposit of securities of the kind specified in section 9303 of title 31.” 11 U.S.C. § 345(b).⁴

33. As discussed above, the Bank Accounts are maintained at JPM, Fifth Third, and Citizens, all of which are parties to Uniform Depository Agreements with the U.S. Trustee and are insured by the Federal Deposit Insurance Corporation. Therefore, the Bank Accounts comply with section 345(b) of the Bankruptcy Code. Out of an abundance of caution, however, to the extent that the Bank Accounts do not strictly comply with section 345 of the Bankruptcy Code, the Debtors submit that cause exists to waive any such noncompliance as set forth herein given that all funds are deposited safely and prudently at a financially stable banking institution.

III. Authorizing the Banks to Continue to Maintain, Service, and Administer the Bank Accounts in the Ordinary Course of Business is Warranted.

34. The Debtors respectfully request that the Court authorize the Banks to continue to maintain, service, and administer the Bank Accounts as accounts of the Debtors as debtors in possession, without interruption and in the ordinary course of business. In this regard, the Banks should be authorized to debit the Bank Accounts in the ordinary course of business without the need for further order of this Court for: (i) all checks drawn on the Bank Accounts which are cashed at such Banks’ counters or exchanged for cashier’s checks by the payees thereof prior to the Petition Date; (ii) all checks or other items deposited in one of the Bank Accounts prior to the Petition Date which have been dishonored or returned unpaid for any reason, together with any

⁴ Strict compliance with the requirements of section 345(b) of the Bankruptcy Code would, in cases such as this, be inconsistent with section 345(a), which permits a debtor in possession to make such investments of money of the estate “as will yield the maximum reasonable net return on such money.” Thus, in 1994, to avoid “needlessly handcuff[ing] larger, more sophisticated debtors,” Congress amended section 345(b) of the Bankruptcy Code to provide that its strict investment requirements may be waived or modified if the Court so orders “for cause.” 140 Cong. Rec. H. 10,767 (Oct. 4, 1994), 1994 WL 54773.

fees and costs in connection therewith, to the same extent the Debtors are responsible for such items prior to the Petition Date; and (iii) all undisputed prepetition amounts outstanding as of the date hereof, if any, owed to any Bank as service charges for the maintenance of the Cash Management System.

35. The Debtors further request that those certain existing deposit agreements between the Debtors and their existing Banks shall continue to govern the postpetition cash management relationship between the Debtors and the Banks, and that all of the provisions of such agreements, including, without limitation, the termination and fee provisions, remain in full force and effect, without the need for further Court order. In addition, the Debtors request that either the Debtors or the Banks may, without further order of the Court, implement changes to the Cash Management System and procedures in the ordinary course of business pursuant to the terms of those existing deposit agreements, including, without limitation, the opening and closing of Bank Accounts.

36. The Debtors further request that the Court authorize the Banks to accept and honor all representations from the Debtors as to which checks, drafts, wires, or ACH transfers should be honored or dishonored consistent with any orders of the Court and governing law, whether such checks, drafts, wires, or ACH transfers are dated before or subsequent to the Petition Date. The Debtors also request that, to the extent a Bank relies on the representations of the Debtors with respect to whether any check or other payment order drawn or issued by the Debtors prior to the Petition Date should be honored, pursuant to the Proposed Interim Order, Proposed Final Order, or any other order of this Court, such Bank shall not have any liability to any party for relying on such representation by the Debtors. The Debtors respectfully submit that such relief is reasonable and appropriate because the Banks are not in a position to

independently verify or audit whether a particular item may be paid in accordance with a Court order or otherwise. Moreover, the Debtors request that the Court authorize the Banks to (i) continue to charge the Debtors regular and ordinary course Bank Fees, as applicable, and (ii) charge back returned items to the Bank Accounts whether such items are dated before, on, or subsequent to the Petition Date, in the ordinary course of business.

37. Additionally, the Debtors request that the Court authorize Paytrace to continue to charge the Debtors and administer the Payment Processing Fees, in the ordinary course.

IV. The Court Should Authorize the Debtors to Continue Intercompany Transactions and Grant Administrative Expense Priority Status to Postpetition Intercompany Claims.

38. As described above, the Debtors enter into certain Intercompany Transactions amongst themselves in the ordinary course of business. The Intercompany Transactions are necessary to the efficient operation of the Debtors' businesses and the performance. Consequently, the Debtors submit they should be authorized to continue entering into, and performing under, the Intercompany Transactions.

39. The continuation of the Intercompany Transactions will not prejudice the Debtors' estates or their creditors. The Intercompany Transactions are necessary for, among other things, preserving the value of the Debtors' brand, and maintaining critical services. Accordingly, the Debtors believe that continuation of the Intercompany Transactions is in the best interests of the Debtors' estates and creditors.

40. The Debtors believe the Intercompany Transactions are ordinary course transactions within the meaning of section 363(c)(1) of the Bankruptcy Code and, therefore, do not require the Court's approval. Notwithstanding, because of their routine nature, the continuation of such transactions is integral to the Debtors' ability to operate their business.

Accordingly, out of an abundance of caution, the Debtors are seeking express authority to continue the Intercompany Transactions postpetition.

41. The Debtors further request that the Court grant administrative expense status to all Intercompany Claims against a Debtor by another Debtor that arise postpetition as a result of an Intercompany Transaction pursuant to sections 503(b)(1) and 364(b) of the Bankruptcy Code. Granting Intercompany Claims administrative expense status would cause each entity using cash that flows through the Cash Management System to bear ultimate responsibility for its own funding requirements.

42. Administrative expenses treatment for postpetition intercompany claims has been granted in other similarly large chapter 11 cases in this District. *See, e.g., In re Restoration Forest Prod. Group, LLC*, No. 24-10120 (KBO) (Bankr. D. Del. Feb. 22, 2024) (providing for administrative expense status for intercompany claims arising after the petition date); *In re AN Global LLC*, No. 23-11294 (JKS) (Bankr. D. Del. Dec. 4, 2023) (same); *In re Tritex Int'l Inc.*, No. 23-10520 (TMH) (Bankr. D. Del. May 23, 2023) (same); *In re DeCurtis Holdings, LLC*, No. 23-10548 (JKS) (Bankr. D. Del. May 23, 2023) (same).

V. The Court Should Authorize the Debtors to Continue Using Their Existing Business Forms.

43. To avoid disruption of the Cash Management System and unnecessary expense, pursuant to Local Rule 2015-2(a), the Debtors request that they be authorized to continue to use their Business Forms substantially in the form existing immediately before the Petition Date, without reference to the Debtors' status as debtors in possession. The Debtors submit that changing business forms is unnecessary and unduly burdensome, and that parties in interest will not be prejudiced if the Debtors are authorized to continue to use their Business Forms substantially in the forms existing immediately before the Petition Date. Once the Debtors'

existing check stock has been used, the Debtors will reorder checks, with “Debtor in Possession” and the jointly administered case number for these Chapter 11 Cases printed on all checks.

44. Courts in this district have routinely allowed debtors to use their prepetition business forms without the “debtor in possession” label. *See, e.g., In re Restoration Forest Prod. Group, LLC*, No. 24-10120 (KBO) (Bankr. D. Del. Feb. 22, 2024) (authorizing the use of existing business forms); *In re Humanigen, Inc.*, No. 24-10003 (BLS) (Bankr. D. Del. Jan. 29, 2024) (same); *In re AN Global LLC*, No. 23-11294 (JKS) (Bankr. D. Del. Dec. 4, 2023) (same); *In re Tritex Int’l Inc.*, No. 23-10520 (TMH) (Bankr. D. Del. May 23, 2023) (same); *In re DeCurtis Holdings, LLC*, No. 23-10548 (JKS) (Bankr. D. Del. May 23, 2023) (same).

RESERVATION OF RIGHTS

45. Nothing contained herein is intended or shall be construed as (a) an admission as to the validity of any claim against the Debtors; (b) a waiver of the Debtors’ or any appropriate party-in-interest’s rights to dispute the amount of, basis for, or validity of any claim against the Debtors or rights of setoff asserted against the Debtors; (c) a waiver of any claims or causes of action that may exist against any creditor or interest holder; or (d) an approval, assumption, adoption, or rejection of any agreement, contract, lease, program, or policy between the Debtors and any third party under section 365 of the Bankruptcy Code. Likewise, if the Court grants the relief sought herein, any payment made pursuant to the Court’s order is not intended to be and should not be construed as an admission to the validity of any claim or a waiver of the Debtors’ rights to dispute such claim subsequently.

IMMEDIATE AND UNSTAYED RELIEF IS NECESSARY

46. The Court may grant the relief requested in this Motion immediately if the “relief is necessary to avoid immediate and irreparable harm.” Fed. R. Bank. P. 6003; *In re First NLC Fin. Servs., LLC*, 382 B.R. 547, 549 (Bankr. S.D. Fla. 2008). The Third Circuit has interpreted

the language “immediate and irreparable harm” in the context of preliminary injunctions. In that context, the Third Circuit has instructed that irreparable harm is that which “cannot be redressed by a legal or an equitable remedy following a trial.” *Instant Air Freight Co. v. C.F. Air Freight, Inc.*, 882 F.2d 797, 801 (3d Cir. 1989). The Debtors submit that, for the reasons already set forth herein, the relief requested in this Motion is necessary to avoid immediate and irreparable harm to the Debtors and their estates.

47. Accordingly, the Debtors request that the Court waive the stay imposed by Bankruptcy Rule 6004(h), which provides that “[a]n order authorizing the use, sale, or lease of property other than cash collateral is stayed until the expiration of 14 days after entry of the order, unless the court orders otherwise.” Fed. R. Bankr. P. 6004(h). As described above, the relief that the Debtors seek in this Motion is necessary for the Debtors to operate without interruption and to preserve value for their estates. Accordingly, the Debtors respectfully request that the Court waive the 14-day stay imposed by Bankruptcy Rule 6004(h), as the exigent nature of the relief sought herein justifies immediate relief.

NOTICE

48. Notice of this Motion will be provided to the following parties or their respective counsel: (a) the Office of the United States Trustee; (b) the holders of the thirty (30) largest unsecured claims against the Debtors on a consolidated basis; (c) the DIP Lender; (d) the Prepetition Secured Parties; (e) the Internal Revenue Service; (f) the United States Attorney’s Office for the District of Delaware; (g) the state attorneys general for all states in which the Debtors conduct business; (h) the Banks; and (i) any party that has requested notice pursuant to Bankruptcy Rule 2002. As this Motion is seeking “first day” relief, within forty-eight (48) hours of the entry of an order with respect to this Motion, the Debtors will serve copies of this Motion

and any order entered with respect to this Motion as required by Local Rule 9013-1(m). The Debtors respectfully submit that, in light of the nature of the relief requested, no further notice is necessary.

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CONCLUSION

WHEREFORE, the Debtors respectfully request that this Court enter the Proposed Interim Order and the Proposed Final Order, substantially in the forms annexed hereto as **Exhibit A** and **Exhibit B**, respectively, granting the relief requested herein and such other and further relief as may be just and proper.

Dated: May 21, 2024
Wilmington, Delaware

Respectfully submitted,

/s/ Katelin A. Morales

M. Blake Cleary (No. 3614)
R. Stephen McNeill (No. 5210)
Katelin A. Morales (No. 6683)
POTTER ANDERSON & CORROON LLP
1313 N. Market Street, 6th Floor
Wilmington, Delaware 19801
Telephone: (302) 984-6000
Facsimile: (302) 658-1192
Email: bcleary@potteranderson.com
rmcneill@potteranderson.com
kmorales@potteranderson.com

and-

Felicia Gerber Perlman (*pro hac vice* pending)
Bradley Thomas Giordano (*pro hac vice* pending)
Carole M. Wurzelbacher (*pro hac vice* pending)
McDERMOTT WILL & EMERY LLP
444 West Lake Street
Chicago, IL 60606-0029
Telephone: (312) 372-2000
Facsimile: (312) 984-7700
Email: fperlman@mwe.com
bgiordano@mwe.com
cwurzelbacher@mwe.com

*Proposed Counsel to the Debtors and
Debtors in Possession*

Exhibit A

Proposed Interim Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

Supply Source Enterprises, Inc., *et al.*,¹

Debtors.

Chapter 11

Case No. 24-11054 (___)

(Joint Administration Requested)

Re: Docket No. __

**INTERIM ORDER (I) AUTHORIZING THE DEBTORS TO
(A) CONTINUE TO OPERATE THEIR CASH MANAGEMENT SYSTEM,
(B) HONOR CERTAIN PREPETITION OBLIGATIONS RELATED THERETO,
(C) PERFORM INTERCOMPANY TRANSACTIONS, AND (D) MAINTAIN EXISTING
BUSINESS FORMS; (II) AUTHORIZING THE DEBTORS' BANKS TO HONOR
ALL RELATED PAYMENT REQUESTS; AND (III) GRANTING RELATED RELIEF**

Upon the motion (the "Motion")² of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an interim order (this "Interim Order"), (a) authorizing the Debtors to (i) continue to operate the Cash Management System, (ii) honor certain prepetition obligations related thereto, (iii) perform intercompany transactions in the ordinary course of business and consistent with historical practice, and granting administrative expense status for postpetition Intercompany Claims, and (iv) maintain existing business forms in the ordinary course of business; (b) authorizing the Debtors' banks to honor all related payment requests; (c) granting related relief; and (d) setting a Final Hearing, all as more fully set forth in the Motion; and upon the First Day Declaration; and this Court having jurisdiction over this matter in accordance with 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of*

¹ The Debtors in these chapter 11 proceedings, together with the last four digits of each Debtor's federal tax identification number, are: Supply Source Enterprises, Inc. (0842); SSE Acquisition Holdings, Inc. (2234); SSE Intermediate, Inc. (1772); Impact Products, LLC (7450); and The Safety Zone, LLC (4597). The Debtors' headquarters are located at 385 Long Hill Road, Guilford, Connecticut 06437.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

Reference from the United States District Court for the District of Delaware, dated February 29, 2012; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) and that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of these Chapter 11 Cases is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein and that such relief is in the best interests of the Debtors, their estates, their creditors and all parties in interest; and upon all of the proceedings had before the Court after due deliberation and sufficient cause appearing therefor, it is **HEREBY ORDERED THAT**,

1. The Motion is **GRANTED** on an interim basis as set forth herein. The Final Hearing on the Motion shall be held on _____, 2024, at __:__.m., prevailing Eastern Time. Any objections or responses to entry of a final order on the Motion shall be filed with the Court, and served so as to be **received** by the following parties, **by no later than 4:00 p.m., prevailing Eastern Time, on _____, 2024**: (i) proposed counsel to the Debtors, Potter Anderson & Corroon LLP, 1313 North Market Street, 6th Floor, Wilmington, Delaware 19801 (Attn: M. Blake Cleary (bcleary@potteranderson.com), R. Stephen McNeill (rmcneill@potteranderson.com), and Katelin A. Morales (kmorales@potteranderson.com)); (ii) Office of the United States Trustee, J. Caleb Boggs Federal Building, 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19801 (Attn: Benjamin A. Hackman (benjamin.a.hackman@usdoj.gov) and Malcolm M. Bates (malcolm.m.bates@usdoj.gov)); (iii) counsel for the DIP Lender and the Prepetition Secured Parties, (a) Weil, Gotshal & Manges

LLP, 767 Fifth Avenue, New York, New York 10153 (Attn: Ray C. Schrock, Esq. (ray.schrock@weil.com) and Kevin Bostel, Esq. (kevin.bostel@weil.com)) and (b) Richards, Layton & Finger, P.A., One Rodney Square, 920 North King Street, Wilmington, Delaware 19801 (Attn: Zachary I. Shapiro, Esq. (shapiro@rlf.com)); and (iv) if any statutory committee has been appointed in these Chapter 11 Cases, counsel to such committee (collectively, the “Notice Parties”).

2. The Debtors are authorized, but not directed, to: (a) continue operating the Cash Management System, as described in the Motion; (b) honor their prepetition obligations related thereto; (c) continue to perform Intercompany Transactions; and (d) maintain existing business forms in the ordinary course of business, subject to the limitations set forth in this Interim Order, *provided, however*, that nothing in this Interim Order authorizes the Debtors to make any intercompany loans to non-Debtor entities without further order of the Court.

3. Subject to the immediately preceding paragraph, the Debtors are further authorized, in their discretion, to: (a) continue to use, with the same account number, the Bank Accounts in existence as of the Petition Date; (b) use, in their present form, all correspondence and business forms (including letterhead, and invoices), as well as checks and other documents related to the Bank Accounts existing immediately before the Petition Date and thereafter, without reference to the Debtors’ status as debtors in possession; *provided, however*, that once the Debtors’ existing check stock has been used, the Debtors shall, when reordering checks, require the designation “Debtor in Possession” and the jointly administered case number of these Chapter 11 Cases on all checks; *provided, further*, that, with respect to checks which the Debtors or their agents print themselves, the Debtors shall begin printing the “Debtor in Possession” legend and the jointly administered case number of these Chapter 11 Cases on such items as soon

as practicable; (c) treat the Bank Accounts for all purposes as accounts of the Debtors as debtors in possession; (d) deposit funds in and withdraw funds from the Bank Accounts by all usual means, including checks, wire transfers, and other debits; and (e) pay any ordinary course Bank Fees incurred in connection with the Bank Accounts and to otherwise perform their obligations under the documents governing the Bank Accounts.

4. The Debtors are authorized to pay or reimburse their Banks and service providers, including Paytrace, in the ordinary course of business for any Fees arising during the Interim Period and, if any, prior to the Petition Date, *provided however that*, that amount shall not exceed \$25,050.

5. The Debtors are authorized to continue honoring their Payment Processing Fees associated with certain sale transactions completed by credit card, in the ordinary course, without further Court Order, that may arise after the Petition Date.

6. Each of the Banks is authorized to debit the Debtors' accounts in the ordinary course of business without the need for further order of this Court for: (i) all checks drawn on the Debtors' accounts which are cashed at such Bank's counters or exchanged for cashier's checks by the payees thereof prior to the Petition Date; (ii) all checks or other items deposited in one of Debtors' accounts with such Bank prior to the Petition Date which have been dishonored or returned unpaid for any reason, together with any fees and costs in connection therewith, to the same extent the Debtor was responsible for such items prior to the Petition Date; and (iii) all undisputed prepetition amounts outstanding as of the date hereof, if any, owed to any Bank as service charges for the maintenance of the Cash Management System; *provided that*, in addition to the requirements thereof, any checks, drafts, wires, or ACH Transfers drawn or issued by the Debtors before the Petition Date shall be timely honored by the Banks to the extent necessary to

comply with any order of this Court authorizing payment of certain prepetition claims, subject to the availability of funds, unless the Banks are instructed by the Debtors to stop payment on or otherwise dishonor such check, draft, wire, or ACH Transfer.

7. Those certain existing deposit agreements between the Debtors and their existing Banks shall continue to govern the postpetition cash management relationship between the Debtors and the Banks, and that all the provisions of such agreements, including, without limitation, the termination and fee provisions, shall remain in full force and effect, without the need for further order from this Court. In addition, either the Debtors or the Banks may, without further order of this Court, but upon notice to the U.S. Trustee, the DIP Lender, and any statutory committee, implement non-material changes to the Cash Management System and procedures in the ordinary course of business pursuant to terms of those certain existing deposit agreements.

8. The Banks shall not honor or pay any bank payments drawn on the Bank Accounts or otherwise issued before the Petition Date for which the Debtors specifically issued stop payment orders in accordance with the documents governing the Banks, as applicable.

9. In the course of providing cash management services to the Debtors, the Banks are authorized, without further order of this Court, to deduct the undisputed Bank Fees, whether arising prepetition or postpetition from the appropriate accounts of the Debtors, and further, to charge back to the appropriate accounts of the Debtors any amounts resulting from returned checks or other returned items, including returned items that result from ACH transactions, wire transfers, or other electronic transfers of any kind, regardless of whether such items were deposited or transferred prepetition or postpetition and regardless of whether the returned items relate to prepetition or postpetition items or transfers.

10. Subject to the terms set forth herein, the Banks may rely on the representations of the Debtors with respect to whether any check or other payment order drawn or issued by the Debtors prior to the Petition Date should be honored pursuant to this or any other order of this Court, and such Bank shall not have any liability to any party for relying on such representations by the Debtors as provided for herein.

11. The Banks are further authorized to (a) honor the Debtors' directions with respect to the opening and closing of any Bank Account (subject to all the other terms of this Interim Order), and (b) accept and hold, or invest, the Debtors' funds in accordance with the Debtors' instructions; *provided, however*, that the Banks shall not have any liability to any party for relying on such directions or representations.

12. If the Banks honor a prepetition check or other item drawn on any account that is the subject of this Interim Order (a) at the direction of the Debtors to honor such prepetition check or item, (b) in belief that the Court has authorized such prepetition check or item to be honored, or (c) as the result of an innocent mistake made despite implementation of customary item handling procedures, the Banks shall not be deemed to be, nor shall be liable to, the Debtors or the estates or otherwise in violation of this Interim Order.

13. The Debtors, in consultation with the DIP Lender, are authorized to open any new bank accounts or close any existing Bank Accounts; *provided, that* in the event that the Debtors open any bank accounts or close any existing Bank Accounts, such opening or closing shall be timely indicated on the Debtors' monthly operating reports and advance notice of such opening or closing shall be provided to the U.S. Trustee, the DIP Lender, and counsel to the official committee of unsecured creditors, if any, at least 15 days prior to such opening or closing; *provided, further*, that the Debtors shall only open such new bank account(s) at banks that have

executed a Uniform Depository Agreement with the U.S. Trustee's Office, or at such banks that are willing to execute such an agreement; and *provided, further*, that any such new bank accounts opened by the Debtors shall be subject to the terms of this Interim Order.

14. For all Banks at which the Debtors maintain a Bank Account that are party to a Uniform Depository Agreement with the U.S. Trustee's Office, the Debtors shall, as soon as possible, (a) contact the Banks, (b) provide the Debtors' employer identification numbers, and (c) identify the Bank Accounts at the Banks as being held by a debtor in possession in a bankruptcy case. The Debtors shall serve a copy of this Interim Order on each of the Banks.

15. With respect to Banks that are not a party to a Uniform Depository Agreement with the U.S. Trustee, the Debtors shall have 30 days (or such additional time as the U.S. Trustee may agree to) from the date of the entry of this Interim Order within which to either come into compliance with section 345(b) of the Bankruptcy Code or to make such other arrangements as agreed to by the U.S. Trustee, and that such extension is without prejudice to the Debtors' rights to request a further extension or suspension of the requirements of section 345(b) of the Bankruptcy Code as to cash management banks that are not party to a Uniform Depository Agreement with the U.S. Trustee.

16. The Debtors are authorized, but not directed, to continue engaging in Intercompany Transactions in the ordinary course of business consistent with historical practices. The Debtors shall maintain accurate and detailed records of all prepetition and postpetition transactions, including Intercompany Transactions, so that the transactions may be readily traced, ascertained, and recorded properly. All Intercompany Claims against one Debtor by another Debtor arising after the commencement of these Chapter 11 Cases as a result of the

Intercompany Transactions shall have administrative expense priority in accordance with section 503(b) of the Bankruptcy Code.

17. Notwithstanding use of a consolidated Cash Management System, the Debtors shall calculate quarterly fees under 28 U.S.C. § 1930(a)(6) based on the disbursements of each Debtor, regardless of which entity makes those disbursements.

18. Nothing contained herein is or should be construed as: (i) an implication or admission as to the validity of any claim against the Debtors, (ii) a waiver of the Debtors' or any other party-in-interest's rights to dispute the amount of, basis for, or validity of any claim against the Debtors, (iii) a waiver of any claims or causes of action that may exist against any creditor or interest holder, (iv) a promise to pay any claim, (v) a concession by the Debtors that any liens (contractual, common law, statutory or otherwise) satisfied pursuant to the Motion are valid (and all rights to contest the extent, validity or perfection or seek avoidance of all such liens are expressly reserved), (vi) an approval, assumption, adoption, or rejection of any agreement, contract, program, policy, or lease between the Debtors and any third party under section 365 of the Bankruptcy Code, (vii) a waiver of the obligation of any party in interest to file a proof of claim, or (viii) otherwise affecting the Debtors' rights under section 365 of the Bankruptcy Code to assume or reject any executory contract or unexpired lease. Any payment made pursuant to this Interim Order is not intended to be and should not be construed as an admission to the validity of any claim or a waiver of the Debtors' rights to subsequently dispute such claim.

19. This Court finds and determines that the requirements of Bankruptcy Rule 6003 are satisfied, and that the interim relief requested is necessary to avoid immediate and irreparable harm.

20. This Interim Order shall be immediately effective and enforceable upon its entry. The fourteen-day stay imposed by Bankruptcy Rule 6004(h) is hereby waived.

21. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of the Local Rules are satisfied by such notice.

22. The notice requirement of Bankruptcy Rule 6004(a) is waived.

23. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Interim Order.

24. This Court retains jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Interim Order.

Exhibit B

Proposed Final Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

Supply Source Enterprises, Inc., *et al.*,¹

Debtors.

Chapter 11

Case No. 24-11054 (___)

(Joint Administration Requested)

Re: Docket Nos. ___

**FINAL ORDER (I) AUTHORIZING THE DEBTORS TO
(A) CONTINUE TO OPERATE THEIR CASH MANAGEMENT SYSTEM,
(B) HONOR CERTAIN PREPETITION OBLIGATIONS RELATED THERETO,
(C) PERFORM INTERCOMPANY TRANSACTIONS, AND (D) MAINTAIN EXISTING
BUSINESS FORMS; (II) AUTHORIZING THE DEBTORS' BANKS TO HONOR
ALL RELATED PAYMENT REQUESTS; AND (III) GRANTING RELATED RELIEF**

Upon the motion (the "Motion")² of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an order (this "Final Order"), (a) authorizing the Debtors to (i) continue to operate the Cash Management System, (ii) honor certain prepetition obligations related thereto, (iii) perform intercompany transactions in the ordinary course of business and consistent with historical practice, and granting administrative expense status for postpetition Intercompany Claims, and (iv) maintain existing business forms in the ordinary course of business; (b) authorizing the Banks to honor all related payment requests; and (c) granting related relief, all as more fully set forth in the Motion; and upon the First Day Declaration; and this Court having jurisdiction over this matter in accordance with 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District*

¹ The Debtors in these chapter 11 proceedings, together with the last four digits of each Debtor's federal tax identification number, are: Supply Source Enterprises, Inc. (0842); SSE Acquisition Holdings, Inc. (2234); SSE Intermediate, Inc. (1772); Impact Products, LLC (7450); and The Safety Zone, LLC (4597). The Debtors' headquarters are located at 385 Long Hill Road, Guilford, Connecticut 06437.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion and the Interim Order, as applicable.

Court for the District of Delaware, dated February 29, 2012; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of these Chapter 11 Cases is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate and no other notice need be provided; and this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein and that such relief is in the best interests of the Debtors, their estates, their creditors and all parties in interest; and upon all of the proceedings had before the Court after due deliberation and sufficient cause appearing therefor, it is **HEREBY ORDERED THAT**,

1. The Motion is **GRANTED** on a final basis as set forth herein.
2. All relief granted in the Interim Order is hereby granted on a final basis.
3. The Debtors are authorized, but not directed, to: (a) continue operating the Cash Management System, as described in the Motion; (b) honor their prepetition obligations related thereto; (c) continue to perform Intercompany Transactions; and (d) maintain existing business forms, in the ordinary course of business and subject to the limitations set forth in this Final Order, *provided, however*, that nothing in this Final Order authorizes the Debtors to make an intercompany loans to non-Debtor entities without further order of the Court.
4. Subject to paragraph 3 of this Final Order, the Debtors are further authorized, in their discretion, to: (a) continue to use, with the same account number, the Bank Accounts in existence as of the Petition Date; (b) use, in their present form, all correspondence and business forms (including letterhead, and invoices), as well as checks and other documents related to the Bank Accounts existing immediately before the Petition Date and thereafter, without reference to

the Debtors' status as debtors in possession; *provided, however*, that once the Debtors' existing check stock has been used, the Debtors shall, when reordering checks, require the designation "Debtor in Possession" and the jointly administered case number of these Chapter 11 Cases on all checks; *provided, further*, that, with respect to checks which the Debtors or their agents print themselves, the Debtors shall begin printing the "Debtor in Possession" legend and the jointly administered case number of these Chapter 11 Cases on such items as soon as practicable; (c) treat the Bank Accounts for all purposes as accounts of the Debtors as debtors in possession; (d) deposit funds in and withdraw funds from the Bank Accounts by all usual means, including checks, wire transfers, and other debits; and (e) pay any ordinary course Bank Fees incurred in connection with the Debtors' Bank Accounts and to otherwise perform their obligations under the documents governing the Debtors' Bank Accounts.

5. The Debtors are authorized to pay or reimburse their Banks and service providers, including Paytrace, in the ordinary course of business for any Fees arising during these Chapter 11 Cases and pay the Banks and service providers on account of any Fees that arose prior to the Petition Date, *provided that*, that amount shall not exceed \$25,050 on a final basis.

6. The Debtors are authorized to continue honoring their Payment Processing Fees associated with certain sale transactions completed by credit card, in the ordinary course, without further Court Order, that may arise after the Petition Date.

7. Each of the Banks is authorized to debit the Debtors' accounts in the ordinary course of business without the need for further order of this Court for: (i) all checks drawn on the Debtors' accounts which are cashed at such Bank's counters or exchanged for cashier's checks by the payees thereof prior to the Petition Date; (ii) all checks or other items deposited in one of Debtors' accounts with such Bank prior to the Petition Date which have been dishonored or

returned unpaid for any reason, together with any fees and costs in connection therewith, to the same extent the Debtor was responsible for such items prior to the Petition Date; and (iii) all undisputed prepetition amounts outstanding as of the date hereof, if any, owed to any Bank as service charges for the maintenance of the Cash Management System; *provided that*, in addition to the requirements thereof, any checks, drafts, wires, or ACH Transfers drawn or issued by the Debtors before the Petition Date shall be timely honored by the Banks to the extent necessary to comply with any order of this Court authorizing payment of certain prepetition claims, subject to the availability of funds, unless the Banks are instructed by the Debtors to stop payment on or otherwise dishonor such check, draft, wire, or ACH Transfer.

8. Those certain existing deposit agreements between the Debtors and their existing depository and disbursement Banks shall continue to govern the postpetition cash management relationship between the Debtors and the Banks, and that all the provisions of such agreements, including, without limitation, the termination and fee provisions, shall remain in full force and effect, without the need for further order from this Court. In addition, either the Debtors or the Banks, may without further order of this Court, but upon notice to the U.S. Trustee, the DIP Lender, and any statutory committee, implement non-material changes to the Cash Management System and procedures in the ordinary course of business pursuant to terms of those certain existing deposit agreements.

9. The Banks shall not honor or pay any bank payments drawn on the Bank Accounts or otherwise issued before the Petition Date for which the Debtors specifically issued stop payment orders in accordance with the documents governing the Banks, as applicable.

10. In the course of providing cash management services to the Debtors, the Banks are authorized, without further order of this Court, to deduct the undisputed Fees, whether arising

prepetition or postpetition from the appropriate accounts of the Debtors, and further, to charge back to the appropriate accounts of the Debtors any amounts resulting from returned checks or other returned items, including returned items that result from ACH transactions, wire transfers, or other electronic transfers of any kind, regardless of whether such items were deposited or transferred prepetition or postpetition and regardless of whether the returned items relate to prepetition or postpetition items or transfers.

11. Subject to the terms set forth herein, the Banks may rely on the representations of the Debtors with respect to whether any check or other payment order drawn or issued by the Debtors prior to the Petition Date should be honored pursuant to this or any other order of this Court, and such Bank shall not have any liability to any party for relying on such representations by the Debtors as provided for herein.

12. The Banks are further authorized to (a) honor the Debtors' directions with respect to the opening and closing of any Bank Account (subject to all other terms of this Final Order), and (b) accept and hold, or invest, the Debtors' funds in accordance with the Debtors' instructions; *provided, however*, that the Banks shall not have any liability to any party for relying on such directions or representations.

13. If the Banks honor a prepetition check or other item drawn on any account that is the subject of this Final Order (a) at the direction of the Debtors to honor such prepetition check or item, (b) in belief that the Court has authorized such prepetition check or item to be honored, or (c) as the result of an innocent mistake made despite implementation of customary item handling procedures, the Banks shall not be deemed to be, nor shall be liable to, the Debtors or the estates or otherwise in violation of this Final Order.

14. The Debtors, in consultation with the DIP Lender, are authorized to open any new bank accounts or close any existing Bank Accounts; *provided, that* in the event that the Debtors open any bank accounts or close any existing Bank Accounts, such opening or closing shall be timely indicated on the Debtors' monthly operating reports and advance notice of such opening or closing shall be provided to the U.S. Trustee, the DIP Lender, and counsel to the official committee of unsecured creditors, if any, at least 15 days prior to such opening or closing; *provided, further,* that the Debtors shall only open such new bank account(s) at banks that have executed a Uniform Depository Agreement with the U.S. Trustee's Office, or at such banks that are willing to execute such an agreement; and *provided, further,* that any such new bank accounts opened by the Debtors shall be subject to the terms of this Final Order.

15. For all Banks at which the Debtors maintain a Bank Account that are party to a Uniform Depository Agreement with the U.S. Trustee's Office, the Debtors shall as soon as possible, (a) contact the Banks, (b) provide the Debtors' employer identification numbers, and (c) identify the Bank Accounts at the Banks as being held by a debtor in possession in a bankruptcy case. The Debtors shall serve a copy of this Final Order on each of the Banks.

16. The Debtors are authorized, but not directed, to continue engaging in Intercompany Transactions in the ordinary course of business, consistent with historical practices. The Debtors shall maintain accurate and detailed records of all prepetition and postpetition transactions, including Intercompany Transactions, so that the transactions may be readily traced, ascertained, and recorded properly. All Intercompany Claims against one Debtor by another Debtor arising after the commencement of these Chapter 11 Cases as a result of the Intercompany Transactions shall have administrative expense priority in accordance with section 503(b) of the Bankruptcy Code.

17. Notwithstanding use of a consolidated Cash Management System, the Debtors shall calculate quarterly fees under 28 U.S.C. § 1930(a)(6) based on the disbursements of each Debtor, regardless of which entity makes those disbursements.

18. The requirements of section 345 of the Bankruptcy Code, to the extent the Bank Accounts do not strictly comply therewith, are waived with respect to the Bank Accounts.

19. Nothing contained herein is or should be construed as: (i) an implication or admission as to the validity of any claim against the Debtors, (ii) a waiver of the Debtors' or any other party-in-interest's rights to dispute the amount of, basis for, or validity of any claim against the Debtors, (iii) a waiver of any claims or causes of action that may exist against any creditor or interest holder, (iv) a promise to pay any claim, (v) a concession by the Debtors that any liens (contractual, common law, statutory or otherwise) satisfied pursuant to the Motion are valid (and all rights to contest the extent, validity or perfection or seek avoidance of all such liens are expressly reserved), (vi) an approval, assumption, adoption, or rejection of any agreement, contract, program, policy, or lease between the Debtors and any third party under section 365 of the Bankruptcy Code, (vii) a waiver of the obligation of any party in interest to file a proof of claim, or (viii) otherwise affecting the Debtors' rights under section 365 of the Bankruptcy Code to assume or reject any executory contract or unexpired lease. Any payment made pursuant to this Final Order is not intended to be and should not be construed as an admission to the validity of any claim or a waiver of the Debtors' rights to subsequently dispute such claim.

20. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of the Local Rules are satisfied by such notice.

21. All objections to entry of this Final Order, to the extent not withdrawn or settled, are overruled.

22. This Final Order shall be immediately effective and enforceable upon its entry. The fourteen-day stay imposed by Bankruptcy Rule 6004(h) is hereby waived.

23. The Debtors are authorized and empowered to take all actions necessary to effectuate the relief granted in this Final Order in accordance with the Motion.

24. This Court retains jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Final Order.

Exhibit C

Cash Management Schematic

Cash Management System Schematic

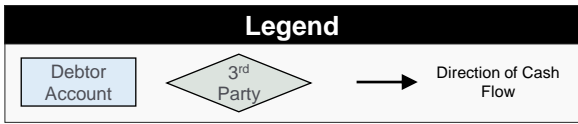
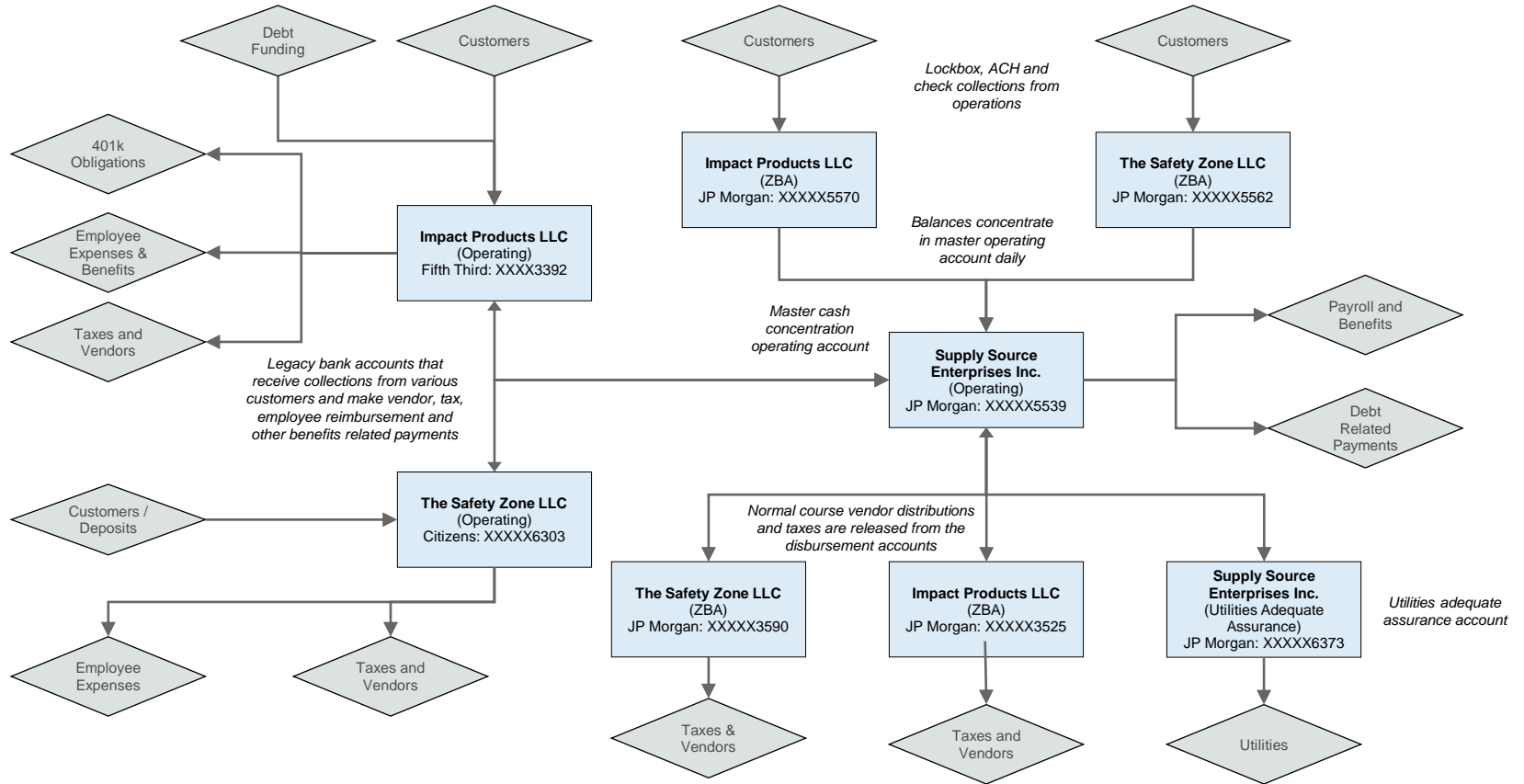


Exhibit D

Debtors' Bank Accounts

BANK ACCOUNTS

Debtor Entity	Bank Name	Location of the Banks where Accounts are Held	Account Description	Currency	Account No. (Last 4 Digits)
Supply Source Enterprises, Inc.	JP Morgan Chase Bank	1300 E 9th St Floor 18, Cleveland, OH 44114	Operating/Funding Account	USD	5539
Supply Source Enterprises, Inc.	JP Morgan Chase Bank	1300 E 8 th St Floor 18, Cleveland, OH 44114	Utilities Deposit Account	USD	6373
The Safety Zone, LLC	JP Morgan Chase Bank	1300 E 9th St Floor 18, Cleveland, OH 44114	Depository Account (cash deposits/lockbox/ACH/checks)	USD	5562
The Safety Zone, LLC	JP Morgan Chase Bank	1300 E 9th St Floor 18, Cleveland, OH 44114	Disbursement Account (Legacy ACHs)	USD	3590
The Safety Zone, LLC	Citizens Bank	1 Citizens Dr, Riverside, RI 02915	Payment Account	USD	6303
Impact Products, LLC	JP Morgan Chase Bank	1300 E 9th St Floor 18, Cleveland, OH 44114	Depository Account (cash deposits/lockbox/ACH/checks)	USD	5570
Impact Products, LLC	JP Morgan Chase Bank	1300 E 9th St Floor 18, Cleveland, OH 44114	Disbursement Account	USD	3525
Impact Products, LLC	Fifth Third Bank	Fifth Third Building, 600 Superior Ave, Cleveland, OH 44114	Depository Account (401k)	USD	3392