

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

In re:	Chapter 11
Supply Source Enterprises, Inc., <i>et al.</i> , <sup>1</sup>	Case No. 24-11054 (BLS)
Debtors.	(Jointly Administered)
	<b>Re: Docket No. 7</b>

**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")<sup>2</sup> 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*

<sup>1</sup> 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.

<sup>2</sup> 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 June 18, 2024, at 11:30 a.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 June 11, 2024**: (i) proposed counsel to the Debtors, Potter Anderson & Corroon LLP, 1313 North Market Street, 6<sup>th</sup> 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.

Dated: May 23rd, 2024  
Wilmington, Delaware

  
BRENDAN L. SHANNON  
UNITED STATES BANKRUPTCY JUDGE