

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re:	Chapter 11
Supply Source Enterprises, Inc., et al., ¹	Case No. 24-11054
Debtors.	(Jointly Administered)
	Re: D.I. 14, 16

RESERVATION OF RIGHTS OF DOYLE SHAMROCK INDUSTRIES

Doyle Shamrock Industries (“**DSI**”), a creditor of the above-captioned debtors and debtors-in-possession (the “**Debtors**”), by and through its undersigned counsel, hereby files this reservation of rights to the: (A) *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) Schedule a Final Hearing, and (vi) Granting Related Relief [D.I. 14] (the “**DIP Motion**”), and (B) *Debtors’ Motion for Entry of Orders (i)(a) Approving Bidding Procedures for the Sale of Substantially All of the Debtors’ Assets, (b) Designating the Stalking Horse Bidder, (c) Scheduling an Auction and Approving the Form and Manner of Notice Thereof, (d) Approving Assumption and Assignment Procedures, (e) Scheduling a Sale Hearing and Approving the Form and Manner of Notice Thereof and (f) Granting Related Relief; and (ii)(a) Approving the Sale of the Debtors’ Assets Free and Clear of Liens, Claims, Interests, and Encumbrances, (b) Approving the Assumption and Assignment 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 Intermediate, Inc. (1772); SSE Buyer, Inc. (5901); Impact Products, LLC (7450); and The Safety Zone, LLC (4597).



Certain Executory Contracts and Unexpired Leases, and (c) Granting Related Relief [D.I. 16] (the “**Bid Procedures Motion**”).

1. On May 21, 2024 (the “**Petition Date**”), each of the Debtors filed voluntary petitions for relief under Chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”) with the United States Bankruptcy Court for the District of Delaware (the “**Court**”).

2. DSI was established in 1975 by Michael A. Doyle and is a family owned, full-service plastic injection molding and tooling corporation located in Holland, Ohio.

3. Prior to the Petition Date, DSI produced plastic molded products for the Debtors through the use of certain molds (the “**Molds**”) located at DSI’s Ohio facilities.

4. As of the Petition Date, there was at least \$2,411,208.84 (“**DSI’s Claim**”) owed by the Debtors to DSI for products produced by DSI and delivered to or on behalf of the Debtors as well as certain products produced by DSI but stored at DSI’s Ohio facilities (the “**Inventory**” and together with the Molds, collectively, the “**Collateral**”).

5. Pursuant to state law, DSI has a perfected possessory lien and secured interest in the Collateral as a result of the non-payment of DSI’s Claim.

6. Representatives for DSI and the Debtors have discussed resolutions of DSI’s Claim; however, as of the date hereof, no agreement has been reached between DSI and the Debtors.

RESERVATION OF RIGHTS

7. DSI does not object to the current financing sought by the Debtors as requested in the DIP Motion and does not currently object to a potential sale of the Debtors’ assets as proposed by the Bid Procedures Motion; however, DSI hereby expressly reserves and does not hereby waive any of its:

- a. rights, interests, claims, counterclaims, rights of setoff and recoupment and/or defenses pertaining to (i) any claim or proof of claim that has been filed or may be filed in the future, (ii) any administrative expense claim as may be asserted hereinafter, including without limitation the (A) right to a claim under section 503(b)(9) of the Bankruptcy Code, (B) the right to reclaim goods provided to the Debtors prior to the Petition Date pursuant to section 546(c) of the Bankruptcy Code, and (C) the right to seek a judicial determination of the amount(s) due and owing with regard to any claim; and
 - b. rights, interests, claims, and rights of setoff and recoupment to and from the Collateral, including (i) the right to preserve DSI's interests in the Collateral to the extent the Debtors do not satisfy the debt secured by the liens granted by the DIP Motion and Debtors' other assets are sufficient to satisfy such liens, and (ii) the right to object to any sale or other transfer of the Collateral pursuant to the Bid Procedures Motion or other requests by the Debtors to the extent that such sale would not satisfy DSI's Claim in full.
8. DSI further expressly reserves the right to amend, modify and/or supplement this this Reservation of Rights based upon the Debtors' further disclosures, the parties' further discussions and exchange of information, and in reply to any responses to this Reservation of Rights.

[Remainder of Page Intentionally Left Blank.]

Date: June 17, 2024

Respectfully submitted,

WHITE AND WILLIAMS LLP

By: /s/ Michael A. Ingrassia

Michael A. Ingrassia (No. 7068)

600 N. King Street, Suite 800

Wilmington, DE 19801

Telephone: (302) 467-4503

Facsimile: (302) 467-4550

ingrassiam@whiteandwilliams.com

Counsel to Doyle Shamrock Industries