

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

<p>In re:</p> <p>Liquidating Supply, Inc., <i>et al.</i>,<sup>1</sup></p> <p>Debtors.</p>	<p>Chapter 11</p> <p>Case No. 24-11054 (BLS)</p> <p>(Jointly Administered)</p> <p>Hearing Date: October 22, 2024 at 10:00 a.m. (ET)</p> <p>Objection Deadline: October 4, 2024 at 4:00 p.m. (ET)</p>
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**DEBTORS’ FIRST OMNIBUS OBJECTION TO CLAIMS (NON-SUBSTANTIVE)**

**THIS OBJECTION SEEKS TO DISALLOW CERTAIN FILED PROOFS OF CLAIM. CLAIMANTS SHOULD CAREFULLY REVIEW THIS OBJECTION AND THE EXHIBITS ATTACHED HERETO TO DETERMINE WHETHER THIS OBJECTION AFFECTS THEIR CLAIMS. CLAIMANTS RECEIVING THIS OBJECTION SHOULD LOCATE THEIR NAMES AND CLAIMS ON EXHIBITS A THROUGH C TO THE PROPOSED ORDER ATTACHED HERETO AS EXHIBIT 1.**

The above-captioned debtors and debtors in possession (the “Debtors”), by and through their undersigned counsel, hereby submit this first omnibus objection (the “Objection”) for entry of an order (the “Proposed Order”), substantially in the form attached hereto as Exhibit 1, pursuant to sections 105(a) and 502 of title 11 of the United States Code (the “Bankruptcy Code”), rule 3007 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and rule 3007-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), disallowing certain (i) amended and superseded claims listed on Exhibit A to the Proposed Order (the “Amended and Superseded Claims”); (ii)

<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: Liquidating Supply, Inc. (f/k/a Supply Source Enterprises, Inc.) (0842); SSE Intermediate, Inc. (1772); SSE Buyer, Inc. (5901); Liquidating Impact, LLC (f/k/a Impact Products, LLC) (7450); and Liquidating SZ, LLC (f/k/a The Safety Zone, LLC) (4597). The Debtors’ headquarters are located at 2840 Centennial Drive, Toledo, Ohio 43617.



insufficient supporting documentation claims on **Exhibit B** to the Proposed Order (the “Insufficient Documentation Claims”); and (iii) the duplicate claims on **Exhibit C** to the Proposed Order (the “Duplicate Claims,” and together with the Amended and Superseded Claims and Insufficient Documentation Claims, the “Disputed Claims”). In support of the Objection, the Debtors submit the *Declaration of Tom Cole in Support of the Debtors’ First Omnibus Objection to Claims (Non-Substantive)* (the “Cole Declaration”), attached hereto as **Exhibit 2**. In further support of the Objection, the Debtors respectfully represents as follows:

### **JURISDICTION AND VENUE**

1. The Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).

2. Pursuant to Local Rule 9103-1(f), the Debtors hereby confirm their consent to the entry of a final order by this Court in connection with this Objection if it is later determined that this Court, absent consent of the parties, cannot enter final orders or judgments consistent with Article III of the United States Constitution.

### **BACKGROUND**

3. On May 21, 2024 (the “Petition Date”), the Debtors each filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code (together, the “Chapter 11 Cases”). These Chapter 11 Cases are being jointly administered for procedural purposes only pursuant to Bankruptcy Rule 1015(b). *See* Docket No. 45. The Debtors are operating their business and managing their properties, as debtors in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

4. On June 3, 2024, the Office of the United States Trustee for the District of Delaware (the “U.S. Trustee”) appointed the Official Committee of Unsecured Creditors (the “Committee”). See Docket No. 82. As of the date hereof, no trustee or examiner, has been appointed in these Chapter 11 Cases.

5. 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* [Docket No. 3] (the “First Day Declaration”), which is incorporated herein by reference.<sup>2</sup>

### **BAR DATES**

6. On May 23, 2024, the Court entered an order authorizing the Debtors’ retention of Kurtzman Carson Consultants LLC, d/b/a Verita Global (“Verita”) as claims and noticing agent. See Docket No. 46. As such, Verita is authorized to, among other things, receive, maintain, docket, and otherwise administer proofs of claim filed in these Chapter 11 Cases.

7. On July 8, 2024, the Court entered the *Order (I) Establishing Deadlines for the Filing of Proofs of Claim and Requests for Allowance of Administrative Expense Claims, (II) Approving the Forms and Manner of Notice Thereof, and (III) Granting Related Relief* [Docket No. 210] (the “Bar Date Order”), establishing (i) August 12, 2024 at 5:00 p.m. (ET) as the last date for all creditors, other than governmental units, holding a claim against one or more of the Debtors to file and serve a written proof of claim for payment of any such claim (the “General Bar Date”), (ii) August 30, 2024 at 5:00 p.m. (ET) as the last date for all creditors that hold or wish to assert an administrative expense claim pursuant to section 503(b) of the Bankruptcy Code (the

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<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the First Day Declaration.

“Administrative Claims Bar Date”); and (iii) November 18, 2024 at 5:00 p.m. (ET) as the last date for all governmental units holding a claim against one or more of the Debtors to file and serve a written proof of claim for payment of any such claim (the “Governmental Bar Date,” and together with the General Bar Date and the Administrative Claims Bar Date, the “Bar Dates”). Notice of the Bar Dates was provided by first class mail and publication in accordance with the procedures outlined in the Bar Date Order.

### **SCHEDULES, PROOFS OF CLAIM, AND CLAIMS RECONCILIATION**

8. On June 18, 2024, each of the Debtors filed their respective *Schedules of Assets and Liabilities and Statement of Financial Affairs* [Docket Nos. 156 – 165] (collectively, the “Schedules and Statements”).

9. The Debtors’ register of claims (the “Claims Register”), maintained by Verita, indicates that approximately 192 claims (the “Claims”) have been filed against the Debtors in these Chapter 11 Cases.

10. In the ordinary course of business, the Debtors maintain books and records (the “Books and Records”) that reflect, among other things, the nature and amount of the liabilities owed to their creditors. The Debtors and their professionals have begun reviewing, comparing, and reconciling the Claims (including any supporting documentation) with the Schedules and Statement and Books and Records. This reconciliation process includes identifying particular categories of Claims that may be subject to objection. While this analysis and reconciliation is ongoing, the Debtors have determined that the Disputed Claims should be disallowed for one or more reasons described below.

## OBJECTION

11. The Debtors submit this Objection pursuant to Bankruptcy Code sections 510(b) and 502(b), Bankruptcy Rules 3003 and 3007, and Local Rule 3007-1, requesting entry of the Proposed Order disallowing each of the Disputed Claims identified on Exhibits A through C of the Proposed Order, as set forth in further detail below in such exhibits.

### **A. Amended and Superseded Claims**

12. The Debtors object to the Amended and Superseded Claims included in Exhibit A to the Proposed Order because they appear to be amended and superseded by other claims against the Debtors.

13. A list of the Amended and Superseded Claims is set forth in the column titled “Claim to be Disallowed” on Exhibit A to the Proposed Order. The Debtors have listed the Claims that the Debtors believe amend and supersede the Amended and Superseded Claims, which will remain if the Court sustains this Objection, in the column titled “Remaining Claim Number” on Exhibit A to the Proposed Order.

14. The Debtors believe that the claimants holding Amended and Superseded Claims will not be prejudiced by having their Amended and Superseded Claims disallowed because their “Remaining Claims,” as set forth on Exhibit A to the Proposed Order, will remain on the Claims Register after the corresponding Amended and Superseded Claims are disallowed, unless otherwise described in Exhibit A to the Proposed Order.

### **B. Insufficient Documentation Claims**

15. The Debtors object to the Insufficient Documentation Claims included on Exhibit B to the Proposed Order because (a) they do not include sufficient supporting documentation with respect to Claims against the Debtors and (b) the Debtors, following a review

of their Books and Records, have no record of any liability with respect to such Insufficient Documentation Claims.

16. The Insufficient Documentation Claims do not meet the standard for establishing *prima facie* validity, because the amounts asserted, without more, do not provide sufficient facts supporting the Claim and cannot be confirmed in the Debtors' Books and Records. *See In re Allegheny Int'l, Inc.*, 954 F.2d 167, 173 (3d Cir. 1992).

17. Accordingly, each of the Insufficient Documentation Claims identified on **Exhibit B** to the Proposed Order should be disallowed from the Claims Register.

### **C. Duplicate Claims**

18. The Debtors object to the Duplicate Claims included on **Exhibit C** to the Proposed Order because they appear to be duplicates of other Claims filed against the Debtors.

19. A list of the Duplicate Claims is set forth in the column titled "Duplicate Claims" on **Exhibit C** to the Proposed Order. The Debtors have listed the Claims that will remain if the Court sustains this Objection, in the column titled "Remaining Claim Number" on **Exhibit C** to the Proposed Order.

20. The Debtors believe that the claimants holding Duplicate Claims will not be prejudiced by having their Duplicate Claims disallowed because their "Remaining Claims" as set forth on **Exhibit C** to the Proposed Order will remain on the Claims Register after the corresponding Duplicate Claims are disallowed.

### **BASIS FOR RELIEF REQUESTED**

21. Section 502(a) of the Bankruptcy Code provides, in pertinent part, that "[a] claim or interest, proof of which is filed under section 501 of this title, is deemed allowed, unless a party

in interest . . . objects.” 11 U.S.C. § 502(a). Once an objection to a claim is filed, the Court, after notice and a hearing, shall determine the allowed amount of the claim. *See* 11 U.S.C. § 502(b).

22. Section 502(b)(1) of the Bankruptcy Code provides, in part, that a claim may not be allowed to the extent that it “is unenforceable against the debtor and property of the debtor, under any agreement or applicable law.” 11 U.S.C. § 502(b)(1). While a properly filed proof of claim is *prima facie* evidence of the claim’s allowed amount, when an objecting party rebuts a claim’s *prima facie* validity, the claimant bears the burden of proving the claim’s validity by a preponderance of evidence. *See Allegheny Int’l*, 954 F.2d at 173-74. The burden of persuasion with respect to the claim is always on the claimant. *See Id.* at 174. Pursuant to Bankruptcy Rule 3007(d), a debtor is permitted to file omnibus objections to more than one claim on the bases enumerated therein, which include, among other things, that such claims “[do] not comply with applicable rules, and the objection states that the objector is unable to determine the validity of the claim because of the noncompliance.” Fed. R. Bankr. P. 3007(d)(6).

23. The Disputed Claims are unenforceable against the Debtors for the reasons set forth above. Therefore, pursuant to section 502(b)(1) of the Bankruptcy Code, Bankruptcy Rule 3007, and Local Rule 3007-1, the Debtors respectfully request that the Court enter the Proposed Order granting the relief requested herein.

### **RESPONSES TO THE OMNIBUS OBJECTION**

24. **Filing and Service of Responses:** To contest the Objection, a claimant must file and serve a written response to the Objection (a “**Response**”) so that it is actually received by the Office of the Clerk of the United States Bankruptcy Court for the District of Delaware, 824 N. Market Street, Wilmington, Delaware 19801, and the parties in the following paragraph no later than **4:00 p.m. (ET) on October 4, 2024 (the “Response Deadline”)**. Claimants should locate

their names and Claims on **Exhibits A** through **C** to the Proposed Order, and carefully review the Objection. A Response must address each ground upon which the Debtors object to a particular Claim. A hearing to consider the Objection will be held on **October 22, 2024 at 10:00 a.m. (ET)**, before the Honorable Brendan L. Shannon, United States Bankruptcy Judge, at the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, 6th Floor, Courtroom 1, Wilmington, Delaware 19801 (the "Hearing").

25. Each Response must be filed and served upon the following entity at the following address:

Potter Anderson & Corroon LLP  
Attn: M. Blake Cleary, Esq.  
R. Stephen McNeill, Esq.  
Katelin A. Morales, Esq.  
1313 N. Market Street, 6th Floor  
Wilmington, Delaware 19801  
and

McDermott Will & Emery LLP  
Attn: Felicia Gerber Perlman, Esq.  
Bradley Thomas Giordano, Esq.  
444 West Lake Street  
Chicago, IL 60606

*Counsel for the Debtors*

26. Content of Responses: Every Response to this Objection must contain, at a minimum, the following information:

- a. a caption setting forth the name of the Court, the name of the Debtors, the case number, and the title of this Objection to which the Response is directed;
- b. the claimant's name, the Claim number(s), and a description of the basis for the amount claimed;
- c. the specific factual basis and supporting legal argument upon which the party will rely in opposing this Objection;



- d. any supporting documentation to the extent it was not included with the proof of claim previously filed with the clerk or Verita, upon which the party will rely to support the basis for and amounts asserted in the proofs of claim; and
- e. the name, address, telephone number, and email address of the person(s) (which may be the claimant or the claimant's legal representative) with whom counsel for the Debtors should communicate with respect to the Objection and Response and who possesses authority to reconcile, settle, or otherwise resolve the Objection and Response on behalf of the claimant.

27. Timely Response Required; Hearing; Replies: If a Response is properly and timely filed and served in accordance with the above procedures, the Debtors will endeavor to reach a consensual resolution with the claimant. If no consensual resolution is reached, the Court will conduct the Hearing on October 22, 2024 at 10:00 a.m. (ET), or such other date and time as the Debtors and the parties filing Responses may agree. Only those Responses made in writing and timely filed and received will be considered by the Court at any such hearing.

28. Adjournment of Hearing: The Debtors reserve the right to seek to adjourn the Hearing on any Disputed Claim included in the Objection. In the event that the Debtors and the claimant agree to adjourn the Hearing, the Debtors will state that the Hearing on that particular Disputed Claim has been adjourned on the agenda for the Hearing, which will be served on the person designated by the claimant in its Response and other parties requesting notice pursuant to Bankruptcy Rule 2002.

29. If a claimant whose Disputed Claim is subject to this Objection, and who is served with the Objection, fails to file and serve a timely Response in compliance with the foregoing procedures, the Debtors will present to the Court an appropriate order disallowing the Disputed Claim without further notice to the claimant.

30. Separate Contested Matter: Each of the Disputed Claims and the Debtors' objections thereto as asserted in this Objection constitute a separate contested matter as

contemplated by Bankruptcy Rule 9014. The Debtors request that any order entered by the Court with respect to an objection asserted herein will be deemed a separate order with respect to each such Disputed Claim.

**RESERVATION OF RIGHTS**

31. The Debtors expressly reserve the right to amend, modify, or supplement this Objection, and to file additional objections to the Disputed Claims or any other claims (filed or not) that may be asserted against the Debtors and their estates. Should one or more of the grounds of objection stated in this Objection be dismissed or overruled, the Debtors reserve the right to object to each of the Disputed Claims or any other proofs of claim on any other grounds that the Debtors discover or elect to pursue.

32. Notwithstanding anything contained in this Objection, or the exhibits attached hereto, nothing herein will be construed as a waiver of any rights that the Debtors, or any successor to the Debtors, may have to enforce rights of setoff against the claimants.

33. Nothing in this Objection will be deemed or construed: (a) as an admission as to the validity of any claim or interest against the Debtors; (b) as a waiver of the Debtors' rights to dispute or otherwise object to any Claim or proof of interest on any grounds or basis; (c) to waive or release any right, claim, defense, or counterclaim of the Debtors, or to estop the Debtors from asserting any right, claim, defense, or counterclaim; (d) as an approval or assumption of any agreement, contract, or lease, pursuant to section 365 of the Bankruptcy Code; or (e) as an admission that any obligation is entitled to administrative expense priority or any such contract or agreement is executory or unexpired for purposes of section 365 of the Bankruptcy Code or otherwise.

**COMPLIANCE WITH LOCAL RULE 3007-1**

34. The undersigned representative of the Debtors has reviewed the requirements of Local Rule 3007-1 and certifies that this Objection substantially complies with that Local Rule. To the extent that the Objection does not comply in all respects with the requirements of Local Rule 3007-1, the Debtors believe such deviations are not material and respectfully request that any such requirement be waived.

**FURTHER INFORMATION**

35. Questions about or requests for additional information about the proposed disposition of the Disputed Claims hereunder should be directed to the Debtors' counsel in writing at the following address: (a) Potter Anderson & Corroon LLP, 1313 N Market St., 6th Floor, Wilmington, Delaware 19801, Attn: M. Blake Cleary, R. Stephen McNeill, and Katelin A. Morales (emails: bcleary@potteranderson.com; rmcneill@potteranderson.com; kmorales@potteranderson.com); and (b) McDermott Will & Emery LLP, 444 West Lake St., Chicago, IL 60606, Attn: Felicia Gerber Perlman and Bradley Thomas Giordano (emails: fperlman@mwe.com and bgiordano@mwe.com).

**NOTICE**

36. Notice of the filing of this Objection will be provided to: (a) the U.S. Trustee; (b) counsel to the Committee; (c) counsel to the DIP Lender; (d) counsel to the Prepetition Secured Parties; (e) holders of Disputed Claims; and (f) any party that has requested notice pursuant to Bankruptcy Rule 2002. A copy of this Objection has been made available on the website of the Debtors' notice and claims agent, Verita, at <https://veritaglobal.net/supplysource>. In light of the nature of the relief requested herein, the Debtors submit that no other or further notice is necessary.

**WHEREFORE**, the Debtors respectfully request that the Court enter the Proposed Order, substantially in the form attached hereto as **Exhibit 1**, granting the relief requested herein and grant such other relief as the Court deems just and proper.

Dated: September 20, 2024  
Wilmington, Delaware

Respectfully submitted,

/s/ Katelin A. Morales

M. Blake Cleary (No. 3614)

R. Stephen McNeill (No. 5210)

Katelin A. Morales (No. 6683)

Shannon A. Forshay (No. 7293)

**POTTER ANDERSON & CORROON LLP**

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Felicia Gerber Perlman (admitted *pro hac vice*)

Bradley Thomas Giordano (admitted *pro hac vice*)

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*Counsel to the Debtors and Debtors in Possession*

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

In re:

Liquidating Supply, Inc., *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 24-11054 (BLS)

(Jointly Administered)

Hearing Date: October 22, 2024 at 10:00 a.m. (ET)

Objection Deadline: October 4, 2024 at 4:00 p.m. (ET)

**NOTICE OF DEBTORS' FIRST  
OMNIBUS OBJECTION TO CLAIMS (NON-SUBSTANTIVE)**

**PLEASE TAKE NOTICE** that the above-captioned debtors and debtors in possession (the "Debtors"), have filed the *Debtors' First Omnibus Objection to Claims (Non-Substantive)* (the "Objection") with the United States Bankruptcy Court for the District of Delaware (the "Court"). **Your claim(s) may be modified and/or disallowed as a result of the Objection.** Therefore, you should read the attached Objection carefully.

**PLEASE TAKE FURTHER NOTICE THAT YOUR RIGHTS MAY BE AFFECTED BY THE OBJECTION AND BY ANY FURTHER CLAIM OBJECTION THAT MAY BE FILED BY THE DEBTORS OR OTHERWISE. THE RELIEF SOUGHT HEREIN IS WITHOUT PREJUDICE TO THE DEBTORS' RIGHTS TO PURSUE FURTHER OBJECTIONS AGAINST YOUR CLAIM(S) SUBJECT TO THE OBJECTION IN ACCORDANCE WITH APPLICABLE LAW AND APPLICABLE ORDERS OF THE COURT.**

**PLEASE TAKE FURTHER NOTICE** that, if the holder of a claim that is the subject of

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<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: Liquidating Supply, Inc. (f/k/a Supply Source Enterprises, Inc.) (0842); SSE Intermediate, Inc. (1772); SSE Buyer, Inc. (5901); Liquidating Impact, LLC (f/k/a Impact Products, LLC) (7450); and Liquidating SZ, LLC (f/k/a The Safety Zone, LLC) (4597). The Debtors' headquarters are located at 2840 Centennial Drive, Toledo, Ohio 43617.

the Objection wishes to respond to the Objection, the holder must file a written response with the Court and serve it on the undersigned counsel so as to be received on or before **October 4, 2024 at 4:00 p.m. (ET)**.

**PLEASE TAKE FURTHER NOTICE** that responses to the Objection must contain, at a minimum, the following: (a) a caption setting forth the name of the Court, the above-referenced case number, and the title of the Objection to which the response is directed; (b) the name of the claimant, his/her/its claim number, and a description of the basis for the amount of the claim; (c) the specific factual basis and supporting legal argument upon which the claimant will rely in opposing this Objection; (d) any supporting documentation, to the extent it was not included with the proof of claim previously filed with the clerk or claims agent, upon which the claimant will rely to support the basis for and amounts asserted in the proof of claim; and (e) the name, address, email address, telephone number, and fax number of the person(s) (which may be the claimant or the claimant's legal representative) with whom counsel for the Debtors should communicate with respect to the claim or the Objection and who possesses authority to reconcile, settle, or otherwise resolve the Objection to the disputed claim on behalf of the claimant.

**IF NO RESPONSES TO THE OBJECTION ARE TIMELY FILED, SERVED AND RECEIVED IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED IN THE OBJECTION WITHOUT FURTHER NOTICE OR HEARING.**

**PLEASE TAKE FURTHER NOTICE** that, if no response to the Objection is timely filed and received in accordance with the above procedures, an Order may be entered sustaining the Objection without further notice or a hearing. If a response is properly filed, served and received in accordance with the above procedures and such response is not resolved, a hearing to consider such response and the Objection will be held before the Honorable Brendan L. Shannon at the Bankruptcy Court, 824 Market Street, 6<sup>th</sup> Floor, Courtroom No. 1, Wilmington, Delaware 19801 on **October 22, 2024 at 10:00 a.m. (ET)**. Only a response made in writing and timely filed and received will be considered by the Court at the Hearing.

**IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY SUSTAIN THE OBJECTION WITHOUT FURTHER NOTICE OR HEARING.**

*[Remainder of Page Left Intentionally Blank]*

Dated: September 20, 2024  
Wilmington, Delaware

Respectfully submitted,

/s/ Katelin A. Morales

M. Blake Cleary (No. 3614)

R. Stephen McNeill (No. 5210)

Katelin A. Morales (No. 6683)

Shannon A. Forshay (No. 7293)

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*Counsel to the Debtors and Debtors in Possession*



**EXHIBIT 1**

**Proposed Order**

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

In re:

Liquidating Supply, Inc., *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 24-11054 (BLS)

(Jointly Administered)

Re: Docket No. \_\_\_\_

**ORDER SUSTAINING THE DEBTORS' FIRST  
OMNIBUS OBJECTION TO CLAIMS (NON-SUBSTANTIVE)**

Upon the objection (the "Objection")<sup>2</sup> of the above-captioned debtors and debtors in possession (collectively, the "Debtors") to the Disputed Claims set forth on **Exhibits A** through **C** hereto, all as more fully set forth in the Objection; and this Court having reviewed the Objection; and this Court having jurisdiction to consider the Objection and the relief requested therein in accordance with 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 as of 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 this proceeding and the Objection in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that proper and adequate notice of the Objection has been given and that no other or further notice is necessary; and upon the record herein; and after due deliberation thereon;

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<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: Liquidating Supply, Inc. (f/k/a Supply Source Enterprises, Inc.) (0842); SSE Intermediate, Inc. (1772); SSE Buyer, Inc. (5901); Liquidating Impact, LLC (f/k/a Impact Products, LLC) (7450); and Liquidating SZ, LLC (f/k/a The Safety Zone, LLC) (4597). The Debtors' headquarters are located at 2840 Centennial Drive, Toledo, Ohio 43617.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Objection.

and this Court having determined that there is good and sufficient cause for the relief granted in this Order, therefore, it is hereby

**ORDERED, ADJUDGED, AND DECREED THAT:**

1. The Objection is SUSTAINED, as set forth herein.
2. Each of the Amended and Superseded Claims listed under the heading “Claim to be Disallowed” on **Exhibit A** hereto is hereby disallowed in its entirety. The Claims listed under the heading “Remaining Claim Number” shall remain on the Claims Register, subject to the Debtors’ rights to object to or otherwise contest such Claims.
3. Each of the Insufficient Documentation Claims listed on **Exhibit B** hereto is hereby disallowed in their entirety.
4. Each of the Duplicate Claims listed under the heading “Duplicate Claims to be Disallowed” on **Exhibit C** hereto is hereby disallowed in their entirety. The Claims listed under the heading “Remaining Claim Number” shall remain on the Claims Register, subject to the Debtors’ rights to object to or otherwise contest such Claims.
5. Nothing in the Objection or this Order shall be construed as an allowance of any Claim.
6. The Debtors’ rights to file additional objections to the Disputed Claims or any other claims (filed or not) which may be asserted against the Debtors, and to seek further reduction of any Disputed Claim to the extent such Disputed Claim has been paid, are preserved. Additionally, should one or more of the grounds of objection stated in the Objection be dismissed, the Debtors’ rights to object on other stated grounds or any other grounds that the Debtors discover during the pendency of these Chapter 11 Cases are further preserved.

7. This Court shall retain jurisdiction over the Debtors and the claimants whose Claims are subject to the Objection with respect to any matters related to or arising from the Objection or the implementation of this Order.

8. Each Disputed Claim and the objections by the Debtors to such Disputed Claim, as addressed in the Objection and set forth on Exhibit A through C hereto, constitutes a separate contested matter as contemplated by Bankruptcy Rule 9014 and Local Rule 3007-1. This Order shall be deemed a separate Order with respect to each Disputed Claim. Any stay of this Order pending appeal by any claimant whose Claims are subject to this Order shall apply to the contested matter which involves such claimant and shall not act to stay the applicability and/or finality of this Order with respect to the other contested matters listed in the Objection or this Order.

**EXHIBIT A**

**(Amended and Superseded Claims)**

Item No.	Creditor Name	Debtor	Remaining Claim Number	Remaining Claim Amount and Priority Status	Claim to be Disallowed	Reason for Disallowance
1	Palmer Distribution Services, Inc., d/b/a Palmer Logistics	Supply Source Enterprises, Inc.	158	General Unsecured (\$588,243.30)	153	<p>The claim listed under “Claim to be Disallowed” was amended by the proof of claim listed under “Remaining Claim Number.”</p> <p>Claim No. 158 is also subject to a substantive objection contemporaneously filed herewith and listed on Exhibit C thereto.</p>
2	Palmer Distribution Services, Inc., d/b/a Palmer Logistics	The Safety Zone, LLC	184	\$0	183	<p>The claim listed under “Claim to be Disallowed” was amended by the proof of claim listed under “Remaining Claim Number.”</p> <p>Claim No. 184 is also subject to a substantive objection contemporaneously filed herewith and listed on Exhibit D thereto.</p>
3	Sunburst Truck Lines Inc.	The Safety Zone, LLC	114	General Unsecured (\$54,287.09)	97	<p>The claim listed under “Claim to be Disallowed” was amended by the proof of claim listed under “Remaining Claim Number.”</p> <p>Claim No. 114 is also subject to a substantive objection contemporaneously filed herewith and listed on Exhibit A thereto.</p>

**EXHIBIT B**

**(Insufficient Documentation Claims)**

Item No.	Creditor Name	Claim No.	Debtor	Amount Asserted	Reason for Disallowance
1	Philip M	57	Supply Source Enterprises, Inc.	General Unsecured (Unliquidated)	<p>The claimant provided no supporting documentation with the proof of claim, and the Debtors' Books and Records do not show any claim or amount owed to the claimant.</p> <p>In addition, any outstanding prepetition amounts owed on account of a 401k plan have been paid in accordance with the <i>Final Order (I) Authorizing, but not Directing, the Debtors to (A) Pay Prepetition Wages, Compensation, Employee Benefits, and Other Employee Obligations and (B) Continue Certain Employee Benefit Programs in the Ordinary Course; (II) Authorizing all Banks to Honor Prepetition Checks for Payment of Prepetition Employee Obligations; and (III) Granting Related Relief</i> [Docket No. 131].</p>



**EXHIBIT C**

**(Duplicate Claims)**

Item No.	Creditor Name	Debtor	Remaining Claim Number	Remaining Claim Amount and Priority Status	Duplicate Claim to be Disallowed	Reason for Disallowance
1	Caplugs Inc.	Supply Source Enterprises, Inc.	29	General Unsecured (\$357.63)	43	<p>Claim No. 43 is subject to a substantive objection contemporaneously herewith and listed on Exhibit A thereto.</p> <p>As a result of that objection, the claim listed under "Duplicate Claim to be Disallowed" (Claim No. 43) is a duplicate of the proof of claim listed under "Remaining Claim Number" (Claim No. 29). Accordingly, Claim No. 43 should be disallowed.</p>

2	Palmer Distribution Services, Inc. d/b/a Palmer Logistics	Supply Source Enterprises, Inc.	158	Secured (\$628,551.31)	155	<p>Claim Nos. 155 and 158 are subject to a substantive objection filed contemporaneously herewith and listed on Exhibit C thereto.</p> <p>The Debtors' Combined Plan and Disclosure Statement requests substantive consolidation of the Debtors. As a result of the above objections and once the Plan is confirmed, the claimant will have one claim against the consolidated estates. As a result of that substantive consolidation, the claim listed under "Duplicate Claim to be Disallowed" (Claim No. 155) is a duplicate of the claim listed under "Remaining Claim Number" (Claim No. 158). Accordingly, Claim No. 155 should be disallowed.</p> <p>Additionally, the claimant filed other claims subject to a substantive objection filed contemporaneously herewith and listed on Exhibit D thereto.</p>
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3	Palmer Distribution Services, Inc. d/b/a Palmer Logistics	Supply Source Enterprises, Inc.	182	Administrative Expense	184	<p>Claim Nos. 182 and 184 are subject to a substantive objection filed contemporaneously herewith and listed on Exhibit D thereto.</p> <p>The Debtors' Combined Plan and Disclosure Statement requests substantive consolidation of the Debtors. As a result of the above objections and once the Plan is confirmed, the claimant will have one claim against the consolidated estate. As a result of that substantive consolidation, the claim listed under "Duplicate Claim to be Disallowed" (Claim No. 184) is a duplicate of the claim listed under "Remaining Claim Number" (Claim No. 182). Accordingly, Claim No. 184 should be disallowed.</p> <p>Additionally, the claimant filed other claims subject to a substantive objection filed contemporaneously herewith and listed on Exhibit C thereto.</p>
4	Vickie Tiner Lewis	Impact Products, LLC	123	Administrative Expense (\$3,700)	122	<p>Claim Nos. 122 and 123 are subject to a substantive objection filed contemporaneously herewith and listed on Exhibit C thereto.</p> <p>As a result of that objection, the claim listed under "Duplicate Claim to be Disallowed" (Claim No. 122) is a duplicate of the proof of claim listed under "Remaining Claim Number" (Claim No. 123). Accordingly, Claim No. 122 should be disallowed.</p>

**EXHIBIT 2**

**(Cole Declaration)**

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

In re:

Liquidating Supply, Inc., *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 24-11054 (BLS)

(Jointly Administered)

**DECLARATION OF TOM COLE IN SUPPORT OF THE  
DEBTORS' FIRST OMNIBUS OBJECTION TO CLAIMS (NON-SUBSTANTIVE)**

I, Tom Cole, hereby declare that the following is true to the best of my knowledge, information and belief:

1. I am Deputy Chief Restructuring Officer of the above-captioned debtors and debtors in possession (the "Debtors"). Additionally, I am a Director in the Turnaround and Restructuring at Triple P RTS, LLC ("Triple P RTS") which has its principal place of business at 300 North LaSalle Drive, Suite 1420, Chicago, Illinois 60654. Triple P RTS is wholly owned by Portage Point Partners, LLC (collectively, "Portage Point"). Portage Point is a business advisory, interim management, investment banking, and financial services firm whose professionals have a wealth of experience in providing financial advisory, restructuring advisory, and turnaround management services and which enjoys an excellent reputation for services it has rendered on behalf of debtors and creditors throughout the United States, both in chapter 11 proceedings and out of court restructurings. Portage Point is the provider of a chief restructuring officer and other

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<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: Liquidating Supply, Inc. (f/k/a Supply Source Enterprises, Inc.) (0842); SSE Intermediate, Inc. (1772); SSE Buyer, Inc. (5901); Liquidating Impact, LLC (f/k/a Impact Products, LLC) (7450); and Liquidating SZ, LLC (f/k/a The Safety Zone, LLC) (4597). The Debtors' headquarters are located at 2840 Centennial Drive, Toledo, Ohio 43617.

associated personnel to the Debtors in the above-captioned chapter 11 cases (the “Chapter 11 Cases”).

2. I make this declaration (this “Declaration”) in support of the *Debtors’ First Omnibus Objection to Claims (Non-Substantive)* (the “Objection”),<sup>2</sup> pursuant to which the Debtors are requesting that this Court enter an order substantially in the form of the Proposed Order disallowing certain claims.

3. I have reviewed the Objection and am directly, or by and through communications with other personnel or representatives of the Debtors, reasonably familiar with the information contained therein, in the Proposed Order, and in the exhibits attached to the Proposed Order. I am authorized to execute this Declaration on behalf of the Debtors.

4. Considerable resources and time have been expended in reviewing and reconciling the proofs of claim filed or pending against the Debtors and their estates in these Chapter 11 Cases.

5. In preparing this Declaration, I reviewed the Claims Register maintained by Verita, which contains the record of all parties that filed proofs of claim in connection with these Chapter 11 Cases. Additionally, I or other personnel or representatives of the Debtors (a) reviewed (i) the Claims Register, by which we identified Claims that should be disallowed, and (ii) the Debtors’ Books and Records with respect to the Claims described in the Objection; (b) conferred with the Debtors’ personnel and outside counsel having knowledge relevant to understanding the validity of the Claims; (c) approved the inclusion of the Claims in the Objection; and (d) reviewed the Objection and the Proposed Order. Accordingly, I am familiar with the information contained therein and in Exhibits A through C to the Proposed Order, which are incorporated herein by reference in their entirety.

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<sup>2</sup> Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Objection.

6. Except as otherwise indicated, all facts set forth in this Declaration are based on my personal knowledge of the Debtors' operations, finances, and Books and Records, my review of the proofs of claim and the Claims Register, or information received from other members of the Debtors, or the Debtors' other advisors. If called upon to testify, I would testify competently to the facts set forth herein.

### **Claim Objections**

#### **A. Amended and Superseded Claims**

7. As a result of the review described above, I have identified certain Claims that appear to amend and supersede other Claims filed against the Debtors (the "Amended and Superseded Claims") listed in the column titled "Claim to be Disallowed" on Exhibit A to the Proposed Order. I have also listed the related Claims, which I believe amend and supersede the Amended and Superseded Claims, that will remain if the Court sustains the Objection in the column titled "Remaining Claim Number" on Exhibit A to the Proposed Order.

8. I believe that the claimants holding Amended and Superseded Claims will not be prejudiced by having their Amended and Superseded Claims disallowed because their "Remaining Claims" will remain on the Claims Register after the corresponding Amended and Superseded Claims are disallowed. Accordingly, each Amended and Superseded Claim no longer represents a valid claim against the Debtors' estates and these Claims should be disallowed from the Claims Register.

#### **B. Insufficient Documentation Claims**

9. As a result of the review described above, I have identified certain Claims for which the Debtors' Books and Records, including but not limited to the Debtors' financial statements, internal reports, and computer files, reflect no liability for the Claims, and for which respective



Claims failed to provide any documentary evidence to aid in my investigation of these Claims (the “Inufficient Documentation Claims”).

10. To the best of my knowledge information and belief, the Insufficient Documentation Claims listed on Exhibit B to the Proposed Order are Claims for which (i) there is no basis in the Debtors’ Books and Records and (ii) the respective claimants failed to provide sufficient documentary support for the Debtors to be able to determine whether the Claim should be allowed. Accordingly, the Debtors request that the Court disallow the Insufficient Documentation Claims in their entirety.

**C. Duplicate Claims**

11. As a result of the review described above, I have identified certain Claims that appear to be duplicates of other Claims filed against the Debtors (the “Duplicate Claims”) listed in the column titled “Duplicate Claim to be Disallowed” on Exhibit C to the Proposed Order. I have also listed the related claims that will remain if the Court sustains the Objection in the column titled “Remaining Claim Number” on Exhibit C to the Proposed Order.

12. I believe that the claimants holding Duplicate Claims will not be prejudiced by having their Duplicate Claims disallowed because their “Remaining Claims” will remain on the Claims Register after the corresponding Duplicate Claims are disallowed. Accordingly, each original Claim no longer represents a valid claim against the Debtors’ estates and these Claims should be disallowed from the Claims Register.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief. Executed this 20th day of September 2024.

/s/ Tom Cole  
Tom Cole  
Deputy Chief Restructuring Officer