

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

In re:

Liquidating Supply, Inc., *et al.*,¹

Debtors.

Chapter 11

Case No. 24-11054 (BLS)

(Jointly Administered)

**CERTIFICATION OF COUNSEL REGARDING ORDER
APPROVING STIPULATION RESOLVING CLAIMS OF HONEYWELL**

The undersigned hereby certify as follows:

1. On May 21, 2024 (the “Petition Date”), each of the above captioned debtors and debtors in possession (the “Debtors”) filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code with the United States Bankruptcy Court for the District of Delaware (the “Court”).

2. 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”)² establishing, among other things, (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

¹ 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.

² Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Bar Date Order.



(the “General Bar Date”) and (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 “Administrative Claim Bar Date,” and together with the General Bar Date, the “Bar Dates”).

3. Prior to the Bar Dates, on August 5, 2024, Honeywell Safety Products USA Ltd. filed a proof of claim (Claim No. 107) (“Claim No. 107”) against Debtor The Safety Zone, LLC, n/k/a Liquidating SZ, LLC (“Safety Zone”) asserting: a (i) priority claim under sections 507(a)(2) and 503(b)(9) of the Bankruptcy Code in the amount of \$105,283.84 and (ii) general unsecured claim in the amount of \$234,588.93. As the basis of the Claim, Honeywell Safety Products USA Ltd. asserted that it sold goods to Safety Zone, some of which were sold within 20 days of the Petition Date.

4. On August 30, 2024, Honeywell Safety Products USA, Inc. (“Honeywell”) filed *Honeywell Safety Products USA, Inc.’s Motion for Allowance and Payment of Administrative Expense Pursuant to Section 503(b) of the Bankruptcy Code* [Docket No. 338] (the “Motion”) claiming an administrative expense claim of \$18,400.00 for goods provided to the Debtors from and after May 1, 2024 through May 25, 2024 and seeking payment thereof.

5. The Debtors and Honeywell (collectively, the “Parties”) have conferred regarding Claim No. 107 and the Motion and have entered into the *Stipulation Resolving Claims of Honeywell* (the “Stipulation”) resolving Honeywell’s claims.

6. The Parties have prepared a proposed order (the “Proposed Order”), attached hereto as **Exhibit A**, approving the Stipulation. A true and correct copy of the Stipulation is attached as **Exhibit 1** to the Proposed Order.

WHEREFORE, the undersigned respectfully request that, unless the Court has questions or concerns, the Court enter the Proposed Order attached as **Exhibit A** at the Court's earliest convenience.

Dated: September 24, 2024
Wilmington, Delaware

Respectfully submitted,

/s/ Katelin A. Morales

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Counsel to the Debtors and Debtors in Possession

EXHIBIT A

Proposed Order

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

In re:

Liquidating Supply, Inc., *et al.*,¹

Debtors.

Chapter 11

Case No. 24-11054 (BLS)

(Jointly Administered)

Re: Docket No. ____

ORDER APPROVING STIPULATION RESOLVING CLAIMS OF HONEYWELL

This Court, having considered the (i) *Certification of Counsel Regarding Order Approving Stipulation Resolving Claims of Honeywell* (the “Certification”) and (ii) *Stipulation Resolving Claims of Honeywell* (the “Stipulation”)² between the Debtors and Honeywell Safety Products USA, Inc. (collectively, the “Parties”), attached hereto as **Exhibit 1**; and the Court having determined that (a) the Court has jurisdiction over this matter pursuant to 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; (b) venue is proper in this district pursuant to 28 U.S.C. § 1409; (c) this is a core proceeding pursuant to 28 U.S.C. § 157(b); and (d) notice of the Stipulation was sufficient under the circumstances; and after due deliberation, the Court, having determined that good and adequate cause exists for approval of the Stipulation:

¹ 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.

² Capitalized terms not defined herein shall have meanings ascribed to them in the Certification or the Stipulation, as applicable.

IT IS HEREBY ORDERED THAT:

1. The Stipulation is hereby APPROVED.
2. The Motion is hereby withdrawn.
3. Claim No. 107 is hereby amended to reflect the proper legal entity, Honeywell Safety Products USA, Inc.
4. Claim No. 107 is hereby reduced and reclassified as a General Unsecured Claim in the amount of \$245,733.09.
5. Claim No. 107 is hereby allowed in the amount and classification noted above.
6. For the avoidance of doubt, any priority claims under sections 507(a)(2) and 503(b)(9) of the Bankruptcy Code and/or administrative expense claims asserted by Honeywell are hereby disallowed.
7. The Parties are authorized to take all actions necessary to effectuate the agreement reached pursuant to the Stipulation and authorized by this Order.
8. Kurtzman Carson Consultants, LLC d/b/a Verita Global – the Debtors’ notice, claims, and solicitation agent – is authorized to update the claims register to reflect this Order.
9. This Court shall retain jurisdiction over any and all matters arising from the interpretation or implementation of this Order.
10. The terms and conditions of this Order shall be effective immediately upon its entry.

EXHIBIT 1

Stipulation

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

In re:

Liquidating Supply, Inc., *et al.*,¹

Debtors.

Chapter 11

Case No. 24-11054 (BLS)

(Jointly Administered)

STIPULATION RESOLVING CLAIMS OF HONEYWELL

This stipulation (the “Stipulation”) is entered into on this 24th day of September 2024, by and among the above-captioned debtors and debtors in possession (collectively, the “Debtors”), Honeywell Safety Products USA, Inc. (“Honeywell,” and together with the Debtors, the “Parties”). The Parties hereby stipulate and agree as follows:

RECITALS

WHEREAS, on May 21, 2024 (the “Petition Date”), the Debtors commenced the above-captioned chapter 11 cases (the “Chapter 11 Cases”) with the filing of voluntary petitions for relief with the United States Bankruptcy Court for the District of Delaware (the “Court”).

WHEREAS, prior to the Petition Date, Honeywell provided Debtor The Safety Zone, LLC (n/k/a Liquidating SZ, LLC) (“Safety Zone”) with goods in the ordinary course of its business operations.

WHEREAS, 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)*

¹ 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.

Approving the Forms and Manner of Notice Thereof, and (III) Granting Related Relief [Docket No. 210] (the “Bar Date Order”),² 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”) and (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 “Administrative Claim Bar Date,” and together with the General Bar Date, the “Bar Dates”).

WHEREAS, prior to the Bar Dates, on August 5, 2024, Honeywell Safety Products USA Ltd. filed a proof of claim (Claim No. 107) (“Claim No. 107”) against Safety Zone asserting: a (i) priority claim under sections 507(a)(2) and 503(b)(9) of the Bankruptcy Code in the amount of \$105,283.84 and (ii) general unsecured claim in the amount of \$234,588.93. As the basis of the Claim, Honeywell Safety Products USA Ltd. asserted that it sold goods to Safety Zone, some of which were sold within 20 days of the Petition Date.

WHEREAS, on August 30, 2024, Honeywell filed *Honeywell Safety Products USA, Inc.’s Motion for Allowance and Payment of Administrative Expense Pursuant to Section 503(b) of the Bankruptcy Code* [Docket No. 338] (the “Motion”) claiming an administrative expense claim of \$18,400.00 for goods provided to Safety Zone from and after May 1, 2024 through May 25, 2024 and seeking payment thereof.

NOW, THEREFORE, to avoid the cost and burden of litigation associated with the Claim and the Motion, it is stipulated and agreed by and between the Parties as follows:

² Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Bar Date Order.

STIPULATION

1. The recitals set forth above are incorporated herein and are made an integral part of this Stipulation.
2. This Stipulation shall be effective upon the date the order approving this Stipulation becomes a final, and not subject to appeal (the "Stipulation Effective Date").
3. Upon the Stipulation Effective Date, Claim No. 107 shall be amended to reflect the proper legal entity, Honeywell Safety Products USA, Inc.
4. Upon the Stipulation Effective Date, Claim No. 107 shall be reduced and reclassified as a general unsecured claim in the amount of \$245,733.09.
5. Claim No. 107 shall be allowed in the amount and classification noted above as of the Stipulation Effective Date.
6. For the avoidance of doubt, any priority claims under sections 507(a)(2) and 503(b)(9) of the Bankruptcy Code and/or administrative expense claims asserted by Honeywell shall be disallowed.
7. Upon the Stipulation Effective Date, the Motion shall be considered withdrawn.
8. Subject to the occurrence of the Stipulation Effective Date, the clerk of the Court and Kurtzman Carson Consultants, LLC d/b/a Verita Global – the Debtors’ notice, claims, and solicitation agent – are hereby authorized to reflect the above on the dockets and claims register for the Chapter 11 Cases.
9. This Stipulation may be executed in multiple counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. This Stipulation may be executed by facsimile or PDF signatures, and such facsimile or PDF signatures will be deemed to be as valid as an original signature whether or not confirmed by delivering the

original signatures in person, by courier, or mail, although it is the Parties' intention to deliver original signatures after delivery of facsimile or PDF signatures.

10. All representations, warranties, inducements, and/or statements of intention made by the Parties that relate to this Stipulation are embodied in the Stipulation, and none of the Parties relied upon, will be bound by or will be liable for any alleged representation, warranty, inducement or statement of intention that is not expressly set forth in this Stipulation.

11. The Court shall retain jurisdiction to resolve any disputes or controversies arising from or relating to this Stipulation.

[Signature Page Follows]

WHEREFORE, the Parties hereto, intending to be legally bound, have caused this Stipulation to be duly executed as set forth below.

Dated: September 24, 2024
Wilmington, Delaware

Dated: September 24, 2024
Wilmington, Delaware

/s/ Katelin A. Morales

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