

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

In re

Klausner Lumber Two, LLC,

Debtor.<sup>1</sup>

Chapter 11

Case No. 20-11518 (KBO)

**Re: D.I. 438**

**ORDER (I) ESTABLISHING A GENERAL BAR DATE TO FILE PROOFS  
OF CLAIM, (II) ESTABLISHING A BAR DATE FOR GOVERNMENTAL  
UNITS TO FILE PROOFS OF CLAIM, (III) ESTABLISHING A BAR DATE  
TO FILE REQUESTS FOR PAYMENT OF POSTPETITION  
ADMINISTRATIVE CLAIMS, (IV) ESTABLISHING AN AMENDED  
SCHEDULES BAR DATE, (V) ESTABLISHING A REJECTION DAMAGES  
BAR DATE, (VI) APPROVING THE FORM AND MANNER FOR FILING  
PROOFS OF CLAIM, (VII) APPROVING THE PROPOSED NOTICE OF  
BAR DATES, AND (VIII) GRANTING RELATED RELIEF**

Upon the motion (the “Motion”)<sup>2</sup> of Klausner Lumber Two, LLC, as debtor and debtor-in-possession in the above-captioned chapter 11 case (the “Debtor”), for entry of an order (i) establishing the General Bar Date for the filing of proofs of claim (each, a “Proof of Claim”) in respect of prepetition claims, including secured claims, unsecured priority claims, unsecured non-priority claims, and claims arising under section 503(b)(9) of title 11 of the United States Code (the “Bankruptcy Code”); (ii) establishing the Governmental Bar Date for the filing of Proofs of Claim by governmental units in respect of prepetition claims against any of the Debtor; (iii) establishing the Administrative Claims Bar Date for the filing of requests for payment of administrative claims (excluding claims for professional fees and expenses in this case); (iv) establishing the Amended Schedules Bar Date for filing of Proofs of Claim following the

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<sup>1</sup> The Debtor in this case, along with the last four digits of the Debtor’s federal EIN, is Klausner Lumber Two, LLC (4897). The Debtor’s mailing address is P.O. Box C, Redding Ridge, CT 06876.

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

amendment or supplement of the Debtor's schedules of assets and liabilities [D.I. 76]; (v) establishing the Rejection Damages Bar Date for filing of Proofs of Claim for damages arising from the Debtor's rejection of executory contracts or unexpired leases; (vi) establishing, to the extent necessary, one or more Special Bar Dates; (vii) approving the form and manner of filing Proofs of Claim; (viii) approving the notice of the Bar Dates; and (ix) granting related relief, all as more fully set forth in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157(a)-(b) and 1334(b), and the *Amended Standing Order of Reference from the United States District Court for the District of Delaware*, dated February 29, 2012; and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided, and it appearing that no other or further notice need be provided; and the Court having held a hearing, if necessary, to consider the relief requested in the Motion; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion is in the best interests of the Debtor, its estate, creditors, and all parties in interest; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor,

**IT IS HEREBY ORDERED THAT:**

1. The Motion is granted to the extent set forth herein.
2. Unless otherwise provided herein, the following Bar Dates are hereby established in this chapter 11 case:
  - a. **January 29, 2021 at 5:00 p.m. (prevailing Eastern Time)**, as the deadline for each person or entity (including individuals, partnerships, corporations, joint ventures, trusts, but not including governmental units (as defined in section 101(27) of the Bankruptcy

Code) (“Governmental Units”)), to file a proof of claim (each, a “Proof of Claim”) in respect of a prepetition claim (as defined in section 101(5) of the Bankruptcy Code), including, for the avoidance of doubt, secured claims, unsecured priority claims, unsecured non-priority claims, and claims arising under section 503(b)(9) of the Bankruptcy Code against the Debtor (the “General Bar Date”), unless otherwise provided herein;

- b. **January 29, 2021 at 5:00 p.m. (prevailing Eastern Time)**, as the deadline for Governmental Units to file a Proof of Claim in respect of a prepetition claim against the Debtor (the “Governmental Bar Date”);
- c. **January 29, 2021 at 5:00 p.m. (prevailing Eastern Time)**, (the “Administrative Claims Bar Date”) as the deadline for each person or entity that asserts a request for payment of administrative claims arising during the period from June 10, 2020 (the “Commencement Date”) through and including December 31, 2020 (such period, the “Administrative Claims Period”), excluding (i) claims for professional fees and expenses in this case, and (ii) claims asserting administrative priority and arising in the ordinary course of business after the Commencement Date (the “Administrative Claims”), to file a request for payment of such Administrative Claims;<sup>3</sup>
- d. The later of (i) the General Bar Date or the Governmental Bar Date, as applicable, or (ii) 5:00 p.m. (prevailing Eastern Time) on the date that is 30 days from the date on which an affected claimant receives notice of a previously unfiled Schedule or an amendment or supplement to the Schedules (as defined herein) as the deadline by which claimants holding claims affected by such filing, amendment or supplement must file Proofs of Claim with respect to such claim (the “Amended Schedules Bar Date”); and
- e. The later of (i) the General Bar Date or the Governmental Bar Date, as applicable, or (ii) 5:00 p.m. (prevailing Eastern Time) on the date that is 30 days following receipt by an affected claimant of an order approving rejection of any executory contract or unexpired lease of the Debtor as the deadline by which claimants asserting claims resulting from the Debtor’s rejection of an executory contract or unexpired lease must file Proofs of Claim for damages arising from such rejection (the “Rejection Damages Bar Date,” and, together with the General Bar Date, the Governmental Bar Date, the Administrative Claims Bar Date, the Amended Schedules Bar Date,

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<sup>3</sup> Administrative Claims filed without a notice shall not be scheduled for a hearing.

and any applicable Special Bar Date (as defined herein), the “Bar Dates”).

3. The procedures set forth in this Paragraph shall apply in the event that after the initial mailing occurs as provided for in this Order, the Debtor determines it is necessary to make supplemental mailings of the Bar Date Notice Package, including in the event that (a) Bar Date Notice Packages are returned by the post office with forwarding addresses, necessitating a remailing to the new addresses, (b) certain parties acting on behalf of parties in interest decline to pass along Bar Date Notice Packages to such parties and instead return their names and addresses to the Debtor for direct mailing, and (c) additional potential claimants become known to the Debtor (such parties to whom the supplemental mailings are directed, the “Special Bar Date Parties”). To the extent the Debtor becomes aware of any such Special Bar Date Parties, the Debtor may make supplemental mailings of the Bar Date Notice Package to such Special Bar Date Parties so long as such supplemental mailings are made at least twenty-one (21) days in advance of the applicable Bar Date and, notwithstanding anything to the contrary in this Order or the Motion, such supplemental mailings shall be deemed timely.

4. The Debtor is authorized to establish special bar dates with respect to those Special Bar Date Parties as to which a mailing or remailing of a Bar Date Notice Package is necessary and cannot be accomplished by at least twenty-one (21) days in advance of the applicable Bar Date. With respect to such Special Bar Date Parties, the Debtor is authorized to establish special bar dates (each, a “Special Bar Date”) occurring at least twenty-one (21) days after the date on which the affected claimholder receives the notice of each such Special Bar Date. Such notice will take substantially the form of the Bar Date Notice (with necessary modifications to reflect the Special Bar Date provisions). The Debtor shall advise the Court of the establishment of each Special Bar Date by filing a notice, together with a list that specifically identifies the special

Bar Date Parties that are subject to the Special Bar Date and a copy of the bar date notice applicable to the Special Bar Date. In addition, the Debtor shall serve such notice upon the U.S. Trustee. Further, the Debtor shall file a certificate of service to evidence the mailing of each notice of a Special Bar Date to the Special Bar Date Parties subject thereto. Each Special Bar Date will apply only to the Special Bar Date Parties who are specifically identified as being subject thereto in the lists to be filed with the Court.

5. The (i) Proof of Claim Form, substantially in the form annexed hereto as **Exhibit 1**; (ii) Request for Payment of Administrative Expense Form, substantially in the form annexed hereto as **Exhibit 2** and (iii) the notice of the Bar Date, substantially in the form annexed hereto as **Exhibit 3** (the “Bar Date Notice”), are approved.

6. Except as otherwise set forth herein, the following entities holding claims against the Debtor arising prior to the Commencement Date shall be required to file Proofs of Claim or requests for payment of Administrative Claims (to the extent any such Administrative Claim arose during the Administrative Claim Period) on or before the applicable Bar Date:

- a. any entity whose claim against the Debtor is not listed in the applicable Debtor’s Schedules, or is listed as “contingent,” “unliquidated,” or “disputed,” if such entity desires to participate in this chapter 11 case or share in any distribution in this chapter 11 case;
- b. any entity that believes that its claim is improperly classified in the Schedules<sup>4</sup> or is listed in an incorrect amount and who desires to have its claim allowed in a different classification or amount other than that identified in the Schedules;
- c. any entity that believes that its claim against the Debtor is or may be an Administrative Claim that arises during the Administrative Claims Period, excluding (i) claims for professional fees and expenses in this case, and (ii) claims asserting administrative priority and arising in the ordinary course of business after the

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<sup>4</sup> The Schedules can be found at <https://www.donlinrecano.com/Clients/k2/Static/soals>.

Commencement Date; and

- d. any entity who believes that its claim against the Debtor is or may be entitled to priority under section 503(b)(9) of the Bankruptcy Code (*i.e.*, a claim for the value of good received by the Debtor within 20 days before the Commencement Date in which the goods have been sold to the Debtor in the ordinary course of the Debtor's business).

7. The following entities whose claims would otherwise be subject to a Bar

Date need not file any Proofs of Claim or requests for payment of Administrative Claims:

- a. any person or entity whose claim is listed on the Schedules; provided that (i) the claim is not listed on the Schedules as "disputed," "contingent," or "unliquidated," and (ii) the person or entity does not dispute the amount, nature, and priority of the claim as set forth in the Schedules;
- b. any person or entity who already has filed a signed Proof of Claim with DRC against the Debtor with respect to the claim being asserted, utilizing a claim form that substantially conforms to the Proof of Claim Form;
- c. any person or entity who holds a claim that has been allowed by order of the Court entered on or before the applicable Bar Date;
- d. any person or entity whose claim has been paid in full or will be paid in full in accordance with the Bankruptcy Code or an order of the Court;
- e. any person or entity who holds a claim for which a separate deadline has been fixed by an order of this Court entered on or before the applicable Bar Date;
- f. any person or entity who holds an equity interest in the Debtor, which interest exclusively is based upon the ownership of common or preferred stock, membership interests, partnership interests, or warrants, options, or rights to purchase, sell, or subscribe to such a security or interest; provided that if any such holder asserts a claim (as opposed to an ownership interest) against the Debtor (including a claim relating to an equity interest or the purchase or sale of such equity interest), a Proof of Claim or an Administrative Claim, as applicable, must be filed on or before the applicable Bar Date pursuant to the Procedures set for the herein;
- g. any current officer, director, or employee of the Debtor for claims based on indemnification, contribution, or reimbursement;

- h. any entity whose claim is solely against any of the Debtor's non-Debtor affiliates;
- i. any person or entity that has an Administrative Claim for professional fees and expenses for which (i) such person or entity has been retained by an express order of the Court pursuant to section 327, 328, 363 or 1103 of the Bankruptcy Code, and (ii) such person or entity is seeking compensation for such services through filed monthly fee statements and applications in accordance with the Interim Compensation Order,<sup>5</sup> or through similar reporting mechanisms.
- j. any holder of a claim allowable under section 503(b) and 507(a)(2) of the Bankruptcy Code as an administrative expense that arose on or after January 1, 2021; and
- k. The DIP Lender, on account of claims arising under the DIP Loan Documents.<sup>6</sup>

8. Except as otherwise set forth herein, each entity that asserts a claim against the Debtor that arose before the Commencement Date shall be required to file a Proof of Claim. Except as otherwise set forth herein, each entity that asserts an Administrative Claim against the Debtor that arose during the Administrative Claim Period shall be required to file a request for payment of the Administrative Claim. The following Procedures with respect to preparing and filing of Proofs of Claim and of requests for payment of Administrative Claims are hereby established:

- a. Proofs of Claim must substantially conform to the Proof of Claim Form attached hereto as **Exhibit 1** or Official Bankruptcy Form

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<sup>5</sup> See Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Retained Professional entered September 14, 2020 [D.I. 235] (the "Interim Compensation Order").

<sup>6</sup> Capitalized terms used but not defined in this paragraph 29(k) have the meanings ascribed to such terms in the Final Order (I) Authorizing the Debtor to Obtain Post-Petition Financing Up to the Amounts Set Forth Herein, Granting Senior Post-Petition Security Interests and According Superpriority Administrative Expense Status Pursuant to Code Section 364(c) and 364(d) of the Bankruptcy Code, (II) Authorizing the Use of Cash Collateral, (III) Modifying the Automatic Stay, and (IV) Granting Related Relief [D.I. 212] and Second Final Order (I) Authorizing the Debtor to Obtain Post-Petition Financing, Granting Senior Post-Petition Security Interests and According Superpriority Administrative Expense Status Pursuant to Code Sections 364(c) And 364(d) of the Bankruptcy Code, (II) Authorizing the Use of Cash Collateral, (III) Modifying the Automatic Stay, And (IV) Granting Related Relief [378] (together, the "DIP Orders").

No. 410, and Administrative Claims must substantially conform to the Request for Administrative Payment Form attached hereto as **Exhibit 2;**

- b. Proofs of Claim and requests for payment of Administrative Claims must: (i) be written in the English language; (ii) be denominated in lawful currency of the United States as of the Commencement Date (using the exchange rate, if applicable, as of the Commencement Date); (iii) specify by name and case number the Debtor against which the claim is filed; (iv) set forth with specificity the legal and factual basis for the alleged claim; (v) include supporting documentation for the claim or an explanation as to why such documentation is not available; and (vi) be signed by the claimant or, if the claimant is not an individual, by an authorized agent of the claimant under penalty of perjury;
- c. with respect to any request for payment of a claim under section 503(b)(9) of the Bankruptcy Code, (i) include the value of the goods delivered to and received by the Debtor in the 20 days prior to the Petition Date, (ii) attach documentation identifying the date such goods were received by the Debtor, (iii) state whether the value of the goods asserted in the Proof of Claim represents a combination of goods and services and, if applicable, the percentage of alleged value related to services and related to goods, and (iv) attach any documentation identifying the particular invoices for which the section 503(b)(9) claim is being asserted;
- d. Proofs of Claim and requests for payment of Administrative Claims must be filed (i) electronically through the website of the Debtor's claims and noticing agent, DRC, using the interface available on such website located at <https://www.donlinrecano.com/Clients/k2/FileClaim> (the "Electronic Filing System") or (ii) by delivering the original Proof of Claim form or Request for Administrative Payment Form by hand, or mailing the original Proof of Claim form or Request for Administrative Payment Form on or before the applicable Bar Date as follows:

**If sent by mail, send to:**

Donlin, Recano & Company, Inc.  
Re: Klausner Lumber Two LLC  
P.O. Box 199043  
Blythebourne Station  
Brooklyn, NY 11219

**If sent by Overnight Courier or Hand Delivery, send to:**



Donlin, Recano & Company, Inc.  
Re: Klausner Lumber Two LLC  
6201 15<sup>th</sup> Avenue  
Brooklyn, NY 11219

- e. A Proof of Claim or request for payment of an Administrative Claim shall be deemed timely filed only if it **actually is received** by DRC as set forth in subparagraph (d) above, in each case, on or before the Bar Date; and
- f. Proofs of Claim or request for payment of an Administrative Claim sent by facsimile, telecopy, or electronic mail transmission (other than Proofs of Claim filed electronically through the Electronic Filing System) **will not** be accepted.
- g. Claimants wishing to receive acknowledgement that their Proof of Claim or Administrative Claim was received by DRC must submit (i) a copy of the Proof of Claim or Administrative Claim; and (ii) a self-addressed, stamped envelope (in addition to the original Proof of Claim or Administrative Claim sent to DRC).

9. Pursuant to Bankruptcy Rule 3003(c)(2), any holder of a claim who is required to timely file a Proof of Claim or an Administrative Claim on or before the applicable Bar Date as provided herein, but fails to do so, (i) shall not be treated as a creditor with respect to such claim for the purposes of voting on a chapter 11 plan and distribution in this chapter 11 case on account of such claim or Administrative Claim; and (ii) forever shall be barred, estopped, and enjoined from asserting such claim against the Debtor and its property (or filing a Proof of Claim or an Administrative Claim with respect thereto), and the Debtor and its chapter 11 estate, successors, and property shall be forever discharged from any and all indebtedness or liability with respect to or arising from such claim unless the Court orders otherwise.

10. Pursuant to Bankruptcy Rules 2002(a)(7), (f), and (l), the Debtor shall provide notice of the Bar Dates in accordance with the following Procedures:

- a. Within three (3) business days after entry of this Order, the Debtor shall to cause to be mailed (i) a copy of the Proof of Claim Form; (ii) a copy of the Request for Administrative Payment Form; and (iii) the Bar Date

Notice substantially in the form annexed hereto as **Exhibit 3** (together, the “**Bar Date Notice Package**”) to the following parties:

- (1) the Office of the U.S. Trustee;
- (2) counsel for the Creditors’ Committee;
- (3) all known creditors and other known holders of potential claims against the Debtor’s estate;
- (4) all known counterparties to the Debtor’s executory contracts and unexpired leases at the addresses stated therein or as updated pursuant to a request by the counterparty or by returned mail from the post office with a forwarding address;
- (5) all parties to pending litigation against the Debtor (as of the date of entry of the order on this Motion);
- (6) all persons or entities who have filed claims, including Administrative Claims (as of the date of entry of the order on this Motion);
- (7) all parties who have sent correspondence to the Court and are listed on the Court’s electronic docket (as of the date of entry of the order on this Motion);
- (8) all parties who have requested notice pursuant to Bankruptcy Rule 2002 (as of the date of entry of the order on this Motion);
- (9) all current and former employees of the Debtor (to the extent that contact information for former employees is available in the Debtor’s records);
- (10) all known non-Debtor equity and interest holders of the Debtor as of the date the Bar Date Order is entered;
- (11) the Internal Revenue Service, the United States Attorney’s Office for the District of Delaware, and all applicable Governmental Units;
- (12) all taxing authorities for the jurisdictions in which the Debtor maintains or conducts business;
- (13) all regulatory authorities that regulate the Debtor’s businesses, including consumer protection, environmental, and permitting authorities; and

(14) such additional persons and entities deemed appropriate by the Debtor.

- b. The Debtor shall post the Proof of Claim Form, the Request for Administrative Payment Form, and the Bar Date Notice on the website established by DRC for the Debtor's case: <https://www.donlinrecano.com/Clients/k2/Index>

11. The Debtor shall publish the Bar Date Notice, within seven (7) business days after the entry of this Order, with any necessary modifications for ease of publication, once in the national edition of *USA Today* and once in the local edition of the *Rocky Mount Telegram*, subject to applicable publication deadlines, which publication is approved and shall be deemed good, adequate, and sufficient publication notice of the Bar Dates and the Procedures for filing Proofs of Claim in this chapter 11 case.

12. The Debtor and DRC, as the claims agent for this chapter 11 case, are authorized and empowered to take such steps and perform such acts as may be necessary to implement and effectuate the terms of this Order.

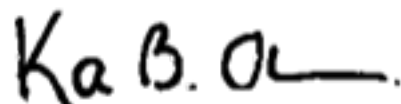
13. Notification of the relief granted by this Order as provided herein is fair and reasonable and will provide good, sufficient, and proper notice to all creditors of their rights and obligations in connection with claims they may have against the Debtor in this chapter 11 case.

14. Nothing in this Order shall prejudice the right of the Debtor or any other party in interest to dispute or assert offsets or defenses to any claim reflected in the Schedules or otherwise.

15. Entry of this Order is without prejudice to the right of the Debtor to seek a further order of this Court fixing the date by which holders of claims not subject to the Bar Dates established herein must file such claims against the Debtor or be forever barred from so doing.

16. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation and/or enforcement of this Order.

Dated: December 15th, 2020  
Wilmington, Delaware

A handwritten signature in black ink, appearing to read "Ka B. Owens", with a stylized flourish at the end.

KAREN B. OWENS  
UNITED STATES BANKRUPTCY JUDGE