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**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

In re:	Chapter 11
DIRECTBUY HOME IMPROVEMENT, INC.,	Case No. 23-19159 (SLM)
Debtor. ¹	

NOTICE OF DATES BY WHICH PARTIES MUST FILE PROOFS OF CLAIM AND ADMINISTRATIVE CLAIMS AND PROCEDURES FOR FILING PROOFS OF CLAIM AND ADMINISTRATIVE CLAIMS AGAINST THE DEBTOR

PLEASE TAKE NOTICE THAT the above-captioned debtor and debtor-in-possession (the “Debtor”) filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the District of New Jersey (the “Court”) on October 16, 2023 (the “Petition Date”).

PLEASE TAKE FURTHER NOTICE THAT on November 14, 2023 the Debtor filed the *Debtor’s Motion for Entry of an Order Establishing Bar Dates for Filing Proofs of Claim, Approving the Form and Manner for Filing Proofs of Claim, and Approving Notice Thereof* [Docket No. 207] (the “Bar Date Motion”).² On December 5, 2023, the Court entered an order approving the Bar Date Motion [Docket No. 272] (the “Bar Date Order”) and establishing certain

¹ The debtor’s last four digits of its federal tax identification number is 4292. The location of debtor’s principal place of business is 1855 W. 139th Street, Gardena, California 90249.

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

dates (collectively, the “Bar Dates” and individually, a “Bar Date”) by which parties holding claims against the Debtor must file claims. Each date is expressly set forth below.

Except for those holders of the claims listed below that are specifically excluded from the Bar Date submission requirements, the Bar Dates and the procedures set forth below for submitting proofs of claim apply to all claims against the Debtor that arose prior to the Petition Date.

YOU ARE RECEIVING THIS NOTICE BECAUSE YOU MAY BE HOLDING A CLAIM AGAINST THE DEBTOR IN THE ABOVE-CAPTIONED CHAPTER 11 CASE. THEREFORE, YOU SHOULD READ THIS NOTICE CAREFULLY AND DISCUSS IT WITH YOUR ATTORNEY. IF YOU DO NOT HAVE AN ATTORNEY, YOU MAY WISH TO CONSULT ONE.

Background to the Debtor’s Chapter 11 Case

1. General Information about the Debtor’s Case. No request for the appointment of a trustee or examiner has been made in this chapter 11 case.

2. Access to Claim Forms and Additional Information. Proofs of claim are to be filed using Official Form 410 or the General Claim Form (the “Claim Form”) or in a form that is substantially similar. Administrative Claims are to be filed using the Administrative Claim Form (the “Administrative Claim Form”). If you have any questions regarding the claims process and/or if you wish to obtain a copy of the Bar Date Motion, the Bar Date Order (which contains a more detailed description of the requirements for filing proofs of claim), a General Claim Form, Administrative Claim Form, or related documents (and/or any other pleadings filed in the Debtor’s chapter 11 case) you may do so by contacting the Debtor’s court-appointed claims and noticing agent Stretto, Inc. (the “Claims Agent” or “Stretto”) in writing, at DirectBuy Home Improvement, Inc. Claims Processing, c/o Stretto, 410 Exchange, Suite 100, Irvine, CA 92602 or by visiting the Debtor’s case website at <https://cases.stretto.com/DBHI/>. If you have any questions concerning the filing or processing of claims, you may contact the Claims Agent at 1-949-570-9040 (toll free) or via electronic mail at TeamDirectBuy@stretto.com.

Schedules of Assets and Liabilities

The Debtor filed its statement of financial affairs and schedules of assets and liabilities with the Court on November 20, 2023 (as amended or modified, collectively, the “Schedules”). The Debtor’s Schedules and the Bar Date Order are also available, free of charge, at <https://cases.stretto.com/DBHI/>.

Bar Dates Approved by the Court

The Court has established the following Bar Dates as those dates by which parties holding Claims against the Debtor must file proofs of claim so that they are actually received by the Claims Agent:

- A. General Bar Date:** January 9, 2024 (the “General Bar Date”) is the deadline for all persons and entities, other than

governmental units (as that term is defined in Bankruptcy Code section 101(27)), holding a claim against the Debtor arising (or deemed to arise) before the Petition Date (each, a “General Claim”), including any claim arising under Bankruptcy Code section 503(b)(9) for the value of goods received by the Debtor within twenty (20) days before the Petition Date.

B. Administrative Bar Date:

January 9, 2024 (the “Administrative Bar Date”) is the deadline for all persons and entities holding any right to payment constituting a cost or expense of administration of the Debtor’s chapter 11 case arising under Bankruptcy Code sections 503(b) (with the exception of any claims arising under Bankruptcy Code section 503(b)(9), which are considered General Claims subject to the General Bar Date above) and 507(a)(2) against the Debtor (each an “Administrative Claim”) arising from the Petition Date through November 30, 2023; *provided, however*, that the Debtor’s Utility Providers (as that term is defined in the *Debtor’s Motion for Entry of Interim and Final Orders (I) Prohibiting Utility Providers from Altering, Refusing or Discontinuing Utility Services, (II) Determining Adequate Assurance of Payment for Future Utility Services, (III) Establishing Procedures for Determining Adequate Assurance of Payment, (IV) Authorizing the Payment of Prepetition Administrative Fees Relating to Utility Services, and (V) Granting Related Relief* [Docket No. 6]) shall not be bound by the Administrative Bar Date and any Administrative Claims of the Debtor’s Utility Providers shall be subject to further Order of the Court.

C. Amended Schedules Bar Date:

In the event the Debtor amends its Schedules, the holders of claims subject to such amendment shall be required to file a proof of claim or amend any previously filed proof of claim by the Amended Schedules Bar Date (defined below) if such claimant believes its claim is improperly classified in the amended Schedules or is listed in an incorrect amount, and such claimant desires to assert such claim in a different classification and/or different amount. To the extent applicable,

the claimant must file its claim on or before the later of (i) the General Bar Date and (ii) thirty (30) days from the date on which the Debtor serves notice of an amendment to its Schedules on such claimant (such date, the “Amended Schedules Bar Date”);

D. Governmental Bar Date:

April 15, 2024, at 4:00 p.m. prevailing Eastern Time (the “Governmental Bar Date”) is the deadline for governmental units holding a claim against the Debtor arising (or deemed to arise) before the Petition Date;

E. Rejection Bar Date:

For claims relating to the rejection of a contract or lease, the later of (a) the General Claims Bar Date or the Governmental Bar Date, as applicable, and (b) 5:00 p.m., prevailing Eastern Time, on the date that is the later of thirty (30) days following (i) entry of the order approving the Debtors’ rejection of the applicable executory contract or unexpired lease and (ii) the effective date of rejection. For the avoidance of doubt, if a creditor is served with a rejection notice, the Rejection Bar Date shall apply to all claims arising under the contract or lease in question, and parties holding such claims shall not be required to file a Proof of Claim with respect to prepetition amounts unless and until such unexpired contract or lease has been rejected. For the avoidance of doubt and notwithstanding anything to the contrary herein, counterparties to unexpired leases shall not be required to file prepetition claims against the Debtor unless and until the applicable lease is rejected; and

F. Supplemental Bar Date:

With respect to (a) holders of claims to which a supplemental mailing (“Supplemental Notice”) of the Bar Date Notice is appropriate but which cannot be accomplished in time to provide at least thirty (30) days’ notice of the applicable Bar Date and (b) other holders of claims that become known to the Debtor after the original date on which the Bar Date Notice is served, the deadline shall be thirty (30) days after the party is served a Supplemental Notice (the “Supplemental Bar Date”).

Parties Required to File Proofs of Claim

1. Definition of Claim. Under Bankruptcy Code section 101(5) and as used herein, the word “claim” means: (i) a right to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured; or (ii) a right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured. An Administrative Claim is a Claim of the kind described in Bankruptcy Code section 503(b)(1), (2), (3), (4), (5), (6), (7), and (8). Administrative Claims are given priority status pursuant to Bankruptcy Code section 507(a)(2), which means that they are paid before general unsecured claims.

2. Parties Who Must File Claims. Except as otherwise set forth herein, the General Bar Date applies to all Persons and Entities holding General Claims against the Debtor, including the following:

- (a) any Person or Entity whose claim against the Debtor is not listed in the Debtor’s Schedules, or is listed as “contingent,” “unliquidated,” or “disputed,” if such Person or Entity desires to share in any distribution in this chapter 11 case;
- (b) any Person or Entity who believes that their claim is improperly classified in the Schedules or is listed in an incorrect amount and who desires to have their claim allowed in a different classification or amount other than that identified in the Schedules; and
- (c) any Person or Entity that believes that its claim against the Debtor is or may be entitled to administrative expense priority pursuant to Bankruptcy Code section 503(b)(9).

3. Parties Who Must File Administrative Claims. Except as set forth above, all Persons or Entities holding an Administrative Claim against the Debtor that arose (or are deemed to have arisen) between the Petition Date and November 30, 2023, must file an Administrative Claim on or before the Administrative Bar Date.

4. Parties Who Do Not Need To File Proofs of Claim. Certain parties are not required to file proofs of claim. The Court may, however, enter one or more separate orders at a later time requiring holders of General Claims and Administrative Claims to file proofs of claim for some kinds of the following claims and setting related deadlines. If the Court does enter such an order, you will receive notice of it. The following Persons or Entities whose claims otherwise would be subject to the General Bar Date, Government Bar Date and/or Administrative Bar Date need not file a claim:

- (a) any Person or Entity that already has filed a signed proof of claim against the Debtor with the Clerk of the Court or with the Debtor’s claims and noticing agent, Stretto, Inc. (“Stretto” or the “Claims Agent”) in a form substantially similar to Official Form 410;

- (b) any Person or Entity whose claim is listed on the Schedules if: (i) the claim is not scheduled as any of “disputed,” “contingent,” or “unliquidated;” and (ii) such Person or Entity agrees with the amount, nature, and priority of the claim as set forth in the Schedules;
- (c) any Person or Entity whose claim has previously been allowed by order of the Court;
- (d) any Person or Entity whose claim has been paid in full by the Debtor pursuant to the Bankruptcy Code or in accordance with an order of the Court or otherwise paid in full by the Debtor or any other party;
- (e) a current employee of the Debtor, if an order of the Court authorized the Debtor to honor such claim in the ordinary course of business as a wage or benefit; provided, however, that a current or former employee must submit a proof of claim by the General Bar Date for all other claims, including without limitation, claims for deferred compensation, wrongful termination, discrimination, harassment, hostile work environment, retaliation, claims covered by the Debtor’s workers’ compensation insurance, or any other litigation or pre-litigation claim;
- (f) any Person or Entity whose claim is based on an equity interest in the Debtor;
- (g) any Person or Entity holding a claim for which a separate deadline is fixed by this Court;
- (h) claims of professionals retained by the Debtor or the Committee pursuant to orders of the Court who assert administrative claims for fees and expenses subject to the Court’s approval pursuant to Bankruptcy Code sections 327, 328, 330, 331, 363 and 503(b) or 28 U.S.C. § 156(c) (collectively, the “Professional Claims”);
- (i) claims held by a current officer or director for indemnification, contribution, or reimbursement;
- (j) any Person or Entity that is exempt from filing a proof of claim pursuant to an order of the Court in this chapter 11 case;
- (k) claims held by any Person or Entity solely against a non-Debtor entity;
- (l) expenses of members of the Committee to the extent such claims are related to their service on the Committee;
- (m) ZG Lending SPV, LLC, in its capacity as pre-petition secured lender and DIP Lender (as defined in the order authorizing the Debtor’s postpetition financing and use of cash collateral);
- (n) any Person or Entity holding a Claim payable to the Court or the United States Trustee Program pursuant to 28 U.S.C. § 1930; including, for the avoidance of

doubt, any Administrative Claims asserted by the U.S. Trustee for statutory fees required to be paid by the Debtor;

- (o) any landlord counterparty of the Debtor whose unexpired lease has not yet been rejected by the General Bar Date; and
- (p) for the avoidance of doubt, any Person or Entity that believes that its claim against the Debtor is or may be entitled to administrative expense priority pursuant to Bankruptcy Code section 503(b)(9) shall not be required to file an Administrative Claim Form, but shall be required to file a General Claim Form as set forth herein prior to the General Bar Date.

Instructions for Filing Proofs of Claim

1. Contents of Proofs of Claim. Each General Claim Form or Administrative Claim Form, as applicable, must (i) be written in English; (ii) include a claim amount denominated in United States dollars; (iii) conform substantially with the General Claim Form or Administrative Claim Form, as applicable; and (iv) be signed by the holder of the claim or by an authorized agent or legal representative of the holder of the claim. Each original claim form must be submitted prior to the applicable Bar Date (photocopies, telecopies, or facsimiles will not be accepted).

Claim Forms that the Debtor is serving on known creditors will each contain the name of the Debtor and case number at the top of the first page. If the claimant is not using the General Claim Form or Administrative Claim Form supplied by the Debtor, the creditor must provide the name of the Debtor and the corresponding case number.

2. Supporting Documentation. Each claim must include supporting documentation in accordance with Bankruptcy Rules 3001(c) and 3001(d) (or, upon prior written consent of the Debtor's counsel, if such documentation is voluminous, include a summary of such documentation) or an explanation as to why such documentation is not available; provided, however, that, upon the request for additional documentation, any such creditor that received such request shall be required to transmit such written documentation no later than five (5) business days following the date of such request.

3. Timely Service. Each Claim Form and Administrative Claim Form, as applicable, including supporting documentation, must be submitted: (i) on or before the applicable Bar Date, by completing the applicable form, copies of which can be accessed at the Claims Agent's website <https://cases.stretto.com/DBHI/> and following the directions given therein; or (ii) in person, by courier service, overnight delivery, hand delivery, or United States mail, so as to be actually received by the Claims Agent on or before the applicable Bar Date at the following address:

DirectBuy Home Improvement, Inc. Claims Processing
c/o Stretto
410 Exchange, Suite 100
Irvine, CA 92602

**EXCEPT AS EXPRESSLY PERMITTED ABOVE, A CLAIM FORM OTHERWISE
SUBMITTED BY FACSIMILE, TELECOPY, ELECTRONIC MAIL, OR OTHER
FORM OF ELECTRONIC SUBMISSION WILL NOT BE ACCEPTED.**

4. Receipt of Service. Holders of claims wishing to receive acknowledgment that their proofs of claim were received by the Claims Agent must submit (i) a copy of the proof of claim and (ii) a self-addressed, stamped envelope.

Consequences of Failing to Timely File Your Claim

Pursuant to the Bar Date Order and in accordance with Bankruptcy Rule 3003(c)(2), if you or any party or entity who is required, but fails, to file a proof of claim in accordance with the Bar Date Order on or before the applicable Bar Date, please be advised that **YOU (A) SHALL, EXCEPT AS OTHERWISE AUTHORIZED BY ORDER OF THE COURT, BE FOREVER BARRED, ESTOPPED AND ENJOINED FROM ASSERTING SUCH CLAIM AGAINST THE DEBTOR (OR FILING A PROOF OF CLAIM WITH RESPECT THERETO) AND, MOREOVER, THE DEBTOR SHALL BE FOREVER DISCHARGED FROM ANY AND ALL INDEBTEDNESS OR LIABILITY WITH RESPECT TO OR ARISING FROM SUCH CLAIM; (B) SHALL BE PROHIBITED FROM VOTING TO ACCEPT OR REJECT ANY CHAPTER 11 PLAN FILED IN THIS CHAPTER 11 CASE; AND (C) SHALL BE PROHIBITED FROM PARTICIPATING IN ANY DISTRIBUTION IN THIS CHAPTER 11 CASE ON ACCOUNT OF SUCH CLAIM.**

Amendments to the Debtor's Schedules

1. Amendments to Schedules. In the event the Debtor amends its Schedules after the date of this notice, the Debtor will provide holders of claims that are affected by the amendment notice of the amendment, and such parties will be given an opportunity to file proofs of claim or amend any previously filed claim before a new deadline that will be specified in that future notice.

2. Amended Schedules Bar Date. The Court has approved the later of (i) the General Bar Date or (ii) thirty (30) days from the date on which the Debtor provided notice of the amendment to the Schedules (or another time period as may be fixed by the Court) as the date by which holders of claims affected by the amendment must file proofs of claim with respect to such claim.

Parties to the Debtor's Leases and Executory Contracts

1. Rejection of Leases and Contracts. The Bankruptcy Code provides that the Debtor may, at any time before a plan is confirmed by the Court, choose to reject certain executory contracts or unexpired leases. If your contract or lease is rejected, you may have a claim resulting from that rejection.

2. Proofs of Claim Relating to Rejection Damages. The deadline to file a proof of claim for damages relating to the rejection of a contract or lease that has already been rejected as of the date hereof is the General Bar Date. If the Debtor rejects a contract or lease subsequent to the date hereof, the deadline to file a proof of claim shall be the later of (i) the General Bar Date, and (ii) the date set forth in an order authorizing the Debtor to reject such contract or lease pursuant to

Bankruptcy Code section 365 (including any order confirming a plan in the Debtor's chapter 11 case); or, if no specific date is set forth, thirty (30) days from the date of the rejection order is entered or notice is served on the affected claimant pursuant to the Rejection Procedures Order, if applicable.

Reservation of Rights

Nothing contained in this notice is intended to or should be construed as a waiver of the Debtor's or any successors' rights to: (a) dispute, or assert offsets or defenses against, any filed claim or any claim listed or reflected in the Schedules as to the nature, amount, liability, classification, characterization or validity thereof; (b) subsequently designate any scheduled claim as disputed, contingent or unliquidated; and (c) otherwise amend or supplement the Schedules.

If you have any questions relating to this Notice, contact the Claims Agent at 1-949-570-9040 (toll free) or via electronic mail at TeamDirectBuy@stretto.com.

NEITHER THE ATTORNEYS FOR THE DEBTOR NOR THE CLAIMS AGENT IS AUTHORIZED TO PROVIDE YOU WITH LEGAL ADVICE.

DATED: December 6, 2023

Respectfully submitted,

COLE SCHOTZ P.C.

By: /s/ Michael D. Sirota

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