

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

IN RE:)	Chapter 11
)	
MOLL INDUSTRIES, INC., <i>et al.</i> , ¹)	Case No. 10-11371 (MFW)
)	
Debtors.)	Joint Administration Pending
)	
)	Related Docket Items: 6 and 8

**SUPPLEMENTAL DECLARATION OF JEFFREY C. MERRITT IN SUPPORT
OF MOTION OF THE DEBTORS FOR ORDER PURSUANT TO SECTIONS 105, 361,
362, 363, 364, 1107 AND 1108 OF THE BANKRUPTCY CODE AUTHORIZING
DEBTORS TO (I) MAINTAIN EXISTING INSURANCE POLICIES AND PAY ALL
POLICY PREMIUMS ARISING THEREUNDER OR IN CONNECTION THEREWITH
AND (II) CONTINUE INSURANCE PREMIUM FINANCING PROGRAMS AND PAY
INSURANCE PREMIUM FINANCING OBLIGATIONS ARISING
THEREUNDER OR IN CONNECTION THEREWITH**

Jeffrey C. Merritt, being duly sworn, deposes and states as follows:

1. I am the Chief Restructuring Officer of Moll Industries, Inc. ("Moll Industries"), (a) a corporation organized under the laws of the state of Delaware, (b) one of the above-captioned debtors and debtors in possession (collectively, the "Debtors" or the "Moll Companies") and (c) the direct or indirect parent or subsidiary of each of the Debtors.

2. I submit this supplemental declaration (the "Supplemental Declaration"), supplementing the Declaration of Jeffrey Merritt (D.I. 6) (the "First Day Declaration"), in further support of the *Motion Of The Debtors For Order Pursuant To Sections 105, 361, 362, 363, 364, 1107 And 1108 Of The Bankruptcy Code Authorizing Debtors To (I) Maintain Existing Insurance Policies And Pay All Policy Premiums Arising Thereunder Or In Connection Therewith and (II) Continue Insurance Premium Financing Programs and Pay Insurance Premium Financing*

¹ The Debtors are the following entities: Moll Industries, Inc.; Moll Holdings, Inc.; Moll Europe Holdings, LLC; and Moll Latin America Holdings, LLC.

Obligations Arising Thereunder or In Connection Therewith (D.I. 8) (the “Insurance Motion”).

Any capitalized terms not expressly defined herein have the meanings given to them in the First Day Declaration. Except as otherwise indicated, all statements in this Supplemental Declaration are based on my personal knowledge, my review of relevant documents or my opinion based upon my experience and knowledge of the Debtors’ operations and financial condition. If I were called upon to testify, I could and would testify to each of the facts set forth herein based on such personal knowledge, review of documents or opinion. I am authorized to submit this Supplemental Declaration on behalf of the Debtors.

3. On April 27, 2010 (the “Petition Date”), each of the Debtors commenced a chapter 11 bankruptcy case (the “Chapter 11 Cases”) by filing a voluntary petition for relief under chapter 11 of the Bankruptcy Code, 11 U.S.C. §§ 101-1330 in the United States Bankruptcy Court for the District of Delaware.

4. Travelers Insurance (“Travelers”), through various subsidiaries, provides the Moll Companies with several insurance policies, including comprehensive general liability coverage, umbrella, workers compensation and employee liability, and commercial automobile (collectively, the “Travelers Policies”). The coverage provided by the Travelers Policies is vital to the Moll Companies’ continued business operations.

5. The Moll Companies failed to pay certain insurance premiums for the Travelers Policies owed to Travelers for 2007/2008. Travelers threatened to cancel the Moll Companies’ insurance coverage if these amounts were not paid. Accordingly, the Moll Companies executed a note in favor of Travelers (the “Travelers Note”) whereby the Debtors agreed to pay these past due amounts in the amortized amount of approximately \$93,000.00 in monthly installments. As of the Petition Date, the Moll Companies owe a balance of approximately \$55,500.00 on the

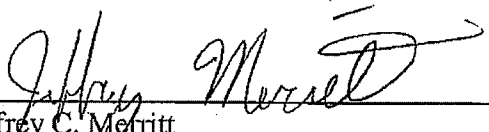
Travelers Note and are required to make monthly payments in the approximate amount of \$9,300.00 per month.

6. Under the terms of the settlement with Travelers, Travelers has the right to cancel the Travelers Policies if the Moll Companies fail to make regular payments on the Travelers Note. Because the Debtors are required to maintain insurance coverage during their Chapter 11 Cases, the cancellation of the Travelers Policies would cause the Debtors to violate the U.S. Trustee's Operating Guidelines.

7. In my experience, it is difficult for debtors in bankruptcy proceedings to obtain new insurance coverage. Therefore, I believe the authority make regular payments on the Travelers Note is in the best interest of the Debtors and their estates and will enable the Debtors to continue to operate their business in chapter 11 without disruption.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Executed on April 28, 2010



Jeffrey C. Merritt

Miscellaneous:10-11371-MFW Moll Industries, Inc.

Type: bk

Chapter: 11 v

Office: 1 (Delaware)

Assets: y

Judge: MFW

Case Flag: PlnDue, DsclsDue

U.S. Bankruptcy Court**District of Delaware**

Notice of Electronic Filing

The following transaction was received from William A. Hazeltine entered on 4/28/2010 at 4:45 PM EDT and filed on 4/28/2010

Case Name: Moll Industries, Inc.**Case Number:** 10-11371-MFW**Document Number:** 16**Docket Text:**

Supplemental Affidavit of *Jeffrey C. Merritt* (related document(s)[6], [8]) Filed by Moll Industries, Inc.. (Hazeltine, William)

The following document(s) are associated with this transaction:

Document description:Main Document**Original filename:**C:\fakepath\Merritt Supplemental Declaration.pdf**Electronic document Stamp:**

[STAMP bkecfStamp_ID=983460418 [Date=4/28/2010] [FileNumber=8399188-0]
[2cdda650980a3068227cbe5e711aff0d254ca7541c06f774f84eeca56350a21c1fcc
16329166a6f172fb65e049658d7de1ffd8eb806fa21f8a55b7da0b6d5b8c]]

10-11371-MFW Notice will be electronically mailed to:

William A. Hazeltine on behalf of Debtor Moll Industries, Inc.
Bankruptcy001@sha-llc.com

United States Trustee
USTPREGION03.WL.ECF@USDOJ.GOV

10-11371-MFW Notice will not be electronically mailed to: