

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:

GRITSTONE BIO, INC.,¹

Debtor.

Chapter 11

Case No. 24-12305 (KBO)

Re: Docket Nos. 8, 40

Objection Deadline: November 6, 2024 at 4:00 p.m. (ET)
Final Hearing Date: November 13, 2024 at 1:00 p.m. (ET)

NOTICE OF ENTRY OF INTERIM ORDER AND FINAL HEARING REGARDING
DEBTOR'S MOTION FOR ENTRY OF INTERIM AND FINAL ORDERS: (I)
AUTHORIZING THE PAYMENT OF CERTAIN TAXES AND FEES; AND (II)
GRANTING RELATED RELIEF

PLEASE TAKE NOTICE that on October 10, 2024, the above-captioned debtor and debtor in possession (the "Debtor"), filed the *Motion for Entry of Interim and Final Orders: (I) Authorizing the Payment of Certain Taxes and Fees; and (II) Granting Related Relief* (the "Motion") [Docket No. 8] with the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"). A copy of the Motion was previously served on you.

PLEASE TAKE FURTHER NOTICE that the Debtor presented the Motion at a hearing before the Honorable Karen B. Owens at the Bankruptcy Court on October 16, 2024. The Bankruptcy Court granted the relief requested by the Motion on an interim basis and entered the *Interim Order (I) Authorizing the Payment of Certain Taxes and Fees; and (II) Granting Related Relief* (the "Interim Order") [Docket No. 40], attached hereto as **Exhibit 2**.

PLEASE TAKE FURTHER NOTICE that any response or objection to the entry of a final order with respect to the relief sought in the Motion must be filed with the Bankruptcy Court on or before **November 6, 2024 at 4:00 p.m. prevailing Eastern Time**.

¹ The Debtor's mailing address is 4698 Willow Road, Pleasanton, CA 94588, and the last four digits of the Debtor's federal tax identification number is 9534.



PLEASE TAKE FURTHER NOTICE that at the same time, you must also serve a copy of the response or objection upon: (a) proposed counsel to the Debtor, Pachulski Stang Ziehl & Jones LLP, 919 North Market Street, 17th Floor, PO Box 8705, Wilmington, Delaware 19801, Attn: Debra Grassgreen (dgrassgreen@pszjlaw.com), Malhar S. Pagay (mpagay@pszjlaw.com), John W. Lucas (jlucas@pszjlaw.com) and James E. O'Neill (joneill@pszjlaw.com), (c) the United States Trustee, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801, Attn.: Timothy Jay Fox, Jr. (timothy.fox@usdoj.gov); and (d) any statutory committee appointed in these chapter 11 cases.

PLEASE TAKE FURTHER NOTICE that copies of the First Day Motions can be obtained for a fee through the Court's website at www.deb.uscourts.gov, referencing Case No. 24-12305 (KBO), or may be obtained for free by accessing the Debtor's restructuring website at <https://www.veritaglobal.net/gritstone>.

PLEASE TAKE FURTHER NOTICE THAT IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE FINAL RELIEF REQUESTED BY THE MOTION WITHOUT FURTHER NOTICE OR HEARING.

PLEASE TAKE FURTHER NOTICE THAT A HEARING TO CONSIDER THE FINAL RELIEF SOUGHT IN THE MOTION WILL BE HELD ON **NOVEMBER 13, 2024 AT 1:00 P.M. PREVAILING EASTERN TIME BEFORE THE HONORABLE KAREN B. OWENS, UNITED STATES BANKRUPTCY COURT JUDGE, AT THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE, 824 MARKET STREET, 6TH FLOOR, COURTROOM NO. 3,**

Dated: October 17, 2024

PACHULSKI STANG ZIEHL & JONES LLP

/s/ James E. O'Neill

Debra I. Grassgreen, (admitted *pro hac vice*)

John W. Lucas, (admitted *pro hac vice*)

Malhar S. Pagay, (admitted *pro hac vice*)

James E. O'Neill (DE Bar No. 4042)

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Proposed Counsel to the

Debtor and Debtor in Possession

EXHIBIT 1

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

In re:

GRITSTONE BIO, INC.,¹

Debtor.

Chapter 11

Case No. 24-12305 (KBO)

Related Docket No. 8

**INTERIM ORDER: (I) AUTHORIZING THE PAYMENT OF
CERTAIN TAXES AND FEES; AND (II) GRANTING RELATED RELIEF**

Upon consideration of the motion (the “Motion”)² of the above-captioned debtor and debtor-in-possession (the “Debtor”), for the entry of an interim order (this “Interim Order”):

(a) authorizing the Debtor to remit and pay (or use tax credits to offset) Taxes and Fees; and

(b) granting related relief, all as more fully set forth in the Motion; and upon consideration of the First Day Declaration; and this Court having 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; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the Debtor’s notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at an interim hearing before this Court (the “Hearing”); and upon the Debtor’s representation that the amounts authorized to be paid pursuant to this Interim Order are consistent with the Debtor’s debtor-in-possession financing budget; and this Court having determined that

¹ The Debtor’s mailing address is 4698 Willow Road, Pleasanton, CA 94588, and the last four digits of the Debtor’s federal tax identification number is 9534.

² A capitalized term used but not defined herein have the meaning ascribed to it in the Motion.

the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED on an interim basis as set forth in this Interim Order.
2. The final hearing (the “Final Hearing”) on the Motion shall be held on November 13, 2024, at 1:00 p.m. (prevailing Eastern Time). Any objections or responses to entry of a final order on the Motion shall be filed with the Court, and served so as to be received by the following parties, by no later than 4:00 p.m. (prevailing Eastern Time) on November 6, 2024: (i) proposed counsel to the Debtor, Pachulski Stang Ziehl & Jones LLP, 919 North Market Street, 17th Floor, P.O. Box 8705, Wilmington, DE 19899-8705 (Courier 19801), Attn: Debra I. Grassgreen (dgrassgreen@pszjlaw.com), John W. Lucas (jlucas@pszjlaw.com), Malhar S. Pagay (mpagay@pszjlaw.com), James E. O’Neill (joneill@pszjlaw.com), and Brooke E. Wilson (bwilson@pszjlaw.com); (ii) the Office of the United States Trustee, 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19801; (iii) counsel to the Prepetition Secured Lenders; and (iv) counsel for any official committee of unsecured creditors appointed in the Chapter 11 Case. In the event that no objections to entry of a final order on the Motion are timely received, this Court may enter such final order without need for the Final Hearing.

3. The Debtor is authorized, but not directed, on an interim basis, to: (a) negotiate, pay, and remit (or use tax credits to offset), or otherwise satisfy, the Taxes and Fees that arose or accrued prior to the Petition Date and that will become due and owing in the ordinary course of business during the pendency of the Chapter 11 Case at such time when the Taxes and Fees are payable, provided that such payments shall not exceed \$80,000 pending entry of the Final Order;

and (b) negotiate, pay, and remit (or use tax credits to offset) Taxes and Fees that arise or accrue in the ordinary course of business on a postpetition basis—including, for the avoidance of doubt, posting collateral or a letter of credit in connection with any dispute related to Audits, or paying any Taxes and Fees arising as a result of Audits.

4. All applicable banks and other financial institutions are authorized to receive, process, honor, and pay any and all prepetition checks or by automated clearinghouse payment issued by the Debtor for the payment of Taxes and Fees approved herein, whether prior to or after commencement of the Chapter 11 Cases.

5. The Debtor is authorized, consistent with this Interim Order, to issue postpetition checks or to effect postpetition automated clearinghouse requests in replacement of any checks or automated clearinghouse requests relating to taxes that were dishonored or rejected.

6. Notwithstanding the relief granted herein or any actions taken hereunder, nothing contained in this Interim Order shall create any rights in favor of, or enhance the status of any claim held by, any of the Authorities.

7. Nothing in the Motion, this Interim Order, or the Debtor's payment of any claims pursuant to this Interim Order, shall be construed as: (i) an admission as to the validity of any claim against any Debtor or the existence of any lien against the Debtor's property; (ii) a waiver of the Debtor's or any other party in interest's rights to dispute any claim or lien on any grounds; (iii) a promise to pay any claim; (iv) an implication or admission that any particular claim would constitute an allowed claim; (v) an assumption or rejection of any executory contract or unexpired lease pursuant to section 365 of the Bankruptcy Code; or (vi) a limitation on the Debtor's rights under section 365 of the Bankruptcy Code to assume or reject any executory contract with any party subject to this Interim Order. Nothing contained herein or in the Motion shall be deemed to

increase, decrease, reclassify, elevate to an administrative expense status, or otherwise affect any claim to the extent that it is not paid.

8. Nothing contained in this Interim Order shall be construed to accelerate payments that are not otherwise due and payable.

9. Nothing herein shall impair any right of the Debtor or any other party in interest to dispute or object to any taxes asserted as owing to the Taxing Authorities or those parties who ordinarily collect the Prepetition Tax Obligations as to amount, liability, classification, or otherwise.

10. Notwithstanding the possible applicability of Bankruptcy Rules 6003 and 6004, the terms and conditions of this Interim Order shall be immediately effective and enforceable. The requirements set forth in Bankruptcy Rule 6003(b) are satisfied by the Motion. To the extent the 14-day stay of Bankruptcy Rule 6004(h) may be construed to apply to the subject matter of this Order, such stay is hereby waived.

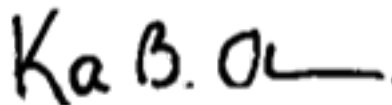
11. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion, and the requirements of Bankruptcy Rule 6004(a) and Local Rule 9013-1(m) are satisfied by such notice.

12. To the extent that the Debtor has overpaid any Taxes and Fees, the Debtor is authorized to seek a refund or credit.

13. The Debtor is authorized to take all actions necessary to effectuate the relief granted in this Interim Order in accordance with the Motion.

14. This Court shall retain jurisdiction over any and all matters arising from the interpretation, implementation, or enforcement of this Interim Order.

Dated: October 16th, 2024
Wilmington, Delaware



KAREN B. OWENS
UNITED STATES BANKRUPTCY JUDGE