

**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)

Hearing Date: March 25, 2025 at 10:00 a.m. (ET)

Objection Deadline: March 13, 2025 at 4:00 p.m. (ET)

**SUMMARY COVER SHEET TO FIRST INTERIM FEE APPLICATION
OF PwC US BUSINESS ADVISORY LLP, AS FINANCIAL ADVISOR TO THE
DEBTOR, FOR COMPENSATION AND REIMBURSEMENT OF EXPENSES
FOR THE PERIOD FROM OCTOBER 10, 2024 THROUGH DECEMBER 31, 2024**

Name of Applicant:

PwC US Business Advisory LLP (“PwC”)

Authorized to Provide Professional Services to:

Debtor and Debtor in Possession

Date of Retention:

November 12, 2024, effective as of
October 10, 2024

Period for Which Compensation and
Reimbursement Are Requested:

October 10, 2024 through December 31, 2024²

Total Amount of Compensation Sought as
Actual, Reasonable and Necessary:

\$1,236,898.80

Amount of Expense Reimbursement Requested:

\$174.55

This is a(n): monthly ____ interim x final application ____

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 PwC reserves the right to include any fees and expenses in the period indicated above in future application(s) if it is not included herein.



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SUMMARY OF MONTHLY FEE APPLICATIONS:

Application / Date Filed / Docket No.	Application Period	Fees Requested (100%)	Expenses Requested (100%)	CNO Filed	Fees and Expenses Paid to Date	20% Holdback	Fees and Expenses Outstanding
First Combined Monthly; Filed: 1/9/2025; Docket No. 335	10/10/2024 – 11/30/2024	\$858,687.30	\$0.00	CNO Filed 1/24/2025; Docket No. 378	\$686,949.84 ³	\$171,737.46	\$171,737.46
Second Monthly; Filed: 1/25/2025; Docket No. 379	12/1/2024 – 12/31/2024	\$378,211.50	\$174.55	CNO Filed 2/14/2025; Docket No. 449	\$0.00	\$75,642.30	\$378,211.50
TOTALS:	10/10/2024 – 12/31/2024	\$1,236,898.80	\$174.55		\$686,949.84	\$247,379.76	\$549,948.96

SUMMARY OF PREVIOUSLY FILED INTERIM FEE APPLICATIONS:

This is PwC's first interim fee application in this case.

³ This payment includes the \$423,116 pre-petition retainer balance held by PwC as of the Petition Date.

SUMMARY OF FEES AND EXPENSES
For the Period from October 10, 2024 through December 31, 2024

Summary of Hours and Compensation by Billing Category and Project Category:

Billing Category and Project Category	Hours	Total Compensation
Financial Advisory Services		
363-Related Preparation and Analysis	153.60	\$175,137.50
Bankruptcy Reporting (e.g. SOFA, SOAL, MOR)	437.10	\$364,874.20
Case Administration	15.60	\$18,205.00
Cash Budget and Other Financial Analysis	314.50	\$306,413.90
Claims Analysis & Reconciliation	49.80	\$48,087.50
Correspondence, Calls and Meetings with Management and/or Board of Directors	90.00	\$95,863.10
Correspondence, Meetings and Discussions with Debtor's Counsel	27.90	\$31,390.00
Correspondence, Meetings and Discussions with Lenders and Advisors	15.80	\$18,032.50
Correspondence, Meetings and Discussions with UCC	47.10	\$50,461.70
DIP Financing-Related Matters and Analysis	9.00	\$10,200.00
First Day Motions	25.10	\$23,110.00
KEIP & KERP	46.40	\$45,930.90
Other Restructuring Related Advice & Analysis	24.10	\$24,820.00
Plan of Reorganization, Disclosure Statement	3.90	\$4,595.00
Preparation / Attendance at Court Hearings	8.00	\$7,892.50
Subtotal - Hours and Compensation - Financial Advisory Services	1,267.90	\$1,225,013.80
Bankruptcy Compliance Services		
Retention Applications	14.40	\$7,005.00
Fee Applications	12.20	\$4,880.00
Subtotal - Hours and Compensation - Bankruptcy Compliance Services	26.60	\$11,885.00
Total - Hours and Compensation - Hourly Services	1,294.50	\$1,236,898.80

Summary of Hours and Compensation by Billing Category and Professional:

Billing Category and Professional	Position	Rate	Hours	Total Compensation
Financial Advisory Services				
Steven Fleming	Principal	\$1,250	193.30	\$241,625.00
Brian Huffman	Director	\$1,075	307.00	\$330,025.00
David Ihn	Director	\$1,075	305.10	\$327,982.50
Paris Clark-Roden	Senior Manager	\$843	166.60	\$140,443.80
David Velasquez	Senior Associate	\$625	292.90	\$183,062.50
Takahiko Nakamura	Senior Associate	\$625	3.00	\$1,875.00
Subtotal - Hours and Compensation - Financial Advisory Services			1,267.90	\$1,225,013.80
Bankruptcy Compliance Services				
Thalia Cody	Director	\$550	6.10	\$2,440.00
Chris Lewis	Manager	\$400	20.50	\$9,445.00
Subtotal - Hours and Compensation - Bankruptcy Compliance Services			26.60	\$11,885.00
Total - Hours and Compensation - Hourly Services			1,294.50	\$1,236,898.80

Summary of Hours and Compensation by Project Category and Professional:

Project Category and Professional	Position	Rate	Hours	Total Compensation
Financial Advisory Services				
<i>363-Related Preparation and Analysis</i>				
Steven Fleming	Principal	\$1,250	61.10	\$76,375.00
Brian Huffman	Director	\$1,075	33.90	\$36,442.50
David Ihn	Director	\$1,075	57.10	\$61,382.50
David Velasquez	Senior Associate	\$625	1.50	\$937.50
<i>Subtotal - 363-Related Preparation and Analysis</i>			153.60	\$175,137.50
<i>Bankruptcy Reporting (e.g. SOFA, SOAL, MOR)</i>				
Steven Fleming	Principal	\$1,250	3.50	\$4,375.00
Brian Huffman	Director	\$1,075	170.00	\$182,750.00
David Ihn	Director	\$1,075	9.80	\$10,535.00
Paris Clark-Roden	Senior Manager	\$843	39.40	\$33,214.20
David Velasquez	Senior Associate	\$625	214.40	\$134,000.00
<i>Subtotal - Bankruptcy Reporting (e.g. SOFA, SOAL, MOR)</i>			437.10	\$364,874.20
<i>Case Administration</i>				
Steven Fleming	Principal	\$1,250	8.20	\$10,250.00
Brian Huffman	Director	\$1,075	7.40	\$7,955.00
<i>Subtotal - Case Administration</i>			15.60	\$18,205.00
<i>Cash Budget and Other Financial Analysis</i>				
Steven Fleming	Principal	\$1,250	30.20	\$37,750.00
Brian Huffman	Director	\$1,075	7.20	\$7,740.00
David Ihn	Director	\$1,075	155.10	\$166,732.50
Paris Clark-Roden	Senior Manager	\$843	82.30	\$69,378.90
David Velasquez	Senior Associate	\$625	39.70	\$24,812.50
<i>Subtotal - Cash Budget and Other Financial Analysis</i>			314.50	\$306,413.90
<i>Claims Analysis & Reconciliation</i>				
Steven Fleming	Principal	\$1,250	0.50	\$625.00
Brian Huffman	Director	\$1,075	28.10	\$30,207.50
David Ihn	Director	\$1,075	8.90	\$9,567.50
David Velasquez	Senior Associate	\$625	12.30	\$7,687.50
<i>Subtotal - Claims Analysis & Reconciliation</i>			49.80	\$48,087.50
<i>Correspondence, Calls and Meetings with Management and/or Board of Directors</i>				
Steven Fleming	Principal	\$1,250	25.50	\$31,875.00
Brian Huffman	Director	\$1,075	12.80	\$13,760.00
David Ihn	Director	\$1,075	29.30	\$31,497.50
Paris Clark-Roden	Senior Manager	\$843	21.70	\$18,293.10
David Velasquez	Senior Associate	\$625	0.70	\$437.50
<i>Subtotal - Correspondence, Calls and Meetings with Management and/or Board of Directors</i>			90.00	\$95,863.10
<i>Correspondence, Meetings and Discussions with Debtor's Counsel</i>				
Steven Fleming	Principal	\$1,250	13.90	\$17,375.00
Brian Huffman	Director	\$1,075	9.80	\$10,535.00
David Ihn	Director	\$1,075	1.90	\$2,042.50
David Velasquez	Senior Associate	\$625	2.30	\$1,437.50
<i>Subtotal - Correspondence, Meetings and Discussions with Debtor's Counsel</i>			27.90	\$31,390.00
<i>Correspondence, Meetings and Discussions with Lenders and Advisors</i>				
Steven Fleming	Principal	\$1,250	8.30	\$10,375.00
David Ihn	Director	\$1,075	6.60	\$7,095.00
David Velasquez	Senior Associate	\$625	0.90	\$562.50
<i>Subtotal - Correspondence, Meetings and Discussions with Lenders and Advisors</i>			15.80	\$18,032.50
<i>Correspondence, Meetings and Discussions with UCC</i>				
Steven Fleming	Principal	\$1,250	14.80	\$18,500.00
Brian Huffman	Director	\$1,075	7.10	\$7,632.50
David Ihn	Director	\$1,075	13.30	\$14,297.50
Paris Clark-Roden	Senior Manager	\$843	11.90	\$10,031.70
<i>Subtotal - Correspondence, Meetings and Discussions with UCC</i>			47.10	\$50,461.70

Summary of Hours and Compensation by Project Category and Professional (con't):

Project Category and Professional	Position	Rate	Hours	Total Compensation
<i>DIP Financing-Related Matters and Analysis</i>				
Steven Fleming	Principal	\$1,250	3.00	\$3,750.00
Brian Huffman	Director	\$1,075	6.00	\$6,450.00
<i>Subtotal - DIP Financing-Related Matters and Analysis</i>			9.00	\$10,200.00
<i>First Day Motions</i>				
Steven Fleming	Principal	\$1,250	0.50	\$625.00
Brian Huffman	Director	\$1,075	13.60	\$14,620.00
David Ihn	Director	\$1,075	2.20	\$2,365.00
David Velasquez	Senior Associate	\$625	8.80	\$5,500.00
<i>Subtotal - First Day Motions</i>			25.10	\$23,110.00
<i>KEIP & KERP</i>				
Steven Fleming	Principal	\$1,250	17.10	\$21,375.00
David Ihn	Director	\$1,075	8.40	\$9,030.00
Paris Clark-Roden	Senior Manager	\$843	11.30	\$9,525.90
David Velasquez	Senior Associate	\$625	9.60	\$6,000.00
<i>Subtotal - KEIP & KERP</i>			46.40	\$45,930.90
<i>Other Restructuring Related Advice & Analysis</i>				
Steven Fleming	Principal	\$1,250	1.50	\$1,875.00
Brian Huffman	Director	\$1,075	9.40	\$10,105.00
David Ihn	Director	\$1,075	10.20	\$10,965.00
Takahiko Nakamura	Senior Associate	\$625	3.00	\$1,875.00
<i>Subtotal - Other Restructuring Related Advice & Analysis</i>			24.10	\$24,820.00
<i>Plan of Reorganization, Disclosure Statement</i>				
Steven Fleming	Principal	\$1,250	2.30	\$2,875.00
David Ihn	Director	\$1,075	1.60	\$1,720.00
<i>Subtotal - Plan of Reorganization, Disclosure Statement</i>			3.90	\$4,595.00
<i>Preparation / Attendance at Court Hearings</i>				
Steven Fleming	Principal	\$1,250	2.90	\$3,625.00
Brian Huffman	Director	\$1,075	1.70	\$1,827.50
David Ihn	Director	\$1,075	0.70	\$752.50
David Velasquez	Senior Associate	\$625	2.70	\$1,687.50
<i>Subtotal - Preparation / Attendance at Court Hearings</i>			8.00	\$7,892.50
Subtotal - Hours and Compensation - Financial Advisory Services			1,267.90	\$1,225,013.80
Bankruptcy Compliance Services				
<i>Retention Applications</i>				
Thalia Cody	Director	\$550	6.10	\$2,440.00
Chris Lewis	Manager	\$400	8.30	\$4,565.00
<i>Subtotal - Retention Applications</i>			14.40	\$7,005.00
<i>Fee Applications</i>				
Chris Lewis	Manager	\$400	12.20	\$4,880.00
<i>Subtotal - Fee Applications</i>			12.20	\$4,880.00
Subtotal - Hours and Compensation - Bankruptcy Compliance Services			26.60	\$11,885.00
Total - Hours and Compensation - Hourly Services			1,294.50	\$1,236,898.80

Summary of Expenses by Category:

Expense Category	Expense
Meals	\$69.01
Transportation	\$105.54
Total Expenses for Reimbursement	\$174.55

**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)

Hearing Date: March 25, 2025 at 10:00 a.m. (ET)

Objection Deadline: March 13, 2025 at 4:00 p.m. (ET)

**FIRST INTERIM FEE APPLICATION OF
PWC US BUSINESS ADVISORY LLP, AS FINANCIAL ADVISOR TO THE
DEBTOR, FOR COMPENSATION AND REIMBURSEMENT OF EXPENSES
FOR THE PERIOD FROM OCTOBER 10, 2024 THROUGH DECEMBER 31, 2024**

PwC US Business Advisory LLP (“PwC”), as financial advisor to the debtor and debtor in possession (the “Debtor”) in the above-captioned chapter 11 case, hereby submits its first interim application (this “Application”), pursuant to sections 330(a) and 331 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the “Bankruptcy Code”), rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), rule 2016-2 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), the *U.S. Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330* (the “Guidelines”) and this Court’s *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* [Docket No. 154] (the “Interim Compensation Order”), entered November 12, 2024, requesting the entry of an order granting interim allowance and payment, to the extent not previously paid, in the amount of \$1,237,073.35, which is equal to the sum of (a)

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.

100% of the \$1,236,898.80 of total compensation earned by PwC for its services to the Debtor during the period from October 10, 2024 through and including December 31, 2024 (the “Interim Application Period”); and (b) 100% of the \$174.55 of necessary expenses incurred by PwC during the Interim Application Period in connection with its services to the Debtor. In support of this Application, PwC respectfully represents as follows:

JURISDICTION AND VENUE

1. The United States Bankruptcy Court for the District of Delaware (the “Court”) has jurisdiction over this matter pursuant to 28 U.S.C. § 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The statutory and other bases for the relief requested herein are sections 330 and 331 of the Bankruptcy Code, Bankruptcy Rule 2016, Local Rule 2016-2, the Guidelines, and the Interim Compensation Order.

BACKGROUND

3. On October 10, 2024 (the “Petition Date”), the Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code (the “Chapter 11 Case”). The Debtor is operating its business and managing its property as a debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

4. On October 29, 2023, the Office of the United States Trustee (the “U.S. Trustee”) appointed an Official Committee of Unsecured Creditors (the “Committee”) pursuant to section 1102(a)(1) of the Bankruptcy Code. No trustee or examiner has been appointed in this Chapter 11 Case.

5. On November 12, 2024, the Court entered the Interim Compensation Order. The Interim Compensation Order provides, among other things, that each retained professional shall be entitled, following the end of each monthly period for which compensation and/or expense reimbursement is sought, to file and serve an application for interim allowance of compensation for services rendered and reimbursement of expenses incurred during the preceding month (each a “Monthly Fee Application”). Parties shall have fourteen (14) days after service of a Monthly Fee Application to file an objection to the compensation or expenses that are the subject thereof (the “Objection Deadline”). Upon the expiration of the Objection Deadline, the applicant may file a certificate of no objection (a “CNO”) with the Court with respect to the unopposed portion of the fees and/or expenses requested in the applicable Monthly Fee Application. After the filing of a CNO, the Debtor is authorized and directed to pay the applicant an amount equal to 80% of the fees and 100% of the expenses requested in the applicable Monthly Fee Application not subject to an objection.

6. Additional information about the Debtor’s businesses and affairs, capital structure, and prepetition indebtedness, and the events leading up to the Petition Date, can be found in the *Declaration of Vassiliki (Celia) Economides in Support of the Debtor’s Chapter 11 Petition and First Day Relief* [Docket No. 17].

RETENTION AND EMPLOYMENT OF PWC

7. On October 23, 2024, the Debtor filed the *Application of Debtor for an Order (I) Authorizing the Retention and Employment of PwC US Business Advisory LLP as Financial Advisor to the Debtor, Effective as of October 10, 2024, and (II) Granting Related Relief* [Docket No. 57] (as supplemented, the “Retention Application”).²

² Capitalized terms used in this Application but not otherwise defined herein shall have the meanings ascribed to such

8. On November 11, 2024, the Court entered the *Order (I) Authorizing the Retention and Employment of PwC US Business Advisory LLP as Financial Advisor to the Debtor, Effective as of October 10, 2024, and (II) Granting Related Relief* [Docket No. 157] (the “Retention Order”), approving the Retention Application and authorizing the retention and employment of PwC as financial advisor to the Debtor, effective as of the Petition Date, pursuant to the terms of the Engagement Letter

9. As more fully set forth in the Retention Application, as of the Petition Date, PwC held a retainer balance of \$423,116.00, to be applied against PwC’s approved post-petition fees and expenses.

PWC’S MONTHLY FEE APPLICATIONS

10. In accordance with the Interim Compensation Order, PwC filed the following monthly fee applications (the “Monthly Fee Applications”) covering the Interim Application Period, which are incorporated herein by reference as if fully set forth herein:

Application / Date Filed / Docket No.	Application Period	Fees Requested (100%)	Expenses Requested (100%)	CNO Filed	Fees and Expenses Paid to Date	20% Holdback	Fees and Expenses Outstanding
First Combined Monthly; Filed: 1/9/2025; Docket No. 335	10/10/2024 – 11/30/2024	\$858,687.30	\$0.00	CNO Filed 1/24/2025; Docket No. 378	\$686,949.84 ³	\$171,737.46	\$171,737.46
Second Monthly; Filed: 1/25/2025; Docket No. 379	12/1/2024 – 12/31/2024	\$378,211.50	\$174.55	CNO Filed 2/14/2025; Docket No. 449	\$0.00	\$75,642.30	\$378,211.50
TOTALS:	10/10/2024 – 12/31/2024	\$1,236,898.80	\$174.55		\$686,949.84	\$247,379.76	\$549,948.96

terms in the Retention Application. A supplemental declaration in support of the Retention Application was filed at Docket No. 202.

³ This payment includes the \$423,116 pre-petition retainer balance held by PwC as of the Petition Date.

11. As of the date hereof, PwC has been paid \$686,949.84 in connection with post-petition services rendered to the Debtors, as requested in the Monthly Fee Applications, inclusive of the \$423,116 pre-petition retainer balance held by PwC as of the Petition Date. Accordingly, \$549,948.96 is due to be paid to PwC US Business for services rendered during the Interim Application Period, subject to approval by the Court.

RELIEF REQUESTED

12. By this Application, and in accordance with the Interim Compensation Order, PwC requests the entry of an order granting interim allowance and payment, to the extent not previously paid, in the amount of \$1,237,073.35, which is equal to the sum of (a) 100% of the \$1,236,898.80 of total compensation earned by PwC during the Interim Application Period for its services to the Debtor; and (b) 100% of the \$174.55 of necessary expenses incurred by PwC during the Interim Application Period in connection with its services to the Debtor.

SUMMARY OF SERVICES RENDERED BY PWC

13. The services rendered by PwC during the Interim Application Period are categorized as set forth in **Exhibit A** and in the summary cover sheet submitted with this Application. The professionals who provided services to the Debtor during the Interim Application Period are also identified, by billing category and project category, respectively, in **Exhibit B** and **Exhibit C** and in the summary cover sheet submitted with this Application. PwC's professionals expended a total of 1,294.50 hours in connection with this Chapter 11 Case during the Interim Application Period, which resulted in a blended hourly billing rate for professionals of approximately \$955.50. All services for which PwC is requesting compensation were performed for or on behalf of the Debtor.

14. Detailed statements of the time expended and compensation earned by PwC during the Interim Application Period are attached to the Monthly Fee Applications. The Monthly Fee Applications also contain a detailed summary of the services performed by PwC during the Interim Application Period. The following is a brief summary of the service performed by PwC during the Interim Application Period:⁴

(a) **Financial Advisory Services. Hours: 1,267.90, Fees: \$1,225,013.80**

Pursuant to the Engagement Letter and as more fully summarized in the Monthly Fee Applications and detailed in the exhibit thereto, during the Interim Application Period, PwC professionals provided certain financial advisory services to the Debtor pursuant to the Engagement Letter including, without limitation, cash and liquidity management services, strategic alternative analyses, and bankruptcy advisory services.

(b) **Bankruptcy Compliance Services. Hours: 26.60, Fees: \$11,885.00**

During the Interim Application Period, PwC professionals providing services to the Debtor consulted with internal PwC bankruptcy retention and billing advisors to ensure compliance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules and the Interim Compensation Order. The services provided by these bankruptcy retention and billing advisors included, but was not limited to: assistance with preparation of the bankruptcy retention documents, assistance with the disinterestedness disclosures, and assistance with preparation of fee applications. All of the services are incremental to the normal billing procedures by PwC for its non-bankruptcy clients.

15. As set forth above, detailed descriptions of these services, the amount of fees incurred, and the amount of hours spent providing such services throughout the Interim Application Period are summarized and detailed in the Monthly Fee Applications. All entries

⁴ In addition to the hours and compensation summarized below, PwC professionals may also have incurred non-working travel time in connection with its performance of financial advisory services to the Debtor. Notwithstanding Local Rule 2016-2(d)(ix), which allows professionals to request compensation for non-working travel at a rate of no more than 50% of regular hourly rates, PwC has voluntarily decided not to request compensation from the Debtor related to non-working travel incurred by PwC. Accordingly, any non-working travel time and related compensation incurred by PwC during the Application Period is excluded from this Application.

itemized in PwC's time records (i) are categorized in accordance with the appropriate project categories, (ii) include a description of each activity or service that each individual performed, and (iii) identify the number of hours (in increments of one-tenth of an hour) spent by each individual providing the services. However, in some instances, services overlap between project categories. Thus, some services may appear under more than one project category; however, in no instance is a specific time entry recorded or charged more than once.

SUMMARY OF EXPENSES INCURRED

16. As summarized on **Exhibit D** hereto, PwC incurred \$174.55 in expenses in connection with providing professional services during the Interim Application Period, including expenses in the following categories: transportation and working meals. PwC did not charge for photocopying, facsimile or other document production expenses. The expenses requested herein are expenses, which are customarily charged to PwC's clients outside of bankruptcy. The expenses incurred in providing professional services to the Debtors were actual, reasonable, and necessary.⁵

ALLOWANCE OF COMPENSATION

17. The professional time expended by PwC, the value of said time in fees, and the value of the actual expenses incurred by the firm were actual, reasonable, and necessary. In all respects, PwC's fees and expenses meet the standards for allowance under Bankruptcy Code section 330, as well as the standards that govern the review and allowance of bankruptcy professionals' fees. *See, e.g., In re Busy Beaver Bldg. Ctrs., Inc.*, 19 F.3d 833 (3d Cir. 1994).

⁵ PwC's standard practice is to treat certain expenses as having been incurred when such obligations are recorded and reflected as payable in PwC's accounting system. Accordingly, reimbursement for certain disbursements incurred during the Application Period may still be pending submission and will be requested in future Application Periods.

18. Bankruptcy Code section 331 provides for interim compensation of professionals and incorporates the substantive standards of Bankruptcy Code section 330 to govern the Court's award of such compensation. *See* 11 U.S.C. § 331. Bankruptcy Code section 330 provides that a court may award a professional employed under Bankruptcy Code section 327 the "reasonable compensation for actual, necessary services rendered . . . and reimbursement for actual, necessary expenses." 11 U.S.C. § 330(a)(1)(A)-(B). Bankruptcy Code section 330 also sets forth the criteria for the award of such compensation and reimbursement:

In determining the amount of reasonable compensation to be awarded . . . the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including –

- (A) the time spent on such services;
- (B) the rates charged for such services;
- (C) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this title;
- (D) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed
- (E) with respect to a professional person, whether the person is board certified or otherwise has demonstrated skill and experience in the bankruptcy field; and
- (F) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.

11 U.S.C. § 330(a)(3).

19. The reasonable value of the services rendered by PwC for the Interim Application Period as financial advisor to the Debtor in this Chapter 11 Case is \$1,236,898.80. The hourly rates reflected on **Exhibit B** and **Exhibit C** are PwC's customary rates for work of this nature. The professional services performed by PwC were in the best interests of the Debtor and its estate

and other parties in interest. Compensation for the foregoing services as requested is commensurate with the complexity, importance, and time-sensitive nature of the problems, issues, or tasks involved. The professional services were performed with expedition and in an efficient manner.

20. In accordance with section 330 of the Bankruptcy Code, the fees requested are reasonable in light of factors including, among other things, (a) the complexity of this Chapter 11 Case, (b) the time expended, (c) the nature and extent of the services rendered, (d) the value of such services, and (e) the costs of comparable services other than in a case under this title. Accordingly, allowance and payment of the compensation for professional services and reimbursement of expenses sought herein is warranted.

RESERVATION OF RIGHTS

21. Although PwC has made every effort to include all fees and expenses incurred during the Interim Application Period in this Application, some fees and expenses may inadvertently be omitted from this Application, including as a result of accounting and processing delays in the Interim Application Period. PwC reserves the right to submit further applications to the Court for allowance of such fees and expenses not included herein. Subsequent fee applications will be filed in accordance with the requirements of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and the Interim Compensation Order.

CERTIFICATION OF COMPLIANCE AND WAIVER

22. To the best of its knowledge, PwC believes that this Application, together with the exhibits attached hereto, and the description of services set forth herein of work performed are in compliance with the requirements of the Retention Order. To the extent that this Application does

not comply in all respects with those requirements, PwC believes that such deviations are not material and respectfully requests that such requirements be waived.

NOTICE

23. In accordance with the Interim Compensation Order, this Application will be served upon the Notice Parties (as defined in the Interim Compensation Order). Notice of this Application will be served upon all parties requesting notice pursuant to Bankruptcy Rule 2002. In light of the nature of the relief requested, PwC submits that no other or further notice is necessary.

WHEREFORE, PwC requests (i) the entry of an order granting interim allowance and payment, to the extent not previously paid, in the amount of \$1,237,073.35, which is equal to the sum of (a) 100% of the \$1,236,898.80 of total compensation earned by PwC during the Interim Application Period for its services to the Debtor; and (b) 100% of the \$174.55 of necessary expenses incurred by PwC during the Interim Application Period in connection with its services to the Debtor; and (ii) such other and further relief as the Court may deem just and proper.

Dated: February 19, 2025

PWC US BUSINESS ADVISORY LLP

By: /s/ Steven J. Fleming
Steven J. Fleming, Principal
300 Madison Avenue
New York, New York 10017
Telephone: (917) 929-6199
Email: steven.fleming@pwc.com

*Financial Advisor to the Debtor and
Debtor in Possession*

**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)

Hearing Date: March 25, 2025 at 10:00 a.m. (ET)
Objection Deadline: March 13, 2025 at 4:00 p.m. (ET)

**NOTICE OF FIRST INTERIM FEE APPLICATION OF PwC US BUSINESS
ADVISORY LLP, AS FINANCIAL ADVISOR TO THE DEBTOR, FOR
COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD
FROM OCTOBER 10, 2024 THROUGH DECEMBER 31, 2024**

PLEASE TAKE NOTICE that on February 27, 2025, PwC US Business Advisory LLP (“PwC”), financial advisor to the above-captioned debtor and debtor in possession (the “Debtor”), filed the *First Interim Fee Application of PwC US Business Advisory LLP, as Financial Advisor to the Debtor, for Compensation and Reimbursement of Expenses for the Period from October 10, 2024 through December 31, 2024* (the “Application”), seeking compensation for the reasonable and necessary services rendered to the Debtor in the amount of \$1,236,898.80 and reimbursement for actual and necessary expenses in the amount of \$174.55. A copy of the Application is attached hereto.

PLEASE TAKE FURTHER NOTICE that any response or objection to the Application, if any, must be made in writing and filed with the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, 3rd Floor, Wilmington, Delaware 19801 (the “Court”) on or before March 13, 2025 at 4:00 p.m. (ET).

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.

This Application is submitted pursuant to the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals*, entered on November 12, 2024 [Docket No. 154] (the “Administrative Order”).

PLEASE TAKE FURTHER NOTICE that, in accordance with the Administrative Order, any Notice of Objection (as defined in the Administrative Order) must be served upon: (i) counsel to the Debtor, Pachulski Stang Ziehl & Jones LLP, 919 North Market Street, 17th Floor, Wilmington, DE 19899, Attn: James E. O’Neill (joneill@pszjlaw.com), Debra I. Grassgreen (dgrassgreen@pszjlaw.com), John W. Lucas (jlucas@pszjlaw.com), and Malhar S. Pagay (mpagay@pszjlaw.com); (ii) counsel to the Prepetition Secured Lenders, (a) Cole Schotz P.C., 500 Delaware Avenue, Suite 1410, Wilmington, DE 19801, Attn: Stacy L. Newman (snewman@coleschotz.com), Stuart Komrower (skomrower@coleschotz.com), Warren A. Usatine (wusatine@coleschotz.com), and Felice R. Yudkin (fyudkin@coleschotz.com); (b) Sheppard Mullin, Four Embarcadero Center, Seventeenth Floor, San Francisco, CA 94111, Attn: Ori Katz (okatz@sheppardmullin.com) and Robert K. Sahyan (rsahyan@sheppardmullin.com); (iii) the Office of the United States Trustee for the District of Delaware, 844 King Street, Suite 2207, Wilmington, DE 19801, Attn: Timothy Jay Fox, Jr. (timothy.fox@usdoj.gov); and (iv) counsel for the Committee (a) ArentFox Schiff LLP, 1301 Avenue of the Americas, Floor 42, New York, New York 10019, Attn.: Andrew I. Silfen (andrew.silfen@afslaw.com), Beth M. Brownstein (beth.brownstein@afslaw.com), James E. Britton (james.britton@afslaw.com), and Patrick Feeney (patrick.feeney@afslaw.com); (b) Potter Anderson & Corroon LLP, 1313 N. Market Street, 6th Floor, Wilmington, Delaware 19801, Attn.: Christopher M. Samis (csamis@potteranderson.com), Aaron H. Stulman (astulman@potteranderson.com), Katelin A. Morales (kmorales@potteranderson.com), and Ethan H. Sulik (esulik@potteranderson.com).

PLEASE TAKE FURTHER NOTICE THAT A HEARING ON THE APPLICATION WILL BE HELD ON MARCH 25, 2025 AT 10:00 A.M. (ET) BEFORE THE HONORABLE KAREN B. OWENS, UNITED STATES BANKRUPTCY COURT JUDGE, AT THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE, 824 NORTH MARKET STREET, 6TH FLOOR, COURTROOM NO. 3, WILMINGTON, DELAWARE 19801. ONLY OBJECTIONS MADE IN WRITING AND TIMELY FILED WILL BE CONSIDERED BY THE BANKRUPTCY COURT AT SUCH HEARING.

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

Dated: February 27, 2025

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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joneill@pszjlaw.com

Counsel to the Debtor and Debtor in Possession

Gritstone bio, Inc., Case No. 24-12305

Exhibit A

PwC US Business Advisory LLP

Summary by Billing Category and Project Category

Billing Category and Project Category	Hours	Total Compensation
Financial Advisory Services		
363-Related Preparation and Analysis	153.60	\$175,137.50
Bankruptcy Reporting (e.g. SOFA, SOAL, MOR)	437.10	\$364,874.20
Case Administration	15.60	\$18,205.00
Cash Budget and Other Financial Analysis	314.50	\$306,413.90
Claims Analysis & Reconciliation	49.80	\$48,087.50
Correspondence, Calls and Meetings with Management and/or Board of Directors	90.00	\$95,863.10
Correspondence, Meetings and Discussions with Debtor's Counsel	27.90	\$31,390.00
Correspondence, Meetings and Discussions with Lenders and Advisors	15.80	\$18,032.50
Correspondence, Meetings and Discussions with UCC	47.10	\$50,461.70
DIP Financing-Related Matters and Analysis	9.00	\$10,200.00
First Day Motions	25.10	\$23,110.00
KEIP & KERP	46.40	\$45,930.90
Other Restructuring Related Advice & Analysis	24.10	\$24,820.00
Plan of Reorganization, Disclosure Statement	3.90	\$4,595.00
Preparation / Attendance at Court Hearings	8.00	\$7,892.50
<i>Subtotal - Hours and Compensation - Financial Advisory Services</i>	<i>1,267.90</i>	<i>\$1,225,013.80</i>
Bankruptcy Compliance Services		
Retention Applications	14.40	\$7,005.00
Fee Applications	12.20	\$4,880.00
<i>Subtotal - Hours and Compensation - Bankruptcy Compliance Services</i>	<i>26.60</i>	<i>\$11,885.00</i>
Total - Hours and Compensation - Hourly Services	1,294.50	\$1,236,898.80

PwC US Business Advisory LLP

Summary of Hours and Compensation by Billing Category and Professional

Billing Category and Professional	Position	Rate	Hours	Total Compensation
Financial Advisory Services				
Steven Fleming	Principal	\$1,250	193.30	\$241,625.00
Brian Huffman	Director	\$1,075	307.00	\$330,025.00
David Ihn	Director	\$1,075	305.10	\$327,982.50
Paris Clark-Roden	Senior Manager	\$843	166.60	\$140,443.80
David Velasquez	Senior Associate	\$625	292.90	\$183,062.50
Takahiko Nakamura	Senior Associate	\$625	3.00	\$1,875.00
Subtotal - Hours and Compensation - Financial Advisory Services			1,267.90	\$1,225,013.80
Bankruptcy Compliance Services				
Thalia Cody	Director	\$550	6.10	\$2,440.00
Chris Lewis	Manager	\$400	20.50	\$9,445.00
Subtotal - Hours and Compensation - Bankruptcy Compliance Services			26.60	\$11,885.00
Total - Hours and Compensation - Hourly Services			1,294.50	\$1,236,898.80

Gritstone bio, Inc., Case No. 24-12305

Exhibit C

PwC US Business Advisory LLP

Summary of Hours and Compensation by Project Category and Professional

Project Category and Professional	Position	Rate	Hours	Total Compensation
Financial Advisory Services				
363-Related Preparation and Analysis				
Steven Fleming	Principal	\$1,250	61.10	\$76,375.00
Brian Huffman	Director	\$1,075	33.90	\$36,442.50
David Ihn	Director	\$1,075	57.10	\$61,382.50
David Velasquez	Senior Associate	\$625	1.50	\$937.50
Subtotal - 363-Related Preparation and Analysis			153.60	\$175,137.50
Bankruptcy Reporting (e.g. SOFA, SOAL, MOR)				
Steven Fleming	Principal	\$1,250	3.50	\$4,375.00
Brian Huffman	Director	\$1,075	170.00	\$182,750.00
David Ihn	Director	\$1,075	9.80	\$10,535.00
Paris Clark-Roden	Senior Manager	\$843	39.40	\$33,214.20
David Velasquez	Senior Associate	\$625	214.40	\$134,000.00
Subtotal - Bankruptcy Reporting (e.g. SOFA, SOAL, MOR)			437.10	\$364,874.20
Case Administration				
Steven Fleming	Principal	\$1,250	8.20	\$10,250.00
Brian Huffman	Director	\$1,075	7.40	\$7,955.00
Subtotal - Case Administration			15.60	\$18,205.00
Cash Budget and Other Financial Analysis				
Steven Fleming	Principal	\$1,250	30.20	\$37,750.00
Brian Huffman	Director	\$1,075	7.20	\$7,740.00
David Ihn	Director	\$1,075	155.10	\$166,732.50
Paris Clark-Roden	Senior Manager	\$843	82.30	\$69,378.90
David Velasquez	Senior Associate	\$625	39.70	\$24,812.50
Subtotal - Cash Budget and Other Financial Analysis			314.50	\$306,413.90
Claims Analysis & Reconciliation				
Steven Fleming	Principal	\$1,250	0.50	\$625.00
Brian Huffman	Director	\$1,075	28.10	\$30,207.50
David Ihn	Director	\$1,075	8.90	\$9,567.50
David Velasquez	Senior Associate	\$625	12.30	\$7,687.50
Subtotal - Claims Analysis & Reconciliation			49.80	\$48,087.50
Correspondence, Calls and Meetings with Management and/or Board of Directors				
Steven Fleming	Principal	\$1,250	25.50	\$31,875.00
Brian Huffman	Director	\$1,075	12.80	\$13,760.00
David Ihn	Director	\$1,075	29.30	\$31,497.50
Paris Clark-Roden	Senior Manager	\$843	21.70	\$18,293.10
David Velasquez	Senior Associate	\$625	0.70	\$437.50
Subtotal - Correspondence, Calls and Meetings with Management and/or Board of Directors			90.00	\$95,863.10
Correspondence, Meetings and Discussions with Debtor's Counsel				
Steven Fleming	Principal	\$1,250	13.90	\$17,375.00
Brian Huffman	Director	\$1,075	9.80	\$10,535.00
David Ihn	Director	\$1,075	1.90	\$2,042.50
David Velasquez	Senior Associate	\$625	2.30	\$1,437.50
Subtotal - Correspondence, Meetings and Discussions with Debtor's Counsel			27.90	\$31,390.00
Correspondence, Meetings and Discussions with Lenders and Advisors				
Steven Fleming	Principal	\$1,250	8.30	\$10,375.00
David Ihn	Director	\$1,075	6.60	\$7,095.00
David Velasquez	Senior Associate	\$625	0.90	\$562.50
Subtotal - Correspondence, Meetings and Discussions with Lenders and Advisors			15.80	\$18,032.50
Correspondence, Meetings and Discussions with UCC				
Steven Fleming	Principal	\$1,250	14.80	\$18,500.00
Brian Huffman	Director	\$1,075	7.10	\$7,632.50
David Ihn	Director	\$1,075	13.30	\$14,297.50
Paris Clark-Roden	Senior Manager	\$843	11.90	\$10,031.70
Subtotal - Correspondence, Meetings and Discussions with UCC			47.10	\$50,461.70

Gritstone bio, Inc., Case No. 24-12305

Exhibit C

PwC US Business Advisory LLP

Summary of Hours and Compensation by Project Category and Professional

Project Category and Professional	Position	Rate	Hours	Total Compensation
<i>DIP Financing-Related Matters and Analysis</i>				
Steven Fleming	Principal	\$1,250	3.00	\$3,750.00
Brian Huffman	Director	\$1,075	6.00	\$6,450.00
<i>Subtotal - DIP Financing-Related Matters and Analysis</i>			9.00	\$10,200.00
<i>First Day Motions</i>				
Steven Fleming	Principal	\$1,250	0.50	\$625.00
Brian Huffman	Director	\$1,075	13.60	\$14,620.00
David Ihn	Director	\$1,075	2.20	\$2,365.00
David Velasquez	Senior Associate	\$625	8.80	\$5,500.00
<i>Subtotal - First Day Motions</i>			25.10	\$23,110.00
<i>KEIP & KERP</i>				
Steven Fleming	Principal	\$1,250	17.10	\$21,375.00
David Ihn	Director	\$1,075	8.40	\$9,030.00
Paris Clark-Roden	Senior Manager	\$843	11.30	\$9,525.90
David Velasquez	Senior Associate	\$625	9.60	\$6,000.00
<i>Subtotal - KEIP & KERP</i>			46.40	\$45,930.90
<i>Other Restructuring Related Advice & Analysis</i>				
Steven Fleming	Principal	\$1,250	1.50	\$1,875.00
Brian Huffman	Director	\$1,075	9.40	\$10,105.00
David Ihn	Director	\$1,075	10.20	\$10,965.00
Takahiko Nakamura	Senior Associate	\$625	3.00	\$1,875.00
<i>Subtotal - Other Restructuring Related Advice & Analysis</i>			24.10	\$24,820.00
<i>Plan of Reorganization, Disclosure Statement</i>				
Steven Fleming	Principal	\$1,250	2.30	\$2,875.00
David Ihn	Director	\$1,075	1.60	\$1,720.00
<i>Subtotal - Plan of Reorganization, Disclosure Statement</i>			3.90	\$4,595.00
<i>Preparation / Attendance at Court Hearings</i>				
Steven Fleming	Principal	\$1,250	2.90	\$3,625.00
Brian Huffman	Director	\$1,075	1.70	\$1,827.50
David Ihn	Director	\$1,075	0.70	\$752.50
David Velasquez	Senior Associate	\$625	2.70	\$1,687.50
<i>Subtotal - Preparation / Attendance at Court Hearings</i>			8.00	\$7,892.50
Subtotal - Hours and Compensation - Financial Advisory Services			1,267.90	\$1,225,013.80
Bankruptcy Compliance Services				
<i>Retention Applications</i>				
Thalia Cody	Director	\$550	6.10	\$2,440.00
Chris Lewis	Manager	\$400	8.30	\$4,565.00
<i>Subtotal - Retention Applications</i>			14.40	\$7,005.00
<i>Fee Applications</i>				
Chris Lewis	Manager	\$400	12.20	\$4,880.00
<i>Subtotal - Fee Applications</i>			12.20	\$4,880.00
Subtotal - Hours and Compensation - Bankruptcy Compliance Services			26.60	\$11,885.00
Total - Hours and Compensation - Hourly Services			1,294.50	\$1,236,898.80

PwC US Business Advisory LLP

Summary of Expenses by Type

Expense Category	Expense
Meals	\$69.01
Transportation	\$105.54
Total Expenses for Reimbursement	\$174.55

**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.

**ORDER GRANTING FIRST INTERIM FEE APPLICATION OF PWC US BUSINESS
ADVISORY LLP, AS FINANCIAL ADVISOR TO THE DEBTOR, FOR
COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD
FROM OCTOBER 10, 2024 THROUGH DECEMBER 31, 2024**

PwC US Business Advisory LLP (“PwC”), as financial advisor to the debtor and debtor in possession (the “Debtor”) in the above-captioned case, filed its *First Interim Fee Application of PwC US Business Advisory LLP, as Financial Advisor to the Debtor, for Compensation and Reimbursement of Expenses for the Period from October 10, 2024 through December 31, 2024* (the “First Quarterly Fee Application”). The Court has reviewed the First Quarterly Fee Application and finds that: (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; (b) notice of the First Quarterly Fee Application, and any hearing on the First Quarterly Fee Application, was adequate under the circumstances; and (c) all persons with standing have been afforded the opportunity to be heard on the First Quarterly Fee Application. Accordingly, it is hereby

ORDERED that the First Quarterly Fee Application is GRANTED, on an interim basis. The Debtor in the above-captioned case shall pay to PwC the sum of \$1,236,898.80 as compensation for necessary professional services rendered, and actual and necessary expenses in

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.

the amount of \$174.55 for a total of \$1,237,073.35 for services rendered and disbursements incurred by PwC for the period October 10, 2024 through December 31, 2024, less any amounts previously paid in connection with the monthly fee applications.

ORDERED that this Court retains jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.