

**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: April 16, 2025 at 9:30 a.m. (ET)

Objection Deadline: March 21, 2025 at 4:00 p.m. (ET)

**DEBTOR'S FIRST OMNIBUS OBJECTION
(SUBSTANTIVE) TO CERTAIN CLAIMS (RECLASSIFICATION CLAIMS)**

**PARTIES RECEIVING THIS OMNIBUS OBJECTION TO CLAIMS SHOULD
LOCATE THEIR NAMES AND CLAIM(S) ON THE SCHEDULES TO EXHIBIT A,
WHICH ARE ATTACHED TO THIS OMNIBUS OBJECTION**

**YOUR RIGHTS MAY BE AFFECTED BY THIS OMNIBUS OBJECTION AND BY
ANY FURTHER OBJECTION THAT MAY BE FILED AGAINST YOUR CLAIM(S)**

The above-captioned debtor and debtor in possession (the “Debtor”) hereby files this omnibus objection (this “Objection”) pursuant to section 502 of title 11 of the United States Code (the “Bankruptcy Code”), Rules 3003 and 3007 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rule 3007–1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), seeking entry of an order (the “Proposed Order”), substantially in the form annexed hereto as **Exhibit A**, reclassifying the claims listed on **Schedule 1** to the Proposed Order (the “Reclassified Claims”) to non-priority general unsecured claims and reclassifying the claims listed on **Schedule 2** to the Proposed Order (the “Reclassified Interests,” and together with the Reclassified Claims, the “Reclassification Claims”) to Equity Interests² in the Debtor. The

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 “Equity Interest” means any equity interest in the Debtor, including any issued, unissued, authorized or outstanding shares of stock together with any warrants, options or contract rights to purchase or acquire such



Debtor has determined that the Reclassified Claims were improperly filed (in whole or in part) as secured, priority, and/or administrative claims and should be reclassified as non-priority general unsecured claims, and that the Reclassified Interests were improperly filed as claims and should be reclassified to Equity Interests in the Debtor. In support of this Objection, the Debtor relies upon and incorporates by reference the *Declaration of Steven Fleming in Support of Debtor's First Omnibus Objection (Substantive) to Certain Claims (Reclassification Claims)* (the "Fleming Declaration"), attached hereto as **Exhibit B**, and represents as follows:

Jurisdiction and Venue

1. The United States District Court for the District of Delaware has jurisdiction over this matter pursuant to 28 U.S.C. § 1334, which was referred to the United States Bankruptcy Court for the District of Delaware (the "Court") under 28 U.S.C. § 157 pursuant to 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), and the Debtor confirms its consent pursuant to Local Rule 9013-1(f) to the entry of a final order by the Court in connection with this Objection to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

2. Venue in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

3. The statutory bases for the relief requested herein are section 502(b) of the Bankruptcy Code, Bankruptcy Rules 3003 and 3007, and Local Rule 3007-1.

interests at any time, or any Claim or interest that is subject to the subordination to the level of any equity interest pursuant to Bankruptcy Code Section 510(b). Class 8 of the proposed *First Modified Chapter 11 Plan of Reorganization* [D.E. 452] comprises the Equity Interests.

Background

A. General Background

4. 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 debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No request for the appointment of a trustee or examiner has been made in the Chapter 11 Case. A detailed description of the Debtor’s business and facts precipitating the filing of the Debtor’s chapter 11 proceeding are set forth in the *Declaration of Celia Economides in Support of the Debtor’s Chapter 11 Petition and First Day Relief* [Docket No. 17] (the “First Day Declaration”).

5. On October 16, 2024, the Court issued an order [Docket No. 38] appointing Kurtzman Carson Consultants, LLC, dba Verita Global (“Verita” or the “Claims Agent”) as the claims and noticing agent in the Chapter 11 Case.

6. On October 29, 2024, the Office of the United States Trustee (the “U.S. Trustee”) appointed an official committee of unsecured creditors (the “Committee”), including the following members: BMR-Sidney Research Campus LLC; Presidio; and Murigenics, Inc.

B. The Bar Dates

7. On November 20, 2024, the Debtor filed a motion seeking entry of an order establishing deadlines to file proofs of claim in the Chapter 11 Case and approval of related procedures [Docket No. 200]. On December 10, 2024, the Court entered an order [Docket No. 238] (the “Bar Date Order”) establishing certain deadlines for the filing of proofs of claim in the Chapter 11 Case. By the Bar Date Order, the Court established: (i) January 13, 2025 (the “General Bar Date”) as the general deadline for all entities (other than governmental units, as defined in section 101(27) of the Bankruptcy Code (“Governmental Units”)) to file proofs of

claim in the Chapter 11 Case for all claims against the Debtor (each such claim, a “Claim”); and (ii) April 8, 2025 (the “Governmental Bar Date,” and together with the General Bar Date, the “Claims Bar Dates”) as the general deadline for all Governmental Units to file proofs of claim in the Chapter 11 Case for all claims against the Debtor.

8. On December 23, 2024, the Debtor filed a motion seeking entry of an order establishing a deadline for the filing of requests for allowance of administrative expenses in the Chapter 11 Case [Docket No. 294]. On January 9, 2025, the Court entered an order [Docket No. 336] (the “Administrative Expense Bar Date Order”) establishing February 14, 2025 (the “Administrative Expense Bar Date”) as the deadline for each entity that holds or wishes to assert a claim against the Debtor that is or may be an administrative expense pursuant to section 503(b) of the Bankruptcy Code (each, an “Administrative Expense Claim”), other than a claim arising under section 503(b)(9) of the Bankruptcy Code, for which such Administrative Expense Claim arose during the period from the Petition Date through and including December 31, 2024.

C. Schedules, Proofs of Claim, and Claim Reconciliation

9. On November 15, 2024, the Debtor filed its schedules of assets and liabilities and statement of financial affairs [Docket Nos. 193-194] (collectively, the “Schedules”).

10. In the ordinary course of business, the Debtor maintains books and records that reflect, among other things, the nature and amount of the liabilities owed to its creditors. The Debtor and its professionals have been reviewing, comparing, and reconciling proofs of claim (including any supporting documentation) with the Debtor’s Schedules and books and records. This reconciliation process includes identifying particular categories of claims that may be subject to objection.

D. The Reclassification Claims

11. As set forth in the Fleming Declaration, based upon a careful review and analysis of the Reclassified Claims, the Debtor's books and records, and the claims register, the Debtor has determined that the Reclassified Claims listed on **Schedule 1** to the Proposed Order were improperly filed (in whole or in part) as secured, priority, and/or administrative claims and should be reclassified as non-priority general unsecured claims.

12. Additionally, as further set forth in the Fleming Declaration, based upon a careful review and analysis of the Reclassified Interests, the Debtor's books and records, and the claims register, the Debtor has determined that the Reclassified Interests listed on **Schedule 2** to the Proposed Order were improperly filed as claims against the Debtor and should be reclassified to Equity Interests in the Debtor.

Relief Requested

13. By this Objection, the Debtor seeks entry of an order, pursuant to section 502 of the Bankruptcy Code, Bankruptcy Rules 3003 and 3007, and Local Rule 3007-1 reclassifying the Reclassified Claims as non-priority general unsecured claims and reclassifying the Reclassified Interests as Equity Interests.

17. Failure to reclassify the Reclassification Claims will result in claims that have been improperly asserted against the Debtor remaining on the claims register or remaining on the claims register as entitled to priority treatment. Accordingly, to avoid the possibility of unwarranted recoveries and to maintain an accurate claims register, the Debtor submits that the Reclassified Claims listed on **Schedule 1** should be reclassified as non-priority general unsecured claims and that the Reclassified Interests listed on **Schedule 2** should be reclassified to Equity Interests in the Debtor.

Basis for Relief

14. Section 502(a) of the Bankruptcy Code provides that a “claim or interest, proof of which is filed under section 501 of this title, is deemed allowed, unless a party in interest . . . objects.”³ Additionally, section 503(b) of the Bankruptcy Code defines and provides for the allowance of administrative expenses.

15. In adjudicating claim objections, courts apply “a burden-shifting framework.”⁴ The Third Circuit Court of Appeals has described this framework as follows:

Initially, the claimant must allege facts sufficient to support the claim. If the averments in his filed claim meet this standard of sufficiency, it is “*prima facie*” valid. In other words, a claim that alleges facts sufficient to support a legal liability to the claimant satisfies the claimant’s initial obligation to go forward. The burden of going forward then shifts to the objector to produce evidence sufficient to negate the *prima facie* validity of the filed claim. It is often said that the objector must produce evidence equal in force to the *prima facie* case. In practice, the objector must produce evidence which, if believed, would refute at least one of the allegations that is essential to the claim’s legal sufficiency. If the objector produces sufficient evidence to negate one or more of the sworn facts in the proof of claim, the burden reverts to the claimant to prove the validity of the claim by a preponderance of the evidence.⁵

16. Further, section 502(b)(1) of the Bankruptcy Code provides that a claim must be disallowed if “such claim is unenforceable against the debtor and property of the debtor, under any agreement or applicable law”⁶ The failure to allege facts and to provide adequate support for a claim eliminates the claim’s *prima facie* validity.⁷

17. Pursuant to Bankruptcy Rule 3007(d), a debtor is permitted to file omnibus objections to more than one claim on the bases enumerated therein, which include, among other things, that such claims “duplicate other claims,” “were presented in a form that does not comply

³ 11 U.S.C. § 502(a).

⁴ *In re Devonshire PGA Holdings LLC*, 548 B.R. 689, 697 (Bankr. D. Del. 2016).

⁵ *In re Allegheny Int’l Inc.*, 954 F.2d 167, 173–74 (3d Cir. 1992) (citations omitted).

⁶ 11 U.S.C. § 502(b)(1).

⁷ *See, e.g., In re Jorczak*, 314 B.R. 474, 481–82 (Bankr. D. Conn. 2004) (discussing the evidentiary requirements and burden of proof with respect to the allowance of claims).

with applicable rules,” or “assert priority in an amount that exceeds the maximum amount under § 507 of the Code.”⁸

A. The Reclassification Claims

18. As set forth in the Fleming Declaration, based upon a careful review and analysis of the Reclassified Claims, the Debtor’s books and records, and the claims register, the Debtor has determined that the Reclassified Claims should be reclassified because such Claims were improperly filed (in whole or in part) as secured, priority, and/or administrative claims and should be reclassified as general unsecured claims. Additionally, based upon a careful review and analysis of the Reclassified Interests, the Debtor’s books and records, and the claims register, the Debtor has determined that the Reclassified Interests were improperly filed as claims against the Debtor and should be reclassified to Equity Interests in the Debtor

19. Failure to reclassify the Reclassification Claims will result in claims that have been improperly asserted against the Debtors remaining on the claims register or remaining on the claims register as entitled to priority treatment. Accordingly, to avoid the possibility of unwarranted recoveries and to maintain an accurate claims register, the Debtor submits that the Reclassified Claims listed on **Schedule 1** should be reclassified as non-priority general unsecured claims and the Reclassified Interests on **Schedule 2** should be reclassified as Equity Interests in the Debtor.

Responses to the Objection

20. **Filing and Service of Responses.** To contest the Objection, a Claimant must file and serve a written response to the Objection (a “**Response**”) so that it is actually received by the Clerk of the Court and the parties in the following paragraph **no later than 4:00 p.m. (prevailing Eastern Time) on March 21, 2025** (the “**Response Deadline**”). Claimants should

⁸ Fed. R. Bankr. P. 3007(d)(1), (6), (8).

locate their names and claims on **Schedule 1** and **Schedule 2** to the Proposed Order and carefully review the Objection. A Response must address each ground upon which the Claimant contests the Objection.

21. Each Response must be filed and served upon the following entities at the following addresses: (a) the Clerk of the Court, 824 North Market Street, 3rd Floor, Wilmington, Delaware 19801; (b) counsel for the Debtor, Pachulski Stang Ziehl & Jones LLP, Attn: James E. O'Neill (joneill@pszjlaw.com) and John W. Lucas (jlucas@pzjlaw.com), 919 N. Market Street, 17th Floor, P.O. Box 8705, Wilmington, DE 19899-8705; (c) the Office of the United States Trustee for the District of Delaware, 844 King Street, Suite 2207, Wilmington, Delaware 19801, Attn.: Timothy Jay Fox, Jr. (timothy.fox@usdoj.gov); and (d) counsel for the Committee (i) 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) and (ii) 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).

22. **Content of Responses.** Every Response to the Objection must contain, at a minimum, the following:

- a. a caption setting forth the name of the Court, the above-referenced case number, and the title of the Objection to which the Response is directed;
- b. the name of the claimant, the claim number, and a description of the basis for the amount of the Claim;
- c. a concise statement setting forth the reasons why a particular Claim should not be reclassified for the reasons set forth in the Objection, including but not limited to the specific factual and

legal bases upon which the claimant will rely in opposing the Objection at the Hearing (as defined below);

- d. all documentation or other evidence of the Claim in question, to the extent not already included with the claimant's proof of claim, upon which the claimant will rely in opposing the Objection at the Hearing;
- e. the name, address, telephone number, and fax number of the person(s) (who may be the claimant or a legal representative thereof) possessing ultimate authority to reconcile, settle, or otherwise resolve the Claim on behalf of the claimant; and
- f. the name, address, telephone number, and fax number of the person(s) (who may be the claimant or a legal representative thereof) to whom the Debtor should serve any reply to the Response.

23. Timely Response Required; Hearing. If a claimant whose Claim is subject to the Objection, and who is served with the Objection, fails to file and serve a timely Response in compliance with the foregoing procedures, the Debtor will present the Court an order with respect to the Reclassification Claims, substantially in the form attached hereto as **Exhibit A**. If a Response is properly and timely filed and served in accordance with the above procedures, the Debtor will endeavor to reach a consensual resolution with the Claimant. If no consensual resolution is reached, the Court will conduct a hearing (the "Hearing") with respect to the Objection and the Response on **April 16, 2025 at 9:30 a.m. (ET)** (or such other date and time as parties filing Responses may be notified), before the Honorable Karen B. Owens, United States Bankruptcy Judge, at the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, 6th Floor, Courtroom No. 3, Wilmington, Delaware 19801 (the "Hearing"). Only those Responses made in writing and timely filed and received will be considered by the Court at any such Hearing.

24. The Debtor may file and serve a reply to any Response in accordance with the Local Rules. The Debtor reserves the right to seek an adjournment of the Hearing on any

Response to this Objection, which adjournment will be noted on the notice of agenda for the Hearing.

25. Each of the Claims and the Debtor's objections thereto as asserted in this Objection constitute a separate contested matter as contemplated by Bankruptcy Rule 9014. The Debtor requests that any order entered by the Court with respect to an objection asserted herein will be deemed a separate order with respect to each such Claim.

Reservation of Rights

26. The Debtor expressly reserves the right to amend, modify, or supplement this Objection and to file additional objections to any other claims (filed or not) that may be asserted against the Debtor. Should one or more of the grounds of objection stated in the Objection be dismissed or overruled, the Debtor reserves the right to object to each of the Claims or any other proofs of claim on any other grounds that the Debtor discovers or elects to pursue.

27. Nothing in this Objection will be deemed or construed: (a) as an admission as to the validity of any claim or interest against the Debtor; (b) as a waiver of the Debtor's or any other party's rights to dispute or otherwise to object to any claim or proof of interest on any grounds or basis; (c) a promise or requirement to pay any claim; (d) an implication or admission that any claim is of a type referenced or defined in this Objection; (e) a waiver or limitation of any of the Debtor's rights under the Bankruptcy Code or applicable law, or (f) to waive or release any right, claim, defense, or counterclaim of the Debtor, or to estop the Debtor from asserting any right, claim, defense, or counterclaim (including setoff).

Compliance With Local Rule 3007-1

28. The undersigned representative of the Debtor has reviewed the requirements of Local Rule 3007-1 and certifies that the Objection substantially complies with that Local Rule. To the extent that the Objection does not otherwise comply with the applicable requirements of

Local Rule 3007-1, the Debtor believes that such deviations are not material and respectfully requests that any such requirement be waived.

Further Information

29. Questions about or requests for additional information about the proposed disposition of the Claims hereunder should be directed to the Debtor's counsel in writing at the following address: Pachulski Stang Ziehl & Jones LLP, 919 North Market Street, 17th Floor, P.O. Box 8705, Wilmington, DE 19899-8705.

30. Questions regarding the amount of a proof of claim, or the filing of a proof of claim, should be directed in writing to: Gritstone Claims Processing Center, c/o KCC dba Verita, 222 N. Pacific Coast Highway, Suite 300, El Segundo, California, 90245 or by submitting an inquiry at <https://www.veritaglobal.net/gritstone/inquiry>. **Claimants should not contact the Clerk of the Court or the U.S. Trustee to discuss the merits of their Claim or the Objection.**

Notice

31. Notice of this Objection will be provided to: (a) the holders of the Reclassification Claims and their counsel, if known; (b) the U.S. Trustee; and (c) all parties entitled to notice pursuant to Bankruptcy Rule 2002. The Debtor submits that, under the circumstances, no other or further notice is required.

No Prior Request

32. No prior request for the relief sought herein has been made by the Debtor to this Court or any other court.

WHEREFORE, for the reasons set forth herein, the Debtor respectfully requests that the Court enter the Proposed Order, substantially in the form attached hereto as **Exhibit A**, granting the relief requested and such other and further relief as is just and proper.

Dated: February 28, 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*)

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Counsel to the Debtor and Debtor in Possession

THIS OBJECTION SEEKS TO RECLASSIFY CERTAIN FILED PROOFS OF CLAIM. PARTIES RECEIVING THIS NOTICE SHOULD REVIEW THE OBJECTION TO SEE IF THEIR NAME(S) AND/OR CLAIM(S) ARE LOCATED IN THE OMNIBUS OBJECTION AND/OR THE ATTACHED SCHEDULES TO DETERMINE WHETHER THIS OBJECTION AFFECTS THEIR CLAIM(S)

**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: April 16, 2025 at 9:30 a.m. (ET)
Objection Deadline: March 21, 2025 at 4:00 p.m. (ET)

**NOTICE OF DEBTOR'S FIRST OMNIBUS OBJECTION (SUBSTANTIVE) TO
CERTAIN CLAIMS (RECLASSIFICATION CLAIMS)**

PLEASE TAKE NOTICE that on February 28, 2025, the above-captioned debtor and debtor in possession (the "Debtor") filed the attached *Debtor's First Omnibus Objection (Substantive) to Certain Claims (Reclassification Claims)* (the "Objection") with the United States Bankruptcy Court for the District of Delaware (the "Court").

PLEASE TAKE FURTHER NOTICE that any responses to the Objection must be in writing, conform to the Federal Rules of Bankruptcy Procedure and the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware, and be filed with the Court, 824 North Market Street, 3rd Floor, Wilmington, Delaware 19801, on or before **March 21, 2025 at 4:00 p.m. (Eastern Time)**.

PLEASE TAKE FURTHER NOTICE THAT that at the same time, you must also serve a copy of such response or objection upon: (a) counsel for the Debtor, Pachulski Stang Ziehl & Jones LLP, Attn: James E. O'Neill (joneill@pszjlaw.com) and John W. Lucas

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.

(jlucas@pszjlaw.com), 919 N. Market Street, 17th Floor, P.O. Box 8705, Wilmington, DE 19899-8705; (b) the Office of the United States Trustee for the District of Delaware, 844 King Street, Suite 2207, Wilmington, Delaware 19801, Attn.: Timothy Jay Fox, Jr. (timothy.fox@usdoj.gov); and (c) counsel for the Committee (i) 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) and (ii) 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 every response must contain, at a minimum, the following information:

- a. a caption setting forth the name of the Court, the name of the Debtor, and the case number and the title of the objection to which the Response is directed;
- b. the name of the claimant and description of the basis for the amount of the disputed claim;
- c. a concise statement setting forth the reasons why the disputed claim should not be reclassified for reasons set forth in the Objection including, but not limited to, the specific factual and legal bases upon which the claimant relies in opposing the Objection;
- d. all documentation or other evidence supporting the disputed claim not included with the proof of claim previously filed with the Bankruptcy Court, upon which the claimant relies in opposing the Objection; and
- e. the name, address, telephone number and fax number of the person(s) (which may be the claimant or a legal representative thereof) to whom counsel for the Debtors should serve a reply to the Response and who possesses authority to reconcile, settle or otherwise resolve the objection to the disputed claim on behalf of the claimant.

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

PLEASE TAKE FURTHER NOTICE THAT A HEARING TO CONSIDER THE RELIEF SOUGHT IN THE OBJECTION IS SCHEDULED FOR **APRIL 16, 2025 AT 9:30 A.M. (EASTERN TIME) BEFORE THE HONORABLE KAREN B. OWENS, UNITED STATES BANKRUPTCY JUDGE, UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE, 824 NORTH MARKET STREET, 6TH FLOOR, COURTROOM NO. 3, WILMINGTON, DE 19801.**

PLEASE TAKE FURTHER NOTICE that copies of each pleading can be viewed and/or obtained by: (i) accessing the Court's website at www.deb.uscourts.gov, or (ii) from the Debtor's noticing and claims agent, at <https://www.veritaglobal.net/gritstone> or by calling (877) 709-4754 (U.S./Canada) or (424) 236-7233 (International). Note that a PACER password is needed to access documents on the Court's website.

Dated: February 28, 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*)

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Counsel to the Debtor and Debtor in Possession

Exhibit A

Proposed Order

**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 SUSTAINING DEBTOR’S FIRST OMNIBUS OBJECTION (SUBSTANTIVE)
TO CERTAIN CLAIMS (RECLASSIFICATION CLAIMS)**

Upon consideration of the *Debtor’s First Omnibus Objection (Substantive) to Certain Claims (Reclassification Claims)* (the “Objection”)² filed by the above-captioned debtor and debtor in possession (the “Debtor”) for entry of an order (this “Order”) pursuant to section 502 of the Bankruptcy Code, Bankruptcy Rules 3003 and 3007, and Local Rule 3007–1, (a) reclassifying the claims listed on **Schedule 1** to this Order (the “Reclassified Claims”), and (b) reclassifying the claims listed on **Schedule 2** to this Order (the “Reclassified Interests, and collectively with the Reclassified Claims, the “Reclassification Claims”), all as more fully set forth in the Objection; and the Court having reviewed the Fleming Declaration in support of the Objection; and the United States District Court for the District of Delaware having jurisdiction over this matter pursuant to 28 U.S.C. § 1334, which was referred to this Court under 28 U.S.C. § 157 pursuant to the *Amended Standing Order of Reference from the United States District Court for the District of Delaware*, dated February 29, 2012; and the Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and the Court having found that it may enter a final order consistent with Article III of the United States Constitution; and the Court having found that venue of this proceeding and the Objection in this district is proper pursuant to

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 Capitalized terms used but not defined in this Order shall have the meanings ascribed to them in the Objection.

28 U.S.C. §§ 1408 and 1409; and notice of the Objection and of the hearing on the Objection was sufficient under the circumstances and in full compliance with the requirements of the Bankruptcy Code, the Bankruptcy Rules and the Local Rules; and the Court having determined that the legal and factual bases set forth in the Objection establish just cause for the relief granted herein;

IT IS HEREBY ORDERED THAT:

1. The Objection is SUSTAINED as set forth herein.
2. Any response to the Objection not otherwise withdrawn, resolved, or adjourned is hereby overruled on its merits.
3. Each Reclassified Claim identified on **Schedule 1** attached hereto is hereby reclassified as a non-priority general unsecured claim as set forth on **Schedule 1**.
4. Each Reclassified Interest identified on **Schedule 2** attached hereto is hereby reclassified as an Equity Interest as set forth on **Schedule 2**.
5. The Claims Agent is authorized to update the claims register to reflect the relief granted in this Order.
6. Each of the Reclassification Claims and the objections by the Debtor to such Claims, as addressed in the Objection and set forth on **Schedule 1** and **Schedule 2** attached to this Order, constitutes a separate contested matter as contemplated by Bankruptcy Rule 9014. This Order shall be deemed a separate Order with respect to each of the Reclassification Claims. Any stay of this Order shall apply only to the contested matter that involves such creditor and shall not act to stay the applicability or finality of this Order with respect to the other contested matters covered hereby.

7. Nothing in this Order shall be deemed (i) an admission as to the validity of any claim or interest against the Debtor; (ii) a waiver of the Debtor's or any other party's rights to dispute or otherwise to object to any claim or proof of interest on any grounds or basis; (iii) a promise or requirement to pay any claim; (iv) an implication or admission that any claim is of a type referenced or defined in the Objection; (v) a waiver or limitation of any of the Debtor's rights under the Bankruptcy Code or applicable law, or (vi) to waive or release any right, claim, defense, or counterclaim of the Debtor, or to estop the Debtor from asserting any right, claim, defense, or counterclaim (including setoff).

8. The Debtor and the Claims Agent are authorized to take all actions necessary to effectuate the relief granted in this Order.

9. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

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

Schedule 1

Debtor's First Omnibus Objection (Substantive) to Certain Claims (Reclassification Claims)

Schedule 1: Reclassified Claims

Claims to be Reclassified							
Asserted Amounts				Reclassified Amounts			
No.	Claimant	Claim Number	Original Amount / Classification	Proposed Amount / Classification		Basis for Objection	
1	Air Energy Group, LLC	11		(U)	\$ 1,561.62	(U)	Claimant asserts no basis for secured treatment of this claim. The Debtor's books and records do not reflect any secured claim by this claimant and are unaware of any valid basis for a secured claim. As such, the Debtor seeks to reclassify the claim to a non-priority general unsecured claim.
	c/o Maria Busby			(P)		(P)	
	17 Powder Hill Rd		\$ 1,561.62	(S)		(S)	
	Lincoln, RI 02865			(A)		(A)	
			\$ 1,561.62	(T)	\$ 1,561.62	(T)	
2	Titanium Strategic Legal Solutions PC	138		(U)	\$ 3,087.50	(U)	Claimant asserts an administrative claim for legal services provided to the Debtor. The services were rendered to the Debtor before the Petition Date. As such, the Debtor seeks to reclassify the claim to a non-priority general unsecured claim.
	Cynthia Yoshimura			(P)		(P)	
	1 Park Plaza Suite 600			(S)		(S)	
	Irvine, CA 92614		\$ 3,087.50	(A)		(A)	
			\$ 3,087.50	(T)	\$ 3,087.50	(T)	

(U) - Unsecured, (P) - Priority, (S) - Secured, (A) - Administrative, (T) - Total

Schedule 2

Debtor's First Omnibus Objection (Substantive) to Certain Claims (Reclassification Claims)
Schedule 2: Reclassified Interests

Claims to be Reclassified					
Asserted Amounts				Reclassified Amounts	
No.	Claimant	Claim Number	Original Amount / Classification	Proposed Amount / Classification	Basis for Objection
1	Bulva, Jeff MD MS FACP	27	\$ 8,892.39 (U)	Equity interest	Claimant asserts a claim based on Claimant's ownership of stock in the Debtor. Thus, the Debtor seeks to reclassify this claim to an equity interest in the Debtor.
	15130 Crestone Circle		(P)		
	Rosemount, MN 55068		(S)		
			(A)		
			\$ 8,892.39 (T)		
2	Bulva, Jeff MD MS FACP	61	\$ 8,892.39 (U)	Equity interest	Claimant asserts a claim based on Claimant's ownership of stock in the Debtor. Thus, the Debtor seeks to reclassify this claim to an equity interest in the Debtor.
	15130 Crestone Circle		(P)		
	Rosemount, MN 55068		(S)		
			(A)		
			\$ 8,892.39 (T)		
3	Chen, Hueyyu	140	\$ 2,229.50 (U)	Equity interest	Claimant asserts a claim based on Claimant's ownership of stock in the Debtor. Thus, the Debtor seeks to reclassify this claim to an equity interest in the Debtor.
	11101 Bryans View Ct		(P)		
	Henrico, VA 23233		(S)		
			(A)		
			\$ 2,229.50 (T)		
4	Costa, Judy Rosario	47	\$ 975.00 (U)	Equity interest	Claimant asserts a claim based on Claimant's ownership of shares in the Debtor. Thus, the Debtor seeks to reclassify this claim to an equity interest in the Debtor.
	40 Ashwell Ave		(P)		
	Rocky Hill, CT 06067		(S)		
			(A)		
			\$ 975.00 (T)		
5	DiCarlo, Nicholas	96	\$ 6,712.99 (U)	Equity interest	Claimant asserts a claim based on "shares purchased" in the Debtor. Thus, the Debtor seeks to reclassify this claim to an equity interest in the Debtor.
	100 Cabrini Blvd Apt 65		(P)		
	New York, NY 10033		(S)		
			(A)		
			\$ 6,712.99 (T)		
6	Elron, Yoni	40	\$ 1,660.98 (U)	Equity interest	Claimant asserts a claim based on Claimant's purchase of stock in the Debtor. Thus, the Debtor seeks to reclassify this claim to an equity interest in the Debtor.
	Hailanot 42/A Street		(P)		
	Hadera, Hefa 3846722		(S)		
			(A)		
			\$ 1,660.98 (T)		

Claims to be Reclassified						
Asserted Amounts				Reclassified Amounts		
No.	Claimant	Claim Number	Original Amount / Classification	Proposed Amount / Classification	Basis for Objection	
7	Estrada, Jose Pomares	83		(U)	Equity interest	Claimant asserts a claim based on Claimant's ownership of shares in the Debtor. Thus, the Debtor seeks to reclassify this claim to an equity interest in the Debtor.
	Via Al Mar, Zona Norte. La Boquilla		\$ 3,000.00	(P)		
	Km12 Condominio Laguna Club. Bloque Gu			(S)		
	Cartagena, Bolivar 130007			(A)		
			\$ 3,000.00	(T)		
8	Estrada, Jose Pomares	82		(U)	Equity interest	Claimant asserts a claim based on Claimant's ownership of shares in the Debtor. Thus, the Debtor seeks to reclassify this claim to an equity interest in the Debtor.
	Via Al Mar, Zona Norte. La Boquilla		\$ 3,000.00	(P)		
	Km12 Condominio Laguna Club. Bloque Gu			(S)		
	Cartagena, Bolivar 130007			(A)		
			\$ 3,000.00	(T)		
9	Fitch, Eileen C.	106	\$ 65.64	(U)	Equity interest	Claimant asserts a claim based on Claimant's ownership of shares in the Debtor. Thus, the Debtor seeks to reclassify this claim to an equity interest in the Debtor.
	102 Campus Dr.			(P)		
	Rochester, NY 14623			(S)		
				(A)		
			\$ 65.64	(T)		
10	Fitch, J. Lee	95	\$ 430.30	(U)	Equity interest	Claimant asserts a claim based on Claimant's ownership of shares in the Debtor. Thus, the Debtor seeks to reclassify this claim to an equity interest in the Debtor.
	102 Campus Dr.			(P)		
	Rochester, NY 14623			(S)		
				(A)		
			\$ 430.30	(T)		
11	Grattidge, Bradley T.	55	\$ 1,047,726.54	(U)	Equity interest	Claimant asserts a claim based on "ownership stake" in the Debtor. Thus, the Debtor seeks to reclassify this claim to an equity interest in the Debtor.
	643 Los Padres Blvd			(P)		
	Santa Clara, CA 95050-6945			(S)		
				(A)		
			\$ 1,047,726.54	(T)		
12	Joshua D. Kaplan Living Trust	75	\$ 6,803.51	(U)	Equity interest	Claimant asserts a claim based on Claimant's purchase of shares in the Debtor. Thus, the Debtor seeks to reclassify this claim to an equity interest in the Debtor.
	1950 NE 188th St.			(P)		
	North Miami Beach, FL 33179			(S)		
				(A)		
			\$ 6,803.51	(T)		
13	McCutchan OD, Howard H.	26	\$ 5,996.44	(U)	Equity interest	Claimant asserts a claim based on Claimant's ownership of shares in the Debtor. Thus, the Debtor seeks to reclassify this claim to an equity interest in the Debtor.
	PO Box 715			(P)		
	Harlan, IA 51537			(S)		
				(A)		
			\$ 5,996.44	(T)		

Claims to be Reclassified						
Asserted Amounts				Reclassified Amounts		
No.	Claimant	Claim Number	Original Amount / Classification	Proposed Amount / Classification	Basis for Objection	
14	Montoro, John Michael	112	\$ 5,201.00 (U)	Equity interest	Claimant asserts a claim based on Claimant's ownership of shares in the Debtor. Thus, the Debtor seeks to reclassify this claim to an equity interest in the Debtor.	
	119 Blauvelt Avenue		(P)			
	HoHoKus, NJ 07423		(S)			
			(A)			
	\$ 5,201.00 (T)					
15	Nguyen, Minh Hoang Anh	3	\$ 21,150.00 (U)	Equity interest	Claimant asserts a claim based on Claimant's ownership of shares in the Debtor. Thus, the Debtor seeks to reclassify this claim to an equity interest in the Debtor.	
	17111 Copper Shore Dr		(P)			
	Houston, TX 77095		(S)			
			(A)			
	\$ 21,150.00 (T)					
16	Nguyen, Minh Hoang Anh	71		Equity interest	Claimant asserts a claim based on Claimant's ownership of shares in the Debtor. Thus, the Debtor seeks to reclassify this claim to an equity interest in the Debtor.	
	17111 Copper Shore Dr		(U)			
	Houston, TX 77095		\$ 21,500.00 (P)			
			(S)			
	\$ 21,500.00 (T)					
17	Nguyen, Minh Hoang Anh	142		Equity interest	Claimant asserts an administrative expense based on Claimant's ownership of shares in the Debtor. Thus, the Debtor seeks to reclassify this claim to an equity interest in the Debtor.	
	17111 Copper Shore Dr		(U)			
	Houston, TX 77095		(P)			
			(S)			
	\$ 21,150.00 (A)					
	\$ 21,150.00 (T)					
18	Patsis, Louiza	65	\$ 3,095.00 (U)	Equity interest	Claimant asserts a claim based on Claimant's ownership of shares in the Debtor. Thus, the Debtor seeks to reclassify this claim to an equity interest in the Debtor.	
	87-87 171 Street Apt 7K		(P)			
	Jamacia, NY 11432		(S)			
			(A)			
	\$ 3,095.00 (T)					
19	Pattis, James G.	134	\$ 16,223.83 (U)	Equity interest	Claimant asserts a claim based on "stock purchased" in the Debtor. Thus, the Debtor seeks to reclassify this claim to an equity interest in the Debtor.	
	120 Jordan Road		(P)			
	Rockaway, NJ 07866		(S)			
			(A)			
	\$ 16,223.83 (T)					
20	Raaymaker, Jeremy	133	\$ 219.44 (U)	Equity interest	Claimant asserts a claim based on "shares held" in the Debtor. Thus, the Debtor seeks to reclassify this claim to an equity interest in the Debtor.	
	2023 107 Ave SW		(P)			
	Calgary, AB T2W 0C4 Canada		(S)			
			(A)			
	\$ 219.44 (T)					

Claims to be Reclassified					
Asserted Amounts				Reclassified Amounts	
No.	Claimant	Claim Number	Original Amount / Classification	Proposed Amount / Classification	Basis for Objection
21	SIMON FAMILY VENTURES LP	51	\$ 7,870.00 (U)	Equity interest	Claimant asserts a claim based on Claimant's ownership of shares in the Debtor. Thus, the Debtor seeks to reclassify this claim to an equity interest in the Debtor.
	50 CLARK DRIVE		(P)		
	SAN MATEO, CA 94401		(S)		
			(A)		
	\$ 7,870.00 (T)				
22	Simon, Nicholas	52	\$ 18,364.00 (U)	Equity interest	Claimant asserts a claim based on Claimant's ownership of shares in the Debtor. Thus, the Debtor seeks to reclassify this claim to an equity interest in the Debtor.
	50 CLARK DRIVE		(P)		
	SAN MATEO, CA 94401		(S)		
			(A)		
	\$ 18,364.00 (T)				
23	Su, Zhi Xing	137	\$ 98,085.21 (U)	Equity interest	Claimant asserts a claim based on Claimant's ownership of shares in the Debtor. Thus, the Debtor seeks to reclassify this claim to an equity interest in the Debtor.
	157 Pineway Boulevard		(P)		
	Toronto, ON		(S)		
	M2H 1A9 Canada		(A)		
	\$ 98,085.21 (T)				
24	Valluru, Anvita	103	\$ 13,944.82 (U)	Equity interest	Claimant asserts a claim based on Claimant's ownership of shares in the Debtor. Thus, the Debtor seeks to reclassify this claim to an equity interest in the Debtor.
	7850 Kelly Canyon Pl		(P)		
	Dublin, CA 94568-1395		(S)		
			(A)		
	\$ 13,944.82 (T)				

(U) - Unsecured, (P) - Priority, (S) - Secured, (A) - Administrative, (T) - Total

Exhibit B

Declaration

**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)

**DECLARATION OF STEVEN FLEMING IN SUPPORT
OF DEBTOR'S FIRST OMNIBUS OBJECTION (SUBSTANTIVE) TO
CERTAIN CLAIMS (RECLASSIFICATION CLAIMS)**

I, Steven Fleming, hereby declare as follows:

1. I am a principal of PwC US Business Advisory LLP (“PwC”), an experienced, leading, full-service financial services, consulting, and accounting firm with over 79 offices and more than 50,000 employees in the United States, which serves as the Debtor’s financial advisor pursuant to an order entered on November 12, 2024 [Docket No. 157].

2. I am the leader of PwC’s US Business Recovery Services Practice, a position that I have held since 2016, after being a senior member in the group for seven years. Prior to these positions, I held a senior position in PwC’s Transaction Services practice in Dubai, UAE, where I was responsible for expanding the firm’s Corporate Finance and Valuation practices across the Middle East and North Africa. I have been employed by PwC (and its predecessor entities) since August 1998, and have held other senior positions, both domestically and abroad.

3. I received a Bachelor of Science in Finance from Lehigh University in 1998 and a Master of Business Administration from Columbia Business School in 2004. I am a Certified Insolvency and Restructuring Advisor (CIRA) and hold a Certification in Distressed Business Valuation (CDBV), both of which are designations issued by the Association of Insolvency and

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.

Restructuring Advisors. I am also a Certified Turnaround Professional (CTP), a designation issued by the Turnaround Management Association. During the course of my career, I have served as a chief restructuring officer and have testified in numerous chapter 11 cases on matters relating to financing, valuation, cash forecasting, liquidation analyses, and sale processes. I have been qualified as an expert witness with respect to valuation, cash forecasting, and section 363 sale processes.

4. I submit this declaration (the "Declaration") in support of the *Debtor's First Omnibus Objection (Substantive) to Certain Claims (Reclassification Claims)* (the "Objection")² and the claims objected to therein, (the "Claims"), filed contemporaneously herewith.

5. Except as otherwise indicated, the statements in this Declaration are based on: (a) my personal knowledge of the Debtor's operations, financing arrangements, and business affairs; (b) the books and records of the Debtor that reflect the amounts owed to its creditors as of the Petition Date, including the Claims Register, and the Schedules; (c) my review of the Objection; (d) information provided to me by, or discussions with, professionals retained by the Debtor; (e) information provided to me by, or discussions with, members of the Debtor's management team, the Debtor's other employees, or the Debtor's other advisors; and (f) my general experience and knowledge. As to matters regarding state and federal law, including bankruptcy law, I have relied on the advice of counsel.

6. I am authorized to submit this Declaration in support of the Objection. If called upon to testify, I can and would testify competently as to the facts set forth herein.

The Claims Objection

7. In the ordinary course of business, the Debtor maintains books and records that reflect, among other things, the nature and amount of the liabilities owed to its creditors. I, along

² A capitalized terms used but not otherwise defined herein shall have the meaning ascribed to it in the Objection.

with my team of professionals, have been reviewing, comparing, and reconciling the claims filed against the Debtor (including any supporting documentation) with the Schedules and its books and records. This reconciliation process includes identifying categories of claims that may be subject to objection. Time and resources have been expended in the Debtor's ongoing efforts reviewing and reconciling the proofs of claim filed against the Debtor in this Chapter 11 Case.

8. In evaluating the Claims, I, or professionals acting at my direction, have reviewed the Debtor's Schedules and applicable books and records, including the Claims Register and the Claims (as well any supporting documentation), and discussed the results of our analysis with counsel and members of the Gritstone finance and accounting departments. Based on the review process and advice from counsel, members of the Debtor's finance and accounting team have determined that (i) the Reclassified Claims listed on **Schedule 1** to the Proposed Order should be reclassified because such Claims were improperly filed (in whole or in part) as secured, priority, and/or administrative claims and should be reclassified as general unsecured claims, and (ii) the Reclassified Interests listed on **Schedule 2** to the Proposed Order because such Claims were improperly file as claims against the Debtor and should be reclassified as Equity Interests in the Debtor.

9. Failure to reclassify the Reclassification Claims could result in the applicable claimants receiving unwarranted recoveries to the detriment of the Debtor's estate.

10. Moreover, reclassification of these claims will enable the Claims Agent to maintain a claims register that more accurately reflects the claims that exist against the Debtor. As such, I believe that reclassification of the Reclassification Claims is appropriate.

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

Dated: February 28, 2025

/s/ Steven Fleming

Steven Fleming, Principal
PwC US Business Advisory LLP