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Attorneys for Debtors

**IN THE UNITED STATES BANKRUPTCY COURT
 DISTRICT OF UTAH, CENTRAL DIVISION**

In re PolarityTE, Inc., a Delaware corporation <p style="text-align: center;">Debtor.</p>	Case No. 23-22358-KRA Case No. 23-22360-KRA
In re PolarityTE, MD Inc., a Nevada corporation <p style="text-align: center;">Debtor</p>	Case No. 23-22361-KRA Chapter 11
In re PolarityTE, Inc., a Nevada corporation <p style="text-align: center;">Debtor</p>	Judge Kevin R. Anderson <p style="text-align: center;">THIS DOCUMENT RELATES TO ALL DEBTORS</p>



**DEBTORS' MOTION FOR AN ORDER (I) APPROVING PROPOSED
DISCLOSURE STATEMENT AND FINDING THE FORM AND
MANNER OF THE NOTICE OF THE DISCLOSURE STATEMENT
HEARING ADEQUATE, (II) SCHEDULING A CONFIRMATION
HEARING, AND (III) ESTABLISHING NOTICE AND OBJECTION
PROCEDURES FOR CONFIRMATION OF DEBTORS' AMENDED
PLAN OF LIQUIDATION**

PolarityTE, Inc., a Delaware corporation (“**PTE**”), PolarityTE, MD Inc., a Nevada corporation (“**PTE MD**”), and PolarityTE, Inc., a Nevada corporation (“**PTE NV**” and together with PTE and PTE MD, the “**Debtors**” and each individually, a “**Debtor**”), in the above-captioned chapter 11 case (the “**Case**”), through counsel, hereby moves this Court (the “**Motion**”) for entry of an order (the “**Disclosure Statement Order**”), substantially in the form attached hereto as Exhibit A, under sections 105, 1125, 1126, and 1128 of title 11 of the United States Code (the “**Bankruptcy Code**”), Rules 2002, 3017, 3018, 3020 and 9006 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”) (a) finding the form and manner of notice of the disclosure statement hearing (the “**Disclosure Statement Hearing**”) on the Disclosure Statement (as defined below) on October 1, 2024, at 10:30 a.m. (MT) to be adequate, (b) approving the adequacy of information contained in the Disclosure Statement, (c) scheduling a hearing (the “**Confirmation Hearing**”) on confirmation of the Plan (as defined below);¹ (d) establishing deadlines and procedures for filing objections to confirmation of the Plan; and (e) granting related relief.

In support of this motion, Debtors respectfully represents as follows:

¹ Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Plan.

I. JURISDICTION AND VENUE

1. The Court has jurisdiction to hear this Motion and to consider the adequacy of the Disclosure Statement pursuant to 28 U.S.C. §§ 1334 and 157.

2. The Motion represents a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

3. Venue of the Case and this Motion is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

4. The basis for the relief sought in this Motion are 11 U.S.C. §§ 105, 502, 1125, 1126, and 1128 and Federal Rules of Bankruptcy Procedure 2002, 3003, 3017, 3018, 3020, and 9006.

II. BACKGROUND

A. General Background

5. The Debtors filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”) on June 06, 2023 (the “**Petition Date**”).

6. After the Petition Date, the Debtors sought and obtained approval from the Bankruptcy Court to run a sale process for the sale of substantially all their assets. On July 31, 2023, the Court approved the sale of substantially all the Debtors’ operating assets to Grander Acquisition LLC (“**Grander**” and the “**Grander Sale**”) (ECF 107) for the price of \$6,500,000.

7. Notwithstanding the Grander Sale, the Debtors continue to operate and manage its property as a debtor-in-possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

8. No examiner or trustee has been appointed in this Case.

B. The Disclosure Statement and Plan

9. On August 15, 2024, the Debtors filed the Disclosure Statement for the Debtors’ Amended Chapter 11 Plan of Liquidation (as the same may be amended, modified or supplemented

from time to time, the “**Disclosure Statement**”) and the Debtors’ Amended Chapter 11 Plan of Liquidation dated August 15, 2024 (as the same may be amended, modified or supplemented from time to time, the “**Plan**”). Additionally, on the date hereof, the Debtors filed and served the Notice of Hearing and Objection Date on Approval of the Disclosure Statement for the Debtors’ Chapter 11 Plan of Liquidation (the “**Disclosure Statement Hearing Notice**”). The Disclosure Statement Hearing Notice was served more than 28 days prior to the objection deadline, which was more than four (4) days before the scheduled October 1, 2024, Disclosure Statement Hearing as required by Bankruptcy Rule 2002(b) and Local Rule 9006-1(b)(1).

10. In general,² the Debtors’ proposed Plan provides for the establishment of an efficient mechanism for promptly and efficiently (a) completing the liquidation of the remaining assets of the Debtors’ Estate in an orderly fashion, (b) evaluating claims against the Estate and pursuing objections to claims where appropriate, and (c) distributing the net funds of the Estate to creditors holding allowed claims. As there are no impaired creditors, Debtors maintain that their Plan must be approved.

11. The Disclosure Statement in support of the Plan, including the Appendixes thereto, contains the following nonexclusive information:

- a. a brief history of the Debtors’ business operations and events leading up to the filing of the petition for relief under chapter 11 (Section 2.1);
- b. a summary of the Plan (Section 2);
- c. a liquidation analysis (Sections 4.4 and 4.5; see also Exhibit B attached to the Disclosure Statement);

² To the extent of any inconsistencies between this summary and the terms of the Plan, the Plan controls.

- d. lists of the Debtors' assets, liabilities, and prepetition (and potentially recoverable) transfers (Sections 2 and 5);
- e. Debtors' plan execution and implementation of liquidating plan (Section 2.5);
- f. a description of risk factors associated with confirmation or non-confirmation of the Plan (Section 4.6);
- g. a description of alternatives to the Plan (Section 4.3);
- h. a description of tax consequences for the Debtors and holders of claims and interests (Section 4.7);

III. RELIEF REQUESTED AND SUPPORTING AUTHORITY

A. Approval of Form and Manner of Notice of Disclosure Statement Hearing

Bankruptcy Rule 3017(a) provides that prior to a proposed disclosure statement being approved, the proponent shall serve the disclosure statement on the U.S. Trustee, any statutorily appointed committee, the Securities and Exchange Commission (“SEC”), and those parties in interest that have made a written request for such service. *See* Bankruptcy Rule 3017(a). In accordance with Bankruptcy Rule 3017(a), Debtors have served copies of the Notice of the Disclosure Statement Hearing, this Motion, the Disclosure Statement, and the Plan on (i) the U.S. Trustee; (ii) all parties that have appeared in this Chapter 11 Case and requested notice; (iii) all ECF Notice Parties; (iv) all parties entitled to notice under Bankruptcy Rule 2002, including all parties on the Debtors' creditor matrix; (v) the Debtors' equity interest holders; (vi) the SEC; and (viii) the Internal Revenue Service; (collectively, the “**Notice Parties**”).

2. Accordingly, the Debtors submit that they have provided adequate notice of the Disclosure Statement Hearing to all classes, as applicable, and, therefore, requests that the Court approve such notice as appropriate and in compliance with the requirements of the Bankruptcy Code, Bankruptcy Rules, and the Local Rules.

B. Approval of the Disclosure Statement

Pursuant to section 1125 of the Bankruptcy Code, a plan proponent must provide holders of impaired claims with “adequate information” regarding a proposed chapter 11 plan. Section 1125(a)(1) of the Bankruptcy Code provides, in pertinent part, as follows:

[A]dequate information” means information of a kind, and in sufficient detail, as far as is reasonably practicable in light of the nature and history of the debtor and the condition of the debtor’s books and records . . . that would enable such a hypothetical reasonable investor typical of holders of claims or interests of the relevant class to make an informed judgment about the plan.

3. 11 U.S.C. § 1125(a)(1). A disclosure statement must, as a whole, provide information that is “reasonably practicable” to permit an “informed judgment” by impaired creditors entitled to vote on the plan of reorganization. *See In re Dakota Rail, Inc.*, 104 B.R. 138, 142 (Bankr. D. Minn. 1989); *In re Copy Crafters Quickprint, Inc.*, 92 B.R. 973, 979 (Bankr. N.D.N.Y. 1988) (adequacy of disclosure statement “is to be determined on a case specific basis under a flexible standard that can promote the policy of Chapter 11 towards fair settlement through a negotiation process between informed interested parties.”).

In examining the adequacy of the information contained in a disclosure statement, the Court has broad discretion. *See Texas Extrusion Corp. v. Lockheed Corp. (In re Texas Extrusion Corp.)*, 844 F.2d 1142, 1157 (5th Cir. 1988), cert. denied, 488 U.S. 926 (1988); *see also Dakota*

Rail, 104 B.R. at 143 (court has “wide discretion to determine . . . whether a disclosure statement contains adequate information without burdensome, unnecessary and cumbersome detail.”).

This grant of discretion to the Court is intended to facilitate flexibility and to maximize a debtor’s opportunity to seek confirmation in a chapter 11 case. *See* H.R. Rep. No. 595, 95th Cong. 1st Sess. 40809 (1977). “In reorganization cases, there is frequently great uncertainty. Therefore, the need for flexibility is greatest.” *Id.* at 409. Accordingly, the determination of whether a disclosure statement contains adequate information is to be made on a case-by-case basis, focusing on the unique facts and circumstances of each case.

Courts generally examine whether the disclosure statement contains, if applicable, the following types of information:

- (a) the circumstances that gave rise to the filing of the bankruptcy petition;
- (b) a complete description of the available assets and their value;
- (c) the anticipated future of the debtor;
- (d) the source of the information provided in the disclosure statement;
- (e) a disclaimer, which typically indicates that no statements or information concerning the debtor or its assets or securities are authorized, other than those set forth in the disclosure statement;
- (f) the condition and performance of the debtor while in chapter 11;
- (g) information regarding claims against the estate;
- (h) a liquidation analysis setting forth the estimated return creditors would receive under chapter 7;
- (i) the accounting and valuation methods used to produce financial information in the disclosure statement;
- (j) information regarding the future management of the debtor including the amount of compensation to be paid to any insiders, directors and/or officers of the debtor;

- (k) a summary of the plan of reorganization;
- (l) an estimate of all administrative expenses, including attorneys' fees and accountants' fees;
- (m) the collectability of any accounts receivable;
- (n) any financial information, valuations or pro forma objections that would be relevant to creditors' determinations of whether to accept or reject the plan;
- (o) information relevant to the risks being taken by the creditors and interest holders;
- (p) the actual or projected value that can be obtained from avoidable transfers;
- (q) the existence, likelihood and possible success of non-bankruptcy litigation;
- (r) the tax consequences of the plan; and
- (s) the relationship of the debtor with its affiliates.

See, e.g., In re Scioto Valley Mortgage Co., 88 B.R. 168, 170-71 (Bankr. S.D. Ohio 1988).

The Debtors respectfully submit that the proposed Disclosure Statement contains more than ample information to satisfy the categories set forth above, and, accordingly, should be approved by the Court. Specifically, the Disclosure Statement contains detailed descriptions, summaries, data, and appendixes containing the following:

- (a) brief history of the Debtors' business operations and events leading up to the filing of the petition for relief under chapter 11 (Section 2.1);
- (b) a summary of the Plan (Section 2);
- (c) a liquidation analysis (Section 4.4 and 4.5, see also Exhibit B to the Disclosure Statement);
- (d) lists of the Debtors' assets, liabilities, and prepetition (and potentially recoverable) transfers (Sections 2 and 5);
- (e) Debtors' plan execution and implementation of liquidating plan (Section 2.5);

(f) a description of risk factors associated with confirmation or non-confirmation of the Plan (Section 4.6);

(g) a description of alternatives to the Plan (Section 4.3);

(h) a description of tax consequences for the Debtors and holders of claims and interests (Section 4.7);

The Debtors respectfully submit that the Disclosure Statement contains “adequate information” as that phrase is defined in section 1125 of the Bankruptcy Code. Accordingly, the Debtors request that the Disclosure Statement be approved.

The Debtors also request that the Court authorize it to make nonmaterial changes to the Disclosure Statement and related documents after Court approval but before distributing the Notice Packages (as defined herein). If so permitted, the Debtors will file redlined copies with the Court of any modified pages marked to reflect the changes from the approved version.

C. Scheduling a Confirmation Hearing Date

4. Section 1128(a) of the Bankruptcy Code provides that “[a]fter notice, the court shall hold a hearing on confirmation of a plan.” Bankruptcy Rule 3017(c) provides that “[o]n or before approval of the disclosure statement, the court . . . may fix a date for the hearing on confirmation.” Bankruptcy Rule 2002(b) requires at least twenty-eight (28) days’ notice by mail to all creditors and indenture trustees, of the time fixed for filing objections to and the hearing to consider confirmation of a chapter 11 plan.

The Debtors request that the Court set a date for the Confirmation Hearing in accordance with the provisions of section 1128(a) of the Bankruptcy Code and Bankruptcy Rules 2002 and 3017 (the “**Confirmation Hearing Date**”) at least 31 days after entry of the Order granting this Motion, as the date and time for the Confirmation Hearing. The Debtors also request that the Court

order that the Confirmation Hearing may be adjourned from time to time by announcing such continuance at the Confirmation Hearing or any adjournment thereof, without further notice to parties in interest.

D. Confirmation Objection Deadline and Related Procedures

Bankruptcy Rule 3017(a) provides that “the court shall hold a hearing on at least 28 days’ notice to the debtor, creditors, equity security holders and other parties in interest . . . to consider . . . any objections or modifications” to the Disclosure Statement. Similarly, Bankruptcy Rule 2002(b) provides that notice shall be given to “the debtor, the trustee, all creditors not less than 28 days . . . by mail of the time fixed (1) for filing objections and the hearing to consider approval of a disclosure statement . . . and (2) for filing objections and the hearing to consider confirmation of a [chapter 11] plan.” Under Bankruptcy Rule 3020(b)(1), objections to confirmation of a plan must be filed and served “within a time fixed by the court.” Local Rule 9006-1(b) requires that objections, if any, must be filed no later than four (4) days prior to the hearing. The Debtors have provided sufficient notice compliant with all of these deadlines. This Motion was filed on August 21, 2024, incorporating the previously filed Disclosure Statement and Plan, and the Debtors served the Motion on all parties in interest, including the Notice Parties, on August 21, 2024. (*See* Certificate of Service.) The objection deadline to this Motion was set as September 20, 2024, which is 30 days after service of the Motion and more than four (4) days prior to the scheduled October 1, 2024 Disclosure Statement Hearing.

For convenience, the Debtors’ proposed confirmation calendar is as follows:

Deadline or Event	Date
Motion to Approve Disclosure Statement filed	August 21, 2024

Notice of Disclosure Statement Hearing Served	August 21, 2024
Disclosure Statement Objection Deadline	September 20, 2024
Disclosure Statement Hearing	October 1, 2024, at 10:30 a.m. (MT)
Notice Packages Mailed	October 10, 2024
Deadline to File Confirmation Motion	October 10, 2024
Notice of Confirmation Hearing Notice Served	October 10, 2024
Confirmation Objection Deadline	November 12, 2024, at 5:00 p.m. (MT)
Reply Deadline	November 14, 2024, at 5:00 p.m. (MT)
Confirmation Hearing	November 19, 2024, at 10:30 a.m. (MT)

The Debtors request that the Court set (a) the deadline to object to confirmation (the “**Confirmation Objection Deadline**”) as 5:00 p.m. (Mountain Time) on November 12, 2024, and (b) the deadline for the Debtors and other parties in interest to reply to confirmation objections at 5:00 p.m. (MT) on November 14, 2024 (the “**Reply Deadline**”). The Debtors’ proposed schedule would provide entities at least 28 days’ notice of the Confirmation Objection Deadline to file objections to the Plan as required by Bankruptcy Rule 2002(b)(2), and the Confirmation Objection Deadline is more than four (4) days before the proposed November 19, 2024 Confirmation Hearing as required by Local Rule 9006-1(b).

The Debtors request that the Court require that objections to confirmation of the Plan, must, in accordance with Local Rules 9006-1(b) and 9013-1(e), (a) be in writing; (b) comply with the Bankruptcy Rules and the Local Rules; (c) state the name and address of the objecting party and the amount and nature of the claim and/or interest beneficially owned by such entity; (d) state with particularity the legal and factual basis for such objections, and, if practicable, a proposed modification to the Plan; and (e) be filed with the Court with proof of service thereof and served

upon (i) counsel for the Debtors, Parsons Behle & Latimer, 201 South Main Street, Suite 1800, Salt Lake City, Utah 84111 (Attention: Darren Neilson); (ii) the U.S. Trustee, United States Department of Justice, Office of the United States Trustee, 405 South Main Street, Suite 300, Salt Lake City, Utah 84111 (Attention: Melinda Wilden); in each case so as to be actually received by the Confirmation Objection Deadline.

The Debtors believe that the proposed timing and procedures for filing and service of objections comply with the applicable Bankruptcy Rules and Local Rules and will afford the Court, the Debtors, the Committee, and all other parties in interest sufficient time to consider the relevant objections prior to the Confirmation Hearing.

i. Notice of Plan, Disclosure Schedule, and Related Deadlines

As set forth in the Plan, no class or claimants are entitled to vote as there are no impaired classes. As such there is no voting procedure as each class has conclusively presumed to have accepted the plan in accordance Section 1125(f). Therefore, the Debtors are omitting any solicitation package or other information required for voting under the Plan.

Notice of Plan, Disclosure Statement and Objection Deadlines. Bankruptcy Rule 3017(d) sets forth the materials that must be provided to holders of claims and interests for the purpose of providing adequate notice of the hearing on confirmation of a plan of reorganization:

Upon approval of a disclosure statement, except to the extent that the court orders otherwise with respect to one or more unimpaired classes of creditors or equity security holders—the debtor in possession, trustee, proponent of the plan, or clerk as the court orders shall mail to all creditors and equity security holders, and in a chapter 11 reorganization case shall transmit to the United States trustee,

- (1) the plan or a court-approved summary of the plan;
- (2) the disclosure statement approved by the court;

(3) notice of the time within which acceptances and rejections of the plan may be filed; and

(4) any other information as the court may direct, including any court opinion approving the disclosure statement or a court-approved summary of the opinion.

11 U.S.C. § 3017(d).

In addition, notice of the time fixed for filing objections and the hearing on confirmation shall be mailed to all creditors and equity security holders in accordance with Bankruptcy Rule 2002(b) shall be mailed to creditors and equity security holders *entitled* to vote on the Plan. The Court may order that the disclosure statement and the Plan be mailed to any unimpaired class. *Id.*

After the Debtor obtains Court approval of the Disclosure Statement as containing adequate information under Bankruptcy Code section 1125, the Debtors propose to mail or cause to be mailed notice packages (the “**Notice Packages**”) containing information described below and as ordered by the Court, by no later than the date that is three (3) business days following entry of the order approving the Disclosure Statement (expected to be October 01, 2024) or such other date set by the Court (the “**Notice Date**”) to the Notice Parties (as defined below).

In accordance with Rule 3017(d), the Notice Packages shall contain a copy of –

- i. The Disclosure Statement Order (without attachments);
- ii. The Confirmation Hearing Notice (as defined below);
- iii. The Disclosure Statement with the relevant exhibits, including the Plan; and
- iv. Notice of Non-Voting Status.

The Debtors anticipate that the United States Postal Service may return some Disclosure Statement Notices as undeliverable. The Debtors submit that it is costly and wasteful to mail Notice Packages to the same addresses from which mail was previously returned as undeliverable.

Therefore, the Debtors request the Court waive the strict notice rule and excuse the Debtors from mailing Notice Packages to addresses from which the Debtors previously received mailings returned as undeliverable unless the Debtors are provided with a new mailing address before the Notice Date.

The Confirmation Hearing Notice. On or before the October 10, 2024, the Debtors propose to mail or cause to be mailed by United States Postal Service, First-Class Mail™ to, (i) all of its known creditors, (ii) the Notice Parties, and (iii) all other entities required to be served under Bankruptcy Rules 2002 and 3017, a notice of the Confirmation Hearing and other deadlines and procedures substantially in the form attached to the Disclosure Statement Order as Exhibit A-1 (the “**Confirmation Hearing Notice**”), which form the Debtors hereby request the Court approve. The Debtors will serve the Confirmation Hearing Notice no later than October 10, 2024 which is 28 days before the Confirmation Objection Deadline as required by Bankruptcy Rule 2002(b), which is more than four (4) days prior to the proposed November 19, 2024 Confirmation Hearing.

Although the Debtors have made, and will make, every effort to ensure that the Notice Packages described herein are in final form, the Debtors nonetheless request authority to make non-substantive changes to the Disclosure Statement, the Plan, and related documents without further order of the Court, including ministerial changes to correct typographical and grammatical errors, and to make conforming changes among the Disclosure Statement, the Plan, and any other materials in the Notice Packages prior to mailing thereof.

The Debtors submit that it has shown good cause for implementing the proposed Notice of Plan, Disclosure Statement and Objection Deadlines.

ii. Approval of Form and Manner of Notice of Confirmation Hearing

Bankruptcy Rules 2002(b) and (d) require no less than 28-days' notice to all holders of claims of the time fixed for filing objections to the hearing on confirmation of a chapter 11 plan. To that end, the Debtors request approval of the Confirmation Hearing Notice substantially in the form attached as Exhibit A-1 to the Disclosure Statement Order filed herewith. In accordance with Bankruptcy Rules 2002 and 3017(d), the Confirmation Hearing Notice will, among other things: (a) give notice of the date and time of the Confirmation Hearing; and (b) disclose the date and time of the Confirmation Objection Deadline and procedures for objecting to the Plan.

As noted above, the Confirmation Hearing Notice will be served (a) by United States Postal Service First-Class Mail™ by the Notice Date upon (i) all of the known creditors of the Debtors, (ii) the Notice Parties and (iii) and all other entities required to be served under Bankruptcy Rules 2002(b) and 3017. The Debtors will file the Confirmation Motion and Notice of Confirmation Hearing no later than October 10, 2024.

IV. NOTICE

Notice of this Motion has been provided to the Notice Parties. The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

V. CONCLUSION

WHEREFORE, for the reasons set forth herein, the Debtors respectfully request that the Court enter the Order, substantially in the form attached hereto as Exhibit A, granting the relief requested herein and such other and further relief as the Court may deem just, proper, and equitable.

Dated this 21th day of August, 2024.

PARSONS BEHLE & LATIMER

/s/ Darren Neilson

DARREN NEILSON

Attorneys for Debtors

Exhibit A

PROPOSED ORDER

Order prepared and submitted by:

J. Thomas Beckett, USB #5587
Brian M. Rothschild, USB #15316
Darren Neilson, USB #15005

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**IN THE UNITED STATES BANKRUPTCY COURT
DISTRICT OF UTAH, CENTRAL DIVISION**

In re	
PolarityTE, Inc., a Delaware corporation	Case No. 23-22358-KRA
Debtor.	Case No. 23-22360-KRA
In re	Case No. 23-22361-KRA
PolarityTE, MD Inc., a Nevada corporation	Chapter 11
Debtor	Judge Kevin R. Anderson
In re	THIS DOCUMENT RELATES TO ALL DEBTORS
PolarityTE, Inc., a Nevada corporation	
Debtor	

**ORDER (I) APPROVING PROPOSED DISCLOSURE STATEMENT
AND FINDING THE FORM AND MANNER OF THE NOTICE OF THE
DISCLOSURE STATEMENT HEARING ADEQUATE,
(II) SCHEDULING A CONFIRMATION HEARING, AND
(III) ESTABLISHING NOTICE AND OBJECTION PROCEDURES FOR
CONFIRMATION OF DEBTORS' AMENDED PLAN OF
LIQUIDATION**

The Court, upon the motion (the “**Motion**”) of Debtors PolarityTE, Inc., a Delaware corporation (“**PTE**”), PolarityTE, MD Inc., a Nevada corporation (“**PTE MD**”), and PolarityTE, Inc., a Nevada corporation (“**PTE NV**” and together with PTE and PTE MD, the “**Debtor**”), in the above-captioned chapter 11 case for entry of an order (this “**Order**”) (a) finding the form and manner of notice of the disclosure statement hearing (the “**Disclosure Statement Hearing**”) on October 1, 2024, at 10:30 a.m. (MT) on the Disclosure Statement (as defined below) to be adequate, (b) approving the adequacy of information contained in the Disclosure Statement, (c) scheduling a hearing (the “**Confirmation Hearing**”) on confirmation of the Plan (as defined below);³ (d) establishing deadlines and procedures for filing objections to confirmation of the Plan; and (e) granting related relief, all as more fully described in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334; and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and venue being proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice pursuant to Bankruptcy Rule 2002(b) and of the objection deadline under Local Rule 9006-1(b) of the Disclosure Statement Hearing having

³ Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Plan.

been given; and due and proper notice of the Motion being adequate and appropriate under the particular circumstances; and the Court having held the Disclosure Statement Hearing to consider the relief requested in the Motion and approval of the Disclosure Statement; and upon the record of the Hearing and all proceedings before the Court; and the Court having found and determined that the relief sought in the Motion is in the best interests of the Debtors' estate, its creditors, Equity Interest holders, and other parties in interest, and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and any objections to the requested relief having been withdrawn or overruled on the merits; and after due deliberation and sufficient cause appearing therefor, it is hereby ORDERED as follows:

1. The Motion is granted as set forth herein.
2. Except as otherwise stated herein, all objections not otherwise withdrawn or resolved herein are overruled.
3. The default of all parties who failed to file objections to the Motion or attend the Disclosure Statement Hearing are hereby entered.
4. The form and manner of the Notice of the Motion and the Disclosure Statement Hearing is approved as having been adequate and in compliance with Bankruptcy Rule 2002, the Local Rules, and the Bankruptcy Code.
5. The Disclosure Statement is approved as containing adequate information within the meaning of section 1125 of the Bankruptcy Code.
6. The Confirmation Hearing, at which time the Court will consider, among other things, the confirmation of the Plan, shall commence at November 19, 2024, at 10:30 a.m. (MT), which date may be continued from time to time without further notice other than adjournments announced at the Confirmation Hearing or any adjournment thereof or the filing on the docket of the chapter 11 case of a notice or a hearing agenda providing for the adjournment.

7. Any objections to confirmation of the Plan must be filed, together with proof of service, with the Court and served to be actually received by November 12, 2024, at 5:00 p.m. (MT) (the “**Confirmation Objection Deadline**”). The Reply Deadline is set for November 14, 2024, at 5:00 p.m. (MT).

8. Any objections to the confirmation of the Plan, must—
- a. be in writing;
 - b. comply with the Bankruptcy Code, the Bankruptcy Rules and the Local Rules;
 - c. state the name and address of the objecting party and the amount and nature of the Claim or Interest beneficially owned by such entity;
 - d. state with particularity the legal and factual basis for such objections, and, if practicable, a proposed modification to the Plan, and with respect to objections to the proposed Cure Amounts, the requested Cure Amount; and
 - e. be filed with the Court with proof of service thereof and served upon the Notice Parties so as to be actually received by the Confirmation Objection Deadline

9. Any objections to confirmation of the Plan that are not timely filed and served in the manner set forth in this Order may not be considered and may be overruled.

10. The schedule of events set forth below relating to confirmation of the Plan is hereby approved in its entirety, and the Court hereby finds the following schedule of events is consistent with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules:

Deadline or Event	Date
Motion to Approve Disclosure Statement filed	August 21, 2024
Notice of Disclosure Statement Hearing Served	August 21, 2024

Disclosure Statement Objection Deadline	September 20, 2024
Disclosure Statement Hearing	October 1, 2024, at 10:30 a.m. (MT)
Notice Packages Mailed	October 10, 2024
Deadline to File Confirmation Motion	October 10, 2024
Notice of Confirmation Hearing Notice Served	October 10, 2024
Confirmation Objection Deadline	November 12, 2024, at 5:00 p.m. (MT)
Reply Deadline	November 14, 2024, at 5:00 p.m. (MT)
Confirmation Hearing	November 19, 2024, at 10:30 a.m. (MT)
Motion to Approve Disclosure Statement filed	August 21, 2024

11. The Confirmation Hearing Notice, substantially in the form attached hereto as Exhibit A-1, complies with the requirements of the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules and is hereby approved as good and adequate notice is deemed to be sufficient and appropriate under the circumstances.

12. The Debtor will serve the Confirmation Hearing Notice on (i) the U.S. Trustee; (ii) proposed counsel to the Committee, ; (iii) all parties that have appeared in this Chapter 11 Case and requested notice; (iv) all ECF Notice Parties; (v) all parties entitled to notice under Bankruptcy Rule 2002, including all parties on the Debtor’s creditor matrix;(vi) the SEC, and (vii) the Internal Revenue Service; (collectively, the “**Notice Parties**”) by October 10, 2024.

13. By no later than the October 10, 2024, the Debtor shall mail or cause to be mailed the Notice Packages containing (i) the Disclosure Statement Order (without attachments), (ii) the Confirmation Hearing Notice, (iii) the Disclosure Statement with the relevant exhibits, including the Plan; and (iv) the Notice of Non-Voting Status to the Notice Parties.

14. The Debtor is excused from mailing Notice Packages to addresses from which the Debtor received previous mailings returned as undeliverable unless the Debtor is provided with a new mailing address before October 10, 2024.

15. The Debtor is authorized to make non-substantive changes to the Disclosure Statement, the Plan, and related documents without further order of the Court, including ministerial changes to correct typographical and grammatical errors, and to make conforming changes among the Disclosure Statement, the Plan, and any other materials in the Notice Packages prior to mailing thereof.

16. Nothing contained in the Motion or this Order shall be deemed or construed as an admission as to the validity or priority of any Claim or lien against the Debtor or any other party or as a waiver of such parties' rights to dispute any such lien.

17. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

18. The Debtor is authorized to take all actions necessary to effectuate the relief granted pursuant to this Order.

19. Notwithstanding the possible applicability of Bankruptcy Rules 6004(h), 7062, 9014 or otherwise, this Order shall be immediately effective and enforceable upon its entry.

20. The granting of this Motion is without prejudice for the Debtor to seek additional or different relief related to the subject matter hereof.

21. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation of this Order.

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Exhibit A-1 to the Proposed Order

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Attorneys for Debtors

**IN THE UNITED STATES BANKRUPTCY COURT
DISTRICT OF UTAH, CENTRAL DIVISION**

<p>In re</p> <p>PolarityTE, Inc., a Delaware corporation</p> <p style="text-align: center;">Debtor.</p>	<p>Case No. 23-22358-KRA</p> <p>Case No. 23-22360-KRA</p>
<p>In re</p> <p>PolarityTE, MD Inc., a Nevada corporation</p> <p style="text-align: center;">Debtor</p>	<p>Case No. 23-22361-KRA</p> <p>Chapter 11</p>
<p>In re</p> <p>PolarityTE, Inc., a Nevada corporation</p> <p style="text-align: center;">Debtor</p>	<p>Judge Kevin R. Anderson</p> <p style="text-align: center;">THIS DOCUMENT RELATES TO ALL DEBTORS</p>

EXHIBIT A-1 TO PROPOSED DISCLSoure STATEMENT ORDER

Attached hereto as Exhibit A-1 to the Proposed Disclosure Statement Order titled **“NOTICE OF HEARING ON CONFIRMATION, AND OBJECTION DEADLINE FOR DEBTORS’ PLAN OF LIQUIDATION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE.”**

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<p>In re</p> <p>PolarityTE, Inc., a Nevada corporation</p> <p style="text-align: center;">Debtor</p>	<p>Judge Kevin R. Anderson</p> <p style="text-align: center;">THIS DOCUMENT RELATES TO ALL DEBTORS</p>

**NOTICE OF HEARING ON CONFIRMATION, AND OBJECTION
DEADLINE FOR DEBTORS' PLAN OF LIQUIDATION UNDER
CHAPTER 11 OF THE BANKRUPTCY CODE**

PLEASE TAKE NOTICE that PolarityTE, Inc., a Delaware corporation (“**PTE**”), PolarityTE, MD Inc., a Nevada corporation (“**PTE MD**”), and PolarityTE, Inc., a Nevada corporation (“**PTE NV**” and together with PTE and PTE MD, the “**Debtor**”), in the above-captioned chapter 11 case (the “**Case**”), has filed a Motion (the “**Confirmation Motion**”) under Sections 1122, 1125, and 1129 of the Bankruptcy Code to Approve and Confirm the Debtor’s Plan of Liquidation under Chapter 11 of the Bankruptcy Code Dated August 21, 2024 (the “**Plan**”). A copy of the Application and other pleadings in this chapter 11 case can be obtained through the Bankruptcy Court’s Public Access to Court’s Electronic Records (PACER) system, available at <http://www.utb.uscourts.gov> or by contacting undersigned counsel and requesting a copy, which will be delivered free of charge electronically or in paper format.

The hearing to consider the relief in the Application will be held in the Court via using the following telephonic information:

Link to Join: <https://www.zoomgov.com/join>
Meeting ID: 160 3007 6397 Passcode/Participant ID: 6001201
Or dial +1 669 254 5252

YOUR RIGHTS MAY BE AFFECTED. YOU SHOULD READ THESE PAPERS CAREFULLY AND DISCUSS THEM WITH YOUR ATTORNEY IF YOU HAVE ONE IN THIS CHAPTER 11 CASE. IF YOU DO NOT HAVE AN ATTORNEY, YOU MAY WISH TO CONSULT ONE.

Relief Requested. By the Confirmation Motion, the Debtor requests that the Bankruptcy Court enter an order confirming the Plan under section 1129 of the Bankruptcy Code. The effects

of confirmation are detailed in the Plan and in the accompanying Disclosure Statement⁴ but include, without limitation, plans for payments of Secured and Unsecured Claims, Administrative Expenses, and Priority Claims, discharge of the Debtor from obligations not assumed by the Plan, and the orderly liquidation of Debtor's assets and its dissolution.

If you do not want the Court to grant the relief requested in the Motion, then you or your attorney must—

(1) on or before November 12, 2024, file with the Court electronically or at the address below a written objection, explaining your position:

United States Bankruptcy Court
350 South Main Street, Room 301
Salt Lake City, UT 84101

If you mail your objection to the Court for filing you must mail it early enough so that the Court will receive it on or before November 12, 2024. You must also mail a copy to the undersigned counsel for the Debtor at the following address:

PARSONS BEHLE & LATIMER
Attn: Darren Neilson
201 S. Main St. Suite 1800
Salt Lake City, UT 84111

(2) attend the Hearing on November 19, 2024 at 10:30 a.m. (Prevailing Mountain Time) with all appearances to be made telephonically at the conference line indicated above or as further noticed on the docket of the Court. The Court may hold hearings using remote or telephonic means in accordance with its General Orders available on its website at

⁴ To the extent of any inconsistencies between this summary and the terms of the Plan, the Plan controls. Capitalized Terms herein have the meanings ascribed to those terms in the Plan

<https://www.utb.uscourts.gov>. There will be no further notice of the Hearing, and failure to attend the Hearing will be deemed a waiver of your objection.

If you or your attorney do not take these steps, the Court may decide that you do not oppose the relief sought in the Application and may enter an order granting the requested relief. In the absence of a timely filed objection, the undersigned counsel may and will ask the Court to enter an order approving the Application without holding the Hearing.

Dated this 21st day of August, 2024.

PARSONS BEHLE & LATIMER

/s/ Darren Neilson

Darren Neilson

Attorneys for the Debtors

Exhibit B-1 to the Proposed Order

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**IN THE UNITED STATES BANKRUPTCY COURT
DISTRICT OF UTAH, CENTRAL DIVISION**

<p>In re</p> <p>PolarityTE, Inc., a Delaware corporation</p> <p style="text-align: right;">Debtor.</p>	<p>Case No. 23-22358-KRA</p> <p>Case No. 23-22360-KRA</p>
<p>In re</p> <p>PolarityTE, MD Inc., a Nevada corporation</p> <p style="text-align: right;">Debtor</p>	<p>Case No. 23-22361-KRA</p> <p>Chapter 11</p>
<p>In re</p> <p>PolarityTE, Inc., a Nevada corporation</p> <p style="text-align: right;">Debtor</p>	<p>Judge Kevin R. Anderson</p> <p style="text-align: center;">THIS DOCUMENT RELATES TO ALL DEBTORS</p>

EXHIBIT B-1 TO PROPOSED DISCLSoure STATEMENT ORDER

Attached hereto as Exhibit B-1 to the Proposed Disclosure Statement Order titled
**“NOTICE OF NON-VOTING STATUS UNDER DEBTOR’S PLAN OF LIQUIDATION
UNDER CHAPTER 11 OF THE BANKRUPTCY CODE.”**

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**IN THE UNITED STATES BANKRUPTCY COURT
DISTRICT OF UTAH, CENTRAL DIVISION**

In re PolarityTE, Inc., a Delaware corporation Debtor.	Case No. 23-22358-KRA Case No. 23-22360-KRA
In re PolarityTE, MD Inc., a Nevada corporation Debtor	Case No. 23-22361-KRA Chapter 11
In re PolarityTE, Inc., a Nevada corporation Debtor	Judge Kevin R. Anderson THIS DOCUMENT RELATES TO ALL DEBTORS

**NOTICE OF NON-VOTING STATUS UNDER DEBTORS' PLAN OF
LIQUIDATION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

PLEASE TAKE NOTICE that PolarityTE, Inc., a Delaware corporation (“**PTE**”), PolarityTE, MD Inc., a Nevada corporation (“**PTE MD**”), and PolarityTE, Inc., a Nevada corporation (“**PTE NV**” and together with PTE and PTE MD, the “**Debtor**”), filed with the United States Bankruptcy Court (the “**Court**”) its Motion seeking entry of an order under section 1125 of the Bankruptcy Code (1) approving its Disclosure Statement (the “**Disclosure Statement**”) and (2) finding the form and manner of the notice of the disclosure statement hearing adequate, (3) scheduling a confirmation hearing, and (4) establishing notice and objection procedures for confirmation of the Debtor’s Plan of Liquidation (the “**Motion**”).

The Debtor is required to provide solicitation and voting procedures to the Debtor’s stakeholders who are entitled to vote to accept or reject Debtor’s Plan of Organization (the “**Plan**”). The Debtor is not required to provide solicitation and voting procedures to holders of claims or interests in classes under the Plan that are conclusively presumed to either accept or reject the Plan (collectively, the “**Non-Voting Classes**”). Under the Plan, all classes are deemed The Non-Voting Classes, and their proposed treatments under the Plan are set forth immediately below:

Class	Category	Impairment/Entitlement to Vote	• Treatment
1	Priority Claims	Unimpaired Not Entitled to Vote	<ul style="list-style-type: none"> • Pay in full • In cash in full on the Effective Date.
2	Secured Claim of Dorsey & Whitney LLP	Unimpaired Not Entitled to Vote	<ul style="list-style-type: none"> • Pay in full • In full satisfaction of their Claims, holders of Allowed Class 2 Claims shall be given their Pro Rata share of distributions as beneficiaries of the Liquidating Trust until they have received payment in full plus interest at the Federal

			Judgment Rate from the Petition Date through the date of payment.
3	General Unsecured Claims	Unimpaired Not Entitled to Vote	<ul style="list-style-type: none"> • Pay in full • In full satisfaction of their Claims, holders of Allowed Class 3 Claims shall be given their Pro Rata share of distributions as beneficiaries of the Liquidating Trust until they have received payment in full plus interest at the Federal Judgment Rate from the Petition Date through the date of payment.
4	Equity Interests and Rescission Claims	Impaired Not Entitled to Vote	<ul style="list-style-type: none"> • On the Effective Date, all Equity Interests shall be cancelled. • Class 4 is impaired under the Plan. On the terms and conditions set forth in the Liquidating Trust (including the establishment of a reserve), holders of Equity Interests in the Debtors shall receive their Pro Rata share of remaining Cash after Class 3 (General Unsecured Claims) have received their distributions and all Equity Interests in the Debtors shall be cancelled. Claims arising from the purchase or rescission of Equity Interests subordinated under Bankruptcy Code Section 510(b) shall be determined by the Bankruptcy Court in shares equivalent to Equity Interests. On the terms and conditions set forth in the Liquidating Trust (including the establishment of a reserve), in full satisfaction of their Rescission Claims, holders of Equity Interests shall be entitled

			to their Pro Rata share of remaining Cash after Class 3 (General Unsecured Claims) have received their distributions Pro Rata with Equity Interests in the Debtors.
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YOU HAVE BEEN IDENTIFIED AS THE HOLDER OF A CLAIM OR INTEREST IN A NON-VOTING CLASS UNDER THE PLAN AND THEREFORE ARE NOT ENTITLED TO VOTE TO ACCEPT OR REJECT THE PLAN ON ACCOUNT OF SUCH CLAIM OR INTEREST. Accordingly, you are receiving this Notice, and copies of the Disclosure Statement and Plan.

The Confirmation Hearing will be held before the Honorable Chief Judge Kevin R. Anderson on the Motion on November 19, 2024, at 10:30 a.m. (MT) at United States Bankruptcy Court, 350 South Main Street, Salt Lake City, UT 84101. The hearing will be held in the Court via using the following telephonic information:

Link to Join: <https://www.zoomgov.com/join>
Meeting ID: 160 3007 6397 Passcode/Participant ID: 6001201
Or dial +1 669 254 5252

The Confirmation hearing may be continued from time to time without further notice other than the announcement of the adjourned date at the Confirmation Hearing or any continued hearing.

Objection, if any, to the confirmation of the Plan must: (a) be in writing; (b) state the name and address of the objecting party and the nature of the claim or interest of such party; (c) state with particularity the basis and nature of any objection, and (d) be filed with the Bankruptcy court at the address set forth in the preceding paragraph and served on Debtor's counsel no later than November 12, 2024, at 5:00 p.m. (MT).

If you or your attorney do not take these steps, the Court may enter an order granting the requested relief. In the absence of a timely filed objection, the undersigned counsel may and will ask the Court to enter an order approving the Plan and Disclosure Statement.

Dated this 21st day of August 2024.

Parsons Behle & Latimer

/s/ Darren Neilson

Darren Neilson

Attorneys for Debtors