

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

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In re: : Chapter 11
  
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VALERITAS HOLDINGS, INC., *et al.*,<sup>1</sup> : Case No. 20-10290 (LSS)
  
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Debtors. : (Jointly Administered)
  
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: Re: D.I. 12
  
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**ORDER (I) GRANTING ADMINISTRATIVE EXPENSE PRIORITY TO ALL UNDISPUTED OBLIGATIONS FOR GOODS ORDERED PREPETITION AND DELIVERED POSTPETITION; (II) AUTHORIZING THE DEBTORS TO SATISFY SUCH OBLIGATIONS IN THE ORDINARY COURSE OF BUSINESS; AND (III) GRANTING RELATED RELIEF**

Upon the *Motion of the Debtors for Entry of an Order (I) Granting Administrative Expense Priority to all Undisputed Obligations for Goods Ordered Prepetition and Delivered Postpetition; (II) Authorizing the Debtors to Satisfy Such Obligations in the Ordinary Course of Business; and (III) Granting Related Relief* (the "Motion"),<sup>2</sup> all, as further described in the Motion, filed by the above-captioned debtors (collectively, the "Debtors"), for entry an order (this "Order"); and upon consideration of the First Day Declaration and the record of these Chapter 11 Cases; and this Court having found that (i) this Court has jurisdiction over the Debtors, their estates, property of their estates and to consider the Motion and the relief requested therein under 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District Court for the District of Delaware*, dated February 29, 2012, (ii) this Court may enter a final order consistent with Article III of the United States

<sup>1</sup> The debtors in these chapter 11 cases, along with the last four digits of each debtor's federal tax identification number, are: Valeritas Holdings, Inc. (8907); Valeritas, Inc. (1056); Valeritas Security Corporation (9654); Valeritas US, LLC (0007). The corporate headquarters and the mailing address for the debtors is 750 Route 202 South, Suite 600, Bridgewater, New Jersey 08807.

<sup>2</sup> Capitalized terms used but not otherwise defined in this Order shall have the meaning ascribed to them in the Motion.



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Constitution, (iii) this is a core proceeding under 28 U.S.C § 157(b)(2)(A), (iv) venue of this Motion in this District is proper under 28 U.S.C. §§ 1408 and 1409, and (v) no further or other notice of the Motion is required under the circumstances; and this Court having reviewed the Motion and having heard the statements in support of the relief requested in the Motion at a hearing before this Court; and having determined that the legal and factual bases set forth in the Motion and the First Day Declaration establish just cause for the relief granted in this Order; and this Court having found and determined that the relief sought in the Motion is in the best interests of the Debtors' estates, their creditors and other parties in interest; and after due deliberation and sufficient cause appearing therefor,

**IT IS HEREBY ORDERED THAT:**

1. The Motion is GRANTED, as set forth in this Order.
2. Any goods or services provided to the Debtors postpetition related to any undisputed obligations with respect to the Outstanding Orders shall be entitled to administrative expense priority under section 503(b)(1)(A) of the Bankruptcy Code.
3. The Debtors are authorized, but not directed, to pay the Suppliers all undisputed amounts related to the Outstanding Orders in the ordinary course of business consistent with the parties' customary practices in effect prior to the Petition Date, in an amount not to exceed \$200,000 in the aggregate.
4. The Banks are directed to honor all related checks and electronic payment requests from the Debtors for payment of the Outstanding Orders.
5. The Debtors are authorized to issue postpetition checks, or to effect postpetition fund transfer requests, in replacement of any checks or fund transfer requests that are dishonored as a consequence of these Chapter 11 Cases with respect to prepetition amounts owed in connection with any Outstanding Order.

6. Nothing in the Motion or this Order, or the Debtors' payment of any claims pursuant to this Order, shall be deemed or construed as: (a) an admission as to the validity of any claim or lien against the Debtors or their estates; (b) a waiver of the Debtors' right to dispute any <sup>up to</sup> unpaid <sup>portion</sup> of such claim or lien; (c) an approval or assumption of any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (d) an admission of the priority status of any claim, whether under section 503(b)(9) of the Bankruptcy Code or otherwise; or (e) a modification of the Debtors' rights to seek relief under any section of the Bankruptcy Code on account of any amounts owed or paid to any Supplier.

7. The requirements of Bankruptcy Rule 6003(b) are satisfied.

8. The requirements of Bankruptcy Rule 6004(a) are waived.

9. Notwithstanding the possible applicability of Bankruptcy Rule 6004(h), the terms and provisions of this Order shall be immediately effective and enforceable upon its entry.

10. The Debtors are hereby authorized to take all actions they deem necessary to effectuate the relief granted in this Order.

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

Dated: Feb. 12, 2020  
Wilmington, Delaware

  
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THE HONORABLE LAURIE SELBER SILVERSTEIN  
UNITED STATES BANKRUPTCY JUDGE