

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

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In re: : Chapter 11
 :
 : Case No. 20-10290 (LSS)
 VALERITAS HOLDINGS, INC., *et al.*,¹ :
 :
 Debtors. : (Jointly Administered)
 :
 : **Re: D.I. 79**
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**ORDER (I) AUTHORIZING THE DEBTORS TO CONTINUE CERTAIN
CUSTOMER PROGRAMS AND TO HONOR CERTAIN OBLIGATIONS
IN CONNECTION WITH SAME, AND GRANTING RELATED RELIEF**

Upon the *Motion of the Debtors for Entry of Order (I) Authorizing the Debtors to Continue Certain Customer Programs and to Honor Certain Obligations in Connection with Same, and (II) Granting Related Relief* (the “Motion”),² filed by the above-captioned debtors (collectively, the “Debtors”), for entry of an order (this “Order”), pursuant to sections 105 and 363 of the Bankruptcy Code, all as described further in the Motion; the 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 Constitution, (iii) this is a core proceeding pursuant to 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

¹ 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.

² Any capitalized terms used but not defined herein shall have the meaning ascribed to them in the Motion.



Motion; and upon the record of these Chapter 11 Cases; 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. The Debtors are authorized to continue the Customer Distribution Programs in the ordinary course of business and without further order of the Court, and to perform and honor prepetition obligations thereunder in an amount not to exceed \$419,000 in the ordinary course of business in the same manner and on the same basis as prior to the Petition Date. The Distributors may apply and setoff the amounts set forth in the Cap to prepetition amounts due and owing under the Customer Distribution Contracts.
3. The Debtors and the Distributors are authorized to settle and setoff postpetition liabilities and claims through routine bill credits or contractual application rights, in each case to the extent consistent with the parties' contractual arrangements and ordinary course of dealing prior to the Petition Date.
4. The Debtors are authorized to continue, renew, replace, modify, or terminate any Customer Distribution Programs as the Debtors deem appropriate, in their sole discretion, and in the ordinary course of business, without further order of the Court.
5. Nothing in this Order shall constitute or be construed as (i) an admission as to the validity of any unpaid claim against the Debtors; (ii) a waiver of the Debtors' or any party in

interest's rights to dispute any unpaid portion of any claim; or (iii) an approval or assumption of any agreement under section 365 of the Bankruptcy Code.

6. The Distributors reserve all rights to assert (a) cure amounts, if any, in connection with any proposed assumption and assignment of the Customer Distribution Contracts, and (b) another other claims, including administrative priority claims, against the Debtors' estates.

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

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

9. The Court shall retain jurisdiction over any and all matters arising from the interpretation or implementation of this Order.

Dated: March 12th, 2020
Wilmington, Delaware


3 LAURIE SELBER SILVERSTEIN
UNITED STATES BANKRUPTCY JUDGE