

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

In re:	Chapter 11
Apple Tree Life Sciences, Inc., <i>et al.</i> , ¹	Case No. 25-12177 (LSS)
Debtors.	(Jointly Administered)
	Re: Docket Nos. 24 & 107
	Hearing Date: January 20, 2026 at 2:30 p.m. (ET)
	Obj. Deadline: January 13, 2026 at 4:00 p.m. (ET)

**DEBTORS' SUPPLEMENT TO MOTION
SEEKING ENTRY OF INTERIM AND FINAL ORDERS (I) AUTHORIZING
THE DEBTORS TO (A) CONTINUE TO OPERATE THEIR CASH
MANAGEMENT SYSTEM AND (B) HONOR CERTAIN PREPETITION
OBLIGATIONS RELATED THERETO, AND (II) GRANTING RELATED RELIEF**

The above-captioned debtors and debtors in possession (collectively, the “Debtors”) respectfully submit this supplement (this “Supplement”) to the *Debtors’ Motion Seeking Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Continue to Operate their Cash Management System, (B) Honor Certain Pre-Petition Obligations Related Thereto, and (C) Continue to Perform Intercompany Transactions, (II) Granting Administrative Expense Status to Post-Petition Intercompany Balances, and (III) Granting Related Relief* [Docket No. 24] (the “Cash Management Motion”).² In support of this Supplement, the Debtors submit the forthcoming *Supplemental Declaration of Perry M. Mandarino, Chief Restructuring Officer of the*

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number include: Apple Tree Life Sciences, Inc. (4506); ATP Life Science Ventures, L.P. (8224); ATP III GP, Ltd. (6091); Apertor Pharmaceuticals, Inc. (3161); Initial Therapeutics, Inc. (2453); Marlinspike Therapeutics, Inc. (4757); Red Queen Therapeutics, Inc. (8563); Evercrisp Biosciences, Inc. (4437); and Nine Square Therapeutics, Inc. (4503). The location of the Debtors’ service address in these chapter 11 cases is 230 Park Avenue, Suite 2800, New York, NY 10169.

² Capitalized terms not defined herein have the meaning ascribed to such terms in the Cash Management Motion.



Debtors (the “Supplemental Declaration”), rely on and incorporate by reference the Cash Management Motion, and respectfully state as follows:

PRELIMINARY STATEMENT

1. Through the Supplement, the Debtors seek authority to continue to operate their Cash Management System, honor certain pre-petition obligations related thereto, and pay any pre-petition and post-petition amounts outstanding on account of Bank Fees with respect to Evercrisp Biosciences, Inc. (“Evercrisp”) and Nine Square (“Nine Square” and with Evercrisp, the “Additional Debtors”), which filed for relief under chapter 11 of the Bankruptcy Code on January 1, 2026.

2. The Debtors previously requested relief in their Cash Management Motion, the Court held a hearing on the Original Cash Management Motion on December 17, 2025 (the “First Day Hearing”), and the Court entered an interim order on December 31, 2025 (“Interim Order”). However, two events have occurred following the First Day Hearing and Interim Order. First, on December 23, 2025, the Debtors filed the *Debtors’ Motion for Entry of Interim and Final Orders to (I) Make and Accept Secured Loans to Portfolio Companies, (II) Authorize to the Extent Outside the Ordinary Course of Business Payment of Management Company Expenses and (III) Grant Related Relief* [Docket No. 89] (“Funding Motion”). Second, on January 1, 2026, the Additional Debtors each filed their own bankruptcy petitions.

3. The Debtors therefore file this Supplement to: (i) remove the request for authority to continue certain intercompany transactions, which is now addressed in the Funding Motion; and (ii) seek relief with respect to the Additional Debtors.

RELIEF REQUESTED

4. The Debtors seek entry a final order, substantially in the form attached hereto as **Exhibit A** (the “Final Order”):³ (a) authorizing, but not directing, the Debtors to (i) continue to operate their Cash Management System (as defined below); (ii) honor certain pre-petition obligations related thereto; and (iii) pay any pre-petition or post-petition amounts outstanding on account of the Bank Fees; and (b) granting related relief.

JURISDICTION AND VENUE

5. The United States Bankruptcy Court for the District of Delaware (this “Court”) has jurisdiction over this matter pursuant to 28 U.S.C. § 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware. This is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).

6. Pursuant to Local Rule 9013-1(f), the Debtors confirm their consent to the Court entering a final order in connection with this Supplement and the Cash Management Motion 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.

7. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

8. The bases for the relief requested herein are sections 105, 345, and 363 of the Bankruptcy Code, Bankruptcy Rules 6003 and 6004, and Local Rules 2015-1 and 9013-1.

³ Attached hereto as **Exhibit B** is a blackline of the Final Order against the version of the Final Order submitted with the Cash Management Motion on December 15, 2025.

BACKGROUND

9. On December 9 and 15, 2025 (the “Original Debtors’ Petition Dates”) and January 1, 2026 (the “Additional Debtors’ Petition Date” and, together with the Original Debtors’ Petition Dates, the “Petition Dates”), each Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code (the “Chapter 11 Cases”). The Original Debtors’ Chapter 11 Cases are being jointly administered for procedural purposes only pursuant to Bankruptcy Rule 1015(b). *See* Docket No. 69.⁴

10. The Debtors are operating their business and managing their property as debtors 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 these Chapter 11 Cases, and no official committees have been appointed or designated.

11. A detailed description of the facts and circumstances of these Chapter 11 Cases is set forth in the *Declaration of Dr. Seth L. Harrison in Support of Chapter 11 Petitions and First Day Motions* [Docket No. 18] (the “Harrison Declaration”) and the *Declaration of Perry M. Mandarino, Chief Restructuring Officer of the Debtors, in Support of Chapter 11 Petitions and First Day Motions* [Docket No. 25] (the “Mandarino Declaration,” and with the Harrison Declaration, the “First Day Declarations”). As is described in more detail in the First Day Declarations, the Debtors commenced these Chapter 11 Cases due to the failure of Rigmora Biotech Investor One LP, and Rigmora Biotech Investor Two LP (collectively, “Rigmora”) to fulfill their contractual obligations, and their attempts to wind up Debtor ATP Life Science Ventures, L.P. (the “Partnership Debtor”) and liquidate the portfolio companies. Through these

⁴ Contemporaneously herewith, the Debtors have filed or will file appropriate requests and notices on the docket to extend certain of the relief granted by the Court (*e.g.*, joint administration) to the Additional Debtors.

Chapter 11 Cases, the Debtors seek to stabilize their business, and, under the Court's supervision, restructure the Partnership Debtor's capital structure.

ADDITIONAL DEBTORS' CASH MANAGEMENT SYSTEM

I. Overview.

12. The Additional Debtors are a part of the Debtors' biotechnology venture capital enterprise operating in the United States. In the ordinary course of business, the Additional Debtors maintain a cash management system (the "Additional Debtors' Cash Management System") comparable to the systems used by similarly situated companies to manage cash in a cost-effective and efficient manner. The Additional Debtors' Cash Management System is critical to the Additional Debtors' businesses, as it streamlines the Additional Debtors' ability to collect, transfer, and disburse cash and to facilitate cash monitoring, forecasting, and reporting.

13. As of the Additional Debtors' Petition Date, the Additional Debtors' Cash Management System is comprised of two (2) active bank accounts (collectively, the "Additional Debtors' Bank Accounts"). As illustrated on the updated Cash Management System diagram attached as Exhibit 1 to Exhibit A hereto, the Additional Debtors maintain two (2) bank accounts at Cathay Bank and Banc of California (the "Additional Cash Management Banks"). The Additional Debtors' Bank Accounts are identified on Exhibit 2 to Exhibit A. The Additional Debtors' accounting department maintains daily oversight over the Additional Debtors' Cash Management System, implements cash management controls for entering, processing, and releasing funds, and regularly reconciles the Additional Debtors' books and records to ensure that all transfers are accounted for properly.

14. As described more fully herein, the Additional Debtors' Cash Management System is an essential component of the Debtors' businesses. Any interruption of the Additional Debtors' Cash Management System would severely disrupt the Additional Debtors' operations and result

in harm to the Debtors' estates and their stakeholders. Accordingly, the Additional Debtors seek authority to continue using the Additional Debtors' Cash Management System in the ordinary course of business on a post-petition basis in a manner consistent with past practice, and to pay any pre-petition fees related to the Additional Debtors' Cash Management System.

II. The Bank Accounts and Flow of Funds.

15. As noted above, the Additional Debtors' Cash Management System consists of two (2) bank accounts.

16. Evercrisp receives funds from ATP Life Science Ventures, L.P. at a Cathay Bank account ending in 9786 ("9786 Account"). Funds from the 9786 Account are used to pay Evercrisp's expenses.

17. Nine Square receives funds from ATP Life Science Ventures, L.P. at a Banc of California account ending in 3029 ("3029 Account"). Funds from the 3029 Account are used to pay Nine Square's expenses.

18. As of the Additional Debtors' Petition Date, the Additional Debtors have approximately \$258,285.75 of cash on hand.

III. Bank Fees

19. In the ordinary course, the Additional Debtors incur periodic service charges, payment processing fees, and other fees in connection with maintaining the Additional Debtors' Cash Management System (collectively, the "Supplemental Bank Fees"). The Additional Debtors incur approximately \$300 per month in Supplemental Bank Fees each month under the Additional Debtors' Cash Management System in the aggregate. The Additional Debtors estimate that there are no pre-petition Supplemental Bank Fees remain outstanding as of the Petition Date. To ensure continued access to the Additional Debtors' Bank Accounts without disruption, the Additional Debtors' seek authority to pay any such due and owing Supplemental Bank Fees, including pre-

petition Supplemental Bank Fees, in the ordinary course on a post-petition basis, consistent with historic practice.

IV. Compliance with U.S. Trustee Guidelines and the Bankruptcy Code.

20. The Additional Cash Management Banks, except Cathay Bank, are designated as authorized depositories in the District of Delaware by the Office of the United States Trustee (the “U.S. Trustee”), pursuant to the *Operating Guidelines and Reporting Requirements for Debtors in Possession and Trustees* (the “U.S. Trustee Guidelines”).

21. In the event that any of the Bank Accounts cease to comply with, or do not comply with, the requirements of section 345(b) of the Bankruptcy Code during the Chapter 11 Cases, the Debtors request that the Court either (a) provide the Debtors with 45 days without prejudice to seeking an additional extension from the entry of the Interim Order, to bring the Bank Accounts into compliance with section 345(b) of the Bankruptcy Code or (b) to seek appropriate relief from the Court.

V. Corporate Cards.

22. As part of the Additional Debtors’ Cash Management System, Debtor Evercrisp has provided six employees with corporate credit cards and one general accounts payable credit card issued by Brex Inc. to cover legitimate business expenses. Debtor Nine Square has provided six employees with corporate credit cards issued by Ramp Business Corporation (collectively, the “Supplemental Corporate Cards”).

23. Historically, Debtor Evercrisp accrued and paid approximately \$28,310 per month, with a \$90,000 aggregate credit limit. Nine Square has historically accrued and paid approximately \$8,773 per month, with a \$88,400 aggregate credit limit.

24. As of the Additional Debtors’ Petition Date, the Supplemental Corporate Cards hold a balance of approximately \$3,604.03.

25. The costs incurred through use of the Supplemental Corporate Cards are billed directly to the Additional Debtors and do not pass through the applicable employee's personal financial account. The Supplemental Corporate Card payments are paid on a monthly basis.

26. The Supplemental Corporate Cards are an integral part of the Additional Debtors' Cash Management System. The ability of the Additional Debtors to use the Supplemental Corporate Cards on a go-forward basis is essential to the continued operation of the Additional Debtors' business and the corporate administration thereof in order for the relevant employees and vendors to have assurance that they will be able to purchase certain business expenses without having to seek reimbursement from their own account or otherwise seek proper remittance. Accordingly, the Additional Debtors' inability to maintain the Supplemental Corporate Cards would result in unnecessary hardship on the continued operation of the Additional Debtors' business. Out an abundance of caution, the Additional Debtors seek authorization to continue honoring obligations in relation to the Supplemental Corporate Cards on a post-petition basis in the ordinary course of business.

BASIS FOR RELIEF

I. Maintaining the Existing Additional Debtors' Cash Management System Is Essential to Maximizing the Value of the Additional Debtors' Estates.

27. The U.S. Trustee Guidelines require debtors in possession to, among other things: (a) close all existing bank accounts and open new debtor-in-possession bank accounts; (b) establish one debtor-in-possession account for all estate monies required for the payment of taxes, including payroll taxes; (c) physically set aside all monies required by law to be withheld from employees or collected from others for taxes; (d) open a new set of books and records as of the commencement date of the case; (e) use new business forms indicating the debtor-in-possession status of the chapter 11 debtor; and (f) make all disbursements of estate funds by check with a notation

representing the reason for the disbursement. *See* U.S. Trustee Guidelines. These requirements are designed to provide a clear line of demarcation between pre-petition and post-petition transactions and operations and to prevent inadvertent payment of pre-petition claims. Considering, however, the Additional Debtors' Cash Management System that the Additional Debtors have in place for the transfer and distribution of funds, which ties into the Additional Debtors' existing corporate accounting and cash forecasting reporting, enforcement of this provision of the U.S. Trustee Guidelines during these Chapter 11 Cases would disrupt the Additional Debtors' ability to efficiently administer these Chapter 11 Cases.

28. Continuation of the Additional Debtors' Cash Management System is nevertheless permitted pursuant to section 363(c)(1) of the Bankruptcy Code, which authorizes the debtor in possession to use "property of the estate, in the ordinary course of business, without notice or a hearing." 11 U.S.C. § 363(c)(1). *See, e.g., Med. Malpractice Ins. Ass'n v. Hirsch (In re Lavigne)*, 114 F.3d 379, 384 (2d Cir. 1997) ("Section 363(c)(1) of the Bankruptcy Code authorizes a debtor-in-possession to enter into transactions involving property of the estate within the ordinary course of business without notice or a hearing."); *In re Enron Corp.*, No. 01-16034 (AJG), 2003 WL 1562202, at *15 (Bankr. S.D.N.Y. Mar. 21, 2003) (stating same). Included within the purview of section 363(c) of the Bankruptcy Code is a debtor's ability to continue the "routine transactions" necessitated by a debtor's cash management system. *In re Frigitemp Corp.*, 34 B.R. 1000, 1010 (S.D.N.Y. 1983), *aff'd*, 753 F.2d 230 (2d Cir. 1985); *see also Amdura Nat'l Distrib. Co. v. Amdura Corp. (In re Amdura Corp.)*, 75 F.3d 1447, 1453 (10th Cir. 1996).

29. Additionally, courts have noted that an integrated cash management system "allows efficient utilization of cash resources and recognizes the impracticalities of maintaining separate cash accounts for the many different purposes that require cash." *In re Columbia Gas Sys., Inc.*,

136 B.R. 930, 934 (Bankr. D. Del. 1992), *aff'd in part and rev'd in part*, 997 F.2d 1039 (3d Cir. 1993). The United States Court of Appeals for the Third Circuit has agreed, emphasizing that requiring a debtor to maintain separate accounts “would be a huge administrative burden and economically inefficient.” *Columbia Gas*, 997 F.2d at 1061; *see also In re Southmark Corp.*, 49 F.3d 1111, 1114 (5th Cir. 1995) (finding that a cash management system allows a debtor “to administer more efficiently and effectively its financial operations and assets”). Bankruptcy courts routinely treat requests for authority to continue utilizing existing cash management systems as a relatively “simple matter.” *See In re Baldwin-United Corp.*, 79 B.R. 321, 327 (Bankr. S.D. Ohio 1987).

30. Courts in this District regularly grant chapter 11 debtors the same or similar relief as requested in this Motion. *See, e.g., In re Brightmark Plastics Renewal LLC*, No. 25-10472 (LSS) (Bankr. D. Del. Apr. 10, 2025) (authorizing debtors to continue to operate their prepetition cash management system); *In re Nikola Corp.*, No. 25-10258 (TMH) (Bankr. D. Del. Feb. 20, 2025) (same); *In re Zurvita Holdings, Inc.*, No. 24-12823 (MFW) (Bankr. D. Del. Jan. 16, 2025) (same); *In re Biolase, Inc.*, No. 24-12245 (KBO) (Bankr. D. Del. Oct. 25, 2024) (same); *In re CalAmp Corp.*, No. 24-11136 (LSS) (Bankr. D. Del. June 26, 2024) (same); *In re Supply Source Enters., Inc.*, No. 24-11054 (BLS) (Bankr. D. Del. June 13, 2024) (same); *In re Ambri Inc.*, No. 24-10952 (LSS) (Bankr. D. Del. May 28, 2024) (same); *In re Restoration Forest Prods. Group, LLC*, No. 24-10120 (KBO) (Bankr. D. Del. Feb. 22, 2024) (same).

31. Here, the Additional Debtors satisfy the standards for maintaining the Additional Debtors' Cash Management System and respectfully request that the Court allow them to continue operating each of the Additional Debtors' Bank Accounts identified on **Exhibit 2** to **Exhibit A** attached hereto. The Additional Debtors' Bank Accounts will be maintained in the ordinary course

as they were before the Additional Debtors' Petition Date and are necessary to conduct the Additional Debtors' routine pre-petition transactions and, as such, the Additional Debtors believe the continued use of the Additional Debtors' Cash Management System falls within the purview of ordinary course transactions permitted under Bankruptcy Code section 363(c)(1). As noted in the cases above, maintaining the Additional Debtors' Cash Management System and Additional Debtors' Bank Accounts allows efficient utilization of the Additional Debtors' cash resources and will enable the Additional Debtors' businesses to continue operating. The relief requested in the Cash Management Motion and this Supplement will help minimize any disruption in the Additional Debtors' business operations during these Chapter 11 Cases and preserve the value of the Additional Debtors' estates.

II. Maintaining the Existing Additional Debtors' Cash Management System Will Not Harm Parties-in-Interest.

32. The Additional Debtors' continued use of their Cash Management System will facilitate the Additional Debtors' transition into chapter 11 by, among other things, avoiding administrative inefficiencies, expenses, and distraction associated with disrupting this system and minimizing delays in the payment of post-petition obligations. The Additional Debtors respectfully submit that parties-in-interest will not be harmed by the Additional Debtors' maintenance of the Additional Debtors' Cash Management System, including maintenance of the Additional Debtors' Bank Accounts, because the Additional Debtors have developed and implemented appropriate mechanisms to ensure that unauthorized payments will not be made on account of obligations incurred before the Additional Debtors' Petition Date. Specifically, with the assistance of their advisors, the Additional Debtors have implemented internal control procedures that prohibit payments on account of pre-petition debts without the prior approval of the Additional Debtors' accounting department. In light of such protective measures, the

Additional Debtors submit that maintaining the Additional Debtors' Cash Management System is in the best interests of their estates and creditors.

III. The Court Should Authorize the Additional Debtors to Continue Using Their Existing Business Forms.

33. The Additional Debtors use a variety of business forms in the ordinary course of business, including, among others, checks, invoices and letterhead (the "Business Forms"). The U.S. Trustee Guidelines require a debtor in possession to immediately obtain new checks printed with the designation "debtor in possession" and the corresponding number of the lead bankruptcy case. To avoid unnecessary expense and further disruption of the Additional Debtors' Cash Management System, the Additional Debtors request authorization to continue to use their existing Business Forms substantially in the forms existing immediately before the Additional Debtors' Petition Date, without reference to its status as a debtor in possession. The Additional Debtors will communicate with their vendors and counterparties with whom the Additional Debtors conduct business to notify them of the commencement of these Chapter 11 Cases, which the Additional Debtors believe will provide adequate notice of the Additional Debtors' status as debtors in possession.

34. Furthermore, in accordance with Local Rule 2015-1(a), to the extent the Additional Debtors exhaust their existing supply of checks during these Chapter 11 Cases and require new checks, the Additional Debtors will order checks with a notation indicating the designation "debtor in possession" and the corresponding number of the lead bankruptcy case for these Chapter 11 Cases. In light of these steps, the Additional Debtors submit that parties in interest will not be prejudiced if the Additional Debtors are authorized to continue to use their Business Forms substantially in the form existing immediately before the Additional Debtors' Petition Date.

IV. Authorizing the Additional Debtors to Continue Using Debit, Wire, and ACH Transfers Is Warranted.

35. The Additional Debtors request that the Court grant further relief from the U.S. Trustee Guidelines to the extent they require the Additional Debtors to make all disbursements by check. The U.S. Trustee Guidelines require that all receipts and all disbursements of estate funds must be made by check with a notation representing the reason for the disbursement. The Additional Debtors conduct a large number of transactions on a daily basis through automated clearinghouse (“ACH”) transfers and other similar methods. If the Additional Debtors’ ability to conduct transactions by debit, wire, ACH transfer, or other similar methods is impaired, the Additional Debtors’ day-to-day activities may be unnecessarily disrupted, and the estates will incur additional costs. Therefore, the Additional Debtors submit that authorizing the continuation of using debit, wire, and ACH transfers is warranted.

V. Authorizing the Additional Cash Management Banks to Continue to Maintain, Service, and Administer the Additional Debtors’ Bank Accounts in the Ordinary Course is Warranted.

36. The Additional Debtors respectfully request that the Court authorize the Additional Cash Management Banks to continue to maintain, service, and administer the Additional Debtors’ Bank Accounts, without interruption and in the ordinary course. In this regard, the Additional Debtors request that, the Additional Cash Management Banks be authorized to (a) receive, process, honor, and pay any and all checks, ACH transfers, and other instructions and drafts payable through, drawn, or directed on such Additional Debtors’ Bank Accounts after the Additional Debtors’ Petition Date by holders, makers, or other parties entitled to issue instructions with respect thereto; (b) accept and honor all representations from the Additional Debtors as to which checks, drafts, wires, or ACH transfers should be honored or dishonored consistent with any order of the Court and governing law, whether such checks, drafts, wires, or ACH transfers are dated

before or subsequent to the Additional Debtors' Petition Date; and (c) continue to charge the Additional Debtors the Supplemental Bank Fees and charge-back returned items to the Additional Debtors' Bank Accounts, whether such items are dated before, on, or subsequent to the Additional Debtors' Petition Date, in the ordinary course.

37. The Additional Debtors also request that to the extent an Additional Cash Management Bank honors a pre-petition check or other item drawn on any account either: (a) at the direction of the Additional Debtors; (b) in a good-faith belief that the Court has authorized such pre-petition check or item to be honored; or (c) as a result of an innocent mistake made despite implementation of customary item handling procedures, such Additional Cash Management Bank will not be deemed to be liable to the Additional Debtors or to the estates on account of such pre-petition check or other item honored post-petition. This is reasonable and appropriate because the Additional Cash Management Banks are not in a position to independently verify or audit whether a particular item may be paid in accordance with a Court order or otherwise. The Additional Debtors also request that the Court authorize the Additional Debtors to pay any pre-petition Supplemental Bank Fees for pre-petition transactions that are charged post-petition.

VI. Cause Exists for Waiving the U.S. Trustee Guidelines Regarding Authorized Depositories on an Interim and Final Basis, But The Additional Debtors Will Work To Establish Accounts Only At Authorized Depositories.

38. The Additional Debtors seek a waiver of the deposit and investment requirements set forth in section 345 of the Bankruptcy Code with respect to the 9786 Account at Cathay Bank.

39. Section 345(a) of the Bankruptcy Code governs a debtor's cash deposits during a chapter 11 case and authorizes deposit or investment of money of estates, such as cash, as "will yield the maximum reasonable net return on such money, taking into account the safety of such deposit or investment." For deposits that are not "insured or guaranteed by the United States or by a department, agency or instrumentality of the United States or backed by the full faith and credit

of the United States,” section 345(b) of the Bankruptcy Code provides that the estate must require from the entity with which the money is deposited or invested a bond in favor of the United States secured by the undertaking of a corporate security, “unless the court for cause orders otherwise.” Additionally, under the U.S. Trustee Guidelines, debtors in possession must, among other things, close pre-petition bank accounts and open new “debtor in possession” operating, payroll, and tax accounts at one or more approved depositories.

40. Courts may waive compliance with the Bankruptcy Code section 345 and the U.S. Trustee Guidelines for “cause.” In evaluating whether “cause” exists, courts have considered a number of factors such as:

- (1) the sophistication of the debtor’s business;
- (2) the size of the debtor’s business operations;
- (3) the amount of the investments involved;
- (4) the bank ratings (Moody’s and Standard & Poor) of the financial institutions where the debtor in possession funds are held;
- (5) the complexity of the case;
- (6) the safeguards in place within the debtor’s own business for ensuring the safety of the funds;
- (7) the debtor’s ability to reorganize in the face of a failure of one or more of the financial institutions;
- (8) the benefit to the debtor;
- (9) the harm, if any, to the debtor;
- (10) the harm, if any, to the estate; and
- (11) the reasonableness of the debtor’s request for relief from section 345(b) requirements in light of the overall circumstances of the case.

See In re Serv. Merch. Co., Inc., 240 B.R. 894, 896 (Bankr. M.D. Tenn. 1999); *In re King Mountain Tobacco Co., Inc.*, 623 B.R. 323, 332-33 (Bankr. E.D. Wash. 2020) (authorizing the debtors to use existing cash management systems even though banks were not approved depositories).

41. Because the Additional Debtors' Bank Accounts are vital to the Additional Debtors' Cash Management System, requiring the Additional Debtors to transfer funds to other banks would be unduly burdensome to the Additional Debtors' operations and potentially cause severe tax consequences to the detriment of the Additional Debtors' estates. Nevertheless, the Debtors will seek to transition the 9786 Account to an approved depository, and request thirty (30) days to do so.

THE REQUIREMENTS OF BANKRUPTCY RULE 6003 ARE SATISFIED

42. Bankruptcy Rule 6003 empowers a court to grant relief within the first 21 days after the Additional Debtors' Petition Date if the "relief is needed to avoid immediate and irreparable harm." As set forth in the Cash Management Motion and this Supplement, the Additional Debtors believe an immediate and orderly transition into chapter 11 is critical to the viability of their operations and that any delay in granting the relief requested could hinder the Additional Debtors operations and cause irreparable harm. Furthermore, the failure to receive the requested relief during the first 21 days of the Additional Debtors' Chapter 11 Cases would severely disrupt the Additional Debtors' operations at this critical juncture. Accordingly, the Additional Debtors submit that they have satisfied the "immediate and irreparable harm" standard of Bankruptcy Rule 6003 to support the relief requested herein.

WAIVER OF BANKRUPTCY RULE 6004(A) AND 6004(H)

43. To implement the foregoing successfully, the Debtors request that the Court enter an order providing that notice of the relief requested herein satisfies Bankruptcy Rule 6004(a) and

that the Debtors have established cause to exclude such relief from the 14-day stay period under Bankruptcy Rule 6004(h).

RESERVATION OF RIGHTS

44. Nothing contained in this Supplement or the Cash Management Motion or any actions taken pursuant to any order granting the relief requested by this Supplement or the Cash Management Motion is intended or should be construed as (a) an admission as to the validity of any particular claim against the Debtors, (b) a waiver of the Debtors' rights to dispute any particular claim on any grounds, (c) a promise or requirement to pay any particular claim, (d) an implication or admission that any particular claim is of a type specified or defined in this Supplement or the Cash Management Motion or any order granting the relief requested by this Supplement or the Cash Management Motion, (e) a request or authorization to assume any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code, (f) a waiver or limitation of the Debtors' rights under the Bankruptcy Code or any other applicable law, or (g) a concession by the Debtors that any liens (contractual, common law, statutory, or otherwise) satisfied pursuant to this Supplement or the Cash Management Motion are valid, and the Debtors expressly reserve their rights to contest the extent, validity, or perfection or seek avoidance of all such liens. If the Court grants the relief sought herein, any payment made pursuant to the Court's order is not intended and should not be construed as an admission as to the validity of any particular claim or a waiver of the Debtors' rights to subsequently dispute such claim.

NOTICE

45. The Debtors will provide notice of this Supplement and the Cash Management Motion (with respect to the Additional Debtors to the extent not already noticed) to the following parties and/or their respective counsel, as applicable: (a) the United States Trustee for the District

of Delaware; (b) the holders of the 20 largest unsecured claims against the Debtors (on a consolidated basis); (c) the United States Attorney's Office for the District of Delaware; (d) the Internal Revenue Service; (e) the attorneys general in the states where the Debtors conduct their business operations; (f) the Cash Management Banks; and (g) any party that has requested notice pursuant to Bankruptcy Rule 2002. The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

PRIOR REQUEST

46. Aside from the related relief requested in the Cash Management Motion, no prior request for the relief sought in this Supplement has been made to this or any other court on behalf of the Additional Debtors.

CONCLUSION

WHEREFORE, the Debtors respectfully request that the Court (a) enter the revised Final Order, substantially in the form attached hereto as **Exhibit A**, and (b) grant such other and further relief as is just and proper.

[Signature Page Follows]

Dated: January 6, 2026
Wilmington, Delaware

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

In re:

Apple Tree Life Sciences, Inc., *et al.*,¹

Debtors.

Chapter 11

Case No. 25-12177 (LSS)

(Jointly Administered)

Hearing Date: January 20, 2026 at 2:30 p.m. (ET)

Objection Deadline: January 13, 2026 at 4:00 p.m. (ET)

**NOTICE OF DEBTORS' SUPPLEMENT TO MOTION
SEEKING ENTRY OF INTERIM AND FINAL ORDERS AUTHORIZING
THE DEBTORS TO (A) CONTINUE TO OPERATE THEIR CASH
MANAGEMENT SYSTEM AND (B) HONOR CERTAIN PREPETITION
OBLIGATIONS RELATED THERETO, AND (II) GRANTING RELATED RELIEF**

PLEASE TAKE NOTICE that the above-captioned debtors and debtors in possession (the "Debtors"), filed the *Debtors' Supplement to Motion Seeking Entry of Interim and Final Orders Authorizing the Debtors to (A) Continue to Operate Their Cash Management System and (B) Honor Certain Prepetition Obligations Related Thereto, and (II) Granting Related Relief* (the "Motion") with the United States Bankruptcy Court for the District of Delaware (the "Court").

PLEASE TAKE FURTHER NOTICE that objections to the Motion, if any, must be in writing, filed with the Clerk of the United States Bankruptcy Court for the District of Delaware, 3rd Floor, 824 N. Market Street, Wilmington, Delaware 19801, on or before **January 13, 2026 at 4:00 p.m. (ET)** (the "Objection Deadline"), and served upon and received by the undersigned proposed counsel for the Debtors.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number include: Apple Tree Life Sciences, Inc. (4506); ATP Life Science Ventures, L.P. (8224); ATP III GP, Ltd. (6091); Apertor Pharmaceuticals, Inc. (3161); Initial Therapeutics, Inc. (2453); Marlinspike Therapeutics, Inc. (4757); Red Queen Therapeutics, Inc. (8563); Evercrisp Biosciences, Inc. (4437); and Nine Square Therapeutics, Inc. (4503). The location of the Debtors' service address in these chapter 11 cases is 230 Park Avenue, Suite 2800, New York, NY 10169.

PLEASE TAKE FURTHER NOTICE that, if any objections to the Motion are received, the Motion and such objections shall be considered at a hearing before the Honorable Laurie Selber Silverstein at the Bankruptcy Court, 824 N. Market Street, 6th Floor, Courtroom No. 2, Wilmington, Delaware 19801 on **January 20, 2026 at 2:30 p.m. (ET)**.

IF NO OBJECTIONS TO THE MOTION ARE TIMELY FILED, SERVED AND RECEIVED IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED IN THE MOTION WITHOUT FURTHER NOTICE OR HEARING.

[Remainder of Page Intentionally Left Blank]

Dated: January 6, 2026
Wilmington, Delaware

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Respectfully submitted,

/s/ Ethan H. Sulik

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Proposed Counsel to the Debtors and Debtors in Possession

EXHIBIT A

Revised Proposed Final Order

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

In re: Apple Tree Life Sciences, Inc., <i>et al.</i> , ¹ Debtors.	Chapter 11 Case No. 25-12177 (LSS) (Jointly Administered) Re: Docket Nos. 24, 107 & __
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**FINAL ORDER (I) AUTHORIZING THE
DEBTORS TO (A) CONTINUE TO OPERATE THEIR CASH
MANAGEMENT SYSTEM AND (B) HONOR CERTAIN PRE-PETITION
OBLIGATIONS RELATED THERETO, AND (II) GRANTING RELATED RELIEF**

Upon the motion (the “Motion”) and supplement (the “Supplement”)² of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of a final order (this “Final Order”): (a) authorizing, but not directing, the Debtors to (i) continue to operate their cash management system (the “Cash Management System”); (ii) honor certain pre-petition obligations related thereto; and (b) scheduling a final hearing to consider approval of the Motion and the Supplement on a final basis, all as more fully set forth in the Motion and the Supplement; and upon the First Day Declaration and the Supplemental Mandarino Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, entered February 29, 2012; and that the Debtors consent to entry of a final order; and this Court having found that

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number include: Apple Tree Life Sciences, Inc. (4506); ATP Life Science Ventures, L.P. (8224); ATP III GP, Ltd. (6091); Apertor Pharmaceuticals, Inc. (3161); Initial Therapeutics, Inc. (2453); Marlinspike Therapeutics, Inc. (4757); Red Queen Therapeutics, Inc. (8563); Evercrisp Biosciences, Inc. (4437); and Nine Square Therapeutics, Inc. (4503). The location of the Debtors’ service address in these chapter 11 cases is 230 Park Avenue, Suite 2800, New York, NY 10169.

² Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Motion and Supplement.

venue of this proceeding, the Motion, and the Supplement in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this matter being a core proceeding pursuant to 28 U.S.C. § 157(b); and this Court having found that proper and adequate notice of the Motion and the Supplement and the relief requested therein has been provided in accordance with the Bankruptcy Rules and the Local Rules, and that, except as otherwise ordered herein, no other or further notice is necessary; and objections (if any) to the Motion or the Supplement having been withdrawn, resolved or overruled on the merits; and a hearing having been held to consider the relief requested in the Motion and the Supplement and upon the record of the hearing and all of the proceedings had before this Court; and that the legal and factual bases set forth in the Motion and the Supplement establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor;

IT IS HEREBY ORDERED THAT

1. The Motion is granted on a final basis as set forth herein.
2. The Debtors are authorized, on a final basis, to: (a) continue operating the Cash Management System, substantially as illustrated on **Exhibit 1** attached hereto; and (b) honor their pre-petition obligations related thereto.
3. The Debtors are authorized, on a final basis, to: (a) continue to use, with the same account numbers, the Bank Accounts in existence as of the Petition Date, including those Bank Accounts identified on **Exhibit 2** attached hereto; (b) treat the Bank Accounts for all purposes as accounts of the Debtors as debtors in possession; (c) deposit funds in and withdraw funds from the Bank Accounts by all usual means, including checks, wire transfers, and other debits; (d) pay all pre-petition Bank Fees; and (e) pay any ordinary course Bank Fees incurred in connection with

the Bank Accounts, irrespective of whether such fees arose prior to the Petition Date, and to otherwise perform their obligations under the documents governing the Bank Accounts.

4. The Debtors are authorized, but not directed, to continue using, in their present form, the Business Forms, as well as checks and other documents related to the Bank Accounts existing immediately before the Petition Date, without reference to the Debtors' status as debtors in possession; *provided* that once the Debtors have exhausted their existing stock of Business Forms, the Debtors shall ensure that any new Business Forms are clearly labeled "Debtor-In-Possession"; *provided, further*, with respect to any Business Forms that exist or are generated electronically, to the extent reasonably practicable, the Debtors shall ensure that such electronic Business Forms are clearly labeled "Debtor-In-Possession."

5. The Banks at which the Bank Accounts are maintained are authorized to continue to maintain, service, and administer the Bank Accounts as accounts of the Debtors as debtors in possession without interruption and in the ordinary course, and to receive, process, honor, and pay, to the extent of available funds, any and all checks, drafts, wires, and ACH transfers issued and drawn on the Bank Accounts after the Petition Date by the holders or makers thereof, as the case may be.

6. All Banks provided with notice of this Final Order maintaining any of the Bank Accounts shall not honor or pay any bank payments drawn on the listed Bank Accounts, or otherwise issued before the Petition Date, absent further direction from the Debtors.

7. In the course of providing cash management services to the Debtors, the Banks at which the Bank Accounts are maintained are authorized, without further order of the Court, to deduct the applicable fees and expenses associated with the nature of the deposit and cash management services rendered to the Debtors, whether arising pre-petition or post-petition, from

the appropriate accounts of the Debtors, and further, to charge back to, and take and apply reserves from, the appropriate accounts of the Debtors any amounts resulting from returned checks or other returned items, including returned items that result from ACH transactions, wire transfers, merchant services transactions or other electronic transfers of any kind, regardless of whether such items were deposited or transferred pre-petition or post-petition and regardless of whether the returned items relate to pre-petition or post-petition items or transfers.

8. Each Bank is authorized to debit the Debtors' accounts in the ordinary course of business without the need for further order of the Court for: (a) all checks drawn on the Debtors' accounts which are cashed at such Bank's counters or exchanged for cashier's checks by the payees thereof prior to the Petition Date; (b) all checks or other items deposited in one of the Debtors' accounts with such Bank prior to the Petition Date which have been dishonored or returned unpaid for any reason, together with any fees and costs in connection therewith, to the same extent the Debtors were responsible for such items prior to the Petition Date; (c) all undisputed pre-petition amounts outstanding as of the date hereof, if any, owed to any Bank as service charges for the maintenance of the Cash Management System; and (d) all reversals, returns, refunds, and chargebacks of checks, deposited items, and other debits credited to Debtor's account after the Petition Date, regardless of the reason such item is returned or reversed (including, without limitation, for insufficient funds or a consumer's statutory right to reverse a charge).

9. The banks and financial institutions on which checks were drawn or electronic payment requests made in payment of the pre-petition obligations approved herein are authorized to receive, process, honor, and pay all such checks and electronic payment requests when presented for payment, and all such banks and financial institutions are authorized to rely on the Debtors' designation of any particular check or electronic payment request as approved by this Interim

Order. The Debtors will not seek to hold such Bank liable for relying on such representations by the Debtors as provided for herein.

10. Those agreements existing between the Debtors and the Banks shall continue to govern the post-petition cash management relationship between the Debtors and the Banks, subject to applicable bankruptcy or other law, all of the provisions of such agreements, including the termination, fee provisions, rights, benefits, offset rights and remedies afforded under such agreements shall remain in full force and effect absent further order of the Court or, with respect to any such agreement with any Bank (including, for the avoidance of doubt, any rights of a Bank to use funds from the Bank Accounts to remedy any overdraft of another Bank Account to the extent permitted under the applicable deposit agreement), unless the Debtors and such Bank agree otherwise, and any other legal rights and remedies afforded to the Banks under applicable law shall be preserved, subject to applicable bankruptcy law.

11. The requirement to establish separate bank accounts for cash collateral and/or tax payments is hereby waived.

12. The Debtors shall maintain accurate and detailed records of all transfers so that all transactions may be readily ascertained, traced, recorded properly and distinguished between prepetition and post-petition transactions.

13. Notwithstanding the Debtors' use of a consolidated Cash Management System, the Debtors shall calculate quarterly fees under 28 U.S.C. § 1930(a)(6) based on the disbursements of each Debtor, regardless of which entity pays those disbursements.

14. Those certain existing deposit and service agreements between the Debtors and the Banks shall continue to govern the post-petition cash management relationship between the Debtor

and the Banks, and that all of the provisions of such agreements, including, without limitation, the termination, chargeback, and fee provisions, shall remain in full force and effect.

15. The Debtors and the Banks may, without further order of the Court, agree to and implement changes to the Cash Management System and procedures in the ordinary course of business, including, without limitation, the opening and closing of bank accounts; *provided* that in the event the Debtors open a new bank account they shall open one at an authorized depository; *provided, further*, that the Debtors shall give five (5) business days' notice of the opening of any new bank accounts or closing of any Bank Account to the U.S. Trustee and counsel for the LPs; *provided, further*, that such changes should not be inconsistent with this Final Order.

16. The Debtors are authorized to issue post-petition checks, or to effect post-petition 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 pre-petition amounts owed in connection with any Bank Fees.

17. Notwithstanding the relief granted in this Final Order and any actions taken pursuant to such relief, nothing in this Final Order shall be deemed: (a) an admission as to the validity of any particular claim against the Debtors; (b) a waiver of the Debtors' rights to dispute any particular claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) an implication or admission that any particular claim is of a type specified or defined in this Final Order, the Motion or the Supplement; (e) a request or authorization to assume any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) a waiver or limitation of the Debtors' rights under the Bankruptcy Code or any other applicable law; or (g) a concession by the Debtors that any liens (contractual, common law, statutory, or otherwise) satisfied pursuant to the Motion or the Supplement are valid, and the Debtors expressly reserve their rights to contest the

extent, validity, or perfection or seek avoidance of all such liens. Any payment made pursuant to this Final Order is not intended and should not be construed as an admission as the validity of any particular claim or a waiver of the Debtors' rights to subsequently dispute such claim.

18. The banks and financial institutions on which checks were drawn or electronic payment requests made in payment of the pre-petition obligations approved herein are authorized to receive, process, honor, and pay all such checks and electronic payment requests when presented for payment, and all such banks and financial institutions are authorized to rely on the Debtors' designation of any particular check or electronic payment request as approved by this Final Order.

19. As soon as practicable after entry of this Final Order, the Debtors shall serve a copy of this Final Order on the Banks.

20. Notice of the Motion and the Supplement as provided therein shall be deemed good and sufficient notice of such Motion and Supplement and the requirements of Bankruptcy Rule 6004(a) and the Local Rules are satisfied by such notice.

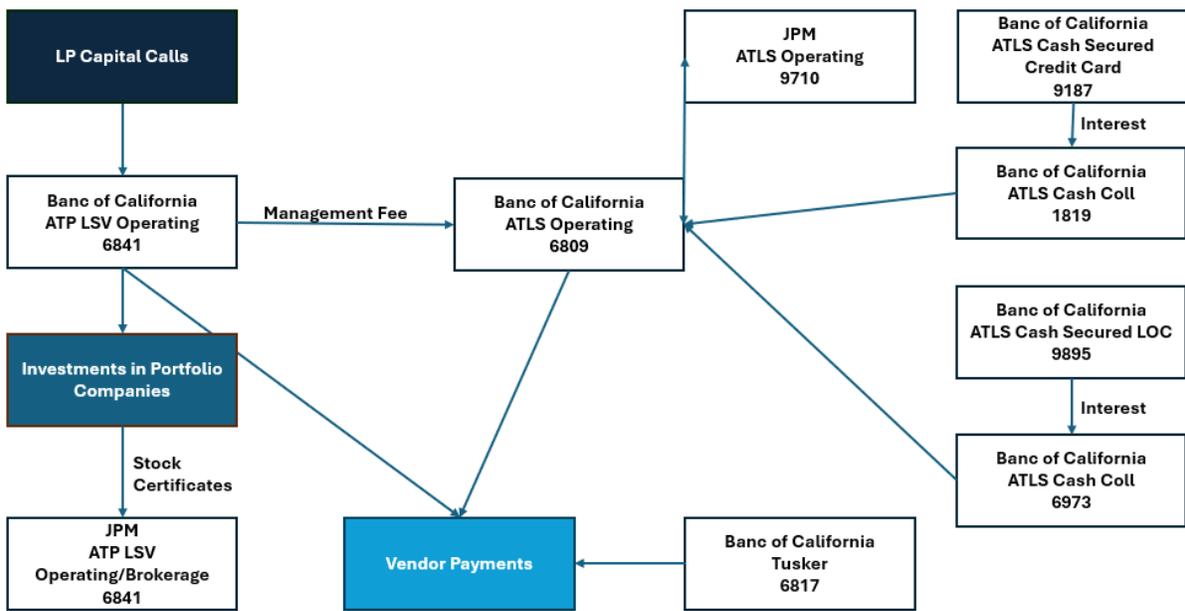
21. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Final Order are immediately effective and enforceable upon its entry.

22. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Final Order in accordance with the Motion and the Supplement.

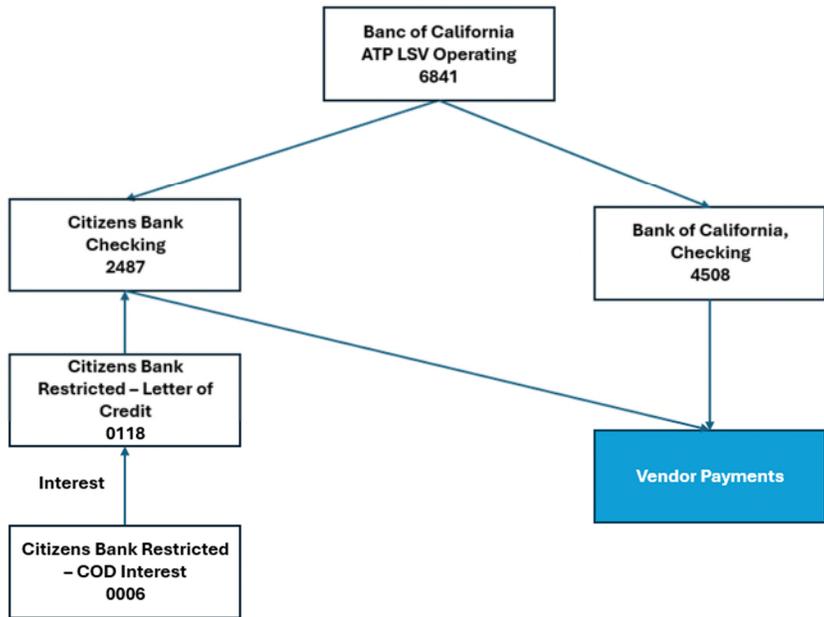
23. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Final Order.

EXHIBIT 1

Cash Management System Schematic



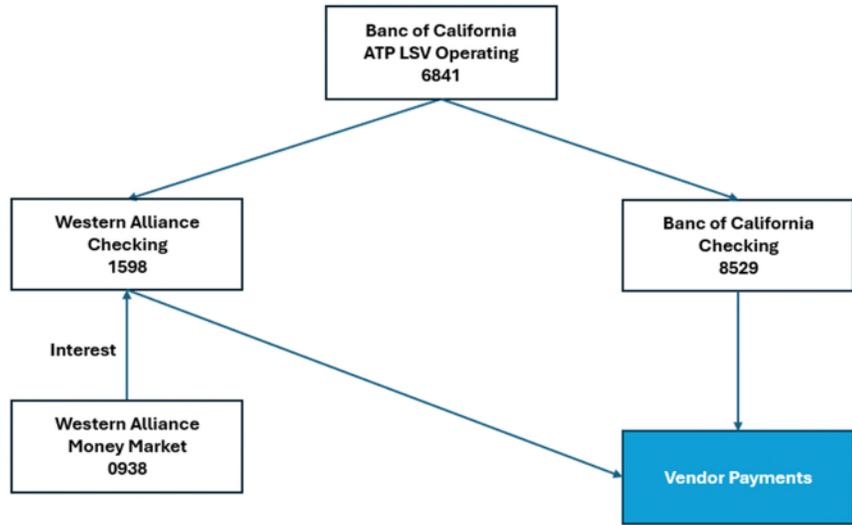
**Apertor
Pharmaceuticals, Inc.**



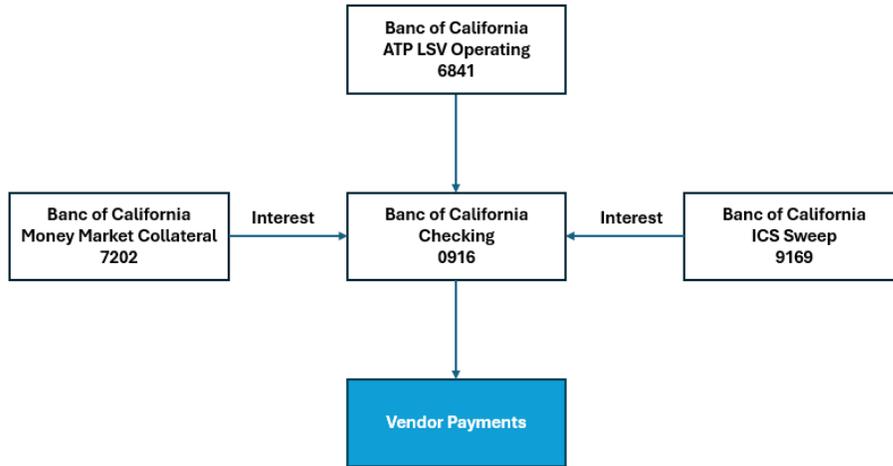
**Red Queen
Therapeutics, Inc.**



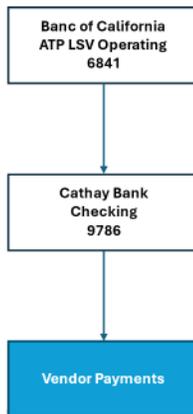
Initial Therapeutics, Inc.



**Marlinspike
Therapeutics, Inc.**



Evercrisp Biosciences,
Inc.



Nine Square
Therapeutics, Inc.



EXHIBIT 2

Bank Accounts

No.	Entity	Bank Name	Last Four Digits of Account Number	Account Type
1	Apple Tree Life Sciences, Inc.	JPM	9710	Operating
2	Apple Tree Life Sciences, Inc.	Banc of California	6809	Business Checking
3	Apple Tree Life Sciences, Inc.	Banc of California	1819	Business High Yield
4	Apple Tree Life Sciences, Inc.	Banc of California	6973	Business High Yield
5	Apple Tree Life Sciences, Inc.	Banc of California	6817	Business Checking
6	Apple Tree Life Sciences, Inc.	Banc of California	9187	Secured Credit Card
7	Apple Tree Life Sciences, Inc.	Banc of California	9895	Secured Letter of Credit
8	ATP Life Science Ventures, L.P.	JPM	2650	Investment
9	ATP Life Science Ventures, L.P.	Banc of California	6841	Business Checking
10	Marlinspike Therapeutics, Inc.	Banc of California	0916	Business Checking
11	Marlinspike Therapeutics, Inc.	Banc of California	7202	Money Market Collateral
12	Marlinspike Therapeutics, Inc.	Banc of California	9169	ICS Sweep
13	Red Queen Therapeutics, Inc.	Eastern Bank	3214	Cash Management Checking
14	Initial Therapeutics Inc.	Western Alliance Bank	0938	Business Money Market
15	Initial Therapeutics Inc.	Western Alliance Bank	1598	Business Checking
16	Initial Therapeutics Inc	Banc of California	8529	Checking
17	Apertor Pharmaceuticals, Inc.	Citizens Bank	2487	Checking
18	Apertor Pharmaceuticals, Inc.	Citizens Bank	0118	Restricted Letter of Credit
19	Apertor Pharmaceuticals, Inc.	Citizens Bank	0006	Checking
20	Apertor Pharmaceuticals, Inc.	Banc of California	4508	Checking
21	Evercrisp Therapeutics, Inc.	Cathay Bank	9786	Checking

22	Nine Square Therapeutics, Inc.	Banc of California	3029	Checking
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EXHIBIT B

Blackline

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	Chapter 11
Apple Tree Life Sciences, Inc., <i>et al.</i> , ¹	Case No. 25-12177 (LSS)
Debtors.	(Joint Administration Requested <u>Jointly Administered</u>)
	Re: Docket Nos. 24, <u>107</u> & __

FINAL ORDER (I) AUTHORIZING THE
DEBTORS TO (A) CONTINUE
TO OPERATE THEIR CASH
MANAGEMENT SYSTEM, AND (B) HONOR CERTAIN PRE-PETITION
OBLIGATIONS RELATED THERETO, AND ~~(C) CONTINUE TO PERFORM
INTERCOMPANY TRANSACTIONS, (II) GRANTING ADMINISTRATIVE EXPENSE
STATUS TO POST-PETITION INTERCOMPANY BALANCES, AND (III) GRANTING
RELATED RELIEF~~

Upon the motion (the “Motion”) and supplement (the “Supplement”)² of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of a final order (this “Final Order”): (a) authorizing, but not directing, the Debtors to (i) continue to operate their cash management system (the “Cash Management System”); (ii) honor certain pre-petition obligations related thereto; and ~~(iii) continue to perform Intercompany Transactions consistent with historical practice; (b) granting administrative expense status to post-petition intercompany balances; and (c)~~b) scheduling a final hearing to consider approval of the Motion

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number include: Apple Tree Life Sciences, Inc. (4506); ATP Life Science Ventures, L.P. (8224); ATP III GP, Ltd. (6091); Apertor Pharmaceuticals, Inc. (3161); Initial Therapeutics, Inc. (2453); MarlinSPIKE Therapeutics, Inc. (4757); ~~and~~ Red Queen Therapeutics, Inc. (8563); Evercrisp Biosciences, Inc. (4437); and Nine Square Therapeutics, Inc. (4503). The location of the Debtors’ service address in these chapter 11 cases is 230 Park Avenue, Suite 2800, New York, NY 10169.

² Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Motion and Supplement.

and the Supplement on a final basis, all as more fully set forth in the Motion and the Supplement; and upon the First Day Declaration and the Supplemental Mandarin Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, entered February 29, 2012; and that ~~this Court having the power to enter~~ the Debtors consent to entry of a final order ~~consistent with Article III of the United States Constitution~~; and this Court having found that venue of this proceeding ~~and~~ the Motion, and the Supplement in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this matter being a core proceeding pursuant to 28 U.S.C. § 157(b); and this Court having found that proper and adequate notice of the Motion and the Supplement and the relief requested therein has been provided in accordance with the Bankruptcy Rules and the Local Rules, and that, except as otherwise ordered herein, no other or further notice is necessary; and objections (if any) to the Motion or the Supplement having been withdrawn, resolved or overruled on the merits; and a hearing having been held to consider the relief requested in the Motion and the Supplement and upon the record of the hearing and all of the proceedings had before this Court; and that the legal and factual bases set forth in the Motion and the Supplement establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor;

IT IS HEREBY ORDERED THAT

1. The Motion is granted on a final basis as set forth herein.
2. The Debtors are authorized, on a final basis, to: (a) continue operating the Cash Management System, substantially as illustrated on **Exhibit 1** attached hereto; and (b) honor their pre-petition obligations related thereto; ~~and (c) continue to perform Intercompany Transactions consistent with historical practice.~~

3. The Debtors are authorized, on a final basis, to: (a) continue to use, with the same account numbers, the Bank Accounts in existence as of the Petition Date, including those Bank Accounts identified on **Exhibit 2** attached hereto; (b) treat the Bank Accounts for all purposes as accounts of the Debtors as debtors in possession; (c) deposit funds in and withdraw funds from the Bank Accounts by all usual means, including checks, wire transfers, and other debits; (d) pay all pre-petition Bank Fees; and (e) pay any ordinary course Bank Fees incurred in connection with the Bank Accounts, irrespective of whether such fees arose prior to the Petition Date, and to otherwise perform their obligations under the documents governing the Bank Accounts.

4. The Debtors are authorized, but not directed, to continue using, in their present form, the Business Forms, as well as checks and other documents related to the Bank Accounts existing immediately before the Petition Date, without reference to the Debtors' status as debtors in possession; *provided* that once the Debtors have exhausted their existing stock of Business Forms, the Debtors shall ensure that any new Business Forms are clearly labeled "Debtor-In-Possession"; *provided, further*, with respect to any Business Forms that exist or are generated electronically, to the extent reasonably practicable, the Debtors shall ensure that such electronic Business Forms are clearly labeled "Debtor-In-Possession."

5. The Banks at which the Bank Accounts are maintained are authorized to continue to maintain, service, and administer the Bank Accounts as accounts of the Debtors as debtors in possession without interruption and in the ordinary course, and to receive, process, honor, and pay, to the extent of available funds, any and all checks, drafts, wires, and ACH transfers issued and drawn on the Bank Accounts after the Petition Date by the holders or makers thereof, as the case may be.

6. All Banks provided with notice of this Final Order maintaining any of the Bank Accounts shall not honor or pay any bank payments drawn on the listed Bank Accounts, or otherwise issued before the Petition Date, absent further direction from the Debtors.

7. In the course of providing cash management services to the Debtors, the Banks at which the Bank Accounts are maintained are authorized, without further order of the Court, to deduct the applicable fees and expenses associated with the nature of the deposit and cash management services rendered to the Debtors, whether arising pre-petition or post-petition, from the appropriate accounts of the Debtors, and further, to charge back to, and take and apply reserves from, the appropriate accounts of the Debtors any amounts resulting from returned checks or other returned items, including returned items that result from ACH transactions, wire transfers, merchant services transactions or other electronic transfers of any kind, regardless of whether such items were deposited or transferred pre-petition or post-petition and regardless of whether the returned items relate to pre-petition or post-petition items or transfers.

8. Each Bank is authorized to debit the Debtors' accounts in the ordinary course of business without the need for further order of the Court for: (a) all checks drawn on the Debtors' accounts which are cashed at such Bank's counters or exchanged for cashier's checks by the payees thereof prior to the Petition Date; (b) all checks or other items deposited in one of the Debtors' accounts with such Bank prior to the Petition Date which have been dishonored or returned unpaid for any reason, together with any fees and costs in connection therewith, to the same extent the Debtors were responsible for such items prior to the Petition Date; (c) all undisputed pre-petition amounts outstanding as of the date hereof, if any, owed to any Bank as service charges for the maintenance of the Cash Management System; and (d) all reversals, returns, refunds, and chargebacks of checks, deposited items, and other debits credited to

Debtor's account after the Petition Date, regardless of the reason such item is returned or reversed (including, without limitation, for insufficient funds or a consumer's statutory right to reverse a charge).

9. The ~~Debtors~~ banks and financial institutions on which checks were drawn or electronic payment requests made in payment of the pre-petition obligations approved herein are authorized to ~~open any new bank accounts or close any existing Bank Accounts as they may deem necessary and appropriate in their sole discretion; provided that in the event the Debtors open a new bank account they shall open one at an authorized depository and shall timely indicate the opening of such account on the Debtors' monthly operating report and shall provide five (5) days advance notice of the opening of any new bank accounts or closing of any Bank Account to the U.S. Trustee.~~ receive, process, honor, and pay all such checks and electronic payment requests when presented for payment, and all such banks and financial institutions are authorized to rely on the Debtors' designation of any particular check or electronic payment request as approved by this Interim Order. The Debtors will not seek to hold such Bank liable for relying on such representations by the Debtors as provided for herein.

~~10. Each of the Banks may rely on the representations of the Debtors with respect to whether any check or other payment order drawn or issued by the Debtors prior to the Petition Date should be honored pursuant to this or any other order of the Court, and such Bank shall not have any liability to any party for relying on such representations by the Debtors as provided for herein.~~

10. ~~11.~~ Those agreements existing between the Debtors and the Banks shall continue to govern the post-petition cash management relationship between the Debtors and the Banks, subject to applicable bankruptcy or other law, all of the provisions of such agreements, including

the termination, fee provisions, rights, benefits, offset rights and remedies afforded under such agreements shall remain in full force and effect absent further order of the Court or, with respect to any such agreement with any Bank (including, for the avoidance of doubt, any rights of a Bank to use funds from the Bank Accounts to remedy any overdraft of another Bank Account to the extent permitted under the applicable deposit agreement), unless the Debtors and such Bank agree otherwise, and any other legal rights and remedies afforded to the Banks under applicable law shall be preserved, subject to applicable bankruptcy law.

11. ~~12.~~ The requirement to establish separate bank accounts for cash collateral and/or tax payments is hereby waived.

~~13. Notwithstanding anything to the contrary set forth herein, the Debtors are authorized, but not directed, to continue Intercompany Transactions arising from or related to the operation of their businesses in the ordinary course; provided that each Debtor shall (a) continue to pay its own obligations consistent with such Debtor's past practice with respect to Intercompany Transactions and related obligations, and in no event shall any of the Debtors pay for the pre-petition or post-petition obligations incurred or owed by any of the other Debtors in a manner inconsistent with past practices; and (b) beginning on the Petition Date, maintain (i) current records of intercompany balances; (ii) a Debtor by Debtor summary on a monthly basis of any post-petition Intercompany Transactions involving the transfer of cash for the preceding month (to be available on the 21st day of the following month); and (iii) reasonable access to the Debtors' advisors with respect to such records.~~

~~14. All Intercompany Claims arising after the Petition Date owed by a Debtor to another Debtor under any post-petition Intercompany Transactions authorized hereunder are hereby accorded administrative expense status under section 503(b) of the Bankruptcy Code.~~

12. ~~15.~~ The Debtors shall maintain accurate and detailed records of all transfers, ~~including but not limited to, Intercompany Transactions,~~ so that all transactions may be readily ascertained, traced, recorded properly and distinguished between prepetition and post-petition transactions.

13. ~~16.~~ Notwithstanding the Debtors' use of a consolidated Cash Management System, the Debtors shall calculate quarterly fees under 28 U.S.C. § 1930(a)(6) based on the disbursements of each Debtor, regardless of which entity pays those disbursements.

14. ~~17.~~ Those certain existing deposit and service agreements between the Debtors and the Banks shall continue to govern the post-petition cash management relationship between the Debtor and the Banks, and that all of the provisions of such agreements, including, without limitation, the termination, chargeback, and fee provisions, shall remain in full force and effect.

15. ~~18.~~ The Debtors and the Banks may, without further order of the Court, agree to and implement changes to the Cash Management System and procedures in the ordinary course of business, including, without limitation, the opening and closing of bank accounts; *provided* that in the event the Debtors open a new bank account they shall open one at an authorized depository; *provided, further,* that the Debtors shall give five (5) business days' notice of the opening of any new bank accounts or closing of any Bank Account to the U.S. Trustee and counsel for the LPs; provided, further, that such changes should not be inconsistent with this Final Order.

16. ~~19.~~ The Debtors are authorized to issue post-petition checks, or to effect post-petition 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 pre-petition amounts owed in connection with any Bank Fees.

17. ~~20.~~ Notwithstanding the relief granted in this Final Order and any actions taken pursuant to such relief, nothing in this Final Order shall be deemed: (a) an admission as to the validity of any particular claim against the Debtors; (b) a waiver of the Debtors' rights to dispute any particular claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) an implication or admission that any particular claim is of a type specified or defined in this Final Order ~~or~~, the Motion or the Supplement; (e) a request or authorization to assume any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) a waiver or limitation of the Debtors' rights under the Bankruptcy Code or any other applicable law; or (g) a concession by the Debtors that any liens (contractual, common law, statutory, or otherwise) satisfied pursuant to the Motion or the Supplement are valid, and the Debtors expressly reserve their rights to contest the extent, validity, or perfection or seek avoidance of all such liens. Any payment made pursuant to this Final Order is not intended and should not be construed as an admission as to the validity of any particular claim or a waiver of the Debtors' rights to subsequently dispute such claim.

18. ~~21.~~ The banks and financial institutions on which checks were drawn or electronic payment requests made in payment of the pre-petition obligations approved herein are authorized to receive, process, honor, and pay all such checks and electronic payment requests when presented for payment, and all such banks and financial institutions are authorized to rely on the Debtors' designation of any particular check or electronic payment request as approved by this Final Order.

~~22. Nothing in this Final Order shall modify or impair the ability of any party in interest to contest how the Debtors account, including, without limitation, the validity or amount set forth~~

~~in such accounting for any Intercompany Transaction or Intercompany Balance. The rights of all parties in interest with the respect thereto are fully preserved.~~

19. ~~23.~~ As soon as practicable after entry of this Final Order, the Debtors shall serve a copy of this Final Order on the Banks.

20. ~~24.~~ Notice of the Motion and the Supplement as provided therein shall be deemed good and sufficient notice of such Motion and Supplement and the requirements of Bankruptcy Rule 6004(a) and the Local Rules are satisfied by such notice.

21. ~~25.~~ Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Final Order are immediately effective and enforceable upon its entry.

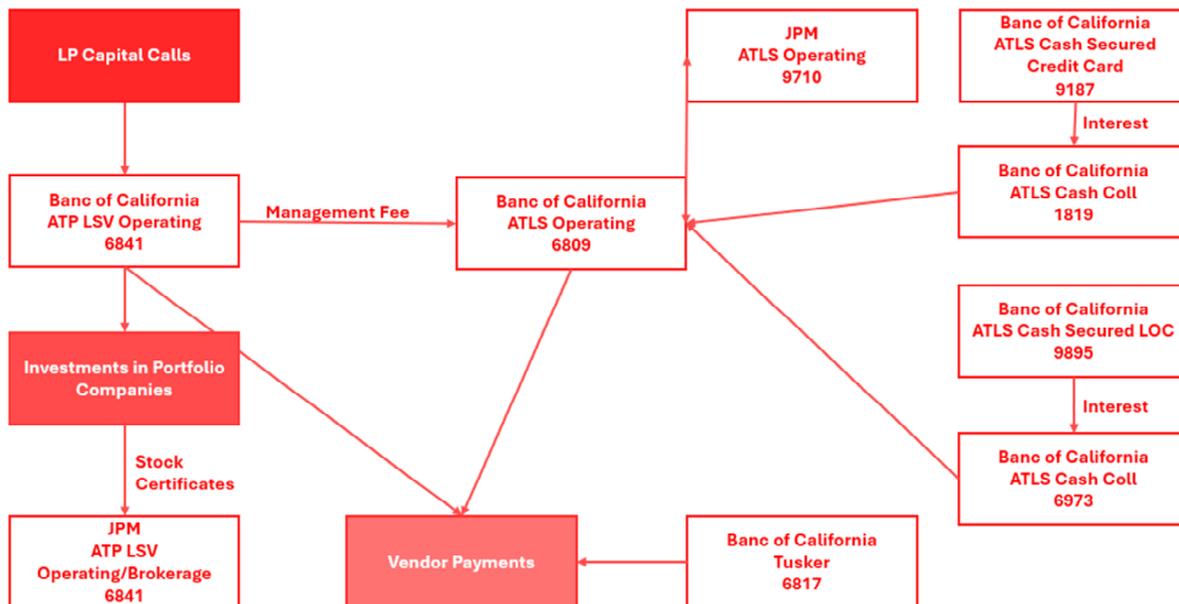
22. ~~26.~~ The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Final Order in accordance with the Motion and the Supplement.

23. ~~27.~~ This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Final Order.

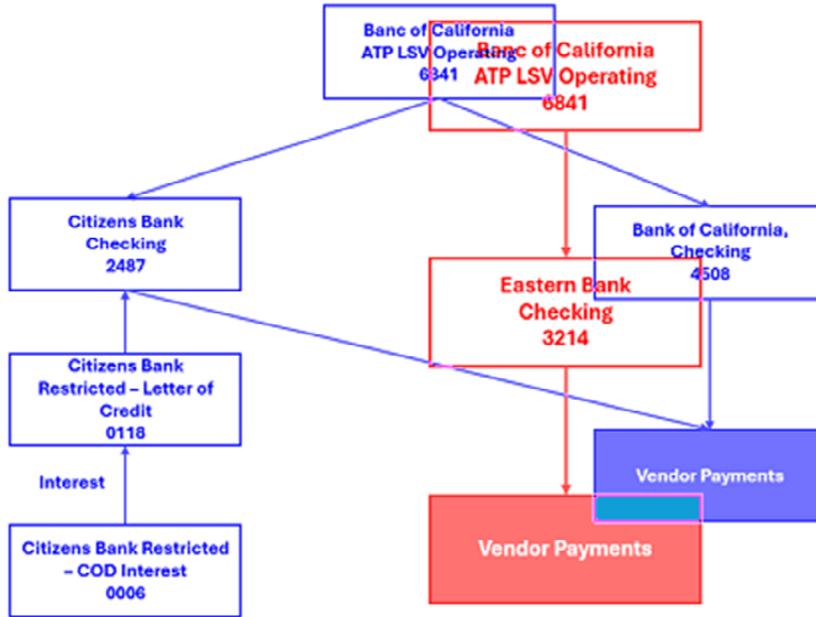
EXHIBIT 1

Cash Management System Schematic

(Deleted)

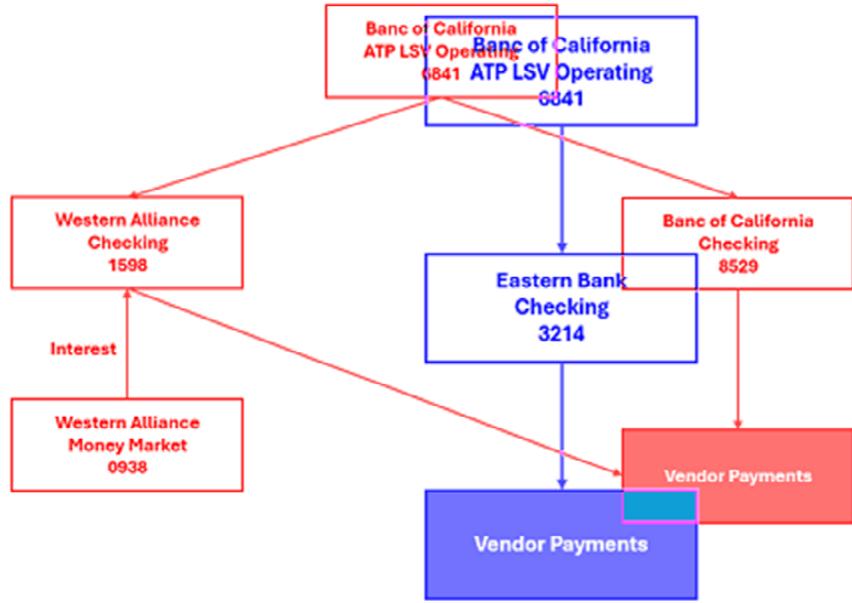


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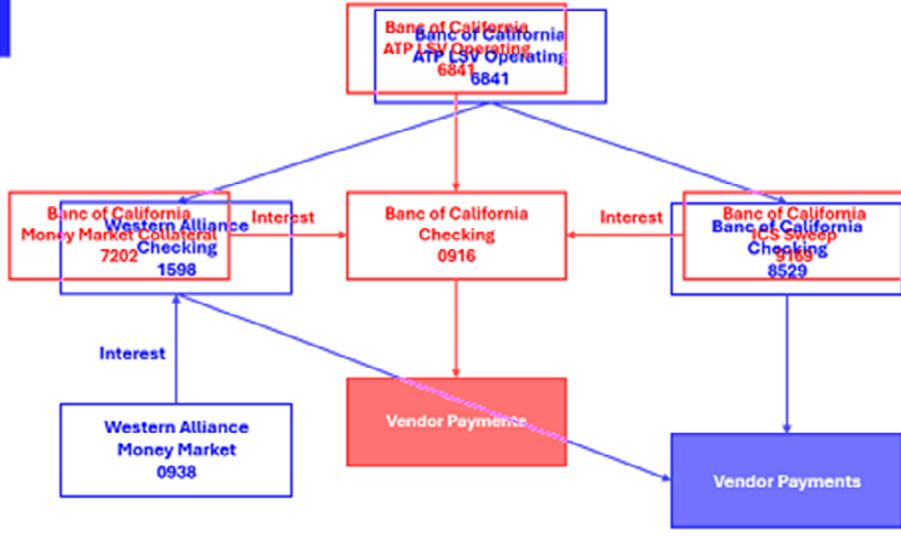


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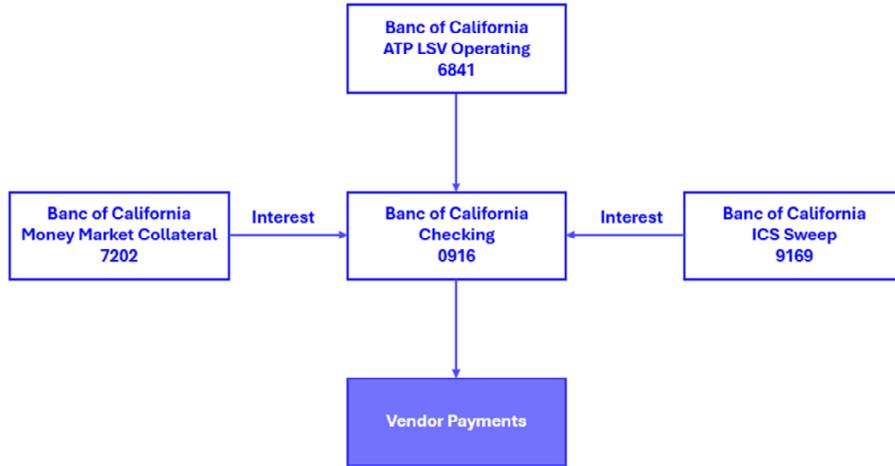
Therapeutics, Inc.
Therapeutics, Inc.



(Modified)



(Added)
Martinspike
Therapeutics, Inc.



(Added)

Evercrisp Biosciences,
Inc.

Banc of California
ATP LSV Operating
6841

Cathay Bank
Checking
9786

Vendor Payments

(Added)

Nine Square
Therapeutics, Inc.

Banc of California
ATP LSV Operating
6841

Banc of California
Checking
3029

Vendor Payments

EXHIBIT 2

Bank Accounts

No.	Entity	Bank Name	Last Four Digits of Account Number	Account Type
1	Apple Tree Life Sciences, Inc.	JPM	9710	Operating
2	Apple Tree Life Sciences, Inc.	Banc of California	6809	Business Checking
3	Apple Tree Life Sciences, Inc.	Banc of California	1819	Business High Yield
4	Apple Tree Life Sciences, Inc.	Banc of California	6973	Business High Yield
5	Apple Tree Life Sciences, Inc.	Banc of California	6817	Business Checking
6	Apple Tree Life Sciences, Inc.	Banc of California	9187	Secured Credit Card
7	Apple Tree Life Sciences, Inc.	Banc of California	9895	Secured Letter of Credit
8	ATP Life Science Ventures, L.P.	JPM	2650	Investment
9	ATP Life Science Ventures, L.P.	Banc of California	6841	Business Checking
10	Marlinspike Therapeutics, Inc.	Banc of California	0916	Business Checking
11	Marlinspike Therapeutics, Inc.	Banc of California	7202	Money Market Collateral
12	Marlinspike Therapeutics, Inc.	Banc of California	9169	ICS Sweep
13	Red Queen Therapeutics, Inc.	Eastern Bank	3214	Cash Management Checking
14	Initial Therapeutics Inc.	Western Alliance Bank	0938	Business Money Market
15	Initial Therapeutics Inc.	Western Alliance Bank	1598	Business Checking
16	Initial Therapeutics Inc	Banc of California	8529	Checking
17	Apertor Pharmaceuticals, Inc.	Citizens Bank	2487	Checking
18	Apertor Pharmaceuticals, Inc.	Citizens Bank	0118	Restricted Letter of Credit
19	Apertor Pharmaceuticals, Inc.	Citizens Bank	0006	Checking
20	Apertor Pharmaceuticals, Inc.	Banc of California	4508	Checking

<u>21</u>	<u>Evercrisp Therapeutics, Inc.</u>	<u>Cathay Bank</u>	<u>9786</u>	<u>Checking</u>
<u>22</u>	<u>Nine Square Therapeutics, Inc.</u>	<u>Banc of California</u>	<u>3029</u>	<u>Checking</u>