

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

In re:

MOLECULAR TEMPLATES, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 25-10739 (BLS)

(Joint Administration Requested)

**MOTION OF DEBTORS FOR ENTRY OF INTERIM AND FINAL
ORDERS ESTABLISHING NOTIFICATION AND HEARING
PROCEDURES FOR, AND APPROVING RESTRICTIONS ON, CERTAIN
TRANSFERS OF, AND DECLARATIONS OF WORTHLESSNESS WITH
RESPECT TO, INTERESTS IN THE DEBTORS' ESTATES**

Molecular Templates, Inc. and its debtor affiliate (collectively, the “Debtors”), each of which is a debtor and debtor in possession in the above-captioned chapter 11 cases (the “Chapter 11 Cases”), hereby file this *Motion of Debtors for Entry of Interim and Final Orders Establishing Notification and Hearing Procedures for, and Approving Restrictions on, Certain Transfers of, and Declarations of, Worthlessness with Respect to, Interests in the Debtors' Estates* (this “Motion”). This Motion is supported by the *Declaration of Craig Jalbert in Support of the Debtors' Chapter 11 Petitions and First Day Motions* (the “First Day Declaration”) filed contemporaneously herewith and incorporated herein by reference. In further support of this Motion, the Debtors respectfully state as follows:

RELIEF REQUESTED

1. By this Motion, and pursuant to sections 105(a) and 362 of title 11 of the United States Code (the “Bankruptcy Code”) and rules 6003 and 6004 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), the Debtors seek entry of interim and final orders,

¹ The Debtors in these chapter 11 cases, along with the Debtors' federal tax identification numbers, are: Molecular Templates, Inc. (9596) and Molecular Templates OpCo, Inc. (6035). The Debtors' mailing address is: 124 Washington Street, Ste. 101, Foxboro, MA 02035. All Court filings can be accessed at: <https://www.veritaglobal.net/MolecularTemplates>.



substantially in the forms attached hereto as **Exhibit B** and **Exhibit C** (the “Proposed Orders” and, if entered, respectively, the “Interim Order” and the “Final Order” and, collectively, the “Orders”), enforcing the automatic stay by implementing procedures, substantially in the form attached hereto as **Exhibit A** (the “Procedures”) and incorporated herein by reference, intended to protect the Debtors’ estates against the possible loss of valuable tax assets that could flow from stay violations. The Orders and Procedures would (a) establish and implement restrictions on, and notification requirements regarding the Beneficial Ownership² of, certain transfers of, and declarations of worthlessness with respect to, the Debtor Molecular Templates, Inc.’s existing common shares (the “Common Stock”), (b) direct that any purchase, sale or other transfer of, or declaration of worthlessness with respect to, Common Stock in violation of the Procedures shall be null and void *ab initio*, (c) approve the form of notice notifying holders of Common Stock of the Procedures, and (d) grant related relief.

JURISDICTION AND VENUE

2. The United States Bankruptcy Court for the District of Delaware (the “Court”) has jurisdiction over this Motion pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing*

² “**Beneficial Ownership**” means ownership in accordance with the applicable rules of sections 382 and 383 of the Internal Revenue Code of 1986 (as amended, the “**I.R.C.**”) and the United States Department of the Treasury (the “**Treasury**”) regulations thereunder (other than section 1.382-2T(h)(2)(i)(A) of the Treasury regulations), and includes direct, indirect, and constructive ownership of Common Stock (*e.g.*, including that (a) a holding company would be considered to beneficially own all Common Stock owned by its subsidiaries, (b) a partner in a partnership would be considered to beneficially own its proportionate share of any Common Stock owned by such partnership, (c) an individual and such individual’s family members may be treated as one individual, (d) Persons acting in concert to make a coordinated acquisition of Common Stock may be treated as a single entity, and (e) a holder would be considered to beneficially own Common Stock that such holder has an Option to acquire to the extent provided in section 1.382-4(d) of the Treasury regulations). An “**Option**” to acquire Common Stock includes all interests described in section 1.382-4(d)(9) of the Treasury regulations, including any contingent purchase right, warrant, convertible debt, put, call, stock subject to risk of forfeiture, or contract to acquire stock or similar interest, regardless of whether it is contingent or otherwise not currently exercisable. “**Beneficial Ownership**” and “**Beneficial Owner**” shall have correlative meanings.

Order of Reference from the United States District Court for the District of Delaware, dated February 29, 2012.

3. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b). In addition, the Debtors confirm their consent, pursuant to rule 9013-1(f) of the Local Rules for the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), to the entry of a final order by the Court in connection with this Motion to the extent that it is later determined that the Court, absent consent of the parties, cannot enter a final order or judgment in connection herewith consistent with Article III of the United States Constitution.

4. Venue of these Chapter 11 Cases and related proceedings is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

BACKGROUND

A. General Background

5. On April 20, 2025 (the “Petition Date”), the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code. The Debtors remain in possession of its property and continue to manage its business as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No request has been made for the appointment of a trustee or examiner, and no official committee has been appointed in these Chapter 11 Cases.

6. Additional information about the Debtors’ business and affairs, capital structure, and prepetition indebtedness, and the events leading up to the Petition Date, can be found in the First Day Declaration.

B. The Tax Attributes

7. The Debtors estimate based on current calculations that, as of December 31, 2024, they may have a net operating loss (“NOL”) carryforward for U.S. federal, state, and local income tax purposes and other potential federal and state carryforwards (collectively, the “Tax Attributes”).

The Debtors further expect that they may generate additional NOLs and other Tax Attributes for its 2025 tax year and during the pendency of these Chapter 11 Cases. Because the I.R.C. and certain state tax laws permit corporations to carry forward NOLs and other Tax Attributes to offset future income or taxes, subject to certain limitations, the Debtors' NOL carryforwards and other Tax Attributes are valuable assets of their estates. *See, e.g.*, I.R.C. §§ 39, 172. The above amounts are merely estimates and remain subject to change.

8. The Tax Attributes are potentially of significant value to the Debtors and their estates because the Debtors may be able to carry forward certain Tax Attributes to offset future taxable income or directly offset federal tax liability in future years. Such Tax Attributes may also be utilized by the Debtors to offset taxable income, if any, generated by transactions consummated during these Chapter 11 Cases. Failure to preserve such assets could cause the Debtors' estate to suffer a significant tax liability to the detriment of stakeholder interests. Accordingly, the value of the Tax Attributes would inure to the benefit of all of the Debtors' stakeholders.

9. For the reasons discussed below, and consistent with the automatic stay, in order to protect its ability to utilize the Tax Attributes, the Debtors need the ability to enforce the stay to preclude certain transfers and to monitor and possibly object to other changes in the ownership of Common Stock and claims made with respect to a worthless stock deduction.

10. Trading of Common Stock could adversely affect the Debtors' future ability to utilize their Tax Attributes and other tax items if:

- (a) too many blocks of Common Stock equal to 5% or greater of the Debtors' stock (as measured for tax purposes) are created through purchases, sales, or issuances, or too many shares are added to or sold from such blocks, such that, together with the previous trading by "5% shareholders" during the preceding three-year period, an Ownership Change (as defined below) is triggered prior to the consummation of a confirmed chapter 11 plan (as discussed further below); or
- (b) any 50% Shareholder (as defined below) claims a worthless stock deduction.

*An Ownership Change May Negatively Impact
the Debtors' Utilization of the Tax Attributes*

11. The use of Tax Attributes is subject to certain statutory limitations. In particular, a corporation that experiences an Ownership Change is limited in its ability to offset future income with its NOL carryforwards and certain other Tax Attributes under section 382 of the I.R.C. (“section 382”) and with certain other credit carryforwards under section 383 of the I.R.C. (“section 383”). For purposes of section 382 and section 383, an “Ownership Change” generally occurs when the percentage of a company’s equity held by one or more “5% shareholders” (as defined in section 382 and the Treasury regulations promulgated thereunder) increases by more than 50 percentage points over the lowest percentage of stock owned by those shareholders at any time during a three-year rolling period. For example, if a 10% shareholder purchased additional stock and became a 61% shareholder, the percentage of stock owned by 5% shareholders would have increased by 51 percentage points, thereby causing an Ownership Change.

12. An Ownership Change can also occur as a result of a “worthless stock deduction” claimed by any “50-percent shareholder.” I.R.C. § 382(g)(4)(D). A 50-percent shareholder is any Person³ (or group of people that is treated as a single entity under the applicable rules) with Beneficial Ownership of 50% or more of a corporation’s stock “at any time during the 3-year period ending on the last day of the taxable year” with respect to which the worthless stock deduction is claimed (a “50% Shareholder”). *Id.* If a 50% Shareholder still owns the corporation’s stock at the end of the taxable year, section 382 and section 383 essentially treat such Person as newly purchasing the stock on the first day of the next taxable year. For example, if a Person with

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

50% of a corporation's stock claims a worthless stock deduction with respect to the 2024 tax year, but does not dispose of such stock in 2024, that Person is treated (a) as not having owned the stock at the end of 2024 and (b) as having purchased the stock on the first day of the 2025 tax year. That deemed purchase would cause an Ownership Change because the 50% Shareholder would be deemed to have a 50-percentage point increase in its stock ownership.

13. If a corporation experiences an Ownership Change, section 382 and section 383 generally limit the amount of tax attributes and certain other tax items that may be utilized in each subsequent tax period to offset income or tax liabilities. Subject to a number of potentially applicable adjustments, this annual limitation is generally equal to the product of the equity value of the corporation immediately before the Ownership Change multiplied by a long-term tax-exempt rate prescribed by the Treasury.⁴ If the Debtors were to undergo an Ownership Change at a time prior to the consummation of a chapter 11 plan, the resulting annual limitation would significantly reduce or eliminate the ability of the Debtors to reduce current or future income with the Tax Attributes and could result in the Debtors' inability to utilize a substantial portion of its Tax Attributes.

14. By contrast, the rules relating to the calculation of the limitations on the use of tax attributes are more generous in the context of an Ownership Change that occurs pursuant to a confirmed chapter 11 plan, particularly where the plan involves the retention or receipt of at least 50% of the equity of the reorganized debtor by shareholders or "qualified creditors." *See* I.R.C. §§ 382(l)(5) and (6). In particular, a special rule under section 382(l)(5) of the I.R.C. ("section 382(l)(5)") would apply if shareholders and "qualified creditors" of the Debtors receive stock pursuant to a chapter 11 plan of reorganization constituting at least 50% of the total value

⁴ Rev. Rul. 2024-17, 2024 I.R.B. 424.

and voting power of the Debtors' stock immediately after the ownership change. Alternatively, a special rule under section 382(l)(6) of the I.R.C. ("section 382(l)(6)") would apply if the Debtors do not satisfy the eligibility requirements of section 382(l)(5) or elect out of that provision.

15. Under section 382(l)(5), the limitations imposed by section 382 do not apply to a debtor that undergoes an ownership change as a result of the consummation of a chapter 11 plan if the plan provides that the Persons who owned the debtor's stock immediately before the relevant ownership change and/or "qualified creditors" emerge from the reorganization owning (as a result of their prior ownership of stock or claims that are "qualified indebtedness") at least 50% of the total value and voting power of the debtor's stock immediately after the ownership change. *See* I.R.C. § 382(l)(5)(A). "Qualified creditors" are, in general, creditors who (a) held their claims continuously for at least 18 months at the time the bankruptcy petition is filed or (b) hold claims incurred in the ordinary course of the debtor's business and held those claims continuously since they were incurred.

16. Claims described in the preceding sentence constitute "qualified indebtedness." *See* I.R.C. § 382(l)(5)(E); Treas. Reg. § 1.382-9(d)(2). Importantly, a "*de minimis*" rule generally provides that a creditor that does not meet either of the foregoing requirements for the sole reason that its claim was not held continuously for a sufficient period may still be considered a qualified creditor if that creditor will directly or indirectly own less than 5% of the reorganized debtor's equity immediately after the ownership change.⁵ *See* Treas. Reg. § 1.382-9(d)(3).

⁵ This *de minimis* rule does not apply to claims beneficially owned by a Person whose participation in formulating a chapter 11 plan makes evident to the debtor (whether or not the debtor had previous knowledge) that the Person has not owned the claim for the requisite 18-month period. In that event, in order for the Person to be treated as a qualified creditor, the debtor must establish that the claim was incurred in the ordinary course of the debtor's business and the creditor has held the claim continuously since it was incurred.

17. The Debtors seek to avoid any Ownership Changes before the consummation of a chapter 11 plan. It has not yet been determined if the Debtors will attempt to avail itself of the special relief afforded by section 382(l)(5) or section 382(l)(6) for any potential changes in ownership under a confirmed chapter 11 plan. However, if the relief requested herein is not granted, there is a significant risk that, as a result of trading in interests in the Debtors, the Debtors could undergo an Ownership Change before consummation of such a plan and that the use of the Tax Attributes could be permanently impaired. Even if the Debtors are ultimately unable to satisfy the requirements of section 382(l)(5), or if they were to determine that it is more advantageous to elect not to accept their benefits, it would still be in the best interest of the Debtors and their estates to restrict Common Stock trading that could result in an Ownership Change of the Debtors before the consummation of a chapter 11 plan.

18. If the transactions contemplated by a chapter 11 plan would cause an Ownership Change, the Debtor could qualify for the favorable valuation rule of section 382(l)(6) only if that Ownership Change occurs pursuant to the consummation of the plan. Under section 382(l)(6), if the Debtors experience an Ownership Change pursuant to a chapter 11 plan and section 382(l)(5) does not apply (either because the Debtors elect out of that provision or because certain requirements are not met), the value of the reorganized Debtors' equity for the purposes of calculating the limitation under section 382 would reflect the increase in value of the reorganized Debtors' equity resulting from the restructuring of creditor claims under such plan. Thus, to the extent that the value of the reorganized Debtors' equity is greater as a result of a chapter 11 plan (compared to the value of the Debtors' equity prior to the transactions contemplated by such plan), section 382(l)(6) would provide for a greater annual limitation than would otherwise be obtained under section 382 for an Ownership Change that occurs prior to the consummation of the plan.

19. The Procedures are the mechanism by which the Debtors propose that it would monitor and, if necessary, object to certain transfers of Beneficial Ownership of Common Stock and declarations of worthlessness with respect to Common Stock to ensure preservation of the Tax Attributes. The Procedures are attached hereto as **Exhibit A**.

20. The relief requested herein is tailored as narrowly as is reasonable to permit certain Common Stock trading to continue, subject only to Bankruptcy Rule 3001(e) and applicable securities, corporate, and other laws. Specifically, the Procedures would affect only (a) holders of the equivalent of 4.5 percent or more of the shares of issued and outstanding Common Stock, (b) Persons who are interested in purchasing or otherwise acquiring sufficient shares of Common Stock to result in such Person becoming a holder of 4.5 percent or more of the shares of issued and outstanding Common Stock, and (c) any 50% Shareholder seeking to claim a worthless stock deduction. The proposed restrictions are crucial because, once shares of Common Stock are transferred or accumulated or a claim is made with respect to a worthless stock deduction, the transaction arguably might not be reversible for tax purposes, though it should be null and void under section 362 of the Bankruptcy Code.

BASIS FOR RELIEF

A. The Tax Attributes are Property of the Debtors' Estates

21. It is well established that a debtor's NOL carryforwards are property of its estate and are protected by section 362 of the Bankruptcy Code. The United States Court of Appeals for the Second Circuit, in its seminal decision of *Prudential Lines, Inc. v. PSS Steamship Co. (In re Prudential Lines Inc.)*, affirmed the application of the automatic stay and upheld a permanent injunction against a parent corporation that sought to take a worthless stock deduction relating to the stock of its subsidiary, which was the debtor in that case. *See Prudential Lines, Inc. v. PSS Steamship Co. (In re Prudential Lines Inc.)*, 928 F.2d 565 (2d Cir. 1991), *cert. denied*, 502 U.S.

821 (1991). Observing that the worthless stock deduction would have adversely affected the subsidiary's ability to use its NOL carryforwards post-bankruptcy (in this context, the worthless stock deduction would result in a section 382 limitation of zero), the Second Circuit held that the subsidiary's NOL carryforwards were property of the estate under the broad language of section 541 of the Bankruptcy Code:

Including NOL carryforwards as property of a corporate debtor's estate is consistent with Congress' intention to "bring anything of value that the debtors have into the estate." Moreover, "[a] paramount and important goal of Chapter 11 is the rehabilitation of the debtor by offering breathing space and an opportunity to rehabilitate its business and eventually generate revenue." Including the right to a NOL carryforward as property of [the debtor's] bankruptcy estate furthers the purpose of facilitating the reorganization of [the debtor].

Id. at 573 (citations omitted); *see also In re Fruehauf Trailer Corp.*, 444 F.3d 203, 211 (3d Cir. 2006) ("Property of the estate 'includes all interests, such as . . . contingent interests and future interests, whether or not transferable by the debtor.'" (quoting *Prudential Lines*, 928 F.2d at 572)); *White Metal Rolling & Stamping Corp. v. Drew Indus., Inc. (In re White Metal Rolling & Stamping Corp.)*, 222 B.R. 417, 424 (Bankr. S.D.N.Y. 1998) ("It is beyond peradventure that NOL carrybacks and carryovers are property of the estate of the loss corporation that generated them."). The Second Circuit then held that the parent corporation's attempt to claim a worthless stock deduction for the stock of its debtor subsidiary would effectively eliminate the value of the debtor's NOL carryforwards and, thus, would be an act to exercise control over estate property in violation of the automatic stay under section 362 of the Bankruptcy Code. *See Prudential Lines*, 928 F.2d at 573–74. The Third Circuit has reaffirmed this principle that NOLs are property of the estate. *See In re Majestic Star Casino, LLC*, 716 F.3d 736, 754 (3d Cir. 2013) ("[The] right to carryforward [the] \$74 million NOL to offset future income is property of the [subsidiary's] estate within the meaning of § 541." (quoting *Prudential Lines*, 928 F.2d at 571)). In addition, shortly

before the Second Circuit issued its decision in *Prudential Lines*, the Eighth Circuit adopted the reasoning of the lower court in *Prudential Lines* and also held that NOL carryforwards comprise property of the estate. *See Russell v. United States (In re Russell)*, 927 F.2d 413, 417–18 (8th Cir. 1991) (citing *In re Prudential Lines, Inc.*, 107 B.R. 832, 836 (Bankr. S.D.N.Y. 1989), *aff'd*, 119 B.R. 430 (S.D.N.Y. 1990), *aff'd*, 928 F.2d 565 (2d Cir. 1991)). The Eighth Circuit similarly found that NOL carryforwards were property of a debtor’s estate for the purpose of determining whether an irrevocable election to carry forward NOLs was an unauthorized post-petition transfer. *See id.*

22. Section 362(a) of the Bankruptcy Code operates as a stay of, among other things, “any act to obtain possession of property of the estate or of property from the estate or to exercise control over property of the estate.” 11 U.S.C. § 362(a)(3). Accordingly, ““where a non-debtor’s action with respect to an interest that is intertwined with that of a bankrupt debtor would have the legal effect of diminishing or eliminating property of the bankrupt estate, such action is barred by the automatic stay.”” *In re Majestic Star Casino*, 716 F.3d at 754 (quoting *Prudential Lines*, 928 F.2d at 574). The Second Circuit in *Prudential Lines* held that, “despite the fact that the [parent corporation’s] action [of filing for a worthless stock deduction] is not directed specifically at [the debtor subsidiary], it is barred by the automatic stay as an attempt to exercise control over property of the estate.” *Prudential Lines*, 928 F.2d at 574.

23. The Second Circuit also held that the permanent injunction was supported by the court’s equitable powers under section 105(a) of the Bankruptcy Code and refused to disturb the bankruptcy court’s finding that elimination of the debtor’s ability to apply its NOL to offset income on future tax returns would impede its reorganization. *See Prudential Lines*, 928 F.2d at 574.

24. Similarly, in *In re Phar-Mor, Inc.*, chapter 11 debtors moved to prohibit any transfer of the debtors’ stock that could have triggered the section 382 limitation. 152 B.R. 924 (Bankr.

N.D. Ohio 1993). The court held that the NOL was property of the estates and it issued an injunctive order to protect the asset and enforce the automatic stay. *See id.* at 927. Significantly, the court granted the requested relief notwithstanding that the stockholders had not stated an intent to sell their stock and the debtors had not shown the existence of a pending sale that would trigger an Ownership Change. *See id.* The court observed that “[w]hat is certain is that the *NOL has a potential value, as yet undetermined*, which will be of benefit to creditors and will assist [the debtors] in their reorganization process. This asset is entitled to protection while [the debtors] move forward toward reorganization.” *Id.* (emphasis added). The court also concluded that, because the debtors were seeking to enforce the stay, they did not have to meet the more stringent requirements for a grant of preliminary injunctive relief:

The requirements for enforcing an automatic stay under 11 U.S.C. § 362(a)(3) do not involve such factors as lack of an adequate remedy at law, or irreparable injury, or loss and a likelihood of success on the merits. The key elements for a stay . . . are the existence of property of the estate and the enjoining of all efforts by others to obtain possession or control of property of the estate.

Id. at 926 (quoting *Golden Distribs., Ltd. v. Reiss (In re Golden Distribs., Ltd.)*, 122 B.R. 15, 19 (Bankr. S.D.N.Y. 1990)).

25. This Court routinely (a) restricts transfers of a debtor’s stock and declarations of worthlessness with respect to a debtor’s stock and (b) institutes notice procedures regarding proposed transfers to protect a debtor against the possible loss of its tax attributes. *See, e.g., In re Omega Therapeutics*, Case No. 25-10211 (BLS) (Bankr. D. Del. Mar. 10, 2025) [D.I. 88]; *In re Nuvo Group USA, Inc.*, Case No. 24-11880 (MFW) (Bankr. D. Del. Sept. 20, 2024) [D.I. 85]; *In re Cano Health, Inc.*, No. 24-10164 (KBO) (Bankr. D. Del. Mar. 5, 2024) [D.I. 255]; *In re Sunlight Fin. Holdings Inc.*, No. 23-11794 (MFW) (Bankr. D. Del. Nov. 30, 2023) [D.I. 168]; *In re An Glob. LLC*, No. 23-11294 (JKS) (Bankr. D. Del. Oct. 3, 2023) [D.I. 174]; *In re Mallinckrodt, plc*, No.

23-11258 (JTD) (Bankr. D. Del. Sept. 15, 2023) [D.I. 263]; *In re MediaMath Holdings, Inc.*, No. 23-10882 (LSS) (Bankr. D. Del. Aug. 3, 2023) [D.I. 189]; *In re Starry Grp. Holdings, Inc.*, No. 23-10219 (KBO) (Bankr. D. Del. Mar. 20, 2023) [D.I. 167]; *In re Kabbage, Inc.*, No. 22-10951 (CTG) (Bankr. D. Del. Nov. 2, 2022) [D.I. 193]; *In re Carestream Health, Inc.*, No. 22-10778 (JKS) (Bankr. D. Del. Sept. 22, 2022) [D.I. 155]. In short, it is well-settled by courts in this and other circuits that section 362(a)(3) of the Bankruptcy Code stays actions that could adversely affect a debtor's NOL carryforwards.

26. Finally, section 105(a) of the Bankruptcy Code confers the Court with broad equitable powers to “issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.” 11 U.S.C. § 105(a). As such, the Court has expansive equitable powers to fashion any order or decree that is in the interest of preserving or protecting the value of the Debtors' assets. *See In re Nixon*, 404 F. App'x 575, 578 (3d Cir. 2010) (“It is well settled that the court's power under § 105(a) is broad.” (citation omitted)); *In re Nortel Networks, Inc.*, 532 B.R. 494, 554 (Bankr. D. Del. 2015) (“The Third Circuit has construed [section 105 of the Bankruptcy Code] to give bankruptcy courts ‘broad authority’ to provide appropriate equitable relief to assure the orderly conduct of reorganization proceedings, and to ‘craft flexible remedies that, while not expressly authorized by the Code, effect the result the Code was designed to obtain.’” (citations omitted)); *Patrick v. Dell Fin. Servs., L.P. (In re Patrick)*, 344 B.R. 56, 58 (Bankr. M.D. Pa. 2005) (“There is no doubt that § 105(a) is a ‘powerful [and] versatile tool’ designed to empower bankruptcy courts to fashion orders in furtherance of the Bankruptcy Code.” (quoting *Joubert v. ABN AMRO Mortg. Grp., Inc. (In re Joubert)*, 411 F.3d 452, 455 (3d Cir. 2005))).

27. Here, the proposed Procedures are necessary to protect the Debtors' Tax Attributes, which are potentially valuable assets of the Debtors' estates, while providing appropriate latitude

for trading in Common Stock below specified levels. The Debtors' ability to meet the requirements of the tax laws to preserve its Tax Attributes may be jeopardized unless the Procedures are established to ensure that the Debtors can monitor and, if necessary, object to certain transfers of Beneficial Ownership of Common Stock and declarations of worthlessness with respect to Common Stock. However, the Debtors recognize that the trading in Common Stock below specified levels (subject to the Procedures) does not pose a serious risk to the Tax Attributes. The relief requested herein is tailored as narrowly as is reasonable to permit certain Common Stock trading to continue, subject only to Bankruptcy Rule 3001(e) and applicable securities, corporate, and other laws. The proposed restrictions are crucial because, once Common Stock is transferred or accumulated or a claim is made with respect to a worthless stock deduction, the transaction arguably might not be reversible for tax purposes, though it should be null and void under section 362 of the Bankruptcy Code. The relief requested herein is, therefore, critical to prevent what may be an irrevocable loss of the Debtors' Tax Attributes.

28. Based upon the foregoing, the Debtors submit that the relief requested herein is essential, appropriate, and in the best interests of the Debtors' estates and stakeholders. Absent this relief, the value of the Debtors' estates could suffer, possibly precipitously. Consequently, the Debtors' stakeholders would benefit if the requested relief were granted.

THE REQUIREMENTS OF BANKRUPTCY RULE 6003 ARE SATISFIED

29. Bankruptcy Rule 6003 empowers the Court to issue an order, within 21 days after the Petition Date, granting a motion to "use . . . property of the estate, including a motion to pay all or part of a claim that arose before the filing of the petition" if such requested relief is "needed to avoid immediate and irreparable harm." Fed. R. Bankr. P. 6003(a)(2). For the reasons discussed above, immediate and irreparable harm would result if the relief requested herein were not granted.

Accordingly, the Debtors submit that they have satisfied the “immediate and irreparable harm” standard of Bankruptcy Rule 6003 to support granting the relief requested herein.

WAIVER OF BANKRUPTCY RULES 6004(a) AND 6004(h)

30. To implement the foregoing successfully, the Debtors seek a waiver of the notice requirements under Bankruptcy Rule 6004(a) and any stay of an order granting the relief requested herein pursuant to Bankruptcy Rule 6004(h), 7062, 9014 or otherwise for all of the reasons described above.

RESERVATION OF RIGHTS

31. Nothing contained herein is intended or shall be construed as: (i) an admission as to the validity, amount or priority of any claim against the Debtors; (ii) a waiver of the Debtors’ rights to dispute any claim; (iii) a promise or requirement to pay any claim; (iv) a waiver of any claim or cause of action of the Debtors that exists against any entity; (v) a ratification or assumption of any agreement, contract or lease under section 365 of the Bankruptcy Code; (vi) a waiver of limitation of the Debtors’ rights under the Bankruptcy Code, any other applicable law, or any agreement; or (vii) an admission or concession by the Debtors that any lien acknowledged or satisfied under this Motion is valid, and the Debtors expressly reserve and preserve their rights to contest the extent, validity, or perfection, or seek avoidance of, any such lien.

NOTICE

32. Notice of this Motion will be provided to: (a) the Office of the United States Trustee, Attn: Jane M. Leamy (jane.m.leafy@usdoj.gov); (b) counsel to K2 HealthVentures LLC; (c) the Internal Revenue Service; (d) the parties included on the Debtors’ consolidated list of its thirty (30) largest unsecured creditors; (e) the United States Attorney’s Office for the District of Delaware; (f) the Securities and Exchange Commission; and (g) any party that has requested notice pursuant to Bankruptcy Rule 2002. As this Motion is seeking first-day relief, the Debtors will serve copies

of this Motion and any order entered in respect of this Motion as required by Local Rule 9013-1(m). The Debtors respectfully submit that no further notice of this Motion is required under the circumstances.

CONCLUSION

WHEREFORE, the Debtors respectfully request that the Court enter the Proposed Orders granting the relief requested in this Motion, and such other and further relief as the Court may deem just and appropriate.

Dated: April 21, 2025
Wilmington, Delaware

MORRIS, NICHOLS, ARSHT & TUNNELL LLP

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EXHIBIT A

Procedures

**Procedures for Restrictions on Certain Transfers of and Declarations of Worthlessness
with Respect to Interests in the Debtors' Estates¹**

These procedures for restrictions on certain transfers of and declarations of worthlessness with respect to interests in the Debtors' estates (these "Procedures") are the mechanism by which the Debtors propose that they will monitor and, if necessary, object to certain transfers of Common Stock and declarations of worthlessness with respect to Common Stock to ensure preservation of their Tax Attributes. The Procedures are set forth below:

1. Notice of Substantial Shareholder Status. Any Person who is or becomes a Substantial Shareholder, must, on or before the later of (a) 14 days after service of a notice substantially in the form attached hereto as **Exhibit D** (the "Notice of Interim Order"), or (b) 10 days after that Person becomes a Substantial Shareholder, serve a notice by first class mail and, where available, email and fax, substantially in the form attached hereto as **Exhibit A-1** (the "Substantial Shareholder Notice"), containing the Beneficial Ownership information upon the following: (i) the Debtors, Molecular Templates, Inc., 124 Washington Street, Ste. 101, Foxboro, MA 02035, Attn: Craig Jalbert, (ii) proposed counsel to the Debtors, Morris, Nichols, Arsht & Tunnell LLP, 1201 N. Market Street, 16th Floor, Wilmington, DE 19801, Attn: Eric D. Schwartz, Andrew Remming, (iii) counsel to K2 HealthVentures LLC, Sidley Austin LLP, 199 Avenue of the Stars, Floor 17, Los Angeles, CA 90067, Attn: Sam Newman, and Polsinelli, 222 Delaware Avenue, Suite 1101, Wilmington, DE 19801, Attn: Christopher A. Ward, and (iv) counsel to any official committee appointed in these Chapter 11 Cases (collectively, the "Notice Parties").

2. Restrictions and Procedures for Trading in Common Stock. Any Person that, after the Effective Time (as defined below):

(a.) is not a Substantial Shareholder and wishes to purchase or otherwise acquire Beneficial Ownership of an amount of Common Stock that would cause the Person to become a Substantial Shareholder;

(b.) is a Substantial Shareholder and wishes to purchase or otherwise acquire Beneficial Ownership of any additional Common Stock; or

(c.) is a Substantial Shareholder and wishes to sell or otherwise dispose of Beneficial Ownership of any Common Stock,

must file with the Court and serve upon the Notice Parties an advance written declaration of the intended transfer of Common Stock, substantially in the form attached hereto as **Exhibit A-2** (a "Declaration of Intent to Accumulate Common Stock") or **Exhibit A-3** (a "Declaration of Intent to Transfer Common Stock") and, together with a Declaration of Intent to Accumulate Common Stock, each a "Declaration of Proposed Transfer"), as applicable.

The Debtors shall have 14 calendar days after receipt of a Declaration of Proposed Transfer to file with the Court and serve on the applicable Person an objection to any proposed transfer of

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

Beneficial Ownership of Common Stock described in the Declaration of Proposed Transfer on the grounds that such transfer might adversely affect the Debtors' ability to utilize their Tax Attributes.

If the Debtors file an objection, such transaction shall remain ineffective unless such objection is withdrawn by the Debtors, or such transaction is approved by a final and non-appealable order of the Court.

If the Debtors do not object within such 20-day period, such transaction can proceed solely as set forth in the Declaration of Proposed Transfer. Further transactions within the scope of the Procedures must be the subject of additional notices in accordance with the procedures set forth herein, with an additional 20-day waiting period for each Declaration of Proposed Transfer.

3. Procedures for Declarations of Worthlessness of Common Stock. Prior to filing any federal or state tax return, or any amendment to any such return, or taking any other action that claims any deduction for worthlessness with respect to Common Stock for a taxable year ending before the Debtors' emergence from chapter 11, the applicable 50% Shareholder must file with the Court and serve upon the Notice Parties a declaration of intent to claim a worthless stock deduction, substantially in the form attached hereto as **Exhibit A-4** (a "Declaration of Intent to Claim a Worthless Stock Deduction"). The same procedures applicable to a Declaration of Proposed Transfer (described in Section 2 hereof) shall apply with respect to a Declaration of Intent to Claim a Worthless Stock Deduction.

4. Confidentiality. The Debtors and the Debtors' counsel shall keep all information provided in all notices delivered pursuant to an interim or final order entered by the Court (an "Interim Order" or "Final Order," respectively) strictly confidential and shall not disclose the contents thereof to any Person (including any lender), except to the extent (a) necessary to respond to a petition or objection filed with the Court, (b) otherwise required by law, or (c) that the information contained therein is already public; *provided, however*, that the Debtors may disclose the contents thereof to their professional advisors, who shall keep all such notices strictly confidential and shall not disclose the contents thereof to any other Person, subject to further Court order. To the extent that confidential information is necessary to respond to a petition or objection filed with the Court, such confidential information shall be filed under seal or in redacted form in accordance with the procedures set forth in Local Rule 9018-1(d).

5. Sanctions for Noncompliance Relating to Common Stock. Acquisitions and dispositions of Beneficial Ownership of Common Stock or claims of deductions of worthlessness with respect to Common Stock in violation of the Procedures set forth in Sections 2 and 3 of these Procedures shall be void *ab initio* as an act in violation of the automatic stay prescribed by section 362 of the Bankruptcy Code and pursuant to the Court's equitable power prescribed in section 105(a) of the Bankruptcy Code. The sanction for violating Section 2 of these Procedures shall be reversal of the noncompliant transaction, or such other (or additional) measures as the Court may consider appropriate. The sanction for violating Section 3 of these Procedures shall be the requirement to file an amended tax return revoking the declaration of worthlessness, or such other (or additional) measures as the Court may consider appropriate.

6. Discretionary Waiver by the Debtor. The Debtor may, in their sole discretion, waive, in writing (including via email), any sanctions, remedies, or notification procedures imposed by the Interim Order or the Final Order, as applicable.

7. Continued Compliance with Other Applicable Laws and Rules. The requirements set forth in the Interim Order or Final Order, as applicable, are in addition to the requirements of Bankruptcy Rule 3001(e) and applicable securities, corporate, and other laws, and do not excuse compliance therewith.

8. Special Rules. A Person acquiring or disposing of Beneficial Ownership of Common Stock in the capacity of Agent of another Person shall not be treated as a Substantial Shareholder solely to the extent acting in the capacity of Agent, and shall not have an affirmative duty to inquire whether the account, customer, investment fund, principal, trust, or beneficiary is subject to any restrictions or requirements under the Interim Order or the Final Order, as applicable; *provided, however*, that the account, customer, investment fund, principal, trust, or beneficiary shall not be excluded from the Interim Order or the Final Order, as applicable, by reason of this Section 8.

9. Definitions. For purposes of these Procedures:

“50% Shareholder” means any person or entity that currently is or becomes a “50-percent shareholder” within the meaning of section 382(g)(4)(D) of the I.R.C. and the Treasury regulations thereunder with respect to Common Stock, provided that ownership shall be measured using the definition of Beneficial Ownership described below.

“Agent” means a broker, account manager, agent, custodian, nominee, prime broker, clearinghouse, or trustee (but not including a trustee qualified under section 401(a) of the I.R.C.).

“Applicable Number” has the meaning given in the definition of Substantial Shareholder.

“Beneficial Ownership” means ownership in accordance with the applicable rules of sections 382 and 383 of the I.R.C. and the Treasury regulations thereunder (other than section 1.382-2T(h)(2)(i)(A) of the Treasury regulations), and includes direct, indirect, and constructive ownership of Common Stock (*e.g.*, including that (a) a holding company would be considered to beneficially own all Common Stock owned by its subsidiaries, (b) a partner in a partnership would be considered to beneficially own its proportionate share of any Common Stock owned by such partnership, (c) an individual and such individual’s family members may be treated as one individual, (d) Persons acting in concert to make a coordinated acquisition of Common Stock may be treated as a single entity, and (e) a holder would be considered to beneficially own Common Stock that such holder has an Option to acquire to the extent provided in section 1.382-4(d) of the Treasury regulations). An “Option”

to acquire Common Stock includes all interests described in section 1.382-4(d)(9) of the Treasury regulations, including any contingent purchase right, warrant, convertible debt, put, call, stock subject to risk of forfeiture, contract to acquire stock, or similar interest, regardless of whether it is contingent or otherwise not currently exercisable. “Beneficial Ownership” and “Beneficial Owner” shall have correlative meanings.

“Declaration of Proposed Transfer” has the meaning given in Section 2 hereof.

“Effective Time” means the time of effectiveness of the Interim Order or the Final Order, as applicable.

“Motion” means the *Motion of Debtors for Entry of Interim and Final Orders Establishing Notification and Hearing Procedures for, and Approving Restrictions on, Certain Transfers of, and Declarations of Worthlessness with Respect to Interests in the Debtors’ Estates* filed in the Chapter 11 Case.

“Person” means a person or Entity (as such term is defined in section 1.382-3(a) of the Treasury regulations).

“Procedures” has the meaning given in the preamble hereof.

“Substantial Shareholder” means a Beneficial Owner of at least 296,274 shares of Common Stock (representing approximately 4.5% of all shares of Common Stock issued and outstanding as of the Petition Date) (such number of shares, the “Applicable Number”).

“Substantial Shareholder Notice” has the meaning given in Section 1 hereof.

10. Notice Procedures.

(a.) Within two business days after the Court’s entry of the Interim Order or Final Order, as applicable, the Debtors propose to provide a notice of Interim Order or notice of Final Order, as applicable, describing the authorized trading restrictions and notification requirements, substantially in the form attached as **Exhibit D** to the Motion, to the Notice Parties (as set forth in the Motion), any identified Substantial Shareholders (or their respective counsels), all holders of Common Stock registered directly with the transfer agent(s) of the Debtors’ Common Stock, and all banks, brokers, intermediaries, or mailing agents (collectively, the “Nominees”) that hold Common Stock in “street name” for the Beneficial Owners.

(b.) Within two business days after receipt of such notice, any holder registered directly with any transfer agent and any broker, bank, dealer, or other agent, intermediary or nominee (each a “Nominee”) that holds the Debtors’ Common Stock in ‘street name’ for the beneficial owner thereof, shall, in turn, provide the notice to any holder for whose

account the registered holder or Nominee holds at least an Applicable Number of shares of Common Stock. Any such holder shall, in turn, provide the notice to any Person for whom the holder holds at least an Applicable Number of shares of Common Stock, and, in the holder's discretion, may provide the notice to additional Persons for whom the holder holds any shares of Common Stock. Any Person, or Agent acting on such Person's behalf, that sells an aggregate amount of at least an Applicable Number of shares of Common Stock (or an Option with respect thereto) to another Person shall provide a copy of the notice to such purchaser or to any Agent acting on such purchaser's behalf.

EXHIBIT A-1

Substantial Shareholder Notice

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

In re:

Chapter 11

MOLECULAR TEMPLATES, INC., *et al.*,¹

Case No. 25-10739 (BLS)

Debtors.

SUBSTANTIAL SHAREHOLDER NOTICE

PLEASE TAKE NOTICE that the undersigned party hereby provides notice of its Beneficial Ownership² of Common Stock in an amount at least equal to 296,274 shares of Common Stock (representing approximately 4.5% of all shares of Common Stock issued and outstanding as of the Petition Date).

PLEASE TAKE FURTHER NOTICE that, as of _____, 2025, the undersigned has Beneficial Ownership of _____ shares of Common Stock. The following table sets forth the date(s) on which the undersigned party acquired Beneficial Ownership of such Common Stock:

| <u>Number of shares of Common Stock</u> | <u>Date Acquired</u> | <u>Directly Owned (✓)</u> |
|--|-----------------------------|--------------------------------------|
| | | |
| | | |
| | | |

PLEASE TAKE FURTHER NOTICE that the last four digits of the taxpayer identification number of the undersigned party are _____.³

¹ The Debtors in these chapter 11 cases, along with the Debtors' federal tax identification numbers, are: Molecular Templates, Inc. (9596) and Molecular Templates OpCo, Inc. (6035). The Debtors' mailing address is: 124 Washington Street, Ste. 101, Foxboro, MA 02035. All Court filings can be accessed at: <https://www.veritaglobal.net/MolecularTemplates>.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the *Interim Order Establishing Notification and Hearing Procedures for, and Approving Restrictions on, Certain Transfers of, and Declarations of Worthlessness with Respect to Interests in the Debtors' Estates* [D.I. ____] or *Final Order Establishing Notification and Hearing Procedures for, and Approving Restrictions on, Certain Transfers of, and Declarations of Worthlessness with Respect to Interests in the Debtors' Estates* [D.I. ____], as applicable (the "Order").

³ All persons and entities required to file a notice(s) pursuant to these procedures MUST redact all but the last 4 digits of their taxpayer identification number from such notices when filing the same with the Court.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Order, this declaration (this “Declaration”) is being filed with the Court and served upon the Notice Parties.

PLEASE TAKE FURTHER NOTICE that, pursuant to 28 U.S.C. § 1746, under penalties of perjury, the undersigned party hereby declares that they have examined this Declaration and accompanying attachments (if any), and, to the best of their knowledge and belief, this Declaration and any attachments hereto are true, correct, and complete.

This notice is given in addition to, and not as a substitute for, any requisite notice under Bankruptcy Rule 3001(e).

[Signature page follows]

Respectfully submitted,

(Name of Declarant)

By:

Name:

Address:

Telephone:

Facsimile:

Dated: _____, 20__

,

(City)

(State)

EXHIBIT A-2

Declaration of Intent to Accumulate Common Stock

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

In re:

MOLECULAR TEMPLATES, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 25-10739 (BLS)

DECLARATION OF INTENT TO ACCUMULATE COMMON STOCK

PLEASE TAKE NOTICE that the undersigned party hereby provides notice of its intention to purchase, acquire, or otherwise accumulate (the “Proposed Transfer”) one or more shares of the Debtors’ Common Stock.² The above captioned Debtors are debtors and debtors in possession in Case No. 25-10739 (BLS) pending in the United States Bankruptcy Court for the District of Delaware (the “Court”).

PLEASE TAKE FURTHER NOTICE that, pursuant to the Proposed Transfer, the undersigned party proposes to purchase, acquire, or otherwise accumulate Beneficial Ownership of _____ shares of Common Stock or an Option with respect to _____ shares of Common Stock. If the Proposed Transfer is permitted to occur, the undersigned party would have _____ shares of Common Stock.

PLEASE TAKE FURTHER NOTICE that the undersigned party currently has Beneficial Ownership of _____ shares of Common Stock.

PLEASE TAKE FURTHER NOTICE that the last four digits of the taxpayer identification number of the undersigned party are _____.³

¹ The Debtors in these chapter 11 cases, along with the Debtors’ federal tax identification numbers, are: Molecular Templates, Inc. (9596) and Molecular Templates OpCo, Inc. (6035). The Debtors’ mailing address is: 124 Washington Street, Ste. 101, Foxboro, MA 02035. All Court filings can be accessed at: <https://www.veritaglobal.net/MolecularTemplates>.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the *Interim Order Establishing Notification and Hearing Procedures for, and Approving Restrictions on, Certain Transfers of, and Declarations of Worthlessness with Respect to Interests in the Debtors’ Estates* [D.I. [•]] or *Final Order Establishing Notification and Hearing Procedures for, and Approving Restrictions on, Certain Transfers of, and Declarations of Worthlessness with Respect to Interests in the Debtors’ Estates* [D.I. [•]], as applicable (the “Order”).

³ All persons and entities required to file a notice(s) pursuant to these procedures MUST redact all but the last 4 digits of their taxpayer identification number from such notices when filing the same with the Court.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Order, this declaration (this “**Declaration**”) is being filed with the Court and served upon the Notice Parties.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Order, the undersigned party acknowledges that it is prohibited from consummating the Proposed Transfer unless and until the undersigned party complies with the Procedures set forth therein.

PLEASE TAKE FURTHER NOTICE that the Debtors have 14 calendar days after receipt of this Declaration to object to the Proposed Transfer described herein. If the Debtors file an objection, such Proposed Transfer shall remain ineffective unless such objection is withdrawn by the Debtors or such transaction is approved by a final and non-appealable order of the Court. If the Debtors do not object within such 20-day period, then after expiration of such period the Proposed Transfer may proceed solely as set forth in this Declaration.

PLEASE TAKE FURTHER NOTICE that any further transactions contemplated by the undersigned party that may result in the undersigned party purchasing, acquiring or otherwise accumulating Beneficial Ownership of additional shares of Common Stock would each require an additional notice filed with the Court to be served in the same manner as this Declaration.

PLEASE TAKE FURTHER NOTICE that, pursuant to 28 U.S.C. § 1746, under penalties of perjury, the undersigned party hereby declares that they have examined this Declaration and accompanying attachments (if any), and, to the best of their knowledge and belief, this Declaration and any attachments hereto are true, correct, and complete.

This notice is given in addition to, and not as a substitute for, any requisite notice under Bankruptcy Rule 3001(e).

[Signature page follows]

Respectfully submitted,

(Name of Declarant)

By:

Name:

Address:

Telephone:

Facsimile:

Dated: _____, 20__

,

(City)

(State)

EXHIBIT A-3

Declaration of Intent to Transfer Common Stock

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

In re:

MOLECULAR TEMPLATES, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 25-10739 (BLS)

DECLARATION OF INTENT TO TRANSFER COMMON STOCK

PLEASE TAKE NOTICE that the undersigned party hereby provides notice of its intention to sell, trade, or otherwise transfer (the “Proposed Transfer”) one or more shares of the Debtors’ Common Stock.² The above captioned Debtors are debtors and debtors in possession in Case No. 25-10739 (BLS) pending in the United States Bankruptcy Court for the District of Delaware (the “Court”).

PLEASE TAKE FURTHER NOTICE that, pursuant to the Proposed Transfer, the undersigned party proposes to sell, trade, or otherwise transfer Beneficial Ownership of _____ shares of Common Stock or an Option with respect to _____ shares of Common Stock. If the Proposed Transfer is permitted to occur, the undersigned party would have Beneficial Ownership of _____ shares of Common Stock.

PLEASE TAKE FURTHER NOTICE that the undersigned party currently has Beneficial Ownership of _____ shares of Common Stock.

PLEASE TAKE FURTHER NOTICE that the last four digits of the taxpayer identification number of the undersigned party are _____.³

¹ The Debtors in these chapter 11 cases, along with the Debtors’ federal tax identification numbers, are: Molecular Templates, Inc. (9596) and Molecular Templates OpCo, Inc. (6035). The Debtors’ mailing address is: 124 Washington Street, Ste. 101, Foxboro, MA 02035. All Court filings can be accessed at: <https://www.veritaglobal.net/MolecularTemplates>.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the *Interim Order Establishing Notification and Hearing Procedures for, and Approving Restrictions on, Certain Transfers of, and Declarations of Worthlessness with Respect to Interests in the Debtors’ Estates* [D.I. [•]] or *Final Order Establishing Notification and Hearing Procedures for, and Approving Restrictions on, Certain Transfers of, and Declarations of Worthlessness with Respect to Interests in the Debtors’ Estates* [D.I. [•]], as applicable (the “Order”).

³ All persons and entities required to file a notice(s) pursuant to these procedures MUST redact all but the last 4 digits of their taxpayer identification number from such notices when filing the same with the Court.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Order, this declaration (this “Declaration”) is being filed with the Court and served upon the Notice Parties.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Order, the undersigned party acknowledges that it is prohibited from consummating the Proposed Transfer unless and until the undersigned party complies with the Procedures set forth therein.

PLEASE TAKE FURTHER NOTICE that the Debtors have 14 calendar days after receipt of this Declaration to object to the Proposed Transfer described herein. If the Debtors file an objection, such Proposed Transfer shall remain ineffective unless such objection is withdrawn by the Debtors or such transaction is approved by a final and non-appealable order of the Court. If the Debtors do not object within such 14-day period, then after expiration of such period the Proposed Transfer may proceed solely as set forth in this Declaration.

PLEASE TAKE FURTHER NOTICE that any further transactions contemplated by the undersigned party that may result in the undersigned party selling, trading, or otherwise transferring Beneficial Ownership of additional shares of Common Stock would each require an additional notice filed with the Court to be served in the same manner as this Declaration.

PLEASE TAKE FURTHER NOTICE that, pursuant to 28 U.S.C. § 1746, under penalties of perjury, the undersigned party hereby declares that he or she has examined this Declaration and accompanying attachments (if any), and, to the best of his or her knowledge and belief, this Declaration and any attachments hereto are true, correct, and complete.

This notice is given in addition to, and not as a substitute for, any requisite notice under Bankruptcy Rule 3001(e).

[Signature page follows]

Respectfully submitted,

(Name of Declarant)

By:

Name:

Address:

Telephone:

Facsimile:

Dated: _____, 20__

,

(City)

(State)

EXHIBIT A-4

Declaration of Intent to Claim a Worthless Stock Deduction

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

In re:

MOLECULAR TEMPLATES, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 25-10739 (BLS)

DECLARATION OF INTENT TO CLAIM A WORTHLESS STOCK DEDUCTION

PLEASE TAKE NOTICE that the undersigned party hereby provides notice of its intention to claim a worthless stock deduction (the “Proposed Worthlessness Claim”) with respect to the Debtors’ Common Stock.² The above captioned Debtors are debtors and debtors in possession in Case No. 25-10739 (BLS) pending in the United States Bankruptcy Court for the District of Delaware (the “**Court**”).

PLEASE TAKE FURTHER NOTICE that the undersigned party currently has Beneficial Ownership of _____ shares of Common Stock, or an Option with respect to _____ shares of Common Stock.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Proposed Worthlessness Claim, the undersigned party proposes to declare that _____ shares of Common Stock or an Option with respect to _____ shares of Common Stock became worthless during the tax year ending _____.

PLEASE TAKE FURTHER NOTICE that the last four digits of the taxpayer identification number of the undersigned party are _____.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Order, this declaration (this “Declaration”) is being filed with the Court and served upon the Debtors and Morris, Nichols, Arsht & Tunnell LLP, proposed counsel to the Debtors, and the other Notice Parties.

¹ The Debtors in these chapter 11 cases, along with the Debtors’ federal tax identification numbers, are: Molecular Templates, Inc. (9596) and Molecular Templates OpCo, Inc. (6035). The Debtors’ mailing address is: 124 Washington Street, Ste. 101, Foxboro, MA 02035. All Court filings can be accessed at: <https://www.veritaglobal.net/MolecularTemplates>.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the *Interim Order Establishing Notification and Hearing Procedures for, and Approving Restrictions on, Certain Transfers of, and Declarations of Worthlessness with Respect To Interests in the Debtors’ Estates* [D.I. ____] or *Final Order Establishing Notification and Hearing Procedures for, and Approving Restrictions on, Certain Transfers of, and Declarations of Worthlessness with Respect To Interests in the Debtors’ Estates* [D.I. ____], as applicable (the “Order”).

PLEASE TAKE FURTHER NOTICE that, pursuant to the Order, the undersigned party acknowledges that the Debtors have 14 calendar days after receipt of this Declaration to object to the Proposed Worthlessness Claim described herein. If the Debtors file an objection, such Proposed Worthlessness Claim shall not be effective unless such objection is withdrawn by the Debtors or such action is approved by a final and non-appealable order of the Bankruptcy Court. If the Debtors do not object within such 20-day period, then after expiration of such period the Proposed Worthlessness Claim may proceed solely as set forth in this Declaration.

PLEASE TAKE FURTHER NOTICE that any further claims of worthlessness contemplated by the undersigned party would each require an additional notice filed with the Court to be served in the same manner as this Declaration and are subject to an additional 20-day waiting period.

PLEASE TAKE FURTHER NOTICE that, pursuant to 28 U.S.C. § 1746, under penalties of perjury, the undersigned party hereby declares that he or she has examined this Declaration and accompanying attachments (if any), and, to the best of his or her knowledge and belief, this Declaration and any attachments hereto are true, correct, and complete.

This notice is given in addition to, and not as a substitute for, any requisite notice under Bankruptcy Rule 3001(e).

[Signature page follows]

Respectfully submitted,

(Name of Declarant)

By:

Name:

Address:

Telephone:

Facsimile:

Dated: _____, 20__

,

(City)

(State)

Exhibit B

Proposed Interim Order

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

In re:

MOLECULAR TEMPLATES, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 25-10739 (BLS)

(Joint Administration Requested)

**INTERIM ORDER ESTABLISHING NOTIFICATION AND HEARING
PROCEDURES FOR, AND APPROVING RESTRICTIONS ON, CERTAIN
TRANSFERS OF, AND DECLARATIONS OF WORTHLESSNESS WITH
RESPECT TO INTERESTS IN THE DEBTORS' ESTATE**

Upon the motion (the “Motion”)² of Molecular Templates, Inc., and its affiliate debtor (the “Debtors”), which are debtors and debtors in possession in these Chapter 11 Cases, for entry of interim and final orders, pursuant to sections 105 and 362 of the Bankruptcy Code and Bankruptcy Rules 6003 and 6004, (a) enforcing the automatic stay by implementing the Procedures, (b) establishing and implementing restrictions on, and notification requirements regarding the Beneficial Ownership of, certain transfers of, and declarations of worthlessness with respect to, Common Stock, (c) directing that any purchase, sale, or other transfer of, or declaration of worthlessness with respect to, Common Stock in violation of the Procedures shall be null and void *ab initio*, and (d) granting related relief, as more fully described in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. § 1334 and the *Amended Standing Order of Reference from the United States District Court for*

¹ The Debtors in these chapter 11 cases, along with the Debtors’ federal tax identification numbers, are: Molecular Templates, Inc. (9596) and Molecular Templates OpCo, Inc. (6035). The Debtors’ mailing address is: 124 Washington Street, Ste. 101, Foxboro, MA 02035. All Court filings can be accessed at: <https://www.veritaglobal.net/MolecularTemplates>.

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

the District of Delaware, dated February 29, 2012; and the Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157; and the Court having found that it may enter a final order consistent with Article III of the United States Constitution; and the Court having found that venue of these Chapter 11 Cases and related proceedings being proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to the Notice Parties, such notice having been adequate and appropriate under the circumstances, and it appearing that no other or further notice need be provided; and the Court having reviewed and considered the Motion and the First Day Declaration; and the Court having held a hearing to consider the relief requested in the Motion on an interim basis (the “Hearing”); and the Court having determined that the legal and factual bases set forth in the Motion and the First Day Declaration and at the Hearing establish just cause for the relief granted herein; and the Court having found that the relief requested in the Motion is in the best interests of the Debtors, their creditors, their estates, and all other parties in interest; and the Court having determined that the relief requested in the Motion is necessary to avoid immediate and irreparable harm to the Debtors and their estates as contemplated by Bankruptcy Rule 6003; and all objections and reservations of rights filed or asserted in respect of the Motion, if any, having been withdrawn, resolved, or overruled; and upon all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is granted on an interim basis to the extent set forth in this order (this “Order”).
2. The Procedures set forth in Exhibit A to the Motion are hereby approved on an interim basis and incorporated herein by reference; *provided, however*, any party in interest may request relief from the Procedures.

3. Any transfer of Beneficial Ownership of Common Stock or declaration of worthlessness with respect to Common Stock, in violation of the Procedures, including the notice requirements, shall be null and void *ab initio*.

4. In the case of any such transfer of Beneficial Ownership of Common Stock in violation of the Procedures, including the notice requirements, the Person making such transfer or conversion shall be required to take remedial actions specified by the Debtors, which may include the actions specified in the Treasury's Private Letter Ruling 201010009 (Dec. 4, 2009), to appropriately reflect that such transfer or conversion is null and void *ab initio*.

5. In the case of any such declaration of worthlessness with respect to Common Stock in violation of the Procedures, including the notice requirements, the Beneficial Owner making such declaration shall be required to file an amended tax return revoking such declaration and any related deduction to appropriately reflect that such declaration is void *ab initio*.

6. All time periods set forth in this Order (including in the Procedures) shall be calculated in accordance with Bankruptcy Rule 9006(a). The Debtors may retroactively or prospectively waive, in writing, any and all restrictions, stays, and notification procedures set forth in the Procedures, subject to prior consultation with the DIP Lender; *provided, however*, the Debtors shall provide notice of any such waiver to the Office of the United States Trustee for the District of Delaware (the "U.S. Trustee") in writing within two (2) business days thereafter.

7. The requirements set forth in this Order are in addition to the requirements of Bankruptcy Rule 3001(e) and applicable securities, corporate, and other laws and do not excuse noncompliance therewith.

8. A final hearing to consider the relief requested in the Motion shall be held on _____, 2025, at _____.m. (prevailing Eastern Time) and any objections or responses to the

Motion shall be filed and served on the Notice Parties so as to be actually received on or prior to _____, 2025, at _____.m. (prevailing Eastern Time).

9. Nothing in this Order or any action taken by the Debtors in furtherance of the implementation hereof shall be deemed to constitute an assumption or rejection of any executory contract or unexpired lease pursuant to section 365 of the Bankruptcy Code, and all of the Debtors' rights with respect to such matters are expressly reserved.

10. Notwithstanding the relief granted herein and any actions taken hereunder, nothing contained herein shall (a) create, nor is it intended to create, any rights in favor of or enhance the status of any claim held by, any person or entity or (b) be deemed to convert the priority of any claim from a prepetition claim into an administrative expense claim.

11. Nothing in this Order nor the Debtors' payment of claims pursuant to this Order shall be construed as or deemed to constitute (a) an agreement or admission by the Debtors as to the amount, priority, character, or validity of any claim against the Debtors on any grounds, (b) a grant of third-party beneficiary status or bestowal of any additional rights on any third party, (c) a waiver or impairment of any rights, claims, or defenses of the Debtors' rights to dispute the amount, priority, character, or validity of any claim on any grounds, whether under bankruptcy or non-bankruptcy law, (d) a promise by the Debtors to pay any claim or (e) an implication or admission by the Debtors that such claim is payable pursuant to this Order.

12. Within two business days of the entry of this Order, the Debtors shall serve copies of this Order on the Notice Parties and this Order shall be made available on the Debtors' Chapter 11 Cases information website located at <https://www.veritaglobal.net/MolecularTemplates>, such notice being reasonably calculated to provide notice to all parties that may be affected by the Procedures, whether known or unknown, and no further notice of the Procedures shall be necessary.

13. Any Bankruptcy Rule or Local Rule that might otherwise delay the effectiveness of this Order is hereby waived, and the terms and conditions of this Order shall be effective and enforceable immediately upon its entry.

14. The Debtors are authorized to take any action necessary or appropriate to implement and effectuate the terms of, and the relief granted in, this Order without seeking further order of the Court.

15. The Court shall retain jurisdiction over any matter arising from or related to the implementation, interpretation, and enforcement of this Order.

Exhibit C

Proposed Final Order

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

In re:

MOLECULAR TEMPLATES, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 25-10739 (BLS)

(Joint Administration Requested)

**FINAL ORDER ESTABLISHING NOTIFICATION AND HEARING
PROCEDURES FOR, AND APPROVING RESTRICTIONS ON, CERTAIN
TRANSFERS OF, AND DECLARATIONS OF WORTHLESSNESS WITH
RESPECT TO INTERESTS IN THE DEBTORS' ESTATES**

Upon the motion (the “Motion”)² of Molecular Templates, Inc., and its affiliate debtor (the “Debtors”), which are debtors and debtors in possession in these Chapter 11 Cases, for entry of interim and final orders, pursuant to sections 105 and 362 of the Bankruptcy Code and Bankruptcy Rules 6003 and 6004, (a) enforcing the automatic stay by implementing the Procedures, (b) establishing and implementing restrictions on, and notification requirements regarding the Beneficial Ownership of, certain transfers of, and declarations of worthlessness with respect to, Common Stock, (c) directing that any purchase, sale, or other transfer of, or declaration of worthlessness with respect to, Common Stock in violation of the Procedures shall be null and void *ab initio*, (d) approving the form of notice notifying holders of Common Stock of the Procedures, and (e) granting related relief, as more fully described in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. § 1334

¹ The Debtors in these chapter 11 cases, along with the Debtors’ federal tax identification numbers, are: Molecular Templates, Inc. (9596) and Molecular Templates OpCo, Inc. (6035). The Debtors’ mailing address is: 124 Washington Street, Ste. 101, Foxboro, MA 02035. All Court filings can be accessed at: <https://www.veritaglobal.net/MolecularTemplates>.

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

and the *Amended Standing Order of Reference from the United States District Court for the District of Delaware*, dated February 29, 2012; and the Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157; and the Court having found that it may enter a final order consistent with Article III of the United States Constitution; and the Court having found that venue of these Chapter 11 Cases and related proceedings being proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to the Notice Parties, such notice having been adequate and appropriate under the circumstances and it appearing that no other or further notice need be provided; and the Court having reviewed and considered the Motion and the First Day Declaration; and the Court having held a hearing, if necessary, to consider the relief requested in the Motion on a final basis (the “Hearing”); and the Court having determined that the legal and factual bases set forth in the Motion and the First Day Declaration and at the Hearing, if any, establish just cause for the relief granted herein; and the Court having found that the relief requested in the Motion is in the best interests of the Debtors, their creditors, their estates, and all other parties in interest; and all objections and reservations of rights filed or asserted in respect of the Motion, if any, having been withdrawn, resolved or overruled; and upon all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is granted on a final basis to the extent set forth in this order (this “Order”).
2. The Procedures set forth in **Exhibit A** to the Motion are hereby approved on a final basis and incorporated herein by reference.

3. Any transfer of Beneficial Ownership of Common Stock or declaration of worthlessness with respect to Common Stock, in violation of the Procedures, including, but not limited to, the notice requirements, shall be null and void *ab initio*.

4. In the case of any such transfer of Beneficial Ownership of Common Stock in violation of the Procedures, including the notice requirements, the Person making such transfer or conversion shall be required to take remedial actions specified by the Debtors, which may include the actions specified in the Treasury's Private Letter Ruling 201010009 (Dec. 4, 2009), to appropriately reflect that such transfer or conversion is null and void *ab initio*.

5. In the case of any such declaration of worthlessness with respect to Common Stock in violation of the Procedures, including the notice requirements, the Beneficial Owner making such declaration shall be required to file an amended tax return revoking such declaration and any related deduction to appropriately reflect that such declaration is void *ab initio*.

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

7. The Debtors may retroactively or prospectively waive, in writing, any and all restrictions, stays, and notification procedures set forth in the Procedures; *provided, however*, the Debtors shall provide notice of any such waiver to the Office of the United States Trustee for the District of Delaware (the "U.S. Trustee") in writing, within two (2) business days thereafter.

8. The requirements set forth in this Order are in addition to the requirements of Bankruptcy Rule 3001(e) and applicable securities, corporate, and other laws and do not excuse noncompliance therewith.

9. Nothing in this Order or any action taken by the Debtors in furtherance of the implementation hereof shall be deemed to constitute an assumption or rejection of any executory

contract or unexpired lease pursuant to section 365 of the Bankruptcy Code, and all of the Debtors' rights with respect to such matters are expressly reserved.

10. Notwithstanding the relief granted herein and any actions taken hereunder, nothing contained herein shall (a) create, nor is it intended to create, any rights in favor of, or enhance the status of any claim held by, any person or entity or (b) be deemed to convert the priority of any claim from a prepetition claim into an administrative expense claim.

11. Nothing in this Order nor the Debtors' payment of claims pursuant to this Order shall be construed as or deemed to constitute (a) an agreement or admission by the Debtors as to the amount, priority, character, or validity of any claim against the Debtors on any grounds, (b) a grant of third-party beneficiary status or bestowal of any additional rights on any third party, (c) a waiver or impairment of any rights, claims, or defenses of the Debtors' rights to dispute the amount, priority, character, or validity of any claim on any grounds, whether under bankruptcy or non-bankruptcy law, (d) a promise by the Debtors to pay any claim, or (e) an implication or admission by the Debtors that such claim is payable pursuant to this Order.

12. Within two business days of the entry of this Order, the Debtors shall serve copies of this Order on the Notice Parties.

13. Any Bankruptcy Rule or Local Rule that might otherwise delay the effectiveness of this Order is hereby waived, and the terms and conditions of this Order shall be effective and enforceable immediately upon its entry.

14. The Debtors are authorized to take any action necessary or appropriate to implement and effectuate the terms of, and the relief granted in, this Order without seeking further order of the Court.

15. The Court shall retain jurisdiction over any matter arising from or related to the implementation, interpretation, and enforcement of this Order.

EXHIBIT D

Notice of Interim/Final Order

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

In re:

MOLECULAR TEMPLATES, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 25-10739 (BLS)

**NOTICE OF (I) DISCLOSURE PROCEDURES APPLICABLE TO CERTAIN
HOLDERS OF COMMON STOCK, DISCLOSURE PROCEDURES FOR
TRANSFERS OF COMMON STOCK, AND DECLARATIONS OF
WORTHLESSNESS WITH RESPECT TO INTERESTS IN THE DEBTORS'
ESTATE, AND (II) FINAL HEARING ON THE APPLICATION THEREOF**

TO ALL PERSONS OR ENTITIES WITH INTERESTS IN THE DEBTORS:

PLEASE TAKE NOTICE that, on April 20, 2025 (the “Petition Date”), Molecular Templates, Inc. and Molecular Templates OpCo, Inc. (together, the “Debtors”), which are debtors and debtors in possession in the above-captioned Chapter 11 Cases, filed voluntary petitions for relief with the United States Bankruptcy Court for the District of Delaware (the “Court”) under chapter 11 of the Bankruptcy Code.² Subject to certain exceptions, section 362 of the Bankruptcy Code operates as a stay of any act to obtain possession of property of or from the Debtors’ estates or to exercise control over property of or from the Debtors’ estates.

PLEASE TAKE FURTHER NOTICE that, on the Petition Date, the Debtor filed the *Motion of Debtors for Entry of Interim and Final Orders Establishing Notification and Hearing Procedures for, and Approving Restrictions on, Certain Transfers of, and Declarations of Worthlessness with Respect to Interests in the Debtors’ Estates* [D.I. ____] (the “Motion”).

PLEASE TAKE FURTHER NOTICE that, on [____], 2025, the Court entered the *Interim Order Establishing Notification and Hearing Procedures for, and Approving Restrictions on, Certain Transfers of, and Declarations of Worthlessness with Respect to Interests in the Debtors’ Estates* [D.I. ____] (the “Interim Order”).

PLEASE TAKE FURTHER NOTICE that, in addition to the Interim Order, the Motion requested that the Court enter the *Final Order Establishing Notification and Hearing Procedures*

¹ The Debtors in these chapter 11 cases, along with the Debtors’ federal tax identification numbers, are: Molecular Templates, Inc. (9596) and Molecular Templates OpCo, Inc. (6035). The Debtors’ mailing address is: 124 Washington Street, Ste. 101, Foxboro, MA 02035. All Court filings can be accessed at: <https://www.veritaglobal.net/MolecularTemplates>.

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

for, and Approving Restrictions on, Transfers of, and Declarations of Worthlessness with Respect to Interests in the Debtors' Estates (the "Proposed Final Order").

PLEASE TAKE FURTHER NOTICE that, on [____], 2025, the Court entered the Interim Order [D.I. ____] approving the procedures for certain transfers of Common Stock and declarations of worthlessness with respect to Common Stock set forth in Exhibit A to the Motion (the "Procedures").

PLEASE TAKE FURTHER NOTICE that, pursuant to the Interim Order, a Beneficial Owner of Common Stock may not consummate any purchase, sale, or other transfer of Common Stock or Beneficial Ownership of Common Stock in violation of the Procedures, and any such transaction in violation of the Procedures shall be null and void *ab initio*.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Interim Order, the Procedures shall apply to the holding and transfers of Common Stock or any Beneficial Ownership therein (including, for the avoidance of doubt, the filing of a Substantial Shareholder Notice, to the extent required therein).

PLEASE TAKE FURTHER NOTICE that, pursuant to the Interim Order, a Beneficial Owner may not claim a worthless stock deduction with respect to Common Stock, or Beneficial Ownership of Common Stock, in violation of the Procedures, and any such deduction in violation of the Procedures shall be null and void *ab initio*, and the Beneficial Owner shall be required to file an amended tax return revoking such deduction.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Proposed Final Order, a Beneficial Owner of Common Stock would not be able to consummate any purchase, sale, or other transfer of Common Stock or Beneficial Ownership therein in violation of the Procedures, and any such transaction in violation of the Procedures shall be null and void *ab initio*.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Proposed Final Order, the Procedures would apply to the holding and transfers of Common Stock or any Beneficial Ownership therein (including, for the avoidance of doubt, the filing of a Substantial Shareholder Notice to the extent required therein).

PLEASE TAKE FURTHER NOTICE that, pursuant to the Proposed Final Order, a Beneficial Owner would not be able to claim a worthless stock deduction with respect to Common Stock, or Beneficial Ownership of Common Stock, in violation of the Procedures, and any such deduction in violation of the Procedures shall be null and void *ab initio*, and the Beneficial Owner shall be required to file an amended tax return revoking such deduction.

PLEASE TAKE FURTHER NOTICE that, upon the request of any Beneficial Owner of Common Stock, Kroll Restructuring Administration LLC, the Debtors' claims and noticing agent, will provide a copy of the Interim Order or proposed Final Order and a form of each of the declarations required to be filed by the Procedures in a reasonable period of time. Such declarations are also available via PACER on the Court's website at <https://ecf.deb.uscourts.gov> for a fee, or free of charge by accessing the Debtors' Chapter 11 Cases information website located at <https://www.veritaglobal.net/MolecularTemplates>.

PLEASE TAKE FURTHER NOTICE that the final hearing to consider the relief requested in the Motion will be held on _____, 2025 at _____.m. (prevailing Eastern Time) and any objections or responses to the Motion shall be filed and served on the Notice Parties so as to be actually received on or prior to _____, 2025 at _____.m. (prevailing Eastern Time).

PLEASE TAKE FURTHER NOTICE THAT FAILURE TO FOLLOW THE PROCEDURES SET FORTH IN THE INTERIM ORDER OR, ONCE ENTERED, THE PROPOSED FINAL ORDER SHALL CONSTITUTE A VIOLATION OF, AMONG OTHER THINGS, THE AUTOMATIC STAY PROVISIONS OF SECTION 362 OF THE BANKRUPTCY CODE.

PLEASE TAKE FURTHER NOTICE THAT ANY PROHIBITED PURCHASE, SALE, OTHER TRANSFER OF, OR DECLARATION OF WORTHLESSNESS WITH RESPECT TO, COMMON STOCK, OR BENEFICIAL OWNERSHIP THEREOF, IN VIOLATION OF THE INTERIM ORDER OR, ONCE ENTERED, THE PROPOSED FINAL ORDER IS PROHIBITED, SHALL BE NULL AND VOID *AB INITIO*, AND MAY BE SUBJECT TO ADDITIONAL SANCTIONS AS THE COURT MAY DETERMINE.

PLEASE TAKE FURTHER NOTICE THAT THE REQUIREMENTS SET FORTH IN THE INTERIM ORDER OR, ONCE ENTERED, THE PROPOSED FINAL ORDER ARE IN ADDITION TO THE REQUIREMENTS OF APPLICABLE LAW AND DO NOT EXCUSE COMPLIANCE THEREWITH.

Dated: [•], 2025
Wilmington, Delaware

MORRIS, NICHOLS, ARSHT & TUNNELL LLP

/s/

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