

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE

In re:

Zosano Pharma Corporation,

Debtor.

Chapter 11

Case No. 22-10506 (JKS)

Obj. Date: March 27, 2025 at 4:00 p.m.

Hearing Date: May 8, 2025 at 10:00 a.m.

**LIQUIDATING TRUSTEE'S OBJECTION TO THE ALLOWANCE OF CLAIMS  
FILED BY PATHEON MANUFACTURING SERVICES LLC PURSUANT TO  
SECTION 502 OF THE BANKRUPTCY CODE AND BANKRUPTCY RULE 3007**

***TO CLAIMANT WHOSE DISPUTED CLAIM IS SUBJECT TO THIS OBJECTION:***

**\*YOUR SUBSTANTIVE RIGHTS MAY BE AFFECTED BY THIS OBJECTION AND  
ANY FURTHER OBJECTION THAT MAY BE FILED IN THIS CHAPTER 11 CASE\***

**\*\*THE RELIEF SOUGHT IN THIS OBJECTION IS WITHOUT PREJUDICE TO  
THE RIGHTS OF THE LIQUIDATING TRUSTEE TO PURSUE FURTHER  
OBJECTIONS TO THE DISPUTED CLAIM\*\***

SierraConstellation Partners, LLC, as Liquidating Trustee (the "Trustee") in the bankruptcy case of the above-captioned debtor (the "Debtor"), hereby submits this objection (this "Objection"), pursuant to section 502 of title 11 of the United States Code (the "Bankruptcy Code"), Rules 3007 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") to the allowance of the proof of claims (the "Disputed Claims") filed by Patheon Manufacturing Services LLC (the "Claimant") as set forth in the proposed form of order attached hereto as **Exhibit A** (the "Proposed Order"). In support hereof, the Trustee relies on the *Declaration of William Partridge in Support of the Liquidating Trustee's Objection to the Allowance of Certain Claims filed by Patheon Manufacturing Services LLC Pursuant to Section 502 of the Bankruptcy Code and Bankruptcy Rule 3007* attached hereto as **Exhibit B** (the "Partridge Declaration"). In support of this Objection, the Trustee respectfully represents as follows:



### **JURISDICTION AND VENUE**

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, and the *Amended Standing Order of Reference from the United States District Court for the District of Delaware* dated as of February 29, 2012. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and the Trustee consents, pursuant to Local Rule 9013-1(f), to the entry of a final order by the Court in connection with the Objection 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.

2. Venue is proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409.

3. The statutory and legal predicates for the relief sought herein are section 502 of the Bankruptcy Code, Bankruptcy Rule 3007 and Local Rule 3007-1.

### **BACKGROUND**

4. On June 1, 2022 (the “Petition Date”), the Debtor commenced this bankruptcy case (the “Chapter 11 Case”) by filing a voluntary petition for relief under chapter 11 of title 11 of the Bankruptcy Code.

5. The Debtor filed its Chapter 11 Plan of Liquidation [Docket No. 232] and related Amended Disclosure Statement [Docket No. 231] on October 10, 2022. The Debtor later filed an Amended Chapter 11 Plan of Liquidation [Docket No. 280] on November 18, 2022 and a Second Amended Chapter 11 Plan of Liquidation [Docket No. 291] on November 22, 2022.

6. The Court entered the *Findings of Fact, Conclusions of Law, and Order Confirming the Second Amended Chapter 11 Plan of Liquidation of Zosano Pharma Corporation* (the “Confirmation Order”) [Docket No. 294].

7. The effective date of the Plan was December 7, 2022. As outlined in the Confirmation Order, “the Liquidating Trustee shall have the sole authority to: (1) file, withdraw, or litigate to judgment, objections to Claims or Interest; (2) settle or compromise any Disputed Claim without any further notice to or action, order, or approval by the Bankruptcy Court...” *See* Confirmation Order, p. 29.

### **Bar Date Order**

8. On June 6, 2022, the Court entered an order [Docket No. 23] appointing Kurtzman Carson Consultants LLC (“KCC”) as claims and noticing agent in the Chapter 11 Case. Among other things, KCC is authorized to (a) receive, maintain, record and otherwise administer the proofs of claim filed in the Chapter 11 Case, and (b) maintain official claims register for the Debtor.

9. On July 22, 2022, the Court entered an order [Docket No. 142] (the “Bar Date Order”) providing that, except as otherwise provided therein, (i) all persons or entities (including, without limitation, individuals, partnerships, corporations, joint ventures, and trusts) that assert a claim, as defined in section 101(5) of the Bankruptcy Code, against the Debtor, including, without limitation, secured claims, and priority claims, which arose on or prior to the Petition Date, including requests for allowance and payment of claims under section 503(b)(9) of the Bankruptcy Code, shall file a proof of any such claim so that it is actually received on or before 5:00 p.m. (Eastern Time) on August 22, 2022 (the “General Bar Date”), and (ii) all governmental units, as defined in section 101(27) of the Bankruptcy Code, shall file a proof of any such claim so that it is actually received on or before 5:00 p.m. (Eastern Time) on November 28, 2022 (the “Government Bar Date”).

10. The Confirmation Order also established January 6, 2023 as the bar date for administrative claims arising on or after the June 1, 2022 Petition Date. Confirmation Order at ¶ 26.

11. Notice of the Bar Dates was provided by mail and publication in accordance with the procedures outlined in the Bar Date Order and Confirmation Order. [Docket Nos. 151, 154, 174, 186, 315, 322, and 324].

### **The Agreements and Filed Claims**

12. The Debtor and Claimant were parties to two contracts, the Technology Transfers Agreement dated September 25, 2018 (“TTA”) and the Manufacture and Supply Agreement dated September 25, 2018, as amended, modified or supplemented from time to time (“MSA”), both of which related to certain goods and services provided by Patheon to the Debtor in support of the Debtor’s manufacturing and commercialization of a certain medical product.

13. Under the MSA, the Claimant provided certain manufacturing equipment (the “Equipment”) to be used by the Debtor at the Claimant’s facility in Greenville, North Carolina (the “Facility”), in exchange for a monthly payment, the amount of which was adjusted throughout the course of the Debtor and Claimant’s agreement under the MSA (the “Base Fee”).

14. Pursuant to the TTA, Claimant would undertake certain technology transfer and construction services in order to validate the Debtor’s technology package and prepare the Facility for the commercial manufacture of the product. Certain cost associated with the TTA included the Transfer Services Fees as well as the capital requirements and the payments associated with the Equipment, Manufacturing Suite construction and related process and support and validation services (the “Capital Expenditures”).

15. On August 8, 2022, the Court entered the *Order (I) Authorizing the Sale of Assets of the Debtor Free and Clear of All Liens, Claims, Encumbrances, and Interest; (II) Approving the Final Asset Purchase Agreement; (III) Authorizing the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases; and (IV) Granting Related Relief* [Docket No. 195], authorizing the sale of certain of the Debtor's assets to Emergex USA Corporation ("Emergex") pursuant to the Sale Agreement executed on August 5, 2022 (the "Sale Agreement").

16. Included in the assets sold under the Sale Agreement was the Equipment located at the Facility. With respect to this purchase, the Sale Agreement provided the following:

Section 2.5 Consideration. In consideration of the sale of the Business and the Acquired Assets to Buyer, and in reliance upon the representations, warranties, covenants and agreements of Seller set forth herein, and upon the terms and subject to the conditions set forth herein, the aggregate consideration for the sale and transfer of the Acquired Assets (the "Purchase Price") shall be composed of:

(a) cash equal to \$1,000,000.00 (the "Cash Payment"), plus

(b) reimbursement by Buyer of up to, but not more than, \$250,000 in actual, reasonable, and documented costs to dismantle and remove the Client Manufacturing Equipment (as defined in the Patheon Agreements) from the facility owned by Patheon, located at 5900 Martin Luther King Jr. Highway, Greenville, NC 27834 (the "Patheon Facility") and the Make Good Costs (as defined in, and provided for, under the Patheon Agreements) (collectively, the "Reimbursable Patheon Costs"), subject to Patheon's agreement to provide reasonable cooperation with the relocation of such removed Client Manufacturing Agreement to the location designated by Buyer. Buyer shall pay the Reimbursable Patheon Costs to Patheon by the later of (i) 30 calendar days after Buyer is provided with a final invoice or the Reimbursable Patheon Costs, and (ii) December 31, 2022.

17. On September 13, 2022, the Court entered the *Omnibus Order Authorizing Debtor to Reject Certain Executory Contracts and Unexpired Lease of Nonresidential Real Property Effective as of the Rejection Date* [Docket No. 195] authorizing the rejection of the TTA and MSA effective as of August 22, 2022 (the "Rejection Date").

18. The Claimant has filed multiple proofs of claim in this case related to the Debtor's pre-petition breach and post-petition rejection of the TTA and the MSA. These proofs of claims include the following:

Claim Number	Date Filed	Name of Claimant	Claim Amount	Type of Claim
303	10/11/2022	Patheon Manufacturing Services LLC	\$3,784,500.00	General Unsecured
304	10/12/2022	Patheon Manufacturing Services LLC	\$3,784,500.00	General Unsecured
318	01/03/2023	Patheon Manufacturing Services LLC	\$1,234,293.15	Admin Priority
208	08/19/2022	Patheon Manufacturing Services LLC	\$2,855,256.00	General Unsecured
210	08/19/2022	Patheon Manufacturing Services LLC	\$2,855,256.00	General Unsecured
233	08/22/2022	Patheon Manufacturing Services LLC	\$2,855,256.00	General Unsecured

19. On August 9, 2024, the Court entered the *Order Sustaining Liquidating Trustee's Fourth Omnibus Objection (Non-Substantive) to the Allowance of Certain Claims Pursuant to Section 502 of the Bankruptcy Code, Bankruptcy Rule 3007 and Local Rule 3007-1* [Docket No. 421] disallowing, in their entirety, Claim Numbers 210, 233, and 303.

20. The Disputed Claims include Claim Numbers 208, 304, and 318.

21. On August 19, 2022, the Claimant filed a general unsecured claim in the face amount of \$2,885,256.00, which has been designated as Claim No. 208. The attachment to Claim No. 208 reflects a total amount of \$721,923.00 allegedly owed by the Debtor to Claimant arising under the TTA and a total amount of \$2,133,333.00 allegedly owed under the MSA.

22. On October 12, 2022, the Claimant filed another general unsecured claim in the face amount of \$3,784,500.00, which has been designated as Claim No. 304. The attachment to Claim No. 304 reflects the Claimants estimate of damages that the Claimant may incur following the purchase of the Equipment under the Sale Agreement. Claim No. 304 is silent as to application of the Reimbursable Patheon Cost or any other mitigation of damages.

23. On January 3, 2023, Claimant also filed an alleged administrative claim in the amount of \$1,234,293.15, which has been designated as Claim No. 318.<sup>1</sup> The attachment to Claim No. 318 reflects the Claimant's alleged post-petition, pre-rejection charges and expenses incurred by Patheon on behalf and for the benefit of Debtor in connection with the TTA and MSA.

### **RELIEF REQUESTED**

24. By this Objection, the Trustee requests that the Court enter the Proposed Order, pursuant to section 502(b) of the Bankruptcy Code and Bankruptcy Rule 3007(a), disallowing, reclassifying, reducing and allowing the Disputed Claims as set forth in further detail below.

### **BASIS FOR RELIEF**

25. The Trustee's professionals have examined the Disputed Claims, all supporting documentation provided by the claimant, and the Debtor's books and records and have determined that the Disputed Claims should be disallowed, reclassified, reduced and allowed.

26. Specifically, Claim No. 208 should be reduced and allowed because the Claimant failed to provide a sufficient basis to the amounts alleged; Claim No. 304 should be disallowed as any amount owed to Claimant has been superseded and resolved by the Sale Agreement; and Claim No. 318 should be reclassified, reduced and allowed as a general unsecured claim not entitled to administrative expense because the Claimant failed to provide a benefit to the Debtor post-petition. Material portions of the Disputed Claims do not contain any supporting documentation.

#### **I. Objection to Claim No. 208**

27. Section 502(a) of the Bankruptcy Code provides, in pertinent part, that "[a] claim or interest, proof of which is filed under section 501 of this title, is deemed allowed, unless a party

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<sup>1</sup> Pursuant to the Confirmation Order, claimants were permitted to "file proofs of claim rather than motions for the allowance of Administrative Claims provided, however, that Holders of Administrative Claims shall have the burden of proof under Section 503(b)." Confirmation Order p. 20.

in interest . . . objects.” 11 U.S.C. § 502(a). Once an objection to a claim is filed, the Court, after notice and a hearing, shall determine the allowed amount of the claim. *See* 11 U.S.C. § 502(b).

28. When asserting a proof of claim against a bankrupt estate under section 502 of the Bankruptcy Code, the initial burden of proof lies with the claimant to allege facts sufficient to support the liability. *In re Allegheny Int’l, Inc.*, 954 F.2d 167, 173 (3d Cir. 1992). If the proof of claim contains sufficient support, it is considered *prima facie* valid, and the burden then shifts to the objector to produce evidence sufficient to negate such validity. *Id.* In practice, the objecting party must produce evidence that would refute at least one of the allegations essential to the claim’s legal sufficiency. *Id.* Once the objecting party produces such evidence, the burden shifts back to the claimant to prove the validity of his or her claim by a preponderance of the evidence. *Id.* The burden of persuasion with respect to the claim is always on the claimant. *Payne v. Lampe (In re Lampe)*, 665 F.3d 506, 514 (3d Cir. 2011).

29. Claim No. 208 includes \$166,641.07 in charges with no support or explanation. Specifically, it includes \$720,923 owed for unpaid invoices owed under the TTA, however the invoices attached to Claim No. 208 only total \$675,346.38. Without supporting documentation, it is not possible for the Trustee to properly evaluate these charges.

30. Even with respect to the invoices provided, the Claimant has not established a *prima facie* basis for payment under the TTA. For example, the following invoices attached to Claim No. 208 do not include any actual purchase orders represented on the invoices such that there is no evidence that such items were actually purchased: (a) Invoice No. 900111372, with an amount owed of \$38,256.85; (b) Invoice No. 900108822, with an amount owed of \$13,315.54; (c) Invoice No. 992234291, with an amount owed of \$15,736.62; and (d) Invoice No. 992234006, with an amount owed of \$99,120.54. *See* Claim No. 208 pp. 13-14, 18-21, 42-43.



31. Pursuant to Section 2.5 of the TTA, “all invoices from Patheon to [Debtor] for Capital Expenditures will include all applicable invoices from vendors for the supply, transportation, installation, and commissioning of the Equipment.” Further, Section 2.9(e) of the TTA states that “in order to obtain, and prior to obtaining, any payment for the Capital Expenditures hereunder, Patheon must obtain prior written approval from Client and provide Client with quotes and invoices, including copies of all applicable invoices from vendors, for the supply, transportation, installation, and commissioning of the Equipment.” The above invoices fail to provide evidence of the underlying vendor invoices or the written agreement of the Debtor, such that there is no evidence that the Claimant is entitled to the amounts allegedly owed under the TTA. To the extent no additional information is provided, such amounts should be disallowed.

## **II. Objection to Claim No. 304**

32. Claim No. 304, which asserts total damages of \$3,784,500, is based on Claimant’s “*best estimate* of the cost Patheon will incur to: (1) disassemble and remove the equipment formerly owned by the Debtor and now owned by Emergex, and located at Patheon’s Greenville, NC Facility; and (2) repair any resulting damage to the premises on and in which such equipment is located.” *See* Claim No. 304, p. 8. Not only did the Claimant fail to amend the claim to provide for the actual amount of removal and Make Good cost, if any, incurred following sale of the Equipment, but such claim was already superseded and resolved by the Sale Agreement.

33. There is no evidence that the Claimant incurred actual damages over and above \$250,000, which was resolved by the Sale Agreement. Therefore, the total amount owed under Claim No. 304 has already been satisfied.<sup>2</sup> The remainder of claim should be disallowed in its entirety.

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<sup>2</sup> Pursuant to the Article VII.D of the Plan, “[a]ny claim that has been paid, satisfied, or assumed by Purchaser in the Sale, or any Claim that has been amended or superseded, may be adjusted or expunged on the Claims Register by the

### III. Objection to Claim No. 318

34. Claim No. 318, which the Claimant asserts is entitled to additional administrative expense priority, does not include the information necessary to satisfies the Claimant's burden that it is entitled to administrative priority for the total amount of \$1,234,293.15 arising out of the alleged "post-petition, pre-rejection charges and expenses incurred by Patheon on behalf and for the benefit of the Debtor in connection with the [TTA and MSA]." Claim No. 318 p. 6.

35. Section 502(g)(1) of the Bankruptcy Code provides that "[a] claim arising from the rejection" of a contract under Code section 365 "shall be determined, and shall be allowed under" section 502(b) "the same as if such claim had arisen before the date of the filing of the petition" 11 U.S.C. § 502(g)(1); *see also Medical Malpractice Ins. Ass'n v. Hirsch (In re Lavigne)*, 114 F.3d 379, 387 (2d Cir. 1997) ("Rejection gives rise to a remedy for breach of contract in the non-debtor party. The claim is treated as a pre-petition claim, affording creditors their proper priority.").

36. To be entitled to an administrative claim, section 503(b)(1)(A) requires a claimant to show that "(1) there was a post-petition transaction between the claimant and the estate and (2) those expenses yielded a benefit to the estate." *In re MTE Holdings LLC*, Case No. 19-12269 (CTG), 2021 WL 2258270, at \*5 (Bankr. D. Del. June 2, 2021). Further, "the benefit must be actual, not hypothetical." *In re Energy Future Holdings Corp.*, 990 F.3d 728, 742, 44 (3d Cir. 2021). That is, merely providing a potential benefit that a debtor never utilizes is insufficient to show a benefit. *In re Enron Corp.*, 279 B.R. 79, 85 (Bankr. S.D.N.Y. 2002). "The party seeking to recover [administrative] expenses must 'carry the heavy burden of demonstrating' that such

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Debtor or the Liquidating Trustee without an objection to such Claim having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court. Given the numerous claims filed by the Claimant, the Trustee includes its objection to Claim No. 304 herein out of an abundance of caution.

expenses qualify as an administrative expense.” *In re Energy Future Holdings Corp.*, 990 F.3d 728, 741 (3d Cir. 2021).

37. Here, Claimant does not allege facts supporting either element of an administrative expense. Claimant does not allege any post-petition benefit to the estate. Instead, Claimant’s claims are based on the TTA and MSA – agreements that were executed almost five years prior to the Petition Date – and have since been rejected. In fact, with respect to the invoice attached to Claim No. 318 that shows \$56,036.30 billed by GMI to Claimant, that invoice is dated October 30, 2020, which is two years prior to the Petition Date. *See* Claim No. 318 p. 11.

38. There was also no benefit to the Debtor as the Claimant has not demonstrated that “the personality was actually used by the Debtor post-petition in the ordinary course of the Debtor’s business,” nor could it, given the limited operations of the Debtor within the three months between the Petition Date and the Rejection Date. *See In re Continental Airlines*, 146 B.R. 520, 527 (Bankr. D. Del. 1992). Therefore, Claim No. 318 shall be treated as a pre-petition unsecured claim pursuant to 11 U.S.C. § 502(g)(1).

39. Furthermore, Claim No. 318 should be reduced and allowed as follows:

- a. The Base Fee should be reduced to \$380,000 for the Month of August 2022 as The Base Fees for the months of June and July were also included in Claim No. 208, such that the amount is duplicative and should be disallowed. *See* Claim No. 208 p. 52.
- b. The \$94,293.15 in payments by Claimant for the alleged post-petition, pre-rejection purchases of the equipment should be disallowed in their entirety. First, with respect to the attached invoice that shows \$56,036.30 billed by GMI to Claimant, there is no evidence that this amount was ever properly invoiced

to the Debtor such that the Claimant has not establish its *prima facie* validity to this invoice. Second, Invoice No. 992235399, with a total amount due of \$38,256.85, was also included in Claim No. 208, such that the amount is duplicative and should be disallowed. *See* Claim No. 208 p. 42.

40. To the extent no additional information is provided, such amounts should be disallowed, and Claim No. 318 should be reduced and reclassified as an allowed general unsecured claim, not entitled to priority under 11 U.S.C. § 503(b).

#### **Responses to this Objection**

41. Any responses to this Objection must be filed **on or before 4:00 p.m. (ET) on March 27, 2025**, in accordance with the procedures set forth in the notice of this Objection.

42. The Trustee reserves the right to seek to adjourn the hearing on this Objection, and in the event that the Trustee does so, it will state the same in the agenda for the hearing, which agenda will be served on the Claimant.

#### **Reservation of Rights**

43. The Trustee reserves any and all rights to amend, supplement or otherwise modify this Objection or the Proposed Order, and to file additional objections to any and all claims filed in this Chapter 11 Case, including, without limitation, the Disputed Claims. The Trustee also reserves any and all rights, claims and defenses with respect to the Disputed Claims, and nothing included in or omitted from this Objection or the Proposed Order is intended or shall be deemed to impair, prejudice, waive or otherwise affect any rights, claims, or defenses of the Trustee and the Debtor's estate with respect to the Disputed Claim.

**Notice**

44. Notice of the Objection has been provided to: (i) the U.S. Trustee; (ii) any party that has requested notice pursuant to Rule 2002 of the Federal Rules of Bankruptcy procedure; and (iii) Patheon Manufacturing Services LLC. In light of the nature of the relief requested herein, the Trustee submits that no other or further notice is necessary.

**Conclusion**

**WHEREFORE**, for the reasons set forth herein, the Trustee respectfully requests that this Court:

- a) enter the Proposed Order disallowing, reclassifying, reducing and allowing the Disputed Claims, and
- b) grant the Trustee such other and further relief as is just and proper.

Respectfully submitted this 5th day of March, 2025.

GREENBERG TRAURIG, LLP

/s/ Dennis A. Meloro

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*Counsel for Sierra Constellation Partners, LLC, as  
Liquidating Trustee*

**EXHIBIT A**

Proposed Order

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE**

In re:

Zosano Pharma Corporation,

Debtor.

Chapter 11

Case No. 22-10506 (JKS)

Ref. Docket No. \_\_\_\_

**ORDER SUSTAINING OBJECTION TO THE ALLOWANCE OF PROOFS OF CLAIM  
FILED BY PATHEON MANUFACTURING SERVICES LLC PURSUANT TO  
SECTION 502 OF THE BANKRUPTCY CODE AND BANKRUPTCY RULE 3007**

Upon consideration of the *Liquidating Trustee's Objection to the Allowance of Proofs of Claim Filed by Patheon Manufacturing Services LLC Pursuant to Section 502 of the Bankruptcy Code and Bankruptcy Rule 3007* (the "Objection");<sup>1</sup> and it appearing that this Court has jurisdiction to consider the Objection pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District Court for the District of Delaware* dated as of February 29, 2012; and it appearing that venue of this chapter 11 case and the Objection in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that this matter is a core proceeding pursuant to 28 U.S.C. § 157(b); and it appearing that notice of the Objection was good and sufficient upon the particular circumstances and that no other or further notice need be given; and it appearing that the legal and factual bases set forth in the Objection establish just cause for the relief granted herein; and after due deliberation thereon, and good and sufficient cause appearing therefor; it is hereby **ORDERED, ADJUDGED, AND DECREED THAT:**

1. The Objection is SUSTAINED, as set forth herein.
2. The Disputed Claim of Patheon Manufacturing Services, LLC, designated as Claim No. 208, is reduced and allowed in the amount of \$2,522,185.38.

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<sup>1</sup> Capitalized terms used but not otherwise defined herein shall have the same meaning ascribed to them in the Objection.

3. The Disputed Claim of Patheon Manufacturing Services, LLC, designated as Claim No. 304, is disallowed in its entirety.

4. The Disputed Claim of Patheon Manufacturing Services, LLC, designated as Claim No. 318, is reduced and allowed as a general unsecured claim not entitled to administrative priority expense in the amount of \$380,000.

5. Any and all rights of the Trustee to amend, supplement or otherwise modify the Objection and to file additional objections to any and all claims filed in this Chapter 11 Case, including, without limitation, the Disputed Claims, shall be reserved. Any and all rights, claims and defenses of the Trustee and its estate with respect to the Disputed Claims shall be reserved, and nothing included in or omitted from the Objection is intended or shall be deemed to impair, prejudice, waive or otherwise affect any rights, claims, or defenses of the Trustee with respect to the Disputed Claims.

6. This Court shall retain jurisdiction over any and all affected parties with respect to any and all matters, claims or rights arising from or related to the implementation or interpretation of this Order.



**Exhibit B**

Partridge Declaration

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE**

In re:

Zosano Pharma Corporation,

Debtor.

Chapter 11

Case No. 22-10506 (JKS)

**DECLARATION OF WILLIAM PARTRIDGE IN  
SUPPORT OF THE LIQUIDATING TRUSTEE’S OBJECTION TO  
THE ALLOWANCE OF PROOFS OF CLAIM FILED BY PATHEON  
MANUFACTURING SERVICES LLC PURSUANT TO SECTION 502  
OF THE BANKRUPTCY CODE AND BANKRUPTCY RULE 3007**

I, William Partridge, hereby declare that the following is true to the best of my knowledge, information, and belief:

1. I am a Managing Director at SierraConstellation Partners, LLC (“SierraConstellation”).

2. SierraConstellation serves as Liquidating Trustee (the “Trustee”) in the bankruptcy case of the above-captioned debtor (the “Debtor”) as provided in the Second Amended Chapter 11 Plan of Liquidation [Docket No. 291] and approved by the United States Bankruptcy Court for the District of Delaware pursuant to the *Findings of Fact, Conclusions of Law, and Order Confirming the Second Amended Chapter 11 Plan of Liquidation of Zosano Pharma Corporation* [Docket No. 294].

3. I am authorized to submit this Declaration. I am familiar with the Debtor’s financial and operational affairs, I have a general knowledge of the Debtor’s books and records, and I have reviewed the relevant claims filed against the Debtor.

4. I have also reviewed and am familiar with the contents of the *Liquidating Trustee’s Objection to the Allowance of Proofs of Claim Filed by Patheon Manufacturing Services LLC*

*Pursuant to Section 502 of the Bankruptcy Code and Bankruptcy Rule 3007 (the “Objection”).<sup>4</sup> I submit this declaration (the “Declaration”) in support of the Objection.*

5. Except as otherwise indicated herein, all facts set forth in this Declaration are based on my personal knowledge, my review of the Debtor’s books and records, relevant documents and other information prepared or collected by the Debtor’s advisors, or my opinion based on my experience with the Debtor’s operations and financial condition. In making my statements based on my review of the Debtor’s books and records, relevant documents and other information prepared or collected by the Debtor’s advisors, I have relied upon these advisors accurately recording, preparing or collecting any such documentation and other information. If I were called to testify as a witness in this matter, I could and would competently testify to each of the facts set forth herein based upon my personal knowledge, review of documents, or opinion.

6. To the best of my knowledge, information, and belief, insofar as I have been able to ascertain after reasonable inquiry, significant time and resources have been expended to review and reconcile the Disputed Claims filed against the Debtor in the Chapter 11 Case. Upon review of the Disputed Claims filed in the Chapter 11 Case and supporting documentation attached thereto, I, on behalf of the Trustee, have determined that the Disputed Claims are not properly asserted pursuant to section 502(b) or 503(b) of the Bankruptcy Code.

7. To the best of my knowledge, information, and belief, and after comparing the Disputed Claims with the Debtor’s books and records, the Disputed Claim, designated as Claim No. 208, does not provide sufficient basis for certain of the amounts allegedly owed under the TTA, and therefore is overstated in an amount not less than \$166,641.07.

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<sup>4</sup> Capitalized terms used but not otherwise defined herein shall have the same meaning ascribed to them in the Objection.

8. To the best of my knowledge, information, and belief, and after comparing the Disputed Claims with the Debtor's books and records, the Disputed Claim, designated as Claim No. 304, was already stratified pursuant to the Sale Agreement and thus is not entitled to any additional payment.

9. To the best of my knowledge, information, and belief, and after comparing the Disputed Claims with the Debtor's books and records, the Disputed Claim, designated as Claim No. 318, did not provide a benefit to the Debtor post-petition such that it is not entitled to administrative priority expense payment. Additionally certain of the costs listed in Claim No. 318 are duplicative of the amounts owed in Claim No. 208, and do not provide sufficient basis for payment such that those amounts, totaling \$854,293.15, should be disallowed.

10. Accordingly, I believe the Disputed Claims should be disallowed, reclassified, reduced and allowed in the amount further determined by the Court, as provided in the Objection.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury the foregoing is true and correct to the best of my knowledge and belief.

Dated: March 5, 2025

/s/ William Partridge  
William Partridge  
SierraConsetellation Partners, LLC,  
as Liquidating Trustee

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE**

In re:

Zosano Pharma Corporation,

Debtor.

Chapter 11

Case No. 22-10506 (JKS)

**Obj. Date: March 27, 2025 at 4:00 p.m.**

**Hearing Date: May 8, 2025 at 10:00 a.m.**

**NOTICE OF LIQUIDATING TRUSTEE’S OBJECTION TO THE ALLOWANCE OF  
CLAIMS FILED BY PATHEON MANUFACTURING SERVICES LLC PURSUANT TO  
SECTION 502 OF THE BANKRUPTCY CODE AND BANKRUPTCY RULE 3007**

**PLEASE TAKE NOTICE** that, on March 5, 2025 SierraConstellation Partners, LLC, as Liquidating Trustee (the “Trustee”) in the bankruptcy case of the above-captioned debtor (the “Debtor”), filed the *Liquidating Trustee’s Objection to the Allowance of Claims Filed by Patheon Manufacturing Services LLC Pursuant to Section 502 of the Bankruptcy Code and Bankruptcy Rule 3007* (the “Objection”).

**THE OBJECTION SEEKS TO ALTER YOUR RIGHTS. THEREFORE, YOU SHOULD READ THE OBJECTION AND THE EXHIBITS THERETO CAREFULLY AND DISCUSS THEM WITH YOUR ATTORNEY. IF YOU DO NOT HAVE AN ATTORNEY, YOU MAY WISH TO CONSULT ONE.**

**PLEASE TAKE FURTHER NOTICE** that any response or objection to the relief sought in the Objection must be filed with the Court, 824 North Market Street, 3rd Floor, Wilmington, Delaware 19801 on or before **MARCH 27, 2025 AT 4:00 P.M. PREVAILING EASTERN TIME.**

**PLEASE TAKE FURTHER NOTICE** that at the same time, you must also serve a copy of the response or objection upon: counsel to the Trustee: (a) Greenberg Traurig, LLP, The

Nemours Building, 222 Delaware Avenue, Suite 1600, Wilmington, Delaware 19801, Attn: Dennis A. Meloro (Dennis.Meloro@gtlaw.com); John D. Elrod ([elrodj@gtlaw.com](mailto:elrodj@gtlaw.com)).

**PLEASE TAKE FURTHER NOTICE THAT A HEARING TO CONSIDER THE RELIEF SOUGHT IN THE OBJECTION WILL BE HELD ON MAY 8, 2025 AT 10:00 A.M. PREVAILING EASTERN TIME BEFORE THE HONORABLE KATE STICKLES, IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE, 824 N. MARKET STREET, 5TH FLOOR, COURTROOM NO. 6, WILMINGTON, DELAWARE 19801.**

**PLEASE TAKE FURTHER NOTICE THAT, IF NO OBJECTIONS OR RESPONSES TO THE OBJECTION ARE TIMELY FILED, SERVED, AND RECEIVED IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED THEREIN WITHOUT FURTHER NOTICE OR A HEARING.**

[Signature on next page]

Dated: March 5, 2025

GREENBERG TRAURIG, LLP

/s/ Dennis A. Meloro

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-and-

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*Counsel for Sierra Constellation Partners, LLC, as  
Liquidating Trustee*