IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	Chapter 11
VIRIDOS, INC.,[1]	Case No. 25-10697 (CTG)
Debtor.	**Obj. Deadline: September 24, 2025 at 4:00 p.m. (ET)** **Hearing Date: October 1, 2025 at 10:00 a.m. (ET)**

DEBTOR'S MOTION FOR ENTRY OF ORDERS (I) ESTABLISHING PROCEDURES FOR PAYMENT OF FINAL FEE APPLICATIONS, (II) DISMISSING THE CHAPTER 11 CASE, (III) AUTHORIZING THE DEBTOR TO ABANDON OR DESTROY CERTAIN BOOKS AND RECORDS, (IV) AUTHORIZING THE DEBTOR TO DISSOLVE, (V) EXCULPATING CERTAIN PARTIES FROM LIABILITY IN CONNECTION WITH THE CHAPTER 11 CASE, (VI) TERMINATING ENGAGEMENT OF CLAIMS AND NOTICING AGENT, AND (VII) GRANTING RELATED RELIEF

Viridos, Inc., as a debtor and debtor in possession (the "Debtor), by and through its undersigned counsel, requests, through this motion (this "Motion"), entry of orders, substantially in the forms attached hereto as **Exhibit A** (the "Professional Fee Order") and **Exhibit B** (the "Dismissal Order"), respectively: (i) establishing procedures for payment of final fee applications by professionals retained in the above-captioned case (the "Professionals"), and providing for payment of fees and expenses incurred by the Professionals ("Professional Fees and Expenses"), (ii) dismissing the Debtor's chapter 11 case (the "Chapter 11 Case"); (iii) authorizing, but not directing, the Debtor or its designee to abandon or destroy the Debtor's remaining books and records, to the extent not acquired by the purchaser, subject to the terms herein; (iv) authorizing the Debtor to dissolve; (v) exculpating certain parties in connection with the Chapter 11 Case; (vi) terminating the services of Stretto, Inc. ("Stretto") as claims and noticing agent (in such capacity, the "Claims and Noticing Agent") in the Chapter 11 Case; and (vii) granting related relief. In support of this Motion, the Debtor represents as follows:

[1] The Debtor in this Chapter 11 Case and the last four digits of its U.S. taxpayer identification number is: Viridos, Inc. (3940). The Debtor's corporate headquarters is located at: 11149 N. Torrey Pines Road, La Jolla, CA 92037.

PRELIMINARY STATEMENT

1. As set forth in the *Declaration of Eric Moellering in Support of Debtor's Petition, First Day Motions and Related Filings* [Docket. No. 18] (the "First Day Declaration"), the Debtor filed the Chapter 11 Case to address liquidity concerns, and to effectuate a sale (the "Sale") of all or substantially all of its assets (the "Assets"). The goal was simple; to maximize value for all stakeholders. Having received access to post-petition financing from its prepetition lender, and having run a sale process approved by the Court, the Debtor, with the assistance of its advisors, designated Breakthrough Energy Ventures II, L.P., (the "Purchaser") as the successful bidder and, on June 17, 2025, the Court entered an order (the "Sale Order") approving the Sale to the Purchaser on the terms set forth in the Sale Order and agreement annexed thereto (the "Sale Agreement") [Docket No. 161]. The Sale included the assumption and assignment of Designated Contracts (as defined in the Sale Order) and has been consummated on June 20, 2025.

2. With the consummation of the Sale, the Debtor has considered available next steps, including alternative options to bring the Chapter 11 Case to a conclusion. The Debtor has concluded, with the help of its advisors, that dismissal is the most expeditious and cost-effective mechanism to wind down the Chapter 11 Case. The Debtor believes that this conclusion is supported by its primary stakeholders. As all of the Debtor's cash constitutes a purchased asset or is otherwise budgeted for the benefit of administrative creditors and professionals, the Debtor determined that dismissal would not negatively impact creditors considering the next alternative, which would be conversion to chapter 7. Further, the Debtor submits that there are no assets of any value available for distribution to unsecured creditors (including creditors with claims entitled to priority status) or to support the administrative costs of pursuing anything other than the prompt exit from bankruptcy. Moreover, a conversion to chapter 7 would not serve any purpose if there is no available cash (or cash which is not otherwise budgeted for any designated purpose) to administer the chapter 7 case, as the Debtor anticipates would be the case in this instance.

3. Accordingly, the Debtor seeks to establish procedures for the filing of final fee applications by professionals retained in the Chapter 11 Case, as well as to provide for the payment of fees incurred by the Professionals, on the terms set forth in the Professional Fee Order. The Debtor also seeks to dismiss the Chapter 11 Case on the terms set forth in the proposed Dismissal Order.

JURISDICTION AND VENUE

4. The United States Bankruptcy Court for the District of Delaware (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 February 29, 2012. This is a core proceeding pursuant to 28 U.S.C. § 157(b).

5. The Debtor confirms its consent, pursuant to Rule 9013-1(f) of the Local Rules of 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 final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

6. Venue is proper in this district under 28 U.S.C. §§ 1408 and 1409.

7. The statutory and legal predicates for the relief requested herein are sections 105(a), 305, 349, 554(a), and 1112(b) of title 11 of the United States Code (the "Bankruptcy Code"), Rules 1017, 2002, and 6007 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Local Rule 1017-2.

BACKGROUND

A. The Chapter 11 Case

8. On April 14, 2025 (the "Petition Date"), the Debtor filed a voluntary petition for relief pursuant to chapter 11 of the Bankruptcy Code. Until the closing of the sale set forth in the Sale Order, the Debtor operated its business and managed its properties as debtor in possession

pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee, examiner, or official committee of unsecured creditors has been appointed in the Chapter 11 Case.

9. Additional factual background regarding the Debtor, including its business operations, corporate and capital structure, and the events leading to the filing of the Chapter 11 Case, is set forth in detail in the First Day Declaration, which is incorporated by reference herein.

B. The Claims and Noticing Agent and Interim Compensation Procedures

10. On April 17, 2025, the Court entered the *Order Appointing Stretto, Inc. as Claims and Noticing Agent Effective as of the Petition Date* [Docket No. 34] (the "Stretto Retention Order"). Pursuant to the Stretto Retention Order, Stretto was appointed to serve as the Claims and Noticing Agent in the Chapter 11 Case.

11. On May 7, 2025, the Court entered the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Retained Professionals* [Docket No. 81] (the "Interim Compensation Order"), pursuant to which the Court approved procedures governing applications for and payments of fees and expenses requested by Professionals.

C. The Prepetition Capital Structure

12. On July 23, 2024, pursuant to that certain Secured Convertible Promissory Note dated as of July 23, 2024, made by the Debtor to the order of and one or more affiliates of Breakthrough Energy Ventures II, L.P. (together with successors and assigns, "BEV") (together with its successors and assigns, the "Prepetition Secured Lender") in the original principal amount of $2,000,000 (the "Initial Prepetition Note"), the Debtor incurred indebtedness and other obligations to the Prepetition Secured Lender.

13. Shortly before the Petition Date, on or about April 8, 2025, the Prepetition Secured Lender agreed to make additional financing available to the Debtor and, in connection therewith, the Debtor executed in favor of the Prepetition Secured Lender that certain Amended and Restated Secured Convertible Promissory Note dated as of April 8, 2025 in the maximum principal amount of $2,750,000 (the Initial Prepetition Note, as so amended and restated and as otherwise amended,

supplemented, restated or otherwise modified prior to the Petition Date, the "Prepetition Bridge Note" and, collectively with the Note Purchase Agreement and the Security Agreement referenced in the Prepetition Bridge Note (such Security Agreement as amended, the "Prepetition Security Agreement"), and any other agreements and documents executed or delivered in connection therewith, each as may be amended, restated, amended and restated, supplemented, waived, or otherwise modified prior to the Petition Date, the "Prepetition Loan Documents"), and the Prepetition Secured Lender made an incremental advance in connection therewith of $250,000. The indebtedness and obligations of the Debtor owing to the Prepetition Secured Lender under the Prepetition Loan Documents is referred to herein as the "Prepetition Loan Obligations."

14. As of the Petition Date, the Debtor was justly and lawfully indebted and liable to the Prepetition Secured Lender for the Prepetition Loan Obligations in the aggregate principal amount of not less than $2,250,000, plus accrued and unpaid interest thereon and any fees, expenses and disbursements (including attorneys' fees), costs, charges, indemnities, and any other Prepetition Loan Obligations incurred under the Prepetition Loan Documents.

D. The DIP Financing

15. On February 14, 2025, the Debtor filed the *Debtor's Motion for Entry Of Interim And Final Orders(I) Authorizing Debtor To (A) Obtain Postpetition Financing And (B) Use Of Cash Collateral, (II) Granting Adequate Protection To Prepetition Secured Lender, (III) Scheduling Final Hearing, And (Iv) Granting Related Relief* [Docket No. 16] (the "DIP Motion").

16. An interim order granting the DIP Motion was entered on April 17, 2025 [Docket No. 36] (the "Interim DIP Order") and a final order granting the DIP Motion was entered on May 8, 2025 [Docket No. 94] (the "Final DIP Order" and, together with the Interim DIP Order, the "DIP Orders"), which, among other things, (a) authorized the Debtor to obtain senior secured postpetition financing (the "DIP Facility" and the loans thereunder, the "DIP Loans") from BEV as post-petition lender (the "DIP Lender"), in an aggregate principal amount of up to $4,250,000

plus the DIP Roll-Up Loans (as defined therein) and (b) approved the Initial DIP Budget (as defined in the Final DIP Order). The DIP Orders also established the "Carve Out Reserves," exclusively for the benefit of the Professionals in the Chapter 11 Case. On July 1, 2025, the Challenge Period (as defined in the DIP Orders) expired without a Challenge (as defined in the DIP Orders).

E. The Sale Process

17. The Debtor commenced the Chapter 11 Case to effectuate a sale of all or substantially all of its assets to maximize value for the benefit of stakeholders. To that end, on the Petition Date, the Debtor filed the *Debtor's Motion For Entry of an Order (I) Approving the Bidding Procedures in Connection with the Sale of Substantially All of the Debtor's Assets, (II) Scheduling an Auction and a Sale Hearing, (III) Approving the Form and Manner of Notice Thereof, (IV) Authorizing the Debtor to Enter Into the Stalking Horse Agreement, (V) Approving Procedures for the Assumption and Assignment of Contracts and Leases, and (VI) Granting Related Relief* [Docket No. 37] (the "Sale Motion").

18. On May 8, 2025, the Court entered an order [Docket No. 95] (the "Bidding Procedures Order") granting certain relief sought in the Sale Motion, including, among other things, (a) the Debtor selection of Breakthrough Energy Ventures II, L.P. or its designee (the "Stalking Horse Bidder" or the "Purchaser") as the stalking horse bidder in connection with a sale of substantially all of the Debtor's assets in accordance with the terms of an Asset Purchase Agreement (as amended, restated, supplemented, or otherwise modified from time to time and together with all schedules and exhibits thereto, the "APA"), (b) the scheduling of an auction in the event the Debtor receives at least one qualified bid for their assets in addition to the Stalking Horse Bidder's bid, and (c) the establishment of certain other key dates and times related to the sale process and auction. However, the Debtors did not receive any bid other than the bid from the Stalking Horse Bidder and proceeded to cancel the auction [Docket No. 123].

19. On June 17, 2025, following a hearing, the Court entered the *Order (I) Authorizing the Sale of the Purchased Assets Free and Clear, (II) Authorizing the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, and (III) Granting Related Relief* [Docket No. 161] (the "Sale Order"), among other things, approving the sale of substantially all of the Debtor's assets to the Purchaser. The Sale closed on June 20, 2025. Pursuant to the APA and the Sale Order, the Purchaser acquired the Purchased Assets (as defined in and set forth on Schedule 1 to the APA), assumed the Assumed Liabilities (as defined in the APA), and was assigned certain Designated Contracts (as defined in the APA). The Purchaser did not acquire the Excluded Assets (as defined in and set forth on Schedule 2 of the APA). On the terms and subject to the conditions contained in the APA, the Purchaser agreed to pay the Purchase Price, as aggregate consideration for the Purchased Assets, which included, among other things (i) a credit bid pursuant to section 363(k) of the Bankruptcy Code of $5,950,000.00 in principal outstanding under the DIP Facility plus all interest, fees and expenses due thereunder, (ii) the assumption of the Assumed Liabilities, and (iii) the payment of Cure Amounts (as defined in the APA).

F. Administrative Expense Claims and Post Sale Matters

20. Following entry of the Sale Order, the Debtor continued to evaluate all known and asserted administrative expense claims (both through formal court process and informal demands) and pay such valid claims in the ordinary course pursuant to an approved budget. Given the post-closing state of the estate, the Debtor determined it was not in the estate's best interests to establish a bar date (and thereby incur significant costs in pursuit thereof). To the extent creditors believed that they had postpetition administrative expense claims and contacted the Debtor's undersigned counsel or the Debtor's representatives directly, the Debtor endeavored to reconcile such asserted claims and satisfy undisputed postpetition administrative expense claims in the ordinary course and in accordance with the approved budget.

21. The Debtor is not aware of any asserted and valid administrative expense claims as of the date hereof that will not be paid in the ordinary course or that were otherwise not assumed

by the Purchaser pursuant to the APA. The Debtor will continue to work with any claimant that receives notice of this Motion to address any such administrative claims, to the extent any are asserted, in accordance with the approved budget.

22. Since closing of the Sale, the Debtor has reviewed and rejected a variety of contracts and leases so that the Debtor and its estate is not exposed to unnecessary administrative claim demands. Further, the Debtor has worked cooperatively with the Purchaser to orderly transition the business and employees in a timely fashion.

23. Following closing of the Sale and satisfaction in full of the DIP Obligations (as defined in the DIP Orders), the Debtor has approximately (a) $431,481 that has been budgeted for Professional fees, (b) $320,000 that has been budgeted for payment of final (if any) administrative claims, and (c) $210,000 in additional funds in the Debtor's operating account (the "Operating Account"). The Debtor proposes to apply these remaining funds in the Operating Account as follows:

> a) *first*, towards any remaining U.S. Trustee Fees and other allowed administrative expense claims in the Chapter 11 Case, including those of Professionals; and
>
> b) *second*, an amount equal to $75,000 will be set aside in reserve (the "Wind-Down Reserve") and used to wind down the Debtor's business affairs, including dissolution of the entity and final tax returns.

G. The Debtor's Books and Records

24. As of the Petition Date, the Debtor maintained various books and records (collectively, the "Books and Records"), including, without limitation, hard copy and electronic copies of: (a) accounting documents; (b) bank documents; (c) corporate governance documents; (d) documents related to contracts, leases and other contractual agreements of the Debtor; (e) insurance documents; (f) human resources and other related employment documents; (g) documents related to the Chapter 11 Case; and (h) electronic documents. To the extent not acquired by the Purchaser under the APA, the continued preservation of such Books and Records would be a cost and burden to the Debtor's estate, and the destruction or abandonment of such Books and

Records is necessary. Because the Debtor does not have any ongoing operations and there will not be any further claims reconciliation at the time of the dismissal of the Chapter 11 Case, the Debtor does not believe that abandonment or destruction of the Books and Records would be prejudicial to the Debtor's stakeholders. Accordingly, the Debtor seeks approval, but not direction, to abandon or destroy the Books and Records not acquired by the Purchaser under the APA that remain in its possession or to delegate such authority to a designated representative, pursuant to this Motion and the Dismissal Order.

RELIEF REQUESTED

25. The Debtor requests entry of the proposed Professional Fee Order, attached hereto as **Exhibit A**, (a) establishing procedures for payment of final fee applications by Professionals and the payment of Professional Fees and Expenses and (b) granting related relief. In addition, upon filing of a certification of counsel and the satisfaction of certain conditions set forth in the Professional Fee Order, the Debtor requests entry of the proposed Dismissal Order, attached hereto as **Exhibit B**, (a) dismissing the Chapter 11 Case, (b) authorizing, but not directing, the Debtor or its designee to abandon or destroy the Debtor's remaining books and records not acquired by the Purchaser, (c) authorizing the Debtor to dissolve, (d) exculpating certain parties from liability in connection with the Chapter 11 Case, (e) terminating the services of the Claims and Noticing Agent, and (f) granting related relief.

BASIS FOR RELIEF REQUESTED

I. THE COURT SHOULD DISMISS THE CHAPTER 11 CASE

A. The Chapter 11 Case Should Be Dismissed Under Section 1112(b)(1) of the Bankruptcy Code

26. Upon the request of a party in interest, section 1112(b)(1) of the Bankruptcy Code provides that "the court shall convert a [chapter 11 case] to a case under chapter 7 or dismiss a case under this chapter, whichever is in the best interests of creditors and the estate, for cause," unless there are unusual circumstances. 11 U.S.C. § 1112(b)(1). The statutory language in 11 U.S.C. § 1112(b)(1) was modified by the Bankruptcy Abuse Prevention and Consumer Protection

Act of 2005 ("BAPCPA"), which changed the statutory language with respect to conversion or dismissal from permissive to mandatory.[2] *See* H.R. Rep. No. 109-31(I), at 442, reprinted in 2005 U.S.C.C.A.N. 88, 94 (stating that the Act "mandate[s] that the court convert or dismiss a chapter 11 case, whichever is in the best interests of creditors and the estate, if the movant establishes cause, absent unusual circumstances"); *see also Nester v. Gateway Access Sols., Inc*. (*In re Gateway Access Sols., Inc*.), 374 B.R. 556 (Bankr. M.D. Pa. 2007) (stating that the amendments to section 1112 limit the court's discretion to refuse to dismiss or convert a chapter 11 case upon a finding of cause); *accord In re TCR of Denver, LLC*, 338 B.R. 494, 498 (Bankr. D. Colo. 2006) ("Congress has purposefully limited the role of this Court in deciding issues of conversion or dismissal, such that this Court has no choice, and no discretion, in that it 'shall' dismiss or convert a case under Chapter 11 if the elements for 'cause' are shown under 11 U.S.C. § 1112(b)(4).").

27. The amendments to section 1112 of the Bankruptcy Code thus limit the Court's discretion to refuse to dismiss or convert a chapter 11 case upon a finding of cause. *See In re 3 Ram, Inc*., 343 B.R. 113, 119 (Bankr. E.D. Pa. 2006) ("Under new § 1112 when cause is found, the court shall dismiss or convert unless special circumstances exist that establish that the requested conversion or dismissal is not in the best interests of creditors and the estate."); *see also In re Broad Creek Edgewater, LP*, 371 B.R. 752, 759 (Bankr. D.S.C. 2007). For reasons more fully explained below, the Court should dismiss the Chapter 11 Case because cause exists. Further, dismissal is preferable because converting the case to chapter 7 would impose additional administrative costs with no corresponding benefit to the Debtor's creditors or its estate. Additionally, dismissing the Chapter 11 Case is in the best interests of the Debtor, its creditors, and its estate because such dismissal allows the Debtor to exit the Chapter 11 Case as efficiently as possible.

[2] Prior to the enactment of BAPCPA, a bankruptcy court had the discretion, pursuant to its broad equitable powers, to dispose of a debtor's case, including by means of dismissal. However, a court was not mandated to dismiss a case upon the showing of cause. H.R. Rep. No. 95-595, at 405 (1977), reprinted in 1978 U.S.C.C.A.N. 5963; S. Rep. No. 95-989, at 117 (1978), reprinted in 1978 U.S.C.C.A.N. 5787.

1. Cause Exists Under Section 1112(b)(4) of the Bankruptcy Code

28. Section 1112(b) of the Bankruptcy Code provides a nonexclusive list of 16 grounds for dismissal for cause. 11 U.S.C. § 1112(b)(4)(A)-(P). *See In re Gateway Access Sols*., 374 B.R. at 561 ("Generally, such lists are viewed as illustrative rather than exhaustive, and the Court should 'consider other factors as they arise.'") (*quoting First Jersey Nat'l Bank v. Brown (In re Brown*), 951 F.2d 564, 572 (3d Cir. 1991)); *Frieouf v. U.S.*, 938 F.2d 1099, 1102 (10th Cir. 1991) (stating that section 1112(b) of the Bankruptcy Code's list is nonexhaustive); *In re 3 Ram, Inc.*, 343 B.R. at 117 ("While the enumerated examples of 'cause' to convert or dismiss a chapter 11 case now listed in § 1112(b)(4) have changed under BAPCPA, the fact that they are illustrative, [and] not exhaustive has not.") (citation omitted); *accord Frieouf v. United States (In re Frieouf)*, 938 F.2d 1099, 1102 (10th Cir. 1991) (stating that section 1112(b)'s list is non-exhaustive).

29. One such ground is where a party in interest shows that (i) there has been a "loss" or "diminution" of value of the estate and (ii) the debtor does not have a "reasonable likelihood of rehabilitation." *See* 11 U.S.C. § 1112(b)(4)(A). Another such ground is a debtor's inability to effectuate a successful plan of reorganization justifies "cause" for purposes of § 1112(b) dismissal. *See id*. § 1112(b)(4)(M); *In re Am. Cap. Equip., LLC*, 688 F.3d 145, 162 n.10 (3d Cir. 2012) ("the 'inability to effectuate a plan' remains a viable basis for dismissal because the listed examples of cause [in section 1112(b)] are not exhaustive"). Inability to effectuate a plan arises when a debtor lacks the capacity to "formulate a plan or carry one out" or where the "core" for a workable plan of reorganization "does not exist." *See Preferred Door*, 990 F.2d 547, 549 (10th 1993) (quoting *Hall v. Vance*, 887 F.2d 1041, 1044 (10th Cir. 1989)) (finding an inability to effectuate a plan arises where debtor lacks capacity to formulate a plan or carry one out); *In re Blunt*, 236 B.R. 861, 865 (Bankr. M.D Fla. 1999) (finding cause to dismiss debtor's case under section 1112(b)(2) of the Bankruptcy Code where "core" for a workable plan of reorganization found to be nonexistent).

30. As detailed herein, the Debtor sold substantially all of its assets in connection with the Sale. Following closing of the Sale, the Debtor's estate will exist solely to (a) meet the Debtor's obligations under the APA, (b) effectuate an orderly exit from the Chapter 11 Case, (c) satisfy the

Debtor's valid postpetition obligations incurred during the course of the Chapter 11 Case, and (d) distribute any remaining funds to the Purchaser, which purchased all remaining cash that was not required in the budget. While doing so, the estate continues to accrue U.S. Trustee fees and fees and expenses incurred by the professionals in the Chapter 11 Case. Following closing of the Sale, there is no longer a business to reorganize or unencumbered assets[3] to distribute to unsecured creditors, and thus there is no reason, nor are there unencumbered funds available, to pursue a chapter 11 plan of reorganization or a liquidating chapter 11 plan. Accordingly, the Debtor submits that cause exists to dismiss the Chapter 11 Case pursuant to section 1112(b)(4) of the Bankruptcy Code.

2. Dismissal of the Chapter 11 Case is Warranted Under Section 305(a) of the Bankruptcy Code

31. Cause also exists to dismiss the Chapter 11 Case pursuant to section 305(a) of the Bankruptcy Code, which provides that the "court, after notice and a hearing, may dismiss a case under this title . . . at any time if — (1) the interests of creditors and the debtor would be better served by such dismissal or suspension . . . ." *See* 11 U.S.C. § 305(a); *In re AMC Investors, LLC*, 406 B.R. 478, 487-88 (Bankr. D. Del. 2009).

32. Whether dismissal is appropriate under this provision is determined on a case-by-case basis and rests in the sound discretion of the bankruptcy court. *In re Sky Grp. Int'l, Inc*., 108 B.R. 86, 91 (Bankr. W.D. Pa. 1989). Many factors are considered when determining the best interests of creditors and the debtor, including (a) the economy and efficiency of administration, (b) whether federal proceedings are necessary to reach a just and equitable solution, (c) whether there is an alternative means of achieving an equitable distribution of assets, and (d) whether the debtor and the creditors are able to work out a less expensive out-of-court arrangement that better serves all interests in the case. *AMC Investors*, 406 B.R. at 488.

[3] Any miscellaneous items remaining in the Debtor's estates which were listed in the APA as "excluded assets" are worthless and it would incur substantial costs to market and sell such items. Accordingly, those assets are the subject to abandonment via notice which has been filed contemporaneously.

33. Here, cause exists for dismissal under section 305 of the Bankruptcy Code. The Debtor has sold substantially all of its assets, and rejected various unsold contracts and leases. The Debtor does not believe that there are any additional potential recoveries for unsecured creditors that would warrant keeping the Chapter 11 Case open for further administration. Under the circumstances, conversion to chapter 7 would impose additional administrative costs with no corresponding benefit to the Debtor's unsecured creditors or its estate. Dismissal of the Chapter 11 Case, among other things, provides the most efficient, cost-effective method of effectuating the wind-down of the Debtor's estates, ensuring payment of all Professional Fees and Expenses and U.S. Trustee fees pursuant to the approved budget approved by the DIP Orders and any subsequent budget.

3. Dismissal is in the Best Interests of the Debtor's Creditors and the Debtor's Estate

34. Once a court determines that cause exists to dismiss a chapter 11 case, the court must also evaluate whether dismissal is in the best interests of the estate and creditors. *See In re Calrissian LP*, 2018 WL 3854004, at *2 (Bankr. D. Del. 2018); *In re Superior Sliding & Window, Inc*., 14 F.3d 240, 243 (4th Cir. 1994) ("Once 'cause' is established, a court is required to consider this second question of whether to dismiss or convert."). As set forth herein, a variety of factors demonstrate that it is in the best interests of the Debtor, its estate, and its creditors to dismiss the Chapter 11 Case and authorize the relief sought herein.

35. ***First***, dismissal of a debtor's case meets the best interests of creditors test where a debtor has nothing left to reorganize and the debtor's assets are fixed and liquidated. *See In re BTS, Inc*., 247 B.R. 301, 310 (Bankr. N.D. Okla. 2000); *In re Camden Ordinance Mfg. Co. of Arkansas, Inc*., 245 B.R. 794, 799 (E.D. Pa. 2000) (finding that a reorganization to salvage a business which ceased doing business was not feasible); *In re Brogdon Inv. Co*., 22 B.R. 546, 549 (Bankr. N.D. Ga. 1982) (dismissing chapter 11 case in part where there was "simply nothing to reorganize" and no reason to continue the reorganization). The Debtor has no business left to reorganize because substantially all of its assets have been sold pursuant to the Sale Order. Further, the Debtor has

insufficient unencumbered cash (or cash which is not otherwise held for any designated budgeted purpose) to administer chapter 7 case if the Chapter 11 Case was converted.

36. ***Second***, courts have found that dismissal is in the "best interests of creditors" where an interested party, other than the debtor, supports the dismissal of the debtor's chapter 11 case. *See Camden Ordnance*, 245 B.R. at 798; *In re Mazzocone*, 183 B.R. 402, 414 (Bankr. ED. Pa. 1995), *aff'd*, 200 B.R. 568 (E.D. Pa. 1996) (factors weighed more heavily in favor of dismissal of chapter 11 case rather than conversion to chapter 7 where debtor and U.S. Trustee both favored dismissal). Here, the Debtor's major stakeholders including the Lender (who is also the Purchaser) supports the dismissal. Further, the Debtor is not aware of party that would support conversion of the Chapter 11 Case to chapter 7, as opposed to the requested dismissal.

37. ***Third***, a court may find dismissal to be in the "best interests of the creditors" where a debtor demonstrates the ability to oversee its own liquidation. *See Camden Ordnance*, 245 B.R. at 798; *Mazzocone*, 183 B.R. at 412 ("Only when a Chapter 11 debtor has no intention or ability to . . . perform its own liquidation . . . should a debtor be permitted to remain in bankruptcy[.]"). Here, to the extent this factor is applicable to the facts and circumstances of these proceedings, the Debtor will have already liquidated substantially all of its assets in advance of dismissal. Further, the Debtor intends to conduct an orderly winddown including final tax return filings and proper corporate dissolution of the entity.

38. ***Fourth***, and finally, dismissal is appropriate where, as here, the dismissal of a chapter 11 case will maximize the value of a debtor's estate,[4] because conversion to chapter 7 would impose substantial and unnecessary additional administrative costs upon the Debtor's estates with no hope that the estate and creditors would receive more consideration. Under the circumstances, a chapter 7 trustee would have little to no funds to satisfy additional claims arising after conversion of the Chapter 11 Case to a case under chapter 7 of the Bankruptcy Code.

[4] One element of the best interest test focuses upon whether the economic value of the estate is greater inside or outside of bankruptcy. *In re Clark*, 1995 WL 495951, at *5 (N.D. Ill. 1995); *In re Staff Inv. Co*., 146 B.R. 256, 261 (Bankr. E.D. Cal. 1993). The prime criterion for assessing the best interests of the estate is the maximization of value as an economic enterprise. *See id*.

39. The Debtor has further determined that there are no remaining unencumbered assets of any material value that warrant keeping the Chapter 11 Case open or that warrant the appointment of a chapter 7 trustee. For instance, the Purchaser acquired various Estate Claims pursuant to the APA (Schedule 1, paragraph "m") and, as such, they no longer belong to the estate. As a result, creditors would not receive greater recoveries in a chapter 7 liquidation and there would be nothing for a chapter 7 trustee to do.

40. Numerous courts, both in this district and other districts, have approved orderly dismissals under similar circumstances to the Debtor, where the debtor lacks the requisite financial ability to confirm a chapter 11 plan and/or where the costs associated with plan confirmation would eliminate the possibility of a meaningful creditor recovery. *See, e.g., Dynamic Aerostructures LLC,* Case No. 25-10292 (LSS) (Bankr. D. Del. 2025) [Docket No. 313]*; iM3NY LLC*, Case No. 25-10131 (BLS) (Bankr. D. Del. 2025) [Docket No. 284]; *The RP Co. Liquidating, LLC*, Case No. 23-10774 (BLS) (Bankr. D. Del. 2024) [Docket No. 700]; *Makeup Liquidating Holdings, LLC (f/b/a BHCosmetics Holdings, LLC)*, Case No. 22-10050 (JKS) (Bankr. D. Del. 2022) [Docket No. 415]; *In re KB Toys, Inc.,* Case No. 08-13269 (KJC) (Bankr. D. Del. 2009) [Docket No. 914]; *In re CFM U.S. Corporation, et. al*., Case No. 08-10668 (KJC) (Bankr. D. Del. 2009) [Docket No. 1097]; *In re Wickes Holdings, LLC*, et al., Case No. 08-10212 (KJC) (Bankr. D. Del. 2009) [Docket No. 1418]; *In re Bag Liquidation, Ltd*, Case No. 08-32096 (SGJ) (Bankr. N.D. Tex. 2009) [Docket No. 688]; *In re Levitz Home Furnishings, Inc*., Case. No. 05- 45189 (BRL) (Bankr. S.D.N.Y. 2008) [Docket No. 1167]; *In re Princeton Ski Shop, Inc., et al*, Case No. 07-26206 (MS) (Bankr. D.N.J. 2008) [Docket No. 546].

41. For these reasons, the Debtor submits that dismissal pursuant to section 1112(b) of the Bankruptcy Code is in the best interest of the Debtor's creditors and its estates.

B. The Court Should Dismiss the Chapter 11 Case Pursuant to Section 105(a) of the Bankruptcy Code

42. Section 105(a) of the Bankruptcy Code provides the Court with supplemental authority to effectuate the overall policy objectives of the Bankruptcy Code in connection with a

motion to dismiss a chapter 11 case. *See* 11 U.S.C. § 105(a) ("[t]he Court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.").

43. Here, given the circumstances discussed above, the Chapter 11 Case should be dismissed to allow the Debtor to wind down its affairs and pursue an exit from the Chapter 11 Case as efficiently as possible. The voluntary dismissal of the Chapter 11 Case accomplishes this goal. Absent a dismissal, the Debtor would continue to incur substantial chapter 11 administrative expenses.

44. Accordingly, the dismissal of the Chapter 11 Case is consistent with the policy objectives of the Bankruptcy Code and this Court should dismiss such case.

II. ALL ORDERS ENTERED IN THESE CHAPTER 11 CASE SHOULD REMAIN IN EFFECT

45. The dismissal of a chapter 11 case ordinarily vacates all orders previously entered by the bankruptcy court and restores all parties to the prepetition status quo. *See* 11 U.S.C. § 349(b). A bankruptcy court may, however, "for cause, order[] otherwise . . . ." *Id*. Courts in this jurisdiction have regularly allowed orders, including those approving releases and settlements, to be given continued effect after a dismissal, notwithstanding section 349 of the Bankruptcy Code. *See, e.g., iM3NY LLC*, Case No. 25-10131 (BLS) (Bankr. D. Del. Apr. 22, 2025) [Docket No. 284]; *In re iPic-Gold Class Entertainment, LLC*., No. 19-11739 (LSS) (Bankr. D. Del. Sep. 30, 2020) [Docket No. 785] (giving continued effect to orders entered throughout the pendency of the chapter 11 cases, including sale orders); *In re CP Holdings LLC*, No. 21-10950 (LSS) (Bankr. D. Del. Mar. 10, 2022) [Docket No. 233] (same); *In re TSAWD Holdings, Inc*., No. 16-10527 (MFW) (Bankr. D. Del. Mar. 23, 2021) [Docket No. 4833] (same); *In re RM Wind-Down Holdco LLC*, No. 18-11795 (MFW) (Bankr. D. Del. Feb. 18, 2020) [Docket No. 721] (same); *In re The Bon-Ton Stores, Inc*., No. 18-10248 (MFW) (Bankr. D. Del. Feb. 1, 2019) [Docket No. 1488] (same); *In re EO Liquidating, LLC*, No. 17-10243 (LSS) (Bankr. D. Del. Aug. 31, 2017) [Docket No. 735] (giving continued effect to orders entered throughout the pendency of the chapter 11 cases).

46. Given the circumstances and posture of the Chapter 11 Case, the Debtor submits that ample cause exists to allow all prior orders, releases, stipulations, settlements, rulings, and judgments entered by the Court in connection with the Chapter 11 Case to be given continued effect, notwithstanding the requested dismissal. The relief requested is necessary to protect the Debtor and preserve the authority the Debtor had to act pursuant to the various orders entered by the Court. For the avoidance of doubt, the Motion does not seek approval of any new or additional releases and merely seeks to confirm that prior releases approved by this Court, including those under the DIP Orders, in connection with these Chapter 11 Case shall survive dismissal.

III. DEBTOR'S AUTHORITY TO ABANDON OR DESTROY CERTAIN BOOKS AND RECORDS

47. Section 554(a) of the Bankruptcy Code and Bankruptcy Rule 6007 authorize a debtor in possession, upon notice and a hearing, to abandon estate property that is of little value to the estate or is otherwise burdensome to maintain. 11 U.S.C.A. § 554(a) ("After notice and a hearing, the trustee may abandon any property of the estate that is burdensome to the estate or that is of inconsequential value and benefit to the estate.").

48. Here, the Debtor requests that the Court authorize, but not direct, the Debtor to abandon or destroy the Books and Records pursuant to sections 105(a) and 554 of the Bankruptcy Code and Bankruptcy Rule 6007, and to make all payments necessary to effect such destruction or abandonment. As previously discussed, the Debtor has sold substantially all of its assets and has largely wound down its affairs. The Books and Records that the Debtor continues to possess will be of no value to the Debtor after dismissal of the Chapter 11 Case, wind-down of the Debtor's estates, and the dissolution of the Debtor.

49. The Debtor submits that it should not incur any additional costs associated with maintaining and storing the Books and Records that have no value to its estate, and it should be authorized, but not directed, to abandon or destroy, as applicable, the Books and Records or authorize a designee to do the same under the terms set forth herein.

50. The Debtor requests that the Dismissal Order: (a) authorize, but not direct, the Debtor to destroy, abandon, or otherwise dispose of any Books and Records, or authorize a designee to do so; and (b) authorize, but not direct, the Debtor to make all payments necessary to effectuate such destruction, abandonment, or other disposition, provided however, that any hard copy documents containing personally identifiable information must be shredded and any electronic documents containing personally identifiable information must be destroyed.

51. Debtors are afforded significant discretion in determining the value and benefits of particular property for purposes of deciding whether to abandon it. *In re BlockFi Inc.*, 2025 WL 1811970 (Bankr. D.N.J. July 1, 2025); *see also e.g., In re Contract Research Sols., Inc.,* No. 12-11004 (KJC), 2013 WL 1910286, at *4 (Bankr. D. Del. May 1, 2013) ("[T]he debtor need only demonstrate that it has exercised sound business judgment in making the determination to abandon.") (internal marks and citation omitted). Courts have held that "[t]he trustee's power to abandon property is discretionary." *In re Slack*, 290 B.R. 282, 284 (Bankr. D.N.J. 2003) (citations omitted). A trustee may abandon estate assets that are of "inconsequential value and benefit to the estate" or that are "burdensome to the estate." *In re Reich*, 54 B.R. 995, 1004 (Bankr. E.D. Mich. 1985). A debtor's right to abandon property in accordance with section 554(a) of the Bankruptcy Code is virtually unfettered except when such abandonment would contravene laws designed to protect public health and safety or pose an imminent threat to the public's welfare. *See, e.g., In re Midlantic Nat'l Bank*, 474 U.S. 494, 501 (1986). The decision to abandon must merely reflect "business judgment made in good faith" that rests on a reasonable basis. *In re Cult Awareness Network, Inc*., 205 B.R. 575, 579 (Bankr. N.D. Ill. 1997).

52. Courts in this jurisdiction have authorized the destruction and abandonment of certain records in similar circumstances. *See, e.g., iM3NY LLC*, Case No. 25-10131 (BLS) (Bankr. D. Del. Apr. 22, 2025) [Docket No. 284]; *In re RM Wind-Down Holdco LLC*, No. 18- 11795 (MFW) (Bankr. D. Del. Apr. 30, 2019) [Docket No. 635] (authorizing debtors to abandon and destroy books and records remaining in their possession); *In re EO Liquidating, LLC,* No. 17-10243 (LSS) (Bankr. D. Del. Aug. 31, 2017) [Docket No. 735].

IV. THE COURT SHOULD AUTHORIZE DISSOLUTION OF THE DEBTOR

53. Because the Debtor will has sold substantially all of its assets and ceased operations, the Court is empowered by sections 105 and 363(b)(1) of the Bankruptcy Code and its general equitable powers to authorize the dissolution of the Debtor. *See, e.g., Weir v. JMACK*, No. 3263- CC, 2008 WL 4379592 at *2 (Del. Ch. Sept. 14, 2008) (granting dissolution of corporation by court order and stating that "[i]t is well settled that this Court, as a court of equity, has the power to order the dissolution" of a corporation). Further, courts in this jurisdiction have previously authorized the dissolution of debtors by court order in connection with the dismissal of a chapter 11 case. *See, e.g., In re CP Holdings LLC*, No. 21-10950 (LSS) (Bankr. D. Del. Mar. 10, 2022) [Docket No. 233]; *In re TSAWD Holdings, Inc*., No. 16-10527 (MFW) (Bankr. D. Del. Mar. 23, 2021) [Docket No. 4833]; *In re RM Wind-Down Holdco LLC*, No. 18-11795 (MFW) (Bankr. D. Del. Feb. 18, 2020) [Docket No. 721]; *In re iPic-Gold Class Entertainment, LLC*, No. 19-11739 (LSS) (Bankr. D. Del. Sep. 30, 2020) [Docket No. 785]; *In re EO Liquidating, LLC*, No. 17-10243 (LSS) (Bankr. D. Del. Aug. 31, 2017) [Docket No. 735]; *In re The Bon-Ton Stores, Inc*., No. 18-10248 (MFW) (Bankr. D. Del. Feb. 1, 2019) [Docket No. 1436].

54. The Debtor respectfully submits that it is appropriate and necessary for the Court to authorize the dissolution of the Debtor. The Debtor has no further business to conduct or other purpose to remain active corporate entities, and absent its prompt dissolution, the Debtor may incur additional taxes and statutory fees owing to its continued corporate existence. Accordingly, the Debtor submits that it is in the best interests of the Debtor's estate for the Debtor to be dissolved with the dismissal of the Chapter 11 Case.

V. THE LIMITED EXCULPATION PROVISIONS IN THE DISMISSAL ORDER ARE APPROPRIATE AND SHOULD BE APPROVED

55. The limited exculpation sought by the Debtor in the Dismissal Order is appropriate because it is fair, necessary, and supported by the factual record and applies to parties that played significant roles in the Chapter 11 Case. *See, e.g., In re Great Atlantic & Pacific Tea Co., Inc., et al.,* No. 15-23007 (RDD) 2021 WL 5863393, at *12 (Bankr. S.D.N.Y. May 13, 2021) (approving

exculpation of the debtors, creditors' committee and secured lender, among others, in dismissal order). The Debtor, the directors, managers, officers, and employees of the Debtor who served during any portion of the Chapter 11 Case and the Debtor's professionals retained in the Chapter 11 Case (collectively, the "Exculpated Parties") worked diligently throughout the Chapter 11 Case to consummate the successful sale of the Debtor's assets and accomplish an efficient and value-maximizing wind-down of the Debtor's estate. In consideration of those efforts, the Debtor seeks limited exculpation for the Exculpated Parties.

56. The exculpation provisions included in the Dismissal Order will protect the Exculpated Parties from liability for any actions taken (or omitted to be taken) in good faith, relating to or in connection with the Chapter 11 Case, including the formulation and implementation of this Motion and the Dismissal Order. Courts have approved similar relief in the past. *See, e.g., The RP Co. Liquidating, LLC*, Case No. 23-10774 [Docket No. 700] (Bankr. D. Del. 2024); *In re CP Holdings LLC*, No. 21-10950 (LSS) (Bankr. D. Del. Mar. 10, 2022) [Docket No. 233]; *In re Destination Maternity Corp., et al*., No. 19-12256 (BLS) (Bankr. D. Del. Dec. 29, 2021) [Docket No. 1229] (approving release provision in dismissal order that relieved estate fiduciaries of liability related to actions taken in good faith in connection with the chapter 11 proceedings); *In re Great Atlantic & Pacific Tea Co., Inc., et al*., 2021 WL 5863393, at *12 (approving exculpation of the debtors, creditors' committee, and secured lender, among others, in dismissal order); *In re Real Industry, Inc., et al.,* No. 17-12464 (KJC) (Bankr. D. Del. Dec. 18, 2018) [Docket No. 1165] (approving exculpation of estate fiduciaries in dismissal order); *In re City Sports, Inc*., No. 15-12054 (KG) (Bankr. D. Del. Mar. 4, 2016) [Docket No. 647] (approving broad release provision); *In re Coach Am Grp. Holdings Corp*., No. 12-10010 (KG) (Bankr. D. Del. May 31, 2013) [Docket No. 1568] (approving consensual releases and broad exculpation). Further, the proposed exculpation provisions expressly exclude liability for any acts of fraud, gross negligence, or willful misconduct on the part of the Exculpated Parties. The Debtor, therefore, submits that the limited exculpation provisions in the Dismissal Order are narrowly tailored and appropriate, and request that they be approved.

VI. THE COURT SHOULD ESTABLISH A PROCEDURE TO APPROVE PROFESSIONAL FEES AND EXPENSES

57. The Interim Compensation Order approving procedures governs applications for and payments of fees and expenses requested by Professionals. In connection with the wind down of the Debtor's estate and dismissal of the Chapter 11 Case pursuant to this Motion and notwithstanding any provisions to the contrary in the Interim Compensation Order, the Debtor additionally requests that the Court (a) schedule a final omnibus fee hearing (the "Final Fee Hearing") on or about November 5, 2025, (b) require all Professionals retained in the Chapter 11 Case to file final requests for payment of all Professional Fees and Expenses incurred during the Chapter 11 Case (collectively, the "Final Fee Applications") not later than October 3, 2025, and (c) require that any objections to the Final Fee Applications be filed and served on counsel for the Debtor and such applicable Professional by 4:00 p.m. (prevailing Eastern Time) on October 24, 2025.

58. Courts in this jurisdiction have granted similar relief in the context of dismissals. *See, e.g., In re Destination Maternity Cor.*, No. 19-12256 (BLS) [Docket No. 1185] (Bankr. D. Del. Nov. 22, 2021); *In re Forever 21, Inc*., No. 19-12122 (MFW) [Docket No. 2118] (Bankr. D. Del. Oct. 4, 2021); *In re The Bon-Ton Stores, Inc*., No. 18-10248 (MFW) (Bankr. D. Del. Feb. 1, 2019) [Docket No. 1436]; *In re RM Wind-Down Holdco LLC*, No. 18-11795 (MWF) (Bankr. D. Del. 11795) [Docket No. 635]; *In re In re Quantum Foods, LLC,* No. 14-10318 (KJC) (Bankr. D. Del. Apr. 6, 2018) [Docket No. 1798]; *In re Sunco Liquidation, Inc*., No. 17-10561 (KG) (Bankr. D. Del. Aug. 18, 2017) [Docket No. 706]; *In re Old Towing Co.,* No. 17-10249 (LSS) (Bankr. D. Del. May 30, 2017) [Docket No. 381]; *In re TAH Windown, Inc*., No. 16-11599 (MFW) (Bankr. D. Del. Jan. 13, 2017) [Docket No. 408].

VII. DEBTOR'S AUTHORITY TO TERMINATE ENGAGEMENT OF CLAIMS AND NOTICING AGENT

59. In connection with the dismissal of the Chapter 11 Case, the Debtor requests the claims and noticing services provided by the Claims and Noticing Agent pursuant to the Stretto Retention Order be terminated. Upon termination of the Claims and Noticing Agent's services, and

except as otherwise provided in the Local Rules, the Debtor requests that the Claims and Noticing Agent shall have no further obligations under the Stretto Retention Order to the Debtor or to any other party in interest with respect to the Claims and Noticing Agent's services.

60. Pursuant to Local Rule 2002-1(e)(ix), within fourteen (14) days of entry of the Dismissal Order, the Claims Agent shall (a) forward to the Clerk of the Court an electronic version of all imaged claims, (b) upload the creditor mailing list into CM/ECF, and (c) docket a final claims register.

61. Courts in this jurisdiction have previously authorized the termination of Claims and Noticing Agents in connection with the dismissal of a chapter 11 case. See, e.g., *In re iPic-Gold Class Entertainment, LLC*, No. 19-11739 (LSS) (Bankr. D. Del. Sep. 30, 2020) [Docket No. 785]; *In re Response Genetics, Inc*., No. 15-11663 (LSS) (Bankr. D. Del. Apr. 18, 2016) [Docket No. 401]; *In re EO Liquidating, LLC*, No. 17-10243 (LSS) (Bankr. D. Del. Aug. 31, 2017) [Docket No. 735].

NOTICE

62. Notice of this Motion has been given to: (a) the U.S. Trustee; (b) all known creditors in the Chapter 11 Case; (c) the Office of the United State Attorney for the District of Delaware; (d) the Internal Revenue Service; (e) counsel to the Purchaser and DIP Lender; (f) all known professionals retained in the Chapter 11 Case; and (g) to the extent not listed herein, those parties requesting notice pursuant to Bankruptcy Rule 2002 (collectively, the "Notice Parties"). The Debtor respectfully submits that no other or further notice is required.

NO PRIOR REQUEST

63. No previous request for the relief sought herein has been made to this Court or any other court.

WHEREFORE, for the foregoing reasons, the Debtor respectfully requests that this Court enter the Professional Fee Order and the Dismissal Order, substantially in the forms attached hereto, granting the relief requested herein and such other and further relief as may be just and proper.

Dated: September 10, 2025
Wilmington, Delaware

WOMBLE BOND DICKINSON (US) LLP

/s/ Morgan L. Patterson

Matthew P. Ward (DE Bar No. 4471)
Morgan L. Patterson (DE Bar No. 5388)
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Counsel to the Debtor

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	Chapter 11
VIRIDOS, INC.,[1]	Case No. 25-10697 (CTG)
Debtor.	**Obj. Deadline: September 24, 2025 at 4:00 p.m. (ET)** **Hearing Date: October 1, 2025 at 10:00 a.m. (ET)**

NOTICE OF DEBTOR'S MOTION FOR ENTRY OF ORDERS (I) ESTABLISHING PROCEDURES FOR PAYMENT OF FINAL FEE APPLICATIONS, (II) DISMISSING THE CHAPTER 11 CASE, (III) AUTHORIZING THE DEBTOR TO ABANDON OR DESTROY CERTAIN BOOKS AND RECORDS, (IV) AUTHORIZING THE DEBTOR TO DISSOLVE, (V) EXCULPATING CERTAIN PARTIES FROM LIABILITY IN CONNECTION WITH THE CHAPTER 11 CASE, (VI) TERMINATING ENGAGEMENT OF CLAIMS AGENT, AND (VII) GRANTING RELATED RELIEF

PLEASE TAKE NOTICE that on September 10, 2025, the above-captioned debtor and debtor-in-possession (the "**Debtor**") filed the attached *Debtor's Motion for Entry of Orders (I) Establishing Procedures for Payment of Final Fee Applications, (II) Dismissing the Chapter 11 Case, (III) Authorizing the Debtor to Abandon or Destroy Certain Books and Records, (IV) Authorizing the Debtor to Dissolve, (V) Exculpating Certain Parties from Liability in Connection with the Chapter 11 Case, (VI) Terminating Engagement of Claims Agent, and (VII) Granting Related Relief* (the "**Motion**") with the United States Bankruptcy Court for the District of Delaware (the "**Court**").

PLEASE TAKE FURTHER NOTICE that responses, if any, to the relief requested by the Motion, must be filed on or before **September 24, 2025, at 4:00 p.m. (ET)** (the "**Objection Deadline**") with the Court, 824 North Market Street, 3rd Floor, Wilmington, Delaware 19801.

PLEASE TAKE FURTHER NOTICE that at the same time, you must serve a copy of the response on the undersigned counsel so as to be received on or before the Objection Deadline.

PLEASE TAKE FURTHER NOTICE that a hearing on the relief requested by the Motion will be held on **October 1, 2025, at 10:00 a.m. (ET)** before the Honorable Craig T.

[1] The Debtor in this Chapter 11 Case and the last four digits of its U.S. taxpayer identification number is: Viridos, Inc. (3940). The Debtor's corporate headquarters is located at: 11149 N. Torrey Pines Road, La Jolla, CA 92037.

Goldblatt, in the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, 3rd Floor, Courtroom 7, Wilmington, Delaware 19801.

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

Dated: September 10, 2025
Wilmington, Delaware

WOMBLE BOND DICKINSON (US) LLP

/s/ Morgan L. Patterson

Matthew P. Ward (DE Bar No. 4471)
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Counsel to the Debtor

EXHIBIT A

Proposed Professional Fee Order

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	Chapter 11
VIRIDOS, INC.,[1]	Case No. 25-10697 (CTG)
Debtor.	**Re: Docket No. ___**

INITIAL ORDER (I) APPROVING THE DISMISSAL OF THE CHAPTER 11 CASE, (II) ESTABLISHING PROCEDURES FOR PAYMENT OF FINAL FEE APPLICATIONS, AND (III) GRANTING RELATED RELIEF

Upon the Debtor's motion (the "Motion")[2] pursuant to sections 105(a), 305(a), and 1112(b) of the Bankruptcy Code for the entry of an order, among other things, (a) approving the dismissal of the Chapter 11 Case, (b) establishing procedures for payment of final fee applications, and (c) granting related relief; and this Court having reviewed the Motion and having conducted a hearing on the Motion, at which time the Debtor and all parties in interest were given an opportunity to be heard; and it appearing that sufficient notice of the Motion has been given to parties in interest; and the Court having found that (a) it has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), (b) notice of the Motion and the opportunity for a hearing thereon was adequate and sufficient under the circumstances and no other or further notice need be given, (c) the legal and factual bases set forth in the Motion constitute just cause for the relief granted herein, and (d) the relief requested in the Motion is in the best interests of the Debtor's estate and creditors; and after due deliberation thereon and sufficient cause appearing therefor, it is

ORDERED, ADJUDGED, AND DECREED THAT:

1. The Motion is hereby GRANTED as set forth herein.

[1] The Debtor in this Chapter 11 Case and the last four digits of its U.S. taxpayer identification number is: Viridos, Inc. (3940). The Debtor's corporate headquarters is located at: 11149 N. Torrey Pines Road, La Jolla, CA 92037.

[2] Capitalized terms not defined herein shall have the meanings ascribed to them in the Motion.

2. The Debtor is authorized to establish a Wind-Down Reserve in the amount of $75,000 to fund any reasonable costs, expenses, and fees (including professional fees, final tax return preparation, and dissolution) necessary to wind down the Debtor's and the estate after the dismissal of the Chapter 11 Case and to dissolve the Debtor. To the extent any funds remain in the Wind-Down Reserve after paying the wind-down obligations, the Debtor will promptly remit such funds to the Purchaser pursuant to the APA and the Sale Order.

3. Notwithstanding any provisions of the Interim Compensation Order to the contrary, all Professionals shall file final fee applications for Professional Fees and Expenses by October 3, 2025. Any objections to the Final Fee Applications shall be filed and served on counsel for the Debtor and the Professional submitting the application to which an objection is being filed by no later than October 24, 2025 at 4:00 p.m. (prevailing Eastern Time). The Court will hold a hearing, if necessary, on November 5, 2025 at ___:00 a./p.m. (prevailing Eastern Time) to resolve any objections or disputes related to Final Fee Applications.

4. After Final Fee Applications have been heard, allowed Professional Fees and Expenses have been paid, U.S. Trustee fees have been paid, and the Wind-Down Reserve has been established, the Debtor shall file a certification of counsel (the "Certification") requesting entry of the Dismissal Order. Among other things, the Certification should verify that (a) all U.S. Trustee fees have been paid in full, (b) all Professional Fees and Expenses incurred in the Chapter 11 Case have been approved on a final basis and paid in full, and (c) the Wind-Down Reserve has been established.

5. The Debtor is only required to serve the Certification and this Order on the U.S. Trustee, counsel to the DIP Lender, those parties requesting notice pursuant to Bankruptcy Rule 2002, and any other party whose rights may be affected by the dismissal of the Chapter 11 Case, and no further notice regarding the dismissal of the Chapter 11 Case shall be required. The Debtor's creditors and parties in interest have received reasonable notice of the proposed dismissal through notice of the hearing on the Motion.

6. To the extent any funds remain with the Debtor after (a) payment in full of all Professional Fees and Expenses, (b) payment in full of all U.S. Trustee fees, all fees and expenses of the Claims and Noticing Agent, and any other valid administrative expense claims in the Chapter 11 Case, (c) funding the Wind-Down Reserve, and (c) making any other payments set forth in this Order, the Debtor is hereby authorized to remit such funds to the Purchaser pursuant to the APA and the Sale Order.

7. To the extent applicable, Bankruptcy Rules 6004(h) and 6006(d) are waived and this Order shall be effective and enforceable immediately upon entry.

8. The Debtor is authorized to take any and all actions necessary to effectuate the relief granted pursuant to this Order.

9. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

EXHIBIT B

Proposed Dismissal Order

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	Chapter 11
VIRIDOS, INC.,[1]	Case No. 25-10697 (CTG)
Debtor.	**Re: Docket No. ___**

ORDER GRANTING THE DEBTOR'S MOTION FOR ENTRY OF AN ORDER (I) DISMISSING THE CHAPTER 11 CASE, (II) AUTHORIZING THE DEBTOR TO ABANDON OR DESTROY CERTAIN BOOKS AND RECORDS, (III) AUTHORIZING THE DEBTOR TO DISSOLVE, (IV) EXCULPATING CERTAIN PARTIES FROM LIABILITY IN CONNECTION WITH THE CHAPTER 11 CASE, (V) TERMINATING ENGAGEMENT OF CLAIMS AND NOTICING AGENT, AND (VI) GRANTING RELATED RELIEF

Upon the Debtor's motion (the "Motion")[2] pursuant to sections 105(a), 305(a), and 1112(b) of the Bankruptcy Code for the entry of an order (this "Order"): (a) dismissing the Chapter 11 Case; (b) authorizing, but not directing, the Debtor or its designee to abandon or destroy the Debtor's remaining books and records not taken by the Purchaser, subject to the terms herein; (c) authorizing the Debtor to dissolve; (d) exculpating certain parties from liability in connection with the Chapter 11 Case; (e) terminating the employment of Stretto asthe Claims and Noticing Agent and (f) granting related relief; and this Court having reviewed the Motion and having conducted a hearing on the Motion, at which time the Debtor and all parties in interest were given an opportunity to be heard; and it appearing that sufficient notice of the Motion has been given to parties in interest; and the Court having found that (a) it has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), (b) notice of the Motion and the opportunity for a hearing thereon was adequate and sufficient under the circumstances and no other or further notice need be given, (c) the legal and factual bases set forth in the Motion constitute just cause for the relief granted herein, and (d) the relief requested

[1] The Debtor in this Chapter 11 Case and the last four digits of its U.S. taxpayer identification number is: Viridos, Inc. (3940). The Debtor's corporate headquarters is located at: 11149 N. Torrey Pines Road, La Jolla, CA 92037.
[2] Capitalized terms not defined herein shall have the meanings ascribed to them in the Motion.

in the Motion is in the best interests of the Debtor's estate and creditors; and after due deliberation thereon and sufficient cause appearing therefor, it is

ORDERED, ADJUDGED, AND DECREED THAT:

1. The Motion is hereby GRANTED as set forth herein.

2. All objections to the Motion or the relief requested therein that have not been withdrawn, waived, or settled, and all reservations of rights included therein, are overruled on the merits and denied with prejudice.

3. Pursuant to sections 105(a), 305(a), and 1112(b) of the Bankruptcy Code, the Chapter 11 Case is hereby dismissed effective as of the date of entry of this Order.

4. The Debtor shall file and serve on the U.S. Trustee any remaining monthly operating reports and pay any quarterly fees due and owing pursuant to 28 U.S.C. § 1930(a)(6) in the Chapter 11 Case within 30 days of the entry of this Order. Entry of this Order is without prejudice to the rights of the U.S. Trustee to reopen the Chapter 11 Case to seek appropriate relief in the event of an unresolved dispute over the payment of fees pursuant to 28 U.S.C. § 1930(a)(6).

5. Notwithstanding anything to the contrary, including, without limitation, section 349 of the Bankruptcy Code, all prior orders, rulings, orders and judgments of this Court made during the course of the Chapter 11 Case, including, without limitation, the Sale Order and the DIP Orders, shall remain final and in full force and effect, shall be unaffected by the dismissal of the Chapter 11 Case, and are specifically preserved for all preclusive purposes, including, without limitation, collateral estoppel and *res judicata*.

6. The Clerk of the Court shall enter this Order on the docket of the Chapter 11 Case and thereafter the docket shall be marked as "Closed."

7. Entry of this Order is without prejudice to (a) the rights of the Debtor or any other party in interest to seek to reopen the Chapter 11 Case for cause pursuant to section 350(b) of the Bankruptcy Code, and (b) the right of the Debtor or any other parties in interest to dispute, object to or resolve all claims that were filed against the Debtor in the Chapter 11 Case.

8. Pursuant to sections 105(a) and 554 of the Bankruptcy Code and Bankruptcy Rule 6007, the Debtor or its designee is authorized, but not directed, to abandon or destroy, or cause to be abandoned or destroyed, any and all Books and Records not taken by the Purchaser that remain with the Debtor's estate as of the date of entry of this Order; provided, however, that any hard copy documents containing personally identifiable information must be shredded and any electronic documents containing personally identifiable information must be destroyed.

9. The employment of Stretto as the Claims and Noticing Agent in the Chapter 11 Case is terminated effective as of the entry of this Order.

10. Stretto is released and discharged as the Claims and Noticing Agent and shall bear no further responsibility in the Chapter 11 Case, except that Stretto shall comply with Local Rule 2002 1(e)(ix).

11. Within fourteen (14) days of entry of this Order, and in accordance with Local Rule 2002-1(e)(ix), Stretto, in its capacity as the Claims and Noticing Agent, shall: (i) forward to the Clerk an electronic version of all proofs of claim; (ii) upload the creditor matrix into CM/ECF; and (iii) docket a final claims register.

12. Stretto may reduce the public case administration website to a static homepage, and in its discretion may opt to deactivate the website altogether.

13. Stretto shall keep electronic copies of all records until one (1) year (after which time Stretto may, but is not required to, destroy such records), and Stretto need not keep paper copies of such records.

14. Stretto may destroy (A) all excess copies of notices, pleadings, plan solicitation documents, customized envelopes, and other printed materials, and (B) all undeliverable and/or returned mail not previously destroyed.

15. Stretto shall be compensated by the Debtor for the performance of services required hereunder in accordance with the terms of the Stretto Retention Order.

16. As soon as reasonably practicable after entry of this Order, without the need for further action on the part of this Court and without the need for further corporate action or action

of the board of directors of the Debtor, the Debtor shall be authorized to dissolve pursuant to applicable state law. Any officer or other authorized representative of the Debtor is authorized to execute and file on behalf of the Debtor all applicable tax returns or other documents necessary and proper to effectuate and consummate the dissolution of the Debtor in accordance with applicable law.

17. From and after the date of entry of this Order, the Debtor, the directors, managers, officers, representatives and employees of the Debtor who served during any portion of the Chapter 11 Case, and the Debtor's professionals retained in the Chapter 11 Case (each an "Exculpated Party"), shall be exculpated from any liability for any act taken or omitted to be taken in good faith from the Petition Date through the date of entry of this Order in connection with or related to the Chapter 11 Case, including but not limited to, the implementation of this Order (other than an act in contravention of this Order), except for any claim or cause of action arising from the fraud, gross negligence, or willful misconduct of such Exculpated Party.

18. Notwithstanding the applicability of any Bankruptcy Rules to the contrary, the terms and conditions of this Order shall be effective and enforceable immediately upon entry of this Order.

19. The Debtor is authorized and empowered to execute and deliver such documents, and to take and perform any and all actions necessary to implement and effectuate the relief granted pursuant to this Order.

20. The Court shall retain jurisdiction with respect to any matters, claims, rights, or disputes arising from or relating to the implementation of any order of this Court entered in the Chapter 11 Case.