

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

|                                                    |   |                           |
|----------------------------------------------------|---|---------------------------|
| In re:                                             | ) |                           |
|                                                    | ) | Chapter 11                |
| VYAIRE MEDICAL, INC., <i>et al.</i> , <sup>1</sup> | ) |                           |
|                                                    | ) | Case No. 24-11217 (BLS)   |
| Debtors.                                           | ) |                           |
|                                                    | ) | (Jointly Administered)    |
|                                                    | ) |                           |
|                                                    | ) | <b>Re: Docket No. 250</b> |

**FIRST NOTICE OF REJECTION OF CERTAIN EXECUTORY CONTRACTS**

**PARTIES RECEIVING THIS NOTICE SHOULD LOCATE THEIR NAMES AND THEIR CONTRACTS OR LEASES ON EXHIBIT A ATTACHED HERETO AND READ THE CONTENTS OF THIS NOTICE CAREFULLY.**

**PLEASE TAKE NOTICE** that on July 11, 2024, the United States Bankruptcy Court for the District of Delaware (the “Court”) entered an order on the motion (the “Motion”) <sup>2</sup> of debtors and debtors in possession (the “Debtors”), approving procedures for the rejection of executory contracts and unexpired leases and granting related relief [Docket No. 250] (the “Rejection Procedures Order”).

**PLEASE TAKE FURTHER NOTICE** that, pursuant to the Rejection Procedures Order and by this written notice (this “Rejection Notice”), the Debtors hereby notify you that they have determined, in the exercise of their business judgment, that each Contract set forth on **Exhibit A** attached hereto is hereby rejected effective as of the date set forth in **Exhibit A** (the “Rejection Date”), or such other date as the Debtors and the counterparty or counterparties to any such Contract agree.

**PLEASE TAKE FURTHER NOTICE** that parties objecting to a proposed rejection must file and serve a written objection so that such objection is filed with this Court on the docket of the Debtors’ chapter 11 cases no later than **October 11, 2024** (the “Rejection Objection Deadline”) and promptly serve such objection on the following parties (collectively, the “Objection Service Parties”): (a) the Debtors, Vyair Medical, Inc., 26125 North Riverwoods Boulevard, Mettawa, Illinois 60045, Attn.: Charles Braley

<sup>1</sup> The last four digits of Debtor Vyair Medical, Inc.’s federal tax identification number are 6495. A complete list of each of the Debtors in these chapter 11 cases and each such Debtor’s federal tax identification number may be obtained on the website of the Debtors’ claims and noticing agent at <https://omniagentsolutions.com/Vyair>. The location of Debtor Vyair Medical, Inc.’s principal place of business and the Debtors’ service address in these chapter 11 cases is 26125 North Riverwoods Boulevard, Mettawa, Illinois, USA 60045.

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

(cbraley@alixpartners.com); (b) proposed co-counsel to the Debtors (i) Kirkland & Ellis LLP, 601 Lexington Avenue, New York, New York 10022, Attn.: Joshua A. Sussberg, P.C. (joshua.sussberg@kirkland.com), Chris Ceresa (chris.ceresa@kirkland.com), and Tiffani Chanroo (tiffani.chanroo@kirkland.com), and (ii) Kirkland & Ellis LLP, 333 Wolf Point Plaza, Chicago, Illinois, 60654, Attn.: Spencer A. Winters (spencer.winters@kirkland.com) and Yusuf U. Salloum (yusuf.salloum@kirkland.com); (c) proposed co-counsel to the Debtors (i) Cole Schotz P.C., 500 Delaware Avenue, Suite 1410, Wilmington, Delaware 19801, Attn: Patrick J. Reilley, Esq. (preilley@coleschotz.com), Stacy L. Newman (snewman@coleschotz.com), Michael E. Fitzpatrick, Esq. (mfitzpatrick@coleschotz.com), and (ii) Cole Schotz P.C., Court Plaza North, 25 Main Street, Hackensack, New Jersey 07601, Attn.: Michael D. Sirota, Esq. (msirota@coleschotz.com), Warren A. Usatine, Esq. (wusatine@coleschotz.com); (d) counsel to the 1L Ad Hoc Group, Gibson, Dunn & Crutcher LLP, 200 Park Avenue, New York, NY 10166-0193, Attn.: Scott J. Greenberg (SGreenberg@gibsondunn.com), Jason Zachary Goldstein (JGoldstein@gibsondunn.com), Joshua Brody (JBrody@gibsondunn.com), and Kevin Liang (KLiang@gibsondunn.com); (e) counsel to the 1L Ad Hoc Group, Pachulski Stang Ziehl & Jones LLP, 919 North Market Street, 17th Floor, Wilmington, DE 19801, Attn.: Laura Davis Jones (ljones@pszjlaw.com) and Timothy P. Cairns (tcairns@pszjlaw.com); (f) the United States Trustee for the District of Delaware, Attn.: Benjamin A. Hackman (Benjamin.A.Hackman@usdoj.gov); and (g) counsel to the Committee, (i) McDermott Will & Emery LLP, The Brandywine Building, 1000 N. West Street, Suite 1400, Wilmington, Delaware 19801, Attn.: David Hurst (dhurst@mwe.com) and Maris Kandestin (mkandestin@mwe.com) and (ii) McDermott Will & Emery LLP, One Vanderbilt Avenue, New York, NY 10017-3852, Attn: Darren Azman (dazman@mwe.com) and Kristin Going (kgoing@mwe.com). Only those responses that are timely filed, served, and received will be considered at any hearing.

**PLEASE TAKE FURTHER NOTICE** that, absent an objection being timely filed, the Debtors shall seek entry of the proposed form of order attached hereto as **Exhibit B**, and the rejection of each Contract shall become effective on the Rejection Date set forth in **Exhibit A**, or such other date as the Debtors and the counterparty or counterparties to such Contract agree.<sup>3</sup>

**PLEASE TAKE FURTHER NOTICE** that, if an objection to the rejection of any Contract is timely filed and not withdrawn or resolved, the Debtors shall file a notice for a hearing to consider the objection for the Contract or Contracts to which such objection relates. If such objection is overruled or withdrawn, such Contract or Contracts shall be rejected as of the Rejection Date set forth in **Exhibit A** or such other date as the Debtors and the counterparty or counterparties to any such Contract agree.

**PLEASE TAKE FURTHER NOTICE** that, pursuant to the terms of the Rejection Procedures Order, if the Debtors have deposited monies with a Rejection Counterparty as a

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<sup>3</sup> An objection to the rejection of any particular Contract listed in this Rejection Notice shall not constitute an objection to the rejection of any other contract or lease listed in this Rejection Notice. Any objection to the rejection of any particular Contract listed in this Rejection Notice must state with specificity the Contract to which it is directed. For each particular Contract whose rejection is not timely or properly objected to, such rejection will be effective in accordance with this Rejection Notice and the Rejection Procedures Order.

security deposit or other arrangement, the Rejection Counterparty may not setoff or recoup or otherwise use such monies without further order of the Court, unless the Debtors and the counterparty or counterparties to such Contracts otherwise agree in writing.

**PLEASE TAKE FURTHER NOTICE** that, absent timely objection, any personal property of the Debtors or any tangible goods that are listed and described in **Exhibit A** shall be deemed abandoned as of the Rejection Date.

**PLEASE TAKE FURTHER NOTICE** that, to the extent you wish to assert a claim with respect to the rejection of your Contract or Contracts, you must do so by the later of (a) the applicable deadline for filing proofs of claim established in these chapter 11 cases and (b) thirty (30) days after the entry of an order of the Court approving the rejection. **IF YOU FAIL TO TIMELY SUBMIT A PROOF OF CLAIM IN THE APPROPRIATE FORM BY THE DEADLINE SET FORTH HEREIN, YOU WILL BE FOREVER BARRED, ESTOPPED, AND ENJOINED FROM (1) ASSERTING SUCH CLAIM AGAINST ANY OF THE DEBTORS AND THEIR CHAPTER 11 ESTATES, (2) VOTING ON ANY CHAPTER 11 PLAN FILED IN THESE CASES ON ACCOUNT OF SUCH CLAIM, AND (3) PARTICIPATING IN ANY DISTRIBUTION IN THE DEBTORS' CHAPTER 11 CASES ON ACCOUNT OF SUCH CLAIM.**

*[Remainder of page intentionally left blank]*

Dated: September 27, 2024  
Wilmington, Delaware

/s/ Stacey L. Newman

**COLE SCHOTZ P.C.**

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*Co-Counsel to the Debtors  
and Debtors in Possession*

**EXHIBIT A****Schedule of Rejected Contracts**

| <b>Rejection Counterparty</b> | <b>Debtor Entity</b>                            | <b>Description of Contract<sup>1</sup></b>                                                                                                     | <b>Abandoned Personal Property, if Applicable</b> | <b>Rejection Date (Effective Date of Rejection)</b> |
|-------------------------------|-------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|-----------------------------------------------------|
| Quad DBC Holdings LLC         | Vyaire Medical 211, Inc. & Vyaire Medical, Inc. | 2017-10-03 Lease-Building - 510/520 Technology Dr., Irvine, CA and any and all related amendments, SNDA, Right of First Offer, and/or estoppel | N/A                                               | 9/30/24                                             |
| Quad DBC Holdings LLC         | Vyaire Medical, Inc.                            | IEC Corporation 2020-01-06 Agreement re Commission Madison Street Partners.pdf                                                                 | N/A                                               | 9/30/24                                             |

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<sup>1</sup> The inclusion of a Contract on this list does not constitute an admission as to the executory or non-executory nature of the Contract, or as to the existence or validity of any claims held by the counterparty or counterparties to such Contract.

**EXHIBIT B**

**Proposed Contract Rejection Order**

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

In re:

VYAIRE MEDICAL, INC., *et al.*,<sup>1</sup>

Debtors.

## Chapter 11

Case No. 24-11217 (BLS)

(Jointly Administered)

**Re: Docket No. [●]**

**FIRST ORDER AUTHORIZING  
THE DEBTORS TO REJECT CERTAIN EXECUTORY CONTRACTS**

Pursuant to and in accordance with the *Order (I) Authorizing and Approving Procedures to Reject Executory Contracts and Unexpired Leases and (II) Granting Related Relief* [Docket No. 250] (the “Rejection Procedures Order”)<sup>2</sup> entered in the chapter 11 cases of the above-captioned debtors and debtors in possession (collectively, the “Debtors”); and it appearing that the *First Notice of Rejection of Certain Executory Contracts* [Docket No. [●]] (the “Rejection Notice”) satisfies the requirements set forth in the Rejection Procedures Order; and the United States District Court for the District of Delaware has jurisdiction over this matter pursuant to 28 U.S.C. § 1334, which was referred to the Court under 28 U.S.C. § 157 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court having found that this Court may enter a final order

<sup>1</sup> The last four digits of Debtor Vyair Medical, Inc.'s federal tax identification number are 6495. A complete list of each of the Debtors in these chapter 11 cases and each such Debtor's federal tax identification number may be obtained on the website of the Debtors' claims and noticing agent at <https://omniagentsolutions.com/Vyair>. The location of Debtor Vyair Medical, Inc.'s principal place of business and the Debtors' service address in these chapter 11 cases is 26125 North Riverwoods Boulevard, Mettawa, Illinois, USA 60045.

<sup>2</sup> Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Rejection Procedures Order.

consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Rejection Notice in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Rejection Notice is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' notice of the Rejection Notice and opportunity for a hearing on the Rejection Notice were appropriate and no other notice need be provided; and this Court having reviewed the Rejection Notice; and this Court having determined that the legal and factual bases set forth in the Rejection Notice establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT

1. The Contracts set forth in **Exhibit 1** attached hereto are hereby rejected as of the Rejection Date.

2. Any and all property located on the Debtors' leased premises on the Rejection Date of the applicable lease of nonresidential real property, including any personal property or any tangible goods, shall be deemed abandoned pursuant to section 554 of the Bankruptcy Code, as is, effective as of the Rejection Date. The applicable Rejection Counterparty or counterparties may, in their sole discretion and without further order of this Court, utilize and/or dispose of such property and, to the extent applicable, the automatic stay is modified to allow such disposition; *provided* that, to the extent requested by the Rejection Counterparty, the Debtors shall be permitted to abandon the Abandoned Property to such Rejection Counterparty to facilitate such party's use or disposal of such Abandoned Property.

3. If any affected Rejection Counterparty to a Contract asserts a claim against the Debtors arising from the rejection of the Contract, the counterparty must file a proof of claim on

or before the later of (i) the applicable deadline for filing proofs of claim established in these chapter 11 cases, and (ii) thirty (30) days after the entry of this Order. If no proof of claim is timely filed, such claimant shall be forever barred from asserting a claim for damages arising from the rejection and from participating in any distributions on such a claim that may be made in connection with these chapter 11 cases.

4. Nothing contained in the Rejection Notice or this order, and no action taken pursuant to the relief requested or granted, is intended as or shall be construed or deemed to be: (a) an admission as to the amount, validity or priority of, or basis for any claim against the Debtors under the Bankruptcy Code or other applicable nonbankruptcy law; (b) a waiver of the Debtors' or any other party in interest's right to dispute any claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) an implication, admission, or finding that any particular claim is an administrative expense claim, other priority claim or otherwise of a type specified or defined in the Rejection Notice or this order; (e) an admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors' estates; or (f) a waiver or limitation of any claims, causes of action, or other rights of the Debtors or any other party in interest against any person or entity under the Bankruptcy Code or any other applicable law.

5. All rights and defenses of the Debtors are preserved, including all rights and defenses of the Debtors with respect to a claim for damages arising as a result of a Contract rejection, including any right to assert an offset, recoupment, counterclaim, or deduction. In addition, nothing in this order or the Rejection Notice shall limit the Debtors' ability to subsequently assert that any particular Contract is terminated and is no longer an executory contract or unexpired lease, respectively.

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

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

8. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this order.

9. This Court retains jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this order.

**EXHIBIT 1**

**(Rejection Schedule)**

**Schedule of Rejected Contracts**

| <b>Rejection Counterparty</b> | <b>Debtor Entity</b>                            | <b>Description of Contract<sup>1</sup></b>                                                                                                     | <b>Abandoned Personal Property, if Applicable</b> | <b>Rejection Date (Effective Date of Rejection)</b> |
|-------------------------------|-------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|-----------------------------------------------------|
| Quad DBC Holdings LLC         | Vyaire Medical 211, Inc. & Vyaire Medical, Inc. | 2017-10-03 Lease-Building - 510/520 Technology Dr., Irvine, CA and any and all related amendments, SNDA, Right of First Offer, and/or estoppel | N/A                                               | 9/30/24                                             |
| Quad DBC Holdings LLC         | Vyaire Medical, Inc.                            | IEC Corporation 2020-01-06 Agreement re Commission Madison Street Partners.pdf                                                                 | N/A                                               | 9/30/24                                             |

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<sup>1</sup> The inclusion of a Contract on this list does not constitute an admission as to the executory or non-executory nature of the Contract, or as to the existence or validity of any claims held by the counterparty or counterparties to such Contract.