Case 24-19611-JKS Doc 409 Filed 04/1 Imaged Certificate of N		Desc
UNITED STATES BANKRUPTCY COURT DISTRICT OF NEW JERSEY	Condex Filed on Angil 17, 2025	
Caption in Compliance with D.N.J. LBR 9004-1(b)	Order Filed on April 17, 2025 by Clerk U.S. Bankruptcy Court	
ROBINSON & COLE LLP	District of New Jersey	
Rachel Jaffe Mauceri		
Adam Petitt		
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Philadelphia, PA 19103		
Telephone: (215) 398-0556		
Facsimile: (215) 827-5982		
<u>rmauceri@rc.com</u>		
apetitt@rc.com		
Counsel for Blue Cross Blue Shield of Kansas City		
In re:	Chapter 11	
NOSTRUM LABORATORIES, INC.,	Case No.: 24-19611	

Debtor.

Judge: Hon. John K. Sherwood

STIPULATION AND CONSENT ORDER REGARDING DEBTOR'S MOTION TO ENFORCE [DOCKET NO. 369]

The relief set forth on the following page is **ORDERED**.

DATED: April 17, 2025

Honorable John K. Sherwood United States Bankruptcy Court

Case 24-19611-JKS	Doc 409 Filed 04/19/25 Entered 04/20/25 00:17:12	Desc
	Imaged Certificate of Notice Page 2 of 10	
Debtor:	Nostrum Laboratories, Inc.	
Bankruptcy Case No.	24-19611 (JKS)	
Caption of Order:	Stipulation and Consent Order Regarding Debtors' Motion to	
-	Enforce	

This Stipulation and Consent Order is entered into by and among Nostrum Laboratories, Inc. (the "<u>Debtor</u>"), on the one hand, and Blue Cross Blue Shield of Kansas City ("<u>Blue KC</u>"), on the other hand, each of which hereby stipulates and agrees as follows:

WHEREAS, the Debtor and Blue KC are parties to that certain Group Contract, effective as of June 1, 2024 (the "<u>Group Contract</u>"), pursuant to which Blue KC provides health insurance coverage to certain employees of the Debtor in exchange for premium payments;

WHEREAS, on September 30, 2024 (the "<u>Petition Date</u>"), the Debtor commenced this case (the "<u>Chapter 11 Case</u>") under chapter 11 of title 11 of the United States Code (the "<u>Bankruptcy Code</u>") by filing a petition [Docket No. 1] with the United States Bankruptcy Court for the District of New Jersey (the "<u>Bankruptcy Court</u>");

WHEREAS, as of the Petition Date, Blue KC asserts that the Debtor was in arrears on premiums totaling not less than \$124,126.16;

WHEREAS, on November 6, 2024, the Court entered Interim Order (I) Authorizing Debtor to (A) Maintain Insurance Coverage Obtained Pre-Petition and Pay Related Pre-Petition Obligations, and (B) to Renew, Supplement, Modify and/or Purchase Necessary Life, Health, Eye and Dental Insurance Coverage and (II) Granting Related Relief [Docket No. 124];

WHEREAS, on December 3, 2024, the Court entered Final Order (I) Authorizing Debtor to (A) Maintain Insurance Coverage Obtained Pre-Petition and Pay Related Pre-Petition Obligations, and (B) to Renew, Supplement, Modify and/or Purchase Necessary Life, Health, Eye and Dental Insurance Coverage and (II) Granting Related Relief [Docket No. 176];

WHEREAS, on December 6, 2024, Blue KC timely filed proof of claim number 10019 with respect to pre- and post-petition amounts accrued and owing on the Group Contract, including

Case 24-19611-JKS	Doc 409 Filed 04/19/25 Entered 04/20/25 00:17:12	Desc
	Imaged Certificate of Notice Page 3 of 10	
Debtor:	Nostrum Laboratories, Inc.	
Bankruptcy Case No.	24-19611 (JKS)	
Caption of Order:	Stipulation and Consent Order Regarding Debtors' Motion to	
-	Enforce	

a general unsecured claim of \$124,126.16, which Blue KC asserts is entitled to priority under 11 U.S.C. § 507(a)(5);

WHEREAS, following the Petition Date, Blue KC continued to provide coverage pursuant to, and to otherwise perform, under the Group Contract;

WHEREAS, Blue KC asserts that all amounts accrued and accruing after the Petition Date are entitled to administrative expense status;

WHEREAS, following the Petition Date, the Debtor has failed to remain current on postpetition premiums owed to Blue KC, and, as of March 31, 2025, was indebted to Blue KC with respect to post-petition premiums in an amount not less than \$287,625.52 for coverage provided through that date;

WHEREAS, Blue KC ceased coverage of the Debtor on March 31, 2025;

WHEREAS, on April 4, 2025, the Debtor filed that certain *Motion Pursuant to Sections* 105(A), 363 And 365 of the Bankruptcy Code and Bankruptcy Rules 2002, 6004 And 6006 for an Order Approving the Sale of Debtor's Assets Free and Clear of Liens, Claims and Encumbrances and the Assumption and Assignment of Executory Contracts (the "Sale Motion") [Docket No. 337], seeking this Court's authority to sell substantially all of the Debtor's assets;

WHEREAS, on April 14, 2025 and thereafter, this Court entered several orders [Docket Nos. 337, 338, 339, 340, 395] (each, a "<u>Sale Order</u>" and collectively with any other sale order entered pursuant to the Sale Motion, the "<u>Sale Orders</u>"), each authorizing (i) the sale of certain of the Debtor's assets free and clear of claims, liens, rights, interests and encumbrances to the purchaser named therein (each, a "<u>Sale</u>," and collectively, the "<u>Sales</u>"), and (ii) approving the asset purchase agreement between the Debtor and such purchaser.

Case 24-19611-JKS	Doc 409 Filed 04/19/25 Entered 04/20/25 00:17:12	Desc
I	maged Certificate of Notice Page 4 of 10	
Debtor:	Nostrum Laboratories, Inc.	
Bankruptcy Case No.	24-19611 (JKS)	
Caption of Order:	Stipulation and Consent Order Regarding Debtors' Motion to	
-	Enforce	

WHEREAS, on April 14, 2025, the Debtor filed that certain *Motion of For Entry of an* Order (I) Enjoining Blue Cross Blue Shield of Kansas City from Violating the Automatic Stay Pursuant; (II) Compelling Performance Under the Contract; (III) Declaring Its Cancellation of Health Insurance to be Void; and (IV) Awarding Damages (the "Motion to Enforce") [Docket No. 369-1];

WHEREAS, on April 15, 2025, the Debtor filed that certain *Declaration of James L. Grainer in Support of Debtor's Motion for Entry of an Order (I) Enjoining Blue Cross Blue Shield of Kansas City from Violating the Automatic Stay Pursuant; (II) Compelling Performance Under the Contract; (III) Declaring Its Cancellation of Health Insurance to be Void; and (IV) Awarding Damages* [Docket No. 378];

WHEREAS, while Blue KC disputes any characterization of its actions as described in the Motion to Enforce as violative of the automatic stay, as set forth in Bankruptcy Code section 362, Blue KC has agreed to reinstate coverage under the Group Coverage for the limited period, and on the term, set forth herein.

NOW, THEREFORE, IT IS HEREBY STIPULATED, AGREED, AND ORDERED:

1. This Stipulation and Consent Order is granted as and to the extent set forth herein.

2. Upon entry of the Stipulation and Consent Order, Blue KC will reinstate coverage under and on the terms set forth in the Group Contract (the "<u>Reinstatement</u>"), effective as of April 1, 2025, and will continue coverage of the Debtor's eligible employees and their covered dependents through the earlier of: (I) the closing of each of the Sales authorized by the Court pursuant to the Sale Orders, and the ceasing of the Debtor's related operations (each, a "<u>Closing</u>" and together, the "<u>Closings</u>"); and (II) April 30, 2025 (the "<u>Outside Expiration Date</u>," and the

Case 24-19611-JKS	Doc 409 Filed 04/19/25 Entered 04/20/25 00:17:12	Desc
	Imaged Certificate of Notice Page 5 of 10	
Debtor:	Nostrum Laboratories, Inc.	
Bankruptcy Case No.	24-19611 (JKS)	
Caption of Order:	Stipulation and Consent Order Regarding Debtors' Motion to	
-	Enforce	

earlier of the Closings or the Outside Expiration Date, the "<u>Termination Date</u>"). Should the Closings occur prior to the Outside Expiration Date, the Debtor will so notify Blue KC within one business day thereof in a writing that (a) will be made via email; and (b) will be addressed to, without limitation, the following individuals: (i) Carol Krstulic (<u>Carol.Krstulic@BlueKC.com</u>) and (ii) Rachel Jaffe Mauceri (<u>rmauceri@rc.com</u>). For the avoidance of doubt, should the Closings occur prior to the Outside Expiration Date, the failure of the Debtor to provide such notification or the failure of transmission of such notification will not preclude the occurrence of the Termination Date upon the completion of the Closings.

3. Upon the Termination Date, the automatic stay shall be and shall be deemed to have been modified and lifted to the extent necessary to permit Blue KC to immediately terminate the Group Contract, and all of Blue KC's coverage and other obligations thereunder to the greatest extent permitted by law, with no further notice to the Debtor or to any covered employee, and no further Bankruptcy Court approval, required.

4. For the avoidance of doubt, and notwithstanding the foregoing, (i) to the extent and on the date that any employee of the Debtor to whom Blue KC provides coverage under the Group Contract ceases to be an employee of the Debtor prior to the Termination Date, Blue KC will have no further obligation to provide coverage under the Group Contract to such employee (or to any individual to whom Blue KC provides coverage as a result of such employee's employment by the Debtor), and (ii) absent prior agreement between the Debtor and Blue KC (any of which such agreement shall be set forth in a writing executed by the parties), the Group Contract, and all of Blue KC's coverage and other obligations thereunder, to the greatest extent permitted by law, will

Case 24-19611-JKS	Doc 409 Filed 04/19/25 Entered 04/20/25 00:17:12	Desc
	Imaged Certificate of Notice Page 6 of 10	
Debtor:	Nostrum Laboratories, Inc.	
Bankruptcy Case No.	24-19611 (JKS)	
Caption of Order:	Order: Stipulation and Consent Order Regarding Debtors' Motion to	
-	Enforce	

terminate no later than 11:59 p.m. EST on April 30, 2025, even if each applicable Closing has not occurred by that date.

5. Within one business day following: (i) the entry and the Court's approval of this Stipulation and Consent Order and (ii) the Reinstatement, which Blue KC shall confirm to the Debtor in a writing that (a) will be made via electronic communication and (b) may be exchanged among the parties' undersigned counsel, the Debtor will withdraw the Motion to Enforce in all respects, and the Debtor will not seek sanctions or fees or costs from Blue KC with respect to any of the allegations asserted therein.

 The Debtor will continue efforts to obtain funding to provide payment to Blue KC with respect to its outstanding claims for unpaid premiums.

7. All rights, claims, and defenses of Blue KC to seek to recovery of the unpaid portions of its pre- and post-petition claims under the Group Contract against the Debtor under applicable law, including with respect to post-petition premiums to be earned in connection with and following the Reinstatement, shall be fully preserved. Nothing herein shall preclude Blue KC from amending, supplementing, clarifying, or modifying any existing proof of claim, or filing any application seeking allowance of its asserted administrative expense claim.

8. Nothing herein shall be construed as a finding of liability as to any party, including, but not limited to, any violation of the automatic stay pursuant to Bankruptcy Code section 362(k).

9. Each party hereto agrees to bear its own fees and costs with respect the Motion to Enforce and this Stipulation and Consent Order.

10. This Stipulation and Consent Order will become effective immediately upon entry by the Court.

Case 24-19611-JKSDoc 409Filed 04/19/25Entered 04/20/25 00:17:12DescDebtor:Mostrum Laboratories, Inc.Page 7 of 10Page 7 of 10Debtor:24-19611 (JKS)24-19611 (JKS)Stipulation and Consent Order Regarding Debtors' Motion to
Enforce

Date: April 16, 2025

BROEGE, NEUMANN, FISCHER & SHAVER

ROBINSON & COLE LLP

<u>/s/ Timothy P. Neumann</u> Timothy P. Neumann, Esq. Geoffrey Neumann, Esq. 25 Abe Voorhees Drive Manasquan, NJ 08736 Telephone: (732) 223-8484 Facsimile: 732-223-2416 Email: timothy.neumann25@gmail.com geoff.neumann@gmail.com Counsel to the Debtor <u>/s/ Rachel Jaffe Mauceri</u> Rachel Jaffe Mauceri Adam Petitt 1650 Market Street, Suite 3030 Philadelphia, PA 19103 Telephone: (215) 398-0600 Facsimile: (215) 827-5982 Email: rmauceri@rc.com <u>apetitt@rc.com</u>

Counsel for Blue Cross Blue Shield of Kansas City, Missouri Case 24-19611-JKS Entered 04/20/25 00:17:12 Doc 409 Filed 04/19/25 Desc

Imaged Certificate of Notice Page 8 of 10

United States Bankruptcy Court

District of New Jersey

In re:

Nostrum Laboratories, Inc.

Debtor

District/off: 0312-2

CERTIFICATE OF NOTICE

User: admin

Date Rcvd: Apr 17, 2025

Form ID: pdf903

Page 1 of 3 Total Noticed: 2

Case No. 24-19611-JKS

Chapter 11

The following symbols are used throughout this certificate: Definition

Symbol

+

Addresses marked '+' were corrected by inserting the ZIP, adding the last four digits to complete the zip +4, or replacing an incorrect ZIP. USPS regulations require that automation-compatible mail display the correct ZIP.

Notice by first class mail was sent to the following persons/entities by the Bankruptcy Noticing Center on Apr 19, 2025:

Recip ID	Recipient Name and Address
db	Nostrum Laboratories, Inc., 1800 N. Topping Avenue, Kansas City, MO 64120-1228
aty	Broege, Neumann, Fischer & Shaver, LLC, 25 Abe Voorhees Drive, Manasquan, NJ 08736-3560

TOTAL: 2

Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center. Electronic transmission includes sending notices via email (Email/text and Email/PDF), and electronic data interchange (EDI). NONE

BYPASSED RECIPIENTS

The following addresses were not sent this bankruptcy notice due to an undeliverable address, *duplicate of an address listed above, *P duplicate of a preferred address, or ## out of date forwarding orders with USPS. NONE

NOTICE CERTIFICATION

I, Gustava Winters, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.

Meeting of Creditor Notices only (Official Form 309): Pursuant to Fed .R. Bank. P.2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.

Date: Apr 19, 2025

Signature:

/s/Gustava Winters

CM/ECF NOTICE OF ELECTRONIC FILING

The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system on April 17, 2025 at the address(es) listed below:		
Name	Email Address	
Anthony J D'Artiglio	on behalf of Interested Party Ansell Grimm & Aaron P.C. ADARTIGLIO@ANSELL.LAW, courtfilings@ansellgrimm.com	
Anthony J D'Artiglio	on behalf of Interested Party Anthony J D'Artiglio ADARTIGLIO@ANSELL.LAW courtfilings@ansellgrimm.com	
Brian Moore	on behalf of Creditor Vintage Pharmaceuticals LLC d/b/a Par Pharmaceutical (formerly d/b/a Qualitest Pharmaceuticals) bmoore@teamtogut.com, aglaubach@teamtogut.com;dperson@teamtogut.com	
Carol A. Slocum	on behalf of Creditor AmerisourceBergen Drug Corporation d/b/a American Health Packaging cslocum@klehr.com lclark@klehr.com	
Carol A. Slocum	on behalf of Creditor AmerisourceBergen Drug Corporation cslocum@klehr.com lclark@klehr.com	

Case 24-19 District/off: 0312-2	611-JKS Doc 409 Filed 04/19/25 Imaged Certificate of Notice User: admin	Entered 04/20/25 00:17:12 Page 9 of 10	Desc Page 2 of 3
Date Rcvd: Apr 17, 2025	Form ID: pdf903		Total Noticed: 2
Carol A. Slocum	on behalf of Creditor Cencora Global Procurement Ltd cs	locum@klehr.com lclark@klehr.com	
Christopher R. Donoho, III	on behalf of Creditor Mylan Pharmaceuticals Inc. chris.do	noho@hoganlovells.com	
Christopher R. Donoho, III	on behalf of Creditor Mylan Ireland Ltd. chris.donoho@hoganlovells.com		
Colleen Restel	on behalf of Interested Party PAI Holdings LLC D/B/A PAI Pharma crestel@lowenstein.com		
Daniel H. Slate	on behalf of Creditor McKesson Corporation and certain of	corporate affiliates dslate@buchalter.com	
Daniel M Pereira	on behalf of Creditor Citizens Bank National Association	dpereira@stradley.com	
David E. Sklar	on behalf of Creditor PSL Consulting LLC dsklar@pashn	aanstein.com lsalcedo@pashmanstein.com;gkarn	ick@pashmanstein.com
Dwight Yellen	on behalf of Creditor Waterford Bnak N.A. dwight@clgle	ex.com	
Eugene D. Roth	on behalf of Interested Party Nirmal Mulye erothesq@gm	ail.com	
Eugene D. Roth Fran B. Steele	on behalf of Interested Party Nostrum Pharmaceuticals L	LC erothesq@gmail.com	
Fred Weinstein	on behalf of U.S. Trustee U.S. Trustee Fran.B.Steele@usc	loj.gov	
Geoffrey P. Neumann	on behalf of Creditor Altro Pharmaceuticals Inc fweinstein@kelaw.com, bbieber@kelaw.com;jpeters@kelaw.com		
	on behalf of Debtor Nostrum Laboratories Inc. geoff.neumann@gmail.com, timothy.neumann25@gmail.com;btassillo@aol.com;esq.geoffreypn.b127774@notify.bestcase.com		
Holly Smith Miller	on behalf of Creditor Humana Pharmacy Inc. hsmiller@gsbblaw.com		
Holly Smith Miller	on behalf of Creditor Enclara Pharmacia Inc. hsmiller@g	sbblaw.com	
Jerome F Gallagher, Jr	on behalf of Petitioning Creditor IPFS Corporation jfgalla	gher@norris-law.com	
Joseph Casello	on behalf of Interested Party Ailex Pharmaceuticals LLC	jcasello@cvclaw.net, jcasello627@gmail.com	
Joseph Casello	on behalf of Interested Party Jas Diamonds Inc. jcasello@	ovclaw.net, jcasello627@gmail.com	
Joseph H. Lemkin	on behalf of Creditor TAK Properties LLC jlemkin@star	k-stark.com	
Joseph M. Garemore	on behalf of Creditor Banc of America Leasing & Capital	LLC jgaremore@brownconnery.com	
Julie M. Murphy Kelly D. Curtin	on behalf of Creditor Citizens Bank National Association	jmmurphy@stradley.com	
Keny D. Curun	on behalf of Creditor Committee The Official Committee mpdermatis@pbnlaw.com;pnbalala@pbnlaw.com;jmocor		
Kevin Bradford	on behalf of Creditor Pennsylvania Department of Human crmomjian@attorneygeneral.gov	Services kbradford@attorneygeneral.gov	
Kyle Francis Eingorn	on behalf of Creditor Lamborghini Financial Services kein	ngorn@dbblegal.com	
Lauren Sisson	on behalf of Interested Party Strides Pharma Inc. lauren.si	sson@haynesboone.com	
Leah Victoria Lerman	on behalf of Creditor United States of America leah.v.lerr	nan@usdoj.gov	
Michael Kwiatkowski	on behalf of Creditor Symmetry Energy Solutions LLC n	nkwiatkowski@cullenllp.com, crodriguez@culler	llp.com

Doc 409 Filed 04/19/25 Entered 04/20/25 00:17:12 Case 24-19611-JKS Desc Imaged Certificate of Notice Page 10 of 10 District/off: 0312-2 User: admin Page 3 of 3 Date Rcvd: Apr 17, 2025 Form ID: pdf903 Total Noticed: 2 Michael Trentin on behalf of Interested Party ANI Pharmaceuticals mtrentin@orrick.com ssallie@coleschotz.com;dcarnie@orrick.com Michael E. Brown on behalf of Creditor Lamborghini Financial Services mbrown@dbblegal.com Michele M. Dudas on behalf of Creditor McKesson Corporation and certain corporate affiliates mdudas@msbnj.com Morton R. Branzburg on behalf of Creditor AmerisourceBergen Drug Corporation mbranzburg@klehr.com jtaylor@klehr.com;nyackle@klehr.com Nicola G. Suglia on behalf of Creditor Canon Financial Services Inc. c/o Nicola G. Suglia fleischercases@fleischerlaw.com, fleischercases@fleischerlaw.com Nicole Arianna Benis on behalf of Interested Party Ansell Grimm & Aaron P.C. nbenis@ansell.law, courtfilings@ansellgrimm.com Oscar N. Pinkas on behalf of Other Prof. Raymond James & Associates Inc. pinkaso@gtlaw.com, docket.general.lit.nyc@dentons.com Rachel Jaffe Mauceri on behalf of Creditor Blue Cross Blue Shield of Kansas City rmauceri@rc.com rachel-jaffe-mauceri-9017@ecf.pacerpro.com Robert M. Schechter on behalf of Creditor Committee The Official Committee of Unsecured Creditors rmschechter@pbnlaw.com mpdermatis@pbnlaw.com;pnbalala@pbnlaw.com;jmoconnor@pbnlaw.com;kmdunn@pbnlaw.com Scott A. Zuber on behalf of Creditor Cardinal Health szuber@csglaw.com ecf@csglaw.com Terri Jane Freedman on behalf of Creditor Cardinal Health tfreedman@csglaw.com mpdermatis@pbnlaw.com;rasegall@pbnlaw.com Timothy P. Neumann on behalf of Debtor Nostrum Laboratories Inc. timothy.neumann25@gmail.com, btassillo@aol.com;geoff.neumann@bnfsbankruptcy.com;geoff.neumann@gmail.com;neumann.timothyb127774@notify.bestcase. com

U.S. Trustee

USTPRegion03.NE.ECF@usdoj.gov

TOTAL: 45