

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

----- X  
In re: : Chapter 11  
: :  
MILLENNIUM LAB HOLDINGS II, LLC, et al., : Case No. 15-12284 (LSS)  
: :  
Debtors.<sup>1</sup> : Jointly Administered  
: :  
: :  
----- X

**NOTICE OF FILING OF INITIAL MONTHLY OPERATING REPORT**

PLEASE TAKE NOTICE that on November 25, 2015, the above-captioned debtors and debtors in possession (collectively, the “Debtors”) filed the Initial Operating Report, a copy of which is attached hereto as Exhibit 1.

Dated: Wilmington, Delaware  
November 25, 2015

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP

/s/ Jason M. Liberi

Anthony W. Clark (I.D. No. 2051)

Jason M. Liberi (I.D. No. 4425)

One Rodney Square

P.O. Box 636

Wilmington, Delaware 19899-0636

Telephone: (302) 651-3000

Fax: (302) 651-3001

- and -

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<sup>1</sup> The Debtors and the last four digits of their respective taxpayer identification numbers are as follows: Millennium Lab Holdings II, LLC (5299); Millennium Health, LLC (5558); and RxAnte, LLC (0219). The Debtors' address is 16981 Via Tazon, San Diego, California, 92127.

Kenneth S. Ziman  
Raquelle L. Kaye  
Four Times Square  
New York, New York 10036-6522  
Telephone: (212) 735-3000  
Fax: (212) 735-2000

- and -

Felicia Gerber Perlman  
Matthew N. Kriegel  
155 N. Wacker Drive  
Chicago, Illinois 60606-1720  
Telephone: (312) 407-0700  
Fax: (312) 407-0411

*Proposed Counsel for Debtors and Debtors in Possession*

**EXHIBIT 1**

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE**

In re Millennium Lab Holdings II, LLC, et al.  
Debtor

Case No. 15-12284

**INITIAL MONTHLY OPERATING REPORT**

File report and attachments with Court and submit copy to United States Trustee within 15 days after order for relief.

Certificates of insurance must name United States Trustee as a party to be notified in the event of policy cancellation. Bank accounts and checks must bear the name of the debtor, the case number, and the designation "Debtor in Possession." Examples of acceptable evidence of Debtor in Possession Bank accounts include voided checks, copy of bank deposit agreement/certificate of authority, signature card, and/or corporate checking resolution.

REQUIRED DOCUMENTS	Document Attached	Explanation Attached
<b>12-Month Cash Flow Projection (Form IR-1)</b>	<b>Exhibit A</b>	13-week cash flow
<b>Certificates of Insurance:</b> <sup>1</sup>		
Workers Compensation	<b>Exhibit B</b>	Certificates of Insurance
Property		
General Liability		
Vehicle		
Other:		
Identify areas of self-insurance w/liability caps		
<b>Evidence of Debtor in Possession Bank Accounts</b>		
Tax Escrow Account	<b>Exhibit C</b>	Interim Cash Management Order
General Operating Account		
Money Market Account pursuant to Local Rule 4001-3 for the District of Delaware only. Refer to:		
<a href="http://www.deb.uscourts.gov/">http://www.deb.uscourts.gov/</a>		
Other:		
<b>Retainers Paid (Form IR-2)</b>	<b>Exhibit D</b>	

<sup>1</sup> As reflected in the attached Certificates of Insurance, the insurance policies expire on December 1, 2015. The Debtors are in the process of extending, renewing or replacing such policies, as applicable, in anticipation of their expiration.

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the documents attached are true and correct to the best of my knowledge and belief.

\_\_\_\_\_  
Signature of Debtor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Joint Debtor

\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Signature of Authorized Individual\*

11-24-15  
\_\_\_\_\_  
Date

Timothy C. Kennedy

Printed Name of Authorized Individual

\_\_\_\_\_  
Chief Financial Officer

Title of Authorized Individual

\*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

**EXHIBIT A**

Millennium Health  
13 week CF, 10/15 reforecast

(\$ in 000s)

Week ending	11/13	11/20	11/27	12/4	12/11	12/18	12/25	1/1	1/8	1/15	1/22	1/29	2/5	13 weeks
Beginning Cash	\$65,710	\$56,943	\$60,526	\$67,345	\$60,351	\$67,500	\$123,363	\$129,082	\$125,863	\$133,468	\$136,921	\$143,004	\$142,454	\$65,710
<b>Receipts</b>														
Net Receipts	\$9,810	\$12,262	\$9,810	\$10,821	\$10,461	\$10,461	\$8,369	\$8,369	\$11,237	\$11,237	\$8,990	\$11,237	\$9,926	\$132,991
Temporary Collection Slowdown	(785)	(1,226)	(981)	(1,082)	(1,046)	(1,046)	-	-	-	-	-	-	-	(6,166)
Shareholder Contribution	-	-	-	-	-	113,015	-	-	-	-	-	-	-	113,015
<b>Receipts</b>	<b>\$9,025</b>	<b>\$11,036</b>	<b>\$8,829</b>	<b>\$9,739</b>	<b>\$9,415</b>	<b>\$122,430</b>	<b>\$8,369</b>	<b>\$8,369</b>	<b>\$11,237</b>	<b>\$11,237</b>	<b>\$8,990</b>	<b>\$11,237</b>	<b>\$9,926</b>	<b>\$239,840</b>
<b>Outflows</b>														
Operating														
Payroll [1]	\$0	\$4,680	\$0	\$4,677	\$0	\$9,529	\$0	\$4,630	\$0	\$4,151	\$0	\$4,151	\$0	\$31,818
Contract	218	272	218	243	235	235	188	188	271	271	216	271	256	3,081
Commissions [2]	-	-	-	829	-	-	-	2,238	-	-	-	2,957	-	6,024
Supplies	1,315	514	373	437	418	606	485	485	653	653	522	653	618	7,732
Shipping	1,062	203	125	160	150	337	270	270	366	366	293	366	336	4,306
Prof Fees (non-rest)	1,851	317	187	256	240	573	458	458	727	727	582	727	693	7,796
Other	2,481	1,076	793	922	884	1,221	977	977	1,308	1,308	1,046	1,308	1,259	15,560
<b>Total</b>	<b>\$ 6,926</b>	<b>\$ 7,061</b>	<b>\$ 1,696</b>	<b>\$ 7,524</b>	<b>\$ 1,927</b>	<b>\$ 12,502</b>	<b>\$ 2,379</b>	<b>\$ 9,247</b>	<b>\$ 3,325</b>	<b>\$ 7,476</b>	<b>\$ 2,660</b>	<b>\$ 10,433</b>	<b>\$ 3,162</b>	<b>\$ 76,317</b>
Other Outflows														
TL														
Interest	\$0	\$0	\$0	\$7,695	\$0	\$3,847	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,542
Amort	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other P&I	-	-	-	1,165	-	-	-	1,156	-	-	-	922	-	3,243
DOJ [3]	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CapEx	314	392	314	350	339	339	271	271	308	308	246	308	293	4,053
Restructuring	5,552	-	-	-	-	-	-	-	-	-	-	-	-	5,552
Retention	-	-	-	-	-	-	-	913	-	-	-	-	-	913
CIA	-	-	-	-	-	-	-	-	-	-	-	125	-	125
Early Commitment Fee [4]	-	-	-	-	-	46,879	-	-	-	-	-	-	-	46,879
Other Settlements	5,000	-	-	-	-	-	-	-	-	-	-	-	-	5,000
Litigation Trust	-	-	-	-	-	3,000	-	-	-	-	-	-	-	3,000
<b>Total</b>	<b>\$ 10,866</b>	<b>\$ 392</b>	<b>\$ 314</b>	<b>\$ 9,209</b>	<b>\$ 339</b>	<b>\$ 54,065</b>	<b>\$ 271</b>	<b>\$ 2,341</b>	<b>\$ 308</b>	<b>\$ 308</b>	<b>\$ 246</b>	<b>\$ 1,355</b>	<b>\$ 293</b>	<b>\$ 80,307</b>
<b>Sweep</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Cash Outflow</b>	<b>\$ 17,792</b>	<b>\$ 7,454</b>	<b>\$ 2,010</b>	<b>\$ 16,733</b>	<b>\$ 2,266</b>	<b>\$ 66,567</b>	<b>\$ 2,650</b>	<b>\$ 11,588</b>	<b>\$ 3,633</b>	<b>\$ 7,784</b>	<b>\$ 2,906</b>	<b>\$ 11,788</b>	<b>\$ 3,454</b>	<b>\$ 156,624</b>
<b>Change in Cash</b>	<b>\$ (8,767)</b>	<b>\$ 3,582</b>	<b>\$ 6,819</b>	<b>\$ (6,994)</b>	<b>\$ 7,149</b>	<b>\$ 55,863</b>	<b>\$ 5,719</b>	<b>\$ (3,219)</b>	<b>\$ 7,604</b>	<b>\$ 3,453</b>	<b>\$ 6,083</b>	<b>\$ (551)</b>	<b>\$ 6,472</b>	<b>\$ 83,216</b>
<b>Ending Cash</b>	<b>\$ 56,943</b>	<b>\$ 60,526</b>	<b>\$ 67,345</b>	<b>\$ 60,351</b>	<b>\$ 67,500</b>	<b>\$ 123,363</b>	<b>\$ 129,082</b>	<b>\$ 125,863</b>	<b>\$ 133,468</b>	<b>\$ 136,921</b>	<b>\$ 143,004</b>	<b>\$ 142,454</b>	<b>\$ 148,926</b>	<b>\$ 148,926</b>

**Assumptions:**

- Assumes 10% temporary slowdown in collections post filing and through Emergence (by 12/15)
- Trade credit assumed to be paid in ordinary course
- CapEx cash outflows smoothed out over month
- Commissions paid based on volume one month in arrears
- Costs related to CIA implementation assumed to begin in January of FY2016
- Tax distributions during period have been suspended per agreement
- Restructuring advisors are paid full prepetition balances ahead of filing
- Postpetition professional fees will likely be paid outside of the 13-week projection period in conjunction with the BK fee application process
- Does not factor in float

[1] Assumes accelerated option cancellation payment upon emergence

[2] 11/30 Commission payment netted against special payrolls made 11/6 (primarily affects Sales team); part of 12/31 Commission payment netted against same special payroll

[3] Remaining amount owed pursuant to the DOJ settlement will be paid directly from prepetition Equity to the DOJ

[4] Includes early commitment fee plus interest accrued in November and the first half of December

**EXHIBIT B**

**ACORD**<sup>TM</sup>**EVIDENCE OF PROPERTY INSURANCE**DATE (MM/DD/YYYY)  
11/24/2015

THIS EVIDENCE OF PROPERTY INSURANCE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE ADDITIONAL INTEREST NAMED BELOW. THIS EVIDENCE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS EVIDENCE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE ADDITIONAL INTEREST.

<b>AGENCY</b> Barney & Barney, A Marsh & McLennan Ins Agy LLC PO Box 85638; CA Lic #0H18131 San Diego, CA 92186		<b>PHONE</b> (A/C, No, Ext): (858) 457-3414		<b>COMPANY</b> American Home Assurance Company	
<b>FAX</b> (A/C, No): (858) 452-7530		<b>E-MAIL ADDRESS:</b> jacob.haber@barneyandbarney.com			
<b>CODE:</b>		<b>SUB CODE:</b>			
<b>AGENCY CUSTOMER ID #:</b> 18935					
<b>INSURED</b> Millennium Health, LLC 15330 Avenue of Science San Diego, CA 92128		<b>LOAN NUMBER</b>		<b>POLICY NUMBER</b> 020413246	
		<b>EFFECTIVE DATE</b> 12/01/14		<b>EXPIRATION DATE</b> 12/01/15	
				<input type="checkbox"/> CONTINUED UNTIL TERMINATED IF CHECKED	
<b>THIS REPLACES PRIOR EVIDENCE DATED:</b>					

**PROPERTY INFORMATION**

LOCATION/DESCRIPTION

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS EVIDENCE OF PROPERTY INSURANCE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

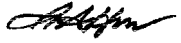
**COVERAGE INFORMATION**

COVERAGE/PERILS/FORMS	AMOUNT OF INSURANCE	DEDUCTIBLE
Policy Limit of Liability Special Form, Replacement Cost Flood Sublimit - \$25,000,000; Except \$5,000,000 For Any Location Within A Special Flood Hazard as Defined by FEMA Flood Deductible - \$50,000; Except 5% of Total Insurable Values/\$1,000,000 Minimum For Locations Wholly or Partially Within Special Flood Hazard Areas Defined By FEMA	\$330,935,236	\$10,000

**REMARKS (Including Special Conditions)****CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

**ADDITIONAL INTEREST**

<b>NAME AND ADDRESS</b> U.S. Department of Justice Office of the U.S. Trustee J. Caleb Boggs Federal Building 844 King Street, Suite 2207 Wilmington, DE 19801	<input type="checkbox"/>	<b>MORTGAGEE</b>	<input type="checkbox"/>	<b>ADDITIONAL INSURED</b>
	<input type="checkbox"/>	<b>LOSS PAYEE</b>		
	<b>LOAN #</b>			
	<b>AUTHORIZED REPRESENTATIVE</b> 			



THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> <b>Barney &amp; Barney, A Marsh &amp; McLennan Ins Agy LLC</b> <b>PO Box 85638; CA Lic #0H18131</b> <b>San Diego, CA 92186</b>	<b>CONTACT NAME: Jacob Haber</b> <b>PHONE (A/C, No, Ext): 858 457-3414</b> <b>FAX (A/C, No): (858) 452-7530</b> <b>E-MAIL ADDRESS: jacob.haber@barneyandbarney.com</b>														
<b>INSURED</b> <b>Millennium Health, LLC</b> <b>15330 Avenue of Science</b> <b>San Diego, CA 92128</b>	<table border="1"> <thead> <tr> <th data-bbox="816 426 1437 451">INSURER(S) AFFORDING COVERAGE</th> <th data-bbox="1437 426 1572 451">NAIC #</th> </tr> </thead> <tbody> <tr> <td data-bbox="816 451 1437 478"><b>INSURER A : Hudson Specialty Insurance Comp</b></td> <td data-bbox="1437 451 1572 478"><b>37079</b></td> </tr> <tr> <td data-bbox="816 478 1437 506"><b>INSURER B : Evanston Insurance Company</b></td> <td data-bbox="1437 478 1572 506"><b>35378</b></td> </tr> <tr> <td data-bbox="816 506 1437 533"><b>INSURER C : NOVA Casualty Company</b></td> <td data-bbox="1437 506 1572 533"><b>42552</b></td> </tr> <tr> <td data-bbox="816 533 1437 560"><b>INSURER D : National Union Fire Insurance</b></td> <td data-bbox="1437 533 1572 560"><b>19445</b></td> </tr> <tr> <td data-bbox="816 560 1437 588"><b>INSURER E :</b></td> <td data-bbox="1437 560 1572 588"></td> </tr> <tr> <td data-bbox="816 588 1437 615"><b>INSURER F :</b></td> <td data-bbox="1437 588 1572 615"></td> </tr> </tbody> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	<b>INSURER A : Hudson Specialty Insurance Comp</b>	<b>37079</b>	<b>INSURER B : Evanston Insurance Company</b>	<b>35378</b>	<b>INSURER C : NOVA Casualty Company</b>	<b>42552</b>	<b>INSURER D : National Union Fire Insurance</b>	<b>19445</b>	<b>INSURER E :</b>		<b>INSURER F :</b>	
INSURER(S) AFFORDING COVERAGE	NAIC #														
<b>INSURER A : Hudson Specialty Insurance Comp</b>	<b>37079</b>														
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<b>INSURER D : National Union Fire Insurance</b>	<b>19445</b>														
<b>INSURER E :</b>															
<b>INSURER F :</b>															

**COVERAGES****CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
<b>A</b>	<b>GENERAL LIABILITY</b> <input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> <b>CLAIMS-MADE</b> <input type="checkbox"/> <b>OCCUR</b> <input checked="" type="checkbox"/> <b>SIR: \$100K Per Claim</b>  GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> <b>POLICY</b> <input type="checkbox"/> <b>PRO-JECT</b> <input type="checkbox"/> <b>LOC</b>			<b>HCF4010567</b> <b>GL/Professional</b>  <b>See Description Of Operations Box For Retro Dates</b>	<b>12/01/2014</b>	<b>12/01/2015</b>	EACH OCCURRENCE <b>\$2,000,000</b> DAMAGE TO RENTED PREMISES (Ea occurrence) <b>\$100,000</b> MED EXP (Any one person) <b>\$5,000</b> PERSONAL & ADV INJURY <b>\$2,000,000</b> GENERAL AGGREGATE <b>\$4,000,000</b> PRODUCTS - COMP/OP AGG <b>\$2,000,000</b> \$
<b>D</b>	<b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> <b>ANY AUTO</b> <input type="checkbox"/> <b>ALL OWNED AUTOS</b> <input type="checkbox"/> <b>SCHEDULED AUTOS</b> <input checked="" type="checkbox"/> <b>HIRED AUTOS</b> <input checked="" type="checkbox"/> <b>NON-OWNED AUTOS</b>			<b>CA2915687</b>	<b>12/01/2014</b>	<b>12/01/2015</b>	COMBINED SINGLE LIMIT (Ea accident) <b>\$1,000,000</b> BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
<b>B</b>	<input checked="" type="checkbox"/> <b>UMBRELLA LIAB</b> <input type="checkbox"/> <b>OCCUR</b> <input type="checkbox"/> <b>EXCESS LIAB</b> <input checked="" type="checkbox"/> <b>CLAIMS-MADE</b> DED RETENTION \$			<b>UM800180</b> <b>See Descrip. Box For Retro Dates</b>	<b>12/01/2014</b>	<b>12/01/2015</b>	EACH OCCURRENCE <b>\$15,000,000</b> AGGREGATE <b>\$15,000,000</b> \$
<b>C</b>	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> <b>Y / N</b> (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		<b>N / A</b>	<b>BBWWK00108860</b>	<b>12/01/2014</b>	<b>12/01/2015</b>	<input checked="" type="checkbox"/> <b>WC STATUTORY LIMITS</b> <input type="checkbox"/> <b>OTHER</b> E.L. EACH ACCIDENT <b>\$1,000,000</b> E.L. DISEASE - EA EMPLOYEE <b>\$1,000,000</b> E.L. DISEASE - POLICY LIMIT <b>\$1,000,000</b>

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

**A) General Liability/Professional Liability Policy #HCF4010567 Effective 12/01/2014 - 12/01/2015**  
**Retroactive Dates: General Liability - 12/01/2012; Professional Liability - 10/15/2008 for the first \$1,000,000/\$3,000,000; 10/15/2009 for the next \$1,000,000/\$1,000,000 excess of \$1,000,000/\$3,000,000.**

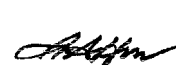
**B) Umbrella Policy #UM800180 Effective 12/01/2014 - 12/01/2015**  
**(See Attached Descriptions)**

**CERTIFICATE HOLDER****CANCELLATION**

**U.S. Department of Justice**  
**Office of the U.S. Trustee**  
**J. Caleb Boggs Federal Building**  
**844 King Street, Suite 2207**  
**Wilmington, DE 19801**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE



**DESCRIPTIONS (Continued from Page 1)**

Retroactive Dates: 12/01/2011 for the first \$10,000,000/\$10,000,000; 12/01/2013 for the next \$5,000,000/\$5,000,000 excess of \$10,000,000/\$10,000,000.

**ACORD**<sup>TM</sup>**EVIDENCE OF PROPERTY INSURANCE**DATE (MM/DD/YYYY)  
11/24/2015

THIS EVIDENCE OF PROPERTY INSURANCE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE ADDITIONAL INTEREST NAMED BELOW. THIS EVIDENCE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS EVIDENCE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE ADDITIONAL INTEREST.

<b>AGENCY</b> Barney & Barney, A Marsh & McLennan Ins Agy LLC PO Box 85638; CA Lic #0H18131 San Diego, CA 92186		<b>PHONE</b> (A/C, No, Ext): 858 457-3414		<b>COMPANY</b> Travelers Casualty and Surety Co of Ame	
<b>FAX</b> (A/C, No): (858) 452-7530		<b>E-MAIL ADDRESS:</b> jacob.haber@barneyandbarney.com			
<b>CODE:</b>		<b>SUB CODE:</b>			
<b>AGENCY CUSTOMER ID #:</b> 18935					
<b>INSURED</b> Millennium Health, LLC 15330 Avenue of Science San Diego, CA 92128		<b>LOAN NUMBER</b>		<b>POLICY NUMBER</b> 105714091	
		<b>EFFECTIVE DATE</b> 12/01/14		<b>EXPIRATION DATE</b> 02/01/16	
				<input type="checkbox"/> CONTINUED UNTIL TERMINATED IF CHECKED	
<b>THIS REPLACES PRIOR EVIDENCE DATED:</b>					

**PROPERTY INFORMATION**

LOCATION/DESCRIPTION

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS EVIDENCE OF PROPERTY INSURANCE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

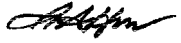
**COVERAGE INFORMATION**

COVERAGE/PERILS/FORMS	AMOUNT OF INSURANCE	DEDUCTIBLE
Employee Theft	\$1,000,000	\$10,000

**REMARKS (Including Special Conditions)****CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

**ADDITIONAL INTEREST**

<b>NAME AND ADDRESS</b> U.S. Department of Justice; Office of the U.S. Trustee J. Caleb Boggs Federal Building 844 King Street, Suite 2207 Wilmington, DE 19801	<input type="checkbox"/>	<b>MORTGAGEE</b>	<input type="checkbox"/>	<b>ADDITIONAL INSURED</b>
	<input type="checkbox"/>	<b>LOSS PAYEE</b>		
	<b>LOAN #</b>			
	<b>AUTHORIZED REPRESENTATIVE</b> 			

**EXHIBIT C**

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

----- X  
In re: : Chapter 11  
MILLENNIUM LAB HOLDINGS II, LLC, et al., : Case No. 15-12284 (LSS)  
Debtors.<sup>1</sup> : Jointly Administered  
Related Docket No. 7  
----- X

**INTERIM ORDER (I) AUTHORIZING (A) THE CONTINUED USE OF EXISTING CASH MANAGEMENT SYSTEM, BANK ACCOUNTS, BUSINESS FORMS, AND DEPOSIT AND INVESTMENT PRACTICES; (B) PAYMENT OF RELATED PREPETITION OBLIGATIONS AND (C) A WAIVER OF CERTAIN OPERATING GUIDELINES RELATING TO BANK ACCOUNTS; AND (II) AUTHORIZING CONTINUED ENGAGEMENT IN, AND ACCORDANCE OF ADMINISTRATIVE EXPENSE PRIORITY STATUS TO, INTERCOMPANY TRANSACTIONS PURSUANT TO 11 U.S.C. §§ 105(a), 345, 363, AND 503, FED. R. BANKR. P. 6003 AND 6004, AND DEL. BANKR. L.R. 2015-2 AND 4001-3**

Upon the motion (the "Motion")<sup>2</sup> of the Debtors for an interim order (the "Order"), pursuant to sections 105(a), 345, 363, and 503(b) of the Bankruptcy Code, Bankruptcy Rules 6003 and 6004, and Local Bankruptcy Rules 2015-2 and 4001-3, (i) authorizing, but not directing (a) the continued use of the Debtors' existing cash management system, bank accounts, business forms, and deposit and investment practices under the cash management system; (b) payment of related prepetition obligations; and (c) to the extent inconsistent with such practices, a waiver of investment and deposit requirements of Bankruptcy Code section 345(b) and the U.S. Trustee Guidelines; and (ii) authorizing the Debtors to continue engaging in, and according

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<sup>1</sup> The Debtors and the last four digits of their respective taxpayer identification numbers are as follows: Millennium Lab Holdings II, LLC (5299); Millennium Health, LLC (5558); and RxAnte, LLC (0219). The Debtors' address is 16981 Via Tazon, San Diego, California, 92127.

<sup>2</sup> Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Motion or the First Day Declaration.

administrative expense priority status to, intercompany transactions in the ordinary course of business; and upon the First Day Declaration; and due and sufficient notice of the Motion having been given under the particular circumstances; and it appearing that no other or further notice need be provided; and it appearing that the relief requested by the Motion is in the best interests of the Debtors, their estates, their creditors and other parties in interest; and after due deliberation thereon and good and sufficient cause appearing therefor, it is hereby,

**ORDERED, ADJUDGED AND DECREED that:**

1. The Motion is GRANTED on an interim basis as set forth herein.

2. The final hearing on this Motion is set for Dec. 10, 2015, at 11:00 a.m./p.m.

(prevailing Eastern Time). Any objections or responses to entry of the proposed Final Order shall be filed and served, so as to be received by 4:00 p.m. (prevailing Eastern Time) no later than seven (7) days prior to the final hearing, upon: (i) the Debtors, care of Millennium Health, LLC, 16981 Via Tazon, Suite F, San Diego, California 92127, Attention: Martin Price, Esq., General Counsel (martin.price@millenniumhealth.com), (ii) proposed counsel for the Debtors, Skadden, Arps, Slate, Meagher & Flom LLP, Four Times Square, New York, New York 10036, Attention: Kenneth S. Ziman (ken.ziman@skadden.com) and Raquelle L. Kaye (raquelle.kaye@skadden.com); 155 North Wacker Drive, Chicago, Illinois 60606, Attention: Felicia Gerber Perlman (felicia.perlman@skadden.com) and Matthew N. Kriegel (matthew.kriegel@skadden.com); and One Rodney Square, 920 N. King Street, Wilmington, Delaware 19801, Attention: Anthony W. Clark (anthony.clark@skadden.com) and Jason M. Liberi (jason.liberi@skadden.com), (iii) counsel to the Debtors material prepetition secured lenders, Brown Rudnick LLP, Seven Times Square, New York, New York 10036, Attention: Robert J. Stark (rstark@brownrudnick.com) and Sigmund S. Wissner-Gross (swissnergross@brownrudnick.com) and One Financial Center, Boston, Massachusetts 02111,

Attention: Steven B. Levine (slevine@brownrudnick.com), and (iv) the Office of the U.S. Trustee, J. Caleb Boggs Federal Building, 844 King Street, Room 2207, Wilmington, DE 19801, Attention: Juliet Sarkessian and Linda Casey.

3. Pursuant to sections 105 and 363 of the Bankruptcy Code, the Debtors, in their discretion, are authorized, but not directed to designate, maintain and continue to use any and all of their Bank Accounts in existence as of the Petition Date, with the same account numbers, including the accounts identified in Exhibit A annexed hereto. The requirements of the U.S. Trustee Guidelines that the Debtors close all existing bank accounts and open new debtor in possession accounts are hereby waived. Further, the requirements of the U.S. Trustee Guidelines that the Debtors establish specific bank accounts for tax payments are hereby waived.

4. For banks at which the Debtors hold Bank Accounts that are party to a Uniform Depository agreement with the Office of the United States Trustee for the District of Delaware, within fifteen (15) days of the date of entry of this Order the Debtors shall (a) contact each bank, (b) provide the bank with each of the Debtors' employer identification numbers and (c) identify each of their bank accounts held at such banks as being held by a debtor in possession in a bankruptcy case, and provide the case number.

5. For banks at which the Debtors hold Bank Accounts that are not party to a Uniform Depository agreement with the Office of the United States Trustee for the District of Delaware, the Debtors shall use their good-faith efforts to cause the banks to execute a Uniform Depository agreement in a form prescribed by the Office of the United States Trustee within thirty (30) days of the date of this Order. The U.S. Trustee's rights to seek further relief from this Court on notice in the event that the aforementioned banks are unwilling to execute a Uniform Depository Agreement in a form prescribed by the U.S. Trustee are fully reserved.

6. The Debtors are authorized to open any new Bank Accounts or close any existing Bank Accounts as it may deem necessary and appropriate in their sole discretion; provided, however, that the Debtors give notice within fifteen (15) days to the Office of the United States Trustee for the District of Delaware, counsel to the Ad Hoc Group and any statutory committees appointed in these Chapter 11 Cases; provided, further, however that the Debtors shall open any such new Bank Accounts at banks that have executed a Uniform Depository Agreement with the Office of the United States Trustee for the District of Delaware, or at such banks that are willing to immediately execute such an agreement.

7. The relief granted in the Order is extended to any new bank account opened by the Debtors, in accordance with the provisions of this Order, after the date hereof, which account shall be deemed a Bank Account, and to the bank at which such account is opened.

8. The Debtors shall maintain accurate and detailed records of all transfers, including intercompany transfers, so that all transactions may be readily ascertained, traced, recorded properly and distinguished between prepetition and postpetition transactions.

9. The Debtors are authorized, but not directed, to continue to use their existing Business Forms without alteration or change and without the designation "Debtor in Possession" or the case number imprinted upon them; provided, however, that once the Debtors' existing checks have been used, the Debtors shall, when reordering checks, require the designation "Debtor in Possession" and the corresponding bankruptcy case number on all checks; provided, further that, with respect to checks which the Debtors or their agents print themselves, the Debtors shall begin printing the "Debtor in Possession" legend and the bankruptcy case number on such items within ten (10) business days of the date of entry of this Order.



10. The Debtors are authorized to continue to use their existing Cash Management System. The Debtors may, in the ordinary course of business, transfer funds into, out of, and through the Cash Management System in accordance with the Debtors' prepetition practices as set forth in the Motion. In connection with the ongoing utilization of their Cash Management System, the Debtors shall continue to maintain records with respect to all transfers of cash so that all transactions may be readily ascertained, traced, and recorded properly. Except as otherwise set forth herein, the Debtors are further authorized to implement any non-material changes to the Cash Management System that they deem appropriate in their discretion.

11. The Bank Accounts are deemed debtor in possession accounts. The Debtors are authorized, but not directed, to maintain and use the Bank Accounts in the same manner and with the same account numbers, styles and document forms as those employed prior to the Petition Date, including, without limitation: (a) to deposit funds in, and withdraw funds from, the Bank Accounts by all usual means, including checks, wire transfers and other debits; (b) to pay postpetition ordinary course bank fees in connection with the Bank Accounts; (c) to perform their obligations under the documents and agreements governing the Bank Accounts; and (d) to treat the Bank Accounts for all purposes as accounts of the Debtors in their capacities as debtors in possession.

12. After the Petition Date, and subject to the terms of the Order, the Debtors' Banks are authorized and directed to continue to administer the Bank Accounts as such accounts were maintained prepetition, without interruption and in the usual and ordinary course, and to debit the Debtors' Bank Accounts in the ordinary course of business without the need for further order of this Court for: (a) all checks drawn on the Bank Accounts which were cashed at the Debtors' Banks' counters or exchanged for cashier's checks by the payees thereof prior to the

Petition Date; and (b) all undisputed prepetition amounts outstanding as of the date hereof, if any, owed to the Debtors' Banks as service charges for the maintenance of the Debtors' Cash Management System.

13. Notwithstanding anything in this Order to the contrary, no checks, drafts, wires or electronic fund transfers (excluding any electronic fund transfers that the Debtors' Banks are obligated to settle), or other items presented, issued, or drawn on the Bank Accounts prior to the Petition Date shall be honored, unless (a) authorized by order of this Court; (b) not otherwise prohibited by a "stop payment" request timely received by the Debtors' Banks from the Debtors; and (c) supported by sufficient funds in the Bank Account in question.

14. Subject to the provisions of the Order, the Debtors' Banks are authorized and directed to honor all disbursements of the Debtors from the Bank Accounts dated subsequent to the Petition Date to the extent of sufficient available funds.

15. The Debtors' Banks are further authorized and directed to (a) honor the Debtors' directions with respect to the opening or closing of any Bank Account and (b) accept and hold the Debtors' funds in accordance with the Debtors' instructions; provided that the Debtors' Banks shall not have any liability to any party for relying on such representations.

16. The Debtors are authorized to continue engaging in Intercompany Transactions in connection with the Cash Management System in the ordinary course of business; provided, however, that there shall be no new intercompany loans from the Debtors to any non-Debtors. The Intercompany Claims based upon *net* transfers from non-Debtor affiliates to Debtors arising postpetition relating to the Intercompany Transactions shall have administrative expense priority status pursuant to section 503(b) of the Bankruptcy Code. Prior to the entry of the Final Order, the Debtors shall not transfer funds to non-Debtor affiliates in excess of \$50,000.

17. Notwithstanding the Debtors' use of a consolidated cash management system, the Debtors shall calculate quarterly fees payable under 28 U.S.C. § 1930(a)(6) based on the disbursements of (or on behalf of) each Debtor regardless of which entity actually makes such disbursements.

18. The requirements of section 345(b) of the Bankruptcy Code shall be waived with respect to the Bank Accounts and any other accounts of the Debtors with the banks for an interim period of thirty (30) days, without prejudice to the Debtors' rights to seek a further waiver.

19. The Debtors shall serve a copy of the Order on the Debtors' Banks within five (5) business days of the entry of the Order, and upon any bank at which the Debtors open a new bank account, immediately upon the opening of such new account.

20. To the extent applicable, the Court finds and determines that the requirements of Bankruptcy Rule 6003 are satisfied and that the relief requested is necessary to avoid immediate and irreparable harm.

21. Notwithstanding Bankruptcy Rule 6004(h), the Order shall be effective and enforceable immediately upon entry hereof.

22. To the extent any other order is entered by this Court directing the Debtors' Banks to honor checks, drafts, automated clearing house transfers, or other electronic funds transfers or any other withdrawals made, drawn, or issued in payment of prepetition claims, the obligation to honor such items shall be subject to the Order.

23. The requirements set forth in Local Bankruptcy Rule 9013-1(b) are satisfied by the contents of the Motion.

24. The Debtors are authorized and empowered to take all actions necessary to implement the relief granted in this Order.

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

Dated: Wilmington, Delaware

November 12, 2015

  
UNITED STATES BANKRUPTCY JUDGE

**EXHIBIT A****Debtors' Bank Accounts**

<b><u>Bank</u></b>	<b><u>Account Number</u></b>	<b><u>Account Holder</u></b>	<b><u>Description</u></b>
<b>Bank of America</b> Tom Vessey SVP & Senior Client Manager Global Commercial Banking, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Bank of America, N.A. 450 B Street, Suite 1500 San Diego, CA 92101 Phone: (619) 515-7510 Fax: (312) 453-5323 <a href="mailto:thomas.vessey@bamf.com">thomas.vessey@bamf.com</a>	XXXX-XXXX-3539	Millennium Health, LLC	Lockbox Account
	XXXX-XXXX-9753	Millennium Health, LLC	Reserve Account
	XXXX-XXXX-7751	Millennium Health, LLC	Escrow Account
	XXXX-XXXX-2665	Millennium Health, LLC	Xifin Checking Account
	XXXX-XXXX-9932	RxAnte, LLC	Operating Account
	XXXX-XXXX-4632	RxAnte, LLC	Payroll Account
	XXXX-XXXX-8611	Millennium Health, LLC	Operating Account
<b>Opus Bank</b> Miguel Serricchio President, Treasury Management & Small Business Banking 19900 MacArthur Blvd., 12th Floor, Irvine, CA 92612 Phone: 949-251-8249 <a href="mailto:mserricchio@opusbank.com">mserricchio@opusbank.com</a>	XXXX-XXXX-8645	Millennium Health, LLC	Payroll Account
	XXXX-XXXX-9799	Millennium Health, LLC	Payroll Benefits Account
	XXXX-XXXX-8678	Millennium Health, LLC	Xifin Checking Account
	XXXX-XXXX-8769	Millennium Health, LLC	Reserve Account

	XXX-XXXXXX-8702	Millennium Health, LLC	Secondary Account
	XXX-XXXXXX-8587	Millennium Health, LLC	Commission Account
	XXX-XXXXXX-6683	Millennium Lab Holdings II, LLC	Operating Account
<b>Charles Schwab</b> Byron Taylor Vice President - Financial Consultant 5796 Armada Drive, Suite 100, Carlsbad, CA 92008 Phone: 760 931 2809 Fax: 760-931-2800 <a href="mailto:Byron.Taylor@Schwab.com">Byron.Taylor@Schwab.com</a>	XXX-XXXXXX-4770	Millennium Health, LLC	Investment Account

**EXHIBIT D**

Debtor	Payee	Check Date	Check Number	Amount	Amount Applied to Date	Balance
MillenniumHealth	Alvarez & Marsal	9/29/2015	wire	450,000.00	(119,712.56)	330,287.44
	Prime Clerk	9/28/2015	wire	50,000.00	-	50,000.00
				500,000.00	(119,712.56)	380,287.44
Millennium Lab Holdings II	Alvarez & Marsal	4/2/2015	wire	150,000.00	(150,000.00)	-
	Skadden, Arps	8/17/2015	wire	400,000.00	(400,000.00)	-
	Skadden, Arps	9/29/2015	wire	750,000.00	(750,000.00)	-
	Skadden, Arps	9/30/2015	wire	350,000.00	(26,085.88)	323,914.12
	Young Conaway	10/29/2015	wire	75,000.00	-	75,000.00
				1,725,000.00	(1,326,085.88)	398,914.12
RxAnte	None					