

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

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<i>In re:</i>	:	Chapter 11
	:	
VION PHARMACEUTICALS, INC.,	:	Case No. 09-14429 (CSS)
	:	
Debtor. ¹	:	Re: Docket No. 46
	:	
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**ORDER APPROVING PROCEDURES FOR
THE SALE, TRANSFER OR ABANDONMENT OF *DE MINIMIS* ASSETS**

Upon the motion (the "Motion") of the above-captioned debtor and debtor in possession (collectively, the "Debtor") for entry of an order (this "Order") approving procedures of the sale, transfer or abandonment of *de minimis* assets [Docket No. 46]; and it appearing that the relief requested is in the best interests of the Debtor's estate, its creditors and other parties in interest; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and notice of the Motion having been adequate and appropriate under the circumstances; and after due deliberation and sufficient cause appearing therefor, it is hereby

ORDERED, that the Motion is granted as provided herein; and it is further

¹ The Debtor in this case, along with the last four digits of the federal tax identification number for the Debtor, is Vion Pharmaceuticals, Inc. (1221). The Debtor's corporate offices are located at 4 Science Park, New Haven, Connecticut 06511.

ORDERED, that pursuant to section 363(b) of the Bankruptcy Code, the Debtor is authorized to sell or transfer the *De Minimis Assets*² in accordance with the following procedures (the "*De Minimis Asset Sale Procedures*"):

- a. With regard to sales or transfers of the *De Minimis Assets* in any individual transaction or series of related transactions to a single buyer or group of related buyers with a selling price³ equal to or less than \$50,000:
 - i. The Debtor is authorized to consummate such transactions if the Debtor determine in the reasonable exercise of its business judgment that such sales or transfers are in the best interests of the estate, without further order of the Court, subject to the procedures set forth herein;
 - ii. Any such transactions shall be free and clear of all Liens, with such Liens attaching only to the sale or transfer proceeds with the same validity, extent and priority as had attached to the assets immediately prior to such sale or transfer;
 - iii. The Debtor shall give written notice of such sale or transfer (the "Sale Notice") to (a) the U.S. Trustee; (b) counsel to the Committee; (c) any known affected creditor(s), including counsel to any creditor asserting a Lien on the relevant *De Minimis Asset(s)*; and (d) those parties requesting notice pursuant to Bankruptcy Rule 2002 (collectively, the "Notice Parties") at least ten days prior to closing such sale or effectuating such transfer;
 - iv. The content of the Sale Notice shall consist of (a) identification of the *De Minimis Assets* being sold or transferred; (b) identification of the purchaser of the assets; (c) the purchase price and (d) the significant terms of the sale or transfer agreement;

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

³ For purposes of these procedures, selling price shall refer to the Debtor' estimate of the net proceeds of any sale transaction.

- v. If no written objections are filed with this Court by any of the Notice Parties within ten days of the date of such notice, the Debtor is authorized to immediately consummate such sale or transfer; and
- vi. If a written objection is filed with the Court by a Notice Party within such ten day period that cannot be resolved, the relevant *De Minimis* Asset(s) shall only be sold or transferred upon further order of this Court or resolution of the objection by the parties in question.
- vii. The Debtor will provide a written report to the Court, the U.S. Trustee, counsel to the Committee and those parties requesting notice pursuant to Rule 2002 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), beginning with the period ending on December 31, 2008, and at three-month intervals thereafter, no later than 30 days after the end of such period, concerning any such sales made during the period pursuant hereto, including the names of the purchasing parties and the types and amounts of the sales (a "Quarterly Report"). If no sales are made during any given period, no report need be provided.

and it is further

ORDERED, that sales to "insiders," as that term is defined in Section 101 of the Bankruptcy Code, are not covered by this order; and it is further

ORDERED, that no objection to the relief requested in the Motion combined with no timely objection to the sale or transfer of the *De Minimis* Assets in accordance with the terms of this Order shall be determined to be "consent" to such sale or transfer within the meaning of 11 U.S.C. § 363(f)(2), and it is further

ORDERED, that the Debtor is authorized pursuant to section 554(a) of the Bankruptcy Code to abandon *De Minimis* Assets in accordance with the following procedures (the "De Minimis Asset Abandonment Procedures"):

- a. The Debtor shall give written notice of the abandonment (the "Abandonment Notice") to the Notice Parties;
- b. The Abandonment Notice shall contain a description in reasonable detail of the *De Minimis* Assets to be abandoned and the Debtor's reasons for such abandonment;
- c. If no Notice Party objects to an abandonment in writing within ten business days of service of the Abandonment Notice, the Debtor may immediately proceed with the abandonment; and
- d. If an objection is timely received, and cannot be resolved consensually, then such *De Minimis* Asset will not be abandoned except upon further order of the Court after notice and a hearing.

and it is further

ORDERED, that the Debtor is authorized to take all actions necessary or appropriate to effectuate the relief granted pursuant to this order in accordance with the Motion;

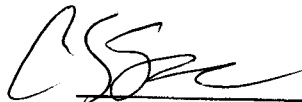
and it is further

ORDERED, that the terms and conditions of this Order shall be immediately effective and enforceable upon entry of the Order; and it is further

ORDERED, that the procedures in this Order do not authorize the Debtor to sell the following: (i) personally identifiable information or (ii) property not owned by the Debtors and/or property leased by the Debtors from third parties; and it is further

ORDERED, that the Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: 2/17, 2010
Wilmington, Delaware



THE HONORABLE CHRISTOPHER S. SONTCHI
UNITED STATES BANKRUPTCY JUDGE