

November 6, 2018

e-mail address: gberman@dsi.biz

TO THE CREDITORS AND SHAREHOLDERS OF:

FINAL COMMUNICATION
CASE NOW CLOSED

IDUN PHARMACEUTICALS, INC.

Re: **GENERAL ASSIGNMENT FOR THE BENEFIT OF CREDITORS OF IDUN**

The Assignee must now report that all efforts to monetize the assets of the assignor, including its claims for breach of a research license agreement (“RLA”), have not yielded any return for creditors. The Assignee brought two separate arbitration claims related to the RLA. The first one, heard in October 2017, resulted in a finding that the RLA was breached by the other party and there was a small award plus a portion of the attorney’s fees incurred in bringing that arbitration claim. The monies received from the first arbitration were used to pay some of the fees and costs associated with the first arbitration.

The second arbitration was conducted in October 2018 and the Assignee did not prevail in the claims it asserted. That effort was undertaken on a straight contingency basis and counsel to the Assignee will not be paid for its time and efforts.

The net result is that all unsecured creditor claims, as well as claims of any equity investors, will go without recovery. The costs of administration have been paid in part. We are deeply disappointed that the arbitration efforts were not successful in bringing about any recovery for creditors. Attached is a Statement of Receipts and Disbursements, which recaps the monies administered through this general assignment.

Finally, as there are no additional asserts to be liquidated, the Assignee is closing its files in this matter and requests creditors do the same.

Very truly yours,

Development Specialists, Inc. solely in its capacity as Assignee for the Benefit of Creditors of Idun Pharmaceuticals, Inc. (“Assignee”)



By

Geoffrey L. Berman

Enclosure (Statement of Receipts and Disbursements)

LOS ANGELES

333 South Grand Avenue, Suite 4070 • Los Angeles, California 90071-1544 • Telephone: 213.617.2717 • Fax: 213.617.2718 • www.dsi.biz

SAN FRANCISCO • CHICAGO • NEW YORK • MIAMI • LONDON • WILMINGTON • COLUMBUS

Idun Pharmaceuticals, Inc. Receipts and Disbursements

Receipts

Refund	13.00
Royalties	30,094.55
Litigation recovery	
Award	750,000.00
Attorney's fees	770,000.00
Initial Transfer from Co. Bank Accounts	<u>64,974.50</u>
Total Receipts	1,615,082.05

Disbursements

Administrative	128.03
Professional Expenses	6,679.12
Professional Fees	
Development Specialists, Inc.	25,000.00
Perkins Coie, LLP	1,563,770.99
Swicker and Associates	15,022.00
Other	897.00
Taxes	<u>3,584.91</u>
Total Disbursements	<u>1,615,082.05</u>

Remaining Funds 0.00