



Development Specialists, Inc.

Advisory and Fiduciary Services • Corporate Restructuring and Workouts • Interim Management • Insolvency Services

June 20, 2016

e-mail address: gberman@dsi.biz

TO THE CREDITORS AND SHAREHOLDERS OF:

IDUN PHARMACEUTICALS, INC.
12462 RANCHO BERNARDO ROAD, SUITE 554
SAN DIEGO, CALIFORNIA 94085

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

As noted in our prior communication, Idun Pharmaceuticals, Inc. executed a general assignment for the benefit of creditors in favor of Development Specialists, Inc. (the "Assignee") on Monday, March 28, 2016.

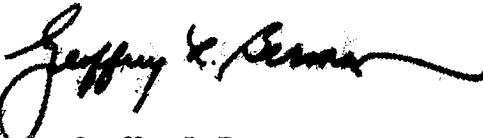
The Assignee retained Perkins Coie LLP to serve as its counsel in this matter. Included in its representation is a review of potential claims the Assignee believes may exist for a breach of a Research License Agreement (as revised) Idun entered into many years ago. The Assignee and its counsel are currently investigating this potential claim and the best avenues to address the claim with the party to the Research License Agreement.

The Assignee has prepared a Statement of Condition as of the date of the General Assignment from the Company's books and records. A copy of that Statement of Condition is attached for your information. The Assignee is not able to value the Company's patent portfolio, including the claim under the Research License Agreement (ABT 199). Efforts are currently underway to sell the patent portfolio, exclusive the ABT 199 patent.

Creditors are reminded that they need to file their proof of claim by September 20, 2016 to participate in any recovery from the liquidation of the Company's assets. Recovery will be dependent on the liquidation of the patent portfolio and any claim brought under the Research License Agreement.

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

Idun/Notice 2 6-2016

Enclosure (Statement of Condition)

LOS ANGELES

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