

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

<b>In re:</b>	)	<b>Chapter 11</b>
	)	
<b>deCODE genetics, Inc.<sup>1</sup></b>	)	<b>Case No. 09-14063 (PJW)</b>
	)	
	)	
<b>Debtor.</b>	)	<b>Re: Docket No. 3</b>

**ORDER APPOINTING DELAWARE CLAIMS AGENCY, LLC  
AS CLAIMS, NOTICING AND BALLOTING AGENT**

Upon consideration of the *Motion of Debtor and Debtor in Possession for Entry of an Order Appointing Delaware Claims Agency, LLC as Claims, Noticing and Balloting Agent* (the "Motion"), filed by the above-captioned debtor and debtor in possession (the "Debtor"), in the above-captioned chapter 11 case; and upon the *Declaration of Joseph L. King in Support of the Motion of Debtor and Debtor in Possession for Entry of an Order Appointing Delaware Claims Agency, LLC as Claims, Noticing and Balloting Agent*; and upon the *Affidavit of Dr. Kari Stefansson, Chief Executive Officer and President of Debtor and Debtor in Possession, in Support of the First Day Motions*; and the Court finding that (i) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (ii) this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), and (iii) notice of the Motion was sufficient under the circumstances and that no other or further notice need be provide; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and the Court having determined that the relief sought in the Motion is in the best interests of the Debtor and its estate; and after due deliberation and sufficient cause appearing therefore;

It is hereby ORDERED that,

1. The Motion is GRANTED.

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<sup>1</sup> The debtor in this case, along with the last four digits of the federal tax identification number for the debtor, is deCODE genetics, Inc. (6704).

2. The Debtor is hereby authorized to retain and employ DCA<sup>2</sup> under the terms of the DCA Agreement attached hereto as Exhibit 1 as the Claims Agent in this chapter 11 case for the purposes set forth in the Motion effective as of the date of commencement of this chapter 11 case.

3. The Debtor is hereby authorized to pay, without further order of this Court, DCA in accordance with the DCA Agreement upon receipt of reasonably detailed invoices (which will be provided to the Debtor, any statutory committee appointed in the Debtor's chapter 11 case, and the Office of the United States Trustee for the District of Delaware) setting forth the services provided or to be provided by DCA and the rates charged for each, and to reimburse DCA for all reasonable and necessary expenses it may incur upon the presentation of appropriate documentation and without the necessity for DCA to file an application for compensation or reimbursement with the Court or further order of the Court.

4. Pursuant to section 503(b)(1)(A) of the Bankruptcy Code, the fees and expenses of DCA incurred pursuant to the DCA Agreement shall be an administrative expense of the Debtor's estate.

5. DCA shall continue to serve as Claims Agent in this chapter 11 case, and shall continue to be paid for its services in this capacity under the terms set forth herein, in the Motion and in the DCA Agreement, until relieved of such duties by order of the Court; provided, however, that DCA may request such order on expedited notice by filing a request with the Court and serving notice of such request on counsel for the Debtor, the U.S. Trustee and counsel to the Committee by overnight mail or facsimile transmission.

6. The Debtor and DCA are authorized and empowered to take all actions necessary to implement the relief granted in this Order.

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<sup>2</sup> Capitalized terms not otherwise defined herein have the meaning ascribed to them in the Motion.

7. This Court shall retain jurisdiction over any and all matters arising from the interpretation or implementation of this Order.

Dated: November 18, 2009  
Wilmington, Delaware

A handwritten signature in black ink, appearing to read "P.J. Walsh", written over a horizontal line.

THE HONORABLE PETER J. WALSH  
UNITED STATES BANKRUPTCY JUDGE

# **EXHIBIT 1**

## **DCA Agreement**

# DCA

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## SERVICES AGREEMENT

The following services agreement (the "Agreement") sets forth the terms and conditions upon which Delaware Claims Agency, LLC ("DCA"), a Delaware limited liability company whose address is 230 North Market Street, PO Box 515, Wilmington, DE 19801 (Telephone: 800-838-6773) and deCODE genetics, Inc. (the "Client-Debtor") whose address is P.O. Box 1267, Groton, Massachusetts 01450 agrees to the engagement of DCA to provide bankruptcy administrative services, as outlined herein, to the Client-Debtor.

In consideration of the promises and provisions contained in this Agreement, the Client-Debtor agrees to compensate DCA in accordance with the attached Schedule A. Subject to the approval of the United States Bankruptcy Court for the District of Delaware, DCA and the Client-Debtor hereby agree to the following terms and conditions and hereto enter into this Agreement this 30<sup>th</sup> day of September, 2009.

### **Terms and Conditions**

#### 1. Definitions

"Bankruptcy administrative services" - shall mean, collectively, any tasks, projects, assignments, responsibilities, obligations, and procedures related to the management of certain records for the pending bankruptcy proceedings referred to herein.

"Bankruptcy Court" - shall mean the United States Bankruptcy Court with jurisdiction to administer the pending bankruptcy proceedings referred to herein.

"Bankruptcy Court Order" - shall mean the order of the United States Bankruptcy Court approving this Agreement.

"Client-Debtor" - shall mean deCODE genetics, Inc. its agents, professionals, employees, licensees, subcontractors and all debtors ordered to be jointly administered in the pending bankruptcy proceedings referred to herein.

"DCA" - shall mean Delaware Claims Agency, LLC, its agents, professionals, employees, licensees and subcontractors.

"Delinquency" - shall mean sixty (60) calendar days from the date of the act, event or occurrence described herein.

#### 2. Term

The effective date of this Agreement shall be, after its acceptance by DCA, either (i) the date of entry on the case docket of the Bankruptcy Court Order approving this Agreement, or (ii) such date as set forth by order of the Bankruptcy Court. This Agreement shall remain in force from its effective date until either (i) a party to this Agreement exercises its rights to effect suspension or termination as provided herein or (ii) by order of the Bankruptcy Court.

# DCA

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## 3. Services

a. DCA agrees to provide the Client-Debtor with bankruptcy administrative services consistent with those required during pending bankruptcy proceedings. Details of the bankruptcy administrative services anticipated to be performed are described on the attached Schedule A. DCA further agrees to provide the Client-Debtor, and the Client-Debtor agrees to accept, the advising, consulting, evaluating, and programming necessary to perform bankruptcy administrative services. To the extent that Schedule A does not include services requested by the Client-Debtor, or those required by the Bankruptcy Court, DCA further agrees to render such services subject to the attached Schedule A, provided such services do not extend beyond the scope or normal business practice of DCA.

b. If the Client-Debtor is a public company with registered securities, Client-Debtor agrees that DCA may retain the services of professionals experienced in the specific field of security holder noticing, solicitation and balloting. DCA must provide the Client-Debtor with a pricing and terms proposal from any professional sought to be retained. DCA agrees not to retain such professionals without the expressed consent of the Client-Debtor. Client-Debtor agrees that all charges incurred from the services of such professionals are separate from the attached Schedule A, but hereby included in the terms of paragraph 4 herein.

## 4. Charges

a. Client-Debtor agrees to timely pay DCA all charges related to this Agreement for professional labor, expenses and services rendered as set forth in the attached Schedule A. DCA agrees to issue monthly invoices to Client-Debtor for charges incurred during the proceeding month for professional labor, expenses and services rendered. Client-Debtor agrees that any and all invoices issued are due and payable upon receipt. In the event of suspension or termination of this Agreement, charges attributed to a monthly base fee shall be pro-rated based on a thirty (30) day calendar month. Client-Debtor shall remain liable for all charges incurred up to and including the date of suspension or termination. In the event any invoice remains unpaid as of thirty (30) days from the date of the invoice, Client-Debtor agrees to pay a late fee calculated as one percent (1%) per month on the remaining unpaid balance accrued from the date of the invoice. In the event of the Client-Debtor's delinquency to remit payment for charges invoiced, DCA reserves the right to petition the Bankruptcy Court for remedies and such further relief as determined by the Bankruptcy Court.

b. In the case of a dispute of any charges appearing on any invoice, Client-Debtor shall give notice to DCA within ten (10) business days of the date of the invoice. Client-Debtor agrees to accompany the notice with a statement identifying the specific charges disputed and a reasonable account for the dispute. Charges identified by the Client-Debtor as in dispute shall not accrue late charges as described herein. Any undisputed charges remaining on an invoice shall continue to be due and payable under the terms set forth above. Any unresolved disputes related to the charges incurred for professional labor, expenses and services rendered shall be brought before the Bankruptcy Court for final determination.

c. Client-Debtor agrees to timely pay DCA for all reasonable and necessary out-of-pocket expenses incurred in performance of this Agreement. Reasonable out-of-pocket expenses may include but are not limited to those for travel, transportation, lodging, meals, communications, postage, and supplies. DCA agrees that all expenses related to travel outside of a one-hundred (100) mile radius of DCA's offices must be approved in advance by Client-Debtor. DCA shall provide Client-Debtor with monthly invoices setting forth in reasonable detail the nature and amounts of such expenses. Upon the request of the Client-Debtor, DCA shall provide receipts, invoices and other statements to evidence the nature and amounts of expenses incurred.

d. In addition to the charges related to this Agreement for professional labor, expenses and services rendered, Client-Debtor agrees to pay or reimburse DCA for all federal, state and local taxes applicable to this Agreement however levied, which are not otherwise the obligation of DCA to collect and pay to taxing authorities. Such taxes specifically do not include personal property taxes or taxes based on net income, but may include without limitation, sales, use and excise taxes.

# DCA

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e. In addition to the charges related to this Agreement for professional labor, expenses and services rendered, Client-Debtor agrees to pay any charges incurred, subject to the attached Schedule A, related to or arising out of any error or omission created on behalf of the Client-Debtor.

f. To the extent that the attached Schedule A does not include services requested by the Client-Debtor, or those required by the Bankruptcy Court, and DCA further agrees to render such services, DCA shall apply charges consistent with the rates set forth and provided for in Schedule A.

g. Upon the effective date of this Agreement as defined in Section 2 hereof, Client-Debtor shall immediately issue DCA a retainer payment in the amount of \$5,000.00 to be held in escrow and applied against the monthly invoices issued by DCA to the Client-Debtor. In the event Client-Debtor fails to issue the retainer payment or DCA does not receive the retainer payment within fifteen (15) business days of the effective date of this Agreement, DCA reserves the right to suspend or terminate this Agreement as provided herein.

## 5. Suspension or Termination

a. In the event of either (i) the Client-Debtor's delinquency in payment of charges due and owing as provided in Section 4(a) herein, or (ii) the Client-Debtor's failure to remit the retainer payment as provided for in Section 4(g) herein, DCA reserves the right to request the Bankruptcy Court for immediate suspension of performance of this Agreement. In the event that performance of this Agreement has been suspended due to the occurrence of one of the above conditions, resumption of performance of this Agreement is contingent upon resolution of that condition. Any unresolved matters related to the suspension of performance of this Agreement shall be brought before the Bankruptcy Court for final determination.

b. This Agreement may be terminated by the Client-Debtor, without cause, upon written notice to DCA. The termination shall be effective thirty (30) days from the date of receipt of the written notice by DCA. Client-Debtor shall be liable for all charges incurred up to and including the date of termination.

c. DCA may terminate this Agreement only upon leave from the Bankruptcy Court. DCA reserves the right to request the Bankruptcy Court at any time for an immediate order terminating this Agreement. The effective date of the termination by DCA shall be determined by order of the Bankruptcy Court.

## 6. Confidentiality

a. DCA acknowledges that this Agreement may be entered into by the parties prior to the Client-Debtor's filing for relief under the United States Bankruptcy Code. In the event this Agreement is entered into prior to the filing of a petition for bankruptcy, DCA agrees not to disclose to any person or third party the nature of this Agreement, the relationship with the Client-Debtor or the Client-Debtor's corporate status.

b. DCA acknowledges its responsibility for confidentiality of the Client-Debtor's records. DCA agrees to exercise reasonable care to preserve the Client-Debtor's confidentiality regarding records. Client-Debtor acknowledges that DCA is subject to the Bankruptcy Court's request for records and other information with respect to the Client-Debtor's pending bankruptcy proceedings. Client-Debtor agrees that DCA's responsibility to preserve confidentiality does not extend to (i) information that is in the public domain at the time of the disclosure to DCA, (ii) information that is considered of public record for the purposes of administering the pending bankruptcy proceedings, (iii) information DCA receives about the Client-Debtor from third parties and (iv) information which is required to be disclosed or produced pursuant to any court order.

c. Client-Debtor agrees that the obligation of DCA to preserve confidentiality expires on three (3) years from the date of termination of this Agreement.

# DCA

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d. Client-Debtor agrees to preserve the confidentiality of all systems, methods, procedures, software, applications and technology operated by DCA in the course of performing bankruptcy administrative services under the terms of this Agreement.

## 7. Title, Property and Rights of Ownership

a. Client-Debtor agrees that DCA reserves all title, property and rights to ownership without limitation to all materials, publications, routines, methods, systems, procedures, software, applications, programs and other proprietary interests necessary to perform bankruptcy administrative services under the terms of this Agreement.

b. Client-Debtor agrees that payments received for professional labor, expenses and services rendered do not vest Client-Debtor with any rights to the materials, publications, routines, methods, systems, procedures, software, applications, programs and other proprietary interests of DCA.

c. Client-Debtor agrees that without limitation any materials, publications, routines, methods, systems, procedures, software, applications, and programs related to bankruptcy administrative services developed or enhanced by DCA during the course of this Agreement shall be the exclusive property of DCA.

d. DCA agrees that all data, reports and other tangible work product produced by DCA specifically on behalf of, or at the request of the Client-Debtor during the course of this Agreement shall be deemed Client-Debtor's property.

## 8. Delivery of Data

Client-Debtor agrees that all data, records, files, reports and other information provided to DCA for performance under this Agreement shall be transported or delivered at the risk, liability and expense of the Client-Debtor. In the event the Client-Debtor fails to deliver any data, records, files, reports or other information in accordance with any proposed and agreed upon schedule, Client-Debtor agrees that DCA may extend, as necessary, the performance of the related bankruptcy administrative services. Client-Debtor further agrees that performance of bankruptcy administrative services may be extended or delayed as a result of either (i) federal holidays and other closures affecting the Bankruptcy Court or (ii) holidays, events and occasions related to the corporate operations of DCA.

## 9. Warranty

a. DCA agrees to provide a good faith and diligent effort to minimize charges and expenses incurred as the result of errors or omissions created on the behalf of DCA. In the event DCA discovers errors or omissions made on its behalf, DCA accordingly agrees to reasonably adjust all charges and expenses related to or arising out of such errors or omissions and to report them to the Client-Debtor.

b. Client-Debtor agrees that DCA is a repository for certain raw bankruptcy data accumulated during the course of the Client-Debtor's case. Client-Debtor agrees that any such reports of raw bankruptcy data supplied by DCA to the Client-Debtor or its counsel are done so purely as a convenience. Client-Debtor agrees that DCA is not engaged in rendering legal, accounting or other professionals services for which the reports may be relied upon.

c. Client-Debtor agrees that DCA shall not be liable for non-performance or delay of performance of this Agreement if such non-performance or delay arises out of conditions or causes beyond the control of DCA. Such conditions or causes include, but are not limited to, acts of God or public enemy, war, fire, flood, loss of power, mechanical failure, electrical failure, technical failure or governmental order.

# DCA

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d. Client-Debtor agrees that DCA provides the limited warranty contained herein in lieu of all warranties, expressed or implied, including but not limited to, any implied warranty of merchantability, fitness or adequacy for any particular purpose, use, quality, productiveness or capacity.

## 10. Limitations of Liability and Indemnification

a. Client-Debtor agrees that it is solely responsible for, without limitation, the accuracy of all data, records, files, and materials submitted to DCA for bankruptcy administrative services performed under this Agreement.

b. Client-Debtor agrees to indemnify and hold harmless DCA from and against any losses, claims, damages, judgments, liabilities and expenses (including reasonable attorney's fees and expenses) other than willful misconduct, gross negligence and bad faith which Client-Debtor may incur as a result of (i) any error in data, records, files, reports, materials or information furnished to DCA, on behalf of the Client-Debtor, required or necessary to perform under this Agreement or (ii) action taken by DCA in good faith or with reliance upon instructions received from the Client-Debtor, for services in connection with, related to or arising out of this Agreement.

## 11. Governing Law

This Agreement shall be governed and construed in accordance with the laws of the state of Delaware.

## 12. General

a. This Agreement may not be amended, altered, or modified without the express written consent of an authorized representative of both parties.

b. This Agreement, together with all of the rights and duties provided for herein shall not be assigned without the express written consent of an authorized representative of both parties.

c. This Agreement shall be subject to the approval of the United States Bankruptcy Court for the District of Delaware.

## 13. Notices

All notices in connection with, related to or arising under this Agreement shall be given or made upon the respective parties in writing and forwarded to the appropriate addresses that follow:

If to DCA:

Delaware Claims Agency, LLC  
Attr: Joseph L. King  
230 North Market Street, 2<sup>nd</sup> Floor  
PO Box 515  
Wilmington, DE 19899-0575  
Phone - (302) 658-1067  
Fax - (302) 658-9167

# DCA

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If to Client-Debtor:

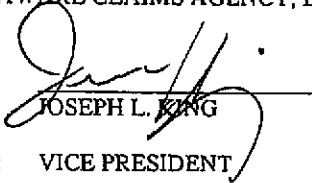
deCODE genetics, Inc.  
Attn: Lance Thibault  
PO Box 1267  
Groton, MA 01450  
Phone - (+354) 570 1900  
Fax - (+354) 570 1903

The parties do hereby acknowledge that they have examined this Agreement, understand it and agree to be bound by its terms and conditions. The parties further agree that this Agreement exists as their exclusive and superseding statement regarding the engagement of Delaware Claims Agency, LLC to provide bankruptcy administration services to deCODE genetics, Inc.

IN WITNESS WHEREOF, the parties have hereto executed this Agreement.

DELAWARE CLAIMS AGENCY, LLC

By:

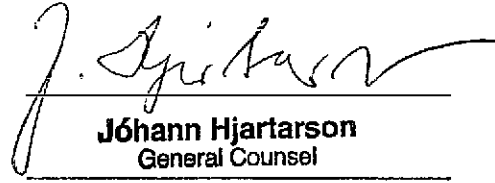
  
JOSEPH L. KING

Title: VICE PRESIDENT

Date:

9/30/09

By:

  
Jóhann Hjartarson  
General Counsel

Title:

Date:

9/30/09

# DCA

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## SCHEDULE A

### FEEES FOR CLAIMS AGENT SERVICES

#### INTAKE, PROCESSING AND MAINTENANCE:

*	Set-up Fee	\$	None
*	Creation of Creditor Database by Import		.10/per creditor
*	Creation of Creditor Database by Manual Input		hourly rates
*	Creditor Database Security & Maintenance		.07/per creditor/per month
*	Claims Intake, Examination & Processing		.75/per claim + hourly rates
*	Claims Imaging (PDF) for Viewing via Internet		.25/per claim
*	Access to Imaged (PDF) Claims via Internet <sup>1</sup>		Waived
*	Claims Database/Internet Security & Maintenance		500.00/per month
*	Format/Update Claims Registry & Service Lists		hourly rates
*	Ballot Intake, Examination & Processing		1.00/per ballot + hourly rates
*	Original Document Storage & Security		market rate

#### SUPPORT SERVICES:

*	Service of Notices & Pleadings	\$	Quoted <sup>2</sup>
*	Electronic Filing of Court Documents (ECF)		.10/per page
*	Claim Acknowledgement Notices		.10/per notice + postage
*	Assist in Formatting Schedules		hourly rates
*	Assist in Claim Objections		hourly rates
*	Assist in Claims Analysis and Classification		hourly rates
*	Assist in Distribution		hourly rates
*	Transfer of Claims		.50/per claim + hourly rates
*	Generate Any Report, List, Registry or Schedule		.10/per page + hourly rates

<sup>1</sup> Inclusive to the services offered by DCA is the imaging of claims for 24-hour access and viewing through cooperation with Virtual Docket, LLC at [www.virtualdocket.com](http://www.virtualdocket.com). Counsel to the Debtors is not charged for access to imaged claims.

<sup>2</sup> To provide the most effective method for bulk services, DCA will quote each service in relation to its requirements.

# DCA

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- \* Coordinate Legal Publications as Requested      hourly rates + market rate
- \* Tabulation and Verification of Plan Voting      hourly rates
- \* Disbursements      1.00/per release

## OTHER:

- \* Photocopying/Printing/Scanning      \$ .10/per page
- \* Misc. Envelopes      .25/per item
- \* Misc. Labels      .05/per item
- \* Facsimiles - outgoing      .50/per page
- \* Travel by Personal Vehicle      .55/per mile
- \* Travel Expenses      market rate
- \* Postage, Delivery, etc.      market rate
- \* Long Distance and Incoming 800 Calls      market rate

## PROFESSIONAL RATES:

The following hourly rates apply to all services performed by DCA professionals. At the discretion of DCA, and when possible and appropriate, all services incurring hourly charges will be delegated to professionals with a lower hourly rate.

- \* Senior Consultants      \$ 175.00/per hour
- \* Technical Consultants      150.00/per hour
- \* Associate Consultants      125.00/per hour
- \* Processors and Coordinators      65.00/per hour

In the event that services are requested for and performed outside normal business hours (8:00 a.m. to 5:00 p.m., Monday through Friday), rates will be adjusted upward by twenty percent (20%).

## EXPENSES:

Any additional expenses not covered in the fee schedule quoted above will be billed at market cost.