

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re: ) Chapter 11  
)  
deCODE genetics, Inc.<sup>1</sup> ) Case No. 09-14063 (PJW)  
)  
)  
Debtor. ) Re: Docket No. 8

**ORDER GRANTING MOTION OF DEBTOR AND DEBTOR IN POSSESSION FOR ENTRY OF AN ORDER (A) AUTHORIZING, BUT NOT DIRECTING, DEBTOR TO HONOR AND/OR PAY IN THE ORDINARY COURSE OF BUSINESS CERTAIN (I) PREPETITION STAFF MEMBER WAGE OBLIGATIONS, (II) PREPETITION ACCRUED VACATION TIME AND (III) PREPETITION ACCRUED SICK LEAVE AND PERSONAL TIME; AND (B) AUTHORIZING AND DIRECTING FINANCIAL INSTITUTIONS TO HONOR AND PAY ALL CHECKS PRESENTED FOR PAYMENT AND ELECTRONIC REQUESTS RELATING THERETO**

Upon consideration of the *Motion of Debtor and Debtor in Possession for Entry of an Order (A) Authorizing, but not Directing, Debtor to Honor and/or Pay in the Ordinary Course of Business Certain (I) Prepetition Staff Member Wage Obligations, (II) Prepetition Accrued Vacation Time and (III) Prepetition Accrued Sick Leave and Personal Time; and (B) Authorizing and Directing Financial Institutions to Honor all Related Checks and Electronic Payment Requests* (the "Motion") filed by the above-captioned debtor and debtor in possession (the "Debtor") in the above-captioned chapter 11 cases; 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 it appearing that the relief requested is in the best interests of the Debtor's estate, its creditors and other parties in interest; and it appearing that failure to grant the relief requested in the Motion immediately will cause immediate and irreparable harm to the Debtor; and it appearing that this Court has jurisdiction over this matter pursuant to 28

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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).

U.S.C. §§ 157 and 1334; and it appearing that this Motion is a core proceeding pursuant to 28 U.S.C. §§ 157(b)(2); and it appearing that venue of this proceeding and this Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of this Motion having been provided; and it appearing that no other or further notice need be provided; and after due deliberation and sufficient cause appearing therefor,

It is hereby ORDERED

1. The Motion is GRANTED to the extent provided herein.
2. The Debtor is authorized, but not directed, to pay Staff Members,<sup>2</sup> in the ordinary course of business, amounts related to Vacation Time as set forth in the Motion and subject to the any caps in this Order.
3. The Debtor is authorized, but not directed, to pay TriNet, in the ordinary course of business, amounts related to prepetition Staff Member wages, in an amount not to exceed \$14,452.53.
4. The Debtor is authorized, but not directed, to pay Staff Members, in the ordinary course of business, amounts related to Vacation Time, in an amount not to exceed \$123,885.03. The Debtor is not authorized to honor and/or pay any amounts to Staff Members in excess of the \$10,950 statutory cap under sections 507(a)(4) and 507(a)(5) of the Bankruptcy Code; however, the foregoing is without prejudice to the Debtor's rights to seek such relief after notice and a hearing.
5. The Debtor is authorized, but not directed, to honor its obligations related to accrued prepetition Sick/Personal Leave in the ordinary course of business.

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

6. The Debtor is authorized, but not directed, to issue postpetition checks, or to effect postpetition fund transfer requests, in replacement of any checks or fund transfer requests in respect of prepetition amounts owed to the Staff Members that are dishonored as a consequence of this chapter 11 case and to the extent such prepetition amounts are authorized to be paid pursuant to this Order.

7. All applicable banks and other financial institutions are hereby authorized and directed to receive, process, honor and pay any and all checks evidencing amounts paid by the Debtor pursuant to the Motion, whether presented prior to or after the Petition Date; and it is further

8. Any Cash Management Bank may rely on the representations of the Debtor with respect to whether any check or other payment order drawn or issued by the Debtor prior to the Petition Date should be honored pursuant to this Order, and such Cash Management Bank shall not have any liability to any party for relying on such representations by the Debtor as provided for herein.

9. Except as provided under the Bankruptcy Code, nothing contained herein is intended or should be construed to create an administrative priority claim on account of obligations owing to the Staff Members or, conversely, to prejudice the Staff Member's right to assert claims against the Debtor or its estate that are not satisfied by payments made pursuant to this Order.

10. The relief granted herein shall not constitute or be deemed an assumption of or an authorization to assume, pursuant to section 365 of the Bankruptcy Code, any of the employment or insurance agreements to which the Debtor is a party.

11. The requirements set forth in Rule 6003(b) of the Bankruptcy Rules are satisfied by the contents of the Motion.

12. Notwithstanding the possible applicability of Rule 6004(h) of the Federal Rules of Bankruptcy Procedure, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

13. Notwithstanding anything to the contrary contained herein, any payment to be made, or authorization contained, hereunder shall be subject to the requirements imposed on the Debtor under any approved debtor-in-possession financing facility, any budget in connection therewith and any order regarding the use of cash collateral.

14. Nothing in the Motion or this Order, nor as a result of the Debtor's payment of claims pursuant to this Order, shall be deemed or construed as: (a) an admission as to the validity or priority of any claim against the Debtor, (b) a waiver of the Debtor's rights to dispute any claim, or (c) an approval or assumption of any agreement, contract or lease pursuant to section 365 of the Bankruptcy Code.

15. The Debtor is authorized and directed to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.

16. This Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: November 18, 2009  
Wilmington, Delaware



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THE HONORABLE PETER J. WALSH  
UNITED STATES BANKRUPTCY JUDGE