

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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In re: : Chapter 11
: :
VION PHARMACEUTICALS, INC., : Case No. 09-14429 (CSS)
: :
Debtor.¹ : Re: Docket Nos. 92 & 93
: :
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**JOINT MOTION OF THE DEBTOR AND THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS FOR AN ORDER EXPEDITING THE CONSIDERATION
OF THE DEBTOR'S DISCLOSURE STATEMENT AND PLAN**

The above-captioned debtor and debtor-in-possession (the "Debtor") in conjunction with the official committee of unsecured creditors appointed in this case (the "Committee," with the Debtor, the "Parties") hereby file this motion (the "Motion to Shorten") requesting expedited consideration of the Debtor's proposed disclosure statement (the "Disclosure Statement") and the Debtor's proposed plan (the "Plan"). In support of this Motion to Expedite, the Parties respectfully represent as follows:

Background

1. On December 17, 2009 (the "Petition Date"), the Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code with the stated intent of restructuring the Debtor and its outstanding indebtedness or pursuing a sale of substantially all of its assets.

2. On January 5, 2010, the Office of the United States Trustee (the "Trustee") appointed the Committee. No trustee or examiner has been appointed in this chapter 11 case.

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.

Relief Requested

3. By this Motion to Shorten, the Parties respectfully request entry of an order, substantially in the form attached hereto expediting consideration of the Disclosure Statement and Plan.

4. Rules 3017 and 3020 of the Federal Rules of Bankruptcy Procedures (the “Bankruptcy Rules”) provide that the Disclosure Statement approval hearing and Plan confirmation hearing be held on at least 28 days notice to parties in interest, respectively. However, Bankruptcy Rule 9006 provides an exception where the Court may, in its discretion for cause shown, order that the time periods provided for under other Bankruptcy Rules or orders of the Court be reduced. Such an exception is warranted here.

5. In response to a request by Debtor’s counsel made through chambers, the Court indicated that it would consider (a) holding a hearing on the approval of the Disclosure Statement on March 1, 2010 at 12:00 p.m., and (b) holding a hearing on the confirmation of the Plan on April 6, 2010 at 11:30 a.m., subject to the submission of an appropriate motion requesting shortened notice.

6. After extensive negotiations between the Parties, the Parties have agreed upon the fundamental terms of the liquidation of the Debtor’s assets, which terms are reflected in the Plan. In sum, the Parties have agreed to commence an immediate, expedited wind-down of the Debtor’s operations in an effort to maximize the assets available for distribution to the Debtor’s creditors.

7. The Parties believe that a cost-effective, efficient and responsible wind-down can be completed by March 31, 2010. Indeed, if the Debtor is able to confirm the Plan on this timeline, it will be able to avoid unnecessarily spending hundreds of thousands of dollars, including an amount in excess of \$160,000 that the Debtor will otherwise have to spend to

comply with the public company reporting requirements imposed by the Securities and Exchange Commission (the “SEC”). However, in order to achieve this significant savings, the Debtor must obtain assurance that a confirmation hearing can be held on or before April 6, 2010. If the Debtor is unable to obtain this clarity, it will be forced to begin incurring debt to professionals associated with this SEC reporting process.

8. Thus, in order to maximize the value of the Debtor’s assets and minimize the burden of chapter 11 expenses, the Parties believe that implementing a confirmation timeline that will enable the Plan to be considered for confirmation on or before April 6, 2010 is in the best interests of all stakeholders of this estate. Accordingly, the Debtor is requesting that the Court set a hearing on the approval of the Disclosure Statement for on or about March 1, 2010.² Moreover, the Debtor is requesting that the Court set a hearing to confirm the Plan for on or before April 6, 2010.

9. The requested relief will cause no harm to any party in interest. The Plan and Disclosure Statement are the products of an agreement by the Debtor and the Committee. The provisions of the Plan and the Disclosure Statement have been heavily negotiated and are the result of many hours of arms length negotiation, the result of which is a consensual resolution of this chapter 11 case.


[Remainder of page intentionally left blank]

² The Parties will also be seeking consideration of solicitation procedures at the hearing on approval of the Disclosure Statement.

WHEREFORE, the Parties request that the Court enter an order, substantially in the form attached hereto as Exhibit A, expediting consideration of the Disclosure Statement and Plan and granting such other and further relief as is just and proper under the circumstances.

Dated: February 12, 2010
Wilmington, Delaware

RICHARDS, LATYON & FINGER, P.A.


John H. Knight (DE Bar No. 3848)
Christopher M. Samis (DE Bar No. 4909)
920 North King Street
One Rodney Square
Wilmington, Delaware 19801
Telephone: (302) 651-7700
Facsimile: (302) 651-7701
E-mail: knight@rlf.com
E-mail: samis@rlf.com

- and -

Paul Jacobs
David L. Barrack
Fulbright & Jaworski L.L.P.
666 Fifth Ave.
New York, NY 10103
Tel: (212) 318-3000
Facsimile: (212) 318-3400

Counsel for the Debtor and Debtor-in-Possession

POTTER ANDERSON & CORROON, LLP

/s/ Jeremy W. Ryan
Jeremy W. Ryan (DE Bar No. 4057)
1313 North Market Street
Hercules Plaza, 6th Floor
Wilmington, Delaware 19801
Telephone: (302) 984-6000
Facsimile: (302) 658-1192
E-mail: jryan@potteranderson.com

-and-

Adam H. Friedman
Olshan Grundman Frome Rosenzweig & Wolosky
LLP
Park Avenue Tower
65 East 55th Street
New York, NY 10022

Counsel to the Committee

EXHIBIT A

(Proposed Form of Order)

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

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In re : Chapter 11
: :
VION PHARMACEUTICALS, INC., : Case No. 09-14429 (CSS)
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Debtor.¹ : Re: Docket No. ____
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**ORDER EXPEDITING CONSIDERATION OF
THE DEBTOR'S DISCLOSURE STATEMENT AND PLAN**

Upon the motion (the "Motion to Shorten")² of the above-captioned debtor and debtor-in-possession (the "Debtor") and the official committee of unsecured creditors appointed in this case (the "Committee," with the Debtor, the "Parties") for entry of an order, pursuant to Rule 9006 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") expediting consideration of the Debtor's proposed Disclosure Statement and Plan. It appearing that, after due deliberation and sufficient cause appearing therefor,

THE COURT HEREBY ORDERS THAT:

1. The Motion to Shorten is GRANTED.

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.

² Capitalized terms used but not defined herein shall have the meanings ascribed to terms in the Motion or Plan (as defined in the Motion), as appropriate.

2. A hearing to consider the approval of the Debtor's Disclosure Statement is set for _____, 2010 at _____ .m.

3. A hearing to consider confirmation of the Debtor's Plan is set for _____, 2010 at _____ .m.

4. The Court shall retain jurisdiction to interpret and enforce this Order.

Dated: February _____, 2010
Wilmington, Delaware

THE HONORABLE CHRISTOPHER S. SONTCHI
UNITED STATES BANKRUPTCY JUDGE