

(b) the assumption by the Debtor and assignment to the Purchaser of that certain Stockholders Agreement dated February 4, 2000 among Ovonyx, the Debtor and certain other shareholders of Ovonyx attached hereto as **Exhibit 6-B**² (the "**Stockholders Agreement**" and together with the Ovonyx Shares, the "**Purchased Assets**"); and

(c) certain related relief.

In support of this Motion, the Debtor respectfully states as follows:

INTRODUCTION

1. The Debtor has been actively marketing the Ovonyx Shares for sale throughout these bankruptcy cases. The Debtor and its advisors have determined that the Purchaser's offer to purchase the Ovonyx Shares and consummate the transactions contemplated by this Motion and the Equity Purchase Agreement (collectively, the "**Transaction**") represents the best possible result for the Debtor and its estate. In particular, the Debtor believes the proposed Transaction allows the Debtor to monetize the Ovonyx Shares at their highest possible value. In addition to purchasing the Ovonyx Shares, the Purchaser will receive the full benefits afforded to the Debtor under the Stockholders Agreement in connection with the Ovonyx Shares, including the right to appoint two board members for Ovonyx and certain anti-dilution protection with respect to those shares.

2. The Equity Purchase Agreement requires that the Transaction close prior to the effective date of the Debtor's confirmed chapter 11 plan. As such, it is necessary for the Debtor to proceed on the expedited sale schedule contemplated in the Equity Purchase Agreement (and described below) to allow the Debtor to capture the benefits of the Transaction, including the payment of \$12 million to the Debtor.

² The Debtor has filed a motion seeking to file the Stockholders Agreement under seal.

JURISDICTION

3. The Court has jurisdiction over this matter pursuant to section 1334 of title 28 of the United States Code. This matter is a core proceeding within the meaning of section 157(b)(2) of title 28 of the United States Code.

4. Venue is proper pursuant to sections 1408 and 1409 of title 28 of the United States Code.

BACKGROUND

5. On February 14, 2012 (the "**Petition Date**"), ECD and its affiliate, United Solar Ovonic LLC ("**USO**"), each filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. ECD and USO continue to operate their respective businesses and manage their financial affairs and properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in these chapter 11 cases.

6. Collectively, ECD and USO are leaders in material science and renewable energy technologies, with a proven track record of successfully commercializing their technology innovations. Additional factual background relating to the commencement of these chapter 11 cases is set forth in the Declaration of William C. Andrews, Executive Vice President and Chief Financial Officer, In Support of First Day Motions [Doc. No. 10].

7. On July 30, 2012, the Court entered its Findings of Fact, Conclusions of Law and Order Approving Disclosure Statement and Confirming Second Amended Joint Plan of Liquidation of Energy Conversion Devices, Inc. and United Solar Ovonic, LLC [Doc. No. 1064] confirming ECD and USO's liquidating plan of reorganization.

FACTS RELATED TO THE MOTION

The Purchased Assets

8. The Purchased Assets consist of the Debtor's 38.6% equity interest (35.2% on a fully diluted basis) in Ovonyx and the related Stockholders Agreement. Ovonyx engages in developing, commercializing and licensing a phase-change semiconductor memory technology through joint development programs with semiconductor manufacturers and industrial partners in the United States and internationally. Ovonyx was founded in 1999 and is based in Troy, Michigan.

9. The Stockholders Agreement governs certain rights of the Debtor, Ovonyx and certain other shareholders of Ovonyx with respect to corporate governance and other matters of Ovonyx and its respective shareholders. Taking assignment of the Stockholders Agreement, as proposed herein, is of great value to the Purchaser. For example, as set forth above, the Stockholders Agreement would provide the Purchaser with the ability to appoint two of the Ovonyx board members. In addition, the Stockholders Agreement provides for certain rights that would allow the Purchaser to avoid the dilution of its equity interest in Ovonyx in the future.

The Marketing of the Purchased Assets

10. The Debtor, with the assistance of its advisors, has undertaken extensive marketing of the Purchased Assets throughout the course of these bankruptcy cases. Shortly after the Petition Date, the Debtor publicly disclosed that it had retained investment bankers from Quarton Partners, LLC ("Quarton") to market the Debtor's interest in the Purchased Assets. Given the technical and specialized nature of Ovonyx's business, the Debtor also retained Bridge Associates, LLC, a consulting firm that specializes in the semiconductor market, to assist in the sale process. At a hearing to consider approval of the Transaction, the Debtor will proffer evidence in support of the adequacy of its marketing efforts. In the Debtor's sound business

judgment, and upon advice of its professionals, the Debtor believes that the offer from the Purchaser is the highest and best offer the Debtor will receive for the Purchased Assets.

Material Terms of the Equity Purchase Agreement

11. In accordance with the Equity Purchase Agreement, the Debtor will sell the Purchased Assets (including the assignment of the Stockholders Agreement) to the Purchaser in consideration of \$12,000,000 in cash and the Purchaser's assumption of the Stockholders Agreement.

12. The Equity Purchase Agreement provides for the payment of an expense reimbursement to the Purchaser in an amount not to exceed \$250,000 if the Equity Purchase Agreement is terminated (i) by Purchaser or ECD to permit ECD to consummate an alternate transaction involving the disposition of the Ovonyx Shares or the Ovonyx Stockholders Agreement, (ii) by Purchaser due to ECD's failure to file this Motion on the Execution Date of the Equity Purchase Agreement, August 3, 2012, or (iii) by Purchaser due to the Plan becoming effective on or before the closing of the Transaction.

13. The Equity Purchase Agreement includes limited representations, warranties and covenants made or agreed to by the parties. The representation made by the Debtor focuses primarily on the equity capitalization of Ovonyx, Inc. and the Debtor's ownership of the shares in Ovonyx, Inc.

14. The Equity Purchase Agreement is subject to the first offer right contained in the Stockholder's Agreement, but free and clear of certain participation rights of other stockholders of Ovonyx, Inc. to participate by selling their shares on the same terms as the Equity Purchase Agreement in lieu of the Debtor's shares.

15. The transaction outlined in the Equity Purchase Agreement must be closed no later than August 24, 2012; provided, however, the transaction will be closed in escrow pending the expiration of the exercise period under the right of first refusal.

LEGAL BASIS FOR RELIEF REQUESTED

Approval of the Transaction Under Section 363(b) of the Bankruptcy Code

16. Section 363(b) of the Bankruptcy Code provides that a debtor "after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate." 11 U.S.C. § 363(b). A debtor must demonstrate a sound business justification for a sale or use of assets outside the ordinary course of business. Stephens Indus., Inc. v. McClung, 789 F.2d 386, 389-90 (6th Cir. 1986) (citing Comm. of Equity Sec. Holders v. Lionel Corp. (In re Lionel Corp.), 722 F.2d 1063, 1070 (2d Cir. 1983)).

17. As set forth above, the Debtor is in the midst of liquidating all of its assets. The sale of the Purchased Assets at this time ensures the Debtor's estate will receive the highest possible value for the Ovonyx Shares. The Debtor and its advisors, including advisors retained specifically for their expertise in the semiconductor market, have conducted an exhaustive sale process. The Debtor believes, based on evidence that will be presented at hearing, that the purchase price of \$12 million is a fair and reasonable price and exceeds the value the Debtor would receive pursuant to any alternative transaction with respect to the Ovonyx Shares.

Approval of the Sale Free and Clear Pursuant to Section 363(f) of the Bankruptcy Code

18. The Debtor requests approval to sell the Purchased Assets free and clear of any and all liens, claims, interests and encumbrances in accordance with section 363(f) of the Bankruptcy Code. Pursuant to section 363(f), a debtor in possession may sell property of the estate "free and clear of any interest in such property of an entity other than the estate" if any one of the following conditions is satisfied: (a) applicable nonbankruptcy law permits sale of such

property free and clear of such interest; (b) such entity consents; (c) such interest is a lien and the price at which such property is to be sold is greater than the aggregate value of all liens on such property; (d) such interest is in bona fide dispute; or (e) such entity could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of such interest. 11 U.S.C. § 363(f); see Al Perry Enters., Inc. v. Appalachian Fuels, LLC, 503 F.3d 538, 543 (6th Cir. 2007) ("The bankruptcy court has clear power to approve the sale of debtors' assets free and clear of any interest or claims that could be brought against the bankrupt estate during bankruptcy pursuant to 11 U.S.C. § 363(f).").

19. The sale of the Purchased Assets satisfies the requirements of section 363(f) of the Bankruptcy Code. For example, the Debtor is not aware of any parties holding liens, claims, interests or encumbrances in the Purchased Assets. Further, if any party is determined to hold a lien, claim, interest or encumbrance in the Purchase Assets, any such lien, claim, interest or encumbrance will attach to the proceeds of the sale with the same force, effect and priority as such lien, claim, interest or encumbrance has on the Purchased Assets, subject to the rights and defenses, if any, of the Debtor and other parties in interest. As a result, the sale of the Purchased Assets free and clear of all liens, claims, interests and encumbrances is appropriate under section 363(f) of the Bankruptcy Code.

Good Faith Pursuant to Section 363(m) of the Bankruptcy Code

20. The Debtor and the Purchaser have acted in good faith with respect to the sale of the Purchased Assets. Courts in the Sixth Circuit generally have considered three factors when assessing good faith in connection with the sale of a debtor's assets pursuant to section 363 of the Bankruptcy Code: (a) whether the sale was negotiated at arms' length; (b) whether any officer or director holds an interest in or is otherwise related to the potential purchaser; and (c) whether fraud or collusion exists among the prospective purchaser, any other bidders or the debtor. In re

Nicole Energy Servs., Inc., 385 B.R. 201, 235 (Bankr. S.D. Ohio 2008) (citing In re Abbotts Dairies of Pa., Inc., 788 F.2d 143, 147-50 (3d Cir. 1986)).

21. In addition, under binding Sixth Circuit precedent, the protections of section 363(m) also apply to the Debtor's assumption of the Stockholders Agreement and assignment of the Stockholders Agreement to the Purchaser. Weingarten Nostat, Inc. v. Service Merchandise Company, Inc., 396 F.3d 737, 743 (6th Cir. 2005) (holding that the protections afforded to a good faith purchaser under section 363(m) of the Bankruptcy Code apply equally to the assumption and assignment of a contract that occurs in connection with the sale of other assets).

22. In this instance, the Debtor and the Purchaser have negotiated the sale of the Purchased Assets at arms' length, and there has been no fraud or collusion among any other potential purchaser or with the Debtor. Therefore, the Debtor submits that the Purchaser should be entitled to the protections of section 363(m) of the Bankruptcy Code with respect both to the sale of the Ovonyx Shares and the assignment of the Stockholders Agreement.

Approval of Assumption and Assignment of Stockholders Agreement

23. The Debtor's assumption of the Stockholders Agreement and assignment of the Stockholder's Agreement to the Purchaser are appropriate under section 365 of the Bankruptcy Code and applicable case law. The standard for a debtor to assume and assign an executory contract pursuant to section 365 of the Bankruptcy Code is whether the debtor's decision is made within its sound business judgment. See In re Phar-Mor, Inc. v. Strauss Bldg. Assocs., 204 B.R. 948, 952 (Bankr. N.D. Ohio 1997) (stating that "[c]ourts should generally defer to a debtor's decision whether to reject an executory contract") (citing Lubrizol Enters., Inc. v. Richmond Metal Finishers, Inc., 756 F.2d 1043, 1046-47 (4th Cir. 1985)).

24. Here, the Equity Purchase Agreement requires the Debtor to assume the Stockholders Agreement and assign the Stockholders Agreement to the Purchaser. As such, the

assumption of the Stockholders Agreement and the assignment of the Stockholders Agreement is an integrated part of the sale. Accordingly, the assumption of the Stockholders Agreement and assignment of the Stockholders Agreement in accordance with the Equity Purchase Agreement is warranted, in the Debtor's business judgment, to maximize the value to its estate arising from the sale of the Ovonyx Shares.

25. In addition, there exists no question that the Purchaser, a large multi-national corporation with approximately \$8.8 billion of revenue in 2011, possesses the ability to satisfy its obligations under the Stockholders Agreement in the future. As such, the Debtor submits the "adequate assurance" requirement of section 365(f)(2) of the Bankruptcy Code is satisfied.

26. Finally, in furtherance of the Debtor's objective to maximize the proceeds from the sale of the Ovonyx Shares through the assumption and assignment of the Stockholders Agreement, the Debtor requests and the Purchaser has required, that the Sale Order make clear that certain anti-assignment provisions of the Stockholders Agreement are unenforceable in connection with the Transaction pursuant to section 365(f) of the Bankruptcy Code.

27. Specifically, section 4.2 of the Stockholders Agreement contains a 30 day election period that may prevent the closing of the Transaction within the time frame required under the Equity Purchase Agreement. In addition, section 4.4 of the Stockholders Agreement contains a purported right, subject to the Purchaser agreeing, of other stockholders to participate in the Transaction by selling their shares in lieu of the Debtor selling its shares. Importantly, the Purchaser has not agreed to purchase shares from any party other than the Debtor.

28. The Debtor submits that section 365(f)(1) of the Bankruptcy Code renders sections 4.2 and 4.4 of the Stockholders Agreement unenforceable with respect to the Transaction. Section 365(f)(1) of the Bankruptcy Code states, among other things, any provision

of an executory contract that "restricts" or "conditions" the assignment of such contract by the debtor to a third party.³

29. In addition, section 2.1 of the Stockholders Agreement provides that the Debtor has certain rights with respect to Ovonyx, including the right to designate two of Ovonyx's board members. Section 2.4 of the Stockholders Agreement, however, purports to prevent any assignee of the Debtor from obtaining such rights. Section 365(f)(3) of the Bankruptcy Code renders unenforceable, among other things, any provision of an executory contract that modifies a right under such contract as a result of the assignment of the contract by a debtor to a third party. The provision of the Stockholders Agreement that purports to invalidate the right to appoint members to the Ovonyx board and/or assignment of the Stockholders Agreement has the intended effect of prohibiting the assignment of the Stockholders Agreement. As a result, section 365(f)(3) of the Bankruptcy Code renders section 2.4 of the Stockholders Agreement unenforceable.

30. As a result of the foregoing, the Sale Order provides that these provisions of the Stockholders Agreement are rendered void and unenforceable in connection with the Transaction.

Waiver of the 14 Day Stay

31. The Debtor requests a waiver, pursuant to Bankruptcy Rules 6004(h) and 6006(d), of the 14-day stay that would otherwise be applicable to the sale of the Ovonyx Shares, the assumption of the Stockholders Agreement and the assignment of the Stockholders Agreement. The Equity Purchase Agreement requires a closing by no later than August 24, 2012. The Equity Purchase Agreement contemplates an escrow closing as soon as possible after the Court's approval, and time is of the essence in connection with the closing of the Transaction, among

³ The Debtor issued notice of the contemplated Transaction to the other parties to the Stockholders Agreement on August 3, 2012.

other things, to avoid as much as possible a delayed effective date of the plan of liquidation. As such, the Court should approve the waiver of the 14-day stay under Bankruptcy Rules 6004(h) and 6006(d) to ensure that the transaction can close in accordance with its terms.

NOTICE

32. Notice of this Motion has been provided to all parties on the Master Service List (as defined in this Court's Order Granting First-Day Motion for Authority to Limit Notice and Establish Notice Procedures dated February 7, 2012 [D.I. 32]) and all parties to the Stockholders Agreement. The Debtor submits that no other or further notice need be provided. In light of the relief requested, the Debtor requests that the Court find that the notice provided for herein is sufficient and waive and dispense with any further notice requirements.

NO PRIOR REQUEST

33. No prior motion for the relief requested herein has been made to this or any other court.

WHEREFORE, the Debtor respectfully requests that the Court: (a) enter the Sale Order in the form attached as **Exhibit 1** to this Motion authorizing the sale of the Purchased Assets, including the assumption and assignment of the Stockholders Agreement, to the Purchaser on the terms therein; and (b) grant such other and further relief as the Court may deem proper.

Respectfully submitted,

HONIGMAN MILLER SCHWARTZ AND COHN LLP
Counsel for the Debtors

Dated: August 3, 2012

By: /s/ Aaron M. Silver
Aaron M. Silver (P65481)
2290 First National Building
660 Woodward Avenue
Detroit, MI 48226
Telephone: (313) 465-7000
Facsimile: (313) 465-8000
Email: asilver@honigman.com

EXHIBIT 1

Proposed Order

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

In re:)	
)	Chapter 11
)	
ENERGY CONVERSION DEVICES, INC., et al.,)	Case No. 12-43166
)	(Jointly Administered)
)	
Debtors.)	Judge Thomas J. Tucker
)	

**ORDER (A) GRANTING DEBTOR ENERGY
CONVERSION DEVICES, INC'S MOTION TO SELL
CERTAIN EQUITY INTERESTS IN OVONYX, INC. FREE AND CLEAR OF
LIENS, CLAIMS, INTERESTS AND ENCUMBRANCES, (B) AUTHORIZING
THE ASSUMPTION AND ASSIGNMENT OF STOCKHOLDERS AGREEMENT
IN CONNECTION THEREWITH AND (C) GRANTING CERTAIN RELATED RELIEF**

Upon the motion (the "**Motion**")¹ of Energy Conversion Devices, Inc. (the "**Debtor**") for an order authorizing:

(a) the sale of all of the Debtor's shares (the "**Ovonyx Shares**") in Ovonyx, Inc., a Nevada corporation ("**Ovonyx**");

(b) the assumption by the Debtor of that certain Stockholders Agreement, dated February 4, 2000, among Ovonyx, the Debtor and certain other shareholders of Ovonyx (the "**Assigned Contract**" and, together with the Ovonyx Shares, collectively, the "**Purchased Assets**") and the assignment of such Assigned Contract to Micron Technology, Inc. or its designee (the "**Purchaser**"); and

(c) certain related relief;

¹ All capitalized terms not otherwise defined herein shall have the meaning assigned to such terms in the Equity Purchase Agreement.

and a hearing on the Motion having been held on _____, 2012 (the "**Sale Hearing**") at which time all interested parties were offered the opportunity to be heard with respect to the Motion, the Equity Purchase Agreement by and between the Debtor and the Purchaser, a copy of which is attached hereto as Exhibit A (the "**Equity Purchase Agreement**"), and the transactions contemplated or related to the Motion and the Equity Purchase Agreement (collectively, the "**Transaction**").

NOW, THEREFORE, based upon the Motion, the objections, if any, raised at the Sale Hearing, the representations and argument of counsel, the entire record of the Sale Hearing, and after due deliberation thereon, and good cause appearing therefor,

IT IS HEREBY FOUND, CONCLUDED AND DETERMINED THAT:²

A. The Court has jurisdiction over the Motion, the Equity Purchase Agreement and the Transaction pursuant to sections 157 and 1334 of title 28 of the United States Code. This matter is a core proceeding pursuant to sections 157(b)(2)(A) and 157(b)(2)(N) of title 28 of the United States Code.

B. Proper, timely, adequate and sufficient notice of the Motion and the Sale Hearing has been provided in accordance with rules 2002, 6004, 6006 and 9016 of the Federal Rules of Bankruptcy Procedure and the applicable local rules of this Court, and such notice was properly served on all required persons and entities, including: (i) the persons and entities identified on the Debtor's Master Service List; and (ii) each party to the Assigned Contract. Such notice was good and sufficient and appropriate under the circumstances and complied with the various applicable requirements of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure and the local

² Findings of fact shall be construed as conclusions of law and conclusions of law shall be construed as findings of fact as appropriate and necessary. See Fed. R. Bankr. P. 7052.

rules of this Court, and no other or further notice of the Motion, the Transaction or the Sale Hearing is or shall be required.

C. As demonstrated by (i) the proffered testimony and other evidence proffered or adduced at the Sale Hearing and (ii) the representations of counsel made on the record at the Sale Hearing, the Debtor and the Debtor's professionals have adequately marketed the Purchased Assets in a non-collusive, fair and good faith manner.

D. Approval of the Equity Purchase Agreement and the sale of the Purchased Assets at this time are in the best interests of the Debtor, its estate, creditors and other parties in interest.

E. The Debtor has demonstrated both (i) good, sufficient and sound business purposes and justifications for the sale of the Purchased Assets and the Debtor's assumption of the Assigned Contract and the assignment of the Assigned Contract to the Purchaser in the manner proposed by the Motion and (ii) compelling circumstances for the sale of the Purchased Assets pursuant to section 363(b) and 365(f) of the Bankruptcy Code in such manner and at this time in that, among other things, a sale of the Purchased Assets at this time and in this manner presents the best opportunity to maximize the value of the Purchased Assets. By contrast, any delay in the sale of the Purchased Assets or the assumption and assignment of the Assigned Contract will substantially impair the value of the Purchased Assets to the detriment of the Debtor's estate.

F. The Purchased Assets are property of the Debtor's estate and title thereto is vested in such estate.

G. The Debtor possesses (i) the full corporate power and authority necessary to execute the Equity Purchase Agreement and all other documents contemplated thereby and (ii) the full corporate power and authority necessary to consummate the Transaction, and no consents or

approvals, other than those expressly provided for in the Equity Purchase Agreement, are required for the Debtor to consummate such Transaction.

H. The Debtor and the Purchaser negotiated the Equity Purchase Agreement, and all other agreements relating to the Transaction, without collusion, in good faith and from arm's-length bargaining positions. Neither the Debtor nor the Purchaser has engaged in any conduct, or failed to take any action, in either case that would cause or permit the Equity Purchase Agreement or any part of the Transaction to be avoided or any cause of action to exist under section 363(n) of the Bankruptcy Code.

I. The Purchaser is purchasing the Purchased Assets in good faith and is a good faith purchaser under section 363(m) of the Bankruptcy Code and, as such, is entitled to all of the protections afforded thereby, and otherwise has proceeded in good faith in all respects in connection with this proceeding and the Transaction. Without limiting the foregoing, the Debtor's assumption of the Assigned Contract and the assignment of the Assigned Contract to the Purchaser is an integral component of the Transaction, and, therefore, section 363(m) of the Bankruptcy Code and all of the protections afforded thereby apply to all aspects of the Debtor's assumption of the Assigned Contract and all aspects of the assignment of the Assigned Contract to the Purchaser.

J. The Purchase Price to be paid by the Purchaser for the Purchased Assets under the Equity Purchase Agreement is fair and reasonable and constitutes reasonably equivalent value and fair consideration under the Bankruptcy Code, the Uniform Fraudulent Transfer Act, the Uniform Fraudulent Conveyance Act and under any other applicable laws of the United States or any state thereof.

K. Pursuant to section 363(f) of the Bankruptcy Code, the Debtor may sell the Purchased Assets to the Purchaser free and clear of any and all interests, claims, liens and encumbrances of any kind.

L. The Debtor and the Purchaser have provided adequate assurance of the Purchaser's future performance of and under the Assigned Contract within the meaning of sections 365(b)(1)(C) and 365(f)(2)(B) of the Bankruptcy Code.

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

1. The Motion is GRANTED in its entirety, as further described herein.
2. All objections to the Motion or the relief requested therein that have not been withdrawn, waived or settled, and all reservations of rights included therein, are hereby overruled on the merits.
3. The Equity Purchase Agreement, attached hereto as Exhibit A, and all of the terms and conditions thereof, together with all other related documents and instruments, are hereby approved and incorporated herein in their entirety.
4. Pursuant to section 363(b) of the Bankruptcy Code, the Debtor is authorized and directed to perform the Debtor's obligations under and comply with the terms of the Equity Purchase Agreement, and consummate the sale of the Purchased Assets to the Purchaser, pursuant to and in accordance with the terms and conditions of the Equity Purchase Agreement and this Order.
5. The Debtor is authorized and directed to execute and deliver, and empowered to perform under, consummate and implement, the Equity Purchase Agreement, together with all additional instruments and documents that may be reasonably necessary or desirable to implement

the Equity Purchase Agreement and to take all further actions as may be reasonably requested by the Purchaser for the purpose of assigning, transferring, granting, conveying and conferring the Purchased Assets to the Purchaser, or as may be necessary or appropriate to the performance of the obligations as contemplated by the Equity Purchase Agreement.

6. No further approval of the Debtor's Board of Directors is required to consummate the Transaction. The Transaction does not conflict with, or result in any violation of or default under, or give rise to a right of payment, termination, modification, acceleration or cancellation under any provisions of the Debtor's certificate of incorporation or bylaws.

7. Pursuant to Bankruptcy Code sections 105(a), 363(b), 363(f) and 365(f), the Debtor is authorized and directed to transfer the Purchased Assets to the Purchaser and, subject only to the first offer right set forth in section 4.3 of the Assigned Contract but free and clear of any participation right of other Ovonyx stockholders, upon the Closing, the transfer of the Purchased Assets to Purchaser under the Equity Purchase Agreement will be a legal, valid and effective transfer, and will vest the Purchaser with all right, title and interest of the Debtor, at and as of the Closing, to the Purchased Assets, free and clear of all of the following (collectively, the "**Interests**"): liens, security interests, collateral assignments, encumbrances, claims (as defined in section 101(5) of the Bankruptcy Code), obligations, liabilities, demands, guarantees, actions, suits, defenses, deposits, credits, allowances, options, rights, restrictions, limitations, contractual commitments, rights of first refusal, rights of setoff or recoupment, third party rights, rights limited to the Debtor, other agreement terms tending to limit any rights or privileges of the Debtor under any contracts, conditional sale contracts, title retention contracts, mortgages, leases, deeds of trust, hypothecations, indentures, security agreements, easements, licenses, servitudes, proxies, voting trusts, transfer restrictions under any shareholder or similar agreements or any other agreements,

arrangements, contracts, commitments, understandings, obligations or interests of any kind or nature whether known or unknown, legal or equitable, matured or unmatured, contingent or noncontingent, liquidated or unliquidated, asserted or unasserted, whether arising prior to or subsequent to the commencement of this chapter 11 case, whether imposed by agreement, understanding, law, equity or otherwise, including, but not limited to: (a) those Interests that purport to give any party a right or option to effect a setoff against or any forfeiture, modification or termination of Debtor's interests in the Purchased Assets, or any similar rights if any; (b) those Interests arising under all mortgages, deeds of trust, security interests, conditional sale or other title retention agreements, pledges, liens, judgments, demands, encumbrances, rights of first refusal or charges of any kind or nature, if any; and (c) those Interests arising in connection with any agreements, the transactions contemplated under the Equity Purchase Agreement, acts, or failures to act, of the Debtor or any of the Debtor's predecessors, affiliates, or representatives, including, but not limited to, Interests arising under any doctrines of successor liability or similar theories under applicable state or federal law or otherwise; provided, however, that all such Interests, to the extent applicable, attach to the cash proceeds of the sale of the Purchased Assets in the order of their priority, with the same validity, force and effect which they now have as against the Purchased Assets, subject to any claims and defenses the Debtor or its estate may possess with respect thereto.

8. For the avoidance of doubt, upon the Closing, the Transaction contemplated by the Equity Purchase Agreement, including the assignment to the Purchaser of all of the Debtor's right, title and interest in, to and under the Ovonyx Shares and the Assigned Contract, shall be immediately effective for all purposes, and the escrow arrangements contemplated by section 10.4 of the Equity Purchase Agreement are solely an administrative mechanism to unwind the

Transaction in the event the first offer right set forth in section 4.3 of the Assigned Contract is exercised.

9. The Debtor may sell the Purchased Assets free and clear of any Interests because, in each case, one or more of the standards set forth in section 363(f)(1)-(5) of the Bankruptcy Code have been satisfied. Those holders of Interests who did not object to or who withdrew their objections to the sale of the Purchased Assets or the Transaction are deemed to have consented to the Motion and the Transaction pursuant to section 363(f)(2) of the Bankruptcy Code. Those holders of Interests who did object fall within one or more of the other subsections of section 363(f) of the Bankruptcy Code and are adequately protected by having their Interests attach to the net proceeds ultimately attributable to the Purchased Assets against or in which such Interests are asserted, subject to the terms of such Interests, with the same validity, force and effect, and in the same order of priority, which such Interests now have against the Purchased Assets or their proceeds, subject to any rights, claims and defenses the Debtor or its estate, as applicable, may possess with respect thereto.

10. Pursuant to sections 105(a) and 365 of the Bankruptcy Code, and subject to and conditioned upon the Closing of the sale of the Purchased Assets pursuant to the Equity Purchase Agreement, the Debtor's assumption of the Assigned Contract and the assignment of the Assigned Contract to the Purchaser is hereby approved, and the requirements of sections 365(b)(1) and 365(f)(2) of the Bankruptcy Code with respect thereto shall be deemed satisfied.

11. In accordance with sections 105(a), 363 and 365 of the Bankruptcy Code, the Debtor is hereby authorized to (a) assume the Assigned Contract and assign the Assigned Contract to the Purchaser, effective upon the Closing of the sale of the Purchased Assets under the Equity Purchase Agreement, free and clear of any and all Interests of any kind or nature whatsoever and

(b) execute and deliver to the Purchaser such documents or other instruments as may be necessary to assign and transfer the Assigned Contract to the Purchaser.

12. The Assigned Contract shall be transferred free and clear of any and all Interests of any kind or nature whatsoever to, and shall remain in full force and effect for the benefit of, the Purchaser in accordance with its respective terms, notwithstanding any provision in applicable law or in the Assigned Contract (including those of the type described in sections 365(b)(2), 365(f)(1) and 365(f)(3) of the Bankruptcy Code) that prohibits, restricts, or conditions such assignment or transfer, or that terminates or modifies, or permits a party other than the Debtor to terminate or modify, the Assigned Contract as a result of the Debtors' assumption of the Assigned Contract or the assignment of the Assigned Contract to the Purchaser. Notwithstanding any provision in the Assigned Contract or applicable law to the contrary, as of the Closing, the Purchaser shall have all rights under the Assigned Contract that the Debtor had under the Assigned Contract immediately prior to Closing.

13. Without limiting paragraph 12 above, section 4.2 of the Assigned Contract is modified pursuant to section 365(f)(1) of the Bankruptcy Code to allow the Closing and the Transaction (including, without limitation, the transfer to the purchaser of all of the Debtor's right, title and interest in, to and under the Ovonix Shares) to occur prior to the expiration of the 30 day election period set forth in section 4.2 of the Assigned Contract as provided in the Equity Purchase Agreement. To the extent the Closing and the Transaction occur utilizing the escrow arrangements contemplated by Section 10.4 of the Equity Purchase Agreement prior to the expiration of the applicable 30 day election period set forth in section 4.2 of the Assigned Contract, neither the Closing nor the Transaction shall constitute a breach of the Assigned Contract. Further, without limiting paragraph 12 above and pursuant to section 365(f)(1) of the Bankruptcy Code, the

participation rights and similar rights, and other conditions of transfer, contained in section 4.4 of the Assigned Contract are null, void and unenforceable with respect to the Transaction.

14. Also without limiting paragraph 12 above and pursuant to section 365(f)(3) of the Bankruptcy Code, sections 2.4 and 2.6 of the Assigned Contract are null, void and unenforceable with respect to the Transaction.

15. Purchaser would not have entered into the Equity Purchase Agreement and would not have consummated the Transaction, thus adversely affecting the Debtor, its estate and creditors, if the sale of the Purchased Assets to the Purchaser and the Debtor's assumption of the Assigned Contract and the assignment or transfer of the Assigned Contract to the Purchaser were not free and clear of all Interests of any kind or nature, as set forth in this Order and including, without limitation, those provisions set forth in paragraph 11 above, or if the Purchaser would, or in the future could, be liable for any Interests.

16. The transfer of the Purchased Assets to Purchaser under the Equity Purchase Agreement shall not result in Purchaser having any liability or responsibility for, or any Purchased Assets being recourse for: (a) any Interest asserted against the Debtor or against an insider of Debtor or against any of the Purchased Assets or any other assets of the Debtor; (b) the satisfaction in any manner, whether at law or in equity, whether by payment, setoff, recoupment, or otherwise, directly or indirectly, and whether from the Purchased Assets or otherwise, of any Interest; or (c) otherwise to third parties on account of claims arising prior to the Closing; provided, however, that nothing in this paragraph 16 shall limit or modify the parties' respective rights and obligations under the Equity Purchase Agreement.

17. Without limiting the effect or scope of the foregoing, the transfer of the Purchased Assets from the Debtor to the Purchaser does not and will not subject the Purchaser or its affiliates,

successors or assigns or their respective properties (including the Purchased Assets) to any liability for Interests against the Debtor or the Debtor's Interests in such Purchased Assets by reason of such transfer or otherwise under the laws of the United States or any other law applicable to the Transaction, including, without limitation, any successor liability or similar theories.

18. Each creditor, governmental unit, person and entity, and other party in interest is permanently enjoined and prohibited from taking any action against the Purchaser or the Purchased Assets, or otherwise interfering with the Purchaser's use of the Purchased Assets, or taking any action in contravention of the rights granted to Purchaser hereunder, based upon or by reason of any Interest or agreement which such person had against the Debtor.

19. All entities in possession of some or all of the Purchased Assets at the Closing are directed to surrender possession of the Purchased Assets to the Purchaser at the Closing.

20. This Order (a) shall be effective as a determination that, on the Closing, all Interests of any kind or nature whatsoever existing as to the Purchased Assets prior to the Closing have been unconditionally released, discharged and terminated, and that the conveyances described herein have been effected and (b) shall be binding upon and shall govern the acts of all entities including without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal, state, and local officials, and all other persons and entities who may be required by operation of law, the duties of their office, or contract, to accept, file, register or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to any of the Purchased Assets. Upon the Closing, the Debtor and any persons holding an Interest in the Purchased Assets as of the Closing are authorized and directed to execute such documents and take all other actions as may be reasonably

necessary to release their Interests in the Purchased Assets, if any, as such Interests may have been recorded or may otherwise exist. Without limiting the foregoing, Ovonyx is hereby ordered, immediately upon the Closing (including, for the avoidance of doubt, in the event the Closing occurs prior to the expiration of the applicable 30 day election period set forth in section 4.2 of the Assigned Contract and the Transaction remains subject to rescission and unwinding as provided in the Equity Purchase Agreement) to make such entries in its books and records, including its stock ledger, as are necessary to reflect the transfer of the Ovonyx Shares from the Debtor to Purchaser and Purchaser's resulting ownership of the Ovonyx Shares and to treat Purchaser as the record and beneficial owner of the Ovonyx Shares for all purposes.

21. This Court retains jurisdiction, pursuant to its statutory powers under section 157(b)(2) of title 28 of the United States Code, to, among other things, interpret, implement and enforce the terms and provisions of this Order, all amendments thereto and any waivers and consents thereunder, including, but not limited to, retaining jurisdiction to: (a) compel delivery of the Purchased Assets to the Purchaser and the recording of such transfer on the books and records of Ovonyx; (b) interpret, implement and enforce the provisions of this Order, any related order and the Equity Purchase Agreement; (c) protect the Purchaser, its affiliates, partners, principals, members or shareholders against any Interests against the Debtor or the Purchased Assets of any kind or nature whatsoever, including, without limitation, those provisions of the Assigned Contract invalidated pursuant to section 365(f) of the Bankruptcy Code by the terms of this Order, in each case whether or not through the grant of declaratory and injunctive relief determining that the Purchaser, its affiliates, partners, principals, members or shareholders and their assets (including the Purchased Assets) are not subject to such Interests and prohibiting persons and entities from asserting such Interests against the Purchaser, its affiliates, partners, principals,

members or shareholders and their assets (including the Purchased Assets); and (d) enter any orders under sections 105(a), 363 and 365 of the Bankruptcy Code with respect to the Purchased Assets and the Assigned Contract.

22. The Transaction is undertaken by the Purchaser in good faith, as that term is used in section 363(m) of the Bankruptcy Code, and, accordingly, the reversal or modification on appeal of this Order shall not affect the validity of the sale of the Purchased Assets to the Purchaser, or any other part of the Transaction contemplated or authorized by this Order (including, without limitation, all aspects of the assumption and all aspects of the assignment of the Assigned Contract), unless the same is stayed pending appeal prior to the Closing of the Transaction authorized herein.

23. The Transaction shall not be avoided and no damages may be assessed against the Purchaser (or the Purchaser's equity holders) under section 363(n) of the Bankruptcy Code.

24. The Expense Reimbursement pursuant to the Equity Purchase Agreement is hereby approved. The Expense Reimbursement and any other liability of the Debtor in respect of the Equity Purchase Agreement shall be administrative expense priority obligations under sections 503(b) and 507(b) of the Bankruptcy Code.

25. The terms and provisions of the Equity Purchase Agreement and this Order shall be binding in all respects upon, and inure to the benefit of the Debtor and its estate, all creditors (whether known or unknown) of the Debtor, all non-debtor parties to the Assigned Contract and the Purchaser and each of their respective affiliates, subsidiaries, successors and assigns, and any affected third parties including, but not limited to, any persons asserting a claim or lien against any of the Purchased Assets, and any subsequent trustee appointed in the Debtor's chapter 11 case or

upon conversion of the Debtor's Chapter 11 case to a case under chapter 7 of the Bankruptcy Code or upon a dismissal of the Debtor's case.

26. Nothing contained in any chapter 11 plan confirmed in these cases or the order confirming any such plan shall conflict with or deviate from the terms of this Order.

27. Any claim the Purchaser may possess against the Debtor under the Equity Purchase Agreement shall not be subject to any claims bar date, administrative or otherwise, established in these chapter 11 cases.

28. The Equity Purchase Agreement and related agreements, documents or other instruments may be modified, amended or supplemented by the parties thereto in accordance with the terms thereof without further order of the Court, provided that any such modification, amendment or supplement does not have a material adverse effect on the Debtor's estate.

29. For the reasons set forth in the Motion and on the record at the Sale Hearing, the Transaction must be approved by the Court and consummated promptly in order to maximize the value of the Debtor's estate. For those reasons, as provided by Rules 6004(h) and 6006(d) of the Federal Rules of Bankruptcy Procedure, this Order shall not be stayed for 14 days after entry of the Order and shall be effective and enforceable immediately upon entry.

Dated: _____, 2012

Detroit, Michigan

/s/ _____
Thomas J. Tucker
United States Bankruptcy Judge

EXHIBIT 2

Notice of Motion and Opportunity to Object

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

In re:

**ENERGY CONVERSION DEVICES, INC.,
et al.¹,**

Debtors.

Chapter 11

Case No. 12-43166
(Jointly Administered)

Judge Thomas Tucker

**NOTICE OF DEBTOR ENERGY CONVERSION DEVICES, INC.'S MOTION FOR AN
ORDER AUTHORIZING (A) THE SALE OF CERTAIN EQUITY INTERESTS IN
OVONYX, INC. FREE AND CLEAR OF LIENS, CLAIMS, INTERESTS AND
ENCUMBRANCES, (B) THE ASSUMPTION AND ASSIGNMENT OF
STOCKHOLDERS AGREEMENT IN CONNECTION THEREWITH AND (C)
CERTAIN RELATED RELIEF**

On August 3, 2012, Energy Conversion Devices, Inc. (“**ECD**”), as debtor and debtor in possession in the above-captioned chapter 11 case (the “**Debtor**”), filed its motion (the “**Motion**”) for an order authorizing the sale of all of the Debtor’s shares in Ovonyx, Inc. (“**Ovonyx**”) to Micron Technology, Inc. (the “**Purchaser**”), free and clear of all liens, claims, interests and encumbrances, and the assumption and assignment of that certain Stockholders Agreement, dated February 4, 2000, among Ovonyx, the Debtor and certain other shareholders of Ovonyx to the Purchaser, pursuant to an equity purchase agreement by and between the Debtor and the Purchaser substantially in the form attached to the Motion.

Your rights may be affected. You should read these papers carefully and discuss them with your attorney, if you have one in this bankruptcy case. (If you do not have an attorney, you may wish to consult one.)

The Debtor intends to ask the Court to expedite the hearing on the Motion. If this request to expedite is granted, and you do not want the Court to grant the relief sought in the Motion, or if you want the court to consider your view on the Motion, on or before **August 13, 2012 at 5:00 p.m.** you must:

1. File with the Court a written response or an answer,² explaining your position at:

United States Bankruptcy Court

¹ The Debtors in these jointly administered cases are Energy Conversion Devices, Inc. (Case No. 12-43166) and United Solar Ovonic LLC (Case No. 12-43167).

² Response or answer must comply with Fed. R. Civ. P. 8(b), (c) and (e).

211 W. Fort Street, Suite 2100
Detroit, MI 48226

If you mail your response to the Court for filing, you must mail it early enough so the Court will **receive** it on or before the date and time stated above.

You must also mail a copy to:

Aaron M. Silver, Esq.
Honigman Miller Schwartz and Cohn LLP
2290 First National Building
660 Woodward Avenue
Detroit, MI 48226

2. If a response or answer is timely filed and served, the clerk will schedule a hearing on the Motion and you will be served with a notice of the date, time, and location of the hearing.

If the Court does not expedite the hearing, and you do not want the Court to grant the relief sought in the Motion, or if you want the court to consider your view on the Motion, you must take the foregoing actions within 14 days of the date of this notice.

If you or your attorney do not take these steps, the Court may decide that you do not oppose the relief sought in the Motion and may enter an order granting that relief.

HONIGMAN MILLER SCHWARTZ AND COHN LLP
Counsel for the Debtors

By: /s/Aaron M. Silver
Aaron M. Silver (P65481)

Date: August 3, 2012

2290 First National Building
660 Woodward Avenue
Detroit, MI 48226
Telephone: (313) 465-7000
Facsimile: (313) 465-8000
Email: asilver@honigman.com

EXHIBIT 3

Required Brief – Not Applicable

EXHIBIT 4

Certificate of Service

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

In re:

**ENERGY CONVERSION DEVICES, INC.,
et al.¹,**

Debtors.

Chapter 11

Case No. 12-43166
(Jointly Administered)

Judge Thomas Tucker

CERTIFICATE OF SERVICE

Debtors have engaged a Noticing Agent, which will serve this Motion and file a subsequent Proof of Service after it has performed the service.

HONIGMAN MILLER SCHWARTZ AND COHN LLP
Counsel for the Debtors

Date: August 3, 2012

By: /s/ Aaron M. Silver
Aaron M. Silver (P65481)
2290 First National Building
660 Woodward Avenue
Detroit, MI 48226
Telephone: (313) 465-7000
Facsimile: (313) 465-8000
Email: asilver@honigman.com

¹ The Debtors in these jointly administered cases are Energy Conversion Devices, Inc. (Case No. 12-43166) and United Solar Ovonic LLC (Case No. 12-43167).

EXHIBIT 5

Affidavits – Not Applicable

EXHIBIT 6-A

Equity Purchase Agreement

EQUITY PURCHASE AGREEMENT

dated as of August 3, 2012

among

MICRON TECHNOLOGY, INC.

and

ENERGY CONVERSION DEVICES, INC.

TABLE OF CONTENTS

	Page
ARTICLE 1	DEFINITIONS..... 1
1.1	Certain Terms Defined..... 1
1.2	Interpretation..... 5
ARTICLE 2	PURCHASE AND SALE; ASSUMPTION 6
2.1	Purchase and Sale 6
2.2	Assumption 6
ARTICLE 3	CONSIDERATION 6
3.1	Purchase Price..... 6
3.2	Payment of Cash Payment Amount..... 6
ARTICLE 4	REPRESENTATIONS AND WARRANTIES OF ECD 6
4.1	Organization..... 6
4.2	Authorization 7
4.3	No Conflicts..... 7
4.4	No Consents or Approvals..... 8
4.5	Title..... 8
4.6	Ovonyx..... 9
4.7	No Brokers or Finders..... 10
4.8	Warranties Exclusive 10
ARTICLE 5	REPRESENTATIONS AND WARRANTIES OF PURCHASER..... 11
5.1	Organization..... 11
5.2	Authorization 11
5.3	No Conflicts..... 11
5.4	No Consents or Approvals..... 12
5.5	Financial Capability 12
5.6	Investment Intent 12
5.7	Warranties Exclusive 12
ARTICLE 6	COVENANTS AND OTHER AGREEMENTS 12
6.1	Pre-Closing Covenants of ECD 12
6.2	Pre-Closing Covenants of Purchaser 14
ARTICLE 7	TRANSFER TAXES 15

TABLE OF CONTENTS
(continued)

	Page
ARTICLE 8 BANKRUPTCY COURT MATTERS	15
8.1 Motion.....	15
8.2 Procedure	15
8.3 Purchaser Protections.....	16
8.4 Adequate Assurances.....	16
ARTICLE 9 CONDITIONS PRECEDENT TO PERFORMANCE BY THE PARTIES	16
9.1 Conditions Precedent to Performance by ECD.....	16
9.2 Conditions Precedent to the Performance by Purchaser	17
ARTICLE 10 DELIVERIES AND CLOSING	18
10.1 Closing.....	18
10.2 ECD's Deliveries	18
10.3 Purchaser's Deliveries	19
10.4 Alternative Escrow Closing.....	19
ARTICLE 11 TERMINATION.....	20
11.1 Conditions of Termination.....	20
11.2 Effect of Termination.....	22
11.3 Expense Reimbursement; Administrative Priority	22
ARTICLE 12 MISCELLANEOUS	23
12.1 Survival; Limitations on ECD Liability.....	23
12.2 Further Assurances.....	23
12.3 Successors and Assigns.....	24
12.4 Governing Law; Jurisdiction.....	24
12.5 Expenses	24
12.6 Severability	24
12.7 Notices	25
12.8 Amendments; Waivers.....	26
12.9 Entire Agreement.....	26
12.10 Bankruptcy Court Approval.....	26
12.11 ECD Disclosures.....	26

TABLE OF CONTENTS
(continued)

	Page
12.12 Headings	27
12.13 Electronic Delivery; Counterparts	27
12.14 Waiver of Jury Trial.....	27
12.15 Third Party Beneficiaries	27

EXHIBITS

Exhibit A	Form of Assignment and Assumption Agreement
Exhibit B	Form of Bankruptcy Sale Order
Exhibit C	Ovonyx Stockholders Agreement
Exhibit D	Form of Offer Notice

SCHEDULES

Ovonyx Capitalization Schedule
Post-Petition Stockholder Actions Schedule

EQUITY PURCHASE AGREEMENT

THIS EQUITY PURCHASE AGREEMENT (this "Agreement"), dated as of August 3, 2012 (the "Execution Date"), is made by and between (i) Micron Technology, Inc., a Delaware corporation ("Purchaser"), and (ii) Energy Conversion Devices, Inc., a Delaware corporation ("ECD").

RECITALS

WHEREAS, Ovonyx, Inc., a Nevada corporation ("Ovonyx"), was formed to commercialize ECD's phase-change random access memory technology through licensing and product development arrangements;

WHEREAS, ECD owns 6,525,000 shares of Class D Common Stock, par value \$.001 per share, and 975,000 shares of Class C Common Stock, par value \$.001 per share, of Ovonyx (collectively, the "Ovonyx Shares");

WHEREAS, ECD is party to that certain Stockholders Agreement, dated as of February 4, 2000 (as amended, the "Ovonyx Stockholders Agreement"), with Ovonyx and certain other Ovonyx stockholders;

WHEREAS, on February 14, 2012 (the "Petition Date"), ECD filed a voluntary petition for reorganization relief (the "Bankruptcy Case") pursuant to Chapter 11 of Title 11 of the United States Code, 11 U.S.C. §§ 101 et seq. (the "Bankruptcy Code"), with the United States Bankruptcy Court for the Eastern District of Michigan (the "Bankruptcy Court");

WHEREAS, ECD desires to sell, transfer, assign, convey and deliver to Purchaser, and Purchaser desires to purchase, acquire and accept from ECD, all of ECD's right, title and interest in, to and under the Ovonyx Shares and the Ovonyx Stockholders Agreement, pursuant to Sections 363 and 365 of the Bankruptcy Code and as more specifically provided herein; and

WHEREAS, the transactions contemplated by this Agreement are subject to the approval of the Bankruptcy Court and will be consummated only pursuant to the Bankruptcy Sale Order to be entered in the Bankruptcy Case.

NOW, THEREFORE, in consideration of the foregoing and their respective representations, warranties, covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, ECD and Purchaser hereby agree as follows:

ARTICLE 1 DEFINITIONS

1.1 Certain Terms Defined. As used in this Agreement, the following terms have the following meanings:

“Affiliate” means, with respect to any Person, any other Person that, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person, and the term “control” (including the terms “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct the management and policies of such Person, whether through ownership of voting securities, by contract or otherwise.

“Agreement” has the meaning set forth in the Preamble.

“Alternate Transaction” has the meaning set forth in Section 6.1(c)(i).

“Ancillary Agreement” means any agreement, document or instrument (other than this Agreement) that ECD or Purchaser, as applicable, enters into or delivers in connection with the consummation of the transactions contemplated hereby.

“Assignment and Assumption Agreement” means the Assignment and Assumption Agreement in substantially the form annexed hereto as Exhibit A.

“Bankruptcy Case” has the meaning set forth in the Recitals.

“Bankruptcy Code” has the meaning set forth in the Recitals.

“Bankruptcy Court” has the meaning set forth in the Recitals.

“Bankruptcy Sale Order” means an order in the form annexed hereto as Exhibit B, with only such changes thereto as are acceptable to each of Purchaser and ECD in its reasonable discretion, exercised in good faith, or, to the extent such changes thereto are adverse to Purchaser or ECD (as applicable), approval in its sole discretion.

“Business Day” means any day other than Saturday, Sunday and any day that is a legal holiday or a day on which banking institutions in New York or Michigan are authorized by Law or other governmental action to close.

“Cash Payment Amount” has the meaning set forth in Section 3.1(a).

“Claim” has the meaning ascribed by Bankruptcy Code § 101(5), including all rights, claims, causes of action, defenses, debts, demands, damages, offset rights, setoff rights, recoupment rights, obligations and liabilities of any kind or nature under contract, at Law or in equity, known or unknown, contingent or matured, liquidated or unliquidated, and all rights and remedies with respect thereto.

“Closing” has the meaning set forth in Section 10.1.

“Closing Date” has the meaning set forth in Section 10.1.

“ECD” has the meaning set forth in the Preamble.

“ECD/Ovonyx Confidentiality Agreement” means the Mutual Nondisclosure Agreement for the Exchange of Confidential Information dated October 6, 2006 between ECD and Ovonyx, a true and complete copy of which has been provided to Purchaser, and any confidentiality duty or obligation arising under applicable Law or otherwise determined by ECD to be owing (acting reasonably and in good faith) based on information that is competitive or sensitive.

“ECD’s Knowledge” means the actual knowledge of Gregory G. Coppola after reasonable investigation (including due inquiry of the directors designated by ECD to Ovonyx’s board of directors and Jay Knoll, who was formerly such a director).

“Electronic Delivery” has the meaning set forth in Section 12.12.

“Encumbrances” means liens, security interests, collateral assignments, encumbrances, obligations, liabilities, demands, guarantees, actions, suits, defenses, deposits, credits, allowances, options, rights, restrictions, limitations, contractual commitments, rights of first refusal, rights of setoff or recoupment, third party rights, rights limited to ECD, other agreement terms tending to limit any rights or privileges of ECD under any contracts, conditional sale contracts, title retention contracts, mortgages, leases, deeds of trust, hypothecations, indentures, security agreements, easements, licenses, servitudes, proxies, voting trusts, transfer restrictions under any shareholder or similar agreements or any other agreements, arrangements, contracts, commitments, understandings, obligations or interests of any kind or nature whether known or unknown, legal or equitable, matured or unmatured, contingent or noncontingent, liquidated or unliquidated, asserted or unasserted, whether arising prior to or subsequent to the commencement of the Bankruptcy Case, whether imposed by agreement, understanding, Law, equity or otherwise, including, but not limited to: (a) those Encumbrances that purport to give any party a right or option to effect a setoff against or any forfeiture, modification or termination of ECD’s interests in the Ovonyx Shares, the Ovonyx Stockholders Agreement or both, or any similar rights if any; (b) those Encumbrances arising under all mortgages, deeds of trust, security interests, conditional sale or other title retention agreements, pledges, liens, judgments, demands, encumbrances, rights of first refusal or charges of any kind or nature, if any; and (c) those Encumbrances arising in connection with any agreements, the transactions contemplated under this Agreement, acts, or failures to act, of ECD or any of the ECD’s predecessors, Affiliates or representatives, including, but not limited to, Encumbrances arising under any doctrines of successor liability or similar theories under applicable state or federal Law or otherwise.

“Escrow Agent” means an independent, third-party financial institution selected by mutual agreement of the parties hereto, acting reasonably and in good faith.

“Escrow Agreement” means an escrow agreement among ECD, Purchaser and the Escrow Agent in form and substance consistent with the terms of this Agreement and otherwise mutually agreed to by the parties hereto, acting reasonably and in good faith.

“Execution Date” has the meaning set forth in the Preamble.

“Expense Reimbursement” means the documented actual, reasonable out-of-pocket costs and expenses (including fees and expenses of counsel) incurred by Purchaser or its Affiliates (other than ECD) at any time after the Petition Date in connection with the evaluation,

negotiation, documentation and implementation of this Agreement and the transactions contemplated hereby and all proceedings incident thereto up to a maximum of \$250,000.

“Final Order” means an order of the Bankruptcy Court or other Governmental Authority of competent jurisdiction: (a) as to which no appeal, notice of appeal, motion to amend or make additional findings of fact, motion to alter or amend judgment, motion for rehearing or motion for new trial, request for stay, motion or petition for reconsideration, application or request for review, or other similar motion, application, notice or request (collectively, a “Challenge”) has been timely filed, or, if any of the foregoing has been timely filed, it has been disposed of in a manner that upholds and affirms the subject order in all respects without the possibility for further Challenge thereon; (b) as to which the time for instituting or filing a Challenge shall have expired; and (c) as to which no stay is in effect.

“Governmental Authority” means any federal, state or local court, tribunal, governmental department, agency, board or commission, regulatory, taxing or supervisory authority, or other administrative, governmental or quasi-governmental body, subdivision or instrumentality.

“Interest” means “interest” as that term is used in Bankruptcy Code Section 363(f).

“Law” means any law, statute, ordinance, regulation, rule, code or rule of common law or otherwise of, or any order, judgment, injunction or decree issued, promulgated, enforced or entered by, any Governmental Authority.

“Material Adverse Effect” means a material adverse effect, whether short-term or long-term, on (a) the results of operations, condition (financial or otherwise), business, properties, assets or liabilities of Ovonyx, (b) the Ovonyx Shares or the value thereof, or (c) ECD’s rights under the Ovonyx Stockholders Agreement, but excluding any effect to the extent resulting from (1) changes, after the Execution Date, in U.S. generally accepted accounting principles or regulatory accounting principles; (2) changes, after the Execution Date, in applicable Laws or interpretations thereof by any Governmental Authority; (3) actions or omissions of ECD or Ovonyx expressly required by the terms of this Agreement or taken with the prior written consent of Purchaser; (4) general changes, after the Execution Date, in the economy or the industries in which Ovonyx operates; and (5) changes, after the Execution Date, in global or national political conditions, including the outbreak or escalation of war or acts of terrorism; except, with respect to clauses (1), (2), (4) and (5), to the extent that the effects of such changes have a disproportionate effect on Ovonyx relative to similarly situated companies.

“Material Corporate Action” has the meaning set forth in Section 6.1(d)(i).

“Motion” has the meaning set forth in Section 8.1.

“Offer Notice” has the meaning set forth in Section 6.1(c)(iv).

“Ovonyx” has the meaning set forth in the Recitals.

“Ovonyx Shares” has the meaning set forth in the Recitals.

“Ovonyx Stockholders Agreement” has the meaning set forth in the Recitals.

“Person” means any individual, corporation, partnership, limited liability company, firm, joint venture, association, joint-stock company, trust, unincorporated organization or Governmental Authority or other entity.

“Petition Date” has the meaning set forth in the Recitals.

“Plan” means a plan of liquidation or reorganization of ECD as part of the Bankruptcy Case.

“Purchase Price” has the meaning set forth in Section 3.1.

“Purchaser” has the meaning set forth in the Preamble.

“Sale Hearing” means the hearing to consider the entry of the Bankruptcy Sale Order.

1.2 Interpretation.

(a) Whenever the words “include,” “includes” or “including” are used in this Agreement they shall be deemed to be followed by the words “without limitation.”

(b) The words “hereof,” “herein” and “herewith” and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement as a whole and not to any particular provision of this Agreement, and article and section references are to the articles and sections of this Agreement unless otherwise specified.

(c) The meaning assigned to each term defined herein shall be equally applicable to both the singular and the plural forms of such term. Where a word or phrase is defined herein, each of its other grammatical forms shall have a corresponding meaning.

(d) A reference to any party to this Agreement or any other agreement or document shall include such party’s successors and permitted assigns.

(e) A reference to any legislation or to any provision of any legislation shall include any amendment to, and any modification or reenactment thereof, any legislative provision substituted therefor and all regulations and statutory instruments issued thereunder or pursuant thereto.

(f) When calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period shall be excluded. If the last day of such period is a non-Business Day, the period in question shall end on the next succeeding Business Day.

(g) Any reference in this Agreement to \$ shall mean U.S. dollars.

(h) The parties hereto have participated jointly in the negotiation and drafting of this Agreement and, in the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as jointly drafted by the parties hereto and no presumption or

burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provision of this Agreement.

ARTICLE 2 **PURCHASE AND SALE; ASSUMPTION**

2.1 Purchase and Sale. Pursuant to Sections 105, 363 and 365 of the Bankruptcy Code, on the terms and subject to the conditions set forth in this Agreement (including entry of the Bankruptcy Sale Order), at the Closing, Purchaser shall purchase, acquire and accept from ECD, and ECD shall sell, transfer, assign, convey and deliver to Purchaser, all of ECD's right, title and interest in, to and under the Ovonyx Shares and the Ovonyx Stockholders Agreement, free and clear of all Claims, Interests and Encumbrances (except to the extent that the express terms of the Ovonyx Stockholders Agreement themselves constitute Encumbrances).

2.2 Assumption. On the terms and subject to the conditions of this Agreement, at the Closing, Purchaser shall assume and agree to perform and discharge all of the obligations required to be performed and discharged by ECD under the Ovonyx Stockholders Agreement that arise or first become due after the Closing.

ARTICLE 3 **CONSIDERATION**

3.1 Purchase Price. In consideration of the sale of the Ovonyx Shares and the Ovonyx Stockholders Agreement to Purchaser, and in reliance upon the representations, warranties, covenants and agreements of ECD set forth herein, and on the terms and subject to the conditions set forth herein, the purchase price (the "Purchase Price") for the Ovonyx Shares and the Ovonyx Stockholders Agreement shall be:

- (a) the amount of \$12,000,000 (the "Cash Payment Amount") in cash; plus
- (b) the assumption of the obligations required to be performed and discharged by ECD under the Ovonyx Stockholders Agreement after the Closing.

3.2 Payment of Cash Payment Amount. On the terms and subject to the conditions set forth in this Agreement, at the Closing Purchaser shall pay to ECD the Cash Payment Amount in cash.

ARTICLE 4 **REPRESENTATIONS AND WARRANTIES OF ECD**

ECD hereby represents and warrants to Purchaser as of the date hereof and as of the Closing Date:

4.1 Organization. ECD is a corporation duly organized, validly existing and in good standing under the Laws of the State of Delaware.

4.2 Authorization. Subject to entry of the Bankruptcy Sale Order:

(a) ECD has all necessary corporate power and authority to execute and deliver this Agreement and each Ancillary Agreement to which ECD is or will become a party and to perform its obligations hereunder and thereunder;

(b) the execution, delivery and performance of this Agreement and each Ancillary Agreement to which ECD is or will become a party and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate action on the part of ECD and no other proceedings or actions (stockholder or otherwise) on the part of ECD are necessary to authorize such execution, delivery and performance; and

(c) this Agreement and each Ancillary Agreement to which ECD is or will become a party have been, or, in the case of Ancillary Agreements to which ECD will become a party, when executed and delivered will have been, duly and validly executed and delivered by ECD and (assuming the due authorization, execution and delivery by the other parties hereto or thereto) this Agreement and each Ancillary Agreement to which ECD is or will become a party constitutes, or, in the case of Ancillary Agreements to which ECD will become a party, when executed and delivered will constitute, the valid and binding obligation of ECD enforceable against ECD in accordance with their respective terms, subject to bankruptcy or other Laws affecting creditors' rights and general principles of equity, including principles of commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is sought in a proceeding at Law or in equity).

4.3 No Conflicts. None of the execution, delivery or performance by ECD of this Agreement or any Ancillary Agreement to which ECD is or will become a party, the consummation of any transaction contemplated hereby or thereby or compliance by ECD with any of the provisions hereof or thereof will result in the creation of any Encumbrance on any of the Ovonyx Shares or the Ovonyx Stockholders Agreement or will conflict with, or result in any violation of or default (with or without notice or lapse of time, or both) under, or give rise to a right of payment, termination, modification, acceleration or cancellation under any provisions of:

(a) subject to entry of the Bankruptcy Sale Order, ECD's certificate of incorporation or bylaws;

(b) subject to entry of the Bankruptcy Sale Order, the Ovonyx Stockholders Agreement or any other agreement, contract, commitment or understanding to which ECD is a party or by which its properties or assets, including the Ovonyx Shares and the Ovonyx Stockholders Agreement, are bound;

(c) subject to entry of the Bankruptcy Sale Order, any order, writ, injunction, judgment or decree of any Governmental Authority applicable to ECD or any of its properties or assets, including the Ovonyx Shares and the Ovonyx Stockholders Agreement, as of the date hereof; or

(d) subject to entry of the Bankruptcy Sale Order, any Law applicable to ECD or any of its properties or assets, including the Ovonyx Shares and the Ovonyx Stockholders Agreement.

4.4 No Consents or Approvals. Other than the Bankruptcy Sale Order and filings with the Bankruptcy Court in connection therewith, no consent, waiver, authorization or approval of any Person and no declaration to or filing or registration with any Governmental Authority is required on the part of ECD in connection with the execution and delivery by ECD of this Agreement or any Ancillary Agreement to which ECD is or will become a party or the performance by ECD of its obligations hereunder or thereunder.

4.5 Title.

(a) General. ECD has good, valid, marketable and undivided title to the Ovonyx Shares and the Ovonyx Stockholders Agreement free and clear of all Claims, Interests and Encumbrances (except to the extent that the express terms of the Ovonyx Stockholders Agreement themselves constitute Encumbrances), and, subject to entry of the Bankruptcy Sale Order, upon the Closing Purchaser will be vested with all right, title and interest of ECD, at and as of the Closing, in, to and under the Ovonyx Shares and Ovonyx Stockholders Agreement free and clear of all Claims, Interests and Encumbrances (except to the extent that the express terms of the Ovonyx Stockholders Agreement themselves constitute Encumbrances).

(b) Ovonyx Shares. The Ovonyx Shares are validly issued and outstanding and are fully paid and nonassessable. The Ovonyx Shares are not subject to any agreement, contract, commitment or understanding, including any agreement, contract, commitment or understanding restricting or otherwise relating to the voting, dividend rights or transfer of the Ovonyx Shares, other than this Agreement and the Ovonyx Stockholders Agreement. Other than the Ovonyx Shares and the Ovonyx Stockholders Agreement: (i) ECD does not own, beneficially or of record, any shares of capital stock or other equity interests in Ovonyx or any options, warrants or other securities or rights convertible into or exchangeable for any shares of capital stock or other equity interests in Ovonyx; (ii) to ECD's Knowledge, there are no agreements, contracts, commitments, understandings or other rights outstanding that provide for, or obligate any Person to enter into any agreement, contract, commitment, understanding or to grant other rights that provide for, the sale or issuance to ECD of any shares of capital stock or other equity interests in Ovonyx or any options, warrants or other securities or rights convertible into or exchangeable for any shares of capital stock or other equity interests in Ovonyx; and (iii) to ECD's Knowledge, there is no agreement, contract, commitment or understanding giving ECD a right to receive benefits similar to the rights enjoyed by or accruing to holders of capital stock of Ovonyx.

(c) Ovonyx Stockholders Agreement. The Ovonyx Stockholders Agreement is in full force and effect and is the valid and binding obligation of each party thereto, enforceable against each party thereto in accordance with its terms, subject to bankruptcy and other Laws affecting creditors' rights and to general principles of equity, including principles of commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is sought in a proceeding in Law or in equity). Neither ECD nor, to ECD's Knowledge, any other Person is in breach or violation of, or default under, the Ovonyx Stockholders Agreement. To

ECD's Knowledge, no event has occurred and no circumstances exist which, if not remedied, would result in such a breach, violation or default (with or without notice or lapse of time, or both) or would give rise to a right of payment, termination, modification, acceleration or cancellation under any provisions of the Ovonyx Stockholders Agreement. A true and complete copy of the Ovonyx Stockholders Agreement, as amended to Execution Date, is attached hereto as Exhibit C.

4.6 Ovonyx.

(a) Organization. To ECD's Knowledge, Ovonyx is validly existing and in good standing under the Laws of the State of Nevada.

(b) No Conflicts. To ECD's Knowledge, none of the execution, delivery or performance by ECD or Purchaser of this Agreement or any Ancillary Agreement, the consummation of any transaction contemplated hereby and thereby, or compliance by ECD or Purchaser with any of the provisions hereof or thereof will conflict with, or result in any violation of or default (with or without notice or lapse of time, or both) under, or give rise to a right of payment, termination, modification, acceleration or cancellation under any provisions of:

(i) Ovonyx's articles of incorporation or bylaws, in each case as amended to the Execution Date;

(ii) subject, in the case of the Ovonyx Stockholders Agreement, to entry of the Bankruptcy Sale Order, any agreement, arrangement, contract, commitment or understanding to which Ovonyx is a party or by which its properties or assets are bound;

(iii) any order, writ, injunction, judgment or decree of any Governmental Authority applicable to Ovonyx or any of its properties or assets as of the Execution Date; or

(iv) any Law applicable to Ovonyx or any of its properties or assets.

(c) Articles of Incorporation and Bylaws. ECD has delivered to Purchaser true and complete copies of Ovonyx's articles of incorporation and bylaws, each as amended to the Execution Date.

(d) Capitalization. The Ovonyx Capitalization Schedule attached hereto sets forth (i) the classes, the series and the number of shares of each class or series of capital stock which Ovonyx is authorized to issue, (ii) for each class or series of capital stock which Ovonyx is authorized to issue, the number of shares thereof issued and outstanding, and (iii) the number of such issued and outstanding shares (by series and class) held by each record holder thereof on any anonymous basis.

(e) Outstanding Options. The Ovonyx Capitalization Schedule attached hereto sets forth options to purchase capital stock of Ovonyx that have been granted and are outstanding and, for each, the applicable: (i) grant date, (ii) number and class or series of shares purchasable on exercise, (iii) vesting schedule, and (iv) holder of record on an anonymous basis.

(f) Outstanding Warrants. The Ovonyx Capitalization Schedule attached hereto sets forth warrants to purchase capital stock of Ovonyx that have been issued and are outstanding and, for each, the applicable: (i) issuance date, (ii) number and class or series of shares purchasable on exercise, (iii) exercise price, and (iv) holder of record on an anonymous basis.

(g) No Other Outstanding Equity Interests. Except as set forth in the Ovonyx Capitalization Schedule attached hereto:

(i) no other capital stock of Ovonyx is authorized, issued or outstanding;

(ii) there are no outstanding options, warrants or other securities or rights convertible into or exchangeable for any shares of capital stock or other equity interests in Ovonyx;

(iii) except for the Ovonyx Stockholder's Agreement, there are no agreements, contracts, commitments, understandings or other rights outstanding that provide for, or obligate Ovonyx to enter into any agreement, contract, commitment or understanding or to grant other rights that provide for, the sale or issuance by Ovonyx of any securities contemplated by clause (i) or (ii) above; and

(iv) there are no agreements, contracts, commitments or understandings giving any Person a right to receive benefits similar to the rights enjoyed by or accruing to holders of capital stock of Ovonyx.

(h) No Extraordinary Stockholder Actions. Except as provided in the Post-Petition Stockholder Actions Schedule attached hereto, from the Petition Date to the Execution Date, ECD, in its capacity as a stockholder of Ovonyx, has not been solicited or otherwise requested by Ovonyx or any other Person to (i) authorize or approve, whether by voting at a meeting of stockholders or by written consent in lieu of a meeting, any transaction involving Ovonyx or its assets or (ii) grant a proxy in connection with the authorization or approval of any such transaction.

(i) No Material Adverse Effect. To ECD's Knowledge, since May 31, 2010, there has not occurred any event, change or circumstance that, individually or in the aggregate with other events, changes and circumstances, has had or could reasonably be expect to have a Material Adverse Effect.

4.7 No Brokers or Finders. No agent, broker, finder, investment or commercial banker or other Person engaged by, or acting on behalf of, ECD is or will be entitled to any brokerage or finder's or similar fees or other commissions as a result of this Agreement, any Ancillary Agreement or the transactions contemplated hereby or thereby, other than Quarton Partners, the fees and expenses of which ECD shall bear.

4.8 Warranties Exclusive. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, ECD MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AT LAW OR IN EQUITY, IN RESPECT OF THE OVONYX SHARES, THE

OVONYX STOCKHOLDERS AGREEMENT OR OVONYX, INCLUDING WITH RESPECT TO MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, AND ANY SUCH OTHER REPRESENTATIONS OR WARRANTIES ARE HEREBY EXPRESSLY DISCLAIMED AND NONE SHALL BE IMPLIED AT LAW OR IN EQUITY. PURCHASER HEREBY ACKNOWLEDGES AND AGREES THAT PURCHASER IS PURCHASING THE OVONYX SHARES AND THE OVONYX STOCKHOLDERS AGREEMENT ON AN "AS IS, WHERE IS" BASIS EXCEPT TO THE EXTENT OF THE EXPRESS TERMS CONTAINED HEREIN.

ARTICLE 5
REPRESENTATIONS AND WARRANTIES OF PURCHASER

Purchaser represents and warrants to ECD as of the date hereof and as of the Closing Date:

5.1 Organization. Purchaser is a corporation duly organized, validly existing and in good standing under the Laws of the State of Delaware and has all requisite corporate power and authority to own, lease and operate its properties and assets and to conduct its business as now conducted.

5.2 Authorization. Purchaser has all necessary corporate power and authority to execute and deliver this Agreement and each Ancillary Agreement to which Purchaser is or will become a party and to perform its obligations hereunder and thereunder. The execution, delivery and performance of this Agreement and each Ancillary Agreement to which Purchaser is or will become a party and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate action on the part of Purchaser and no other proceedings or actions (stockholder or otherwise) on the part of Purchaser are necessary to authorize such execution, delivery and performance. This Agreement and each Ancillary Agreement to which Purchaser is or will become a party have been, or in the case of Ancillary Agreements to which Purchaser will become a party, when executed and delivered will be, duly and validly executed and delivered by Purchaser and (assuming the due authorization, execution and delivery by the other parties hereto and thereto) this Agreement and each Ancillary Agreement to which Purchaser is or will become a party constitutes, or, in the case of Ancillary Agreements to which Purchaser will become a party, when executed and delivered will constitute, the valid and binding obligation of Purchaser enforceable against Purchaser in accordance with their respective terms, subject to bankruptcy or other Laws affecting creditors' rights and general principles of equity, including principles of commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is sought in a proceeding at Law or in equity).

5.3 No Conflicts. None of the execution, delivery or performance by Purchaser of this Agreement or any Ancillary Agreement to which Purchaser is or will become a party, the consummation of any transaction contemplated hereby or thereby or compliance by Purchaser with any of the provisions hereof or thereof will conflict with, or result in any violation of or default (with or without notice or lapse of time, or both) under, or give rise to a right of payment, termination, modification, acceleration or cancellation under any provisions of:

- (a) Purchaser's certificate of incorporation or bylaws;
- (b) any agreement, arrangement, contract, commitment or understanding to which Purchaser is a party or by which its properties or assets are bound;
- (c) any order, writ, injunction, judgment or decree of any Governmental Authority applicable to Purchaser or any of its properties or assets as of the date hereof; or
- (d) any Law applicable to Purchaser or any of its properties or assets.

5.4 No Consents or Approvals. No consent, waiver, authorization or approval of any Person and no declaration to or filing or registration with any Governmental Authority is required on the part of Purchaser in connection with the execution and delivery by Purchaser of this Agreement or any Ancillary Agreement to which Purchaser is or will become a party or the performance by Purchaser of its obligations hereunder or thereunder.

5.5 Financial Capability. Purchaser has, and on the Closing Date will have, sufficient funds available to pay the Cash Payment Amount at the Closing.

5.6 Investment Intent. Purchaser is acquiring the Ovonyx Shares for its own account, and not with a view toward their sale or distribution in violation of any applicable securities Laws.

5.7 Warranties Exclusive. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, PURCHASER MAKES NO REPRESENTATION OR WARRANTY, AND ANY OTHER REPRESENTATIONS OR WARRANTIES BY OR ON BEHALF OF PURCHASER ARE HEREBY EXPRESSLY DISCLAIMED.

ARTICLE 6

COVENANTS AND OTHER AGREEMENTS

6.1 Pre-Closing Covenants of ECD.

(a) General. During the period from and including the Execution Date through and including the Closing or the earlier termination of this Agreement, ECD shall take, or cause to be taken, all commercially reasonable actions and do, or cause to be done, all commercially reasonable things necessary, proper or advisable, consistent with applicable Law, to consummate and make effective the transactions contemplated hereby as soon as practicable and in any event not later than August 24, 2012.

(b) Access to Information. During the period from and including the Execution Date through and including the Closing or the earlier termination of this Agreement, ECD shall use its commercially reasonable efforts to obtain from Ovonyx, including through use of its powers under Rule 2004 of the Federal Rules of Bankruptcy Procedure and the General Corporation Law of the State of Nevada and provide to Purchaser such additional information regarding the capitalization of Ovonyx as Purchaser may reasonably request.

(c) Exclusivity.

(i) Subject, prior to entry of the Bankruptcy Sale Order on the docket of the Bankruptcy Court, to its fiduciary obligations as a debtor-in-possession (as determined after consultation with and based upon the advice of counsel to ECD), ECD shall not, and shall cause its Affiliates and its and their respective agents and representatives not to, directly or indirectly, (A) initiate, solicit, encourage, facilitate, discuss, negotiate, undertake, authorize, recommend, propose, offer or enter into any transaction involving the sale, transfer or other disposition of the Ovonyx Shares or the Ovonyx Stockholders Agreement (an “Alternate Transaction”), (B) furnish or cause to be furnished to any Person any information concerning Ovonyx, the Ovonyx Shares or the Ovonyx Stockholders Agreement in connection with an Alternate Transaction, or (C) otherwise cooperate in any way with, or assist or participate in, any effort or attempt by any other Person to do or seek any of the foregoing; provided, however, that the foregoing shall not apply to any such activities with Purchaser relating to the transactions contemplated by this Agreement.

(ii) ECD shall notify Purchaser orally and in writing promptly (but in no event later than one Business Day) after receipt by ECD or any of its Affiliates or its respective agents or representatives of any proposal or offer from any Person other than Purchaser to effect an Alternate Transaction or any request for information relating to Ovonyx, the Ovonyx Shares or the Ovonyx Stockholders Agreement. ECD shall keep Purchaser informed, on a current basis, of any material changes in the status or terms of any such proposal, offer or request.

(iii) ECD shall, and shall cause its Affiliates and its and their respective agents and representatives to, immediately cease and cause to be terminated any existing discussions or negotiations with any Persons other than Purchaser conducted heretofore with respect to any Alternate Transaction.

(iv) Notwithstanding anything in this Agreement to the contrary, (A) ECD shall deliver to Ovonyx and the Other Stockholders (as defined in the Ovonyx Stockholders Agreement) a notice of the transactions contemplated by this Agreement in the form attached hereto as Exhibit D (the “Offer Notice”) in accordance with Sections 4.3 and 9.8 of the Ovonyx Stockholder Agreement within two Business Days following the Execution Date and (B) such delivery by ECD of the Offer Notice shall not constitute a breach of this Section 6.1(c) or any other provision of this Agreement or give rise to any right of Purchaser to terminate this Agreement under Article 11. ECD shall promptly (but in any event within one Business Day) notify Purchaser if it receives from Ovonyx or any Other Stockholder (as defined in the Ovonyx Stockholders Agreement) any written notice purporting to exercise rights to purchase any of the Ovonyx Shares as contemplated by Section 4.3 of the Ovonyx Stockholders Agreement and deliver to Purchaser a copy of such written notice. On the Execution Date, ECD shall send the Offer Notice by reputable express courier service to Ovonyx and the Other Stockholders (as defined in the Ovonyx Stockholders Agreement) in accordance with section 9.8 of the Ovonyx Stockholders Agreement.

(d) Additional Covenants.

(i) During the period from the Execution Date through and including the Closing or the earlier termination of this Agreement, subject to the terms of the ECD/Ovonyx

Confidentiality Agreement, ECD shall promptly (but in any event within one Business Day) notify Purchaser if it becomes aware that Ovonyx or any other Person proposes any corporate action by Ovonyx's stockholders or board of directors (A) that could reasonably be expected to affect the capitalization of Ovonyx or otherwise affect the rights and privileges of ECD as a stockholder of Ovonyx (including any amendment to Ovonyx's articles of incorporation or bylaws) or (B) to authorize or approve any transaction relating to Ovonyx or its Assets (each such corporate action, a "Material Corporate Action").

(ii) During the period from the Execution Date through and including the Closing or the earlier termination of this Agreement, except to the extent authorized by the prior written consent of Purchaser, required by the terms of the Ovonyx Stockholder Agreement or, prior to entry of the Bankruptcy Sale Order on the docket of the Bankruptcy Court, required by ECD's fiduciary obligations as a debtor-in-possession (as determined by ECD's board of directors after consultation with and based upon the advice of counsel to ECD), (A) ECD shall not authorize or approve any Material Corporate Action by Ovonyx's stockholders that, under Ovonyx's articles of incorporation or bylaws, the Ovonyx Stockholders Agreement or applicable Law, requires the vote or consent of ECD as the holder of the Ovonyx Shares or grant any proxy in connection therewith and (B) ECD shall use its best efforts to cause the directors appointed by ECD, subject to their fiduciary duties, not to authorize or approve any Material Corporate Action by Ovonyx's board of directors that, under Ovonyx's articles of incorporation or bylaws, the Ovonyx Stockholders Agreement or applicable Law, requires the vote or consent of one or more of the directors of Ovonyx appointed by ECD.

(iii) During the period from the Execution Date through and including the Closing or the earlier termination of this Agreement, (A) subject to the terms of the ECD/Ovonyx Confidentiality Agreement, if ECD receives any notice under Ovonyx's articles of incorporation or bylaws, the Ovonyx Stockholders Agreement or applicable Law relating to rights of ECD in respect of its ownership of the Ovonyx Shares, ECD shall promptly (but in any event within one Business Day) provide Purchaser a copy of such notice and (B) if any such notice involves the right of ECD to acquire any additional shares of capital stock of Ovonyx, ECD and Purchaser shall cooperate to implement a mutually agreeable arrangement under which Purchaser will receive at the Closing the benefits associated with any such rights.

(iv) During the period from the Execution Date through and including the Closing or the earlier termination of this Agreement, except with the prior written consent of Purchaser, ECD will not approve or enter into any modification, amendment or waiver of any provision of the Ovonyx Stockholders Agreement.

(v) In the event that ECD receives, on or after the Execution Date, any dividend or distribution paid or distributed in respect of the Ovonyx Shares, ECD will deliver, or cause to be paid or delivered, to Purchaser such dividend or distribution (and any dividend or distribution paid or distributed in respect of any securities that are to be delivered to Purchaser in accordance with this Section 6.1(d)(v)) at the Closing or promptly following the receipt of such dividend or distribution, whichever occurs later.

6.2 Pre-Closing Covenants of Purchaser. During the period from the Execution Date through and including the Closing or the earlier termination of this Agreement, Purchaser shall

take, or cause to be taken, all commercially reasonable actions and do, or cause to be done, all commercially reasonable things necessary, proper or advisable, consistent with applicable Law, to consummate and make effective the transactions contemplated hereby as soon as practicable and in any event not later than August 24, 2012.

ARTICLE 7 **TRANSFER TAXES**

Except for any capital gains or income taxes of ECD, all taxes, including all state and local taxes, that are imposed (notwithstanding any application of Section 1146(a) of the Bankruptcy Code) by reason of the sale, transfer, assignment, conveyance and delivery of the Ovonyx Shares and the Ovonyx Stockholders Agreement shall be borne by Purchaser.

ARTICLE 8 **BANKRUPTCY COURT MATTERS**

8.1 Motion. ECD shall file with the Bankruptcy Court on the Execution Date, a motion (the "Motion") seeking the Bankruptcy Court's entry of the Bankruptcy Sale Order and approval of this Agreement. ECD shall exercise its best efforts to cause the objection deadline for the Motion to be on or before August 13, 2012 and the sale hearing on the Motion to be on or before August 15, 2012. ECD shall affix to the Motion, as filed with the Bankruptcy Court, a true and complete copy of this Agreement. The Motion shall be in form and substance satisfactory to Purchaser in its reasonable discretion, exercised in good faith. ECD shall comply with all requirements of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure and the local rules and standing orders of the Bankruptcy Court in connection with obtaining approval of the sale of the Ovonyx Shares and the Ovonyx Stockholders Agreement (including the assumption and assignment to Purchaser of the Ovonyx Stockholders Agreement) to Purchaser pursuant to this Agreement. Notice of the Sale Hearing and notice of the deadline for all objections to entry of the Bankruptcy Sale Order, or any other order related thereto or to the Motion, shall be properly and timely served by ECD in accordance with all applicable Federal Rules of Bankruptcy Procedure and all applicable local rules and standing orders of the Bankruptcy Court on all parties required to receive such notices and any other parties contemplated by the Bankruptcy Sale Order.

8.2 Procedure.

(a) General. Subject, prior to entry of the Bankruptcy Sale Order on the docket of the Bankruptcy Court, to its fiduciary obligations as a debtor-in-possession (as determined after consultation with and based upon the opinion of counsel to ECD), ECD shall promptly make any filings, take all actions and use all commercially reasonable efforts to obtain any and all relief from the Bankruptcy Court that is necessary, proper or advisable to consummate the transactions contemplated by this Agreement as soon as practicable and in any event not later than August 24, 2012.

(b) Purchaser Review and Comment. ECD shall provide Purchaser with drafts of any and all pleadings and proposed orders to be filed or submitted in connection with

this Agreement for Purchaser's prior review and comment and shall cooperate with Purchaser to make reasonable changes thereto in response to any such comments.

(c) Prosecution and Appeals. ECD shall diligently seek to schedule the Sale Hearing for August 15, 2012, and shall diligently seek to have the Bankruptcy Sale Order entered on the docket of the Bankruptcy Court as soon as practicable on or after the date of the Sale Hearing. In the event the entry of the Bankruptcy Sale Order shall be appealed, ECD shall diligently defend such appeal.

(d) Changes. Any changes to this Agreement or any Ancillary Agreement, and any changes to the Bankruptcy Sale Order, shall be subject to each of Purchaser's and ECD's approval, in its reasonable discretion, exercised in good faith, or, to the extent such changes to the Bankruptcy Sale Order are adverse to Purchaser or ECD (as applicable), approval in its sole discretion.

8.3 Purchaser Protections. Subject to entry of the Bankruptcy Sale Order and the Bankruptcy Sale Order not being subject to any stay, ECD shall pay to Purchaser the Expense Reimbursement on the terms and subject to the conditions set forth in Section 11.3 hereof.

8.4 Adequate Assurances. With respect to the Ovonyx Stockholders Agreement, upon ECD's reasonable request, Purchaser shall provide publicly available information regarding Purchaser as adequate assurance of the future performance of the Ovonyx Stockholders Agreement by Purchaser. Purchaser shall take such other actions as may be reasonably requested by ECD to assist ECD in obtaining the Bankruptcy Court's entry of the Bankruptcy Sale Order and any other order of the Bankruptcy Court reasonably necessary to consummate the transactions contemplated by this Agreement. For the avoidance of doubt, Purchaser and ECD acknowledge and agree that, notwithstanding anything in this Agreement to the contrary, Purchaser shall not be obligated to make any payment to, or incur any liability or create any obligation in favor or for the benefit of, Ovonyx or any Other Stockholder (as defined in the Ovonyx Stockholders Agreement) in order to provide adequate assurance of the future performance of the Ovonyx Stockholders Agreement by Purchaser.

ARTICLE 9

CONDITIONS PRECEDENT TO PERFORMANCE BY THE PARTIES

9.1 Conditions Precedent to Performance by ECD. The obligation of ECD to consummate the transactions contemplated by this Agreement is subject to the fulfillment, at or before the Closing, of the following conditions, any one or more of which (other than the condition contained in Section 9.1(b)) may be waived by ECD, in its sole discretion:

(a) Representations, Warranties, Covenants and Agreements of Purchaser. The representations and warranties of Purchaser set forth in this Agreement shall be true and correct in all material respects on and as of the Closing Date, and Purchaser shall have performed and complied with in all material respects all covenants and agreements required by this Agreement to be performed or complied with by Purchaser on or prior to the Closing Date. ECD shall have received an officer's certificate, duly executed by an officer of Purchaser, certifying

the matters set forth in the preceding sentence, in form and substance reasonably satisfactory to ECD.

(b) Bankruptcy Court Approval. The Bankruptcy Sale Order shall have been entered on the docket of the Bankruptcy Court and shall not be subject to a stay. Following entry thereof, the Bankruptcy Sale Order shall not have been amended, modified or supplemented in any manner without the consent of ECD (which it may withhold in its reasonable discretion, exercised in good faith, or, to the extent such amendments, modifications or supplements are adverse to ECD, in its sole discretion), unless waived in writing by ECD in its sole discretion.

(c) No Violation of Orders. No preliminary or permanent injunction or other order of any Governmental Authority of competent jurisdiction that prevents the consummation of the transactions contemplated hereby shall be in effect.

(d) Deliveries. Purchaser shall have made the deliveries referenced in Section 10.3.

(e) Election Period Milestone. Fifteen days shall have elapsed following the delivery of the Offer Notice by ECD to Ovonyx and the Other Stockholders (as defined in the Ovonyx Stockholders Agreement) and neither Ovonyx nor Lowrey (as defined in the Ovonyx Stockholders Agreement) shall have delivered to ECD a written notice purporting to exercise rights to purchase any of the Ovonyx Shares as contemplated by Section 4.3 of the Ovonyx Stockholders Agreement.

For avoidance of doubt, there shall be no conditions precedent to ECD's obligation to consummate the transactions contemplated by this Agreement, except for those conditions precedent specifically set forth in this Section 9.1.

9.2 Conditions Precedent to the Performance by Purchaser. The obligations of Purchaser to consummate the transactions contemplated by this Agreement are subject to the fulfillment, at or before the Closing, of the following conditions, any one or more of which (other than the conditions contained in Section 9.2(b), except as expressly provided therein) may be waived by Purchaser, in its sole discretion:

(a) Representations, Warranties, Covenants and Agreements of ECD; No Material Adverse Effect. The representations and warranties of ECD set forth in this Agreement shall be true and correct in all material respects (except that those set forth in Section 4.5(a) and Section 4.6(d) through (g) shall be true and correct in all respects) on and as of the Closing Date, ECD shall have performed and complied with all covenants and agreements required by this Agreement to be performed or complied with by ECD on or prior to the Closing Date, and there shall not have occurred any event, change or circumstance that, individually or in the aggregate with other events, changes or circumstances, has had or could reasonably be expected to have a Material Adverse Effect. Purchaser shall have received an officer's certificate, duly executed by an officer of ECD, certifying the matters set forth in the preceding sentence, in form and substance reasonably satisfactory to Purchaser.

(b) Bankruptcy Court Approval. The Bankruptcy Sale Order shall have been entered on the docket of the Bankruptcy Court and shall not be subject to a stay. Following entry

thereof, the Bankruptcy Sale Order shall not have been amended, modified or supplemented in any manner without the consent of Purchaser (which it may withhold in its reasonable discretion, exercised in good faith, or, to the extent such amendments, modifications or supplements are adverse to Purchaser, in its sole discretion), unless waived in writing by Purchaser in its sole discretion.

(c) No Violation of Orders. No preliminary or permanent injunction or other order of any Governmental Authority of competent jurisdiction that prevents the consummation of the transactions contemplated hereby shall be in effect.

(d) Deliveries. ECD shall have made the deliveries referenced in Section 10.2.

(e) Election Period Milestone. Fifteen days shall have elapsed following the delivery of the Offer Notice by ECD to Ovonyx and the Other Stockholders (as defined in the Ovonyx Stockholders Agreement) and neither Ovonyx nor Lowrey (as defined in the Ovonyx Stockholders Agreement) shall have delivered to ECD a written notice purporting to exercise rights to purchase any of the Ovonyx Shares as contemplated by Section 4.3 of the Ovonyx Stockholders Agreement.

For avoidance of doubt, there shall be no conditions precedent to Purchaser's obligation to consummate the transactions contemplated by this Agreement, except for those conditions precedent specifically set forth in this Section 9.2.

ARTICLE 10

DELIVERIES AND CLOSING

10.1 Closing. The consummation and effectuation of the transactions contemplated hereby on the terms and subject to the conditions set forth in this Agreement (the "Closing") shall be held one (1) Business Day after the date that all conditions to the parties' obligations to consummate the transactions contemplated hereby have been satisfied (the "Closing Date") (except for such conditions that by their terms can only be satisfied on the Closing Date) or, if applicable, waived by the appropriate party or parties, at 10:00 a.m., local time, at the offices of Honigman Miller Schwartz and Cohn LLP, 660 Woodward Avenue, Suite 2290, Detroit, Michigan 48226, or on such other date or at such other place and time as may be mutually agreed to in writing by the parties hereto. All actions to be taken, and all documents to be executed and delivered, at the Closing shall be deemed to have been taken, and executed and delivered, simultaneously, and no such actions shall be deemed to have been taken, or such documents deemed to have been executed or delivered, until all have been taken, executed and delivered.

10.2 ECD's Deliveries. At the Closing, ECD shall deliver to Purchaser (or, if Section 10.4 is applicable, to the Escrow Agent) (the "ECD Deliveries"):

(a) the stock certificate or certificates evidencing all of the Ovonyx Shares, in each case accompanied by a stock power or assignment duly endorsed for transfer by ECD and dated the Closing Date;

(b) the Assignment and Assumption Agreement, duly executed by ECD and dated the Closing Date;

(c) a fully executed copy of the Ovonyx Stockholders Agreement and any amendments, modifications or supplements thereto;

(d) a certified copy of the Bankruptcy Sale Order.

10.3 Purchaser's Deliveries. At the Closing, Purchaser shall deliver to ECD (or, if Section 10.4 is applicable, to the Escrow Agent) (the "Purchaser Deliveries"):

(a) the Cash Payment Amount in cash by wire transfer of immediately available funds; and

(b) the Assignment and Assumption Agreement, duly executed by Purchaser and dated the Closing Date.

10.4 Alternative Escrow Closing. Notwithstanding anything in this Agreement to the contrary, in the event that (x) all conditions to the parties' obligations to consummate the transactions contemplated hereby have been satisfied (except for such conditions that by their terms can only be satisfied on the Closing Date) or, if applicable, waived by the appropriate party or parties, (y) the Election Period (as defined in the Ovonyx Stockholders Agreement) triggered by the delivery of the Offer Notice contemplated by Section 6.1(c)(iv) has not expired in accordance with the terms of the Ovonyx Stockholders Agreement, and (z) neither Ovonyx nor any Other Stockholder (as defined in the Ovonyx Stockholders Agreement) has delivered to ECD a written notice purporting to exercise rights to purchase any of the Ovonyx Shares as contemplated by Section 4.3 of the Ovonyx Stockholders Agreement, then:

(a) Immediately prior to the Closing, ECD and Purchaser shall enter into the Escrow Agreement with the Escrow Agent.

(b) At the Closing, (i) ECD shall deliver to the Escrow Agent the ECD Deliveries and (ii) Purchaser shall deliver to the Escrow Agent the Purchaser Deliveries.

(c) Following the Closing, if (i) the Election Period (as defined in the Ovonyx Stockholders Agreement) triggered by delivery of the Offer Notice contemplated by Section 6.1(c)(iv) expires and (ii) Ovonyx and the Other Stockholders (as defined in the Ovonyx Stockholders Agreement) have not elected to purchase all the Ovonyx Shares in accordance with Section 4.3 of the Ovonyx Stockholders Agreement, ECD and Purchaser shall promptly (but in any event within two Business Days) thereafter deliver to the Escrow Agent a joint written instruction instructing the Escrow Agent to deliver the ECD Deliveries to Purchaser and deliver the Purchaser Deliveries to ECD.

(d) Following the Closing, if Ovonyx and the Other Stockholders (as defined in the Ovonyx Stockholders Agreement) elect to purchase all the Ovonyx Shares in accordance with Section 4.3 of the Ovonyx Stockholders Agreement, ECD and Purchaser shall promptly (but in any event within two Business Days) thereafter deliver to the Escrow Agent a joint

written instruction instructing the Escrow Agent to return the ECD Deliverables to ECD and return the Purchaser Deliverables to Purchaser.

(e) This Agreement may not be terminated in accordance with Section 11.1 (other than as provided in Section 11.1(e)) after the Closing occurs in accordance with this Section 10.4.

(f) Upon completion of the actions contemplated by Section 10.4(b) at the Closing, the transactions contemplated by this Agreement, including the assignment to Purchaser of all of ECD's right, title and interest in, to and under the Ovonyx Shares and the Ovonyx Stockholders Agreement, shall be immediately effective for all purposes; provided, however, that, if Section 10.4(d) thereafter becomes applicable, the Closing shall be automatically rescinded and the Closing and such transactions shall be unwound as contemplated by Section 10.4(d) and deemed not to have occurred. The parties hereto acknowledge that the escrow arrangements contemplated by this Section 10.4 are intended solely as an administrative mechanism to facilitate the rescission and unwinding of the transactions contemplated by this Agreement in the event that Section 10.4(d) becomes applicable.

(g) During the period from the Closing Date through and including the delivery of the ECD Deliveries and the Purchaser Deliveries by the Escrow Agent in accordance with Section 10.4(c) or Section 10.4(d), (i) Purchaser shall comply with the terms of the Ovonyx Stockholders Agreement (as modified by the Bankruptcy Sale Order) in all material respects and (ii) the provisions of Section 6.1(d) shall apply *mutatis mutandis* as if (A) each reference to the Execution Date was a reference to the Closing Date, (B) each reference to the Closing was a reference to the delivery of the ECD Deliveries and the Purchaser Deliveries by the Escrow Agent in accordance with Section 10.4(c) or Section 10.4(d) (or, in the case of the last reference to the Closing in Section 6.1(d)(iii) and the reference to the Closing in Section 6.1(d)(v), in accordance with Section 10.4(d) only), (D) each reference to ECD was a reference to Purchaser, and (E) each reference to Purchaser was a reference to ECD; provided that the provisions of Section 6.1(d)(v) shall apply only in the case of the delivery of the ECD Deliveries and the Purchaser Deliveries by the Escrow Agent in accordance with Section 10.4(d).

ARTICLE 11 **TERMINATION**

11.1 Conditions of Termination. This Agreement may be terminated only in accordance with this Section 11.1. This Agreement may be terminated at any time before the Closing as follows:

- (a) by mutual written consent of ECD and Purchaser;
- (b) automatically and without any action or notice by either ECD to Purchaser, or Purchaser to ECD, if an order of any Governmental Authority of competent jurisdiction that permanently prevents the consummation of the transactions contemplated hereby shall become a Final Order;
- (c) by Purchaser by written notice to ECD if:

(i) the Motion shall not have been filed with the Bankruptcy Court on the Execution Date; or

(ii) ECD shall not have delivered the Offer Notice to Ovonyx and the Other Stockholders (as defined in the Ovonyx Stockholders Agreement) in accordance with Sections 4.3 and 9.8 of the Ovonyx Stockholders Agreement within two Business Days following the Execution Date; or

(iii) the Closing shall not have occurred on or before August 24, 2012 or such later date agreed to in writing by Purchaser and ECD, in their respective sole discretion, and such failure to close is not caused by or the result of Purchaser's breach of this Agreement; or

(iv) at any time following entry thereof, the Bankruptcy Sale Order is amended, modified or supplemented without the consent of Purchaser, which it may withhold in its reasonable discretion, exercised in good faith, or, to the extent such amendments, modifications or supplements are adverse to Purchaser, in its sole discretion; or

(v) at any time, ECD fails to comply with Section 6.1(c)(i) or Section 8.2(a), whether or not such failure is based on its fiduciary obligations as a debtor-in-possession, or with Section 6.1(d) or Section 8.2(c); or

(vi) at any time the representations and warranties of ECD set forth in this Agreement shall fail to be true and correct in all material respects (or, with respect to those set forth in Section 4.5(a) or Section 4.6(d) through (g) shall fail to be true and correct in all respects) or ECD shall have failed to perform and comply with in all material respects all covenants and agreements of ECD set forth in this Agreement requiring performance or compliance prior to such time, and in either case such failure (x) has rendered the satisfaction of any condition to the obligations of Purchaser impossible or is not curable or, if curable, has not been cured within three (3) Business Days following receipt by ECD of written notice of such failure from Purchaser, and (y) has not been waived by Purchaser; or

(vii) since May 31, 2010, there shall have occurred any event, change or circumstance that, individually or in the aggregate with other events, changes and circumstances, has had or could reasonably be expected to have a Material Adverse Effect; or

(viii) upon receipt by Purchaser of any supplement or amendment to the Ovonyx Capitalization Schedule pursuant to Section 12.1 indicating that the Ovonyx Shares represent a percentage of the common stock of Ovonyx determined on a fully diluted basis that is more than 2% lower than indicated on the Ovonyx Capitalization Schedule as of the Execution Date; provided that Purchaser must exercise its right under this Section 11.1(c)(viii) with respect to such supplement or amendment within two Business Days following receipt thereof or such right shall be deemed to have been waived by Purchaser; or

(ix) any Plan for ECD shall have been confirmed by the Bankruptcy Court and become effective prior to the Closing; or

(x) the Bankruptcy Case shall have been converted into a case under Chapter 7 of the Bankruptcy Code or dismissed, or a trustee or examiner with expanded powers is appointed in the Bankruptcy Case; or

(xi) Ovonyx or any Other Stockholder (as defined in the Ovonyx Stockholders Agreement) has delivered to ECD a written notice purporting to exercise rights to purchase any of the Ovonyx Shares as contemplated by Section 4.3 of the Ovonyx Stockholders Agreement; or

(d) by ECD by written notice to Purchaser if:

(i) at any time the representation and warranties of Purchaser set forth in this Agreement shall fail to be true and correct in all material respects or Purchaser shall have failed to perform and comply with in all material respects all covenants and agreements of Purchaser set forth in this Agreement requiring performance or compliance prior to such time, and in either case such failure (x) has rendered the satisfaction of any condition to the obligations of ECD impossible or is not curable or, if curable, has not been cured within three (3) days following receipt by Purchaser of written notice of such breach from ECD, and (y) has not been waived by ECD; or

(ii) the Closing shall not have occurred on or before August 24, 2012 or such later date agreed to in writing by Purchaser and ECD, and such failure to close is not caused by or the result of ECD's breach of this Agreement; or

(iii) the board of directors of ECD, prior to entry of the Bankruptcy Sale Order on the docket of the Bankruptcy Court, determines its fiduciary obligations as a debtor-in-possession (as determined after consultation with and based upon the advice of counsel to ECD) require it to consider or consummate an Alternate Transaction; or

(iv) Ovonyx or any Other Stockholder (as defined in the Ovonyx Stockholders Agreement) has delivered to ECD a written notice purporting to exercise rights to purchase any of the Ovonyx Shares as contemplated by Section 4.3 of the Ovonyx Stockholders Agreement; or

(e) automatically and without any other action or notice by either ECD to Purchaser, or Purchaser to ECD, if ECD and Purchaser deliver to the Escrow Agent a joint written instruction in accordance with Section 10.4(d).

11.2 Effect of Termination. In the event of termination pursuant to Section 11.1, this Agreement shall become null and void and have no effect and neither party hereto shall have any liability to the other; provided, however, that (a) the provisions of this Article 11 and Article 12 shall expressly survive termination and (b) Purchaser or ECD shall be liable to the other for any damages suffered by such other party on account of any intentional or willful breach of this Agreement by Purchaser or ECD, as applicable, prior to such termination.

11.3 Expense Reimbursement; Administrative Priority.

(a) Subject to entry of the Sale Order and the Sale Order not being subject to any stay, if (i) this Agreement is terminated by Purchaser pursuant to Section 11.1(c)(xi), (ii) this Agreement is terminated by ECD pursuant to Section 11.1(d)(iii) or Section 11.1(d)(iv), (iii) this Agreement is terminated automatically pursuant to Section 11.1(e), or (iv) ECD's Plan becomes effective on or before August 24, 2012, the Closing has not yet occurred and this Agreement is terminated by Purchaser pursuant to Section 11.1(c)(ix), then Purchaser shall be deemed to have earned the Expense Reimbursement. Subject to entry of the Bankruptcy Sale Order and the Bankruptcy Sale Order not being subject to any stay, the Expense Reimbursement shall be paid in cash, without further order of the Bankruptcy Court, promptly (but in no event later than two Business Days) following such termination and Purchaser's delivery to ECD of a written request for such payment, which request shall set forth wire transfer instructions for such payment and shall be accompanied by reasonable supporting documentation. For the avoidance of doubt, ECD shall not be obligated to pay the Expense Reimbursement under any circumstances other than those expressly set forth in this Section 11.3(a).

(b) Subject to entry of the Bankruptcy Sale Order and the Bankruptcy Sale Order not being subject to any stay, the Expense Reimbursement and any other liability of ECD in respect of this Agreement shall be administrative-expense priority obligations under Section 503(b) and 507(b) of the Bankruptcy Code.

(c) ECD hereby acknowledges that, subject to entry of the Bankruptcy Sale Order and the Bankruptcy Sale Order not being subject to any stay, the obligation to pay the Expense Reimbursement (to the extent due hereunder) and any other liability contemplated by the proviso in Section 11.2 shall survive the termination of this Agreement, and shall have administrative status against ECD and its estate.

ARTICLE 12
MISCELLANEOUS

12.1 Survival; Limitations on ECD Liability. The representations and warranties of ECD and Purchaser set forth in this Agreement shall survive the Closing until the date that is 120 days following the Closing Date, and the covenants and agreements of ECD and Purchaser set forth in this Agreement shall survive the Closing unless otherwise expressly provided in the terms thereof. Notwithstanding anything in this Agreement to the contrary, (a) the aggregate liability of ECD in respect of claims for breaches of representations, warranties, covenants or agreements of ECD set forth in this Agreement shall not exceed the Cash Payment Amount and (b) ECD shall have no liability to Purchaser for damages related to breaches of representations, warranties, covenants or agreements of ECD set forth in this Agreement unless and until Purchaser's aggregate damages related to such breaches exceed \$250,000, in which case ECD shall be liable to Purchaser for all such damages and not just those damages in excess of such amount. From time to time prior to the Closing (including pursuant to Section 10.4), subject to Purchaser's rights under Section 11.1(c)(viii), ECD may, at its sole option, supplement or amend the Ovonyx Capitalization Schedule to reflect any change in capitalization or to correct any error in the schedules discovered after the Effective Date occurring after the Execution Date and such supplement or amendment shall be effective for all purposes of this Agreement; provided,

however, that any such supplement or amendment must be delivered at least three Business Days prior to the Closing Date. NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, UNDER NO CIRCUMSTANCES WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY UNDER ANY LEGAL OR EQUITABLE THEORY FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES OR LOSS OF PROFITS, IN CONNECTION WITH OR IN ANY WAY RELATED TO THIS AGREEMENT, WHETHER OR NOT SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF ANY SUCH DAMAGES. FOR THE AVOIDANCE OF DOUBT, THE FOREGOING SHALL NOT PRECLUDE ECD'S LIABILITY FOR ANY DIMINUTION OF VALUE DAMAGES, COMPENSATORY DAMAGES FOR LOSS OF VALUE OR OTHER DAMAGE THEORIES BASED ON LOSS OF VALUE DUE TO THE FACTS OR CIRCUMSTANCES UNDERLYING A BREACH. THESE LIMITATIONS WILL APPLY NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY PROVIDED HEREIN.

12.2 Further Assurances. After the Closing, at the request and the sole expense of the requesting party, Purchaser or ECD, as applicable, shall execute and deliver, or cause to be executed and delivered, such documents as Purchaser or ECD, as applicable, or their respective counsel may reasonably request to fully effectuate the transactions contemplated by this Agreement and the Ancillary Agreements.

12.3 Successors and Assigns.

(a) Purchaser shall have the right to assign to any one or more of its Affiliates any of its rights or obligations under this Agreement, any Ancillary Agreement or any other document or instrument, in whole or in part (including the right to acquire the Ovonyx Shares or the Ovonyx Stockholders Agreement and the obligation to assume the Ovonyx Stockholders Agreement). Purchaser shall be jointly and severally liable with its assignee to perform any obligations assigned by Purchaser hereunder.

(b) ECD shall not assign this Agreement or any of its rights or obligations hereunder and any such assignment shall be void and of no effect; provided, however, that following the Closing, upon effectiveness of ECD's Plan, ECD shall assign this Agreement to the liquidating trustee appointed under ECD's Plan and shall cause such liquidating trustee to accept such assignment and to assume all of ECD's obligations and liabilities hereunder.

(c) This Agreement shall inure to the benefit of and shall be binding upon the successors and permitted assigns of the parties hereto, including the liquidating trustee appointed under ECD's Plan.

12.4 Governing Law; Jurisdiction. This Agreement shall be construed, performed and enforced in accordance with, and governed by, the Laws of the State of New York (without giving effect to the principles of conflicts of law thereof), except to the extent that the Laws of such State are superseded by the Bankruptcy Code or other applicable federal Law. For the avoidance of doubt, the parties hereto hereby acknowledge and agree that all references herein to "reasonable" or variations thereof shall be construed in accordance with the Laws of the State of New York and not in accordance with the provisions of the Bankruptcy Code. For so long as

ECD is subject to the jurisdiction of the Bankruptcy Court, the parties hereto irrevocably elect, as the sole judicial forum for the adjudication of any matters arising under or in connection with this Agreement, and consent to the exclusive jurisdiction of, the Bankruptcy Court. After ECD is no longer subject to the jurisdiction of the Bankruptcy Court, the parties hereto irrevocably elect, as the sole judicial forum for the adjudication of any matters arising under or in connection with this Agreement, and consent to the jurisdiction of, any state or federal court having competent jurisdiction in the State of New York.

12.5 Expenses. Except as otherwise provided in this Agreement, each of the parties hereto shall pay their own expenses in connection with this Agreement and the transactions contemplated hereby, including any legal and accounting fees and commissions or finder's fees, whether or not the transactions contemplated hereby are consummated.

12.6 Severability. In the event that any provision of this Agreement is declared by any court or other judicial or administrative body to be null, void or unenforceable, (a) a suitable and equitable provision shall be substituted therefor in order to carry out, so far as may be valid and enforceable, the intent and purpose of such null, void or unenforceable provision, (b) such provision shall survive to the extent it is not so declared to be null, void or enforceable, and (c) all of the other provisions of this Agreement shall remain in full force and effect only if, after excluding the portion deemed to be null, void or unenforceable and including any provision so substituted, the remaining terms shall provide for the consummation of the transactions contemplated hereby in substantially the same manner as originally set forth at the later of (i) the Execution Date and (ii) the date this Agreement was last amended, modified or supplemented.

12.7 Notices.

(a) All notices, requests, demands, consents and other communications under this Agreement shall be in writing and shall be deemed to have been duly given (i) on the date of service, if delivered personally to the party to whom notice is to be given; (ii) on the day after delivery to Federal Express or a similar overnight courier or the Express Mail overnight service maintained by the United States Postal Service addressed to the party to whom notice is to be given, if delivered via Federal Express or similar overnight courier or Express Mail overnight service; (iii) on the date sent by facsimile, with confirmation of transmission, if sent during normal business hours of the recipient, and, if not, then on the next Business Day; or (iv) on the third day after mailing, if mailed to the party to whom notice is to be given, by first class mail, registered or certified, postage prepaid and properly addressed, to the party as follows:

If to ECD:

Energy Conversion Devices, Inc.
3800 Lapeer Road
Auburn Hills, MI 48326
Attention: Greg Coppola

with copy to (which shall not constitute notice):

Honigman Miller Schwartz and Cohn LLP
660 Woodward Avenue, Suite 2290
Detroit, Michigan 48226
Attention: Donald J. Kunz
Phone: (313) 465-7454

and

John Madden
Liquidation Trustee for Energy Conversion Devices, Inc.
55 East 52nd Street, Floor 31
New York, NY 10055

If to Purchaser: Micron Technology, Inc.
800 S. Federal Way MS 507
Boise, ID 83716-9632
Attention: General Counsel
Phone: (208) 492-1412

with copy to (which shall not constitute notice):

Jones Day
77 West Wacker
Chicago, IL 60601-1692
Attention: Brad B. Erens
Phone: (312) 269-4050

and

Jones Day
2727 N. Harwood Street
Dallas, TX 75201
Attention: Troy B. Lewis
Phone: (214) 969-3721

(b) Either party hereto may change its address or facsimile number for the purpose of this Section 12.7 by giving the other party hereto written notice of its new address in the manner set forth above.

12.8 Amendments; Waivers. This Agreement may be amended, modified or supplemented, and any of the terms, covenants, agreements, representations, warranties or conditions set forth herein may be waived, only by a written instrument executed by Purchaser and ECD, or, in the case of a waiver, by the party waiving compliance. Any waiver by either party hereto of any condition, or of the breach of any provision, term, covenant, agreement, representation or warranty, set forth in this Agreement, in any one or more instances, shall not be

deemed to be or construed as a furthering or continuing waiver of any such condition, or of the breach of any provision, term, covenant, agreement, representation or warranty set forth this Agreement.

12.9 Entire Agreement. This Agreement and the Ancillary Agreements contain the entire understanding between the parties hereto with respect to the transactions contemplated hereby and supersede and replace all prior and contemporaneous agreements and understandings, oral or written, with regard to such transactions.

12.10 Bankruptcy Court Approval. For the avoidance of doubt, this Agreement will be binding upon the parties only after its approval by the Bankruptcy Court.

12.11 ECD Disclosures. Other than statements made in the Bankruptcy Court (or in pleadings filed therein) or in ECD's filings with the Securities Exchange Commission, ECD shall not issue (prior to, on or after the Closing) any press release or make any public statement or public communication with respect to this Agreement or the transactions contemplated hereby without the prior written consent of Purchaser, which shall not be unreasonably withheld or delayed.

12.12 Headings. The article and section headings in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

12.13 Electronic Delivery; Counterparts. This Agreement and any signed agreement or instrument entered into in connection with this Agreement, and any amendments, modifications or supplements hereto or thereto, may be executed in one or more counterparts, all of which shall constitute one and the same instrument. Any such counterpart, to the extent delivered by means of a facsimile machine or by .pdf, .tif, .gif, .peg or similar attachment to electronic mail (any such delivery, an "Electronic Delivery") shall be treated in all manner and respects as an original executed counterpart and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. No party hereto shall raise the use of Electronic Delivery to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through the use of Electronic Delivery as a defense to the formation of a contract, and each such party forever waives any such defense, except to the extent such defense relates to lack of authenticity.

12.14 Waiver of Jury Trial.

(a) EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY LITIGATION, ACTION, PROCEEDING, CROSS-CLAIM OR COUNTERCLAIM IN ANY COURT (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF, RELATING TO OR IN CONNECTION WITH THIS AGREEMENT OR THE VALIDITY, PERFORMANCE, INTERPRETATION OR ENFORCEMENT HEREOF, OR THE ACTIONS OF SUCH PARTY IN THE NEGOTIATION, AUTHORIZATION, EXECUTION, DELIVERY, ADMINISTRATION, PERFORMANCE OR ENFORCEMENT HEREOF. EACH PARTY HERETO ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO THIS AGREEMENT. EACH PARTY HERETO FURTHER ACKNOWLEDGES THAT IT HAS REVIEWED THIS

WAIVER WITH LEGAL COUNSEL OF ITS OWN CHOOSING, OR HAS HAD AN OPPORTUNITY TO DO SO, AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS, HAVING HAD THE OPPORTUNITY TO CONSULT WITH LEGAL COUNSEL.

(b) THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING, AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, MODIFICATIONS OR SUPPLEMENTS TO THIS AGREEMENT. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT WITHOUT A JURY.

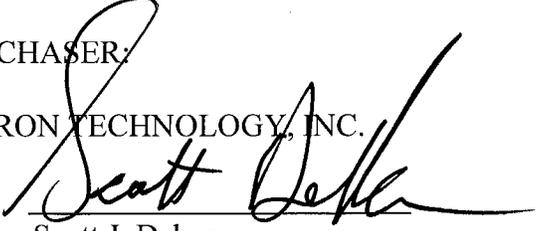
12.15 Third Party Beneficiaries. No provision of this Agreement is intended to confer any rights or remedies hereunder upon any Person other than the parties hereto.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized as of the date first above written.

PURCHASER:

MICRON TECHNOLOGY, INC.

By: 

Name: Scott J. Deboer

Its: Vice President of Process R&D

REVIEWED
MTI Legal

RJP

ECD:

ENERGY CONVERSION DEVICES, INC.

By: _____

Name: Gregory G. Coppola

Its: _____

[Signature page to Equity Purchase Agreement]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized as of the date first above written.

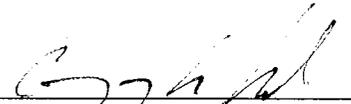
PURCHASER:

MICRON TECHNOLOGY, INC.

By: _____
Name: Scott J. Deboer
Its: Vice President of Process R&D

ECD:

ENERGY CONVERSION DEVICES, INC.

By:  _____
Name: Gregory G. Coppola
Its: Senior Vice President – Finance & Treasury

[Signature page to Equity Purchase Agreement]

Exhibit A

Form of Assignment and Assumption Agreement

See attached.

**FORM OF
ASSIGNMENT AND ASSUMPTION AGREEMENT**

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (this "Agreement") is made and entered into as of _____, 2012, by and between (i) Micron Technology, Inc., a Delaware corporation ("Purchaser"), and (ii) Energy Conversion Devices, Inc., a Delaware corporation ("ECD").

WHEREAS, Purchaser and ECD are parties to that certain Equity Purchase Agreement, dated as of August 3, 2012 (the "Equity Purchase Agreement");

WHEREAS, on the terms and subject to the conditions set forth in the Equity Purchase Agreement, ECD desires to assign to Purchaser, and Purchaser desires to accept from ECD, all of ECD's right, title and interest in, to and under the Ovonyx Stockholders Agreement; and

WHEREAS, the execution and delivery of this Agreement is a condition to the consummation of the transactions contemplated by the Equity Purchase Agreement.

NOW, THEREFORE, in consideration of the foregoing and their respective covenants and agreement set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Purchaser and ECD hereby agree as follows:

1. Definitions. Capitalized terms used but not defined herein shall have the meanings set forth in the Equity Purchase Agreement.
2. Assignment. ECD does hereby assign to Purchaser all of its right, title and interest in, to and under the Ovonyx Stockholders Agreement.
3. Acceptance and Assumption. Purchaser does hereby accept the assignment set forth in Section 2 hereof and expressly assumes and agrees to perform and discharge all of the obligations required to be performed and discharged by ECD under the Ovonyx Stockholders Agreement that arise or first become due after the Closing.
4. No Expansion of Rights. This Agreement, being further documentation of the sale, transfer, assignment and conveyance contemplated by the Equity Purchase Agreement, neither expands upon nor limits the rights or obligations of ECD or Purchaser under the Equity Purchase Agreement.
5. Conflict with Equity Purchase Agreement. In the event that the terms of this Agreement conflict with the terms of the Equity Purchase Agreement, the terms of the Equity Purchase Agreement shall govern.
6. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted by the Equity Purchase Agreement.
7. Counterparts. This Agreement may be executed in one or more counterparts, all of which shall together constitute one and the same instrument.

8. Governing Law. This Agreement shall be construed, performed and enforced in accordance with, and governed by, the Laws of the State of Delaware (without giving effect to the principles of conflict of law thereof).

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized as of the date first above written.

PURCHASER:

MICRON TECHNOLOGY, INC.

By: _____
Name: _____
Its: _____

ECD:

ENERGY CONVERSION DEVICES, INC.

By: _____
Name: _____
Its: _____

[Signature Page to Assignment and Assumption Agreement]

Exhibit B

Form of Bankruptcy Sale Order

See attached.

Exhibit C

Ovonix Stockholders Agreement

[This Exhibit is confidential and is subject to a pending motion to seal.]

Exhibit D

Offer Notice

Ovonyx Capitalization Schedule

[This Exhibit is confidential and is subject to a pending motion to seal.]

Post-Petition Stockholder Actions Schedule

None.

EXHIBIT 6-B

Stockholders Agreement

[This Exhibit is confidential and is subject to a pending motion to seal.]

11133774.6