IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	Chapter 11
SYNTHEGO CORPORATION,[1]	Case No. 25-10823 (MFW)
Debtor.	**Related Docket No. 61**

ORDER GRANTING DEBTOR'S MOTION TO RETAIN AND EMPLOY PALADIN MANAGEMENT GROUP, LLC TO PROVIDE A CHIEF RESTRUCTURING OFFICER AND ADDITIONAL PERSONNEL AS OF THE PETITION DATE

Upon the motion (the "Motion") of the above-captioned debtor and debtor in possession (the "Debtor") for entry of an order (this "Order") (i) authorizing the Debtor to (a) retain and employ Paladin Management Group, LLC ("Paladin") to provide the Debtor with a CRO and certain Additional Staff to assist the CRO effective as of the Petition Date, on the terms set forth in the Engagement Letter attached hereto as **Schedule 1**, and (b) designate Allen Soong as the Debtor's CRO, in each case effective as of the Petition Date, and (b) granting related relief, all as more fully set forth in the Motion; and upon the Soong Declaration; and this Court having found that it has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012; and this Court having found that the Motion is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interest of the Debtor's estate, its creditors, and other parties in interest; and this Court having found that the Debtor's notice of the Motion and opportunity for a hearing on the Motion were appropriate and no other notice need be

[1] The Debtor's mailing address is 3696 Haven Avenue, Suite A, Redwood City, California, 94063, and the last four digits of the Debtor's federal tax identification number is 9518.

provided; and this Court having reviewed the Motion; and this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Motion is granted as set forth herein.

2. Pursuant to sections 105(a) and 363(b) of the Bankruptcy Code, the Debtor is authorized to (i) retain and employ Paladin and (ii) designate Allen Soong as Chief Restructuring Officer, in each case effective as of the Petition Date.

3. The terms of the Engagement Letter, including without limitation the compensation provisions and the indemnification provisions, as modified by the Motion and this Order, are hereby approved.

4. The Debtor is hereby authorized to retain Paladin to provide the Debtor with a CRO, and certain Additional Staff to assist the CRO, and to designate Allen Soong as the Debtor's CRO, effective as of the Petition Date, on the terms and conditions set forth in the Motion and the Engagement Letter, as modified by this Order, subject to the following terms, which apply notwithstanding anything in the Engagement Letter or the Motion or any exhibits related thereto to the contrary:

a) Paladin and its affiliates shall not act in any other capacity (for example, and without limitation, as a financial advisor, claims agent/claims administrator, or investor/acquirer) in connection with the above-captioned Chapter 11 Case;

b) In the event the Debtor seeks to have the Additional Staff assume executive officer positions that are different than the positions disclosed in the Motion, or to materially change the terms of the engagement by either (i) modifying the functions of the Additional Staff, (ii) adding new executive officers, or (iii) altering

or expanding the scope of the engagement, a motion to modify the retention shall be filed;

c) Paladin shall file with the Court, with copies to the United States Trustee (the "U.S. Trustee") and counsel to any official committee of unsecured creditors (the "Committee"), a report of staffing on the engagement for the previous month. Such report shall include the names and functions filled of the individuals assigned. All staffing shall be subject to review by the Court in the event an objection is filed. Paladin shall file with the Court, and provide notice to the U.S. Trustee, reports of compensation earned and expenses incurred on a monthly basis. Such reports shall contain summary charts which describe the services provided, identify the compensation earned by each executive officer and staff employee provided, and itemize the expenses incurred. Time records shall (i) be appended to the reports, (ii) contain detailed time entries describing the task(s) performed, and (iii) be organized by project category. The time entries shall identify the time spent completing each task in 1/10th-hour increments and the corresponding charge (time multiplied by hourly rate) for each task. Parties in interest shall have 14 days after the date each report is served to object to such report. All compensation shall be subject to review by the Court in the event an objection is filed. No payments shall be made to Paladin until the objection period has passed, and in the event an objection is raised, no payment shall be made to Paladin on account of the portion of such staffing report objected to until such objection is resolved.

d) No principal, employee, or independent contractor of Paladin and its affiliates shall serve as a director of the above-captioned Debtor during the pendency of the above-captioned Chapter 11 Case;

e) Success fees, transaction fees, or other back-end fees, if any, shall be approved by the Court at the conclusion of the case on a reasonable standard basis and shall not be pre-approved by entry of this Order. No success fee or back-end fee shall be sought upon conversion of the Chapter 11 Case, dismissal of the Chapter 11 Case for cause, or the appointment of a trustee;

f) For a period of three years after the conclusion of the engagement, neither Paladin nor any of its affiliates shall make any investments in the Debtor or the reorganized Debtor;

g) Paladin shall disclose any and all facts that may have a bearing on whether Paladin, its affiliates, and/or any individuals working on the engagement have any interest materially adverse to the interest of the Debtor's estate or of any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in, the Debtor, or for any other reason. The obligation to disclose identified in this subparagraph is a continuing obligation;

h) The Debtor is permitted to indemnify those persons serving as executive officers (including the CRO) on the same terms as provided to the Debtor's other officers and directors under the corporate bylaws and applicable state law, along with insurance coverage under the Debtor's director and officer liability insurance policies;

i) There shall be no other indemnification of Paladin or its affiliates;

j) Notwithstanding the Engagement Letter:

   i. any controversy or claim with respect to, in connection with, arising out of, or in any way related to the Motion or the services provided by the CRO or Additional Staff to the Debtor as outlined in the Motion, including any matter

involving a successor in interest or agent of any of the Debtor or of Paladin, shall be brought in this Court;

ii. Paladin, the Debtor, and any and all of its successors and assigns, consent to the jurisdiction and venue of the Court as the exclusive forum for the resolution of Paladin's and the Debtor's claims, causes of actions, or lawsuits described above (unless the Court does not have or retain jurisdiction over such claims or controversies);

iii. Paladin and the Debtor, and any and all successors and assigns, consent to the jurisdiction and venue of the Court as the exclusive forum for the resolution of Paladin's and the Debtor's claims, causes of actions, or lawsuits described above (unless the Court does not have or retain jurisdiction over such claims or controversies);

iv. Paladin and the Debtor, and any and all successors and assigns, waive trial by jury, such waiver being informed and freely made; and

v. Paladin and the Debtor will not raise or assert any defense based upon jurisdiction, venue, abstention, or otherwise to the jurisdiction and venue of this Court to hear or determine any controversy or claims with respect to, in connection with, arising out of, or in any way related to the Motion or the services provided thereunder.

5. Notice of the Motion as provided therein is deemed to be good and sufficient notice of such Motion, and the requirements of the Local Rules are satisfied by the contents of the Motion.

6. Notwithstanding the possible applicability of Bankruptcy Rules 6004, 7062, or 9014, or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

7. Paladin shall use its reasonable efforts to avoid unnecessary duplication of services provided by any other professionals retained by the Debtor.

8. To the extent that Paladin uses the services of independent contractors or subcontractors (collectively, the "Contractors") in this case, Paladin shall pass through the cost of such Contractors to the Debtor at the same rate that Paladin pays the Contractors; seek reimbursement for actual costs only; ensure that the Contractors are subject to the same conflicts checks as required for Paladin; and file with this Court disclosures pertaining to such use.

9. In the event that during the pendency of this Chapter 11 Case, Paladin seeks reimbursement for any attorneys' fees and/or expenses pursuant to the Engagement Letter, the invoices and supporting time records from such attorneys shall be included in Paladin's monthly reports and such invoices and time records shall be in compliance with the Local Rules, and shall be subject to approval of the Court under the standards of sections 330 and 331 of the Bankruptcy Code, without regard to whether such attorney has been retained pursuant to section 327 of the Bankruptcy Code and without regard to whether such attorney's services satisfy section 330(a)(3)(C) of the Bankruptcy Code; provided, however, that Paladin shall not seek compensation or reimbursement from the Debtor's estate for any fees or expenses (including attorneys' fees or expenses) in defending against any objections to Paladin's fee applications in this Chapter 11 Case.

10. The Debtor is authorized to take all actions necessary to effectuate the relief granted pursuant to this Order.

11. To the extent that there may be any inconsistency between the terms of the Motion, the Engagement Letter, and this Order, the terms of this Order shall govern.

12. The Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

Dated: May 29th, 2025
Wilmington, Delaware

MARY F. WALRATH
UNITED STATES BANKRUPTCY JUDGE

Schedule 1

Engagement Letter

Paladin

April 14, 2025

Mr. Craig Christianson
Chief Executive Officer
Synthego Corporation
3696 Haven Ave, Suite A
Redwood City, CA 94063

Re: Amended & Restated Engagement Letter – Synthego Corporation.

Dear Mr. Christianson:

Reference is made to the engagement agreement letter, dated March 23, 2025, (the "Engagement Agreement"), between Synthego Corporation ("Company", "Client", or "you") and Paladin Management Group ("Paladin" or "we"). For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree to amend and restate the Engagement Agreement ("A&R Agreement") effective upon satisfaction of the following:

Conditions to Effectiveness
This Agreement and Paladin's obligations to provide the CRO Services shall be effective upon the later to occur of the following:

a. Board resolution authorizing and approving the CRO's appointment and this A&R Agreement, in form and substantive acceptable to Paladin.
b. Company providing Paladin with written verification that the CRO has been added as a named beneficiary to all existing Directors' and Officers' Liability Insurance policies respecting the Company.

In the event the foregoing is not provided and not waived by Paladin, this A&R Agreement shall be null and void.

Amended & Restated Terms of Engagement
This A&R Agreement amends and restates the Engagement Agreement in its entirety as follows. Any Engagement Agreement provisions that are expressly intended to survive termination, including confidentiality obligations and indemnification rights, shall remain in full force and effect in accordance with their terms.

Subject to confirmation by the Company's governing body (i.e. the "Board"), Paladin will make Allen Soong available to serve as the Company's Interim Chief Restructuring Officer ("CRO"). The CRO will report directly to the Board and provide consultation and advice regarding the Company's financial challenges and restructuring efforts. The CRO will remain,

at all times, an employee or independent contractor of Paladin and will not become an employee of the Company.

Scope of Services

Subject to the limitations contained herein and in Appendix A- General Terms and Conditions, included in the Engagement Agreement, Paladin will provide the following services. The CRO will provide the following services as authorized by the Board and as agreed by Paladin ("CRO Services"):

- assist in preparing and updating liquidity projections, payment prioritization, and vendor rationalization;
- prepare the Clients to commence to file a bankruptcy proceeding under Chapter 11 of Title 11 of the U.S. Code (the "Bankruptcy Case");
- prepare Schedules of Assets and Liabilities, Statements of Financial Affairs, Monthly Operating Reports, and other filings that may be appropriate or required in connection with the Bankruptcy Case;
- if required, assist in preparing a Key Employee Incentive Plan ("KEIP") or a Key Employee Retention Plan ("KERP");
- assist in the administration of the Bankruptcy Case, once commenced, and assist with any negotiations and other interactions with the Company's stakeholders and their respective advisors in connection with the Bankruptcy Case;
- serve as a witness or otherwise as a representative for the Company in connection with the Bankruptcy Case;
- assist with the preparation of financial forecasts and reports that may be required by the Company's Board, lenders and stakeholders;
- assist with strategic communications and negotiations with the Company's lenders, significant vendors, and other stakeholders; and
- provide such further advice and support that are conducive to the above or as the parties otherwise agree.

CRO Support Services

Paladin will make available such additional Paladin Personnel as Paladin deems necessary or appropriate, and approved in advance by the Board, to assist and support the CRO in the performance of the CRO Services. The Paladin Personnel will remain, at all times, employees or independent contractors of Paladin and will not become employees of the Company.

Retainer and Compensation

The Company has paid Paladin a $100,000 retainer (the "Retainer). Until the filing of a Chapter 11 case, the Company agrees to replenish the Retainer on a regular basis ("evergreen" retainer), such that it will be replenished in order to ensure that the amount of the Retainer is, at all times, greater than Paladin's work in progress and accrued fees.

The Company will be billed for Services in accordance with Paladin's Billing Policy set forth in Appendix A- General Terms and Conditions, included in the Engagement Agreement. Paladin professional fees range from $450 to $975 per hour, depending on the personnel assigned to a particular task.

General Term and Conditions

This A&R Agreement constitutes the entire agreement between the parties with respect to its subject matter and supersedes all prior understandings, proposals, negotiations, and communications, oral or written, between the parties or their representatives with respect to the subject matter hereof. By the Company's execution of this A&R Agreement, the Company acknowledges that it has read the foregoing, and the General Terms and Conditions, and it agrees to be bound thereby.

If the above terms are acceptable to you, please complete and sign this A&R Agreement in the space provided and return it to us.

Very truly yours,

PALADIN MANAGEMENT GROUP, LLC

By:_____
Name: Scott Avila
Title: Senior Managing Partner

CONFIRMED AND AGREED:

SYNTHEGO CORPORATION

Signed by:
By: Craig J Christianson
8B9420116A36487...
Name: Craig Christianson
Title: Chief Executive Officer

APPENDIX A

General Terms and Conditions – Consulting Services
Paladin Management Group, LLC

1. Retainer and Compensation

(a) Hourly and Weekly Billing. Unless stated otherwise herein, the Company will be billed for Services provided by Paladin Personnel on an hourly basis at the current hourly rate of the Paladin Personnel performing the Services. Paladin adjusts its hourly rates periodically. The Company agrees to pay the hourly rates as reasonably adjusted. Paladin's fees and expenses will be billed to the Company monthly and are payable upon receipt. Billable Services include services provided to the Company by Paladin Personnel commencing with the date hereof and continuing after termination of the engagement.

(b) Retainer. The Retainer ensures payment of Paladin's fees. Paladin may apply the Retainer to unpaid invoices without prior notice. Paladin may increase the Retainer to the extent required to ensure that the Retainer is sufficient to cover work in progress and outstanding invoices. The Company shall replenish the Retainer upon Paladin's request. The Retainer will not accrue interest. The balance of the Retainer after payment of Paladin's final invoice, if any, will be returned to the Company.

(c) Travel. The Company will be responsible for Paladin Personnel travel time and expenses, including travel time and expenses incurred in traveling to and from the Paladin Personnel's home offices to locations other than the Company's offices. Paladin will bill travel time at one-half of the applicable hourly rate; provided that, Paladin will bill travel time at its normal hourly rates to the extent Paladin Personnel are performing Services while traveling.

(d) Expenses. Paladin may incur costs and expenses in performing the Services. The Company agrees that it will pay or reimburse Paladin, as applicable, for all documented out-of-pocket expenses reasonably incurred by Paladin and Paladin Personnel in the performance of the Services through the termination date and the reasonable expenses incurred in connection with the Services after the termination date such as travel, and other expenses. Such expenses include transportation, meals, lodging, all other costs necessary for out-of-town travel, delivery services, etc. In addition, in states where Paladin is obligated to collect sales taxes on professional services, such taxes will be billed to the Company.

2. Paladin Personnel

Except as otherwise provided in this Agreement, the Services may be performed by such employees, agents or independent contractors of Paladin, or of any subsidiary or affiliate of Paladin, as Paladin may determine. References to "Paladin Personnel" herein include those employees, agents, and independent contractors of Paladin and its subsidiaries or affiliates that perform Services for the Company.

3. Independent Contractor Status

Paladin shall serve as an independent contractor under this Agreement. Paladin will have exclusive control over the management and operation of the Services provided by Paladin Personnel and will be responsible for hiring, supervising and paying the wages or other compensation due to the Paladin Personnel in connection with this Agreement. No Paladin Personnel will be employed or engaged by the Company either as a director, officer, member, manager, partner, control person, employee, representative, agent or independent contractor, or in any other capacity. No Paladin Personnel will be entitled to receive from the Company any compensation, vacation pay, sick leave, retirement, pension or social security benefits, workers' compensation, disability, unemployment insurance benefits or any other employee benefits. Paladin will be responsible for all employment, withholding, income and other taxes incurred in connection with the Services.

4. Company Acknowledgements

The Company acknowledges and agrees that neither Paladin, nor any Paladin Personnel, make or have made any representations, guarantees or predictions that, *inter alia:* (i) An appropriate restructuring proposal or strategic alternative can be formulated; (ii) Any restructuring proposal or strategic alternative formulated by Paladin will achieve the intended results or will be more successful than other possible restructuring proposals or strategic alternatives; (iii) Restructuring is the best course of action for the Company; (iv) Any restructuring

proposal or strategic alternative formulated by Paladin will be accepted by the Board, or the Company's creditors, shareholders and other stakeholders. The Company further acknowledges that numerous factors affect the Company's actual financial and operational results, and that these results may materially and adversely differ from the objectives of the restructuring plan or strategy formulated or proposed by Paladin.

5. Accuracy and Completeness of Information

The Company is responsible for providing Paladin with accurate and complete information and materials. The Company will provide Paladin with full and timely access to all Company personnel, books and records, including those of the Company's attorneys, accountants, other agents and third-party representatives, that Paladin Personnel reasonably request in connection with the performance of the Services. Paladin Personnel are entitled to rely on the accuracy of the information and materials provided and shall have no duty to verify the reliability, accuracy or completeness of such information. The Company is responsible for the accuracy and reliability of any plans, strategies, forecasts, quantitative financial models, projections and related computations prepared by Paladin in reliance upon any inaccurate or incomplete information or materials provided. Paladin shall incur no liability to the Company or any third-party arising out of any unreliable, inaccurate or incomplete information or materials provided by the Company.

6. Company Responsibilities

Except as set forth in the final sentence of this section, (i) the Company will make all decisions relating to whether the Company pursues or does not pursue a particular proposal, transaction, plan or strategy, and (ii) the Company is responsible for the implementation and outcome of any proposal, transaction, plan or strategy pursued by the Company. The Company is responsible for any Work Product (as defined below) that is modified in any material respect without Paladin's approval. In the event that Paladin Personnel are appointed an officer or director of the Company, this Section will not apply with respect to the specific decisions made or directed by such appointed officer or director.

7. Excluded Services

Neither Paladin nor any Paladin Personnel will perform any of the following services: insurance advice; investment advice; asset management services, legal, tax or regulatory advice or services; or accounting or audit services, including any financial statement reporting services that are subject to the rules of the AICPA, SEC or other state or national professional or regulatory body.

8. Bankruptcy Proceedings

In the event the Company resolves to file for bankruptcy under Chapter 11 of the Bankruptcy Code or has reason to believe an involuntary petition is likely to be filed, the following provisions shall apply:

(a) Approval of Engagement. The Company will promptly seek the Bankruptcy Court's approval of Paladin's engagement under this Agreement. The application, proposed order and other supporting documents submitted to the Bankruptcy Court seeking such approval must be satisfactory to Paladin in all respects. Unless agreed otherwise by Paladin, retention of Paladin shall be pursuant to section 327 or 363 (as appropriate) of the Bankruptcy Code. Paladin's Services following the commencement of a bankruptcy case or cases, and compensation relating thereto, will be subject to approval and authorization by the Bankruptcy Court.

(b) Bankruptcy Services. The term Services as used in this Agreement shall include the services provided by Paladin Personnel in connection with any Bankruptcy Court proceedings ("Bankruptcy Services"). The term "Services" as used herein shall include the Bankruptcy Services.

(c) Retainer. Paladin may increase the Retainer amount to account for the additional Bankruptcy Services and the Company shall promptly pay Paladin the additional Retainer amount.

(d) Reimbursement of Costs. Subject to the approval of the Bankruptcy Court, the Company shall pay or reimburse Paladin for all costs reasonably incurred by Paladin or Paladin Personnel in connection with the Bankruptcy Services, including attorney fees.

(e) Notwithstanding anything in this Agreement, the Bankruptcy Court where the Company's case is pending will have jurisdiction to hear and determine all disputes arising from or in connection with this Agreement

9. Intentionally deleted

10. Insurance, Indemnification

As an inducement to Paladin to agree to this Agreement and as further consideration for the Services, the Company agrees to indemnify, insure, defend and limit Paladin's liability as provided below.

(a) Indemnification. No Indemnified Party shall be liable (directly or indirectly, in contract or tort or otherwise) to the Company (including its successors and creditors) for any claim arising out of or relating to this Agreement, including any acts or omissions committed by Paladin Personnel in the performance of the Services. The Company agrees to indemnify, defend and hold harmless Paladin, Paladin Personnel, and their respective affiliates, former and present members, managers, insurers, directors, officers, employees, agents, independent contractors and controlling persons (each an "Indemnified Party" and collectively, the "Indemnified Parties") to the fullest extent permitted by law against any and all actual or threatened liabilities, losses, judgments, proceedings, litigations, or expenses (including legal fees and other costs reasonably incurred, including expert witness and investigator fees) (collectively, "Indemnified Claims"), arising out of or relating to (i) the Services performed under this Agreement, (ii) Paladin's involvement with the Company or its operations, or (iii) the Company's restructuring efforts generally; provided that indemnity under (i) in the preceding sentence shall not apply to any loss, claim, damage, liability or expense to the extent it is found in a final judgment by a court of competent jurisdiction (not subject to further appeal) to have resulted primarily and directly from such Indemnified Party's gross negligence or willful misconduct, or breach of the confidentiality obligations contained in this Agreement.

(b) Promptly after receipt by an Indemnified Party of notice of its involvement in any threatened or actual action, matter, proceeding or investigation to which this Section might apply, the Indemnified Party shall, if a claim for indemnification in respect thereof is to be made hereunder, notify the Company of such involvement. Failure by an Indemnified Party hereunder to so notify the Company shall not relieve the Company from its obligations under this Section, except to the extent that the Company suffers actual prejudice as a result of such failure. The Indemnified Party shall have the option to control the defense of any Indemnified Claim, subject to reasonable consultation with the Company; in the event that the Indemnified Party so elects, the Company shall promptly advance or commence payment of any and all fees, expenses, and amounts incurred or to be incurred by the Indemnified Party in connection with the Indemnified Claim, in such frequency and amounts so as to ensure that the Indemnified Party does not pay any such amounts directly. In the event that the Indemnified Party elects for the Company to assume the defense of any Indemnified Claim:

i. the counsel selected by the Company for such defense shall be reasonably satisfactory to the Indemnified Party;

ii. the Indemnified Party shall have the right to participate in such action or proceeding and to retain its own counsel, but the Company shall not be liable for any legal expenses of other counsel subsequently incurred by the Indemnified Party in connection with the defense thereof unless (a) the Company has agreed to pay such fees and expenses, or (b) the Company shall have failed to employ counsel reasonably satisfactory to the Indemnified Party in a timely manner; and

iii. The Company shall not consent to the terms of any compromise or settlement of any Indemnified Claim without the prior written consent of the Indemnified Party, which shall not be unreasonably withheld or delayed.

In the event that the parties dispute whether a claim, proceeding, or litigation constitutes an Indemnified Claim, the Company shall treat such claim, proceeding or litigation as an Indemnified Claim and honor its defense obligations with respect thereto until and unless a court of competent jurisdiction determines in a final, non-appealable order or judgment that the claim, proceeding, or litigation does not qualify for defense under this Section; in that event, the Indemnified Party shall be required to repay any out-of-pocket expenses or amounts previously paid by the Company as part of its defense obligations under this Section.

(c) The indemnification provisions contained in this Agreement, including those contained in Section, shall survive and remain in full force and effect upon the termination of this Agreement and the filing of a petition under Chapter 7 or 11 of the United States Bankruptcy Code (or the conversion of an existing case to one under a different chapter).

(d) The rights provided herein are in addition to and shall not be deemed exclusive of any other rights to which the Indemnified Parties may be entitled under this Agreement, applicable law or otherwise. The Parties agree that failure by the Company to honor its obligations under this Section will result in irreparable harm and injury to the affected Indemnified Party that monetary damages will not be sufficient to address. As such, the Company agrees that, in addition to any and all remedies provided hereunder, breach of this Section shall entitle the Indemnified Parties to injunctive and other equitable relief deemed appropriate by a court of competent jurisdiction, without the need for entry of a bond or other security.

11. Conflicts

Paladin is not currently aware of any relationships with other clients that create actual or potential conflicts of interest with the Company. However, because Paladin serves clients on an international basis, it is possible that Paladin has rendered services to entities or individuals who are in competition with the Company or whose interests potentially conflict with the Company's interests, including creditors of the Company. Nothing in this Agreement prevents Paladin from providing services to such other entities or individuals now or in the future, provided Paladin makes appropriate arrangements to ensure that the confidentiality of the Company's information is maintained. Further, Paladin will not represent the interests of any entities or individuals whose interests are known by Paladin to directly conflict with the Company's interests in connection with any matter in which Paladin is currently providing services to the Company.

12. Confidential Information

Paladin acknowledges and agrees that Paladin Personnel will have access to certain Confidential Information belonging to the Company the disclosure or the use of which in a manner that does not serve the interests of the Company will cause irreparable damage and loss to the Company. For these reasons, Paladin covenants and agrees as follows:

(a) Use of Confidential Information. Except as otherwise expressly provided herein, Paladin will use the Confidential Information only in connection with the performance of the Services. Paladin will use reasonable efforts to maintain the confidentiality of the Confidential Information.

(b) Confidential Information.

i. "Confidential Information" means any data or information that is proprietary to the Company and/or its affiliates that is not generally known to the public, whether in tangible or intangible form, in any and all mediums, including, but not limited to: (i) financial information, projections, operations, sales estimates, business plans and performance results, marketing strategies, and business plans; (ii) plans for products or services, and customer or supplier lists; (iii) any scientific or technical information, invention, design, process, procedure, formula, improvement, technology or method; (iv) any concepts, reports, data, know-how, works-in-progress, designs, development tools, specifications, computer software, source code, object code, flow charts, databases, inventions, information and trade secrets; (v) any other information that should reasonably be recognized as confidential information of the Company; and (vi) any Work Product excluding the Engagement Tools (as those terms are defined in Section 13). Confidential Information need not be novel, unique, patentable, copyrightable or constitute a trade secret in order to be designated Confidential Information.

ii. Confidential Information shall not include information which: (i) was lawfully possessed by Paladin prior to receiving the Confidential Information from the Company; (ii) becomes rightfully known by Paladin from a third-party source not under an obligation to Company to maintain confidentiality; (ii) is generally known by the public through no fault of or failure to act by Paladin inconsistent with its obligations under this Agreement; (iv) is required to be disclosed in a judicial or administrative proceeding, or is otherwise requested or required to be disclosed by law or regulation, although the requirements of paragraph 5 hereof shall apply prior to any disclosure being made; and (v) is or has been developed by employees, consultants or agents of Paladin without violation of the terms of this Agreement, including the Engagement Tools.

(c) Permitted Disclosures. Paladin may disclose Confidential Information: (i) to third parties in connection with the performance of its Services under this Agreement so long as such disclosures are made pursuant to a confidentiality agreement in form and substance satisfactory to the Company or otherwise with the knowledge and consent of the Company; (ii) in connection with any dispute between Paladin and the

Company under or concerning this Agreement, and (iii) pursuant to any request by FINRA, the Securities and Exchange Commission or any other regulatory authority, or pursuant to any order, subpoena or other regulatory or legal process. Paladin shall have the unrestricted right to use and disclose the Engagement Tools, and Paladin shall have the right to use the Company's name and logo, and to provide a description of the Services provided by Paladin under this Agreement, in Paladin's public marketing materials.

(d) Compelled Disclosure of Confidential Information. In the event that Paladin becomes legally compelled to disclose any Confidential Information, to the extent practicable and permitted by applicable law, Paladin shall provide the Company with prompt notice thereof prior to any disclosure of Confidential Information so that the Company may contest such requirement or seek a protective order or other appropriate remedy. Paladin shall use its reasonable best efforts to assist Company in such efforts. In the event that disclosure is required, Paladin will furnish only that portion of the Confidential Information which is legally required.

(e) Warranty Regarding Authority to Disclose Confidential Information, Indemnification. The Company represents and warrants to Paladin that it has the authority to disclose the Confidential Information to Paladin and agrees to indemnify and defend Paladin against any claims or liability arising out of the Company's disclosure of the Confidential Information to Paladin and/or Paladin's use and disclosure of the Confidential Information pursuant to and in accordance with this Agreement.

(f) Survival. The rights and obligations of the Parties under this Agreement shall survive the termination of this Agreement and remain binding for a period of one (1) year from the termination date.

(g) Injunctive Relief. Paladin acknowledges and agrees a violation of this Agreement could cause irreparable injury to the Company and as there is no adequate remedy at law for such violation, the Company may, in addition to any other remedies available to it at law or in equity, enjoin Paladin in a court of equity for violating or threatening to violate this Agreement.

(h) Ownership of Confidential Information. All Confidential Information disclosed to Paladin by the Company shall remain the property of the Company.

(i) Return or Destruction of Confidential Information. Upon written request of the Company, Paladin shall promptly return to the Company all Confidential Information and documents received or otherwise obtained from the Company and all copies and excerpts of the same. Upon written request of the Company, Paladin shall also permanently destroy all electronic and digital versions of the Confidential Information and the documents.

(j) This Agreement shall supersede any preexisting Confidentiality and/or Nondisclosure of Confidential Information Agreement between Paladin and the Company.

13. Email Communications

During Paladin's engagement, it may exchange electronic versions of documents and e-mails with Company using commercially available software. Unfortunately, such communications are occasionally victimized by the creation and dissemination of so-called viruses, destructive electronic programs or invasions of expected privacy. Paladin's virus scanning software also may occasionally reject a communication that Company sends to Paladin, or Paladin in turn may send Company something that is rejected by Paladin's system. Paladin believes these infrequent occurrences are to be expected as part of the ordinary course of business, although they do affect the security and reliability of these communications. Paladin cannot guarantee that its communications and documents will always be virus free or immune from invasions of expected privacy. If for these or other reasons Company would prefer or require that Firm not use electronic communications or that it follows special instructions or use encryptions, on e-mail or other communications, Company should promptly advise Paladin in writing.

14. Work Product; Engagement Tools

(a) Work Product. Work Product refers to all work product created or produced by Paladin Personnel directly for the Company and delivered to the Company as part of this engagement, including advice, analyses, financial models, reports, strategies, plans, proposals, and presentation materials.

(b) Engagement Tools. "Engagement Tools" includes all methodologies, processes, techniques, ideas, concepts, know-how, procedures, software, templates, models and other intellectual property created,

acquired or developed by Paladin Personnel independently of or in connection with this engagement that are employed by Paladin Personnel in the development and creation of the Work Product.

(c) Ownership and License. The Engagement Tools are the sole and exclusive property of Paladin. The Company shall not acquire any interest in the Engagement. Tools except that Paladin grants the Company a royalty free, worldwide, perpetual, non-transferable license to use the Engagement Tools to the extent they are contained in the Work Product. The Work Product, excluding the Engagement Tools contained therein, is work made for hire and shall constitute the sole and exclusive property of the Company.

(d) No Third-Party Beneficiaries. The Work Product is intended solely for the use and benefit of the Company and this Agreement shall not be interpreted as conferring any rights on any other individual as a third-party beneficiary or otherwise.

(e) Time and Data Sensitive Material. The Company acknowledges that the appropriateness, accuracy and reliability of the Work Product is specific to factors existing at the time the Work Product is developed and that any changes in those factors including those resulting from the passage of time, and any modifications to the Work Product can materially affect the appropriateness, accuracy and reliability of the Work Product.

(f) Non-Disclosure. The Company covenants and agrees not to disclose Work Product to any persons other than the Company's lenders, equity holders, board members, managers, officers, employees, attorneys, agents and other representative, unless:

i. Paladin consents to the disclosure;

ii. The Work Product contains no material modifications that have not been approved by Paladin; and

iii. The disclosure includes a disclaimer approved by Paladin.

(g) Non-Responsibility; Indemnification. Neither Paladin nor any Indemnified Party (as defined in the Section entitled "Insurance, Indemnification & Limitation of Liability") shall be liable for, and the Company shall indemnify, defend, and hold the Indemnified Parties harmless against, any claims, damages or expense, including attorney fees, arising out of the disclosure of Work Product by the Company or any of its representatives that is not authorized pursuant to subparagraph (f).

15. Alternative Dispute Resolution Procedure

Subject to paragraph 8(e) of this Agreement, any controversy or claim arising out of or relating to this Agreement, or any breach thereof, shall be settled by arbitration seated in New York, New York. The physical location of the arbitration hearings shall be held in New York, New York, unless the Parties agree otherwise. All proceedings, filings, and statements made in such arbitration shall be confidential. The arbitration shall be administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules and, with respect to discovery and the taking of evidence, the International Bar Association's Rules on the Taking of Evidence in International Arbitration (the "IBC Rules"). Notwithstanding the IBC Rules, however, the Parties shall be entitled to up to twenty-five (25) written requests for admission ("RFA's") and up to two (2) depositions, each without leave of the arbitral tribunal. The deponent's attendance may be compelled by either request to the arbitral tribunal or order from a court of competent jurisdiction. Failure by either Party to timely respond to RFA's shall be deemed an admission to such RFA's. Failure by either Party to participate in the arbitration (including failure to attend a properly scheduled deposition, conference, or hearing) shall be deemed default and consent to the immediate entry by the arbitral tribunal of an award in favor of the other Party in an amount equal to the maximum damages reasonably requested by such Party (giving all possible deference to the Parties' limited ability to prove damages in the absence of the other Party's participation). The arbitral tribunal shall immediately enter such award upon request by the participating Party. Any award granted to a Party pursuant to an arbitration in accordance with this Agreement shall be enforceable in foreign jurisdictions in the manner contemplated by the Convention on the Recognition and Enforcement of Foreign Arbitral Awards (the "New York Convention"). Notwithstanding the foregoing, any Party may seek and obtain injunctive and other equitable relief from a court of competent jurisdiction to enforce the provisions of this Agreement without first seeking or obtaining any decision of the arbitral tribunal, with respect to the subject matter of this Agreement.

16. Non-Solicitation

For a period of six (6) months after the later of: (i) the completion of all Services; or (ii) termination of this Agreement, the Company, including any affiliates thereof, shall not hire, retain or utilize (other than through Paladin) the services of any current or former employee or independent contractor of Paladin who provided Services under this Agreement at any time. The Company agrees and acknowledges that Paladin's remedy at law for any breach of the provisions of this Section would be inadequate and that for any breach of such provisions Paladin will, in addition to such other remedies as may be available to it at law or in equity, be entitled to injunctive relief and to enforce its rights by an action for specific performance to the extent permitted by law. Notwithstanding the previous sentence, Paladin agrees to waive its rights under the provisions of this Section immediately upon written notice and payment by the Company to Paladin of an amount equal to $250,000.

17. No Partnership, Joint Venture, or Agency Relationship; Independent Judgment

Nothing in this Agreement shall be construed as creating a partnership, joint venture or agency relationship between Paladin or Paladin Personnel, and the Company. Paladin shall have no authority to act for or on behalf of the Company. Further, the Company acknowledges and agrees that the Company's Board and executive officers are sophisticated individuals who have the knowledge and experience required to make decisions independently of the advice provided by Paladin. The Company covenants and agrees that it will exercise independent judgment in making decisions relating to any restructuring plan, business strategy or other transaction proposed by Paladin.

18. Company's Joint and Several Liability; Right of Setoff

If the Company consists of one or more individuals or entities, then the Company's obligations under this Agreement shall be joint and several obligations of each individual or entity comprising the "Company." Each such individual or entity shall execute this Agreement. Without limiting any other remedy that may be available to Paladin under this Agreement or applicable law, where the "Company" under this Agreement consists of more than one individual or entity, then Paladin shall have against each such individual or entity a right of setoff (notwithstanding any lack of mutuality) under which Paladin may set off against any claim against Paladin by any individual or entity comprising the Company group, all of the claims that Paladin may have against any or all of the individuals or other entities that comprise the Company.

19. Consent; Entire Agreement

In any instance under this Agreement where a party's consent is permitted or required to be given, such consent shall not be withheld unreasonably. This Agreement contains the entire Agreement of the parties with respect to its subject matter and supersedes all prior agreements and understandings between the Company and Paladin with respect to such subject matter. Any modification of or supplement to this Agreement shall be effective only if such modification or supplement is in writing and signed by all parties.

20. Multiple Originals

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document. This Agreement may be executed by facsimile signatures or signatures forwarded via email.

21. Governing Law; Venue

This Agreement shall be governed by and construed and interpreted in accordance with the laws of New York (without regard to conflict of laws principles). Venue for all purposes shall be New York, NY.