



**Second Report of  
KSV Restructuring Inc. as  
Information Officer of  
Paladin Labs Canadian Holding Inc. and  
Paladin Labs Inc.**

November 24, 2022

<b>Contents</b>	<b>Page</b>
<b>1.0 Introduction .....</b>	<b>1</b>
1.1 Purposes of this Report.....	3
1.2 Currency .....	3
1.3 Defined Terms .....	4
1.4 Restrictions .....	4
<b>2.0 Background .....</b>	<b>4</b>
<b>3.0 Additional Orders Proposed to be Recognized by this Court.....</b>	<b>5</b>
3.1 The De Minimis Assets Order .....	5
3.2 The Creditor Listing Order.....	6
3.3 The Final Cash Collateral Order.....	7
3.4 The Combined Wages Order .....	9
3.5 The Final Wages Order.....	9
3.6 Recommendation.....	10
<b>4.0 Activities of Information Officer .....</b>	<b>11</b>
<b>5.0 Conclusion and Recommendation.....</b>	<b>12</b>



COURT FILE NO.: CV-22-00685631-00CL

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
R.S.C 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF PALADIN LABS CANADIAN HOLDING INC. AND  
PALADIN LABS INC.

APPLICATION OF PALADIN LABS INC. UNDER SECTION 46 OF THE *COMPANIES'*  
*CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

SECOND REPORT OF KSV RESTRUCTURING INC.  
AS INFORMATION OFFICER

NOVEMBER 24, 2022

## 1.0 Introduction

1. On August 16, 2022 (the "Petition Date"), Endo International plc. ("Endo Parent") and certain of its affiliates (collectively, the "Debtors", and together with their non-debtor affiliates, "Endo" or the "Company"), including Paladin Labs Inc. ("Paladin") and Paladin Labs Canadian Holding Inc. ("Paladin Holding" and jointly with Paladin, the "Canadian Debtors"), commenced proceedings (the "Chapter 11 Proceedings") by filing voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of New York (the "US Court").
2. On August 17, 2022, the Debtors filed several first day motions in the Chapter 11 Proceedings (collectively, the "First Day Motions"). On August 18, 2022, the US Court granted multiple orders in respect of the First Day Motions (collectively, the "First Day Orders"), including, among others, the:<sup>1</sup>
  - a) Foreign Representative Order, which authorized Paladin to act as the foreign representative of the Debtors (the "Foreign Representative");
  - b) Joint Administration Order;
  - c) Notice of Stay Order;
  - d) Interim Wages Order;
  - e) Interim Customer Programs Order;

---

<sup>1</sup> Each as defined in the First Supplemental Order (as defined below).

- f) Interim Vendor Order;
  - g) Interim Taxes Order;
  - h) Interim Insurance Order;
  - i) Interim Cash Management Order; and
  - j) Interim Cash Collateral Order.
3. In its capacity as Foreign Representative, Paladin brought an application (the “Recognition Application”) before the Ontario Superior Court of Justice (Commercial List) (this “Court”) for recognition of the Chapter 11 Proceedings under Part IV of *the Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “CCAA”). In connection with the Recognition Application, this Court granted the following orders:
- a) an [Interim Order](#)<sup>2</sup> (Foreign Proceeding) dated August 17, 2022 (the “Interim Order”), among other things, granting a stay of proceedings in respect of the Canadian Debtors, the property and business of the Canadian Debtors, any subsidiary, affiliate or related party of Endo Parent or any Canadian Debtor that is a defendant in Canadian litigation proceedings or subject to any other proceedings in Canada (the “Canadian Litigation Defendants”), and the directors and officers of the Canadian Debtors and the Canadian Litigation Defendants;
  - b) an [Initial Recognition Order](#) (Foreign Main Proceeding) dated August 19, 2022 (the “Initial Recognition Order”), among other things:
    - (1) recognizing the Chapter 11 Proceedings as a “foreign main proceeding” and recognizing Paladin as the “foreign representative” in respect of the Chapter 11 Proceedings, as such terms are defined in section 45 of the CCAA; and
    - (2) declaring that the Interim Order shall be of no further force or effect upon the effectiveness of the Initial Recognition Order and the First Supplemental Order; and
  - c) a [Supplemental Order](#) (Foreign Main Proceeding) dated August 19, 2022 (the “First Supplemental Order”), *inter alia*:
    - (1) recognizing certain of the First Day Orders of the US Court;
    - (2) granting a stay of proceedings in respect of the Canadian Debtors, the property and business of the Canadian Debtors, the Canadian Litigation Defendants, and the directors and officers of the Canadian Debtors and the Canadian Litigation Defendants; and
    - (3) appointing KSV Restructuring Inc. (“KSV”) as information officer in respect of these Canadian recognition proceedings (the “Information Officer”).

---

<sup>2</sup> Throughout this Report, words in blue text and underlined are hyperlinked to the Information Officer’s website.

4. On September 28, 2022, the US Court heard certain second day motions (the “Second Day Hearing”) filed by the Debtors in the Chapter 11 Proceedings and entered certain orders in respect of such motions (collectively, the “Second Day Orders”).
5. On October 13, 2022, this Court made an order (the “[Second Supplemental Order](#)”) recognizing and enforcing certain of the Second Day Orders.
6. Since the Second Day Hearing, the US Court has entered certain additional orders,<sup>3</sup> including the:
  - a) De Minimis Assets Order;
  - b) Creditor Listing Order;
  - c) Final Cash Collateral Order;
  - d) Combined Wages Order; and
  - e) Final Wages Order (collectively, the “Additional Orders”).
7. The Foreign Representative is now seeking to have this Court recognize and enforce the Additional Orders in Canada pursuant to an order under section 49 of the CCAA (the “Third Supplemental Order”).
8. This Report has been prepared and will be filed with the Court by KSV in its capacity as the Information Officer.

## 1.1 Purposes of this Report

1. The purposes of this Report are to:
  - a) recommend that this Court grant the relief being sought by the Foreign Representative pursuant to the proposed Third Supplemental Order; and
  - b) provide a summary of the activities of the Information Officer since the date of its [First Report to Court dated October 10, 2022](#) (the “First Report”).

## 1.2 Currency

1. All currency references in this Report are to US dollars, unless otherwise stated.

---

<sup>3</sup> Each as defined in the Harmes Affidavit (as defined below).

### 1.3 Defined Terms

1. Capitalized terms not otherwise defined in this Report have the meanings given to them in the Affidavit of Daniel Vas sworn August 17, 2022 (the “First Vas Affidavit”), the [Affidavit of Daniel Vas sworn October 7, 2022](#) (the “Second Vas Affidavit”) or the Affidavit of Andrew Harmes sworn November 23, 2022 (the “Harmes Affidavit”), as applicable.

### 1.4 Restrictions

1. In preparing this Report, the Information Officer has relied upon unaudited financial information prepared by the Debtors’ representatives, the Debtors’ books and records and discussions with the Canadian Debtors’ counsel.
2. The Information Officer has not performed an audit or other verification of such information. An examination of the Debtors’ financial forecasts as outlined in the *Chartered Professional Accountants of Canada Handbook* has not been performed. Future oriented financial information relied upon in this Report is based on the Debtors’ assumptions regarding future events; actual results achieved may vary from this information and these variations may be material.
3. The Information Officer expresses no opinion or other form of assurance with respect to the accuracy of any financial information presented in this Report or relied upon by the Information Officer in its preparation of this Report.

## 2.0 Background

1. The Canadian Debtors are part of a global specialty pharmaceutical group that produces and sells both generic and branded products. Endo Parent is an Irish publicly traded company headquartered in Dublin, Ireland.
2. While Endo’s global headquarters are in Ireland, the majority of its business is conducted in the United States. Indeed, in 2021, Endo earned approximately 97% of its total consolidated revenue from customers in the United States. The Company’s United States headquarters is located in Malvern, Pennsylvania and its primary U.S. manufacturing facility is located in Rochester, Michigan.
3. Paladin is Endo’s Canadian operating company. Paladin sells specialty pharmaceutical products that it owns, licences or distributes to a variety of customers, including wholesalers, hospitals, governmental entities and pharmacies. Paladin Holding is a holding company that owns all of the shares of Paladin.
4. Of the approximately 1,560 employees employed by the Debtors as of the Petition Date, 98 were employees of Paladin. None of Paladin’s employees are unionized.

5. Endo's financial performance preceding the Petition Date had been negatively impacted by several factors, including a significant decline in revenues and increased generic competition relating to Vasoprost, Endo's single largest product by revenue in 2021, and the Company's litigation overhang, including the Canadian Opioid Lawsuits. In light of its financial performance and the circumstances facing the Company, Endo's highly-leveraged capital structure – including US\$8 billion in secured and unsecured indebtedness, which is guaranteed by the Canadian Debtors – and related debt servicing costs became unsustainable.
6. Prior to the Petition Date and following, among other things, discussions with certain of the Company's stakeholders regarding potential restructuring frameworks, the Debtors entered into a restructuring support agreement with the Ad Hoc First Lien Group (the "RSA"), which is comprised primarily of the Prepetition First Lien Lenders and the Prepetition First Lien Noteholders. The RSA contemplates a credit bid acquisition of substantially all of the Debtors' assets by an entity formed by the Ad Hoc First Lien Group, which will serve as a stalking horse bid (the "Stalking Horse Bid") in a post-petition bidding and auction process to be conducted during the Chapter 11 Proceedings (the "Anticipated Sale Process").
7. Further information concerning the Debtors' background, corporate structure, prepetition capital structure and indebtedness, and the events preceding the Chapter 11 Proceedings is provided in the First Vas Affidavit.
8. All materials filed with this Court in these Canadian recognition proceedings are available on the Information Officer's website at <https://www.ksvadvisory.com/experience/case/endo>.

### **3.0 Additional Orders Proposed to be Recognized by this Court**

1. The Second Vas Affidavit and the Harmes Affidavit provide additional information on each of the Additional Orders summarized below. All of the Additional Orders referenced above are attached to the Harmes Affidavit.

#### **3.1 The De Minimis Assets Order**

1. The De Minimis Assets Order is described in the Second Vas Affidavit, the Harmes Affidavit and the First Report. While the Debtors' motion for the De Minimis Assets Order was granted by the US Court at the Second Day Hearing, the order was not entered until November 16, 2022.
2. Among other things, the De Minimis Assets Order authorizes the Debtors to:
  - a) use, sell, acquire, invest or transfer assets or business lines of *de minimis* value that are not included in the Stalking Horse Bid (collectively, the "De Minimis Assets" and each a "De Minimis Asset") in any individual transaction or series of related transactions to a single party or group of related parties with an aggregate sale price of not more than US\$2 million, free and clear of liens and without the need for further US Court approval, with such liens attaching to the applicable proceeds with the same validity and priority as had attached to the De Minimis Assets immediately prior to the use, sale, or transfer;

- b) acquire De Minimis Assets in any individual transaction or series of related transactions from a single seller or a group of related sellers with an aggregate sale prices of not more than US\$2 million without the need for further US Court approval;
  - c) abandon a De Minimis Asset to the extent that a sale thereof cannot be consummated at a value greater than the cost of liquidating such De Minimis Asset; and
  - d) pay the reasonable and necessary fees and expenses incurred in connection with the use, sale, transfer or acquisition of De Minimis Assets.
3. The De Minimis Assets Order provides certain consultation rights in favour of the Ad Hoc First Lien Group, the Official Committee of Unsecured Creditors (the “UCC”) and the Official Committee of Opioid Claimants (together with the UCC, the “Statutory Committees”), and in certain instances prescribed under the De Minimis Assets Order, other notice parties.
4. As discussed in the Second Vas Affidavit and the Harmes Affidavit, the Foreign Representative’s request for recognition of the De Minimis Assets Order is made notwithstanding paragraph 5 of the Initial Recognition Order. For clarity, paragraph 5 of the Initial Recognition Order prohibits each of the Canadian Debtors, except with leave of the Court, from selling or otherwise disposing of the following:
- a) outside of the ordinary course of its business, any of its property in Canada that relates to the business; and
  - b) any of its other property in Canada.
5. Pursuant to the proposed Third Supplemental Order, the Canadian Debtors would be authorized to deal with their property in accordance with the De Minimis Assets Order despite paragraph 5 of the Initial Recognition Order, provided that the applicable Canadian Debtor gives not less than seven days’ advance notice to the Information Officer prior to taking any action with respect to its property pursuant to the De Minimis Assets Order. For the reasons discussed below, the Information Officer believes that this relief is appropriate in the circumstances.

### **3.2 The Creditor Listing Order**

1. In connection with the First Day Hearing, the Debtors filed a motion for the Creditor Listing Order (the “Creditor Listing Motion”). At the First Day Hearing, the Office of the United States Trustee (the “U.S. Trustee”) expressed concerns with respect to the scope of the Debtors’ proposed redactions to the personally identifiable information (the “PII”) of individual creditors and other stakeholders in various documents to be made publicly available in the Chapter 11 Proceedings. Accordingly, on August 24, 2022, the US Court entered an order in respect of the Creditor Listing Motion, which was limited to certain unopposed relief.

2. In response to the U.S. Trustee's objections, the Debtors subsequently narrowed the relief requested in respect of the PII to be redacted pursuant to the Creditor Listing Motion (as revised, the "Revised Creditor Listing Motion"). At the Second Day Hearing, the U.S. Trustee filed an objection on the issue of whether it was appropriate for the Debtors to redact the home and email addresses of individual stakeholders (such as creditors and employees) and the names and home and email addresses of individual litigation claimants. After reserving its decision at the Second Day Hearing, the US Court ultimately granted the relief sought by the Debtors in the Revised Creditor Listing Motion over the U.S. Trustee's objections pursuant to a Memorandum Decision and Order issued on November 2, 2022 (the "Memorandum Decision").
3. On November 11, 2022, the Creditor Listing Order was issued by the US Court to revise the Memorandum Decision (as revised, the "Corrected Memorandum Decision") to ensure that the PII of individual litigation claimants in Canada would be among the redactions authorized under the Creditor Listing Order. Together, the Creditor Listing Order and the Corrected Memorandum Decision, among other things:
  - a) as it relates to the PII, authorize the Debtors and the Claims and Noticing Agent to redact certain personal information from papers filed with the US Court and/or otherwise made publicly available by the Debtors and their Claims and Noticing Agent; and
  - b) require the Debtors to provide unredacted filings to (i) the US Court, the U.S. Trustee, the Statutory Committees and (ii) any other party designated by further order of the US Court or any other party upon request made to the Debtors that the Debtors determine in good faith is reasonably related to the Chapter 11 Proceedings.

### **3.3 The Final Cash Collateral Order**

1. The Final Cash Collateral Order authorizes the Debtors' use of, among other things, substantially all of their cash (the "Cash Collateral") during the period beginning on the Petition Date and ending on a Termination Date, in a manner consistent with the Final Cash Collateral Order and the Approved Budget (as such Approved Budget may be modified from time to time in accordance with the Final Cash Collateral Order).
2. Pursuant to the Final Cash Collateral Order, the Debtors are required to use the Cash Collateral in accordance with the Approved Budget, subject to certain permitted variances. In addition, pursuant to the Final Cash Collateral Order the Debtors are not to permit:
  - a) their unrestricted cash and cash equivalents to be less than US\$600 million at the end of any week; and
  - b) their aggregate disbursements, excluding certain specified disbursements, to be more than 120% of the projected disbursements set out in the Approved Budget for each applicable Budget Period.

3. To protect their rights in the Prepetition Collateral to the extent of any Diminution in Value as a result of the Debtors' use of the Cash Collateral, the Final Cash Collateral Order grants adequate protection to the Prepetition First Lien Secured Parties and the Prepetition Second Lien Notes Secured Parties. These protections are enumerated within the Final Cash Collateral Order and described in the Harmes Affidavit. These protections include, among other things, the:
  - a) granting of security interests on the Prepetition Collateral and the Collateral in favour of the Prepetition First Lien Secured Parties and the Prepetition Second Lien Notes Secured Parties;
  - b) granting of allowed super-priority administrative expense claims senior to any and all other administrative expense claims in the Chapter 11 Proceedings to the extent of any Diminution in Value; and
  - c) the payment of pre-petition and post-petition reasonable and documented fees and expenses of the Administrative Agent, the First Lien Indenture Trustee, the First Lien Collateral Trustee, the Ad Hoc First Lien Group, the Second Lien Indenture Trustee, the Second Lien Collateral Trustee, and the Ad Hoc Cross-Holder Group, in each case on the terms and conditions set out in the Final Cash Collateral Order.
4. The Final Cash Collateral Order also provides, among other things, that:
  - a) none of the Collateral, the Prepetition Collateral or the Carve Out may be used for certain prescribed activities, including, without limitation, to investigate or pursue certain claims against any of the Prepetition Secured Parties or to invalidate or subordinate the Prepetition Secured Indebtedness or the Prepetition Liens, provided that no more than (i) US\$1 million of the proceeds of the Collateral or the Prepetition Collateral (including the Cash Collateral) in the aggregate may be used by any Committee, and (ii) US\$50,000 of the proceeds of the Collateral or the Prepetition Collateral (including the Cash Collateral) in the aggregate may be used by the future claims representative appointed in the Chapter 11 Proceedings (the "FCR"), in each case to investigate, during the Challenge Period, the validity and enforceability of the claims, liens or interest held by the Prepetition Secured Parties related to the Prepetition Secured Indebtedness; and
  - b) the First Lien Collateral Trustee and the Second Lien Collateral Trustee may credit bid up to the full amount of their applicable secured claims, in each case subject to and in accordance with the Prepetition Documents and the Intercreditor Agreements, provided that all rights of the Statutory Committees and the FCR with respect to credit bidding and/or any credit bid are fully reserved.
5. Notably, the rights of all parties with respect to whether there has been or will be any Diminution in Value of the Prepetition Collateral (including the Cash Collateral), including how Diminution in Value is to be measured or determined, are fully reserved and preserved pursuant to the Final Cash Collateral Order.

### **3.4 The Combined Wages Order**

1. The Interim Wages Order entered by the US Court on August 19, 2022 was recognized by this Court pursuant to the First Supplemental Order. Since the Interim Wages Order was entered, the Debtors have obtained interim relief from the US Court pursuant to three interim orders, including the Combined Wages Order.
2. On October 18, 2022, the US Court entered the Combined Wages Order. Among other things and subject to the Final Cash Collateral Order, the Combined Wages Order authorizes the Debtors on a final basis to:
  - a) pay all amounts required under or related to the Compensation and Benefits Programs, including any Prepetition Employee Obligations and any prepetition Processing Costs associated therewith, provided that the LTIP, Non-Insider Retention Programs and Severance Plan are approved on a further interim basis and payments thereunder during the Third Interim Period (as defined in the Combined Wages Order) are limited to US\$93,156 in the aggregate;
  - b) pay all amounts required under or related to the Corporate IC Plan and Sales IC Plans, including any related Prepetition Employee Obligations and any prepetition Processing Costs associated therewith; and
  - c) subject to the interim restrictions set out in the Combined Wages Order, continue to pay and honour their obligations arising under or related to their Compensation and Benefits Programs as such Compensation and Benefits Programs were in effect as of the Petition Date and, upon notice to counsel to the Ad Hoc First Lien Group and counsel to any statutory committee appointed in the Chapter 11 Proceedings, to amend, renew, replace, modify, revise, supplement and/or terminate such Compensation and Benefits Programs in the ordinary course of business, provided that the Debtors must consult with the Ad Hoc First Lien Group, and any statutory committees prior to implementing any material modifications.

### **3.5 The Final Wages Order**

1. The US Court heard the Debtors' motion for the Final Wages Order on November 10, 2022, by which time the Debtors had reached an agreement with the Statutory Committees on the form of Final Wages Order to be sought. The Debtors were not however, able to resolve the U.S. Trustee's objections to the Final Wages Order, which were raised in connection with the LTIP, the Non-Insider Retention Programs, and the Severance Plan. On November 15, 2022, the US Court entered the Final Wages Order in the form sought by the Debtors over the U.S. Trustee's objections.

2. Among other things and subject to the Final Cash Collateral Order, the Final Wages Order authorizes the Debtors to:
  - a) continue to pay and honour their obligations arising under or related to their Compensation and Benefits Programs as such programs were in effect as of the Petition Date and, upon notice to counsel certain stakeholders, to amend, replace, modify, supplement or terminate such Compensation and Benefits Programs in the ordinary course of business, provided that the Debtors must consult with the Ad Hoc First Lien Group and the Statutory Committees prior to implementing any material modifications;
  - b) pay all amounts required under or related to the LTIP, provided that LTIP grants issued in calendar year 2023 may not exceed US\$40 million in the aggregate and are awarded and paid consistent with historical practices;
  - c) pay all amounts required under or related to the Non-Insider Retention Programs, provided that payments made pursuant to the 2022 Retention Program must be made by the deadlines prescribed under the Final Wages Order;
  - d) pay all amounts required under or related to the Severance Plan, provided that payments made pursuant to the Severance Plan through the end of calendar year 2023 must not exceed US\$17 million in the aggregate, and provided further that the Debtors must consult with the Statutory Committees prior to making any decision with respect to their businesses that would result in payments pursuant to the Severance Plan in excess of US\$5 million; and
  - e) forward any unpaid amounts on account of deductions or payroll taxes to the appropriate third-party recipients or taxing authorities in accordance with the Debtors' prepetition practices and policies.

### **3.6 Recommendation**

1. The Information Officer is of the view that the Foreign Representative's motion for the proposed Third Supplemental Order recognizing and enforcing the Additional Orders is reasonable and appropriate for the following reasons:
  - a) the Additional Orders are consistent with the integrated nature of the Debtors' operations in the US and Canada;
  - b) Canadian stakeholders are treated in the same manner as US stakeholders in each of the Additional Orders;
  - c) the Additional Orders have the objective of enhancing the prospect that the Debtors can continue to operate in the normal course during the Chapter 11 Proceedings;

- d) the proposed recognition of the De Minimis Assets Order and the corresponding authorization to permit the Canadian Debtors to deal with their property in accordance therewith, notwithstanding the terms of the Initial Recognition Order, will allow the Canadian Debtors to efficiently deal with assets having *de minimis* value. Importantly, the Canadian Debtors' proposed authorization to deal with their property in accordance with the De Minimis Assets Order contemplates a seven-day advance notice obligation, which will provide the Information Officer with sufficient opportunity to review and consider any such transaction and, if necessary, raise any objections with the Canadian Debtors or this Court prior to the completion of such transaction;
- e) the proposed recognition of the Creditor Listing Order is administrative in nature;
- f) the Final Cash Collateral Order was entered by the US Court on an unopposed basis, following the resolution of objections from the Statutory Committees and certain lenders holding first lien obligations of the Debtors who were not signatories to the RSA. The proposed recognition of the Final Cash Collateral Order provides the Debtors with ongoing liquidity required to continue to operate during the Chapter 11 Proceedings, which is critical in order to preserve value during the Anticipated Sale Process;
- g) the proposed recognition of the Combined Wages Order and the Final Wages Order will incentivize the Debtors' existing employees to remain and will provide a higher likelihood of workforce continuity in a highly competitive industry and during the Anticipated Sale Process; and
- h) the Information Officer is not aware of any objection having been filed in the Chapter 11 Proceedings by a Canadian stakeholder in respect of the Additional Orders.

#### **4.0 Activities of Information Officer**

1. To date, the activities of the Information Officer have included:
  - a) establishing the Information Officer's case website to make available copies of the orders granted in these Canadian recognition proceedings and other relevant materials;
  - b) corresponding with the Canadian Debtors' counsel;
  - c) monitoring the Claims and Noticing Agent's website established in connection with the Chapter 11 Proceedings;
  - d) reviewing materials filed in the Chapter 11 Proceedings;
  - e) attending hearings of the US Court in the Chapter 11 Proceedings via telephone to remain apprised of material updates therein;

- f) reviewing and providing feedback on developing the Stalking Horse Bid and the Anticipated Sale Process;
- g) preparing this Report; and
- h) engaging in regular discussions with management to the Canadian Debtors and assisting the Canadian Debtors with certain creditor matters.

## 5.0 Conclusion and Recommendation

1. Based on the foregoing, the Information Officer recommends that this Court grant the relief being sought by the Foreign Representative pursuant to the proposed Third Supplemental Order.

\* \* \*

All of which is respectfully submitted,

*KSV Restructuring Inc.*

**KSV RESTRUCTURING INC. AS  
INFORMATION OFFICER OF PALADIN LABS CANADIAN HOLDING INC.  
AND PALADIN LABS INC.,  
AND NOT IN ITS PERSONAL CAPACITY**