

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

In re

ALTEGRITY, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 15-10226 (LSS)

(Jointly Administered)

Related to Docket No. 355

**CERTIFICATION OF COUNSEL REGARDING REVISED PROPOSED
ORDER AUTHORIZING THE OFFICIAL COMMITTEE OF UNSECURED
CREDITORS TO RETAIN CAPSTONE ADVISORY GROUP, LLC AND
CAPSTONE VALUATION SERVICES, LLC AS FINANCIAL
ADVISOR EFFECTIVE FEBRUARY 25, 2015**

I, Justin R. Alberto, co-counsel to the Statutory Committee of Unsecured Creditors (the “Committee”) of Altegrity, Inc. and its affiliated debtors and debtors-in-possession in the above-captioned chapter 11 cases (collectively, the “Debtors”), hereby certify and state as follows:

1. On April 3, 2015, the Committee filed the *Application of the Official Committee of Unsecured Creditors Pursuant to Sections 328(a) and 1103(a) of the Bankruptcy Code, Federal Rules of Bankruptcy Procedure 2014(a) and 2016 and Local Rule 2014-1 for Authorization to Retain and Employ Capstone Advisory Group, LLC and*

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Altegrity, Inc. (9985); Albatross Holding Company, LLC (2688); Albatross Marketing and Trading, LLC (8643); Altegrity Acquisition Corp. (1480); Altegrity Holding Corp. (1481); Altegrity Risk International LLC (6350); Altegrity Security Consulting, Inc. (5452); CVM Solutions, LLC (9526); D, D & C, Inc. (9552); Engenium Corporation (2269); FDC Acquisition, Inc. (2387); HireRight Records Services, Inc. (1944); HireRight Solutions, Inc. (8954); HireRight Technologies Group, Inc. (1660); HireRight, Inc. (5016); John D. Cohen, Inc. (1738); KCMS, Inc. (0085); KIA Holding, LLC (1333); Kroll Associates, Inc. (6880); Kroll Background America, Inc. (4830); Kroll Crisis Management Group, Inc. (3811); Kroll Cyber Security, Inc. (2393); Kroll Factual Data, Inc. (9911); Kroll Holdings, Inc. (4648); Kroll Inc. (1019); Kroll Information Assurance, Inc. (2283); Kroll Information Services, Inc. (2381); Kroll International, Inc. (1243); Kroll Ontrack Inc. (1650); Kroll Recovery LLC (7082); Kroll Security Group, Inc. (5514); National Diagnostics, Inc. (7132); Ontrack Data Recovery, Inc. (3148); Personnel Records International, LLC (0716); The Official Information Company (1805); US Investigations Services, LLC (9260); USIS International, Inc. (3617); and USIS Worldwide, Inc. (4258). The location of the Debtors’ corporate headquarters is 7799 Leesburg Pike, Suite 1100 North, Falls Church, VA 22043.

Capstone Valuation Services, LLC as Financial Advisor to the Official Committee of Unsecured Creditors Nunc Pro Tunc to February 25, 2015 [D.I. 355] (the “Application”). By the Application, the Committee seeks an order authorizing the retention and employment of Capstone Advisory Group, LLC (“CAG”), together with its wholly-owned subsidiary Capstone Valuation Services, LLC (“CVS,” and together with CAG, “Capstone”), as financial advisor to the Committee. Capstone’s engagement letter (the “Engagement Letter”) detailing the services to be provided and attendant fees was attached to the Application as Exhibit A. A proposed form of order (the “Original Proposed Order”) granting the relief requested was attached to the Application as Exhibit C.

2. Pursuant to the notice submitted with the Application, responses, if any, to the Application were to be filed and served by April 20, 2015, at 4:00 p.m. (the “Objection Deadline”). The Objection Deadline has passed and no formal responses to the Application were filed. The Committee, however, received informal comments from the Office of the United States Trustee (“U.S. Trustee”), the Debtors and the Ad Hoc Group of Unaffiliated Second and Third Lien Bondholders (the “Ad Hoc Group”). Following discussions between the parties, the Committee has reached agreements with the U.S. Trustee, Debtors and the Ad Hoc Group on certain changes to the Engagement Letter and Original Proposed Order.

3. Attached hereto as Exhibit A is a blacklined version of Capstone’s Engagement Letter reflecting the changes agreed to by the Committee. Attached hereto as Exhibit B is a revised proposed form of order (the “Revised Proposed Order”) granting the Application that incorporates the requested changes . For the Court’s convenience, a

blackline comparing the Revised Proposed Order against the Original Proposed Order is attached hereto as Exhibit C.

WHEREFORE, the Committee respectfully requests that the Court enter the Revised Proposed Order approving the Application at its earliest convenience.

Dated: April 22, 2015
Wilmington, Delaware

BAYARD, P.A.

/s/ Justin R. Alberto

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*Counsel for the Official Committee of
Unsecured Creditors of Altegrity, Inc., et al.*

Exhibit A

CAPSTONE ADVISORY GROUP, LLC
CAPSTONE VALUATION SERVICES, LLC

104 West 40th Street
16th Floor
New York, NY 10018

212 782 1400 tel
212 782 1479 fax

capstoneag.com



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Effective: February 25, 2015

Confidential

Engagement Letter

Ms. Sandra E. Horwitz
Managing Director, Delaware Trust Company, as Indenture Trustee for the 10.50% Senior Notes and 12% Senior Notes, as Chairperson of the Official Committee of Unsecured Creditors of Altegrity, Inc., et al.
2711 Centerville Rd., Suite 400
Wilmington, DE 19808

In re: Altegrity, Inc., et al.

Dear Ms. Horwitz:

This letter agreement (the "Agreement") confirms the terms under which The Official Committee of Unsecured Creditors of Altegrity, Inc., et al. (the "Committee") has engaged Capstone Advisory Group, LLC together with its wholly-owned subsidiary Capstone Valuation Services, LLC ("CVS") (collectively "Capstone"), effective as of February 25, 2015 (the "Effective Date"), to provide financial advisory services to the Committee in connection with the Chapter 11 cases (the "Case") of Altegrity, Inc. and its affiliated debtors and debtors-in-possession (the "Debtors"), pending in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court").

1. **Services.** All of the services that Capstone will provide to the Committee will be: (i) appropriately directed by the Committee so as to avoid duplicative efforts among the professionals retained in the Case, and (ii) performed in accordance with applicable standards of the profession. Capstone will provide such financial advisory services to the Committee and its legal advisor as appropriate and feasible in order to advise the Committee in the course of these chapter 11 cases, including but not limited to the services listed below. Capstone intends to regularly communicate with the Committee and its legal advisor to insure that the actual financial advisory services performed are appropriate based on the status of

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the case and needs of the Committee. Therefore, it's likely that the services noted below will be modified during the course of the case as appropriate;

- a. Review any critical vendor agreements that are entered into between the Debtors and a stipulated critical vendor;
- b. Advise and assist the Committee with respect to any debtor-in-possession financing arrangements and/or use of cash;
- c. Review cash disbursements on an on-going basis for the period subsequent to the commencement of these cases;
- d. Advise and assist the Committee in its analysis and monitoring of the Debtors' and non-Debtor affiliates' historical, current and projected financial affairs, including, schedules of assets and liabilities and statement of financial affairs;
- e. Prepare certain valuation analyses of the Debtors, including an analysis of the post-confirmation business plan, unencumbered assets and equity in foreign subsidiaries, and, if applicable, the non-Debtor affiliates' businesses and assets using various professionally accepted methodologies;
- f. Evaluate the Debtors' intangible asset portfolio and develop strategies to maximize returns;
- g. Advise and assist the Committee and counsel in reviewing and evaluating any court motions, applications, or other forms of relief filed or to be filed by the Debtors, or any other parties-in-interest;
- h. Attend Committee meetings and court hearings as may be required;
- i. Advise and assist the Committee in identifying and/or reviewing any preference payments, fraudulent conveyances, and other potential causes of action that the Debtors' estates may hold against insiders and/or third parties;
- j. Analyze intercompany and/or related party transactions;
- k. Develop strategies to maximize recoveries from the Debtors' assets and advise and assist the Committee with such strategies;

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- l. Review and provide analysis of any bankruptcy plan and disclosure statement relating to the Debtors including, if applicable, the development and analysis of any bankruptcy plans proposed by the Committee;
- m. Monitor Debtors' claims management process, analyze claims, analyze guarantees, and summarize claims by entity;
- n. Review the allocation of general unsecured claims (and resulting recoverable value) between the Liquidating Debtors and the Reorganizing Debtors;
- o. Assist in negotiation of the Plan of Reorganization;
- p. Render such other general business consulting or assistance as the Committee or its counsel may deem necessary, consistent with the role of a financial advisor; and
- q. Other potential services, including: render expert testimony, issue expert reports and or litigation and forensic work that has not yet been identified but as may be requested from time to time by the Committee and its counsel.

2. **Work Product.** We will submit our evaluations and analyses pursuant to this engagement in periodic oral or written reports. Before submitting our reports to you, it may be necessary and appropriate for us to review certain information with management or the advisors of the Debtor for accuracy and validity. Written reports will not be given to the Debtors without your prior approval.

3. **Company Cooperation.** In order for us to perform our services, it will be necessary for our personnel to have access to certain books, records and reports of the Debtors and certain non-Debtor subsidiaries, and have discussions with their personnel and advisors. Accordingly, we assume that the Debtors have agreed to cooperate with our personnel, and to make available their personnel and any books, records and other sources from which data can be obtained.

4. **Effect on Operations.** We will perform our services in a manner which, we believe, will permit the business operations of the Debtors to proceed in an orderly manner, subject to the requirements of this engagement; our personnel may need to be on site to review data located at the offices of the Debtors and to discuss matters with their personnel.

5. **Disclaimers regarding Verification, Audit, Reliance, Scope and Update.** Our reports will encompass only matters that come to our attention in the course of our work that we perceive to be significant in relation to the objectives of our engagement. Because of the time and scope limitations implicit in our engagement and the related limitations on the depth of our analyses and

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the extent of our verification of information, we may not discover all such matters or perceive their significance. Accordingly, we will be unable to and will not provide assurances in our reports concerning the integrity of the information used in our analyses and on which our findings and advice to you may be based. We understand, and you acknowledge, that we are not being requested to perform an audit nor apply generally accepted auditing standards or procedures. We understand, and you acknowledge, that we are entitled, in general, to rely on the accuracy and validity of the data disclosed to us or supplied to us by employees and representatives of the Debtors. We will not, nor are we under any obligation to update data submitted to us or review any other areas unless you specifically request us to do so.

6. **Level-of-Effort.** Our work will be performed on a “level-of-effort” basis; that is, the circumstances of our engagement may cause our advice to be limited in certain respects based upon, among other matters, the extent of sufficient and available data and the opportunity for supporting investigations in the time period.

7. **Committee Engagement.** Capstone is providing its services as the financial advisor to the Committee, and is not providing any services on behalf of the individual members of the Committee. To the extent any issue arises as to the scope, nature or substance of Capstone's analysis, Capstone and the Committee, with the advice of the Committee counsel, shall in good faith work to mutually resolve such issue.

8. **Client Confidentiality.** We understand that the Committee has agreed to treat any information received from Capstone, whether orally or in writing, with the utmost confidentiality and, except as provided in this letter, will not publish, distribute or disclose in any matter any information developed by or received from us without our prior or written approval. Such approval shall not be unreasonably withheld. Our approval is not needed if (a) the information sought is required to be disclosed by an order binding on the Committee, Committee counsel, or Capstone, issued by a court having competent jurisdiction over Capstone (unless such order specifies that the information to be disclosed is to be placed under seal), (b) such information is otherwise publicly available, or (c) such information is shared with you by the Debtors.

If access to any of the materials in our possession relating to this engagement is sought by a third party, we will promptly notify you of such action, tender to you our defense responding to such request and cooperate with you concerning our response thereto and not tender such materials unless and to the extent counsel advises us is legally required. In the event that we are subpoenaed as the result of any work performed for you in connection with this engagement, you agree that you will compensate us for our time involved, plus our reasonable attorneys' fees and expenses, in responding to such subpoena(s).

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9. **Capstone Confidentiality.** We agree that all information, not publicly available, which is received by us from you or the Debtors in connection with this engagement, will be treated confidentially by Capstone, except as required by process of law or as authorized by you.

10. **Fees and Expenses.**

Capstone has advised the Committee that it will charge a fixed monthly fee (the "Fixed Monthly Fee") plus seek reimbursement for its out-of-pocket expenses. The Fixed Monthly Fee will be earned as follows:

February 25 - February 28, 2015:	\$14,285
March 1 - March 31, 2015:	\$100,000
April 1 – April 30, 2015:	\$100,000
Each month thereafter:	\$75,000/month

In addition, upon confirmation of a plan of reorganization, Capstone will earn and subsequently be paid a success fee of one percent (1%) of the gross recovery value allocated to the general unsecured creditors (the "Success Fee") as described in Exhibit A to this Agreement.

We will also be reimbursed for our reasonable out-of-pocket expenses including, but not limited to, travel and lodging expenses, costs of reproduction, typing, research, communications, computer usage, our legal counsel, any applicable sales or excise taxes and other direct expenses.

We will submit to the Bankruptcy Court monthly fee applications for all services rendered and expenses incurred during the prior month, as well as interim and final fee applications. It is our understanding that all invoices will be paid by the Debtors, subject to the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules and the local rules of the Bankruptcy Court with jurisdiction, and pursuant to any additional procedures that may be established by the Bankruptcy Court specific for this matter.

We acknowledge that neither the Committee, nor its constituents, nor any of its advisors or professionals (including, but not limited to Committee's counsel), shall be liable for the fees, expenses or other amounts payable to Capstone hereunder.

It is understood that if Capstone is requested to support counsel in connection with any causes of action, including the preparation of an expert report and providing expert testimony, Capstone will be

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compensated at our regular hourly rates (as agreed herein), in effect at the time, and reimbursed for reasonable out-of-pocket expenses (including counsel fees). This compensation will be in addition to the Fixed Monthly Fee.

The rates charged by Capstone professionals anticipated to be assigned to the Debtors' cases through December 31, 2015 are as follows:

Executive Director	\$625 - \$895
Managing Director	\$475 - \$640
Director	\$425 - \$475
Consultant	\$250 - \$375
Support Staff	\$125 - \$325

The rates for the Capstone professionals anticipated to be assigned to this engagement for the period through December 31, 2015 are as follows: Chris Kearns (\$895), Duncan Pickett (\$725), Bruce Bingham (\$820), Jeffrey Dunn (\$640), Will Russo (\$625), Salman Tajuddin (\$510), Chau Hoang (\$440) and Cory Griffin (\$250).

11. **Indemnification.** In connection with our engagement to provide consulting services to the Committee, the Debtors agree to indemnify and hold harmless Capstone against any and all losses, claims, damages, liabilities, penalties, judgments, awards, costs, fees, expenses and disbursements including, without limitation, defending any action, suit, proceedings or investigation (whether or not in connection with a proceeding or litigation in which Capstone is a party), directly or indirectly, caused by, related to, based upon, arising out of or in connection with the engagement of Capstone or any services rendered pursuant to such engagement, unless there is a final non-appealable order of a court of competent jurisdiction, finding Capstone directly liable for gross negligence or willful misconduct. The foregoing indemnification obligations of the Debtors shall survive any termination of this Agreement. These indemnification provisions extend to the members, employees, representatives, agents, counsel and affiliates of Capstone. All requests for payment of indemnity provided herein shall be made by means of an application and review of the Bankruptcy Court in accordance with an order of the Bankruptcy Court approving the Committee's engagement of Capstone. We acknowledge that neither the Committee nor any of its individual members shall have any liability hereunder for the indemnification in favor of Capstone by the Debtors.

(a) Subject to the provisions of subparagraph (c), below, the Debtors are authorized to indemnify, and to provide contribution and reimbursement to, and shall indemnify, and

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provide contribution and reimbursement to, Capstone, its members and employees, in accordance with the Engagement Letter for any claim arising from, related to, or in connection with the services provided for in the Engagement Letter, but not for any claim arising from, related to, or in connection with Capstone's postpetition performance of any other services unless such postpetition services and indemnification therefore are approved by the Bankruptcy Court;

- (b) notwithstanding any provisions of the Engagement Letter to the contrary, the Debtors shall have no obligation to indemnify Capstone or provide contribution or reimbursement to Capstone (i) for any claim or expense that is judicially determined (the determination having become final) to have resulted from Capstone's gross negligence, willful misconduct, bad faith or self-dealing or (ii) for a contractual dispute in which the Debtors allege the breach of Capstone's contractual obligations unless the Court determines that indemnification, contribution or reimbursement would be permissible pursuant to In re United Artists Theatre Company, et. al., 315 F.3d 217 (3d Cir. 2003), or (iii) for any claim or expense that is settled prior to a judicial determination as to the exclusions set forth in clauses (i) and (ii) above, but determined by the Bankruptcy Court, after notice and a hearing pursuant to subparagraph (c), below, to be a claim or expense for which Capstone should not receive indemnity, contribution or reimbursement under the terms of the Engagement Letter, as modified by this Order;
- (c) if, before the earlier of (i) the entry of an order confirming a chapter 11 plan in these cases (that order having become a final order no longer subject to appeal) and (ii) the entry of an order closing these chapter 11 cases, Capstone believes that it is entitled to the payment of any amounts by the Debtors on account of the Debtors' indemnification, contribution and/or reimbursement obligations under the Engagement Letter (as modified by this Order), including without limitation the advancement of defense costs, Capstone must file an application before the Bankruptcy Court, and the Debtors shall not pay any such amounts to Capstone before the entry of an order by the Bankruptcy Court approving the payment. This paragraph (c) is intended only to specify the period of time under which the Bankruptcy Court shall have jurisdiction over any request for compensation and expenses by Capstone for indemnification, contribution or reimbursement and is not a provision limiting the duration of the Debtors' obligation to indemnify Capstone.

12. **Advertising.** Notwithstanding anything to the contrary contained herein, Capstone shall have the right to disclose its retention and/or the successful completion of its services hereunder in

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advertisements describing its services placed, at its own expense, in financial and other newspapers or otherwise.

13. **Conflicts.** We confirm that no member of Capstone has any financial interest or business connection with the Debtors and, as more fully described in the affidavit of Chris Kearns in support of Capstone's retention by the Committee, we are aware of no matter that would constitute a conflict in connection with this engagement. Capstone has represented, currently represents and in the future will likely represent certain entities that are involved in these cases, including members of the Committee, claimants or interest holders of the Debtors, their subsidiaries and affiliates, in matters wholly unrelated to the Debtors, their bankruptcy cases or such parties' claims against or interest in the Debtors. In addition, Capstone sometimes represents formal and *ad hoc* committees of creditors and interest holders in bankruptcy and other financial restructuring matters. Accordingly, we believe that such representations have no bearing on the services for which Capstone is being retained in this case. Capstone will not advise any of these entities with respect to the Debtors' bankruptcy cases or have any relationships with any such entities that would be adverse to the interests of the Committee.

14. **Document Policy.** Pursuant to Capstone's document retention policy, in general, short-term documents will be destroyed when no longer relevant to the related matter (such as when a draft report has been superseded or if the information is available publicly or from the Debtors). Ongoing client files will be retained, in either hard copy or electronic format, for six (6) months following the conclusion of our engagement, after which time the file will be scheduled for destruction. You may obtain copies of all or any portion of your file at any time prior to its destruction.

15. **Termination.** We understand that you may terminate this agreement on thirty days prior written notice. If you terminate this engagement, the Debtors will not be held responsible for fees that accrued after the date of termination, other than those fees and expenses related to any requirement to testify at any administrative or judicial proceeding related to this matter or perform related investigation as specified above.

16. **Modification.** This Agreement (a) constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes any other communications, understandings or agreements (both written and oral) among parties with respect to the subject matter hereof, and (b) may be modified, amended or supplemented only by written agreement among all the parties hereto.

It is our intention to work closely with you and to discuss our engagement regularly. This should facilitate our progress and serve to confirm or modify the scope of our engagement on an ongoing basis.

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All of us at Capstone Advisory Group, LLC thank you for choosing us to advise the Committee, and look forward to working with you on this engagement. Please sign and return a copy of this engagement letter signifying your agreement with the terms and provisions herein. If you have any questions, please call Chris Kearns at (212) 782-1409.

Very truly yours,

Capstone Advisory Group, LLC

Accepted and agreed to as of the Effective Date:

CAPSTONE ADVISORY GROUP, LLC

By: _____

Chris Kearns

Executive Director and Member, Capstone Advisory Group, LLC

**THE OFFICIAL COMMITTEE OF UNSECURED
CREDITORS OF Altegrity, Inc., et al.**

By: _____

Sandra E. Horwitz, Delaware Trust Company, as Indenture Trustee for the 10.50% Senior Notes and 12% Senior Notes, as Committee Chairperson

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Exhibit A

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Upon confirmation by the Bankruptcy Court of a chapter 11 plan of liquidation or reorganization (a "Confirmed Plan"), in addition to the Fixed Monthly Fees, Capstone will earn and subsequently be paid a success fee (the "Success Fee"), equal to 1% of the gross recovery value to be distributed to the general unsecured creditors (measured on a pre-"turnover" basis, but excluding value attributed to second and third lien deficiency claims) pursuant to the Confirmed Plan (the "GUC Recovery"). The GUC Recovery shall include, without limitation: (i) cash, notes, securities, and other property; (ii) payments made in installments; and (iii) contingent payments, including any consideration received or receivable by the general unsecured creditors in the form of deferred performance-based payments, "earn-outs," or other contingent payments based upon the future performance of any entity comprising the reorganized Debtors or any of its businesses or assets (collectively, "Contingent Payments"). Solely to the extent that the GUC Recovery consists of cash, or securities, in each case to be distributed on the Effective Date, the Success Fee attributable to such portion of the GUC Recovery will be paid by the Debtors in addition to the GUC Recovery. To the extent that the GUC Recovery consists of any other form of value, including Contingent Payments or value otherwise realized after the Effective Date, the Success Fee attributable to such portion of the GUC Recovery will be payable from the GUC Recovery and the Debtors shall have no liability for such portion of the Success Fee.

For the purpose of calculating the GUC Recovery, any securities (including warrants) will be valued at the time of the effective date of the Confirmed Plan, without regard to any restrictions on transferability, as follows: (i) if such securities are traded on a stock exchange, the securities will be valued at the average last sale or closing price for the ten trading days immediately prior to the effective date of the Confirmed Plan (the "Effective Date"); (ii) if such securities are traded primarily in over-the-counter transactions, the securities will be valued at the mean of the closing bid and ask quotations similarly averaged over a ten trading day period immediately prior to the Effective Date; and (iii) if such securities have not been traded prior to the Effective Date, ~~Capstone and the Committee shall negotiate in good faith to agree on a fair valuation thereof, without regard to any restrictions on transferability~~ the value approved by the Court at the Confirmation Hearing, or if no such value is approved, the midpoint valuation contained in the Disclosure Statement, shall be conclusive. If any consideration to be paid to the general unsecured creditors is computed in any foreign currency, the value of such foreign currency shall, for purposes hereof, be converted into U.S. dollars at the prevailing exchange rate on the date or dates on which such consideration is payable. Any installment payments will be discounted to the net present value as of the Effective Date.

In the event the GUC Recovery includes any Contingent Payments, the Success Fee shall be calculated based on the mutually agreed value of such Contingent Payments as of the Effective Date. If the parties cannot reach such an agreement, an additional Success Fee shall be paid to Capstone from, and on account of, such Contingent Payments at the same time that each of such Contingent Payments are received, regardless of any prior termination or expiration of Capstone's engagement by the Committee. Capstone specifically waives any requirements of Bankruptcy Code section 1129 concerning the timing of the payment of such Contingent Payments. Each such additional Success Fee shall be calculated pursuant to the provisions herein based upon the amount of each such Contingent Payment.

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Summary report:	
Litéra® Change-Pro TDC 7.5.0.146 Document comparison done on	
4/22/2015 3:14:31 PM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original filename: Altegrity UCC - Capstone Engagement Letter Final.docx	
Modified filename: Final revised Capstone engagement letter.docx	
Changes:	
Add	11
Delete	1
Move From	0
Move To	0
Table Insert	0
Table Delete	0
Table moves to	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	12

Exhibit B

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

In re

ALTEGRITY, INC., *et al.*,¹

Debtors.

Chapter 11

Case No.: 15-10226 (LSS)
(Jointly Administered)

Re: Docket No. 355

**ORDER AUTHORIZING THE OFFICIAL COMMITTEE OF UNSECURED
CREDITORS TO RETAIN AND EMPLOY CAPSTONE ADVISORY GROUP,
LLC AND CAPSTONE VALUATION SERVICES, LLC, AS FINANCIAL
ADVISOR EFFECTIVE AS OF FEBRUARY 25, 2015**

Upon the application (the “Application”)² of the Official Committee of Unsecured Creditors (the “Committee”) of Altegrity, Inc., et al., as debtors and debtors-in-possession in these proceedings (collectively, the “Debtors”), to retain Capstone Advisory Group, LLC, together with its wholly-owned subsidiary Capstone Valuation Services, LLC (collectively, “Capstone”), as its financial advisor, *nunc pro tunc* to February 25, 2015, pursuant to sections 328(a) and 1103(a) of Title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “Bankruptcy Code”), Rules 2014(a) and 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) and Rule 2014-1 of the Local Rules of

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Altegrity, Inc. (9985); Albatross Holding Company, LLC (2688); Albatross Marketing and Trading, LLC (8643); Altegrity Acquisition Corp. (1480); Altegrity Holding Corp. (1481); Altegrity Risk International LLC(6350); Altegrity Security Consulting, Inc. (5452); CVM Solutions, LLC (9526); D, D & C, Inc. (9552); Engenium Corporation (2269); FDC Acquisition, Inc. (2387); HireRight Records Services, Inc. (1944); HireRight Solutions, Inc. (8954); HireRight Technologies Group, Inc. (1660); HireRight, Inc. (5016); John D. Cohen, Inc. (1738); KCMS, Inc. (0085); KIA Holding, LLC (1333); Kroll Associates, Inc. (6880); Kroll Background America, Inc. (4830); Kroll Crisis Management Group, Inc. (3811); Kroll Cyber Security, Inc. (2393); Kroll Factual Data, Inc. (9911); Kroll Holdings, Inc. (4648); Kroll Inc. (1019); Kroll Information Assurance, Inc. (2283); Kroll Information Services, Inc. (2381); Kroll International, Inc. (1243); Kroll Ontrack Inc. (1650); Kroll Recovery LLC (7082); Kroll Security Group, Inc. (5514); National Diagnostics, Inc. (7132); Ontrack Data Recovery, Inc. (3148); Personnel Records International, LLC (0716); The Official Information Company (1805); US Investigations Services, LLC (9260); USIS International, Inc. (3617); and USIS Worldwide, Inc. (4258).

² Any capitalized term not defined herein shall have the meaning ascribed to it in the Application.

Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”); and upon consideration of the Affidavit of Christopher J. Kearns (the “Kearns Affidavit”); and it appearing that the Court has jurisdiction to consider the Application and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334; and due notice of the Application having been provided to the Office of the United States Trustee, counsel for the Debtors, counsel to the Debtors’ pre- and post-petition lenders, and any other party having filed with the Court a request for notice; and it appearing that no other or further notice need be provided; and this Court being satisfied that (i) the proposed employment of Capstone as financial advisor to the Committee is in the best interest of the Committee and the Debtors’ bankruptcy estates, and (ii) Capstone does not represent or hold any interest adverse to the Committee or Debtors’ estates and are disinterested under section 101(14) of the Bankruptcy Code, as modified by section 1103(b) of the Bankruptcy Code; and upon all of the proceedings had before the Court, it is hereby ORDERED that:

1. The Application is GRANTED, as set forth herein.
2. Pursuant to sections 328(a) and 1103(a) of the Bankruptcy Code, Bankruptcy Rules 2014(a) and 2016, and Local Rule 2014-1, the Committee is authorized to employ and retain Capstone for the purposes set forth in the Application, the Kearns Affidavit and the Engagement Letter, *nunc pro tunc* to February 25, 2015. For the avoidance of doubt, the services envisioned to be performed by CVS in connection with any adversary proceeding commenced or prosecuted by the Committee shall be billed at CVS’s hourly rate, and not included in the Fixed Monthly Fee (which shall encompass CVS’s work on, *inter alia*, plan confirmation).

3. Capstone shall be compensated and reimbursed in accordance with the procedures set forth in the Bankruptcy Code, the Bankruptcy Rules, the Local Rules and any other applicable orders of this Court.

4. The provision set forth in the Engagement Letter relating to Capstone's indemnification by the Debtors is approved, subject during the pendency of the Chapter 11 Cases to the following:

- a. Subject to the provisions of subparagraph (c), below, the Debtors are authorized to indemnify, and to provide contribution and reimbursement to, and shall indemnify, and provide contribution and reimbursement to, Capstone, its members and employees, in accordance with the Engagement Letter for any claim arising from, related to, or in connection with the services provided for in the Engagement Letter, but not for any claim arising from, related to, or in connection with Capstone's postpetition performance of any other services unless such postpetition services and indemnification therefore are approved by the Bankruptcy Court;
- b. notwithstanding any provisions of the Engagement Letter to the contrary, the Debtors shall have no obligation to indemnify Capstone or provide contribution or reimbursement to Capstone (i) for any claim or expense that is judicially determined (the determination having become final) to have resulted from Capstone's gross negligence, willful misconduct, bad faith or self-dealing or (ii) for a contractual dispute in which the Debtors allege the breach of Capstone's contractual obligations unless the Court determines that indemnification, contribution or reimbursement would be permissible pursuant to *In re United Artists Theatre Company, et. al.*, 315 F.3d 217 (3d Cir. 2003), or (iii) for any claim or expense that is settled prior to a judicial determination as to the exclusions set forth in clauses (i) and (ii) above, but determined by the Bankruptcy Court, after notice and a hearing pursuant to subparagraph (c), below, to be a claim or expense for which Capstone should not receive indemnity, contribution or reimbursement under the terms of the Engagement Letter, as modified by this Order; and
- c. if, before the earlier of (i) the entry of an order confirming a chapter 11 plan in these cases (that order having become a final order no longer subject to appeal) and (ii) the entry of an order

closing these chapter 11 cases, Capstone believes that it is entitled to the payment of any amounts by the Debtors on account of the Debtors' indemnification, contribution and/or reimbursement obligations under the Engagement Letter (as modified by this Order), including without limitation the advancement of defense costs, Capstone must file an application before the Bankruptcy Court, and the Debtors shall not pay any such amounts to Capstone before the entry of an order by the Bankruptcy Court approving the payment. This paragraph (c) is intended only to specify the period of time under which the Bankruptcy Court shall have jurisdiction over any request for compensation and expenses by Capstone for indemnification, contribution or reimbursement and is not a provision limiting the duration of the Debtors' obligation to indemnify Capstone.

5. To the extent that there is any inconsistency between the terms and conditions set forth in the Application, the Kearns Affidavit, the Engagement Letter, and this Order, the provisions of this Order shall govern.

6. The Committee is authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Application, the Kearns Affidavit and the Engagement Letter.

7. During the pendency of the Debtors' chapter 11 cases, this Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation of this Order.

Dated: _____, 2015
Wilmington, Delaware

The Honorable Laurie Selber Silverstein
United States Bankruptcy Judge

Exhibit C

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

In re

ALTEGRITY, INC., *et al.*,¹

Debtors.

Chapter 11

Case No.: 15-10226 (LSS)
(Jointly Administered)

**ORDER AUTHORIZING THE OFFICIAL COMMITTEE OF UNSECURED
CREDITORS TO RETAIN AND EMPLOY CAPSTONE ADVISORY GROUP, LLC
AND CAPSTONE VALUATION SERVICES, LLC, AS FINANCIAL ADVISOR
EFFECTIVE AS OF FEBRUARY 25, 2015**

Upon the application (the “Application”)² of the Official Committee of Unsecured Creditors (the “Committee”) of Altegrity, Inc., et al., as debtors and debtors-in-possession in these proceedings (collectively, the “Debtors”), to retain Capstone Advisory Group, LLC, together with its wholly-owned subsidiary Capstone Valuation Services, LLC (collectively, “Capstone”), as its financial advisor, *nunc pro tunc* to February 25, 2015, pursuant to sections 328(a) and 1103(a) of Title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “Bankruptcy Code”), Rules 2014(a) and 2016 of the Federal Rules of Bankruptcy Procedure

¹

The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Altegrity, Inc. (9985); Albatross Holding Company, LLC (2688); Albatross Marketing and Trading, LLC (8643); Altegrity Acquisition Corp. (1480); Altegrity Holding Corp. (1481); Altegrity Risk International LLC(6350); Altegrity Security Consulting, Inc. (5452); CVM Solutions, LLC (9526); D, D & C, Inc. (9552); Engenium Corporation (2269); FDC Acquisition, Inc. (2387); HireRight Records Services, Inc. (1944); HireRight Solutions, Inc. (8954); HireRight Technologies Group, Inc. (1660); HireRight, Inc. (5016); John D. Cohen, Inc. (1738); KCMS, Inc. (0085); KIA Holding, LLC (1333); Kroll Associates, Inc. (6880); Kroll Background America, Inc. (4830); Kroll Crisis Management Group, Inc. (3811); Kroll Cyber Security, Inc. (2393); Kroll Factual Data, Inc. (9911); Kroll Holdings, Inc. (4648); Kroll Inc. (1019); Kroll Information Assurance, Inc. (2283); Kroll Information Services, Inc. (2381); Kroll International, Inc. (1243); Kroll Ontrack Inc. (1650); Kroll Recovery LLC (7082); Kroll Security Group, Inc. (5514); National Diagnostics, Inc. (7132); Ontrack Data Recovery, Inc. (3148); Personnel Records International, LLC (0716); The Official Information Company (1805); US Investigations Services, LLC (9260); USIS International, Inc. (3617); and USIS Worldwide, Inc. (4258).

² Any capitalized term not defined herein shall have the meaning ascribed to it in the Application.

(the “Bankruptcy Rules”) and Rule 2014-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”); and upon consideration of the Affidavit of Christopher J. Kearns (the “Kearns Affidavit”); and it appearing that the Court has jurisdiction to consider the Application and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334; and due notice of the Application having been provided to the Office of the United States Trustee, counsel for the Debtors, counsel to the Debtors’ pre- and post-petition lenders, and any other party having filed with the Court a request for notice; and it appearing that no other or further notice need be provided; and this Court being satisfied that (i) the proposed employment of Capstone as financial advisor to the Committee is in the best interest of the Committee and the Debtors’ bankruptcy estates, and (ii) Capstone does not represent or hold any interest adverse to the Committee or Debtors’ estates and are disinterested under section 101(14) of the Bankruptcy Code, as modified by section 1103(b) of the Bankruptcy Code; and upon all of the proceedings had before the Court, it is hereby ORDERED that:

1. The Application is GRANTED, as set forth herein.

2. Pursuant to sections 328(a) and 1103(a) of the Bankruptcy Code, Bankruptcy Rules 2014(a) and 2016, and Local Rule 2014-1, the Committee is authorized to employ and retain Capstone for the purposes set forth in the Application, the Kearns Affidavit and the Engagement Letter, *nunc pro tunc* to February 25, 2015. For the avoidance of doubt, the services envisioned to be performed by CVS in connection with any adversary proceeding commenced or prosecuted by the Committee shall be billed at CVS’s hourly rate, and not included in the Fixed Monthly Fee (which shall encompass CVS’s work on, *inter alia*, plan confirmation).

3. Capstone shall be compensated and reimbursed in accordance with the procedures set forth in the Bankruptcy Code, the Bankruptcy Rules, the Local Rules and any other applicable orders of this Court.

4. The provision set forth in the Engagement Letter relating to Capstone's indemnification by the Debtors is approved, subject during the pendency of the Chapter 11 Cases to the following:

- a. Subject to the provisions of subparagraph (c), below, the Debtors are authorized to indemnify, and to provide contribution and reimbursement to, and shall indemnify, and provide contribution and reimbursement to, Capstone, its members and employees, in accordance with the Engagement Letter for any claim arising from, related to, or in connection with the services provided for in the Engagement Letter, but not for any claim arising from, related to, or in connection with Capstone's postpetition performance of any other services unless such postpetition services and indemnification therefore are approved by the Bankruptcy Court;
- b. notwithstanding any provisions of the Engagement Letter to the contrary, the Debtors shall have no obligation to indemnify Capstone or provide contribution or reimbursement to Capstone (i) for any claim or expense that is judicially determined (the determination having become final) to have resulted from Capstone's gross negligence, willful misconduct, bad faith or self-dealing or (ii) for a contractual dispute in which the Debtors allege the breach of Capstone's contractual obligations unless the Court determines that indemnification, contribution or reimbursement would be permissible pursuant to In re United Artists Theatre Company, et. al., 315 F.3d 217 (3d Cir. 2003), or (iii) for any claim or expense that is settled prior to a judicial determination as to the exclusions set forth in clauses (i) and (ii) above, but determined by the Bankruptcy Court, after notice and a hearing pursuant to subparagraph (c), below, to be a claim or expense for which Capstone should not receive indemnity, contribution or reimbursement under the terms of the Engagement Letter, as modified by this Order; and
- c. if, before the earlier of (i) the entry of an order confirming a chapter 11 plan in these cases (that order having become a final order no longer subject to appeal) and (ii) the entry of an order closing these chapter 11 cases, Capstone believes that it is entitled to the payment of any amounts by the Debtors on account of the Debtors'

indemnification, contribution and/or reimbursement obligations under the Engagement Letter (as modified by this Order), including without limitation the advancement of defense costs, Capstone must file an application before the Bankruptcy Court, and the Debtors shall not pay any such amounts to Capstone before the entry of an order by the Bankruptcy Court approving the payment. This paragraph (c) is intended only to specify the period of time under which the Bankruptcy Court shall have jurisdiction over any request for compensation and expenses by Capstone for indemnification, contribution or reimbursement and is not a provision limiting the duration of the Debtors' obligation to indemnify Capstone.

5. ~~4.~~ To the extent that there is any inconsistency between the terms and conditions set forth in the Application, the Kearns Affidavit, the Engagement Letter, and this Order, the provisions of this Order shall govern.

6. ~~5.~~ The Committee is authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Application, the Kearns Affidavit and the Engagement Letter.

7. ~~6.~~ During the pendency of the Debtors' chapter 11 cases, this Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation of this Order.

Dated: _____, 2015
Wilmington, Delaware

THE HONORABLE LAURIE SELBER
SILVERSTEIN
UNITED STATES BANKRUPTCY JUDGE

Summary report:	
Litéra® Change-Pro TDC 7.5.0.146 Document comparison done on	
4/22/2015 3:19:59 PM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original filename: Altegrity - Capstone Proposed Order.04.02.15.docx	
Modified filename: Final Altegrity - Capstone Revised Proposed Order.docx	
Changes:	
Add	12
Delete	4
Move From	0
Move To	0
Table Insert	0
Table Delete	0
Table moves to	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
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