

EXHIBIT 1

Engagement Letter

CANACCORD Genuity

535 Madison Avenue
New York, NY 10022
United States of America

T: 212.389.8000
www.canaccordgenuity.com

November 3, 2016

Confidential

Halt Medical, Inc.
131 Sand Creek Road, Suite B
Brentwood, CA 94513
Attention: Kim Bridges, Chief Executive Officer

Dear Ms. Bridges:

This letter (the "**Agreement**") confirms the terms and conditions of the agreement by and among Halt Medical, Inc. (including its controlled affiliates, successors, subsidiaries and assigns, the "**Company**") and Canaccord Genuity Inc. ("**CGI**") regarding the retention of CGI as exclusive investment banker to the Company in connection with any Recapitalization Transaction,¹ M&A Transaction² and/or New Capital Transaction³ (each as defined below and collectively, a "**Transaction**."

¹ As used herein, "**Recapitalization Transaction**" shall mean any one or more of the following: (i) any transaction or series of transactions that effects an exchange, assignment, extinguishment, conversion or repurchase of a material portion of the Company's indebtedness; (ii) with respect to a material portion of the Company's indebtedness any restructuring, reorganization, exchange offer, consent solicitation, tender offer, refinancing or similar transaction accepted by the Company; (iii) a confirmed Plan (as defined below); or (iv) any transaction similar to any of the foregoing.

² As used herein, "**M&A Transaction**" shall mean any transaction or series of transactions involving (a) an acquisition, merger, consolidation or other transaction with another party through which assets constituting or accounting for not less than a majority of the business or assets of the Company are, directly or indirectly, combined with or transferred to another party; (b) the acquisition, directly or indirectly, by a buyer or buyers of equity interests or options, or any combination thereof constituting a majority or controlling portion of the stock of the Company or possessing a majority or controlling portion of the voting power of the Company; (c) any other purchase or acquisition, directly or indirectly, by a buyer or buyers of a majority or controlling portion of the securities or other interests of the Company (through tender offer, merger, sale, exchange or otherwise); (d) the formation of a joint venture or partnership with the Company or direct investment in the Company for the purposes of affecting a transfer of a majority or controlling interest in the Company to a third party; or (e) any combination of the foregoing. For the avoidance of doubt, ordinary course asset sales do not qualify as an M&A Transaction.

³ As used herein, "**New Capital Transaction**" shall mean any transaction or series of transactions involving new financing for any portion of the Company, whether in the form of secured, unsecured, subordinated or senior debt, equity or equity equivalents.

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Section 1. Services to Be Rendered.

In connection with the formulation, analysis and implementation of various options for a Transaction or any series or combination of Transactions, CGI will perform the following services as the Company reasonably requests and to the extent feasible:

- (a) Review and analyze the Company's business and financial projections;
- (b) Evaluate the Company's strategic and financial alternatives;
- (c) Assist the Company in evaluating, structuring, negotiating and implementing potential Transactions;
- (d) Assist the Company in preparing descriptive material to be provided to potential parties that might participate in potential Transactions;
- (e) Develop, update and review with the Company on an ongoing basis a list of parties that might participate in potential Transaction;
- (f) Contact potential parties to potential Transactions;
- (g) Provide summaries to the Company of communications with potential parties to potential Transactions;
- (h) Assist the Company and its counsel with evaluating potential term sheets, indications of interest, letters of intent and other Transaction agreements;
- (i) Assist in the development of presentations to the Company's board of directors and representatives, and to various creditors, committees and other parties, as the Company shall reasonably request;
- (j) In the event the Company seeks relief under chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code") in order to pursue a possible Transaction or otherwise, and if requested by the Company and its counsel, participate in hearings before the Bankruptcy Court in which such cases are commenced (the "Bankruptcy Court") and provide relevant testimony with respect to the matters described herein and arising in connection with any Transaction or any proposed plan of reorganization;
- (k) Evaluate, structure and negotiate the terms and conditions of any proposed Transaction, whether in connection with a confirmed chapter 11 plan (a "Plan") or otherwise;
- (l) Together with the Company and its counsel, prepare for and participate in meetings with the Company's existing lenders, creditor groups, official constituencies and other interested parties, as necessary;
- (m) Assist the Company and its counsel in negotiating agreements and definitive contracts for Transactions; and
- (n) Perform other such services as CGI and the Company may mutually agree upon in a separate writing.

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In performing its services pursuant to this Agreement, and notwithstanding anything to the contrary herein, CGI is not assuming any obligation or responsibility for the Company's decision to pursue (or not to pursue) any business strategy, or to effect (or not to effect) any Transaction nor designing or implementing operating, organizational, administrative, cash management or liquidity improvements. In addition, notwithstanding anything to the contrary herein, CGI shall not have any obligation or responsibility to provide accounting advice, audit and "crisis management" or business consultant services to the Company, nor any fairness, solvency or other opinions of the firm.

Section 2. Information Provided by the Company.

- (a) The Company understands and agrees that the services to be rendered by CGI pursuant to Section 1 of this Agreement and the advice, whether formal or informal, relating thereto are solely for the benefit and use of the Company. The Company agrees that any reports, recommendations or opinions ("*Advice*"), which are provided to the Company in the context of this engagement, shall not be summarized, excerpted from, disclosed publicly, made available to third parties (other than the Company and its subsidiaries' boards of directors and the Company's advisors and counsel each of whom agrees to be bound by the provisions of this Section 2(a), the "*Advice Disclosure*") or otherwise referred to, in whole or in part, without the prior written consent of CGI; provided, however, that if the Company determines in good faith based upon the advice of outside counsel (and after 48 hours advance notice to CGI) that such Advice Disclosure is necessary in order to not be in violation of any applicable law, regulation, order or other similar requirement of any governmental, regulatory, or supervisory authority, the Company will disclose only that portion of the Advice which is legally required to be disclosed. Any reference to CGI in a press release shall be submitted to CGI for its approval, in accordance with the provisions above, prior to the distribution or dissemination thereof.
- (b) The Company will cooperate with CGI and furnish to, or cause to be furnished to, CGI information CGI reasonably requests to enable CGI to render services hereunder (all such information being the "*Information*"). The Company recognizes and confirms that CGI (i) will use and rely on the Information and on information available from generally recognized public sources in performing the services contemplated by this Agreement without having assumed any obligation to verify independently the same; (ii) does not assume responsibility for the accuracy or completeness of the Information and such other information; and (iii) will not act in the official capacity of an appraiser of specific assets of the Company or any other party. The Company confirms that the information to be furnished by the Company, when delivered will be true and correct in all material respects, will be prepared in good faith, and will not contain any material misstatement of fact or omit to state any material fact. The Company will promptly notify CGI if it learns of any material inaccuracy or misstatement in, or material omission from, any Information theretofore delivered to CGI.
- (c) The Company acknowledges that in the course of this engagement it may be necessary for CGI and the Company to communicate electronically. The Company further acknowledges that although CGI will use commercially reasonable procedures to check for the most commonly known viruses and to ensure accuracy of such information and communications, the electronic transmission of information cannot be guaranteed to be secure or error-free. Furthermore, such information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete or otherwise be adversely affected or unsafe to use. Accordingly, the Company agrees that, to the extent CGI utilizes such commercially reasonable procedures,

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CGI shall have no liability to the Company with respect to any error or omission arising from or in connection with (i) the electronic communication of information to the Company or (ii) the Company's reliance on such information.

Section 3. Fees to CGI.

As compensation for the services rendered hereunder, the Company agrees to pay CGI the following fees, payable via wire transfer in United States currency:

- (a) Monthly Work Fees: A monthly work fee in the amount of \$35,000 due, earned and payable in advance in full, on the date hereof and \$35,000 due, earned and payable in advance in full on the first business day of every month thereafter (the "*Monthly Work Fees*"). Following the first three (3) Monthly Work Fees actually paid to CGI, all Monthly Work Fees actually paid to CGI thereafter shall be 50% credited against any Success Fee.
- (b) Success Fee: Upon the consummation of any Recapitalization Transaction or any M&A Transaction, a fee equal to \$1,100,000 (the "*Success Fee*").
- (c) New Capital Fee: Upon consummation of a New Capital Transaction, a fee (the "*New Capital Fee*") calculated by multiplying 4.0% by the total gross proceeds raised or committed.

Notwithstanding the foregoing, a New Capital Fee shall be 100% credited against any Success Fee up to the full amount of the Success Fee. Furthermore, no New Capital Fee shall be earned upon a New Capital Transaction with any lender as of the date hereof under the Company's Note Purchase and Exchange Agreement dated as of June 30, 2016 (as amended or modified from time to time)

The Company and CGI acknowledge and agree that (i) the hours worked, (ii) the results achieved and (iii) the ultimate benefit to the Company of the work performed, in each case, in connection with this engagement, may be variable, and that the Company and CGI have taken such factors into account in setting the fees hereunder.

Section 4. Expenses.

Without in any way reducing or affecting the provisions of Exhibit A hereto, the Company shall reimburse CGI, upon its request from time to time, for all reasonable expenses incurred by it in connection with the initiation and performance of the engagement hereunder in an amount not to exceed \$10,000 without the prior consent of the Company, and the enforcement of this Agreement. Other expenses shall include, but not be limited to, expenses incurred in connection with travel (at coach or equivalent fare) and lodging, data processing and communication charges, research and courier services.

Section 5. Indemnity.

The Company agrees to the provisions of Exhibit A hereto which provide for indemnification by the Company of CGI and certain related persons. Such indemnification is an integral part of this Agreement and the terms thereof are incorporated by reference as if fully stated herein. Such indemnification shall survive any termination, expiration or completion of this Agreement or CGI's engagement hereunder.

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Section 6. Application for Retention of CGI.

In the event the Company determines to commence chapter 11 proceedings in order to pursue a Transaction or otherwise, the Company shall apply promptly to the Bankruptcy Court pursuant to sections 327(a) and 328(a) of the Bankruptcy Code, Rule 2014 of the Federal Rules of Bankruptcy Procedure, applicable local rules and procedural orders of the Bankruptcy Court and procedural guidelines established by the Office of the United States Trustee, for approval of (a) this Agreement and (b) CGI's retention by the Company under the terms of this Agreement, nunc pro tunc to the date the Company commences its chapter 11 case, and shall use commercially reasonable efforts to obtain Bankruptcy Court authorization thereof. The Company shall use commercially reasonable efforts to obtain such Bankruptcy Court approval and authorization subject only to the subsequent review by the Bankruptcy Court under the standard of review provided in section 328(a) of the Bankruptcy Code, and not subject to the standard of review set forth in section 330 of the Bankruptcy Code. The Company shall supply CGI and its counsel with a draft of such application and any proposed order authorizing CGI's retention sufficiently in advance of the filing of such application and proposed order to enable CGI and its counsel to review and comment thereon. From and after the commencement of such chapter 11 case, CGI shall have no obligation to continue to provide any services under this Agreement unless and until CGI's retention under the terms of this Agreement is approved under section 328(a) of the Bankruptcy Code by a final order of the Bankruptcy Court in form and substance acceptable to CGI. Subject to being so retained, CGI agrees that during the pendency of any such proceedings, it shall continue its obligations under this Agreement pursuant to the provisions of this Agreement so long as the Company is using commercially reasonable efforts to seek CGI's retention under section 328(a) of the Bankruptcy Code.

CGI acknowledges that in the event that the Bankruptcy Court approves its retention by the Company pursuant to the application process described in this Section, payment of CGI's fees and expenses shall be subject to (i) the jurisdiction and approval of the Bankruptcy Court under section 328(a) of the Bankruptcy Code and any order approving CGI's retention, (ii) any applicable fee and expense guidelines and/or orders and (iii) any requirements governing interim and final fee applications; provided, however, that CGI shall not be required to maintain time records. In the event that CGI's engagement hereunder is approved by the Bankruptcy Court, the Company shall pay all fees and expenses of CGI hereunder as promptly as practicable in accordance with the terms hereof and the orders governing interim and final fee applications, and after obtaining all necessary further approvals from the Bankruptcy Court, if any.

With respect to CGI's retention under section 328(a) of the Bankruptcy Code, the Company acknowledges and agrees that CGI's industry and restructuring expertise as well as its capital markets knowledge, financing skills and mergers and acquisitions capabilities, some or all of which may be required by the Company during the term of CGI's engagement hereunder, were important factors in determining the amount of the various fees set forth herein, and that the ultimate benefit to the Company of CGI's services hereunder could not be measured merely by reference to the number of hours to be expended by CGI's professionals in the performance of such services. The Company also acknowledges and agrees that the various fees set forth herein have been agreed upon by the parties in anticipation that a substantial commitment of professional time and effort will be required of CGI and its professionals hereunder over the life of the engagement, and in light of the fact that such commitment may foreclose other opportunities for CGI and that the actual time and commitment required of CGI and its professionals to perform its services hereunder may vary substantially from week to week or month to month, creating "peak load" issues for the firm. In addition, the Company believes that given the numerous issues which CGI may be required to address in the performance of its services hereunder, CGI's commitment to the variable level of time and effort, necessary to address all such issues as they arise, and the market prices for CGI's services for engagements of this nature in and out of court context,

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the Company agrees that the fee arrangements hereunder are reasonable under the standards set forth in section 328(a) of the Bankruptcy Code.

Section 7. Term.

The term of CGI's engagement shall extend until the consummation of the final Transaction(s) contemplated by this Agreement. The engagement may be terminated by either party at any time upon five (5) days advance notice in writing. If terminated, CGI shall be entitled to payment of any fees which are due and owing to CGI upon the effective date of termination; in addition, CGI will be entitled to reimbursement of any and all reasonable expenses described in Section 4 above. Termination of CGI's engagement hereunder shall not affect or impair the Company's continuing obligation to indemnify CGI and certain related persons as provided in Exhibit A. Without limiting any of the foregoing (except in the event of termination of the engagement of CGI pursuant to this Agreement by the Company for "cause" as set forth above and as finally determined by a court of law), the fees and obligations described in Section 3 above shall also be payable by the Company and enforceable against the Company in accordance with their respective terms in the event that the engagement of CGI pursuant to this Agreement is terminated by the Company and a Transaction is consummated prior to the expiration of twelve (12) months after such termination (or an agreement with respect thereto is executed at any time prior to twelve (12) months after such termination (which agreement subsequently results in the consummation of a Transaction)) with a Prospective Purchaser (as defined below) or an affiliate of a Prospective Purchaser. For purposes hereof, a "*Prospective Purchaser*" shall include any corporation, partnership, limited liability company, individual or other entity that is identified by or to CGI or the Company, its officers, directors, shareholders or lenders ("Company Parties") as a prospective party to a Transaction prior to the expiration of CGI's engagement by the Company, including any entity or person who inquires about a potential Transaction without any solicitation by CGI or the Company; provided that the Company Parties shall present all inquiries (whether solicited by the Company Parties or otherwise) about a potential Transaction to CGI during the term of this Agreement.

Section 8. Miscellaneous.

- (a) *Survival, Successors & Assigns.* Sections 2 through 7 hereof, inclusive, including the provisions set forth in Exhibit A hereto, shall survive the termination or expiration of this Agreement. The benefits of this Agreement and the indemnification and other obligations of the Company to CGI and certain related persons contained in Exhibit A hereto shall inure to the respective successors and assigns of the parties hereto and thereto and of the indemnified parties, and the obligations and liabilities assumed in this Agreement and Exhibit A by the parties hereto and thereto shall be binding upon their respective successors and assigns. CGI may not assign this Agreement without the prior written consent of the Company.
- (b) *Benefit of Agreement; No Reliance by Third Parties.* CGI has been engaged only by the Company, and this engagement is not intended to confer rights upon any stockholder, partner or other owner of the Company or any other person not a party hereto. Unless otherwise expressly agreed, no one other than the Company is authorized to rely on any statements, advice, opinions or conduct by CGI. Any opinions or advice rendered by CGI to the Board or the Company's management in the course of this engagement are for the purpose of assisting the Board or the Company's management, as the case may be, in evaluating the Transactions contemplated hereby and such opinions or advice do not constitute a recommendation to any stockholder of the Company concerning action that

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such stockholder might or should take in connection with a Transaction. CGI does not provide accounting advice, tax advice or legal advice. The Company confirms that it will rely on its own independent counsel and independent accountants for such advice.

- (c) *Nature of Relationship.* The relationship of CGI to the Company hereunder shall be that of an independent contractor and CGI shall have no authority to bind, represent or otherwise act as agent, executor, administrator, trustee, lawyer or guardian for the Company, nor shall CGI have the authority to manage money or property of the Company. The price of the instruments and any Transaction will be established by the Company following discussions and arm's-length negotiations with the investors or other participants and the Company is capable of evaluating and understanding the terms, risks and conditions of the transactions contemplated by this Agreement. The parties hereto acknowledge and agree that CGI's role in the services contemplated hereby is that of an independent contractor, and by providing the services contemplated hereunder, CGI will not act, nor will it be deemed to have acted, in any managerial or fiduciary capacity whatsoever with respect to the Company or any third party including security holders, creditors or employees of the Company. The Company waives, to the fullest extent permitted by law, any claims the Company and its affiliates may have against CGI for breach of fiduciary duty or alleged breach of fiduciary duty and agrees that CGI shall have no liability (whether direct or indirect) to the Company or any of its affiliates in respect of such a fiduciary duty claim or to any person asserting a fiduciary duty claim on behalf of or in right of the Company, including stockholders, employees or creditors of the Company.
- (d) *CGI and Affiliated Entities.* CGI has indirect affiliate relationships with numerous investment banking institutions located worldwide (the "*Affiliated Entities*"). None of the Affiliated Entities is being retained by CGI hereunder nor, to CGI's knowledge, will any professionals or employees of the Affiliated Entities provide services to the Company in connection with the matters contemplated hereby. CGI and Affiliated Entities are involved in a wide range of investment banking and other activities which may involve interests that differ from those of the Company and CGI has no obligation to disclose such interests and transactions to the Company by virtue of any advisory or agency relationship. CGI can make no representation as to the "disinterestedness" of the professionals or employees of the Affiliated Entities. Information that is held by the Affiliated Entities will not for any purpose be taken into account in determining CGI's responsibilities to the Company hereunder. None of CGI and Affiliated Entities will have any duty to disclose to the Company or any other party, or utilize for the Company's benefit, any non-public information acquired in the course of providing services to any other person engaging in any transaction or otherwise carrying on its business.
- (e) *Required Information.* For your information, CGI may screen the Company against various databases to verify its identity.
- (f) *Public Announcements.* The Company acknowledges that CGI may, at its option and expense, after announcement of a Transaction, place announcements and advertisements or otherwise publicize the Transaction in such financial and other newspapers and journals as each may choose, stating that CGI acted as financial advisor to the Company in connection with such Transaction (but without reference to any of the terms of the Transaction, including enterprise value, consideration or similar information). The Company further consents to CGI's public use or display of the Company's logo, symbol or trademark as part of CGI's general marketing or promotional activities, provided such use or display is in

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the nature of a public record or tombstone announcement in relation to a Transaction.

- (g) *CHOICE OF LAW: JURISDICTION.* THIS AGREEMENT HAS BEEN NEGOTIATED, EXECUTED AND DELIVERED AT AND SHALL BE DEEMED TO HAVE BEEN MADE IN NEW YORK, NEW YORK. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO SUCH STATE'S PRINCIPLES OF CONFLICTS OF LAWS. REGARDLESS OF ANY PRESENT OR FUTURE DOMICILE OR PRINCIPAL PLACE OF BUSINESS OF THE PARTIES HERETO, EACH SUCH PARTY HEREBY IRREVOCABLY CONSENTS AND AGREES THAT ANY AND ALL CLAIMS OR DISPUTES BETWEEN THE PARTIES HERETO PERTAINING TO THIS AGREEMENT OR TO ANY MATTER ARISING OUT OF OR RELATED TO THIS AGREEMENT SHALL BE BROUGHT IN ANY STATE OR FEDERAL COURT OF COMPETENT JURISDICTION IN THE STATE OF NEW YORK. BY EXECUTION AND DELIVERY OF THIS AGREEMENT, EACH PARTY SUBMITS AND CONSENTS IN ADVANCE TO SUCH JURISDICTION IN ANY ACTION OR SUIT COMMENCED IN ANY SUCH COURT. EACH PARTY HERETO HEREBY WAIVES ANY OBJECTION WHICH IT MAY HAVE BASED ON LACK OF PERSONAL JURISDICTION, IMPROPER VENUE OR FORUM NON CONVENIENS AND HEREBY CONSENTS TO THE GRANTING OF SUCH LEGAL OR EQUITABLE RELIEF AS IS DEEMED APPROPRIATE BY SUCH COURT. THE COMPANY CONSENTS TO THE SERVICE OF PROCESS IN ACCORDANCE WITH NEW YORK LAW, AND AGREES THAT THE CORPORATE ATTORNEY OF THE COMPANY SHALL BE AUTHORIZED TO ACCEPT SERVICE ON ITS BEHALF.
- (h) *Waiver of Jury Trial.* Each of the parties hereto hereby knowingly, voluntarily and irrevocably waives any right it may have to a trial by jury in respect of any claim upon, arising out of or in connection with this Agreement or any Transaction or other related transaction. Each of the parties hereto hereby certifies that no representative or agent of any other party hereto has represented expressly or otherwise that such party would not seek to enforce the provisions of this waiver. Each of the parties hereto hereby acknowledges that it has been induced to enter into this Agreement by and in reliance upon, among other things, the provisions of this paragraph.
- (i) *Entire Agreement.* This Agreement and the previously executed confidentially agreement dated September 29, 2016 embodies the entire agreement and understanding of the parties hereto and supersedes any and all prior agreements, arrangements and understandings relating to the matters provided for herein. No alteration, waiver, amendment, change or supplement hereto shall be binding or effective unless the same is set forth in writing signed by a duly authorized representative of each of the parties hereto. This Agreement supersedes and replaces all previous agreements or understandings regarding the same, whether written or oral, except as to prior indemnity agreements which shall remain in full force and effect with respect to services provided during the course of any such agreements or understandings.
- (j) *Authority.* Each party hereto represents and warrants that it has all requisite power and authority to enter into this Agreement and Exhibit A and the transactions contemplated hereby. Each party hereto further represents that this Agreement has been duly and validly authorized by all necessary corporate action and has been duly executed and delivered by each of the parties hereto and constitutes the legal, valid and binding agreement thereof,

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enforceable in accordance with its terms. CGI will assume that any instructions, notices or requests have been properly authorized by the Company if they are given or purported to be given by, or is reasonably believed by CGI to be, a director, officer, employee or authorized agent.

- (k) *Counterparts.* This Agreement may be executed in as many counterparts as may be deemed necessary and convenient, and by the different parties hereto on separate counterparts, each of which when so executed shall be deemed an original, but all such counterparts shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Agreement by telecopier or PDF facsimile shall be effective as delivery of a manually executed counterpart to this Agreement.
- (l) *Notices.* Any notice given pursuant to, or relating to, this Agreement shall be in writing and shall be mailed or delivered by courier (a) if to the Company, at the address set forth above, Attn: Corporate Attorney and (b) if to CGI, to Canaccord Genuity Inc., 535 Madison Avenue, New York, NY 10022, Attn: General Counsel and Geoffrey A. Richards.

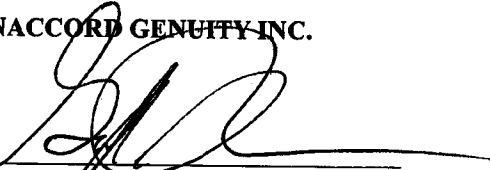
If the foregoing correctly sets forth the understanding and agreement between CGI and the Company, please so indicate by signing the enclosed copy of this letter along with the \$35,000 Monthly Work Fee via wire transfer, whereupon it shall become a binding agreement among the parties hereto as of the date first above written.

[Remainder of Page Intentionally Blank]

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Very truly yours,

CANACCORD GENUITY INC.

By: 
Geoffrey A. Richards
Managing Director

Accepted and Agreed:

HALT MEDICAL, INC.

By: 
Name: Kim Bridges
Title: Chief Executive Officer

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Exhibit A

The Company shall indemnify and hold harmless each of CGI and its affiliates, counsel and other professional advisors, and the respective directors, officers, controlling persons, agents and employees of each of the foregoing (CGI and each of such other persons, an "**Indemnified Party**" and, collectively, the "**Indemnified Parties**"), from and against any losses, claims or proceedings, including, without limitation, stockholder actions, damages, judgments, assessments, investigation costs, settlement costs, fines, penalties, arbitration awards and any other liabilities, costs, fees and reasonable expenses (collectively, "**Losses**") (a) directly related to or arising out of (i) oral or written information provided by the Company, the Company's employees or other agents, which either the Company or an Indemnified Party provides to any person or entity or (ii) any other action or failure to act by the Company, the Company's employees or other agents or any Indemnified Party at the Company's request or with the Company's consent, in each case in connection with, arising out of, based upon, or in any way related to this Agreement, the retention of and services provided by CGI under this Agreement, or any Transaction or other transaction; or (b) otherwise directly in connection with, arising out of, based upon, or in any way related to the engagement of CGI under this Agreement or any transaction or conduct in connection therewith, provided that the Company shall not be required to indemnify any Indemnified Party for such Losses if and only to the extent that it is finally judicially determined by a court of competent jurisdiction that such Losses arose because of the gross negligence, willful misconduct or fraud of such Indemnified Party. If multiple claims are brought against an Indemnified Party, with respect to at least one of which indemnification is permitted under applicable law and provided for under this Agreement, the Company agrees that any judgment or award against such Indemnified Party shall be conclusively deemed to be based on claims as to which indemnification is permitted and provided for, except to the extent the judgment or award expressly states that it, or any portion thereof, is based on a claim as to which indemnification is not available.

The Company shall further reimburse any Indemnified Party promptly for any reasonable legal or other fees, disbursements or expenses as they are incurred (a) in investigating, preparing, pursuing or settling any action or other proceeding (whether formal or informal) or threat thereof, whether or not in connection with pending or threatened litigation or arbitration (each, an "**Action**") and (b) in connection with enforcing such Indemnified Party's rights under this Agreement; provided, however, that in the event and only to the extent that it is finally judicially determined by a court of competent jurisdiction that the Losses of such Indemnified Party arose because of the gross negligence, willful misconduct or fraud of such Indemnified Party, such Indemnified Party will promptly remit to the Company any amounts reimbursed under this paragraph.

The Company agrees that if any right of any Indemnified Party set forth in the preceding paragraphs is finally judicially determined to be unavailable (except by reason of the gross negligence, willful misconduct or fraud of such Indemnified Party), or is insufficient to hold such Indemnified Party harmless against such Losses as contemplated herein, then the Company shall contribute to such Losses (a) in such proportion as is appropriate to reflect the relative benefits received by the Company and its creditors and stockholders, on the one hand, and such Indemnified Party, on the other hand, in connection with the transactions contemplated hereby, and (b) if (and only if) the allocation provided in clause (a) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (a) but also the relative fault of the Company and such Indemnified Party; provided, that, in no event shall the aggregate contribution of all such Indemnified Parties exceed the amount of fees received by CGI under this Agreement. Benefits received by CGI shall be deemed to be equal to the compensation paid by the Company to CGI in connection with this Agreement. Relative fault shall be determined by reference to, among other things, whether any alleged untrue statement or omission or any other alleged conduct relates to information provided by the Company or other conduct

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by the Company (or the Company's employees or other agents) on the one hand or by CGI on the other hand.

The Company also agrees that no Indemnified Party shall have any liability (whether direct or indirect, in contract or tort or otherwise) to the Company for or in connection with advice or services rendered or to be rendered by any Indemnified Party pursuant to this Agreement, the transactions contemplated hereby or any Indemnified Party's actions or inactions in connection with any such advice, services or transactions except for and only to the extent that such Losses of the Company are finally judicially determined by a court of competent jurisdiction to have arisen because of the gross negligence, willful misconduct or fraud of such Indemnified Party in connection with any such advice, actions, inactions or services. The Company shall use commercially reasonable efforts to require, as a condition of the Company releasing from liability any creditor or other party-in-interest in the case, that such creditor or other party-in-interest release all Indemnified Parties from all claims or other liabilities directly or indirectly in connection with, arising out of, based upon, or in any way related to the engagement of CGI under this Agreement or any transaction or conduct in connection therewith, provided that the Company shall not be required to use commercially reasonable to obtain such release with respect to the gross negligence, willful misconduct or fraud of any Indemnified Party.

In the event that an Indemnified Party is requested or required to appear as a witness in any action brought by or on behalf of or against the Company relating to the engagement in which such Indemnified Party is not named as a defendant, the Company agrees to promptly reimburse such Indemnified Party on a monthly basis for all expenses reasonably incurred by it in connection with such Indemnified Party's appearing and preparing to appear as such a witness, including, without limitation, the reasonable fees and disbursements of its legal counsel.

The rights of the Indemnified Parties hereunder shall be in addition to any other rights that any Indemnified Party may have at common law, by statute or otherwise. Except as otherwise expressly provided for in this Agreement, if any term, provision, covenant or restriction contained in this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void, unenforceable or against its regulatory policy, the remainder of the terms, provisions, covenants and restrictions contained in this Agreement shall all remain in full force and effect and shall in no way be affected, impaired or invalidated. The reimbursement, indemnity and contribution obligations of the Company set forth herein shall apply to any modification of this Agreement and shall remain in full force and effect regardless of any termination of, or the completion of any Indemnified Party's services under or in connection with, this Agreement.

Neither termination of the Agreement, nor termination of CGI's engagement, nor the filing of a petition under the United States Bankruptcy Code, shall affect these indemnification provisions, which shall hereafter remain operative and in full force and effect.

CANACCORD Genuity

535 Madison Avenue
New York, NY 10022
United States of America

T: 212.389.8000

www.canaccordgenuity.com

Amendment No. 1 to Agreement

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Confidential

Halt Medical, Inc.
131 Sand Creek Road, Suite B
Brentwood, CA 94513
Attention: Kim Bridges, Chief Executive Officer

Dear Ms. Bridges:

Reference is made to that certain letter agreement dated November 3, 2016 (the "**Agreement**") between Canaccord Genuity Inc. ("**CGI**") and Halt Medical, Inc. (including its controlled affiliates, successors, subsidiaries and assigns, the "**Company**") pursuant to which the Company engaged CGI as its exclusive investment banker in connection with any Transaction. Capitalized terms used in this Amendment No. 1 to the Agreement (the "**Amendment**") and not defined in the Amendment shall have the meanings ascribed to them in the Agreement.

The Company and CGI hereby acknowledge that Section 3 of the Agreement is hereby amended by this Amendment as follows.

As compensation for the services rendered hereunder, the Company agrees to pay CGI the following fees (the "**Fees**"), payable via wire transfer in United States currency. Total Fees, as described below, are set forth on **EXHIBIT A** hereto:

- (a) **Monthly Work Fees:** A monthly work fee (the "**Monthly Work Fees**") in the amount of \$50,000 due, earned and payable in advance in full on the first business day of every month commencing on May 1, 2017 and capped at \$100,000. All Monthly Work Fees actually paid to CGI by the Company prior to May 1, 2017 shall be 100% credited against any Success Fee. Notwithstanding any other provision in the Agreement to the contrary, there shall be no crediting of any Monthly Work Fees paid to CGI after April 28, 2017 against any Success Fee. CGI shall not incur reasonable, documented and actual out-of-pocket costs in excess of \$5,000 per month without the prior written consent of the Company.
- (b) **Success Fee:** Upon the consummation of any Recapitalization Transaction or any M&A Transaction, a fee equal to \$900,000 (the "**Success Fee**").
- (c) **New Capital Fee:** Upon consummation of a New Capital Transaction, a fee (the "**New Capital Fee**") calculated by multiplying 4.0% by the total gross proceeds raised or committed, with such fee not to exceed \$140,000.

Notwithstanding the foregoing, a New Capital Fee shall be 100% credited against any Success Fee up to the full amount of the Success Fee. Furthermore, no New Capital

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Fee shall be earned upon a New Capital Transaction with any lender as of the date of the Agreement under the Company's Note Purchase and Exchange Agreement dated as of June 30, 2016 (as amended or modified from time to time).

The Company and CGI acknowledge and agree that (i) the hours worked, (ii) the results achieved and (iii) the ultimate benefit to the Company of the work performed, in each case, in connection with this engagement, may be variable, and that the Company and CGI have taken such factors into account in setting the fees hereunder.

[SIGNATURE PAGE FOLLOWS]

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Please indicate your acceptance of this Amendment by signing in the space provided below and returning the same to CGI.

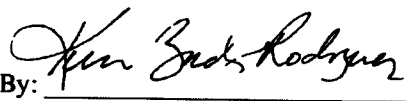
Very truly yours,

CANACCORD GENUITY INC.

By: 
Geoffrey Richards
Managing Director 

Accepted and Agreed:

HALT MEDICAL, INC.

By: 
Name: Kim Bridges Rodriguez
Title: President & CEO

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EXHIBIT A

FEEES

	Monthly Work Fees Paid to Date	Additional Amounts Paid to Date	
November Fee	\$35,000		
December Fee	\$35,000		
January Fee	\$35,000		
February Fee	\$35,000		
March Fee	\$35,000		
April Fee	\$35,000		
May Fee			\$50,000
June Fee			\$50,000
New Capital Fee		\$140,000	
Success Fee		\$550,000	
Total	\$210,000	\$690,000	Total \$1,000,000