

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

PHARMATHENE, INC., a Delaware Corporation,	§	
	§	
	§	
Plaintiff,	§	
	§	
v.	§	Civil Action No. 2627-VCP
	§	
SIGA TECHNOLOGIES, INC., a Delaware Corporation,	§	
	§	
	§	
Defendant.	§	

FINAL ORDER AND JUDGMENT

THIS 15th DAY OF JANUARY 2015, IT IS HEREBY ORDERED as follows:

I. PharmAthene’s Contract Expectation Damages.

A. PharmAthene has met its burden of proof establishing the breach of contract claim asserted in Count V of the Complaint. PharmAthene is, therefore, entitled to contract expectation damages in the amount of \$113,116,985.00.

II. PharmAthene’s Reasonable Attorneys’ Fees, Expert Witness Costs and Costs.

A. SIGA is liable to PharmAthene for forty percent (40%) of PharmAthene’s reasonable attorneys’ fees between December 20, 2006 and post-trial argument on April 29, 2011, in the amount of \$2,028,158.32.

B. SIGA is liable to PharmAthene for one-third (1/3) of its reasonable attorneys' fees during the Remand Proceedings between May 24, 2013 and January 15, 2014, in the amount of \$276,330.85.

C. SIGA is liable to PharmAthene for forty percent (40%) of costs, other costs and expenses for the period between December 20, 2006 and post-trial argument on April 29, 2011, in the total amount of \$166,780.39.

D. SIGA is liable to PharmAthene for one-third (1/3) of costs, other costs and expenses between May 24, 2013 and January 15, 2014, in the amount of \$13,651.36.

E. SIGA is liable to PharmAthene for sixty percent (60%) of the total Expert Expenses incurred in the pre-trial and trial activities of Jeffrey Baliban and Dr. Peck between December 20, 2006 and through trial on January 16, 2011, in the amount of \$629,506.45.

F. SIGA is liable to PharmAthene for forty percent (40%) of the total Expert Expenses incurred in the pre-trial and trial activities of Marc Edwards between December 20, 2006 and through trial on January 22, 2011, in the amount of \$62,907.00.

G. SIGA is liable to PharmAthene for ten percent (10%) of the total Expert Expenses incurred by PharmAthene experts between May 24, 2013 and January 15, 2014, in the amount of \$47,866.01.

H. SIGA is liable to PharmAthene for Expectation Damages, pre-judgment interest through December 31, 2014, compounded quarterly at the Legal Rate on those Expectation Damages, plus Permitted Legal Fees, Costs and Expenses in the amount of \$194,197,770.94, comprised of the following:

Expectation Damages:	\$113,116,985.00
Pre-Judgment Interest through 12/31/14 On those Expectation Damages compounded quarterly at the Legal Rate:	\$ 77,855,585.56
Permitted Legal Fees, Costs and Expenses:	\$ 3,225,200.38

I. SIGA is further liable to PharmAthene for pre-judgment interest accumulating during 2015 on the sum of those Expectation Damages plus the accrued pre-judgment interest on those Expectation Damages ($\$113,116,985.00 + \$77,855,585.56 = \$190,972,570.56$). For the period January 1, 2015, through January 15, 2015, the date of the entry of this Order, the *per diem* amount of this interest is \$30,084.72, totaling \$451,270.80.

J. The amount of the Total Judgment is \$194,649,041.74, which is calculated by adding \$194,197,770.94 from paragraph H, and the pre-judgment interest between January 1, 2015 through the date of this Order from paragraph I.

K. SIGA is further liable to PharmAthene for post-judgment interest on the Total Judgment, in the amount of \$30,663.89, *per diem* (calculated as (Total Judgment * 5.75%) / 365), which *per diem* shall periodically be adjusted to reflect

the applicable Legal Rate from the date that this Final Order and Judgment is entered until the date that the Total Judgment and all post-judgment interest, is paid in full.

L. Pursuant to 10 *Del. C.* §4734, this Final Order and Judgment shall be entered in the same manner and form and in the same books and indices of judgments and orders entered in the Superior Court of the State of Delaware. After the entry thereof, all portions of this Final Order and Judgment calling for the payment by SIGA of money shall have the same force and effect had the Final Judgment and Order had originally been entered by the Superior Court.

III. Remaining Relief and Dismissal.

A. The Court further Orders with respect to the remaining claims of the First Amended Complaint as follows:

1. Judgment is entered in favor of PharmAthene on SIGA's counterclaim which is dismissed, with prejudice;
2. PharmAthene is not entitled to a judgment ordering SIGA to specifically perform a license agreement for ST-246 on the basis of the terms of the License Agreement Term Sheet ("LATS"). PharmAthene's request for an Order of specific performance requiring SIGA to negotiate, in good faith, a

license agreement with PharmAthene is denied. Count I of the First Amended Complaint is hereby dismissed with prejudice;

3. PharmAthene did not establish that it is entitled to declaratory relief and Count II of the First Amended Complaint is hereby dismissed, with prejudice.
4. PharmAthene did not establish that the LATS was a contract and Count III of the First Amended Complaint, is hereby dismissed, with prejudice.
5. PharmAthene did not establish a breach of the LATS and Count IV is hereby dismissed, with prejudice;
6. PharmAthene did not establish a claim in promissory estoppel since fully integrated and enforceable contracts govern the promises at issue. Therefore, Count VI is hereby dismissed with prejudice.
7. Since PharmAthene is not entitled to recover damages for unjust enrichment, Count VII of the Complaint is hereby dismissed with prejudice.
8. PharmAthene's request for an equitable payment stream based on the terms of the LATS is hereby denied with prejudice on the grounds that PharmAthene has an adequate remedy at law

as it is entitled to a contractual remedy in the form of lump-sum
expectation damages in the amounts set forth herein.

IT IS SO ORDERED.

/s/ Donald F. Parsons, Jr.
Vice Chancellor Donald F. Parsons, Jr.