

# **SERIES C LEGAL FEE BREAKDOWN**

**DeepShield Systems, Inc.**

Series C Financing - Q1 2024

Legal Fee Analysis & Cost Allocation Summary

## **1. ENGAGEMENT OVERVIEW**

1. This Legal Fee Breakdown document summarizes the anticipated and actual legal expenses incurred in connection with DeepShield Systems, Inc.'s (the "Company") Series C financing round (the "Financing"), as prepared by Wilson Sonsini Goodrich & Rosati, P.C. ("Lead Counsel") in collaboration with supporting counsel.

2. Period Covered: November 15, 2023 through March 31, 2024 (anticipated closing)

## **2. PRIMARY LEGAL SERVICE PROVIDERS**

### **1. Lead Corporate Counsel**

- Wilson Sonsini Goodrich & Rosati, P.C.
- Role: Primary transaction counsel
- Engagement Rate: \$875-\$1,150/hour (partner)
- Blended Rate: \$725/hour

### **2. IP/Technology Counsel**

- Fenwick & West LLP
- Role: IP due diligence and technology agreements
- Blended Rate: \$685/hour

### **3. Maritime/Regulatory Counsel**

- Holland & Knight LLP
- Role: Maritime and critical infrastructure regulatory compliance
- Blended Rate: \$695/hour

## **3. FEE BREAKDOWN BY CATEGORY**

### **1. Corporate & Securities**

- Due Diligence Review: \$185,000
- Transaction Documentation: \$245,000
- Securities Filings: \$45,000
- Corporate Governance: \$65,000

Subtotal: \$540,000

## 2. Intellectual Property

- IP Due Diligence: \$125,000
- Technology Agreements Review: \$85,000
- Patent Portfolio Analysis: \$55,000

Subtotal: \$265,000

## 3. Regulatory Compliance

- Maritime Regulations Review: \$75,000
- Critical Infrastructure Requirements: \$65,000
- Export Control Analysis: \$45,000

Subtotal: \$185,000

## 4. Miscellaneous

- Local Counsel Opinions: \$35,000
- Filing Fees: \$25,000
- Other Administrative Costs: \$15,000

Subtotal: \$75,000

# 4. COST ALLOCATION

## 1. Company Responsibility

- Primary Transaction Costs: \$865,000
- Filing Fees: \$25,000
- Administrative Costs: \$15,000

Total Company Allocation: \$905,000

## 2. Investor Responsibility

- Investor Counsel Fees: \$160,000

Total Investor Allocation: \$160,000

## **5. PAYMENT TERMS & RETAINERS**

### **1. Initial Retainers**

- Lead Counsel: \$250,000 (paid November 15, 2023)
- IP Counsel: \$100,000 (paid November 22, 2023)
- Regulatory Counsel: \$75,000 (paid December 1, 2023)

### **2. Payment Schedule**

- Monthly Invoicing: Net 30 days
- Final Payment: Due at closing
- Retainer Application: Applied to final invoice

## **6. ASSUMPTIONS & QUALIFICATIONS**

### **1. This fee breakdown assumes:**

- Standard Series C financing structure
- No material adverse findings in due diligence
- Closing by March 31, 2024
- No significant regulatory complications

### **2. Fee Adjustments**

- Material changes to transaction structure may impact fees
- Additional jurisdictional requirements may increase costs
- Extended timing may result in additional fees

## **7. APPROVALS & ACKNOWLEDGMENTS**

The undersigned hereby acknowledge this fee breakdown as of January 11, 2024:

DEEPSHIELD SYSTEMS, INC.

**By: \_**

Name: Robert Kessler

Title: Chief Financial Officer

LEAD COUNSEL

WILSON SONSINI GOODRICH & ROSATI, P.C.

**By:** \_

Name: Jennifer A. Martinez

Title: Partner

## **8. DISCLAIMERS**

This fee breakdown is an estimate only and actual fees may vary based on transaction complexity, timing, and scope changes. All amounts are exclusive of taxes, expenses, and disbursements. This document is confidential and for internal planning purposes only.