

Exhibit A

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February 11, 2019

BY EMAIL

Lisa Thomas
Controller
Aradigm Corporation
3929 Point Eden Way
Hayward, CA 94545
E-Mail: thomasl@aradigm.com

Re: Terms Of Engagement For Legal Services

Dear Lisa:

Jeffer Mangels Butler & Mitchell LLP ("we" or the "Firm") appreciates you asking us to represent Aradigm Corporation ("you" or "your"), in connection with the preparation and filing of a chapter 11 case on your behalf and we look forward to serving as your counsel in this matter. This letter sets forth the terms of our proposed engagement, and constitutes an agreement between us (the "Agreement").

1. **Our client(s); terms of this engagement as well as of existing and future engagements.** This Agreement governs our representation only of you and not of any other party, including any of your parent, subsidiary, affiliate or related persons or entities (collectively, "Affiliates"), unless such party is named in the preceding paragraph and included within the definition of "you." This Agreement shall not affect any existing or future representation we may have with an Affiliate of yours who is not a party to this Agreement nor the terms of any engagement letter with respect to such representation. This Agreement sets forth our entire agreement for rendering professional services for the current matter identified above, as well as for all other existing or future engagements with you, unless any such engagements are covered by a subsequent engagement letter executed by you.
2. **Intake procedures.** Our engagement is subject to and effective upon completion of our normal intake procedures, including receipt of a hard copy, facsimile or electronically delivered copy of this Agreement signed by you together with any retainers required, and our completion of a check for potential conflicts of interest. You represent that you have disclosed, and promptly will disclose, to us in writing all persons and entities who may have an interest (including adverse and non-adverse interests) in you or this matter so that we may run appropriate conflict checks. When this Agreement becomes effective, it will relate back

to the first day we provided legal services to you with respect to this matter or any other matter for which there is no separate written agreement.

3. **Fees.** Services will be rendered at our standard hourly rates for our attorneys and other personnel (such as paralegals and assistants) prevailing at the time services are rendered. Our rates presently range from \$295 per hour for certain legal clerks to \$995 per hour for certain partners. My rate is \$785 per hour. While rate changes generally occur in January, we reserve the right to change these rates from time to time. Rate changes will be set forth in the next month's invoice. At your request, we may attempt to estimate our fees to assist you in your planning. You understand that any estimates are based on the facts available to us when given and based on assumptions which we then believe to be reasonable. These estimates are not binding and our actual fees may vary significantly from such estimates.

4. **Charges.** In addition to fees for services, the Firm will charge you separately for messengers, computerized research, word processing, document reproduction (scanning, printing, and photocopying), travel, transcripts, parking, filing fees, telephone toll calls, secretarial overtime (where attributable to your special needs), notary charges, experts and other consultants retained on your behalf, and other similar items. By executing this Agreement, you are agreeing to pay for these charges in accordance with the Firm's schedule of charges, a copy of which is available on request, and which may be revised from time to time without notice. You are also responsible for all charges and expenses that we advance on your behalf. Where significant or unusual third-party payments are required (e.g., co-counsel fees, expert fees, special studies, extensive transcripts or filing fees), we will normally forward the charge to you for direct payment or obtain advance funds from you to cover the charge. If we advance funds for you, they will be added to the invoice.

5. **Retainer and lien.** A retainer is usually required for new clients and is required for all out of state clients. In this matter, we are requesting an initial retainer of \$250,000 plus \$1,717 for the chapter 11 filing fee, for a total of \$251,717. We may require retainers in the future. For example, if your matter involves litigation, our normal practice is to require a retainer before we commence trial preparation. The amount of this retainer is usually substantially higher than our initial retainer. A retainer is not an estimate of the total charges which may be incurred. If a retainer is requested, we may not commence or continue our work on your behalf until we receive this retainer.

A retainer is an advance or deposit which is applied as fees and charges are incurred. At the end of our engagement, our final charges will be applied against the retainer and the balance of the retainer, if any, will be refunded, or the balance due must be paid by you. By signing this Agreement, you are authorizing us to withdraw amounts from the retainer sufficient to pay in full any past due or current invoices we issue to you, as we issue those invoices, on any matter we are handling for you.

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In order to secure your obligation to pay for the attorney's fees and charges arising from our representation of you in any matter, you hereby grant to us a valid, binding and perfected lien on and security interest in all retainers, money or personal property held by us for your account or benefit, all proceeds held at any time in escrow to be disbursed to you or on your behalf at any time during a transaction or the closing or consummation of any transaction, all claims, demands, rights to payment or recoveries and causes of action you may have, and all proceeds thereof (whether by settlement, arbitration award, court judgment, or otherwise), arising out of or relating to any such matter. You agree that we shall be entitled to deduct from any such amounts or proceeds we disburse on your behalf the fees and expenses due us.

The granting of this lien could delay your receipt of any unused retainer, if we have a dispute with you over our fees and costs, since the disputed amount of the retainer will be held in our trust account until the dispute is resolved.

6. **Billing statements; carrying charges on unpaid balances.** Except as otherwise agreed, we will bill you on a monthly basis. Prior to filing the bankruptcy petition, we will bill you for all fees incurred through that date and to deduct that amount from the retainer. Our fees for representing you in the Chapter 11 case are subject to approval of the Bankruptcy Court, and you agree to pay us the approved amount immediately upon receipt of Court approval. By signing below, you agree to be responsible for our fees and charges, and represent that you have full authority to execute this Agreement on behalf of the entity for which you have executed this Agreement. If you have any questions about a billing statement, please call them to our attention promptly, but in any event no later than thirty (30) days after you receive the statement.

You may have the billing statement in any reasonable format you choose, but we will select an initial format for the statement unless you otherwise request a different format in writing.

7. **Termination.** Either party may terminate our services at any time upon written notice. Our representation as to each matter covered by this Agreement will end at the earliest of (a) your termination of our representation, (b) our withdrawal, approved by a court, if necessary, or (c) the substantial completion of our substantive work. If our services are terminated for any reason, such termination shall be effective only to terminate our services prospectively and all the other terms of this Agreement shall survive any such termination, including your obligation to pay for all of our fees for legal services rendered and for expenses incurred by us prior to termination.

8. **Duties upon end of active involvement.** Upon cessation of our active involvement in a particular matter, we will have no further duty to inform you of future developments or changes in law. Further, unless you and we mutually agree in writing to the contrary, we will have no obligation to monitor renewal or notice dates or similar contractual or statutory deadlines on your behalf.

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9. **Retention and return of your files.** All of your files will be retained and disposed of in compliance with our policy in effect from time to time. Subject to future changes, it is our current policy to review client files for their continued retention or destruction five years from cessation of our work on the matter. We will return your files to you at any time prior to their destruction if you send us written instructions asking us to do so. We do not find it administratively feasible for us to advise you of the closing of a matter or the disposal of your files. We recommend, therefore, that you maintain your own files for reference or send us a written request for your files at the conclusion of a matter. If you have any questions concerning our file retention policies, please contact us.

10. **No guarantee of success.** It is impossible to provide any promise or guarantee about the outcome of your matters. Nothing in this Agreement or any statements by our staff or attorneys constitute a promise or guarantee of any particular result.

11. **ARBITRATION AND WAIVER OF JURY TRIAL.** THIS SECTION WILL NOT APPLY ONCE A BANKRUPTCY PETITION IS FILED ON YOUR BEHALF. THIS SECTION EVIDENCES AN ADDITIONAL AGREEMENT BETWEEN US TO ARBITRATE DISPUTES.

BOTH OF US ALSO AGREE THAT ANY DISPUTE BETWEEN US, AND/OR YOU AND ANY OF THE FOLLOWING PERSONS OR ENTITIES AT THE FIRM: (a) PARTNER; (b) OF COUNSEL; (c) ASSOCIATE ATTORNEY; (d) PROFESSIONAL CORPORATION OR PROFESSIONAL PARTNERSHIP; OR (e) OTHER EMPLOYEE, WHICH DISPUTE IS CONNECTED IN ANY WAY TO THE FIRM; SHALL BE RESOLVED BY BINDING ARBITRATION.

THE FOREGOING LISTED PEOPLE OR ENTITIES SHALL BE DEEMED TO BE THIRD PARTY BENEFICIARIES OF THIS AGREEMENT AND YOUR AGREEMENT TO ARBITRATE ALL DISPUTES WITH THEM AS DESCRIBED HEREIN.

THIS MEANS, AMONG OTHER THINGS, THAT ANY DISPUTE, BETWEEN US, INCLUDING, WITHOUT LIMITATION, IN CONTRACT OR TORT, BASED UPON, ARISING OUT OF OR RELATING TO THIS AGREEMENT OR TO THE RELATIONSHIP OF THE PARTIES, OUR ENGAGEMENT AND/OR OUR PERFORMANCE OR FAILURE TO PERFORM SERVICES (INCLUDING, WITHOUT LIMITATION, CLAIMS OF BREACH OF FIDUCIARY DUTY OR PROFESSIONAL NEGLIGENCE) IS SUBJECT TO BINDING ARBITRATION. IN ADDITION, ALL QUESTIONS REGARDING THE ARBITRABILITY OF THE DISPUTE, INCLUDING WHETHER WE HAVE AGREED TO ARBITRATE THE DISPUTE, SHALL BE DECIDED BY SUCH ARBITRATION. THIS AGREEMENT TO ARBITRATE ALL DISPUTES BETWEEN US APPLIES EVEN IF SOME PERSON OR ENTITY CLAIMS

THAT THIS AGREEMENT IS VOID, VOIDABLE OR UNENFORCEABLE FOR ANY REASON.

BY AGREEING TO ARBITRATE, ALL PARTIES ARE WAIVING THEIR RIGHT TO JURY TRIAL AND THEIR RIGHT TO CONDUCT DISCOVERY (EXCEPT AS THE ARBITRATOR MAY PERMIT).

Further, by agreeing to arbitrate, all parties are agreeing to pay an equal portion of the arbitrator's fees.

The arbitration shall be held in the City and County of San Francisco, California before a retired California superior or appellate court judge or federal court judge pursuant to the Standard Arbitration Rules of ADR Services, Inc. and shall be administered by ADR Services, Inc. You irrevocably and unconditionally consent to personal jurisdiction in California and venue in San Francisco, California, in any action to compel arbitration and to enforce the arbitration award.

The arbitration, and all aspects thereof (arguments, testimony, evidence, the decision, etc.), shall be confidential, except when used in the course of a judicial proceeding (e.g., to confirm, vacate or modify the award) or regulatory proceeding, as may be requested by a governmental entity or as otherwise may be required by law.

Judgment on the arbitrator's award shall be final and binding, and may be entered in any competent court. By agreeing to arbitrate, all parties acknowledge that an appeal or challenge of an arbitrator's award may occur only under limited circumstances.

This agreement to arbitrate shall survive the termination of our representation or this agreement.

The parties further agree that notice and service of any petition or other pleading in connection with an arbitration pursuant to this clause shall be sufficient if served by regular mail. The pertinent language of California Code of Civil Procedure § 1290.4 which permits such notice or service is contained within subdivision (a) thereof which reads as follows:

"(a) A copy of the petition and a written notice of the time and place of the hearing thereof and any other papers upon which the petition is based shall be served in the manner provided in the arbitration agreement for the service of such petition and notice."

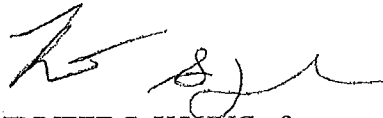
12. Miscellaneous. This Agreement is governed by California law and is intended to be our entire agreement for rendering professional services. It can be amended or modified only by a writing which has been executed by the parties who have executed this

Agreement. This Agreement may be signed in one or more counterparts and delivered by facsimile or other electronic method. If any provision of this Agreement or the application thereof is held invalid or unenforceable, the invalidity or unenforceability shall not affect other provisions or applications of this Agreement which can be given effect without such provisions or application, and to this end the provisions of this Agreement are declared to be severable. Except as expressly set forth in this Agreement, the failure by either party to assert any right or remedy under this Agreement or otherwise or to act in the event of any breach hereunder will not operate or be construed as a waiver of any rights or remedies such party may have under this Agreement or otherwise in connection with such right or breach or any past or future actions or failures to act arising out of or relating to this Agreement.

13. **Acknowledgement of the right to independent counsel.** We are not advising you with respect to this Agreement, because we would have a conflict of interest in doing so. If you desire such advice, you should consult independent counsel of your choice. Your execution of this Agreement confirms that you have had a reasonable opportunity to seek the advice of an attorney outside of the Firm regarding the terms and conditions of this Agreement, including but not limited to the lien and security interest you are granting us pursuant to Section 5 and the arbitration provision pursuant to Section 11.

Please sign and return the enclosed acknowledgment copy of this Agreement (along with your check for our retainer) at your earliest convenience.

Sincerely,



BENNETT G. YOUNG of
Jeffer Mangels Butler & Mitchell LLP

BGY:bg

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The undersigned has read and understood this Agreement. The undersigned acknowledges that: (a) this Agreement is subject to binding arbitration as provided in the paragraph above entitled "ARBITRATION AND WAIVER OF JURY TRIAL"; and (b) under no circumstances does Jeffer Mangels Butler & Mitchell LLP accept representation of any person unless and until that person specifically is identified as a client of the Firm in an engagement letter signed both by that person and by the Firm. The foregoing accurately sets forth all the terms of your engagement, and is approved and accepted as of the date of this letter.

Aradigm Corporation

Signature: _____

John M. Siebert

Print Name: _____

John M. Siebert

Title: _____

Principal Interim Executive Officer

Federal Employer I.D. Number: 94-3133088

BILLING INSTRUCTIONS:

Billing delivery can be handled via U.S. Mail and/or electronically via e-mail. Please check below whether you would like your invoices sent by U.S. Mail or e-mail or both:

U.S. Mail _____

E-Mail _____

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If so, please provide e-mail address: thomasl@aradigm.com

If neither item is checked, you will receive your invoices via e-mail.

(Rev'd 11/18)