

Petters Company, Inc.

October 31, 2005

Robert White
538 Grace Street
Excelsior, MN 55331

Re: Separation Agreement and Release

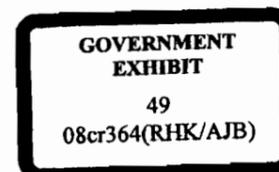
Dear Bob:

As you know, your employment with Petters Company, Inc. (the "Company") ended on October 31, 2005. You are also an officer, director, manager or other agent of Petters Company, Inc. and certain of its other its affiliates controlled, directly or indirectly, by Thomas J. Petters ("TJP"), and in some cases may you may have an equity interest in such affiliates.

Although not required to do so, the Company would like to offer you separation pay and to offer you, or to cause certain affiliates of TJP to offer you, consideration for your equity interests to ease your transition to new employment and other business opportunities. The purpose of this Agreement is to set forth the specific separation pay and other consideration that you would receive in exchange for your agreement to the terms and conditions of this letter agreement (this "Agreement").

By your signature below, you agree to the following terms and conditions:

1. **Certain Definitions.** For purpose of this Agreement:
 - a. The Company and all other entities in which TJP directly or indirectly owns 10% or more of the equity interests therein or otherwise controls, their successors and assign, including, without limitation, TJP personally, are referred to as the "Company Related Entities."
 - b. Each current or former officer, director, manager, shareholder, member, owner, partner, employee, insurer, trustee, attorney, consultant, administrator, agent or representative of any of any Person, or of any pension or benefit plan with respect to and Person, and their successors and assigns, whether in their individual or official capacities, is referred to as a "Representative" of a Person. "Person" means any individual or entity.
 - c. The Company Related Entities and any Representatives of the Company Related Entities, and their successors and assigns are referred to as the "Company Related Persons."



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d. Any equity interests that you may own or have the rights to acquire, directly or indirectly, in or from or otherwise with respect to any of the Company Related Persons are referred to as the "Company Related Equity Interests."

2. **End of Employment; Resignation.**

a. Your employment with the Company ended effective October 31, 2005. Upon your receipt of your final paycheck, which included payment for services through such date, you will have received all compensation owed to you by virtue of your employment with the Company or termination thereof. Upon your receipt of payment from the Company for your work through such date and accrued and unused vacation at your regular rate, you will have received all benefits owed to you by virtue of your employment with the Company or termination thereof. You are not eligible for any other payments or benefits except for those expressly described in this Agreement, provided that you sign and do not rescind this Agreement. The Company will send information to you regarding your COBRA rights under separate cover. If you have any questions regarding COBRA coverage, please contact our Human Resources department. You agree that you are not an employee of any of the other Company Related Persons.

b. You hereby resign as an Representative of all Company Related Persons with respect to which you do or have served as a Representative. You agree that after such resignation you do not represent, and are not otherwise affiliated in any with, any of the Company Related Persons. You hereby grant the Company and its assigns an irrevocably power of attorney, coupled with an interest, to execute and deliver any resignation or other instrument to effect or evidence such resignation.

3. **Assignment of Company Related Equity Interests; Investment in ZI.** Subject to the terms and conditions of this Agreement:

a. You hereby assign to the Company or its designees all of your Company Related Equity Interests that you directly or indirectly have or may have. Pursuant to the foregoing, (a) you hereby assign to Thousand Lakes, LLC ("Thousand Lakes") your equity interests in Thousand Lakes, and the Company agrees to pay, or to cause Thousand Lakes to pay to you, a total of \$1,500,000 (the "Thousand Lakes Purchase Price"), and (b) you hereby assign to Petters VB, LLC ("Petters VB") your equity interests in Petters VB, and the Company agrees to pay, or to cause Petters VB to pay to you, a total of \$500,000 (the "Petters VB Purchase Price"). The Thousand Lakes Purchase Price and the Petters VB Purchase Price shall payable in the manner set forth in Section 4 below, and will be the only consideration payable for your Company Related Equity Interests. You agree that after giving effect to such assignments of all such Company Related Equity Interests, you do not have directly or indirectly any equity interests, or rights to acquire any equity interests, in or from or otherwise with respect to any of the Company Related Persons. You also represent and warrant that such assignments are made free and clear of any liens, claims or encumbrances. You hereby grant the Company and its assigns an irrevocably power of attorney, coupled with an interest, to execute and deliver any assignment or other instrument to effect or evidence such assignment of any Company Related Equity Interests.

b. The Company hereby agrees to invest, or to cause the investment by another Company Related Person of, a total of \$2,000,000 in Zink Imaging, Inc. ("ZI"), on or before February 15, 2006, provided that an investment has been made by you in ZI of at least \$3,500,000. Notwithstanding the foregoing, the maximum voting power of the Company and other Company Related Persons in ZI for such investment shall be less than 10%. For clarity, ZI would not be a Company Related Person based on TJP directly or indirectly owning less than 10% of the voting power of ZI.

4. **Consideration.**

a. Specifically in consideration of your signing this Agreement and subject to the limitations, obligations, and other provisions contained in this Agreement, the Company agrees to pay you separation pay of \$2,000,000, subject to applicable withholding (the "Separation Pay").

b. The Separation Pay, the Thousand Lakes Purchase Price and the Petters VB Purchase Price (the "Consideration") would be payable to you as follows: \$1,000,000 of the Consideration was paid on October 21, 2005 (and you hereby acknowledge such payment); \$500,000 of the Consideration will be payable November 1, 2005; \$500,000 of the Consideration will be payable November 15, 2005; \$1,000,000 of the Consideration will be payable December 15, 2005; and \$1,000,000 of the Consideration will be payable December 31, 2005. These payments will be made if you have not rescinded your release of claims pursuant to Section 7 below. If you rescind such release of claims, no Consideration shall be payable to you.

c. Except for the Consideration payable under this Section 4, and subject to the other terms of this Agreement, you agree that none of the Company Related Persons directly or indirectly owes you or any of your affiliates any amounts whatsoever.

5. **Release of Claims.** Specifically in consideration of the Consideration described in Section 4, to which you would not otherwise be entitled, by signing this Agreement you, for yourself and anyone who has or obtains legal rights or claims through you, agree to the following:

a. You hereby do release, agree not to sue, and forever discharge the Company and all of the other Company Related Persons of and from any and all manner of claims, demands, actions, causes of action, administrative claims, liability, damages, claims for punitive or liquidated damages, claims for attorney's fees, costs and disbursements, individual or class action claims, or demands of any kind whatsoever, you have or might have against them or any of them, whether known or unknown, in law or equity, contract or tort, arising out of or in connection with your employment with the Company, your Company Related Equity Interests, your having been a Representative of any of the Company Related Persons, or the termination of that relationship, any business dealings you have or may have had with any of the Company Related Persons, or otherwise, and however originating or existing, from the beginning of time through the date of your signing this Agreement.

b. This release includes, without limiting the generality of the foregoing, any claims you may have for wages, bonuses, commissions, penalties, compensation, deferred compensation, vacation pay, other paid time off, separation benefits, profits, equity interests, defamation, invasion of privacy, negligence, emotional distress, improper discharge (based on contract, common law, or statute, including any federal, state or local statute or ordinance prohibiting discrimination or retaliation in employment), violation of the United States Constitution, the Minnesota Constitution, the Minnesota Human Rights Act, Minn. Stat. § 363.01 et seq., Title VII of the Civil Rights Act, 42 U.S.C. § 2000e et seq., the Age Discrimination in Employment Act, 29 U.S.C. §§ 621, et seq., the Americans with Disabilities Act, 42 U.S.C. § 12101 et seq., the Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1001 et seq., the Family and Medical Leave Act, 29 U.S.C. § 2601 et seq., any claim arising under Minn. Stat. Chapters 177 and 181, Minn. Stat. § 176.82, and any claim for retaliation, harassment or discrimination based on sex, pregnancy, race, color, creed, religion, age, national origin, marital status, sexual orientation, disability, status with regard to public assistance, military status or discharge, or other protected class, or sexual or other harassment. You hereby waive any and all relief not provided for in this Agreement. You understand and agree that, by signing this Agreement, you waive and release any past, present, or future claim to employment with the Company or rights you may have had as a Representative of any of the Company Related Persons or with respect to any Company Related Equity Interests.

c. You affirm that you have not caused or permitted, and to the full extent permitted by law will not cause or permit to be filed, any charge, complaint, or action of any nature or type against the Company or other Company Related Persons, including but not limited to any action or proceeding raising claims arising in tort or contract, or any claims arising under federal, state, or local laws, including discrimination laws. If you file, or have filed on your behalf, a charge, complaint, or action, you agree that the payment described above in Section 4 is in complete satisfaction of any and all claims in connection with such charge, complaint, or action.

d. You are not, by signing this Agreement, releasing or waiving (1) any vested interest you may have in any 401(k) or profit sharing plan by virtue of your employment with the Company, (2) any rights or claims that may arise after the Agreement is signed, (3) the Consideration specifically promised to you under this Agreement if you do not rescind the release made hereby, or (4) the right to institute legal action for the purpose of enforcing the provisions of this Agreement.

e. The Company and all Company Related Persons agree that your release of claims under paragraphs 5 (a) and (b) herein does not include any release of any rights you have as a former Representative, employee, officer, director, manager or agent of the Company, its affiliates or Company Related Persons to defense and indemnification under any charter documents, insurance or state or federal law for any claims brought against you based on your employment or position with the Company, its affiliates or Company Related Persons.

6. **Notice of Right to Consult Attorney and Twenty-One (21) Day Consideration Period.** By signing this Agreement, you acknowledge and agree that the Company has informed you by this Agreement that (1) you have the right to consult with an attorney of your choice prior to signing this Agreement, and (2) you are entitled to twenty-one (21) days from the receipt of this

Agreement to consider whether the terms are acceptable to you. The Company encourages you to use the full 21-day period to consider this Agreement, but you have the right, if you choose, to sign this Agreement prior to the expiration of the twenty-one (21) day period.

7. **Notification of Rights under the Minnesota Human Rights Act (Minn. Stat. Chapter 363) and the Federal Age Discrimination in Employment Act (29 U.S.C. § 621 et seq.)**. You are hereby notified of your right to rescind the release of claims contained in Section 5 with regard to claims arising under the Minnesota Human Rights Act, Minnesota Statutes Chapter 363, within fifteen (15) calendar days of your signing this Agreement, and with regard to your rights arising under the federal Age Discrimination in Employment Act, 29 U.S.C. § 621 et seq., within seven (7) calendar days of your signing this Agreement. The two rescission periods shall run concurrently. In order to be effective, the rescission must (a) be in writing; (b) delivered to Thomas J. Petters, Chairman, and David Baer, Counsel, Petters Company, Inc., 4400 Baker Road, Minnetonka, Minnesota 55343, by hand or mail within the required period; and (c) if delivered by mail, the rescission must be postmarked within the required period, properly addressed to Mr. Petters and Mr. Baer as set forth above, and sent by certified mail, return receipt requested. This Agreement will be effective upon the expiration of the 15-day period without rescission. You understand that if you rescind any part of this Agreement in accordance with this Section 7, you will not receive the Consideration described in Section 4.

8. **Return of Property**. By signing this Agreement, you acknowledge and agree that all documents and materials relating to the business of, or the services provided by, the Company Related Persons are the sole property of the applicable Company Related Persons. By signing this Agreement you further agree and represent that you have returned to the Company or other applicable Company Related Person all of such property, including but not limited to, all company documents, records and keys.

9. **Confidential and Proprietary Information**. By signing this Agreement and the Confidentiality and Inventions Agreement attached hereto as Exhibit A, you acknowledge and agree that you have had access in your employment with the Company and your relationships with the other Company Related Persons to confidential and proprietary information of the Company and the other Company Related Persons, and further acknowledge and agree that the release or disclosure of any confidential or proprietary information will cause the Company and other Company Related Persons irreparable injury. By signing this Agreement, you acknowledge that you have not used or disclosed, and agree that you will not at any time use or disclose, directly or indirectly, to any other entity or person, any confidential or proprietary information of the Company or any of the Company Related Persons. For purposes of this Agreement, the term "confidential or proprietary information" shall include, but not be limited to, information about the financial, personal or business affairs of the Company Related Party's customers, vendors, lenders, employees or Representatives.

10. **Non-Disparagement**. You promise and agree not to disparage the Company or any of the other Company Related Persons, or disclose or discuss, directly or indirectly, in any manner whatsoever, any information regarding either (a) the contents and terms of this Agreement, or that you have received any Consideration hereunder, or (b) the substance and/or nature of any dispute between any Company Related Party and any employee or former employee or other Representative

thereof, including yourself. You agree that the only people with whom you may discuss this confidential information are your legal and financial advisors and your spouse, if applicable, provided they agree to keep the information confidential, or as otherwise required by law to keep such information confidential.

11. **Remedies.**

a. If you breach any term of this Agreement, the Company and the other Company Related Persons (who shall be third party beneficiaries of this Agreement and entitled to enforce the provisions hereof) shall be entitled to its or their available legal and equitable remedies, including but not limited to suspending and recovering any and all payments and benefits made or to be made under this Agreement, and recovering all costs of pursuing such remedies, including, without limitation, reasonable legal fees. If the Company or another Company Related Party seeks and/or obtains relief from an alleged breach of this Agreement, all of the provisions of this Agreement shall remain in full force and effect.

b. If the Company or Company Related Person breaches any term of this Agreement, you shall be entitled to all of your available legal and equitable remedies, including recovering all costs of pursuing such remedies, including without limitation, reasonable legal fees. If you seek and/or obtain relief from an alleged breach of this Agreement, all of the provisions of this Agreement shall remain in full force and effect.

12. **Non-Admission.** It is expressly understood that this Agreement does not constitute, nor shall it be construed as an admission by the Company or other Company Related Persons or you of any liability or unlawful conduct whatsoever. The Company and other Company Related Persons and you specifically deny any liability or unlawful conduct.

13. **Successors and Assigns.** This Agreement is personal to you and may not be assigned by you without the written agreement of the Company. The rights and obligations of this Agreement shall inure to the successors and assigns of the Company and the other Company Related Persons.

14. **Enforceability.** If a court finds any term of this Agreement to be invalid, unenforceable, or void, the parties agree that the court shall modify such term to make it enforceable to the maximum extent possible. If the term cannot be modified, the parties agree that the term shall be severed and all other terms of this Agreement shall remain in effect.

15. **Law Governing.** This Agreement shall be governed and construed in accordance with the laws of the State of Minnesota.

16. **Further Assurances.** You agree without further consideration to execute any further documents or instruments and to perform such other acts as any of the Company Related Persons may reasonably request to carry out the transactions or to evidence or effect your agreements contemplated herein.

17. **Full Agreement.** This Agreement contains the full agreement between you and the Company and the other Company Related Persons regarding the subject matter hereof, and may not be modified, altered, or changed in any way except by written agreement signed by both the Company and you. The parties agree that this Agreement supersedes and terminates any and all other written and oral agreements and understandings between you and the Company or other Company Related Persons.

18. **Acknowledgment of Reading and Understanding.** By signing this Agreement, you acknowledge that you have read this Agreement, including, without limitation, the resignations, assignments and releases contained in Sections 2, 3 and 5, and understand that the release of claims is a **full and final release of all claims** you may have against the Company and the Company Related Persons, except as provided herein, and that you **fully and finally assigning all Company Related Equity Interests and resigning as a Representative.** By signing, you also acknowledge and agree that you have entered into this Agreement knowingly and voluntarily.

The undersigned represents and warrants that he has full authority to bind affiliated companies and Company Related Persons to the terms of this Agreement that relate to them.

After you have reviewed this Agreement and obtained whatever advice and counsel you consider appropriate regarding it, please evidence your agreement to the provisions set forth in this Agreement by dating and signing both copies of the Agreement. Please then return one copy of this Agreement to me in the envelope provided by no later than 22 days after the date of this Agreement. You should keep the other copy for your records. We wish you the best in your future endeavors.

Sincerely,



Thomas J. Petters
Chairman
Petters Company, Inc.

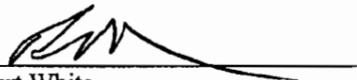
[Signature pages for Robert White follow this page.]

ACKNOWLEDGMENT AND SIGNATURE

By signing below, I, Robert White, acknowledge and agree to the following:

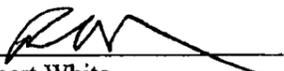
- I have had adequate time to consider whether to sign this Separation Agreement and Release.
- I have read this Separation Agreement and Release carefully.
- I understand and agree to all of the terms of the Separation Agreement and Release.
- I am knowingly and voluntarily resigning as a Representative of all of the Company Related Persons.
- I am knowingly and voluntarily assignment all of my Company Related Equity Interests in, from or with respect to any of the Company Related Persons.
- I am knowingly and voluntarily releasing my claims against the Company and the other Company Related Persons.
- I have not, in signing this Agreement, relied upon any statements or explanations made by the Company or other Company Related Persons except as for those specifically set forth in this Separation Agreement and Release.
- I intend this Separation Agreement and Release to be legally binding.
- I am signing this Separation Agreement and Release on or after my last day of employment with the Company.

Accepted this 31st day of October, 2005.


Robert White

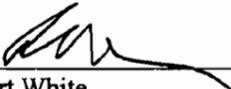
ASSIGNMENT
to
Thousand Lakes, LLC

Effective as of October 31, 2005, Robert White hereby assigns to Thousand Lakes, LLC ("Thousand Lakes") any equity interests, or rights to acquire equity interests, in Thousand Lakes, and represents and warrants that such assignment is made free and clear of all liens, claims and encumbrances. Robert White hereby further agrees that he has resigned as a director, governor, manager, officer or other representative of Thousand Lakes.


Robert White

ASSIGNMENT
to
Petters VB, LLC

Effective as of October 31, 2005, Robert White hereby assigns to Petters VB, LLC ("Petters VB") any equity interests, or rights to acquire equity interests, in Petters VB, and represents and warrants that such assignment is made free and clear of all liens, claims and encumbrances. Robert White hereby further agrees that he has resigned as a director, governor, manager, officer or other representative of Petters VB.



Robert White

Exhibit A
Confidentiality and Inventions Agreement

CONFIDENTIALITY AND INVENTIONS AGREEMENT

This is an Agreement dated as of _____ between Petters Group Worldwide, LLC (together with its subsidiaries and other affiliates which is referred to as "you," "your," or "yours") and _____, whose signature appears below, and who is referred to as "I," "me" or "my." In consideration of your agreeing to hire me, and my being allowed to use and contribute to your Confidential Information (as defined below), I agree as follows:

1. **Background Information.** I understand that I am being employed in a position of trust and confidence and will have access to and become familiar with the methods, services, and procedures that you use. As part of my duties, I will develop and maintain close working relationships with your customers and suppliers. You have built a successful business and obtained many customers. To do this, you have, among other things, expended time and money on research, promotion, advertising, and developing good will and a sound business reputation. I understand that your Confidential Information must not be disclosed to persons outside your organization. Disclosure to or use by third parties of any of your confidential or proprietary information, or trade secrets, would seriously harm your business and/or your customer good-will and relationships with customers, and cause monetary loss that would be difficult, if not impossible, to measure.
2. **Confidential Information.** "Confidential Information" means any information not generally known in your business or readily ascertainable by proper means by others, including your competitors and includes, without limitation, trade secrets, intellectual property and inventions. It also includes all other information that relates directly or indirectly to your business and is not generally known to the public, including, without limitation, competitively sensitive material, information about customers, vendors, consultants, agents, distributors, suppliers, marketing, sales, employees, business operations, technical specifications, object and source code, computer programs, data processing, compensation, finances, pricing, manufacturing, sourcing, projections, business opportunities, research and development, customer needs, projects, specifications and specific products. For example, Confidential Information may be contained in marketing plans or proposals, customer lists, the particular needs and requirements of customers, the identity of customers and potential customers, sales and purchasing data, and electronic data such as computer discs and computer software. I will treat information as Confidential Information when it is labeled "confidential" or "trade secret." I will also treat information not expressly identified as "confidential" or "trade secret" as Confidential Information if, under the circumstances, I know or have reason to know that you intend to keep that type of information confidential. I will not, during or after the term of my employment, disclose your Confidential Information which I may learn or acquire during my employment to any other person or entity or use your Confidential Information for the benefit of another except when you have expressly directed me to do so.
3. **Return of Property.** If either you or I terminate my employment, I will deliver to you all of your property, including work in progress, originals and copies of all documents, records,

computer disks, hard copy printouts of computer disks, software programs, keys, security access cards, financial information, procedures, proposals, reports, computers and all other items and information, within my possession or control, belonging to you or in any way related to your business or the services I performed for you.

4. **Inventions.** "Inventions" means any invention, improvement, discovery or idea (whether patentable or not and including those which may be subject to copyright protection) generated, conceived, or reduced to practice by me alone or in conjunction with others, during or after working hours, while your employee. I agree to promptly and fully disclose to you in writing all Inventions; and all such Inventions shall be your exclusive property and are hereby assigned to you, except if the Invention does not relate to your existing or reasonably foreseeable business interests, you may, in your sole discretion, release or license the Invention to me upon written request. I will, at your expense, give you all assistance you reasonably require to perfect, protect, and use your rights to Inventions. In particular, but without limitation, I will sign all documents, do all things and supply all information that you may deem necessary or desirable to transfer or record the transfer of my rights in the Invention and enable you to obtain patent, trademark, or copyright protection for an Invention anywhere in the world. The obligations of this Section 4 continue beyond the termination of my employment with respect to Inventions conceived or made by me during my employment and, for any Invention relating to your business, for one year after termination of my employment.

The obligations of this Section 4 do not apply to any invention for which no equipment, supplies, facility or trade secret information of yours was used and which was developed entirely on my own time, and (1) which does not relate (a) directly to your business or (b) to your actual or demonstrably anticipated research or development, or (2) which does not result from any work performed by me for you.

5. **Copyrights.** I acknowledge that any work of authorship that I prepare within the scope of my employment is a "work made for hire" under U.S. copyright laws and that, accordingly, you exclusively own all copyright rights in such works of authorship. For purposes of this Agreement, "scope of employment" means that the work of authorship (a) relates to any subject matter pertaining to my employment with you, (b) relates to or is directly or indirectly connected with the business, products, projects or Confidential Information of yours, or (c) involves the use of any time, material or facility of yours.
6. **Survival of Restrictions.** I agree that the restrictions contained in this Agreement shall survive the termination of my employment and shall apply no matter how my employment terminates and regardless of whether my termination is voluntary or involuntary.
7. **Understandings.** I have carefully considered the restrictions contained in this Agreement and agree that they are reasonable and will not unduly restrict me in securing other employment in the event of my termination of employment with you. I also acknowledge and agree that nothing in this Agreement shall be construed as creating an employment contract for any specified term between you and me and that my employment relationship with you is at-will, meaning that I have the right at any time to terminate my employment for any reason without prior notice and you have the same right. I also understand that you have instructed me, and I have agreed, to not disclose to you, or to use for your benefit, any confidential or proprietary

information of any of my former employers, and for me to honor any confidentiality obligations that I may owe to my former employers.

8. **General.** If I violate this Agreement, I agree that you shall be entitled to injunctive relief as a matter of right and/or any other remedy allowed to you by law, plus reasonable attorneys' fees incurred in bringing a legal action or otherwise enforcing the terms of this Agreement. If any provision of this Agreement is held by a court of competent jurisdiction to be void, voidable, unenforceable or illegal, then that provision may be modified by the court to make it enforceable to the maximum extent possible. If the provision cannot be so modified, then that provision may be severed and the other provisions of this Agreement shall remain enforceable. Your action in not enforcing a breach of any part of this Agreement shall not prevent you from enforcing it as to any other breach of this Agreement that you discover. This Agreement shall be construed and interpreted according to the laws of the State of Minnesota. The terms of this Agreement shall be assignable by you without my consent and shall bind and inure to the benefit of you and your successors and assigns. This Agreement incorporates the entire understanding between the parties as to its subject matter, and supersedes all prior understandings and agreements. This Agreement may not be canceled, modified, or otherwise changed except by another written agreement signed by me and by your authorized officer or representative.

IN WITNESS WHEREOF, you and I have voluntarily executed this Confidentiality and Inventions Agreement as of the date set forth below.

Employee Signature:



Address:

538 GORDON ST
EXCEL 9102, MN 55331

Social Security Number:

Date:

10/31/05

Petters Group Worldwide, LLC

By:


Thomas J. Petters, Chairman

Acknowledgment
Regarding Offer of Employment Conditioned Upon the Agreement

I acknowledge and agree that you informed me, as part of the offer of employment and prior to my accepting employment with you, that a confidentiality and inventions agreement would be required as part of the terms and conditions of my employment. Accordingly, I acknowledge and agree that I have received full, fair and adequate consideration for entering into the foregoing Agreement, and that I will observe and be bound by the terms of such Agreement.

EMPLOYEE

Date: ~~11/02/05~~  _____
10/31/05
