

SETTLEMENT AGREEMENT between  
State of Florida, Department of Financial Services  
and  
BearingPoint, Inc.

THIS agreement made this 8<sup>th</sup> day of June, 2006, between the State of Florida, Department of Financial Services, an agency of the State of Florida, 200 East Gaines Street, Tallahassee, FL 32399-4224, (hereinafter referred to as "**DEPARTMENT**"), AND BearingPoint, Inc., 1676 International Drive, McLean, Virginia 22102 (hereinafter referred to as "**CONTRACTOR**"); and,

WHEREAS, on August 27, 2003, the **DEPARTMENT** and the **CONTRACTOR** entered into a contract referenced as the FLAIR/CMS Replacement Project, Software and Implementation Services ("Project"), as modified by Addendum dated November 5, 2003, as modified by Modification of Option D.1 Option for Extending Project Schedule and Change Order Exercising the Option, dated March 5, 2004, as modified by Addendum dated May 28, 2004, and as modified by Addendum dated December 22, 2004 (collectively hereinafter referred to as "**CONTRACT**"); and,

WHEREAS, the **DEPARTMENT** produced an executive assessment of the Project's progress, which due to unforeseen circumstances, resulted in staffing changes and a thorough re-validation of the Project's requirements; and,

WHEREAS, the requirements re-validation resulted in significant design changes and re-work activity not contemplated in the original design formally accepted by the **DEPARTMENT**; and,

WHEREAS, the **CONTRACTOR**, provided the necessary services to accomplish the design changes and other deletions and additions to services, the additional services more particularly described in the Settlement Attachment attached hereto, between approximately June 1, 2004, and approximately December 31, 2005 and invoiced the **DEPARTMENT** accordingly; and,

WHEREAS, said invoices were rejected on the grounds that these services were outside the scope of the **CONTRACT**; and,

WHEREAS, the **CONTRACTOR** has asserted a colorable legal claim in support of its demand for payment; and,

WHEREAS, it is in the best interest of the State of Florida to complete this project in order to achieve the primary project goals of providing timely and accurate financial information to the State's decision makers, and these services were necessary for the Project to be successful, and