

## SETTLEMENT AGREEMENT

This Settlement Agreement (the "Agreement") is entered into this \_\_\_ day of November, 2017 by and between:

**N. HARRIS COMPUTER CORPORATION ("Harris Computer") and HARRIS LOCAL GOVERNMENT SOLUTIONS, INC through its HARRIS SCHOOL SOLUTIONS business unit ("Harris Schools")**  
**(Harris Computer and Harris Schools will collectively referred to herein as "Harris")**

**AND**

**THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA a/k/a BREVARD PUBLIC SCHOOLS ("BPS")**

**Harris and BPS shall collectively be referred to herein as the "Parties."**

### RECITALS

WHEREAS, disputes have arisen between the Parties regarding the delivery, development and maintenance of certain software (the "Work");

WHEREAS, Harris and/or their predecessors-in-interest, were required to complete the Work for BPS pursuant to the following three agreements: (1) a July 2002 Master License Agreement ("MLA") between BPS and CrossPointe, Inc. ("CP, Inc."); (2) a July 17, 2002 Purchase Order 1001 ("PO 1001") between BPS and CP, Inc.; and (3) an April 9, 2013 Purchase Order 1002 ("PO 1002") between BPS and Educational Data Resources LLC ("EDR");

WHEREAS, pursuant to PO 1001, CP, Inc. delivered to BPS certain legacy "green screen" software more fully described in PO 1001 (the "Legacy Software") and provided support and maintenance for this software;

WHEREAS, pursuant to PO 1002, EDR delivered certain portions of web-based software more fully described in PO 1002 to BPS (the "New Software") which included, among other things, a software solution known as eContracts, and provided support and maintenance for this software;

WHEREAS, on June 26, 2015, Harris Computer acquired certain intellectual property from CrossPointe, LLC ("CP, LLC"), as successor-in-interest of CP, Inc. and EDR, including but not limited to, intellectual property rights to the Legacy Software and the New Software pursuant to an Asset Purchase Agreement of same date (the "Acquisition");

WHEREAS, as part of the Acquisition, Harris Schools acquired the MLA, PO 1001 and PO 1002, among other contracts, from CP, LLC;

WHEREAS, following the Acquisition, Harris Schools delivered certain modifications, updates and fixes for the New Software to BPS;

WHEREAS, following the Acquisition, Harris Schools provided certain support and maintenance services to BPS for the Legacy Software and New Software;

WHEREAS, BPS paid Harris' predecessors in interest \$4,150,000 in license fees for New Software;

WHEREAS, BPS claims the New Software was not timely delivered and that which was delivered did not function to BPS specifications;

WHEREAS, BPS paid Harris' predecessors in interest \$400,000 to support and/or maintain the New Software, before it had been delivered and/or before it functioned to BPS specifications;

WHEREAS, on August 18, 2017, BPS filed a Complaint and Jury Demand asserting the following causes of action against Harris: (1) Breach of Contract; (2) Breach of Implied Covenant of Good Faith and Fair Dealing; (3) Fraud; (4) Negligent Misrepresentation; (5) Unjust Enrichment; (6) Violation of Florida's Deceptive and Unfair Trade Practices Act; (7) Promissory Estoppel; and (8) Rescission. (the "Lawsuit");

WHEREAS, Harris Schools claims that it is entitled to be compensated for the software modifications that it delivered to BPS post Acquisition;

WHEREAS, Harris Schools claims that it is entitled to be compensated for the support and maintenance services that it provided to BPS post Acquisition;

WHEREAS, BPS continues to use the Legacy Software and the eContracts module of the New Software and requires continued support and maintenance for this software until it selects a replacement software solution;

WHEREAS, Harris and BPS wish to resolve their claims and disputes pursuant to the terms and conditions set forth in this Agreement. Additionally, Harris and BPS wish to terminate the MLA, PO 1001 and PO1002 and any further obligations required thereunder;

WHEREAS, this settlement is contingent on the formal approval of The School Board of Brevard County, Florida, which will consider the issue at its regularly scheduled meeting on November 21, 2017 (the "Board Meeting");

NOW THEREFORE, in consideration of the promises, mutual covenants, understanding and agreements contained in this Agreement, the receipt and sufficiency of which are acknowledged by all parties, Harris and BPS agree as follows:

## AGREEMENT

The recitals set forth above are true and correct and incorporated herein by reference. The Effective Date of this Agreement is the date on which the Agreement is approved by BPS at the upcoming Board Meeting. The Parties agree that if BPS does not approve this Agreement in its entirety at the upcoming Board Meeting, then this Agreement is null and void and the Parties shall return it their respective positions and resume with the Lawsuit.

### 1. **Settlement Proceeds; Dismissal of Lawsuit**

a. **Payment Amount and Method:** The total settlement proceeds is Fifty Thousand Dollars and No Cents (\$50,000.00) (the "Settlement Proceeds"), which shall be paid by wire transfer pursuant to instructions to be provided by BPS to Harris. The wire transfer instructions shall be provided by BPS to Harris within ten (10) days from the Effective Date of this Agreement.

b. **Timing:** Upon approval of this settlement by the School Board of Brevard County, Florida, Harris shall transmit the Settlement Proceeds within 30 days following the Board Meeting.

c. **Dismissal:** Within ten (10) days of the clearance of the Settlement Proceeds, Harris and BPS shall file a joint stipulation dismissing the Lawsuit with prejudice with each party bearing its own costs and attorney's fees.

### 2. **License Agreement, Support and Maintenance Agreement and Termination of MLA, PO 1001 and PO 1002**

a. **License Grant:** Upon the Effective Date, Harris grants and BPS shall have and hold, solely for its internal use, a perpetual, non-exclusive, non-transferable, non-sublicensable right and license to use the Legacy Software and the eContracts module of the New Software. Harris Computer shall continue to own all intellectual property rights, including all copyrights, patent rights, confidentiality rights, trade secret rights and trademark rights to any object code, executable code or source code for the Legacy Software and the New Software. BPS shall also perpetually have and hold the right to develop any modifications or enhancements for the Legacy Software and/or the eContracts module of the New Software. If BPS develops any modifications or enhancements for the Legacy Software and/or the eContracts module of the New Software (the "BPS Modifications"), said BPS Modifications shall be promptly submitted to Harris Schools for its review and analysis and may be used by Harris for its own use or for use by Harris' other customers as a perpetual, irrevocable, nonexclusive right and license. If Harris, in its sole discretion, decides to incorporate the BPS Modifications into Harris' standard product offerings which Harris makes available to its other customers then BPS, by execution of this Agreement, irrevocably assigns to Harris Computer all right, title, and legal interest (including all rights of copyright, patent and other intellectual property rights) in and to the BPS Modifications absolutely and in fee simple including, but not limited to, the right of perpetual, irrevocable, nonexclusive use and license and sublicense rights with respect to the BPS Modifications, for Harris' and Harris' future customers' benefit, without any compensation due or payable to BPS for such ownership rights with respect to the BPS Modifications. No warranties of any kind, whether express, implied,

or the result of any uniform commercial code and other similar state, federal or international commercial codes, shall apply to the Legacy Software, the New Software, and the BPS Modifications and BPS hereby waives any rights it may have under such codes. BPS agrees that the Legacy Software and the New Software are licensed only on an "as is" basis and only with the functionality as was provided as of the Effective Date.

b. **Support Services:** Harris Schools shall provide BPS with the following maintenance and support services for the Legacy Software and the eContracts module of the New Software at no cost until June 30, 2021:

- (i) standard support via either telephone or the current support ticket submission process, including general technical information and assistance with problem determination, isolation, verification and resolution during the hours of 8AM to 5PM Eastern Time, excluding weekends and state recognized holidays;
- (ii) bug fixes of the Legacy Software and the eContracts module of the New Software and updates needed to support state reporting requirements pursuant to the support ticket submission process currently in place.

The Parties agree that Harris Schools support obligations do NOT include the following:

- (i) any on-site support;
- (ii) support of any BPS Modifications, or custom modifications, enhancements or updates;
- (iii) training or professional services;
- (iv) any updates (other than to comply with state reporting requirements), enhancements and new releases; and
- (v) data migration services to any new/replacement software selected by BPS in the future.

c. **Termination of Contracts:** Harris and BPS Parties agree that upon clearance of the Settlement Proceeds, the MLA, PO 1001 and PO 1002 are terminated by mutual agreement of the Parties and no Party shall have any further rights or obligations under these agreements.

### 3. **Public Statement and Non-Disparagement Agreement**

(a) **Joint Public Statement:** Immediately upon BPS' approval of this Agreement at the upcoming Board Meeting, BPS and Harris shall issue the following joint public statement:

*Harris, the new owner of the EDR software products and the new Board for*

TAR

*Brevard County Public Schools each found themselves in an unenviable position in 2015 having inherited a less than ideal situation with respect to the EDR software products. Harris, to its credit, attempted to address the issues it discovered after its acquisition of the EDR software products; however, due to the rapid changes in technology, the software which was contracted for in 2013 is, in the present, out of date. Therefore, the Board has decided to go in a different direction with regards to its software acquisition. The parties have officially come to an agreement on how to best deliver value to Brevard County Public Schools, its students and the taxpayers of Brevard County while closing this chapter, and moving forward under the circumstances. This will ensure BPS has access to much needed software and maintenance, giving it adequate time to acquire and integrate a new fully functional software system which will bring Brevard County Public Schools into the present user friendly, technology era.*

No additional public statements regarding this settlement, the Lawsuit and/or the facts and circumstances raised in the Lawsuit shall be made by either BPS or Harris unless mutually agreed upon by the Parties.

(b) **Non-Disparagement:** BPS and Harris agree that they shall not privately or publically criticize or make any disparaging comments about each other and their successors, subsidiary business units or entities, parent companies, products, services, employees, officers and directors, to any individual or entity, including but not limited to, clients customers, consultants, applicants, vendors, investors, financial or credit institutions. As used in this paragraph, the terms “criticize” or “make any disparaging comments” include, but are not limited to, any verbal or written comment or statement that would have a reasonable likelihood of causing an adverse effect on the other party’s reputation or ability to conduct business.

(c) **Public Records:** Nothing in this Agreement shall be deemed to be a limitation on BPS’s obligation to respond to any and all request as may be required by law.

#### 4. General Release of Harris by BPS

(a) Upon Harris’ execution of this Agreement and the receipt and clearance of the Settlement Proceeds, BPS and its related subsidiary, parent and affiliated firms, corporations, partnerships and entities, successors, assigns, heirs, principals, agents, officers, board of directors, stockholders, representatives and employees do hereby, jointly and severally, fully, finally and forever release, remise, acquit and discharge Harris Computer and Harris Schools and their related predecessors in interests, subsidiaries, parent and affiliated firms, corporations, partnerships and entities, successors, assigns, heirs, principals, agents, officers, stockholders, representatives and employees (the “Harris Released Parties”), from and against any and all known or unknown claims, demands, damages, losses, liability, responsibility, warranties, attorney’s fees, costs or expenses, asserted or which could have been asserted, arising out of or related to: (1) Harris’ performance of its obligations set forth in the MLA, PO 1001 and PO1002; (2) Harris’ alleged failure to timely deliver the New Software that functioned properly or otherwise satisfied BPS’ requirements; (3) Harris’ alleged failure to abide by certain representations, estimates or promises made prior to and after the Acquisition; and (4) for any claim or cause of action, known or

unknown, that was raised or could have been raised in the Lawsuit, including but not limited to claims for breach of express or implied contract, breach of implied duty of good faith and fair dealings, fraud, fraudulent omission, fraudulent inducement, including inducement to enter into this Agreement, intentional or negligent misrepresentation and any other common law cause of action, whether arising in contract, tort or otherwise from the beginning of time until the Effective Date of this Agreement. It is hereby acknowledged and agreed by BPS that this Agreement constitutes a full and final accord and satisfaction, settlement and release of any and all damages, claims of damages or expenses or claims of every character and nature whatsoever, both known and unknown, including but not limited to any claims based upon contract, tort, fraud and/or implied covenants which BPS has or may have against the Harris Released Parties described in this Agreement in connection with the Acquisition, the MLA, PO 1001 and PO 1002 from the beginning of time until the Effective Date set forth in this Agreement.

(b) Notwithstanding the foregoing, this release does not discharge the obligations of Harris set forth in this Agreement.

5. **General Release of BPS by Harris**

(a) Upon BPS' execution of this Agreement and the receipt and clearance of the Settlement Proceeds, Harris and its related subsidiary, parent and affiliated firms, corporations, partnerships and entities, successors, assigns, heirs, principals, agents, officers, stockholders, representatives and employees do hereby, jointly and severally, fully, finally and forever release, remise, acquit and discharge BPS and its related subsidiary, parent and affiliated firms, corporations, partnerships and entities, successors, assigns, heirs, principals, agents, officers, stockholders, representatives and employees (the "BPS Released Parties"), from and against any and all known or unknown claims, demands, damages, losses, liability, responsibility, warranties, attorneys' fees, costs or expenses, asserted or which could have been asserted, arising out of or related to: (1) its obligations under the MLA, PO 1001 and PO 1002; (2) BPS's alleged failure to pay \$1,050,000.00 pursuant to PO 1002; (3) BPS's alleged failure to pay for licensing fees, maintenance and/or support for software services pursuant to the above mentioned contracts; and (4) for any claim or cause of action, known or unknown, that was raised or could have been raised in the Lawsuit, including but not limited to claims for breach of express or implied contract, breach of implied duty of good faith and fair dealings, fraud, fraudulent omission, fraudulent inducement, including inducement to enter into this Agreement, intentional or negligent misrepresentation and any other common law cause of action, whether arising in contract, tort or otherwise from the beginning of time until the Effective Date of this Agreement. It is hereby acknowledged and agreed by Harris that this Agreement constitutes a full and final accord and satisfaction, settlement and release of any and all damages, claims of damages or expenses or claims of every character and nature whatsoever, both known and unknown, including but not limited to any claims based upon contract, tort, fraud and/or implied covenants which Harris has or may have against the BPS Released Parties described in this Agreement in connection with the Acquisition, the MLA, PO 1001 and PO 1002 from the beginning of time until the Effective Date set forth in this Agreement.

(b) Notwithstanding the foregoing, this release does not discharge the obligations of BPS set forth in this Agreement.

6. **Drafting of Agreement**

(a) Each party and counsel for each party have participated in drafting this Agreement, and accordingly the rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement.

7. **Modifications to Agreement**

(a) This Agreement may not be changed orally; it may only be changed by a writing executed by all parties. Additionally, Harris and BPS acknowledge that no oral statements and/or representations, which are not expressly documented in this Agreement, have been made which induced them to enter into this Agreement.

(b) Furthermore, the Parties shall not assign the Agreement or any duty arising from the Agreement to any other party without written approval, signed by the parties. Such approval will not be unreasonably withheld if, as part of the assignment, both Harris and any assignee shall continue to warrant, and assume all liability regarding the Agreement.

8. **No Admission of Liability**

(a) This Agreement does not constitute an admission by any party, and it will not be offered or used for that purpose. Instead, it is a settlement compromise of a dispute that has arisen among the parties.

9. **Oral Inducements and/or Representations**

(a) No party is relying upon any representation, understanding, undertaking, or agreement not set forth in this Agreement, and each party expressly disclaims any reliance on any such representation, understanding, undertaking, or agreement. Additionally, Harris and BPS acknowledge that no oral statements and/or representations, which are not expressly documented in this Agreement, have been made which induced them to enter into this Agreement.

10. **Choice of Law and Venue for Disputes that May Arise Hereunder**

(a) This Agreement shall be interpreted, for all purposes, consistent with the laws of the State of Florida exclusive of any conflict of law provisions. The sole venue for any dispute between Harris and BPS concerning a violation of any obligations in this Agreement shall be in the United States District Court in and for the Middle District of Florida, Orlando Division, and the Parties consent to the personal jurisdiction of such court for this purpose.

11. **Execution of Agreement in Counterparts**

(a) This Agreement may be executed and delivered in two or more counterparts, each of which when so executed and delivered shall be an original.

12. **Attorney Fees**

(a) The prevailing Party in any action, litigation or arbitration arising out of or

concerning this Agreement, including without limitation the entry into this Agreement, or either Party performance of its obligations herein shall be entitled to recover all of its costs, expenses and reasonable attorney fees, including paralegal fees incurred through all trial and appellate levels, including any costs for travel incurred by the prevailing Party's attorney, paralegals or staff.

13. **Notices**

(a) Any notice, request, demand, consent, approval, or other communication required or permitted under this Agreement shall be (a) in writing and (b) addressed by the sender to the other Party at the address or number and in the manner set forth below:

If to BPS:

Name  
Address  
City/State/Zip  
Attn:

If to Harris:

Harris  
Suite 400 – 1 Antares Drive  
Ottawa, Ontario, Canada K2E 8C4  
Attn: CEO / General Counsel

(b) Except as otherwise provided in this Agreement, each notice shall be effective and shall be deemed delivered on the earlier of: (i) its actual receipt, if delivered personally, by electronic transmission (on the condition that the sending Party has confirmation of a transmission receipt of the notice), courier service, or (ii) on the third (3<sup>rd</sup>) day after the notice is postmarked for mailing by first-class, postage prepaid, certified or registered United States mail, with return receipt requested (whether or not return receipt is subsequently received by the sender) or by a nationally known and recognized commercial delivery service such as Federal Express delivered in a manner whereby a signed receipt is obtained by the recipient.

14. **Non-Waiver**

(a) Failure to insist upon strict compliance with any of the terms, covenants or warranties hereof shall not be deemed a waiver of such terms, covenants, or warranties, nor shall any waiver or relinquishment of any right hereunder at any one or more times be deemed a waiver of relinquishment of such right or remedy at any other time.

15. **Severability**

(a) In the event, any one or more of the provisions of this Agreement will be deemed to be invalid unenforceable or illegal, such invalidity, unenforceability and illegality will not affect any other provision of this Agreement, and the Agreement will be construed as if such invalid, unenforceable or illegal provisions had never been contained herein.

16. **Survival**

(a) All indemnifications, representations, warranties, and general releases shall survive the expiration or termination of this Agreement.

17. **Acknowledgement**



(a) The Parties hereto acknowledge that they have completely read and fully understand the Agreement and have voluntarily accepted the terms contained herein for the purposes of making a full and final compromise, adjustment and settlement of any and all claims disputed or otherwise, on account of the above mentioned matters, and for the express purpose of precluding forever any further or additional claims arising out of all matters identified herein.

18. **Successor In Interest**

(a) The rights and obligations of the Parties under the Agreement shall inure to the benefit of, and shall be binding upon, the heirs, estates, representatives, successors and assigns of the Parties hereto.

19. **Binding Terms**

(a) The undersigned individuals executing the Agreement on behalf of a corporation, partnership, trust or other entity, hereby individually represent and warrant to the other Parties that such individual has full power and authority to bind such entity to the terms and provisions of the Agreement and has obtained all necessary approvals and consents to sign the Agreement on behalf of such entity.

20. **Merger**

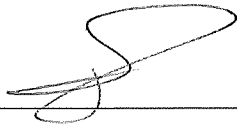
(a) This Agreement, along with the mediated settlement agreement as written, embodies the entire Agreement between the Parties regarding all matters identified herein and supersedes all prior negotiations, releases, and understandings relating thereto which are merged herein.

[SIGNATURE'S TO FOLLOW]

Witness:

N. HARRIS COMPUTER CORPORATION

and HARRIS LOCAL GOVERNMENT SOLUTIONS, INC.

  
\_\_\_\_\_  
Jeff Bender

By:   
\_\_\_\_\_

Its: TODD RICHARDSON CFO

Witness:

THE SCHOOL BOARD OF BREVARD COUNTY,  
FLORIDA a/k/a BREVARD PUBLIC SCHOOLS

\_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_

Its: \_\_\_\_\_

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