

## INDEMNIFICATION AGREEMENT

This INDEMNIFICATION AGREEMENT (the "Agreement") is made as of the 15th day of December, 2011, (1) by and between James Elmer Mitchell ("Mitchell") and the United States of America Government (the "U.S. Government"), (2) by and between John Bruce Jessen ("Jessen") and the U.S. Government, and (3) Mitchell, Jessen and Associates, LLC, a Delaware corporation, ("MJA") and the U.S. Government.

This agreement supersedes a previous indemnification agreement solely between "MJA" and the U.S. Government, dated 8 November 2007. Jessen and Mitchell are the principle members of MJA. In anticipation of the expected dissolution of MJA, this Agreement provides that indemnification can be made to Jessen and Mitchell individually instead of solely to MJA. There are no other substantive additions or deletions to the terms of the original indemnification agreement.

### RECITALS:

A. Mitchell, Jessen, MJA and the U.S. Government have entered into several contracts (2001\*I597300\*000, 2002\*I095800\*000, 2002\*I837600\*000, 2003\*H508200\*000, 2003\*H508100\*000, 2003\*I310200\*000, 2003\*I310300\*000, 2004\*P757009\*000, 2004\*P742309\*000, 2005\*P139800\*000, 2005\*P139900\*000, and 2005\*P141590\*000, herein referred to as the "Contracts") whereby MJA provided highly specialized services to the U.S. Government and in return for such specialized services MJA received monetary compensation from the U.S. Government.

B. Mitchell and Jessen and the U.S. Government recognize and acknowledge the economic and physical risks associated with the services MJA provided to the U.S. Government under the Contracts.

C. Mitchell and Jessen desire to protect themselves from and against certain Proceedings (as hereinafter defined) that may result from the services MJA provided to the U.S. Government pursuant to the Contracts.

D (1) Subject to the availability of appropriations, and subject also to the termination provision in item (2) of this Recital D, this Agreement shall be in effect with respect to all actions undertaken by Mitchell or Jessen (as independent contractors) or by MJA between 1 September, 2001, and the date the Contracts, or any extension of the Contracts under an option exercised by the U.S. Government, terminate, expire, or are completed, provided that at the time of MJA performance of the action, such action clearly was within the scope of the Contracts or within the scope of an extension of the Contracts under an option exercised by the U.S. Government, and provided further that this Recital D shall not require or authorize, or be construed to require or authorize, the approval or payment of any indemnification that would not otherwise be in full compliance with, and that would not otherwise be authorized under, all of the other terms and conditions of this Agreement.

(2) Unless sooner terminated by the mutual agreement of the U.S. Government and MJA, or by operation of law, this Agreement shall cease to be in effect and shall terminate as of midnight on the day that is ten (10) years after the day on which the Contract, or any extension of the Contract under an option exercised by the U.S. Government, is terminated or otherwise ceases to be in effect. The last contract, 2005\*P141590\*000, terminated on 22 April 2009.

**NOW, THEREFORE**, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Incorporation. The recitals are incorporated hereby as if fully restated herein.
2. Definitions.

(a) "Expenses" means reasonable fees, costs and expenses (including fees, expenses, disbursements and retainers of attorneys, accountants, private investigators, expert witnesses and other advisors, court costs, transcript costs, travel expenses, duplicating, printing and binding costs, telephone and fax transmission charges, postage, delivery services, and secretarial services).

(b) "Indemnifiable Amounts" means all claims, reasonable expenses, and liabilities incurred by Mitchell or Jessen as independent contractors or as a result of their association with MJA arising from any Proceeding, whether foreign or domestic, where MJA, Mitchell, or Jessen is, was, or potentially may be, a party, witness, or other participant by reason of actions taken by MJA, Mitchell, or Jessen within the scope of the Contracts except to the extent such claims are otherwise covered by any insurance policy held by MJA, or if Mitchell or Jessen has received payment under any federal statute, such as 42 U.S.C. § 2000dd-1(b) (the Detainee Treatment Act, as amended by the Military Commissions Act), and except to the extent such claims result and liabilities result from acts of gross negligence or intentional misconduct by MJA, Mitchell or Jessen, as determined by an independent party, of suitable expertise and agreed to by the two parties, making a determination as to liability including, but not limited to, a judge, magistrate, tribunal or mediator.

(c) "Liabilities" means all judgments, damages, losses, fines, penalties, excise taxes, amounts paid in settlement and other liabilities. Losses do not include lost profits, damages to reputation, goodwill, or other such consequential damages; and do not include fines resulting from the final, non-appealable adjudication of guilt based on criminal proceedings by any U.S. governmental authority (Federal, state or local).

(d) "Person" means any natural person, firm, partnership, association, corporation, company, limited liability company, trust, business trust, independent contractor, foreign government, or any other entity or government.

(e) "Proceeding" means any threatened, pending or completed claim, action, litigation, suit, internal investigation, alternate dispute resolution process, investigation, inquiry, hearing, appeal or any other proceeding, whether civil, criminal, administrative or investigative, whether formal or informal.

3. Indemnification.

(a) To the fullest extent permissible under applicable law, and subject to the availability of appropriations at the time the payment is due, the U.S. Government shall indemnify and hold Mitchell and Jessen harmless against Indemnifiable Amounts.

(b) If Mitchell or Jessen was or is a party or is threatened to be made a party to, or witness or other participant in, any Proceeding by or in the right of the U.S. Government to procure a judgment in its favor as a result of or in connection with the services MJA provided to the U.S. Government, Mitchell or Jessen shall be indemnified by the U.S. Government against all Indemnifiable Amounts.

(c) The maximum U.S. Government cumulative liability under this agreement, subject to the availability of appropriations at the time of the loss, as of 15 November 2011, is three million, eight hundred and seventy-one thousand, nine hundred and ninety eight dollars and ninety-four cents (\$3,871,998.94). This amount is the remaining reimbursement available from the original five million (\$5,000,000) amount agreed to in the previous indemnification agreement of 8 November 2007.

(d) Notwithstanding anything herein to the contrary, this Agreement does not contemplate the U.S. Government's payment of MJA's, Mitchell's, or Jessen's fines resulting from the final, non-appealable adjudication of guilt based on criminal proceedings by any U.S. governmental authority (Federal, state or local).

(e) Any Expenses actually and reasonably incurred by Mitchell or Jessen shall be paid by the U.S. Government in advance of the final disposition of any related Proceeding. In order to obtain indemnification for Indemnifiable Amounts or advancement of Expenses, Mitchell or Jessen shall submit to the U.S. Government a written request. Any such indemnification for Indemnifiable Amounts or advancement of Expenses shall be made promptly, which normally shall mean within 30 days after receipt by the U.S. Government of the written request of Mitchell or Jessen. Any amounts in dispute will be withheld pending resolution between the parties or as provided Section 6(b) of this Agreement.

4. Partial Indemnification.

Notwithstanding anything to the contrary in this Agreement, if Mitchell or Jessen is entitled under any provision of this Agreement to indemnification by the U.S. Government for some or a portion of the Indemnifiable Amounts incurred in connection with any Proceeding but not, however, for all of the total amount thereof, the U.S. Government shall nevertheless indemnify Mitchell or Jessen for the portion of such Indemnifiable Amounts to which Mitchell or Jessen is entitled.

5. Notice/Cooperation by Mitchell or Jessen.

(a) Mitchell or Jessen shall, as a condition precedent to their right to be indemnified under this Agreement, give the U.S. Government notice in writing as soon as

practicable of any Proceeding made against Mitchell or Jessen for which indemnification will or could be sought under this Agreement. In addition, Mitchell or Jessen shall: (i) give the U.S. Government such information and cooperation as it may reasonably require and as shall be within Mitchell or Jessen's power, and (ii) upon request of the U.S. Government testify at, or be deposed in connection with, any proceeding to adjudicate or consider a claim or Proceeding against Mitchell or Jessen for which indemnification will or could be sought under this Agreement.

(b) In any Proceeding or settlement contemplated by this agreement, the U.S. Government shall retain exclusive control over all matters that it determines, within its sole discretion, involve protection of national security. Otherwise, Mitchell or Jessen will have sole control of all such Proceedings and settlements, at the reasonable expense of the U.S. Government as contemplated in this Agreement.

6. Miscellaneous.

(a) This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto.

(b) This agreement will be governed by and construed in accordance with the U.S. Constitution, Federal Statutes, common Federal law and, when reference to state law is required, the law of the Commonwealth of Virginia. Any dispute, controversy, or claim arising out of or in connection with this Agreement or the interpretation, validity, performance, breach, or termination hereof, shall be resolved by classified arbitration conducted in Washington, D.C., United States of America. The procedural rules for such arbitration shall be those of the American Arbitration Association then in effect. In the event of an adjudication of Mitchell or Jessen's rights under this Agreement, the burden of proving that indemnification or advancement of Expenses is not appropriate shall be on the U.S. Government, and the U.S. Government will not assert that the procedures and presumptions of this Agreement are not valid, binding, and enforceable and shall stipulate that the U.S. Government is bound by all the provisions of the Agreement.

(c) No consent or waiver, express or implied, by any party to or of any breach or default by another party (the "Breaching Party") in the performance by the Breaching Party of such party's obligations hereunder shall be deemed or construed to be a consent or waiver to or of any other breach or default by the Breaching Party in the performance by such Breaching Party under the same or any other obligations of such Breaching Party under this Agreement. Failure on the part of any party to object to or complain of any act or failure to act of any of the other parties or to declare any of the other parties in default, irrespective of how long such failure continues, shall not constitute a waiver by such party of such party's rights hereunder.

(d) This Agreement is solely by and between Mitchell and Jessen and the U.S. Government and no Person, other than Mitchell and Jessen and the U.S. Government, is intended to be a beneficiary or otherwise have any rights under this Agreement, except as provided for in Section 6(a) above.

(e) All notices, waivers and other communications under this Agreement must be in writing and will only be deemed to have been duly given when: (i) delivered by hand (with

written confirmation of receipt); (ii) sent by domestic certified or registered mail, return receipt requested; or, (iii) sent by a nationally recognized overnight delivery service, in each case to the address shown on the signature page of this Agreement (or to such other address as a party may designate by notice to the other parties in accordance with this Section 6(e)). Notice shall be deemed received five (5) days after the date postmarked, if sent by domestic certified or registered mail; otherwise when such notice shall actually be received.

(f) If any provision of this Agreement shall hereafter be held to be invalid, unenforceable or illegal, in whole or in part, in any jurisdiction under any circumstances for any reason: (i) such provision shall be reformed to the minimum extent necessary to cause such provision to be valid, enforceable and legal while preserving the intent of the parties as expressed in, and the benefits to such parties provided by, such provision; or, (ii) if such provision cannot be so reformed, such provision shall be severed from this Agreement and an equitable adjustment shall be made to this Agreement (including addition of necessary further provisions to this Agreement) so as to give effect to the intent as so expressed and the benefits so provided. Such holding shall not affect or impair the validity, enforceability or legality of such provision in any other jurisdiction or under any other circumstances. Neither such holding nor such reformation nor severance shall affect or impair the legality, validity or enforceability of any other provision of this Agreement.

(g) This Agreement constitutes the entire agreement of the parties with respect to the matters set forth herein, and there are no other understandings, agreements or promises other than as contained in this Agreement with respect to such matters. The provisions hereof, however, are in addition to and not in lieu of any and all rights and remedies available at law or in equity, including, but not limited to, seeking payment from the U.S. Government under 42 U.S.C. § 2000dd-1(b) (the Detainee Treatment Act, as amended by the Military Commissions Act). If MJA has received payment from the US Government for Indemnifiable Amounts from a source other than this Agreement, it may not also recover those amounts under this Agreement.

(h) This Agreement may be executed in counterparts, each of which shall constitute an original, and all of which when taken together shall constitute a single document.

IN WITNESS WHEREOF, the parties hereto have affixed their hands and seals as of the date first written above.

James E. Mitchell

By \_\_\_\_\_ (Seal)

Name: James E. Mitchell

Title: \_\_\_\_\_

Notice Addresses:

[Empty box for notice address]

UNITED STATES GOVERNMENT

By \_\_\_\_\_ (Seal)

Name: \_\_\_\_\_

Title: Contracting Officer

United States Government

ATTN: \_\_\_\_\_  
Washington, D.C. \_\_\_\_\_

John B. Jessen

By \_\_\_\_\_ (Seal)

Name: John Bruce Jessen

Title: \_\_\_\_\_

Notice Address:

[Empty box for notice address]