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SETTLEMENT & MUTUAL RELEASE AGREEMENT

~~May~~ ^{June} This Settlement Agreement and Release ("Agreement") is entered into this ^{6th day of} ~~19th day of~~ ~~May~~ 2007 (the "Date of this Agreement") between Blackwater Security Consulting, LLC, a Delaware limited liability company ("BSC"), and [REDACTED], a resident of the State of [REDACTED]. BSC and [REDACTED] are hereinafter sometimes collectively referred to as "Parties." The Parties execute this Agreement on behalf of, and any reference to the Parties, individually or collectively, shall include reference to, as applicable, the respective Party, and its agents, corporate parents, subsidiaries, affiliates, owners, officers, directors, shareholders, agents, attorneys, insurers, employees, heirs, executors, administrators, successors, and assigns.

Recitals

WHEREAS, BSC is a Delaware limited liability company that operates a business which provides security, protective, training, logistic, and aviation services in the United States and in foreign countries (the "Business"); and

WHEREAS, BSC and [REDACTED] entered into an Independent Contractor Service Agreement ("ICSA"), whereby [REDACTED] agreed to provide the following services: perimeter and/or compound security, executive protection and close protective services, logistical support and services and any other security-related activity deemed necessary or appropriate by BSC or its customer; and

WHEREAS, disputes have arisen between BSC and [REDACTED] regarding the ICSA, the Parties' relationship, and disclosure of information to third parties; and

WHEREAS, BSC and [REDACTED] enter into this Agreement without admitting that either is at fault and are entering into this Agreement solely in order to prevent further dispute and to prevent the disclosure of confidential information.

Terms of Agreement

IN CONSIDERATION Of the mutual promises and covenants contained in this Agreement, the validity of which is hereby acknowledged, including the recitals set forth above, the Parties hereby agree as follows:

1. Payment. BSC shall pay to [REDACTED], said sum to be paid by certified check payable to [REDACTED] to be paid immediately on both Parties' execution of this Agreement.

2. Release by [REDACTED]. [REDACTED] hereby fully releases and forever discharges BSC from any and all civil claims, demands, injuries and causes of action, for damages or any other relief, at law or in equity, based on claims arising out of, or related to the facts of, the ICSA or his interaction to date with BSC. The Parties agree and understand that this Release DOES NOT INCLUDE any release of obligations under this Agreement or claims of BSC that are based upon conduct of [REDACTED] that occurs after the date of the Agreement.

3. Release by BSC. BSC hereby fully releases and forever discharges [REDACTED] from any and all civil claims, demands, injuries and causes of action, for damages or any other relief, at law or in equity, based on claims arising out of, or related to the facts of, the ICSA or its interaction to date with [REDACTED]. The Parties agree and understand that this Release DOES NOT INCLUDE any release of obligations under this Agreement or, (1) claims of [REDACTED] that are based upon conduct of BSC that occurs after the date of the Agreement; and (2) proceedings by BSC against the Internal Revenue Service or other government entity regarding IRS decisions on classification of workers as Independent Contractors versus Employees.

4. Representations and Warranties of Parties. BSC and [REDACTED] each hereby expressly warrant and represent that it and he, respectively, understands and agrees that THE UTMOST PROTECTION AND NONDISCLOSURE OF CONFIDENTIAL INFORMATION IS OF CRITICAL IMPORTANCE AND IS THE ESSENCE OF THIS AGREEMENT.

5. Non-Admission of Guilt. The Parties acknowledge that this Agreement is entered into solely in order to resolve the dispute related to the ICSA and actions of the Parties prior to this Agreement, and nothing contained herein shall constitute, is intended to, or shall be construed to be an admission of any wrongdoing or illegal act on the part of the Parties or evidence that any alleged wrongdoing or illegal act occurred.

6. Breach. In the event that a Party fails to promptly satisfy the terms of this Agreement, the non-breaching Party shall have the right to bring suit upon this Agreement and shall recover attorney's fees and costs associated with the suit or any subsequent appeals thereof. The remedy provided in this paragraph is not intended to be a sole remedy or to in any way limit a Party's right to seek any type of redress, claim or damages available under the law or at equity.

7. Confidential Information.

(a) With regard to BSC, "Confidential Information" means any and all information that is not publicly known or publicly available, whether classified or not, that concerns (a) [REDACTED] or (b) the performance or attempted performance of services under the ICSA.

(b) With regard to [REDACTED] "Confidential Information" means any and all information that is not publicly known or publicly available, whether classified or not, that concerns (a) BSC or any of its affiliates, customers, officers, directors, agents, contractors, or suppliers, or (b) the performance or attempted performance of services under the ICSA.

(c) Confidential Information shall not include information that: (a) is contained in printed publications currently available to the public; (b) is disclosed in printed publications that become generally available to the public other than as a result of a disclosure in violation of this Agreement; or (c) a Party can establish, by written documents, was in that Party's possession prior to the time of disclosure to it by the other Party.

8. Covenants Regarding Confidential Information. During the Term of this Agreement, and for a period of five (5) years thereafter, no Party shall

(a) directly or indirectly divulge, publish, disclose or communicate any Confidential Information to any person, firm, or entity, except as required by law and then only with proper notice in writing to the other Party

(b) contact any politician, public official, or BSC customer regarding Confidential Information, the other Party, or any agreement between the Parties, with the sole exception of seeking enforcement of this Agreement, if required, as provided in paragraph 9.

(c) use or disclose any Confidential Information to prepare or assist in any preparation of any books, articles, interviews, television or motion picture production, or any other public creations, in any medium.

The Parties further agree that inquiries to the Parties as to the status or outcome of the dispute between the parties shall only be responded to through the following comment: "The matter has been adequately and finally resolved between the Parties." The Parties further agree that in the event of the breach of this provision: damages are incapable of estimation, the non-breaching Party will have no adequate remedy at law, and the breaching Party shall immediately pay the non-breaching Party the sum of Five Thousand Dollars and no/100 (\$5,000.00 USD) for each separate violation of this provision, as liquidated damages. Such liquidated damages are for the breach of this paragraph only and not a penalty, nor damages for breach of any other term of this Agreement. Any secrecy agreements signed in connection with the ICSA, including Form 312 Non-Disclosure Agreement, (collectively the "Secrecy Agreements") are incorporated by reference into this Agreement. Although the Release by BSC set forth in paragraph 3 above fully releases [REDACTED] from liability for any conduct prior to the date of this Agreement, any violation of the Secrecy Agreements after the date of this Agreement shall constitute a breach of this Agreement.

9. Governing Law/Jurisdiction/Venue. This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of North Carolina, without regard to conflict of law provisions. The Parties hereby acknowledge that this Agreement is being executed at the offices of BSC in Moyock, North Carolina. The Parties specifically consent to jurisdiction by, and venue within, any state court in Currituck or Camden Counties, or federal district court sitting in the Eastern District of North Carolina.

10. Waiver and Amendment. No breach of any provision hereof can be waived unless in writing. Waiver of any breach shall not be deemed to be a waiver of any other breach of the same or any other provision. This Agreement may be amended only by a written agreement executed by the Parties in interest at the time of modification.

11. Counterparts. This Agreement may be executed in counterparts and each counterpart will become effective and binding on the Date of this Agreement.

12. **Severability.** If any term, provision or condition contained in this Agreement shall, to any extent, be ruled invalid or unenforceable by a court of competent jurisdiction, the remainder of this Agreement (or the application of such term, provision or condition to persons or circumstances other than those in respect of which it is invalid or unenforceable), shall not be affected thereby, and each and every other term, provision and condition shall be enforceable to the fullest extent permitted by law.

13. **Entire Agreement.** This Agreement constitutes the entire agreement among the Parties and fully supersedes any and all prior understandings, representations, warranties and agreements, whether consistent or inconsistent with the terms hereof.

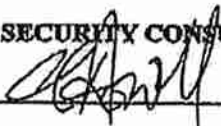
IN WITNESS WHEREOF, the Parties hereto intend this Agreement to be effective as of the Date of this Agreement.

██████████ HEREBY CONFIRMS THAT HE HAS NOT RELIED UPON ANY REPRESENTATIONS, ADVICE, OR COUNSEL FROM BSC AS TO THE LEGAL CONSEQUENCES OF THIS AGREEMENT, ITS PROVISIONS, OR ITS EFFECT. FURTHERMORE, ██████████ HAS HAD THE OPPORTUNITY TO SEEK THE BENEFIT OF LEGAL COUNSEL TO EXPLAIN THE CONTENTS, TERMS, PROVISIONS, OR EFFECTS OF THIS AGREEMENT AND, WHETHER OR NOT HE HAS TAKEN ADVANTAGE OF THAT OPPORTUNITY, IS SATISFIED THAT HE, OF HIS OWN ACCORD, FULLY UNDERSTANDS THE PROVISIONS OF THIS AGREEMENT AND ITS EFFECTS.

██████████
██████████

Signature

Date: 6 June 2007

BLACKWATER SECURITY CONSULTING, LLC
By: 
Signature

Title: General Counsel

Date: JUNE 12, 2007