

## SERVICES AGREEMENT

This Services Agreement, executed and delivered as of the 1<sup>st</sup> day of August, 2011 (this “**Agreement**”), is by and between Stratcap Management Company, LLC, a Delaware limited liability company (the “**Management Company**”), and Stratfor Enterprises, LLC, a Delaware limited liability company (the “**Service Provider**”).

### WITNESSETH:

**WHEREAS**, the Management Company intends to form one or more pooled, multi-investment hedge, private equity or venture capital funds (or similar investment business comprised of separately managed accounts) sponsored directly or indirectly by Shea Morenz that materially rely on the Services (as defined below) in the course of making investment decisions with respect to assets held under management by such funds or in such managed accounts (each, a “**Stratcap Fund**” and the business conducted by the Stratcap Funds is referred to as the “**Fund Management Business**”);

**WHEREAS**, the Service Provider operates a business of providing geopolitical risk assessments and other intelligence information and analysis and related services (as it is currently conducted and may be conducted in the future, the “**Stratfor Business**”);

**WHEREAS**, the Management Company desires to avail itself of the experience, sources of information, advice, analysis, and assistance of the Service Provider and to have the Service Provider undertake the duties and responsibilities hereinafter set forth; and

**WHEREAS**, the Service Provider has agreed to provide certain services as set forth herein to the Management Company in support of the Management Company’s conduct of the Fund Management Business;

**NOW, THEREFORE**, for and in consideration of the premises and the mutual covenants hereinafter contained, the parties agree as follows:

#### **1. Retention of the Service Provider**

The Management Company hereby retains the Service Provider, and the Service Provider accepts such retention, upon the terms and conditions set forth in this Agreement.

#### **2. Scope of Services**

2.1 The Service Provider will provide the Management Company with such geopolitical risk assessment, intelligence information, analysis and related support that is (i) reasonably useful in furtherance of the Fund Management Business (as determined by the Management Company in consultation with the Coordinating Committee as provided in Section 3.3) and (ii) reasonable in light of the Stratfor Capabilities, as defined below, as they are expanded from time to time in accordance with this Agreement (the production of such intelligence information, analysis, and related support services is referred to herein as the “**Services**” and the output delivered to the Management Company is referred to herein as the “**Work Product**”). Disagreements regarding

what is “reasonable useful” (as used in clause (i)) or “reasonable” (as used in clause (ii)) shall, like other disagreements under this Agreement, be resolved as provided in Section 18.8). The Service Provider will provide the Services to the Management Company on an ongoing basis through the Term, on a timely basis to meet the business needs of the Management Company. The Service Provider will determine the method, details, means, and manner of performing the Services. Other than having the discussion right provided for in Section 3.3, the Management Company does not propose to and shall not be entitled to exercise any control over the method, details, means, and manner of providing the Services, including, without limitation, the maintenance or expansion of the Stratfor Capabilities, as hereinafter defined. Similarly, other than having the discussion right provided for in Section 3.3, the Service Provider shall not be entitled to exercise any control over the requests by the Management Company for such geopolitical risk assessment, intelligence information, analysis and related support that is (i) reasonably useful in furtherance of the Fund Management Business and (ii) reasonable in light of the Stratfor Capabilities, as defined below, as they are expanded from time to time in accordance with this Agreement.

2.2 The Service Provider will not provide any investment advice or otherwise participate in any investment decision that might be made by the Management Company or by any Stratcap Fund.

### **3. Deliverables**

3.1 It is contemplated that initially George Friedman, the Chief Executive Officer of the Service Provider, and Meredith Friedman, the Chief International Officer of the Service Provider, will interface directly with management of the Management Company and will provide, or cause to be provided, the Work Product to the Management Company on a regular and as requested basis.

3.2 After the Fund Management Business is launched, and depending upon its success, it is contemplated that an employee of the Service Provider with detailed knowledge of the methodology utilized by the Service Provider to provide the Services and to produce the Work Product may become employed by the Management Company to interface more directly with the Service Provider and to provide a mechanism for an orderly flow of requests for and delivery of specific Work Products.

3.3 Each of the parties hereto shall designate one or more of its key employees to serve on a coordination committee (the “**Coordination Committee**”). The initial designee of the Management Company shall be Shea Morenz, and the initial designees of the Service Provider shall be George Friedman and Meredith Friedman. The Coordination Committee shall be a planning vehicle so that the Service Provider will have a sense of the Management Company’s anticipated need for Services, and for the Management Company to have a sense of the resources the Service Provider has to perform such Services. To that end, the members of the Coordination Committee shall meet and discuss in good faith and on a regular basis to forecast the Management Company’s anticipated need for Services and, subject to Service Provider’s need, as determined by the Service Provider in its sole discretion, to maintain the confidentiality of its sources and resources, the resources the Service Provider anticipates having to perform such Services. For purposes of clarification, the function of the Coordination Committee shall not

modify the Management Company's right to request under Section 2.1 such geopolitical risk assessment, intelligence information, analysis and related support that is (i) reasonably useful in furtherance of the Fund Management Business and (ii) reasonable in light of the Stratfor Capabilities, as defined below, as they are expanded from time to time in accordance with this Agreement nor the Service Provider's rights and obligations (x) with respect to the Services and Work Product in accordance with Section 2.1 nor (y) with respect to the Stratfor Capabilities in accordance with Section 4.

#### **4. Development and Maintenance of Capability**

The Service Provider currently has in place global information gathering personnel, analysts, and related information technology infrastructure and other capabilities (as they exist at any time, and from time to time, "**Stratfor Capabilities**") to provide the Services in accordance with this Agreement. The Service Provider shall maintain the Stratfor Capabilities and, as the parties learn more about what is reasonably useful to the Fund Management Business as it develops, expand the Stratfor Capabilities in a commercially reasonable manner consistent with its other businesses as they may be being conducted from time to time in order to be able to meet the needs of Management Company in accordance with this Agreement.

#### **5. Duties of the Management Company**

5.1 The Management Company shall make available to the Service Provider such of its personnel and resources in order for the Service Provider to perform the Services and to deliver the Work Product in accordance with this Agreement.

5.2 The Management Company shall provide the Service Provider, on a regular and timely basis, all data and information relating to the Fund Management Business, its products and services and its operations as shall be reasonably requested by the Service Provider; provided, however, the Management Company will not be required to disclose the identities of its investors or clients, the Stratcap Funds' investment holdings or strategies or other information that the Stratcap Funds, the Management Company or any other entities that serve as a general partner or manager of the Stratcap Funds hold in confidence. Information provided hereunder shall be subject to the confidentiality provisions of this Agreement. The Management Company shall also promptly supply the Service Provider with all brochures or other sales materials relating to the Fund Management Business to the extent reasonably needed to perform the Services and to comply with the provisions of Section 13.1 hereof.

5.3 Without the consent of the Service Provider, during the Term and for two years thereafter, the Management Company will not solicit for employment or hire any individual that is employed by the Service Provider on the last day of the Term or at any time during the six-month before the last day of the term; provided, this restriction shall terminate if the Term terminates for a reason other than those in Section 14.2. Without the consent of the Management Company, during the Term and for two years thereafter, the Service Company will not solicit for employment or hire any individual that is employed by the Management Company on the last day of the Term or at any time during the six-month before the last day of the term.

## **6. Fee and Expenses**

6.1 In consideration for the Service Provider's agreement to provide the Services and to deliver the Work Product, the Management Company has granted the Service Provider 45,000 Class A Units of the Management Company (the "Stratfor Class A Units"), which Stratfor Class A Units shall have such rights, obligations, designations and preferences as are set forth in the Limited Liability Company Agreement of the Management Company, dated as of August 1, 2011, being executed simultaneously herewith (the "**Stratcap LLC Agreement**"). The Service Provider acknowledges and agrees that the Stratfor Class A Units constitute the sole consideration to be received by the Service Provider with respect to its provision of the Services and the delivery of the Work Product for the entire Term, provided, however, that the Stratcap LLC Agreement provides, and the parties agree, that if Additional Management Companies, as hereinafter defined, are formed by the Management Company, the Service Provider will receive an interest in each such Additional Management Company as described in Section 4.6 of the Stratcap LLC Agreement (the "**Additional Management Company Interests**").

6.2 In the event that the Service Provider identifies specific sources or other resources that it believes would usefully augment the Stratfor Capabilities and which may be particularly useful to the Management Company with respect to its Fund Management Business, but which sources or resources would be unique to the Fund Management Business and not useful to any other business then being conducted by the Service Provider, the Service Provider will inform the Management Company of the details of such sources or other resources in the form of a written proposal for additional services, together with a proposed cost thereof. If the Management Company wishes to engage the Service Provider to provide intelligence and analysis from such sources or other resources in the form of additional services, at the expense of the Management Company, and the Service Provider is willing to obtain such sources or other resources, the parties shall enter into a written amendment to this Agreement incorporating their agreement that the Service Provider will obtain mutually agreed sources or other resources at the expense of the Management Company.

6.3 Should the Management Company request that the Service Provider or any director, officer, or employee thereof render services for the Management Company that are beyond the scope of the Services, the Service Provider shall not be required to provide such additional services unless the terms (including compensation) are mutually agreed to.

## **7. Ownership; Exclusions**

Except as set forth below, any proprietary rights, whether tangible or intangible, with respect solely to the Work Product shall be the sole property of the Management Company, and may be used without restriction by the Management Company, provided, however, that the information and analysis contained in the Work Product may be used by the Service Provider in the normal conduct of the Stratfor Business. However, such Work Product shall not include the Service Provider's proprietary systems, plans, concepts, programs, models, designs, tools, equipment process automation, computer programs or code, devices, inventions, sources, and processes (collectively, the "**Service Provider Systems**") used by the Service Provider in connection with provision of the Services, nor shall it include any improvements upon the Service Provider Systems discovered or developed by the Service Provider in the course of providing the Services

to the Management Company. The Service Provider Systems, including improvements and any proprietary rights therein, shall be the exclusive property of the Service Provider.

## **8. Exclusivity**

8.1 This Services provided under this Agreement are intended to be exclusive to the Management Company. Accordingly, for the 30 year term beginning on the date hereof (or at such earlier time as the Term is terminated for any reason other than under Section 14.3 and other than because of a rejection of this Agreement in bankruptcy or other failure of enforceability on the part of the Service Provider), the Service Provider shall not, and shall ensure that its subsidiaries, its principal officers including George Friedman, Meredith Friedman, Don Kuykendall and Steve Feldhaus, and their respective Affiliates (as defined below) do not, provide, directly or indirectly, the Services or the Work Product (or have a direct or indirect financial interest in any business that provides services similar to the Services and/or Work Product) to any other person or entity engaged in the capital management business (whether such business is structured as a hedge, private equity or venture capital fund, as separately managed accounts or otherwise) or any Affiliate of such person or entity (each, a “**Stratcap Competitor**”); provided, however, that nothing contained herein shall prevent or prohibit the Service Provider from providing its generally available subscription services and products, and (ii) providing other services and products to Stratcap Competitors, other than services or products substantially similar to the Services and/or the Work Product, provided, further, that such other services and products provided to Stratfor Competitors cannot be provided for the principal purpose of assisting the Stratfor Competitors in making specific investment decisions. By way of examples, the following shall not be prohibited by this Section 8.1: (i) a paid speech by George Friedman to employees of the Templeton Fund on Stratfor’s view of the world, or (ii) a consulting assignment by the Service Provider for Citibank with respect to issues not related to investment decisions for managed funds. The Service Provider agrees to report to the Management Company the existence of any condition or circumstance, existing or anticipated, of which it has knowledge, which creates or could create a conflict of interest between the Service Provider’s obligations to the Management Company and its obligations to or its interest in any other Person, and the parties agree to work in good faith to resolve any conflict of interest in a manner that ensures that services substantially similar to the Services and/or Work Product are not being provided to Stratfor Competitors. Notwithstanding anything to the contrary contained in this Agreement, the Service Provider and its principal officers including George Friedman, Meredith Friedman, Don Kuykendall and Steve Feldhaus shall be entitled to fulfill all contractual commitments of the Service Provider existing on the date hereof, provided that the Service Provider shall not act to renew such contractual commitments and shall exercise all rights of termination at the expiration of the current term of the contract.

8.2 “**Affiliate**” of a Person means any Person Controlling, Controlled by, or Under Common Control with such Person. For the purpose of this definition, “**Control**,” including the correlative terms “**Controlling**,” “**Controlled by**” and “**Under Common Control with**,” means possession, directly or indirectly, of the power to direct or cause the direction of management or policies (whether through ownership of securities or any partnership or other ownership interest, by contract or otherwise) of a Person. For the purposes of the preceding sentence, control shall be deemed to exist when a Person possesses, directly or indirectly, through one or more intermediaries (a) in the case of a corporation, more than 50% of the outstanding voting securities thereof; (b) in the case of a limited liability company, partnership,

limited partnership or venture, the right to more than 50% of the distributions therefrom (including liquidating distributions); or (c) in the case of any other Person, more than 50% of the economic or beneficial interest therein. For purposes of this Agreement, neither the Service Provider nor the Stratfor Principals shall be considered an Affiliate of the Management Company, the Stratcap Funds or the Stratcap Management Entities, and vice-versa.

8.3 “**Person**” means any natural person, limited liability company, corporation, limited partnership, general partnership, joint stock company, joint venture, association, company, trust, bank trust company, land trust, business trust, or other organization, whether or not a legal entity, and any government or agency or political subdivision thereof.

## **9. Confidentiality**

9.1 Each party agrees that, except as provided elsewhere herein, all information (including know how, processes, trade secrets, customer lists and other confidential matters) which concerns a party, the Stratfor Business, or the Fund Management Business, either oral or written, as well as any reports, analyses, compilations, data, studies or other documents developed or prepared by any party which contain or otherwise reflect or are generated from such information (collectively, “**Confidential Information**”) will not be used or disclosed by any party or its Affiliates, as hereinafter defined, including, but not limited to, any of their stockholders or members, to any other Person; provided, however, the following will not constitute Confidential Information: (a) information which is or becomes generally available to the public other than as a result of a disclosure by such party or an Affiliate thereof, (b) information that is developed by a party or its Affiliates after the date hereof without reliance on any Confidential Information and (c) information which becomes known to a party after the date hereof on a non-confidential basis from a third-party source if such source was not subject to any confidentiality obligation to the other party, provided further, however, that if any party (or any Affiliate thereof) is required by Legal Requirements (as defined below) to disclose any Confidential Information (and such disclosure shall be permitted subject to compliance with the following provisions), such party shall, to the extent permissible by Legal Requirements, promptly notify the other party, and such other party hereto may undertake (at its sole cost) to obtain a protective order or other reliable assurance that confidential treatment will be accorded to the Confidential Information, and the party (or Affiliate thereof) required to disclose such Confidential Information shall provide all reasonable assistance to obtain such order. In the absence of such a protective order, any party (or Affiliate thereof) required by Legal Requirements to disclose any Confidential Information may disclose only such of the Confidential Information as is required by Legal Requirements. Unless one of the exceptions described in clauses (a), (b) or (c) applies, Confidential Information shall also include the terms of this Agreement, the terms of the StratCap LLC Agreement and Stratcap Funds, private placement memoranda, management presentations, investor reports and similar marketing materials of the Stratcap Funds and the identities of investors in the Stratcap Funds.

## **10. Limitation of Liability**

EXCEPT TO THE EXTENT EXPRESSLY SET FORTH IN THIS AGREEMENT, NEITHER THE SERVICE PROVIDER NOR THE MANAGEMNET COMPANY MAKES ANY REPRESENTATION OR WARRANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, REPRESENTATIONS OR WARRANTIES OF

ACCURACY, COMPLETENESS, CURRENTNESS, NONINFRINGEMENT, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE.

NEITHER THE SERVICE PROVIDER NOR ANY OF ITS MEMBERS, MANAGERS, AFFILIATES, AGENTS, EMPLOYEES, DIRECTORS, OR STOCKHOLDERS (COLLECTIVELY, "REPRESENTATIVES") SHALL BE LIABLE TO THE MANAGEMENT COMPANY OR TO ANYONE ELSE, INCLUDING WITHOUT LIMITATION ANY STRATCAP FUND OR ANY INVESTOR IN ANY STRATCAP FUND, FOR ANY LOSS OR INJURY CAUSED IN WHOLE OR IN PART BY ANY MISTAKES OF FACT, ERRORS OF JUDGMENT, DELAY IN PERFORMING THE SERVICES OR IN PROCURING, COMPILING, INTERPRETING, REPORTING, OR DELIVERING THE WORK PRODUCT, FOR ANY DECISION MADE OR ACTION TAKEN BY THE MANAGEMENT COMPANY OR BY ANY OTHER PERSON, INCLUDING WITHOUT LIMITATION ANY STRATCAP FUND OR ANY INVESTOR IN ANY STRATCAP FUND, IN RELIANCE ON THE SERVICES OR WORK PRODUCT EXCEPT FOR ACTUAL DAMAGES OF THE MANAGEMENT COMPANY ATTRIBUTABLE TO THE SERVICE PROVIDER'S BREACH OF THIS AGREEMENT, GROSS NEGLIGENCE OR WILLFUL MISCONDUCT (THE "LIABILITY EXCEPTIONS").

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR DAMAGES OTHER THAN ACTUAL DAMAGES, AND THEREFORE EACH PARTY WAIVES ITS RIGHT TO RECOVER FROM THE OTHER PUNITIVE, EXEMPLARY, CONSEQUENTIAL AND OTHER DAMAGES THAT DO NOT CONSTITUTE ACTUAL DAMAGES UNDER TEXAS LAW.

## **11. Indemnification; Insurance**

11.1 The Management Company hereby agrees to hold harmless and indemnify the Service Provider, its employees, officers, directors, and stockholders (each, an "**Stratfor Indemnified Party**" and collectively, the "**Stratfor Indemnified Parties**") from and against any and all liability and any and all known and unknown, third-party claims, actions, causes of action, suits, demands, judgments, costs, expenses, attorneys' fees and expenses, and all losses and damages of every kind and character related to, arising out of, or in connection with this Agreement, the Services, the Work Product, and the Fund Management Business except, in each case, to the extent attributable to any of the Liability Exceptions.

11.2 The Service Provider hereby agrees to hold harmless and indemnify the Management Company, its employees, officers, directors, and stockholders (each, an "**Stratcap Indemnified Party**" and collectively, the "**Stratcap Indemnified Parties**") from and against any and all known and unknown third-party claims, actions, causes of action, suits, demands, judgments, costs, expenses, attorneys' fees and expenses, and all losses and damages of every kind and character related to, arising out of, or in connection with any of the Liability Exceptions.

11.3 A party required to indemnify a Stratfor Indemnified Party or a Stratcap Indemnified Party under Section 11.1 or Section 11.2 shall not settle any claim to which such indemnification obligation relates unless such settlement provides for a full and final release of all the Stratfor

Indemnified Party or the Stratcap Indemnified Party, as applicable, and all others who are jointly liable with them.

11.4 If the indemnification otherwise owing under Section 11.1 or Section 11.2 for any reason whatsoever, the Management Company or the Service Provider, as applicable, in lieu of providing indemnification, shall contribute to the amount incurred by indemnified party, whether for judgments, fines, penalties, excise taxes, amounts paid or to be paid in settlement and/or for expenses, including attorneys' fees and expenses, in connection with any claim relating to an event that would otherwise be an indemnifiable event under this Agreement, in proportion to the relative benefits received by the Management Company and the Service Provider as a result of the event(s) and/or transaction(s) from which such action, suit or proceeding arose.

11.5 The Service Provider and the Management Company shall each maintain such types and amounts of insurance coverage as are commercially reasonable (taking into account all relevant factors such as customary practices, costs and availability). Each party shall use commercially reasonable efforts to recover losses and obtain indemnity coverage under its respective insurance policies to mitigate the obligations of the parties under Sections 11.1 and 11.2.

## **12. Compliance with Legal Requirements**

12.1 In providing the Services and the Work Product, the Service Provider will at all times comply in all material respects with any and all applicable (i) federal, state, provincial, local, and foreign laws, statutes, rules, regulations, codes, ordinances, permits, bylaws, variances, policies, judgments, injunctions, orders, guidelines, conditions, and licenses, including environmental laws, (ii) non-appealable judgments, (iii) contracts with any federal, state, local, or foreign court, arbitrator, or administrative or governmental authority, bureau, or agency relating to compliance with matters described in (i) or (ii) above, and (iv) consent decrees and similar arrangements (collectively, "**Legal Requirements**"). Specifically, and without limiting the generality of the foregoing, the Service Provider will at all times comply with the requirements of the Foreign Corrupt Practices Act.

12.2 The Management Company will at all times comply in all material respects with all Legal Requirements applicable to the Fund Management Business, including, without limiting the generality of the foregoing, all applicable requirements of the Securities and Exchange Commission.

## **13. Stratfor Trademarks; Use of Stratcap Name**

13.1 The Service Provider hereby grants to the Management Company, and the Management Company hereby accepts from the Service Provider, a non-exclusive, fully paid-up royalty-free right and license, during the Term, to reproduce and use the Service Provider Trademarks, as hereinafter defined, (i) as part of Management Company's corporate or trade name, (ii) as part of the name of any Stratcap Fund, and (iii) in connection with the distribution, marketing, promotion, and sale or other distribution of the Stratcap Funds, provided, however, that in each case such use is in accordance with the Service Provider's standards and instructions and for no other purpose. The Management Company shall use the Service Provider Trademarks in a manner and mode reasonably acceptable to the Service Provider, and only in connection with Stratcap Funds which are of a quality reasonably satisfactory to the Service Provider. The

Management Company further agrees to maintain the standards of quality established by the Service Provider. The Service Provider shall have the sole right to reasonably determine the manner and mode in which the Service Provider Trademarks shall be used. The Service Provider shall also have the right to require from time to time that Management Company submit samples of advertising and promotional materials to the Service Provider for inspection. The Management Company recognizes and acknowledges that the Service Provider Trademarks and all rights therein and goodwill pertaining thereto belong exclusively to the Service Provider, and that all rights resulting from its use of the Service Provider Trademarks inure to the benefit of the Service Provider.

13.2 In its sole discretion and at its sole expense, the Service Provider may register the Service Provider Trademarks or obtain any other protection. The Management Company shall provide reasonable cooperation for any such filing or approval upon the Service Provider's request.

13.3 Immediately upon termination of this Agreement, the Management Company and each of the Stratcap Funds shall cease and desist from use of any Service Provider Trademarks in any manner. The Management Company hereby grants to the Service Provider or its designee, in the event of such termination, full power of attorney, with the right of substitution, to cancel, revoke, or withdraw any governmental registration or authorization permitting the Management Company to use any Service Provider Trademark, and Management Company shall provide such further documentation and assistance as the Service Provider may reasonably request in connection therewith.

13.4 The Management Company acknowledges the Service Provider's proprietary rights in and to any Service Provider Trademarks, subject to the license and right granted in Section 13.1. The Management Company shall not adopt, use or register any words, phrases or symbols which are identical to or confusingly similar to any Service Provider Trademarks or permit any third party to do so; provided, it is understood that the Stratcap Entities' use of the word "Stratcap" is expressly permitted.

13.5 The term "**Service Provider Trademarks**" means "Stratfor" any other trademarks, logotypes, trade names, and accompanying designs which may be developed hereafter by the Service Provider.

13.6 The Service Provider shall not, and shall cause its Affiliates not to, directly or indirectly use in any manner any trade name, trademark, service mark or logo used by the Management Company including those that include the word "Stratcap," but excluding the Service Provider Trademarks. In its sole discretion and at its sole expense, the Management Company may register as its sole property or otherwise protect as its sole property any trade name, trademark, service mark or logo that includes the word "Stratcap". The Management Company shall provide reasonable cooperation for any such filing or approval upon the Service Provider's request

#### **14. Term; Termination**

14.1 The Term of this Agreement shall begin on the date hereof and shall terminate so long as the Fund Management Business continues to be conducted by the Management Company (the

“Term”); provided, in no event shall the Term expire before the third anniversary of the date hereof or after the thirtieth (30) anniversary of the date hereof.

14.2 The Service Provider may terminate this Agreement if Mr. Morenz is convicted of a violation of state or federal securities laws. The Service Provider may terminate this Agreement at any time in the event of a material breach of the Agreement by the Management Company if such breach remains uncured for ninety (90) days after written notice from the Service Provider.

14.3 The Management Company may terminate this Agreement at any time in the event of a material breach of the Agreement by the Service Provider if such breach remains uncured for ninety (90) days after written notice from the Management Company. The Management Company may terminate this Agreement at any time if the Service Provider fails to provide the Services for ninety (90) consecutive days following written notice of such failure from the Management Company.

14.4 Termination of this Agreement prior to the expiration of the 30-year term shall not affect a party’s recourse with respect to a breach or other conduct that occurred prior to termination nor shall it affect the continuing applicability of the terms of Section 7 and Sections 9 through and including 18, which shall survive the termination of this Agreement.

## **15. Independent and Separate Companies**

The Management Company and the Service Provider are entering into this Agreement as separate and independent entities. The Management Company and the Service Provider will each be responsible for the payment of their respective compensation, wages, taxes, dues, employment benefits and operating expenses in connection with the separate operations of the Fund Management Business and the Stratfor Business, respectively. This Agreement does not create a partnership, agency, or joint venture relationship between the Management Company and the Service Provider. Neither the Management Company nor the Service Provider shall, or permit any Person acting for or on its behalf to, bind or obligate the other party or represent to have such authority, without the express prior written approval of the other party.

## **16. Additional Management Companies**

The Stratcap LLC Agreement contemplates the possibility that the Management Company may form one or more additional management companies to manage the Stratcap Company (the “**Additional Management Companies**”). At the Management Company’s request, the Service Provider shall enter into one or more additional agreements with such Additional Management Companies to provide the same services to them as the Services and on the same terms as set forth herein. In each such case, the sole consideration shall be the Stratfor Class A Units and the Additional Management Company Interest.

## **17. SEC Registration**

The Management Company acknowledges that the Service Provider is not registered with the Securities and Exchange Commission as an Investment Adviser or for any other purpose and agrees that such registration is not required in order for the Service Provider to perform the

Services. In the event such registration or any other registration shall be required at any time in the future, and can be accomplished in the reasonable opinion of the Service Provider without any derogation to the Stratfor Business as it might then exist or be planned to exist, the Service Provider agrees to take reasonable steps to achieve such registration; provided, however, that all costs and expenses, including salary expenses, incurred in connection with such registration and the maintenance thereof shall be borne by the Management Company.

**18. Miscellaneous**

18.1 The parties shall not, and shall not permit their representatives to, make or release any public announcements or otherwise communicate with any news media with respect to this Agreement, or any of the agreements, documents and instruments to be entered into in connection herewith, without the prior approval of the other party except as required by Legal Requirement (in which case the disclosing party shall advise the other party and provide it with a copy of the proposed disclosure or filing prior to making the disclosure or filing).

18.2 Unless otherwise provided herein, all notices, requests, consents, approvals, demands and other communications to be given hereunder will be in writing and will be deemed given upon (a) confirmation of receipt of a facsimile transmission together with confirmation of sending a PDF copy via email, (b) confirmed delivery by a reputable overnight carrier or when delivered by hand, (c) actual receipt or (d) the expiration of three Business Days after the day when mailed by registered or certified mail (postage prepaid, return receipt requested), addressed to the respective Parties listed below at the following addresses (or such other address for a Party hereto as will be specified by like notice):

If to the Service Provider, to:

Stratfor Enterprises, LLC  
221 West 6<sup>th</sup> Street, Suite 400  
Austin, Texas 78701  
Attention: Don Kuykendall  
Fax: (512) 744-4334  
Email: kuykendall@stratfor.com

with a copy to (which shall not constitute notice) to:

Stephen M. Feldhaus  
6566 Ridgewood Drive  
Naples, FL 34108  
Facsimile: (202) 207-2027  
Email: sf@feldhauslaw.com

If to the Management Company, to:

Stratcap Management, LLC  
c/o Stratfor Enterprises, LLC  
221 West 6<sup>th</sup> Street, Suite 400  
Austin, Texas 78701  
Attention: Shea Morenz  
Fax:  
Email:

with a copy to (which shall not constitute notice) to:

Willkie Farr & Gallagher LLP  
787 Seventh Avenue  
New York, New York 10019  
Attention: Bruce C. Herzog, Esq.  
Facsimile: (212) 728-9220  
Email: BHerzog@willkie.com

18.3 This Agreement may only be amended pursuant to a written agreement executed by the Management Company and the Service Provider that expressly states that is intended to amend this Agreement.

18.4 This Agreement, together with the Stratcap LLC Agreement, contains the entire agreement between the parties with respect to the transactions contemplated hereby, and supersedes all negotiations, agreements, representations, warranties and commitments, whether in writing or oral, prior to the date hereof. In the event of any conflict between this Agreement and the Stratcap LLC Agreement with respect to the matters covered herein, the terms of this Agreement shall control.

18.5 Except as otherwise expressly provided in this Agreement, all of the terms of this Agreement shall be binding upon and inure to the benefit of and be enforceable by the respective successors and permitted transferees of the parties. Nothing herein expressed or implied is intended or shall be construed to confer upon or to give any Person not a party any rights or remedies under or by reason of this Agreement, except for the Indemnified Parties expressly identified in this Agreement. No party may assign this Agreement without the prior written consent of the other party, which consent may be withheld in the sole discretion of such other party. In any event the assigning party shall cause the assignee, as a condition precedent to entering into such assignment, to become a party to this Agreement by executing and delivering an additional counterpart signature page hereto agreeing to be bound by and subject to the terms of this Agreement as the Service Provider or the Management Company, as applicable, hereunder.

18.6 If either party is rendered unable, completely or partially, by the occurrence of an event of Force Majeure, as hereinafter defined, to perform such party's obligations under this Agreement, such party shall give to the other party prompt written notice of the event of Force

Majeure with reasonably complete particulars concerning such event. Thereupon, the obligations of the party giving such notice, so far as those obligations are affected by the event of Force Majeure, shall be suspended during, but no longer than, the continuance of the event of Force Majeure. The party affected by such event of Force Majeure shall, at its expense, use all reasonable diligence to resolve, eliminate and terminate the event of Force Majeure as quickly as practicable. The term “**Force Majeure**” means any act of God, strike, civil disturbance, lockout or other industrial disturbance, act of the public enemy, war, blockage, public riot, earthquake, tornado, hurricane, lightning, fire, public demonstration, storm, flood, explosion, boycott or similar governmental restraint.

18.7 This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, and all such counterparts together shall constitute one instrument. Delivery of a copy of this Agreement bearing an original signature by facsimile transmission or by electronic mail in “portable document format” form shall have the same effect as physical delivery of the paper document bearing the original signature.

18.8 The parties agree to consult and negotiate in good faith (but such good faith shall not require either party to alter its rights under this Agreement) to try to resolve any dispute, controversy or claim that arises out of or relates to this Agreement. In the event of any controversy or claim arising out of, relating to or in connection with this Agreement, or the rights or obligations of the parties hereunder, the parties shall try to settle their differences amicably between themselves by referring the disputed matter to the Chief Executive Officer of the Management Company and the Chief Executive Officer of the Service Provider for discussion and resolution. Either party may initiate such informal dispute resolution by sending written notice of the dispute to the other party, and within ten (10) days of such notice the Chief Executive Officer of the Management Company and the Chief Executive Officer of the Service Provider shall meet for attempted resolution by good faith negotiations.

18.8.1 If such executives are unable to resolve such dispute within thirty (30) days of initiating such negotiations, then, upon the written request of either party, the dispute shall be finally settled by arbitration to be held in Austin, Texas, in accordance with the Commercial Arbitration Rules of the American Arbitration Association, before three arbiters, one (1) arbiter to be selected by each party, with the third arbiter to be selected by the mutual agreement of the two (2) arbiters selected by the parties, failing which, such third arbiter to be selected in accordance with the rules of the American Arbitration Association. The parties shall be entitled to full discovery in such arbitration. The arbitrator’s decision shall be final and binding upon the parties and may be enforced in any court of competent jurisdiction.

18.8.2 Any dispute, disagreement, conflict of interpretation or claim arising out of or relating to this Agreement, or its enforcement, shall be governed by the laws of the State of Texas, without regard to its conflicts of law principles. Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be deemed prohibited or invalid under such applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, and such prohibition or invalidity shall not invalidate the remainder of such provision or the other provisions of this Agreement.

18.8.3 If either party hereto shall commence an arbitration proceeding or a proceeding for equitable relief to enforce any provisions of this Agreement, then the prevailing party in such arbitration proceeding or proceeding for equitable relief shall be entitled to recover its reasonable attorneys' fees and other costs and expenses, including, but not limited to, costs incurred with the investigation, preparation, and prosecution of such action or proceeding, in addition to any other relief to which it may be entitled.

18.8.4 Each party acknowledges that that a breach or threatened breach of this Agreement would cause irreparable damage, the amount of such damages would be difficult or impossible to ascertain and the remedies at law of the parties for a breach or threatened breach of this Agreement would be inadequate and, in recognition of these facts, any party, without posting any bond, and in addition to all other remedies that may be available, shall be entitled to obtain equitable relief in the form of specific performance, a temporary restraining order, a temporary or permanent injunction or any other equitable remedy that may then be available. The parties may resort directly to courts of competent jurisdiction to seek the equitable remedies stated herein notwithstanding the other terms of this Agreement that require the parties to meet to resolve their differences or that refer dispute to arbitration.

18.9 This Agreement shall be deemed drafted equally by each of the parties, and any presumption or principle that the language is to be construed against the drafting party shall not apply. The headings in this Agreement are only for convenience and are not intended to affect construction or interpretation.

**[Signature Page Follows]**

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first written above.

**THE SERVICE PROVIDER:**

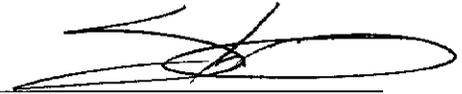
**STRATFOR ENTERPRISES, LLC**

By: Don R. Kykendall  
Name: DON R. KYKENDALL  
Title: Member / President

**THE MANAGEMENT COMPANY:**

**STRATCAP MANAGEMENT COMPANY, LLC**

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



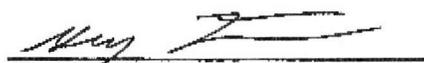
Name: Shea Morenz

Title: Managing Member

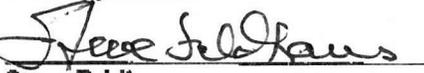
3/24

**ACKNOWLEDGEMENT AND JOINDER**

The undersigned, being principal officers of the Service Provider, acknowledge that the Management Company would not have entered into this Agreement in the absence of the Service Provider's obligations hereunder including the exclusivity provisions under Section 8. Furthermore, the Management Company would not have entered into this Agreement without reasonable assurances that the Service Provider would be able to honor its obligations hereunder. As a material inducement to the Management Company's willingness to enter into this Agreement, each of George Friedman, Meredith Friedman, Don Kuykendall and Steve Feldhaus joins in this Agreement to evidence their agreement to the obligations of such individuals contained in Section 8.

  
\_\_\_\_\_  
George Friedman

  
\_\_\_\_\_  
Meredith Friedman

\_\_\_\_\_  
Don Kuykendall  
  
\_\_\_\_\_  
Steve Feldhaus

### ACKNOWLEDGEMENT AND JOINDER

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George Friedman

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Meredith Friedman

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*Don Kuykendall*  
Don Kuykendall

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Steve Feldhaus