

## **TRANSITION AGREEMENT**

This Transition Agreement (“Transition Agreement”) is made as of this 20th day of June, 2014 (the “Effective Date”), by and between CGI Technologies and Solutions Inc. (“CGI”) and the Commonwealth of Massachusetts Information Technology Division (“ITD”), acting on behalf of the Executive Office for Administration and Finance, acting on behalf of the Executive Department (CGI and ITD shall be referred to individually as a “Party” and collectively as the “Parties”).

**WHEREAS**, ITD and CGI are parties to a Contract for Services Purchased made and entered into by the University of Massachusetts, Worcester Campus (“University”) and CGI on July 9, 2012, including its Amendments Numbers 1 and 2 effective July 9, 2012; Amendment No. 3 effective December 26, 2012; Amendment No. 4 effective August 13, 2013; Amendment No. 5 effective March 26, 2014; Amendment No. 6 effective April 18, 2014; and Amendment No. 7 effective April 28, 2014 (the “Contract”). The University assigned the Contract to ITD on March 11, 2014;

**WHEREAS**, various disputes have arisen between the Parties regarding their rights and obligations to one another in connection with the Contract and otherwise;

**WHEREAS**, to avoid costs and uncertainties, the Parties desire to resolve, by this Transition Agreement, their various disputes and all claims that have been or could have been asserted against one another in connection with the Contract or the health insurance exchange and integrated eligibility system (the “HIX/IES Project”) without any admission of fault on the part of any Party.

**NOW THEREFORE**, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

1. Amendment of the Contract: On the Effective Date, the Parties have executed

Amendment No. 8 to the Contract, attached hereto as Exhibit 1. It is the intention of the Parties that Amendment No. 8 and the Transition Agreement each survive the execution of the other.

2. CGI Invoices to ITD for Hosting, O&M Services and an Accepted Milestone by CGI and Other Subcontractors: In full and complete satisfaction of any and all amounts claimed by CGI in connection with the HIX/IES Project as of the Effective Date relating to accepted Milestone No. 4 of the Contract, and, as of May 31, 2014 relating to Hosting and O&M services, ITD agrees to accept an invoice from CGI on the Effective Date, in the amount of \$7,521,114.18, and notwithstanding anything to the contrary set forth herein, ITD agrees to pay such invoice by no later than June 30, 2014. Up through the Effective Date, ITD shall accept true up invoices for Hosting and O&M services for the period between June 1, 2014 and the Effective Date, and, subject to its right to review for accuracy and completeness, shall pay them within fourteen days of receipt thereof. The Parties acknowledge that ITD has requested backup documentation for certain of the O&M invoices submitted to ITD for the period between December 1, 2013 and May 31, 2014, which ITD requires in order to review and verify CGI's calculation of service level credits. CGI shall provide such documentation no later than the Effective Date and, should ITD determine that CGI undercounted the service level credits to be applied to the O&M services invoices, ITD shall so notify CGI within two weeks of receipt of such backup documentation. Thereafter, CGI shall have three (3) business days to explain the cause of the apparent discrepancy, after which, unless CGI provides an explanation for the same that is reasonably satisfactory to ITD, CGI shall apply such undercounted credits to the next invoice issued by it to ITD under this Transition Agreement or Amendment No. 8.

3. CGI Invoices to ITD for Other Work by CGI and Other Subcontractors: In full and complete satisfaction of any and all other amounts claimed by CGI in connection with the HIX/IES Project as of the Effective Date, including those relating to the Worker Portal, Change Requests and any incomplete Milestones, ITD agrees to accept three invoices from CGI, each in

the amount of \$5,659,899, on each of following dates: (1) \$5,659,899 on the Effective Date; (2) \$5,659,899 two (2) weeks after the Effective Date; and (3) \$5,659,899 four (4) weeks after the Effective Date.

4. Payment of Invoices by ITD: ITD agrees to pay each invoice referred to in Section 3 of this Transition Agreement within thirty (30) calendar days of the invoice dates specified in Section 3 in accordance with ITD's standard payment terms and processes.

5. No Set-Off for Transition Agreement Payments: ITD shall waive its right from whatever source derived, including without limitation, as set forth in Section 21 of Attachment A – Amendment No. 1 of the Contract, to set-off any monies ITD may believe CGI owes to ITD from the payments due under Sections 2 and 3 of this Transition Agreement.

6. Confirmation of Assignment of Intellectual Property to ITD by CGI: CGI hereby agrees that:

a. As of the Effective Date, CGI hereby confirms that all of CGI's rights in and to Work Product, as that term is defined in the Contract, developed or generated by CGI under the Contract, including but not limited to all work performed by or for CGI in connection with Amendment Nos. 5, 6 and 7 of the Contract, are irrevocably and unconditionally assigned to ITD;

b. Upon payment in full of the amounts specified in Section 3 above, all of CGI's rights in and to all other work product or intellectual property developed or generated by CGI or its subcontractors or agents, pursuant to or in connection with the HIX/IES Project, if any, including without limitation software (both object code in executable file format and source code) and related documentation, reports, results, products, programs, routines, drawings, studies, specifications, photographs, graphics, artwork, computations, data, inventions, discoveries, improvements, concepts, creative works, designs, techniques and know-how, works of authorship, trade secrets, patents, trademarks, copyrights, and any other intellectual property

(i) shall be deemed "Work Product", as that term is defined in the Contract, and (ii) shall be irrevocably and unconditionally assigned to ITD;

c. For the period between the Effective Date and thirty calendar (30) days after the date on which CGI is required to deliver to ITD the last invoice referenced in Section 3 above, CGI will provide ITD with the right to access, use, copy, install, modify, and execute the Work Product described in subsection (b) above; and

d. All assignments under this Section 6 shall be made in accordance with and subject to the provisions of Section 11 of Attachment A – Amendment No. 1 of the Contract (including without limitation CGI's rights in and to Contractor Property).

7. Assignment of Logicworks Subcontract from CGI to ITD: On the Effective Date, the Parties shall execute the Assignment with Consent Agreement attached hereto as Exhibit 2.

8. Additional Indemnity Obligations of CGI: As used herein, the word "Subcontractor" shall mean Deloitte Consulting LLP, Oracle America, Inc., Logicworks Systems Corporation, Monad Solutions, Inc. and Akamai Technologies, Inc., and the word "indemnify" shall mean the payment of any final judgment, or any settlement approved by CGI, for claims defined in the next sentence. For so long as ITD is current on payments specified in Sections 2 and 3 of this Transition Agreement and Section 4 of Amendment No. 8, CGI shall indemnify ITD, the Executive Office for Administration and Finance, the Commonwealth Health Insurance Connector Authority (the "Connector"), the Executive Office of Health and Human Services ("EOHHS"), and the University (collectively, the "Commonwealth Entities") against any and all claims of any nature whatsoever brought against the Commonwealth Entities by any of the Subcontractors asserting rights under the Contract, or under any principle of common law or equity arising from Subcontractor's provision of goods and services on the HIX/IES Project, for payment of any amounts claimed by the Subcontractor; provided, however, ITD or the Commonwealth Entities shall be responsible for defending against any such claims at its/their

own expense through the Office of the Attorney General or other counsel of its/their own selection, subject to CGI's right to monitor and consult, and its right to approve any proposed settlement. For the period between the Effective Date and payment in full of the amounts specified in Section 3 above, so long as ITD is current on payments specified in Sections 2 and 3 of this Transition Agreement and Section 4 of Amendment No. 8, CGI shall also indemnify the Commonwealth Entities against any and all claims of any nature whatsoever brought against the Commonwealth Entities by any of the Subcontractors asserting rights in or to any work product or intellectual property developed or generated by CGI or its Subcontractors that will be assigned in accordance with Section 6(b) of this Transition Agreement; provided, however, ITD or the Commonwealth Entities shall be responsible for defending against any such claims at its/their own expense through the Office of the Attorney General or other counsel of its/their own selection, subject to CGI's right to monitor and consult, and its right to approve any proposed settlement. Notwithstanding the foregoing, (i) nothing in this Section 8 or in this Transition Agreement shall in any way limit or restrict ITD's existing indemnification rights under the Contract, (ii) CGI shall have no obligation to indemnify the Commonwealth Entities against any counterclaim by a Subcontractor against any of the Commonwealth Entities where such Subcontractor counterclaim is in response to or the result of an earlier claim initiated against the Subcontractor by any the Commonwealth Entities provided, however, that the exception to the indemnification obligation described in this sentence shall apply only with respect to a Subcontractor whose agreement with CGI permits the Subcontractor to make such a counterclaim against any of the Commonwealth Entities, and (iii) CGI shall have no obligation to indemnify the Commonwealth Entities for any claim brought by a Subcontractor where (a) such claim is brought under a contract to which one or more of the Commonwealth Entities and such Subcontractor are direct parties or (b) such claim is brought under a contract between one or more of the Commonwealth Entities and a third party prime vendor other than CGI under

which a Subcontractor is also a subcontractor.

9. Mutual Release of Claims Through Effective Date: For good and valuable consideration, and as an integral part of this Transition Agreement, on the Effective Date the Parties, the Connector, EOHHS, the University, and the Executive Office for Administration and Finance have executed the mutual releases attached hereto as Exhibits 3, 4, 5, 6, and 7 and all terms contained in those mutual releases constitute part of this Transition Agreement and are hereby incorporated by reference into this Transition Agreement.

10. No Admission of Wrongdoing: This Transition Agreement is entered without any admission of wrongdoing by any of the Parties, and it (including, without limitation, its exhibits), and any and all negotiations, documents and discussions associated with it, shall be without prejudice to the rights, positions or privileges of any Party (except as expressly provided for in this Transition Agreement, including, without limitation, its exhibits), and shall not be deemed or construed to be an admission or evidence of any violation of any statute, law, rule regulation or principle of common law or equity, or of any liability or wrongdoing, by any of the Parties.

11. Authorization and Consideration: Any individual executing this Transition Agreement on behalf of any Party represents and warrants that such individual is duly authorized to enter into this Transition Agreement on behalf of that Party and that this Transition Agreement binds that Party. Each of the Parties agrees that, in return for the agreements herein, it is receiving good and valuable consideration, the receipt and sufficiency whereof is hereby acknowledged.

12. Notices: Any notice permitted or required to be sent pursuant to this Transition Agreement shall be delivered by email, fax or U.S. Mail, as follows:

If to CGI:

CGI Technologies and Solutions Inc.  
11325 Random Hills Road

Fairfax, VA 22030  
ATTN: Office of the General Counsel

If to the ITD:

Information Technology Division  
Room 804  
One Ashburton Place  
Boston MA 02108  
ATTN: General Counsel

13. Advice of Counsel: The Parties acknowledge that each has participated in the drafting of this Transition Agreement and has had the Transition Agreement reviewed by the attorneys or other advisors of its choice. Accordingly, in interpreting the terms of this Transition Agreement, no adverse inferences shall be drawn against any Party from the fact that such Party has participated to a greater or lesser extent in the drafting of this Transition Agreement.

14. Governing Law and Venue: This Transition Agreement, and any dispute arising out of, or relating to, this Transition Agreement, shall be governed by the laws of the Commonwealth of Massachusetts, without giving effect to any choice of law principles that might require the application of the law of any jurisdiction other than the Commonwealth of Massachusetts. CGI and the Commonwealth Parties further agree that any legal suit or proceeding brought by either party in any way arising out of this Transition Agreement must be brought solely and exclusively in the Superior Court for Suffolk County located in Boston, Massachusetts. CGI expressly consents to the jurisdiction of the Superior Court for Suffolk County in any action brought by the Commonwealth Parties against CGI arising out of, or relating to, this Transition Agreement, waiving any claim or defense that such forum is not convenient or proper.

15. Headings: The Headings used in this Transition Agreement are for the convenience of the reader only and shall not affect the meaning or interpretation of this Transition Agreement.

16. Entire Agreement: This Transition Agreement represents the entire agreement of CGI and ITD with respect to the subject matter hereof and supersedes any and all prior agreements or understandings, whether oral or written, relating to resolution of all issues and disputes between the signatories hereto arising out of or relating to the HIX/IES Project.

17. No Oral Modifications or Waivers: No waiver, modification or amendment of any provision of this Transition Agreement shall be effective unless executed in writing by the Parties to be bound by such waiver, modification or amendment. The failure by either Party hereto on any occasion to exercise any right provided herein shall not be deemed a waiver of any right provided herein nor shall it be deemed to be a waiver of the right to exercise the rights provided herein on a future occasion.

18. Binding Effect: This Transition Agreement shall inure to the benefit of, and be binding upon, the Parties to this Transition Agreement and their successors and assigns.

19. Conflicts: The Contract shall survive the execution of this Transition Agreement and Amendment No. 8. If any conflict exists between this Transition Agreement on the one hand and the Contract, as amended, on the other hand, the Transition Agreement and Amendment No. 8 will control over the Contract, as amended.

20. Execution in Counterparts: This Transition Agreement may be executed by the Parties in counterparts, each of which shall be deemed an original regardless of the date of its execution and delivery, and the counterparts together shall constitute one and the same Transition Agreement. The Parties further agree that a facsimile or PDF copy of a Party's signature shall be accepted as the Party's signature.

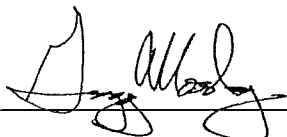
IN WITNESS WHEREOF, each of the signatories has read and understood this Agreement, has executed it, and represents that he/she is authorized to execute it on behalf of the



Party he/she represents, who or which have agreed to be bound by its terms upon the Effective Date and have entered into this Transition Agreement.

CGI Technologies and Solutions Inc.

The Commonwealth of Massachusetts  
Information Technology Division

Signature:  \_\_\_\_\_

Signature: \_\_\_\_\_

By: Gregg Mossburg

By: William G. Oates

Its: Senior Vice President

Its: Commonwealth Chief Information Officer

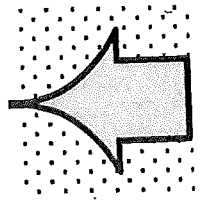
Date: June 20, 2014

Date: \_\_\_\_\_

Party he/she represents, who or which have agreed to be bound by its terms upon the Effective Date and have entered into this Transition Agreement.

CGI Technologies and Solutions Inc.

The Commonwealth of Massachusetts  
Information Technology Division



Signature: \_\_\_\_\_

Signature: W G Oates

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

By: William G. Oates

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

Its: Commonwealth Chief Information Officer

Date: \_\_\_\_\_

Date: JUNE 20, 2014