
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): September 25, 2013

**LEIDOS HOLDINGS, INC.
LEIDOS, INC.**

(Exact name of registrant as specified in its charter)

DELAWARE
(State or other Jurisdiction
of Incorporation)

001-33072
000-12771
(Commission
File Numbers)

20-3562868
95-3630868
(IRS Employer
Identification Nos.)

11951 Freedom Drive, Reston, Virginia
(Address of Principal Executive Offices)

20190
(Zip Code)

Registrants' telephone number, including area code: (571) 526-6000

SAIC, Inc. (currently Leidos Holdings, Inc.)
Science Applications International Corporation (currently Leidos, Inc.)
1710 SAIC Drive, McLean, Virginia 22102
(Former names or former addresses if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01. Entry into a Material Definitive Agreement.

Distribution Agreement

In connection with the previously announced separation of Science Applications International Corporation (“New SAIC”) (formerly known as SAIC Gemini, Inc.) from Leidos Holdings, Inc. (the “Company”) (formerly known as SAIC, Inc.), the Company and New SAIC entered into a Distribution Agreement (the “Distribution Agreement”), on September 25, 2013, which sets forth the Company’s agreements with New SAIC regarding the principal actions needed to be taken in connection with the separation and other agreements that govern certain aspects of the Company’s relationship with New SAIC following the separation. Prior to the separation, New SAIC was a wholly-owned subsidiary of Leidos.

In particular, the Distribution Agreement provides that, subject to the terms and conditions contained in the Distribution Agreement:

- All of the assets and liabilities (including whether accrued, contingent or otherwise, and subject to certain exceptions) associated with the New SAIC business are retained by or transferred to New SAIC.
- All other assets and liabilities (including whether accrued, contingent or otherwise, and subject to certain exceptions) of the Company are retained by the Company.
- New SAIC assumes or retains any liabilities (including under applicable federal and state securities laws) arising under or in connection with New SAIC registering New SAIC’s common stock distributed by the Company in the separation under the Exchange Act, subject to exceptions for certain information for which the Company will retain liability.
- New SAIC bears unknown liabilities that relate to the conduct of its business prior to the separation unless the total amount of losses (in excess of a \$5 million deductible per claim or related claims) from such liabilities is in excess of \$50 million, and such excess losses will be shared 70% by the Company and 30% by New SAIC. Liabilities arising out of contracts belonging to New SAIC (including breaches or liabilities resulting from failure to perform under the contract) are not shared. This sharing provision will terminate two years from the date of the separation or upon an announcement of a change of control (that is later consummated) of either the Company or New SAIC.
- The Company bears unknown liabilities that relate to the conduct of its business prior to the separation.
- The Company bears unknown liabilities that relate to a pre-separation event not arising out of either New SAIC’s business or the Company’s operating business unless the total amount of losses (in excess of a \$5 million deductible per claim or related claims) from such liabilities is in excess of \$50 million, and such excess losses will be shared 70% by the Company and 30% by New SAIC. This sharing provision will terminate two years from the date of the separation or upon an announcement of a change of control (that is later consummated) of either the Company or New SAIC.

Representations and Warranties. In general, neither the Company nor New SAIC makes any representations or warranties regarding any assets or liabilities transferred or assumed, any consents or approvals that may be required in connection with such transfers or assumptions, the value or freedom from any lien or other security interest of any assets transferred, the absence of any defenses relating to any claim of either party or the legal sufficiency of any conveyance documents, or any other matters. Except as expressly set forth in the Distribution Agreement or in any ancillary agreement, all assets are transferred on an “as is,” “where is” basis.

The Distribution. The Distribution Agreement governs the rights and obligations of the parties regarding the distribution and certain actions occurring prior to the proposed distribution.

Release of Claims. The Company and New SAIC have agreed to broad releases pursuant to which they will each release the other and certain related persons specified in the Distribution Agreement from any claims against any of them that arise out of or relate to events, circumstances or actions occurring or failing to occur or any conditions existing at or prior to the time of the distribution. These releases will be subject to certain exceptions.

Indemnification. The Company and New SAIC have agreed to indemnify each other and certain related persons specified in the Distribution Agreement against breaches of the Distribution Agreement and certain liabilities in connection with their respective businesses and as otherwise allocated to each of them in the Distribution Agreement. These indemnities are principally designed to place financial responsibility for the obligations and liabilities of New SAIC's business with New SAIC and financial responsibility for the obligations and liabilities of the Company's business with the Company. Specifically, each party will indemnify, defend and hold harmless the other party, its affiliates and subsidiaries and each of its officers, directors, employees and agents for any losses arising out of or due to:

- the failure to pay, perform or otherwise discharge any of the liabilities or alleged liabilities each such party assumed or retained pursuant to the Distribution Agreement; and
- any breach by such party of the Distribution Agreement or any ancillary agreement unless such ancillary agreement expressly provides for separate indemnification therein, in which case any such indemnification claims shall be made thereunder.

The amount of each party's indemnification obligations will be subject to reduction by any insurance proceeds received by the party being indemnified. The Distribution Agreement will also specify procedures with respect to claims subject to indemnification and related matters.

Insurance. New SAIC is responsible for obtaining and maintaining its own insurance coverage, although New SAIC will continue to have coverage under certain of the Company's pre-separation insurance policies for certain matters that occurred prior to the separation.

Allocation of Spin-Off Expenses. The Distribution Agreement provides that the Company is responsible for all of its and New SAIC's fees, costs and expenses incurred prior to the Distribution Date in connection with the separation. The Company and New SAIC will each pay its own fees, costs and expenses incurred following the separation.

Other Matters Governed by the Distribution Agreement. Other matters governed by the Distribution Agreement include access to financial and other information, access to and provision of records, intellectual property, confidentiality, treatment of outstanding guarantees and similar credit support and dispute resolution procedures.

Employee Matters Agreement

On September 25, 2013, the Company and New SAIC entered into an Employee Matters Agreement that sets forth their agreements as to certain employment, compensation and benefits matters. The Employee Matters Agreement provides for the allocation and treatment of assets and liabilities and responsibilities with respect to certain employee compensation and benefit plans and programs, and certain other employment matters. Generally, New SAIC assumed or retained liabilities relating to New SAIC's employees and the Company assumed or retained liabilities relating to the Company's employees. The Employee Matters Agreement also provides for the adjustment of outstanding equity awards to reflect the separation and the one-for-four reverse stock split of the Company's shares. In connection with the separation, under the terms of the Employee Matters Agreement, the performance period of certain awards was deemed completed, with a portion of the awards for the completed period vesting at actual performance as determined by the Company's compensation committee and the portion of the awards for the remaining period vesting at target. The awards are still subject to the same time-based vesting provisions that applied prior to the separation.

Tax Matters Agreement

On September 25, 2013, the Company and New SAIC entered into a Tax Matters Agreement that governs the respective rights, responsibilities and obligations of the Company and New SAIC after the separation with respect to tax liabilities and benefits, tax attributes, tax contests and other tax sharing regarding U.S. federal, state, local and foreign income taxes, other tax matters and related tax returns. As a former subsidiary of the Company, New SAIC has (and will

continue to have following the separation) joint and several liability with the Company to the IRS for the consolidated U.S. federal income taxes of the Company consolidated group relating to the taxable periods in which New SAIC was part of that group. However, the Tax Matters Agreement specifies the portion, if any, of this tax liability for which New SAIC bears responsibility, and the Company agrees to indemnify New SAIC against any amounts for which New SAIC is not responsible. The Tax Matters Agreement also provides special rules for allocating tax liabilities in the event that the spin-off is not tax-free.

Transition Services Agreement

On September 25, 2013, the Company and New SAIC entered into a Transition Services Agreement, under which the Company or its affiliates will provide New SAIC, and New SAIC or its affiliates will provide the Company, with certain services for a limited time to help ensure an orderly transition for each of New SAIC and the Company following the distribution.

Under the Transition Services Agreement, the Company and New SAIC will provide each other (or cause applicable third parties to provide) certain services, including information technology, financial, telecommunications, benefits support services and other specified services, on a transitional basis. The Company expects these services will be provided at cost, and these services are planned to extend for a period of six to eighteen months in most circumstances.

The foregoing description of these agreements does not purport to be complete and is qualified in its entirety by reference to the Distribution Agreement, Employee Matters Agreement, Tax Matters Agreement and Transition Services Agreement, copies of which are attached to this report as Exhibits 2.1, 10.1, 10.2 and 10.3, respectively.

Item 2.01. Completion of Acquisition or Disposition of Assets.

On September 27, 2013, the Company completed the previously announced separation from New SAIC. Effective as of 11:59 p.m., Eastern time, on September 27, 2013 (the "Distribution Date"), the common stock of New SAIC was distributed, on a pro rata basis, to the Company's stockholders of record as of September 19, 2013 (the "Record Date"). On the Distribution Date, each of the stockholders of the Company received one share of New SAIC for every seven shares of the Company's common stock held by such stockholder on the Record Date. The separation was completed pursuant to the Distribution Agreement.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers.

The information set forth in Item 1.01 above regarding the Employee Matters Agreement is incorporated herein by reference.

Dr. France A. Córdova, Mr. Jere A. Drummond and Mr. Thomas F. Frist, III, currently directors of the Company, resigned from the Board of Directors effective September 27, 2013.

Item 5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

On September 27, 2013, the Company amended its Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws to change the name of the Company from SAIC, Inc. to Leidos Holdings, Inc. and Science Applications International Corporation amended its Restated Certificate of Incorporation and Restated Bylaws to change its name from Science Applications International Corporation to Leidos, Inc.

The Company's Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws are filed as Exhibits 3.1 and 3.2 hereto, respectively. Science Applications International Corporation's Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws are filed as Exhibits 3.3 and 3.4 hereto, respectively.

Section 9 – Financial Statements and Exhibits

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Title</u>
2.1*	Distribution Agreement dated September 25, 2013
3.1	Amended and Restated Certificate of Incorporation of Leidos Holdings, Inc.
3.2	Restated Bylaws of Leidos Holdings, Inc.
3.3	Amended and Restated Certificate of Incorporation of Leidos, Inc.
3.4	Restated Bylaws of Leidos, Inc.
10.1	Employee Matters Agreement dated September 25, 2013
10.2	Tax Matters Agreement dated September 25, 2013
10.3	Transition Services Agreement dated September 25, 2013

* The schedules to this agreement are omitted pursuant to Item 601(b)(2) of Regulation S-K. The Company agrees to supplementally furnish to the Securities and Exchange Commission, upon request, a copy of any omitted schedule.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

LEIDOS HOLDINGS, INC.

By: /s/ Vincent A. Maffeo

Name: Vincent A. Maffeo

Title: Executive Vice President and General Counsel

LEIDOS, INC.

By: /s/ Vincent A. Maffeo

Name: Vincent A. Maffeo

Title: Executive Vice President and General Counsel

Dated: October 1, 2013

DISTRIBUTION AGREEMENT

by and between

SAIC, INC.

and

SAIC GEMINI, INC.

**Dated as of
September 25, 2013**

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DISTRIBUTION AGREEMENT

DISTRIBUTION AGREEMENT (this "Agreement"), dated as of September 25, 2013 by and between SAIC, Inc., a Delaware corporation ("SAIC" or "Leidos"), that will be known as Leidos Holdings, Inc. following the Distribution and SAIC Gemini, Inc., a Delaware corporation ("New SAIC"), that will be known as Science Applications International Corporation following the Distribution. Each of SAIC and New SAIC is sometimes referred to herein as a "Party" and, collectively, as the "Parties". Capitalized terms used and not defined herein shall have the meaning set forth in Section 1.1.

RECITALS:

WHEREAS, SAIC, acting through its direct and indirect Subsidiaries, currently conducts the Leidos Business and the New SAIC Business;

WHEREAS, the Board of Directors of SAIC (the "Board") has determined that it is appropriate, desirable and in the best interests of SAIC and its stockholders to separate SAIC into two separate, publicly traded companies, one for each of (i) the Leidos Business, which shall be owned and conducted, directly or indirectly, by Leidos and (ii) the New SAIC Business, which shall be owned and conducted, directly or indirectly, by New SAIC;

WHEREAS, in order to effect such separation, the Board has determined that it is appropriate, desirable and in the best interests of SAIC and its stockholders to undertake the Internal Reorganization and, following the completion of the Internal Reorganization, for SAIC to distribute *pro rata* to the Record Holders, all of the issued and outstanding shares of New SAIC Common Stock (the "Distribution");

WHEREAS, it is the intention of the Parties that the Distribution qualify as a tax-free distribution under Section 355 of the Internal Revenue Code of 1986, as amended (the "Code");

WHEREAS, it is the intention of the Parties that the contributions of New SAIC Assets to, and the assumption of New SAIC Liabilities by, New SAIC prior to the Internal Distribution, together with the Internal Distribution, qualify as a reorganization within the meaning of Section 368(a)(1)(D) and 355 of the Code.

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements, provisions and covenants contained in this Agreement, the Parties hereby agree as follows:

ARTICLE I DEFINITIONS AND INTERPRETATION

Section 1.1. General. As used in this Agreement, the following terms shall have the following meanings:

(1) "Action" shall mean any demand, action, claim, suit, countersuit, arbitration, inquiry, subpoena, case, litigation, proceeding or investigation (whether civil, criminal, administrative or investigative) by or before any court or grand jury, any Governmental Entity or any arbitration or mediation tribunal.

(2) “Affiliate” shall mean, when used with respect to any Person, another Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with such Person. For the purposes of this definition, “control”, when used with respect to any Person shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or other interests, by Contract or otherwise. It is expressly agreed that no Party or member of any Party’s Group shall be deemed to be an Affiliate of another Party or member of such other Party’s Group, regardless of whether the Parties have one or more directors in common or were under the common control of SAIC or SAIC’s stockholders prior to the Effective Time.

(3) “Ancillary Agreements” shall mean all of the written Contracts (other than this Agreement) entered into in connection with the transactions contemplated hereby, including the Transfer Instruments, the Transition Services Agreement, the Employee Matters Agreement, the Tax Matters Agreement, the Technology License Agreement, the IP Assignments, the Real Estate Agreements and the Master Transitional Contracting Agreement.

(4) “Assets” shall mean assets (including goodwill), properties, claims, Intellectual Property and other rights, wherever located (including in the possession of vendors or other third parties or elsewhere), of every kind, character and description, whether real, personal or mixed, tangible, intangible or contingent. Except as otherwise specifically set forth herein or in the Tax Matters Agreement, the rights and obligations of the Parties with respect to Taxes shall be governed by the Tax Matters Agreement and, therefore, the rights and obligations with respect to Taxes shall not be treated as Assets.

(5) “Business Day” means any day that is not a Saturday, a Sunday or any other day on which banks are required or authorized by Law to be closed in New York City or Virginia.

(6) “Claims Administration” shall mean the processing of claims made under the Company Policies, including the reporting of losses or claims to insurance carriers (including as a result of reports provided to Leidos by New SAIC), management and defense of claims, the settlement of claims and providing for appropriate releases upon settlement of claims.

(7) “Commission” shall mean the United States Securities and Exchange Commission.

(8) “Company Policies” shall mean all Policies, current or past, which are or at any time were maintained by or on behalf of or for the benefit or protection of Leidos or any of its predecessors which relate to the Leidos Business and/or the New SAIC Business, or current or past directors, officers, employees or agents of any of the foregoing Businesses, including the Policies identified on Schedule 10.1 hereto.

(9) “Confidential Information” shall mean all non-public, confidential or proprietary Information of or concerning a Party, its Group and/or its Subsidiaries or their past, current or future activities, businesses, finances, assets, liabilities or operations, including any such Information that was acquired by any Party after the Effective Time, or that was provided to a Party by a third party in confidence, except for any Information that is (i) in the public domain or available to the public through no fault of the receiving Party or its Subsidiaries, (ii) lawfully acquired after the Effective Time by such Party or its Subsidiaries from other sources not known to be subject to confidentiality obligations with respect to such Information or (iii) independently developed by the receiving Party after the Effective Time without reference to any Confidential Information.

(10) “Consents” shall mean any consents, waivers or approvals from, or notification requirements to, any Person other than a Governmental Entity.

(11) “Continuing Arrangements” shall mean those arrangements set forth on Schedule 1.1(11) and such other commercial arrangements between the Parties that are intended to survive and continue following the Effective Time.

(12) “Contract” shall mean any agreement, contract, subcontract, obligation, binding understanding, note, indenture, guarantee, instrument, option, lease, promise, arrangement, release, warranty, license, sublicense, insurance policy, benefit plan, purchase order or legally binding commitment or undertaking of any nature (whether written or oral and whether express or implied).

(13) “Corporate Liabilities” shall mean any and all Liabilities of SAIC and its Subsidiaries that (i) arise out of the conduct or operations of the business of SAIC or its Subsidiaries prior to the Effective Time and (ii) are not Leidos Liabilities or New SAIC Liabilities, including Liabilities arising out of (x) the activities and business of the SAIC corporate division as conducted at any time prior to the Effective Time or (y) any Discontinued Operation that was not part of either the Leidos Business or New SAIC Business.

(14) “Discontinued Operation” shall mean any operating group, business unit, operation, division, Subsidiary, line of business or investment managed or operated by SAIC or any of its Subsidiaries at any time prior to the Effective Time and sold, transferred or otherwise discontinued prior to the Effective Time.

(15) “Distribution Agent” shall mean Computershare Trust Company, NA.

(16) “Distribution Date” shall mean the date, as shall be determined by the Board, on which the Distribution occurs.

(17) “Effective Time” shall mean 11:59 p.m., New York time, on the Distribution Date.

(18) “Employee Matters Agreement” shall mean the Employee Matters Agreement by and between Leidos and New SAIC, dated as of the date hereof.

(19) “Entity” shall mean any corporation, partnership, limited liability company, joint venture or other entity which may legally hold title to Assets.

(20) “Environmental Laws” shall mean all Laws relating to pollution, protection of the environment, or protection against harmful or deleterious substances.

(21) “Final Determination” shall have the meaning set forth in the Tax Matters Agreement.

(22) “Force Majeure” shall mean, with respect to a Party, an event beyond the control of such Party (or any Person acting on its behalf), which by its nature could not have been foreseen by such Party (or such Person), or, if it could have been foreseen, was unavoidable, and includes acts of God, storms, floods, riots, labor unrest, pandemics, nuclear incidents, fires, sabotage, civil commotion or civil unrest, interference by civil or military authorities, acts of war (declared or undeclared) or armed hostilities or other national or international calamity or one or more acts of terrorism or failure of energy sources or distribution facilities.

(23) “Form 10” shall mean the registration statement on Form 10 (Registration No. 001-35832) filed by New SAIC with the Commission under the Securities Exchange Act of 1934, as amended, in connection with the Distribution, including all exhibits thereto and any amendment or supplement thereto.

(24) “Governmental Approvals” shall mean any notices or reports to be submitted to, or other registrations or filings to be made with, or any consents, approvals, licenses, permits or authorizations to be obtained from, any Governmental Entity.

(25) “Governmental Entity” shall mean any nation or government, any state, municipality or other political subdivision thereof and any entity, body, agency, commission, department, board, bureau or court, whether domestic, foreign or multinational, exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and any executive official thereof.

(26) “Group” shall mean (i) with respect to Leidos, the Leidos Group and (ii) with respect to New SAIC, the New SAIC Group.

(27) “Income Taxes” shall have the meaning set forth in the Tax Matters Agreement.

(28) “Indebtedness” shall mean, with respect to any Person, (i) the principal value, prepayment and redemption premiums and penalties (if any), unpaid fees and other monetary obligations in respect of any indebtedness for borrowed money, whether short term or long term, including all obligations evidenced by bonds, debentures, notes, other debt securities or similar instruments, (ii) any indebtedness arising under any capital leases (excluding, for the avoidance of doubt, any real estate leases), whether short term or long term, (iii) all liabilities secured by any lien on any assets of such Person, (iv) all liabilities under any swap or hedging arrangement, (v) all interest bearing indebtedness for the deferred purchase price of property or services, (vi) all liabilities under any letters of credit, performance bonds, bankers acceptances or similar obligations, (vii) all interest, prepayment or breakage costs, fees and other expenses owed with respect to indebtedness described in the foregoing clauses (i) through (vii), without duplication, all guarantees of indebtedness referred to in the foregoing clauses (i) through (vii).

(29) “Information” shall mean information and data in written, oral, electronic, computerized, digital or other tangible or intangible forms, stored in any media, including (i) books and records, whether accounting, legal or otherwise, ledgers, studies, reports, surveys, specifications, drawings, blueprints, diagrams, samples, flow charts, marketing plans, customer names and information, communications, correspondence, materials, product literature, files, documents, policies, procedures and manuals, research and analyses of any nature, including operational, technical or legal and (ii) financial and business information, including earnings reports and forecasts, macro-economic reports and forecasts, all cost information, sales and pricing data, business plans, market evaluations, surveys and credit-related information.

(30) “Information Statement” shall mean the Information Statement attached as an exhibit to the Form 10 to be sent to the Record Holders in connection with the Distribution, including any amendment or supplement thereto.

(31) “Insurance Proceeds” shall mean those monies (i) received by an insured from an insurance carrier or (ii) paid by an insurance carrier on behalf of an insured, in either case net of any applicable deductible or retention.

(32) “Insured Claims” shall mean those Liabilities that, individually or in the aggregate, are covered within the terms and conditions of any of the Company Policies, whether or not subject to deductibles, co-insurance, uncollectability or retrospectively-rated premium adjustments, but only to the extent that such Liabilities are within applicable Company Policy limits, including aggregates.

(33) “Intellectual Property” shall mean all worldwide intellectual property, proprietary and industrial property rights of any kind, including all (i) patents, patent applications, inventions and invention disclosures and utility models, (ii) Trademarks, (iii) copyrights and copyrightable subject matter, including software, code, algorithms, databases, compilations and documentation, (iv) technology, trade secrets, know-how, processes, formulae, models, methodologies, discoveries, ideas, concepts, techniques, designs, specifications, drawings, blueprints, diagrams, models and prototypes, (v) moral rights and rights of privacy and publicity, (vi) all registrations, applications, continuations, continuations-in-part, divisionals, reissues, re-examinations, substitutions, renewals, extensions and foreign counterparts thereof and (vii) all rights and remedies against infringement, misappropriation, or other violation of the foregoing prior to the Effective Time.

(34) “Internal Reorganization” shall mean the transactions described in Annex I.

(35) “Internal Distribution” shall have the meaning set forth in Annex I.

(36) “IP Assignments” shall mean (i) the short-form assignment documents executed for the purpose of recording the transfer of Intellectual Property applications and registrations with the United States Patent and Trademark Office and/or the United States Copyright Office and (ii) the IP Bill of Sale by and between Leidos and New SAIC, each as executed on the date hereof.

(37) “Law” shall mean any U.S. or non-U.S. federal, national, supranational, state, provincial, local or similar statute, law, ordinance, regulation, rule, code, income tax treaty, order, requirement or rule of law (including common law) or other binding directives of any Governmental Entity.

(38) “Leidos Assets” shall mean any and all Assets that are owned, leased or licensed, at or prior to the Effective Time, by SAIC and/or any of its Subsidiaries, that are not New SAIC Assets, including:

(i) all Assets of the operating sectors (including all groups and operations contained in such operating sectors) set forth on Schedule 1.1(38) (i) (the “Leidos Operating Group”);

(ii) any and all Assets that are expressly contemplated by this Agreement or any Ancillary Agreement as Assets which are to remain with (or be transferred to) Leidos or any other member of the Leidos Group;

(iii) the ownership interests in those Entities that are set forth on Schedule 1.1(38)(iii) (such entities, the “Leidos Entities”);

(iv) all rights, title and interest in and to the owned real property set forth on Schedule 1.1(38)(iv), including all land and land improvements, structures, buildings and building improvements, other improvements and appurtenances located thereon (the "Leidos Owned Property");

(v) all right, title and interest in, to and under the leases or subleases of the real property set forth on Schedule 1.1(38)(v) (the "Leidos Leases"), including, to the extent provided for in any Leidos Lease, any land and land improvements, structures, buildings and building improvements, other improvements and appurtenances located thereon;

(vi) all fixtures, machinery, equipment, apparatuses, computer hardware and other electronic data processing and communications equipment, tools, instruments, furniture, office equipment, automobiles, trucks and other transportation equipment and other tangible personal property located at the Leidos Real Property or the locations subject to the Leidos Leases, except for the New SAIC Personal Equipment;

(vii) all personal computers, cellular phones, personal data devices, chairs and other office equipment used primarily by a Leidos Group Employee (as defined in the Employee Matters Agreement (the "Leidos Personal Equipment"));

(viii) all inventories, including products, goods, materials, parts, raw materials, work in process and supplies;

(ix) all Leidos Contracts and any rights or claims arising thereunder;

(x) (A) the Intellectual Property registrations and applications and the items of unregistered Intellectual Property set forth on Schedule 1.1(38)(x); (B) all other Intellectual Property relating primarily to, used primarily in, or arising primarily from the Leidos Business (for the avoidance of doubt, except as set forth in clause (x) of the definition of New SAIC Assets); (C) any and all other Intellectual Property of SAIC or its Subsidiaries not expressly assigned to New SAIC under this Agreement and/or the Ancillary Agreements; and (D) all physical, tangible and other materials (including source code and website content) embodying any of the foregoing in (A), (B) or (C);

(xi) all licenses, permits, approvals and authorizations which have been issued by any Governmental Entity;

(xii) all Information that is not New SAIC Information (the "Leidos Information"); provided that regardless of whether Information is New SAIC Information or Leidos Information, if Leidos (or a Leidos Group Employee (as defined in the Employee Matters Agreement)) in possession of such Information as of the Effective Time, Leidos shall retain such Information (subject to Section 8.3);

(xiii) all deposits, prepaid expenses, letters of credit and performance and surety bonds;

(xiv) all bonds, notes, debentures or other debt securities issued by any Person and held by any member of the Leidos Group, all loans, advances or other extensions of credit or capital contributions to any Person on the books of any member of the Leidos Group and all other investments in securities of any Person held by any member of the Leidos Group;

(xv) subject to Article X (Insurance), any rights of any member of the Leidos Group under any Policies, including any rights thereunder arising after the Effective Time in respect of any Company Policies and all rights in the nature of insurance, indemnification or contribution;

(xvi) the Assets set forth on Schedule 1.1(38)(xvi);

(xvii) the Leidos Sharing Percentage of any Shared Contingent Asset; and

(xviii) any claims, counterclaims, setoffs, rights of recoupment, equity rights or defenses, whether known or unknown, that Leidos and/or any of its Subsidiaries may have with respect to any Leidos Assets and Leidos Liabilities.

Notwithstanding the foregoing, the Leidos Assets shall not include any Assets that are expressly contemplated by this Agreement or by any Ancillary Agreement (or the Schedules hereto or thereto) as Assets to be Transferred to any member of the New SAIC Group, including any Assets specified in the definition of New SAIC Assets.

(39) "Leidos Business" shall mean (i) the businesses of the Leidos Operating Group whether conducted prior to, at or after the Effective Time and (ii) any and all businesses of the Leidos Group after the Effective Time (including any businesses acquired or established by or for Leidos or any of its Subsidiaries after the Effective Time).

(40) "Leidos Common Stock" shall mean the common stock of SAIC, par value \$0.0001 per share.

(41) "Leidos Contracts" shall mean any Contract, in each case except for any such Contract or part thereof that is a New SAIC Contract, to which Leidos or any of its Subsidiaries (other than members of the New SAIC Group) is a party as of the date hereof or becomes a party prior to the Effective Time or becomes a party after the Effective Time in respect of quotations, proposals and bids that were pending as of the date hereof or by which it or any of its Subsidiaries or any of their respective Assets is bound as of the date hereof or becomes bound prior to the Effective Time, including:

(i) any Contract entered into in the name of, or expressly on behalf of, any Leidos Entity or Leidos Operating Group (or sub-division thereof);

(ii) any Contract that relates primarily to the Leidos Business, including any contract providing for the acquisition or disposition of a Leidos Entity or any Leidos Assets;

(iii) any Contract that represents, underlies or relates primarily to any Leidos Assets or Leidos Liabilities;

(iv) any Contract or part thereof that is otherwise expressly contemplated pursuant to this Agreement or any of the Ancillary Agreements to be assigned to any member of the Leidos Group;

(v) any guarantee, indemnity, representation or warranty of or in favor of any member of the Leidos Group; and

(vi) each Contract (or part thereof) identified as a Leidos Contract in the Master Transactional Contracting Agreement and attachments thereto.

(42) "Leidos Disclosure Sections" shall mean the sections of the Form 10 identified on Schedule 1.1(42).

(43) "Leidos Group" shall mean Leidos, the Leidos Entities and each Entity that becomes a Subsidiary of Leidos after the Effective Time.

(44) "Leidos Indemnitees" shall mean each member of the Leidos Group and each of their respective Affiliates from and after the Effective Time and each member of the Leidos Group's and such Affiliates' respective directors, officers, employees and agents and each of the heirs, executors, successors and assigns of any of the foregoing.

(45) "Leidos Liabilities" shall mean any and all Liabilities to the extent arising out of: (a) the operation or conduct of the Leidos Business, as conducted at any time prior to, at or after the Effective Time (including any Liability relating to, arising out of or resulting from any act or failure to act by any director, officer, employee, agent or representative (whether or not such act or failure to act is or was within such Person's authority) of the Leidos Group which relates to the Leidos Business); (b) the operation or conduct of any business conducted by any member of the Leidos Group at any time after the Effective Time (including any Liability relating to, arising out of or resulting from any act or failure to act by any director, officer, employee, agent or representative (whether or not such act or failure to act is or was within such Person's authority) of the Leidos Group which relates to the Leidos Business); or (c) any Leidos Assets, whether arising prior to, at or after the Effective Time; and each of the following Liabilities (whether arising prior to, at or after the Effective Time):

(i) any Liabilities to the extent arising out of the Leidos Contracts;

(ii) any Corporate Liability, except to the extent it is a Shared Corporate Liability (and then shared as provided in clause (iii) below);

(iii) the Leidos Sharing Percentage of any Shared Contingent Liability;

(iv) any Liabilities to the extent arising out of any (x) Actions or disputes related to the Leidos Business and (y) Actions or disputes set forth on Schedule 1.1(45)(iv) (which scheduled matters may not all relate to the Leidos Business);

(v) any Liabilities assumed or retained by the Leidos Group pursuant to this Agreement or the Ancillary Agreements;

(vi) any Liabilities to the extent arising out of any infringement by the Leidos Business of the Intellectual Property of any other Person or breach by the Leidos Business of any Contract relating to Intellectual Property;

(vii) any Liabilities to the extent arising out of any (A) violation prior to the Effective Time of any Environmental Laws by the Leidos Group or the conduct of the Leidos Business, (B) use, treatment, or disposal prior to the Effective Time of Materials of Environmental Concern by or on behalf of the Leidos Group or in the conduct of the Leidos Business or (C) presence of Materials of Environmental Concern at, or release of Materials of Environmental Concern from any Leidos Assets;

(viii) any Liabilities to the extent arising out of any Discontinued Operation that was related to the Leidos Business;

(ix) any Liabilities arising out of untrue statement or alleged untrue statement of a material fact or omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading, with respect to all information contained in, or incorporated by reference into, the Leidos Disclosure Sections; and

(x) Specified Shared Expenses to the extent provided in Section 5.3.

Notwithstanding the foregoing, the Leidos Liabilities shall not include any Liabilities that are (A) expressly contemplated by this Agreement or by any Ancillary Agreement (or the Schedules hereto or thereto) as Liabilities to be assumed by any member of the New SAIC Group, including any Liabilities specified in the definition of New SAIC Liabilities or (B) expressly discharged pursuant to Section 7.1 of this Agreement.

For the avoidance of doubt, no Liability shall be a Leidos Liability solely as a result of Leidos being named as party to or in any Action relating to any New SAIC Liability due to Leidos' status as the remaining and legacy Entity, or as a result of its status as the former direct or indirect stockholder of any Entity.

(46) "Leidos Sharing Percentage" shall mean seventy percent (70%).

(47) "Liabilities" shall mean any and all Indebtedness, liabilities, costs, expenses, interest and obligations, whether accrued or fixed, absolute or contingent, matured or unmatured, reserved or unreserved, or determined or determinable, including those arising under any Law, claim, demand, Action, whether asserted or unasserted, or order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Entity and those arising under any Contract or any fines, damages or equitable relief which may be imposed and including all costs and expenses related thereto. Except as otherwise specifically set forth herein or in the Tax Matters Agreement, the rights and obligations of the Parties with respect to Taxes shall be governed by the Tax Matters Agreement and, therefore, the rights and obligations relating to Taxes shall not be treated as Liabilities for purposes of this Agreement.

(48) "LIBOR" shall mean the rate (as shown on the Reuters Screen LIBOR 01 Page (or on any successor or substitute page or Reuters, or any successor or substitute for Reuters, providing rate quotations comparable to those currently provided on such page of Reuters) at approximately 11:00 a.m., London time, of the applicable day, for dollar deposits with a six month maturity.

(49) "Loss" shall mean any and all damages, losses, deficiencies, Liabilities, obligations, penalties, judgments, settlements, claims, payments, fines, administrative penalties, interest, costs and expenses (including the costs and expenses of any and all Actions and demands, assessments, judgments, settlements and compromises relating thereto and the reasonable costs and expenses of attorneys', accountants', consultants' and other professionals' fees and expenses incurred in the investigation or defense thereof or the enforcement of rights

hereunder), excluding (A) special, consequential, reputational, indirect or punitive damages (other than special, consequential, indirect, reputational and/or punitive damages (x) awarded by a court of competent jurisdiction in connection with a Third Party Claim (and in such a case, only to the extent awarded in such Third Party Claim) or (y) resulting from a breach of Section 5.6 (*City Time*)) and (B) Liabilities or requirements related to Taxes.

(50) "Master Transitional Contracting Agreement" shall mean the Master Transitional Contracting Agreement, by and between Leidos and New SAIC, dated as of the date hereof.

(51) "Materials of Environmental Concern" shall mean: any gasoline or petroleum (including crude oil or any fraction thereof) products, polychlorinated biphenyls, urea-formaldehyde insulation, asbestos, pollutants, contaminants, molds, and radioactivity; any substance classified or regulated as hazardous or toxic (or words of similar meaning); and any other substances regulated pursuant to or that could give rise to liability under any applicable Environmental Law.

(52) "New SAIC Assets" shall mean those Assets that are owned, leased or licensed, at or prior to the Effective Time, by SAIC and/or any of its Subsidiaries, relating primarily to, used primarily in, or arising primarily from, the New SAIC Business, and shall include:

(i) all Assets of the operating group (including all sectors, business units, and operations within such operating group) set forth on Schedule 1.1(52)(i) (the "New SAIC Operating Group");

(ii) any and all Assets reflected in the New SAIC Balance Sheet Accounts or the accounting records supporting such balance sheet accounts and any Assets acquired by or for New SAIC or any member of the New SAIC Group at or prior to the Effective Time which, had they been recorded immediately when acquired and owned as of such date, would have been reflected in the New SAIC Balance Sheet Accounts if prepared on a consistent basis;

(iii) the ownership interests in those Entities that are set forth on Schedule 1.1(52)(iii) (such entities, the "New SAIC Entities");

(iv) the Assets set forth on Schedule 1.1(52)(iv) and any and all other Assets that are expressly contemplated by this Agreement or any Ancillary Agreement as Assets which have been or are to be Transferred to New SAIC or any other member of the New SAIC Group;

(v) all rights, title and interest in and to the owned real property set forth on Schedule 1.1(52)(v), including all land and land improvements, structures, buildings and building improvements, other improvements and appurtenances located thereon (the "New SAIC Owned Property");

(vi) all rights, title and interest in, and to and under the leases or subleases of the real property set forth on Schedule 1.1(52)(vi) (the "New SAIC Leases") including, to the extent provided for in the New SAIC Leases, any land and land improvements, structures, buildings and building improvements, other improvements and appurtenances;

(vii) all fixtures, machinery, equipment, apparatuses, computer hardware and other electronic data processing and communications equipment, tools, instruments, furniture, office equipment, automobiles, trucks and other transportation equipment and other tangible personal property located at the New SAIC Owned Property or the locations subject to the New SAIC Leases, except for the Leidos Personal Equipment;

(viii) all personal computers, cellular phones, personal data devices, chairs and other office equipment used primarily by a New SAIC Group Employee (as defined in the Employee Matters Agreement (the "New SAIC Personal Equipment"));

(ix) all inventories, including products, goods, materials, parts, raw materials, work-in-process and supplies, relating primarily to, used primarily in, or arising primarily from, the New SAIC Business;

(x) all New SAIC Contracts and any rights or claims arising thereunder;

(xi) (A) all Intellectual Property registrations and applications and the items of unregistered Intellectual Property set forth on Schedule 1.1(52)(xi), (B) all other Intellectual Property relating primarily to, used primarily in, or arising primarily from the New SAIC Business, and (C) all physical, tangible and other materials (including source code and website content) embodying any of the foregoing in (A) or (B);

(xii) all licenses, permits, approvals and authorizations which have been issued by any Governmental Entity and which relate primarily to, are used primarily in, or arise primarily from, the New SAIC Business;

(xiii) all Information relating primarily to, used primarily in, or arising primarily from, the New SAIC Business (the "New SAIC Information"); provided that regardless of whether Information is New SAIC Information or Leidos Information, if New SAIC (or a New SAIC Group Employee (as defined in the Employee Matters Agreement)) in possession of such Information as of the Effective Time, New SAIC shall retain such Information (subject to Section 8.3);

(xiv) all deposits, prepaid expenses, letters of credit and performance and surety bonds relating primarily to, used primarily in, or arising primarily from, the New SAIC Business;

(xv) subject to Article X (Insurance), any rights of any member of the New SAIC Group under any Policies, including any rights thereunder arising after the Effective Time in respect of any Policies that are occurrence policies and all rights in the nature of insurance, indemnification or contribution; provided that ownership of the Company Policies shall remain with the Leidos Group;

(xvi) the New SAIC Sharing Percentage of any Shared Contingent Asset; and

(xvii) any claims, counterclaims, setoffs, rights of recoupment, equity rights or defenses, whether known or unknown, that Leidos and/or any of its Subsidiaries may have with respect to any New SAIC Assets and New SAIC Liabilities.

Notwithstanding the foregoing, the New SAIC Assets shall not include any Assets that are expressly contemplated by this Agreement or by any Ancillary Agreement (or the Schedules hereto or thereto) as Assets to be retained by or Transferred to any member of the Leidos Group, including any Assets specified in the definition of Leidos Assets.

(53) “New SAIC Balance Sheet Accounts” shall mean (i) the accounts established in SAIC’s CostPoint accounting system and identified therein as of the Effective Time as accounts with balances attributable to New SAIC by an alpha-numeric account code beginning with “S” as set forth in Schedule 1.1(53), and (ii) such additional accounts as may be designated as such “S” accounts by mutual agreement of the Parties after the Effective Time.

(54) “New SAIC Business” shall mean the (i) businesses of providing technical, engineering and enterprise information technology services as described in the Form 10 and as conducted through the New SAIC Operating Group prior to the Effective Time and (ii) any and all businesses of the New SAIC Group after the Effective Time (including any businesses acquired or established by or for New SAIC or any of its Subsidiaries after the Effective Time).

(55) “New SAIC Common Stock” shall mean the common stock of New SAIC, par value \$0.0001 per share.

(56) “New SAIC Contracts” shall mean the following Contracts to which SAIC or any of its Subsidiaries (including New SAIC) (x) is a party as of the date hereof (or in the case of any Contract that has been fully performed, was a party prior to the date hereof), (y) becomes a party prior to the Effective Time or (z) becomes a party after the Effective Time in respect of quotations, proposals and bids that were pending as of the date hereof or by which it or any of its Subsidiaries or any of their respective Assets is bound as of the date hereof or becomes bound prior to the Effective Time:

(i) any Contract entered into in the name of, or expressly on behalf of, any New SAIC Entity or the New SAIC Operating Group (or any sub-division thereof);

(ii) any Contract that relates primarily to the New SAIC Business, including (A) any Contract that has been fully performed, (B) and Contract that is no longer executory or otherwise remains in effect although is no longer active and (C) any Contract providing for the acquisition or disposition of a New SAIC Entity or New SAIC Assets;

(iii) any Contract that relates primarily to the New SAIC Business that was awarded after the Effective Date and for which the quotation, proposal, or bid was pending as of the date hereof;

(iv) any Contract or part thereof that is otherwise expressly contemplated pursuant to this Agreement or any of the Ancillary Agreements to be assigned to any member of the New SAIC Group; and

(v) any guarantee, indemnity, representation or warranty of or in favor of any member of the New SAIC Group; and

(vi) each Contract (or part thereof) identified as a New SAIC Contract in the Master Transactional Contracting Agreement and attachments thereto.

(57) “New SAIC Dividend” shall mean the \$295 million dividend by New SAIC to SAIC from the cash proceeds from the New SAIC Financing.

(58) “New SAIC Financing” shall mean the \$500,000,000 5-Year Term Loan Facility entered into by New SAIC prior to the Effective Time.

(59) “New SAIC Group” shall mean New SAIC, the other New SAIC Entities and each Entity that becomes a Subsidiary of New SAIC after the Effective Time.

(60) “New SAIC Indemnitees” shall mean each member of the New SAIC Group and each of their respective Affiliates from and after the Effective Time and each member of the New SAIC Group’s and such respective Affiliates’ respective directors, officers, employees and agents and each of the heirs, executors, successors and assigns of any of the foregoing.

(61) “New SAIC Liabilities” shall mean any and all Liabilities to the extent arising out of: (a) the operation or conduct of the New SAIC Business, as conducted at any time prior to, at or after the Effective Time (including any Liability relating to, arising out of or resulting from any act or failure to act by any director, officer, employee, agent or representative (whether or not such act or failure to act is or was within such Person’s authority) of the New SAIC Group which relates to the New SAIC Business); (b) the operation or conduct of any business conducted by any member of the New SAIC Group at any time after the Effective Time (including any Liability relating to, arising out of or resulting from any act or failure to act by any director, officer, employee, agent or representative (whether or not such act or failure to act is or was within such Person’s authority) of the New SAIC Group which relates to the New SAIC Business); or (c) any New SAIC Assets, whether arising prior to, at or after the Effective Time; and each of the following Liabilities (whether arising prior to, at or after the Effective Time):

(i) any Liabilities reflected in the New SAIC Balance Sheet Accounts or the accounting records supporting such balance sheet accounts and any Liabilities incurred by or for New SAIC or any member of the New SAIC Group at or prior to the Effective Time which, had they been immediately recorded when incurred, would have been reflected in the New SAIC Balance Sheet Accounts if prepared on a consistent basis;

(ii) any Liabilities to the extent arising out of the New SAIC Contracts;

(iii) the New SAIC Sharing Percentage of any Shared Contingent Liability;

(iv) any Liabilities to the extent arising out of Actions or disputes related to the New SAIC Business, including as set forth on Schedule 1.1(61)(iv) (such scheduled Actions and disputes, the “Known New SAIC Liabilities”);

(v) any Liabilities assumed or retained by the New SAIC Group pursuant to this Agreement or the Ancillary Agreements;

(vi) any Liabilities to the extent arising out of any infringement by the New SAIC Business of the Intellectual Property of any other Person or breach by the New SAIC Business of any Contract relating to Intellectual Property;

(vii) all Liabilities to the extent arising out of any (A) violation prior to the Effective Time of any Environmental Laws by the New SAIC Group, or the conduct of the New SAIC Business, (B) use, treatment, or disposal prior to the Effective Time of Materials of Environmental Concern by or on behalf of the New SAIC Group, or in the conduct of the New SAIC Business or (C) presence of Materials of Environmental Concern at, or release of Materials of Environmental Concern from, any New SAIC Assets;

(viii) for the avoidance of doubt, any Liabilities to the extent arising out of the operation or conduct of the New SAIC Business by any Entity that is a Leidos Entity under this Agreement but has conducted the New SAIC Business at any time prior to the Effective Time;

(ix) any Liabilities to the extent arising out of any untrue statement or alleged untrue statement of a material fact or omission or alleged omission to state a material fact necessary to make the statements therein not misleading, with respect to all information contained in, or incorporated by reference into, the Form 10 and any other document filed with the Commission by New SAIC in connection with the Distribution or as contemplated by this Agreement, other than with respect to the Leidos Disclosure Sections; and

(x) Specified Shared Expenses to the extent provided in Section 5.3; and

Notwithstanding the foregoing, the New SAIC Liabilities shall not include any Liabilities that are expressly (A) contemplated by this Agreement or by any Ancillary Agreement (or the Schedules hereto or thereto) as Liabilities to be retained or assumed by any member of the Leidos Group, including any Liabilities specified in the definition of Leidos Liabilities, or (B) expressly discharged pursuant to Section 7.1 of this Agreement. For the avoidance of doubt, no Liability shall be a New SAIC Liability solely as a result of New SAIC being named as party to or in any Action relating to any Leidos Liability due to New SAIC's use and continuation of the SAIC name.

(62) "New SAIC Sharing Percentage" shall mean thirty percent (30%).

(63) "NYSE" shall mean the New York Stock Exchange.

(64) "Person" shall mean any natural person, firm, individual, corporation, business trust, joint venture, association, company, limited liability company, partnership or other organization or entity, whether incorporated or unincorporated, or any Governmental Entity.

(65) "Policies" shall mean insurance policies and insurance contracts of any kind (other than life and employee benefits policies or contracts), including primary, excess and umbrella policies, commercial general liability policies, fiduciary liability, automobile, aircraft, property and casualty, workers' compensation and employee dishonesty insurance policies and bonds, together with the rights, benefits and privileges thereunder.

(66) "Qualifying Losses" shall mean the Losses arising from or relating to a claim (or series of related claims arising from the same set of facts or circumstances) in which the total amount of Losses are in excess of \$5,000,000 solely to the extent such Losses are in excess of \$5,000,000.

(67) "Real Estate Agreements" mean those (x) subleases between a member of the Leidos Group and New SAIC, (y) assignment and assumption agreements between the landlord, a member of the Leidos Group and New SAIC (whether or not entered into as of the date hereof) and (z) licenses between a member of the Leidos Group and New SAIC, in each case as set forth on Schedule 1.1(67).

- (68) “Record Date” shall mean the date, as determined by the Board, that is the record date for determining the holders of Leidos Common Stock entitled to receive New SAIC Common Stock in the Distribution.
- (69) “Record Holders” shall mean holders of Leidos Common Stock as of 5 p.m., New York time, on the Record Date.
- (70) “Records” shall mean any Contracts, documents, books, records or files, whether in written, electronic, computerized, digital or other tangible or intangible forms or stored in any media.
- (71) “Shared Contingent Assets” shall mean any of the Assets set forth on Schedule 1.1(71).
- (72) “Shared Contingent Liabilities” shall mean any (i) Shared New SAIC Liability or (ii) Shared Corporate Liability.
- (73) “Shared New SAIC Liability” shall mean the aggregate amount of all Qualifying Losses to the extent such amount is in excess of \$50,000,000, which Qualifying Losses (x) are New SAIC Liabilities arising out of the operation or conduct of the New SAIC Business as conducted prior to the Effective Time and (y) arise from claims made after the Effective Time and prior to the second anniversary of the Distribution Date; provided that in no event shall a Shared New SAIC Liability include any (i) New SAIC Liabilities to the extent arising out of a New SAIC Contract (including breaches or liabilities resulting from failure to perform under such Contract) and (ii) Known New SAIC Liability (as set forth on Schedule 1.1(61)(iv)).
- (74) “Shared Corporate Liability” shall mean the aggregate amount of all Qualifying Losses to the extent such amount is in excess of \$50,000,000, which Qualifying Losses arise from a Corporate Liability.
- (75) “Sharing Percentage” shall mean (i) as to Leidos, the Leidos Sharing Percentage and (ii) as to New SAIC, the New SAIC Sharing Percentage.
- (76) “Specified Shared Expenses” shall mean any costs and expenses relating to the Shared Contingent Liabilities and shall be shared in the manner specified in Section 5.3.
- (77) “Subsidiary” shall mean with respect to any Person (i) a corporation, fifty percent (50%) or more of the voting or capital stock of which is, as of the time in question, directly or indirectly owned by such Person and (ii) any other Person in which such Person, directly or indirectly, owns fifty percent (50%) or more of the equity or economic interest thereof or has the power to elect or direct the election of fifty percent (50%) or more of the members of the governing body of such entity.
- (78) “Tax” shall have the meaning set forth in the Tax Matters Agreement.
- (79) “Tax Contest” shall have the meaning of the definition of “Audit” as set forth in the Tax Matters Agreement.
- (80) “Tax Matters Agreement” shall mean the Tax Matters Agreement by and between Leidos and New SAIC, dated as of the date hereof.

(81) “Tax Return” shall have the meaning set forth in the Tax Matters Agreement.

(82) “Technology License Agreement” shall mean the Technology License Agreement by and between Leidos and New SAIC, dated as of the date hereof.

(83) “Trademarks” shall mean trademarks, service marks, corporate names, trade names, domain names, logos, slogans, designs, social media identifiers, trade dress and other designations of source or origin, together with the goodwill symbolized by any of the foregoing.

(84) “Transfer” shall mean transfer, contribute, distribute, assign, and/or convey (and deliver, as applicable), or cause to be transferred, contributed, distributed, assigned, and/or conveyed (and delivered, as applicable).

(85) “Transition Services Agreement” shall mean the Master Transition Services Agreement by and between Leidos and New SAIC, as dated of the date hereof.

(86) “Transfer Instruments” shall mean, collectively, the various Contracts, resolutions and other documents heretofore entered into and to be entered into to effect the Transfer of Assets and the assumption of Liabilities in the manner contemplated by this Agreement, or otherwise relating to, arising out of or resulting from the transactions contemplated by this Agreement, in such form or forms as the applicable Parties thereto agree.

Section 1.2. References; Interpretation. References in this Agreement to any gender include references to all genders, and references to the singular include references to the plural and vice versa. Unless the context otherwise requires, the words “include”, “includes” and “including” when used in this Agreement shall be deemed to be followed by the phrase “without limitation”. Unless the context otherwise requires, references in this Agreement to Articles, Sections, Annexes, Exhibits and Schedules shall be deemed references to Articles and Sections of, and Annexes, Exhibits and Schedules to, this Agreement. Unless the context otherwise requires, the words “hereof”, “hereby” and “herein” and words of similar meaning when used in this Agreement refer to this Agreement in its entirety and not to any particular Article, Section or provision of this Agreement. The words “written request” when used in this Agreement shall include email. In the event of any inconsistency or conflict which may arise in the application or interpretation of any of the definitions set forth in Section 1.1, for the purpose of determining what is and is not included in such definitions, any item explicitly included on a Schedule referred to in any such definition shall take priority over any provision of the text thereof.

ARTICLE II

THE SEPARATION

Section 2.1. General. Subject to the terms and conditions of this Agreement, the Parties shall use, and shall cause their respective Affiliates to use, their respective commercially reasonable efforts to consummate the transactions contemplated hereby, including the Internal Reorganization.

Section 2.2. Restructuring; Transfer of Assets; Assumption of Liabilities.

(a) Internal Reorganization. Prior to the Effective Time, the Internal Reorganization shall be completed.

(b) Transfer of Assets and Assumption of Liabilities. Prior to the Internal Distribution, pursuant to the Transfer Instruments (except as otherwise specifically set forth in any Ancillary Agreement), Leidos shall, or shall cause the applicable members of the Leidos Group to, Transfer to the applicable members of the New SAIC Group all of their right, title and interest in and to the New SAIC Assets, and New SAIC shall, or shall cause the applicable members of the New SAIC Group to, assume all the New SAIC Liabilities.

(c) Transfers and Assumptions Occurring After the Effective Time. Notwithstanding anything herein to the contrary, the Parties acknowledge that certain Transfers of Assets or assumption of Liabilities (as may be provided herein or under the Ancillary Agreements) shall occur after the Effective Time.

(d) Consents. The Parties shall use their commercially reasonable efforts to obtain from any Governmental Entity or other third party any Consents required to Transfer any of the New SAIC Assets as contemplated by this Agreement.

(e) Costs and Expenses. Any costs and expenses incurred after the Effective Time and on or prior to the second anniversary of the Distribution Date to effect any Transfer of Assets or Assumption of Liabilities contemplated by this Agreement (including any out-of-pocket costs and expenses to obtain any required Consents) shall be borne by Leidos, with any such costs and expenses incurred following such second anniversary to be the exclusive responsibility of the Party incurring such costs. Other than costs and expenses incurred and reimbursed in accordance with the foregoing, nothing in this Section 2.2 shall require any member of either Group to incur any material obligation or grant any material concession for the benefit of any member of the other Group in order to effect any such Transfer contemplated by this Section 2.2.

(f) No Transfers in Violation of Law or Breach of Contract. Notwithstanding anything herein to the contrary, no Contract or other Asset shall be transferred if it would violate applicable Law or, in the case of any Contract, the rights of any third party to such Contract or the terms of such Contract.

Section 2.3. Treatment of Shared Contracts. Without limiting the generality of the obligations set forth in Section 2.2:

(a) Unless the Parties otherwise agree or the benefits of any Contract described in this Section are expressly conveyed to the applicable Party pursuant to an Ancillary Agreement (including the Master Transitional Contracting Agreement), any Contract that is (1) a Leidos Asset but inures in part to the benefit or burden of any member of the New SAIC Group, or (2) a New SAIC Asset but inures in part to the benefit or burden of any member of the Leidos Group (each, a "Shared Contract"), shall be assigned in part to the applicable member(s) of the applicable Group, if so assignable, or appropriately amended prior to, on or after the Effective Time, so that each member of the New SAIC Group or the Leidos Group, as the case may be, shall be entitled to the rights and benefits, and shall assume the related portion of any Liabilities, inuring to the New SAIC Business or the Leidos Business, respectively; provided, however, that (x) in no event shall any member of any Group be required to assign (or amend) any Shared Contract in its entirety or to assign a portion of any Shared Contract which is not assignable (or cannot be amended) by its terms (including any terms imposing consents or conditions on an assignment where such consents or conditions have not been obtained or fulfilled) and (y) if any Shared Contract cannot be so partially assigned by its terms or otherwise, cannot be amended or has not for any other reason been assigned or amended, or if such assignment or amendment would impair the benefit the parties thereto derive from such Shared Contract, (A) at the reasonable request of the Party (or the member of such Party's Group) to which the benefit of such Shared Contract inures in part, the Party for which such Shared Contract is, as applicable, a Leidos Asset or New SAIC Asset shall, and shall cause each of its respective Subsidiaries to, for a period ending on the earlier of two (2) years after the Distribution Date and the end of the term of such Shared Contract (without any extensions or renewals),

take such other reasonable and permissible actions to cause such member of the New SAIC Group or the Leidos Group, as the case may be, to receive the benefit of that portion of each Shared Contract that relates to the New SAIC Business or the Leidos Business, as the case may be (in each case, to the extent so related) as if such Shared Contract had been assigned to (or amended to allow) a member of the applicable Group pursuant to this Section 2.3 and to bear the burden of the corresponding Liabilities (including any Liabilities that may arise by reason of such arrangement) as if such Liabilities had been assumed by a member of the applicable Group pursuant to this Section 2.3 and (B) the Party to which the benefit of such Shared Contract inures in part shall use commercially reasonable efforts to enter into a separate contract pursuant to which it procures such rights and obligations as are necessary such that it no longer needs to avail itself of the arrangements provided pursuant to this Section 2.3(a); provided that, other than in the event of willful breach or misconduct, knowing violation of Law, fraud, willful misrepresentation, or gross negligence of the Party for which such Shared Contract is, as applicable, a Leidos Asset or New SAIC Asset, such Party, and such Party's applicable Subsidiaries shall not be liable for any actions or omissions taken in accordance with clause (y) of this Section 2.3(a).

(b) Each of Leidos and New SAIC shall, and shall cause the members of its Group to, (A) treat for all Income Tax purposes the portion of each Shared Contract inuring to the Leidos Business or New SAIC Business, as the case may be, as Assets owned by, and/or Liabilities of, as applicable, such Party as of the Effective Time and (B) neither report nor take any Income Tax position (on a Tax Return or otherwise) inconsistent with such treatment (unless required by a change in applicable Tax Law or good faith resolution of a Tax Contest relating to Income Taxes).

Section 2.4. Intercompany Accounts; Cash Management.

(a) Except as set forth in Section 7.1(b), all (i) intercompany receivables, payables and loans (other than receivables, payables and loans otherwise specifically provided for under this Agreement, under any Ancillary Agreement or under any Continuing Arrangements, and other than payables created or required hereby or by any Ancillary Agreement or any Continuing Arrangements), if any, and (ii) intercompany balances, including in respect of any cash balances, any cash balances representing deposited checks or drafts or any cash held in any centralized cash management system between any member of the Leidos Group, on the one hand, and any member of the New SAIC Group, on the other hand, which exist and are reflected in the accounting records of the relevant Parties immediately prior to the Effective Time, shall be settled or converted into an ordinary trade payable (which shall survive the Effective Time, notwithstanding anything herein (including Section 7.1) to the contrary), in each case as of the Effective Time, as may be agreed prior to the Effective Time by SAIC and/or New SAIC. Each of the Parties shall, and shall cause their respective Subsidiaries to, take all actions and do all things reasonably necessary on its part, or such Subsidiaries' part, under applicable Law or contractual obligations to consummate and make effective the transactions contemplated by such agreement or agreements in respect of such settlements or capitalizations.

(b) As between the Parties (and the members of their respective Group) all payments and reimbursements received after the Effective Time by one Party (or member of its Group) to the extent related to the other Party (or any member of its Group), shall be held by such Party in trust for the use and benefit of the Party entitled thereto (at the expense of the Party entitled thereto) and, promptly upon receipt by such Party of any such payment or reimbursement, such Party shall pay or shall cause the applicable member of its Group to pay over to the Party entitled thereto the amount of such payment or reimbursement without right of set-off.

(c) The Parties agree to use commercially reasonable efforts to implement and follow the cash management procedures set forth on Schedule 2.4(c) for the time periods set forth therein.

Section 2.5. Transfers Not Effected at or Prior to the Effective Time; Transfers Deemed Effective as of the Effective Time.

(a) To the extent that any Transfers contemplated by this Article II shall not have been consummated at or prior to the Effective Time, the Parties shall use commercially reasonable efforts to effect such Transfers as promptly following the Effective Time as shall be practicable. Nothing herein shall be deemed to require the Transfer of any Assets or the Assumption of any Liabilities which by their terms or operation of Law cannot be Transferred; provided, however, that the Parties and their respective Subsidiaries shall cooperate and use commercially reasonable efforts to seek to obtain, in accordance with applicable Law, any necessary Consents or Governmental Approvals for the Transfer of all Assets and Assumption of all Liabilities to the fullest extent permitted by applicable Law contemplated to be Transferred and assumed pursuant to this Article II. In the event that any such Transfer of Assets or Assumption of Liabilities has not been consummated, from and after the Effective Time (i) the Party retaining such Asset shall thereafter hold such Asset in trust for the use and benefit of the Party entitled thereto (at the expense of the Party entitled thereto) and (ii) the Party intended to assume such Liability shall, or shall cause the applicable member of its Group to, pay or reimburse the Party retaining such Liability for all amounts paid or incurred in connection with the retention of such Liability. In addition, the Party retaining such Asset or Liability shall, insofar as reasonably possible and to the extent permitted by applicable Law, treat such Asset or Liability in the ordinary course of business in accordance with past practice and take such other actions as may be reasonably requested by the Party to which such Asset is to be Transferred or by the Party Assuming such Liability in order to place such Party, insofar as reasonably possible, in the same position as if such Asset or Liability had been Transferred or assumed as contemplated hereby and so that all the benefits and burdens relating to such Asset or Liability, including possession, use, risk of loss, potential for gain, and dominion, control and command over such Asset or Liability, are to inure from and after the Effective Time to the member or members of the Leidos Group or the New SAIC Group entitled to the receipt of such Asset or required to assume such Liability. In furtherance of the foregoing, the Parties agree that, as of the Effective Time, subject to Section 2.2(f), each Party shall be deemed to have acquired complete and sole beneficial ownership over all of the Assets, together with all rights, powers and privileges incident thereto, and shall be deemed to have assumed in accordance with the terms of this Agreement all of the Liabilities, and all duties, obligations and responsibilities incident thereto, which such Party is entitled to acquire or required to assume pursuant to the terms of this Agreement.

(b) If and when the Consents, Governmental Approvals and/or conditions, the absence or non-satisfaction of which caused the deferral of Transfer of any Asset or deferral of the Assumption of any Liability, are obtained or satisfied, the Transfer, assignment, Assumption or novation of the applicable Asset or Liability shall be effected in accordance with and subject to the terms of this Agreement and/or the applicable Ancillary Agreement, and shall, to the extent possible without the imposition of any undue cost on any Party, be deemed to be effective as of the Effective Time.

(c) Following the second anniversary of the Distribution Date, the Party retaining any Asset or Liability due to the deferral of the Transfer of such Asset or the deferral of the Assumption of such Liability shall not be obligated, in connection with the foregoing, to expend any money unless the necessary funds are advanced, assumed, or agreed in advance to be reimbursed by the Party entitled to such Asset or the Person intended to be subject to such Liability, other than reasonable attorneys' fees and recording or similar or other incidental fees, all of which shall be promptly reimbursed by the Party entitled to such Asset or the Person intended to be subject to such Liability.

(d) After the Effective Time, each Party (or any member of its Group) may receive mail, packages and other communications properly belonging to another Party (or any member of its Group). Accordingly, at all times after the Effective Time, each Party is hereby authorized to receive and open all

mail, packages and other communications received by such Party that belongs to such other Party, and to the extent that they do not relate to the business of the receiving Party, the receiving Party shall promptly deliver such mail, packages or other communications (or, in case the same also relates to the business of the receiving Party or another Party, copies thereof) to such other Party as provided for in Section 11.6. The provisions of this Section 2.5(d) are not intended to, and shall not, be deemed to constitute an authorization by any Party to permit the other to accept service of process on its behalf and no Party is or shall be deemed to be the agent of any other Party for service of process purposes.

(e) With respect to any Assets that have not been Transferred or Liabilities that have not been assumed at or prior to the Effective Time, each of Leidos and New SAIC shall, and shall cause the members of its respective Group to, (i) treat for all Income Tax purposes (A) the deferred Assets as assets having been Transferred to and owned by the Party entitled to such Assets not later than the Effective Time and (B) the deferred Liabilities as liabilities having been assumed and owned by the Person intended to be subject to such Liabilities not later than the Effective Time and (ii) neither report nor take any Income Tax position (on a Tax Return or otherwise) inconsistent with such treatment (unless required by a change in applicable Tax Law or good faith resolution of a Tax Contest relating to Income Taxes).

Section 2.6. Transfer Instruments. In connection with, and in furtherance of, the Transfers of Assets and the Assumptions of Liabilities contemplated by this Agreement, the Parties shall execute or cause to be executed, on or after the date hereof by the appropriate entities to the extent not executed prior to the date hereof, any Transfer Instruments necessary to evidence the valid Transfer to the applicable Party or member of such Party's Group of all right, title and interest in and to its Assets and the valid and effective Assumption by the applicable Party of its assumed Liabilities for Transfers and Assumptions to be effected pursuant to Delaware Law or the Laws of one of the other states of the United States or, if not appropriate for a given Transfer or Assumption, and for Transfers or Assumptions to be effected pursuant to non-U.S. Laws, in such form as the Parties shall reasonably agree, including the Transfer of real property by mutually acceptable conveyance deeds as may be appropriate and in form and substance as may be required by the jurisdiction in which the real property is located. The Transfer of capital stock shall be effected by means of executed stock powers and notation on the stock record books of the corporation or other legal entities involved, or by such other means as may be required in any non-U.S. jurisdiction to Transfer title to stock and, only to the extent required by applicable Law, by notation on public registries.

Section 2.7. Further Assurances; Ancillary Agreements.

(a) In addition to and without limiting the actions specifically provided for elsewhere in this Agreement, each of the Parties shall cooperate with each other and use (and shall cause its respective Subsidiaries and Affiliates to use) commercially reasonable efforts, at and after the Effective Time, to take, or to cause to be taken, all actions, and to do, or to cause to be done, all things reasonably necessary on its part under applicable Law or contractual obligations to consummate and make effective the transactions contemplated by this Agreement and the Ancillary Agreements.

(b) Without limiting the foregoing, at and after the Effective Time, each Party shall cooperate with the other Party, and without any further consideration, at Leidos' cost and expense for the two year period following the Distribution Date and thereafter at the cost and expense of the requesting Party, from and after the Effective Time, to execute and deliver, or use commercially reasonable efforts to cause to be executed and delivered, all instruments, including instruments of Transfer or title, and to make all filings with, and to obtain all Consents and/or Governmental Approvals, any permit, license, Contract, indenture or other instrument (including any Consents or Governmental Approvals), and to take all such other actions as such Party may reasonably be requested to take by any other Party from time to time, consistent with the terms of this Agreement and the Ancillary Agreements, in order to effectuate the provisions and purposes of this Agreement and the Ancillary Agreements and the Transfers of the applicable Assets and the assignment and Assumption of the applicable Liabilities and the other transactions contemplated hereby and thereby.

(c) Without limiting the foregoing, in the event that any Party (or member of such Party's Group) is delivered or receives any Assets to be transferred to the other Party pursuant to this Agreement or the Ancillary Agreements, such Party agrees to promptly return or cause the return of such Assets to the other Party (or member of such other Party's Group as designated by such other Party) at such other Party's expense.

(d) At or prior to the Effective Time, each of Leidos and New SAIC shall enter into, and/or (where applicable) shall cause a member or members of their respective Group to enter into, the Ancillary Agreements and any other Contracts in respect of the Distributions reasonably necessary or appropriate in connection with the transactions contemplated hereby and thereby.

Section 2.8. Novation and Assignment of Customer Contracts.

(a) To the extent not obtained prior to the Effective Time, following the Effective Time, Leidos and New SAIC shall use commercially reasonable efforts to obtain, or to cause to be obtained, any Governmental Approval or other Consent required to novate or assign to the fullest extent permitted by applicable Law all rights and obligations under each customer Contract which is a New SAIC Contract but under which a member of the Leidos Group remains liable pending such novation or assignment.

(b) No later than the Business Day after the Distribution Date, Leidos and New SAIC shall submit a request for novation of all contracts with a Governmental Entity included in the New SAIC Contracts and such other documents as may be required with respect to the novation of such contracts in favor of New SAIC, consistent with the requirements of the Federal Acquisitions Regulation. Each Party shall use commercially reasonable efforts to take such action or actions as may be reasonably necessary or reasonably required in connection with the novation, including furnishing any documents, materials or other information requested by any Governmental Entity in order to obtain such novation approval as expeditiously as practicable.

(c) Until such time as novation or assignment occurs and in accordance with the Master Transitional Contracting Agreement, (x) such member of the Leidos Group shall continue to be bound by such Contract and shall take all reasonable measures necessary to maintain any security clearances required to be maintained pursuant to such Contract and (y) unless not permitted by Law or the terms of such Contract, New SAIC (the "Liable Party") shall, or shall cause a member of its Group to, as an agent or subcontractor for such member of the Leidos Group, pay, perform and discharge fully all the obligations or other Liabilities of such member of the Leidos Group under such Contract from and after the Effective Time.

(d) The Liable Party (or another member of the New SAIC Group), as agent or subcontractor of such member of the Leidos Group, solely to the extent reasonably necessary or advisable to pay, perform and discharge fully any Liabilities, or retain the benefits (including pursuant to Section 2.6) associated with such Contract or license, shall (except as otherwise provided in the Master Subcontract Agreement Pending Novation) have the right to:

(i) prepare, execute and submit invoices under such Contract in the name of the applicable member of the Leidos Group;

- (ii) send correspondence relating to matters under such Contract or license in the name of the applicable member of the Leidos Group;
- (iii) file Actions in the name of the applicable member of the Leidos Group in connection with such Contract; and
- (iv) otherwise exercise all rights in respect of such Contract in the name of the applicable member of the Leidos Group.

(e) Except with respect to matters that are the subject of Section 2.10, the Liable Party shall indemnify Leidos and each member of the Leidos Group and hold each of them harmless against any Liabilities (other than Leidos Liabilities) arising in connection with this Section 2.8; provided, that the Liable Party shall have no obligation to indemnify Leidos or any member of the Leidos Group with respect to any matter to the extent that such Liabilities arise from Leidos' or any member of the Leidos Group's willful breach or misconduct, knowing violation of Law, fraud, willful misrepresentation or gross negligence in connection therewith, in which case Leidos shall be responsible for such Liabilities.

(f) Pursuant to Section 2.4(c) and in accordance with the timing set forth therein, Leidos shall use commercially reasonable efforts to, without further consideration, promptly (and in any event within 10 days) pay and remit or cause to be promptly paid or remitted, to the Liable Party, all money, rights and other consideration received by it or any member of its Group in respect of such performance by the Liable Party.

(g) If and when the Governmental Approval or Consent for the novation or assignment of such Contract is obtained, Leidos (or the applicable member of the Leidos Group) shall, to the fullest extent permitted by applicable Law, promptly Transfer or cause the Transfer of all rights, obligations and other Liabilities thereunder to the Liable Party or to another member of the Liable Party's Group without payment of any further consideration and the Liable Party, or another member of such Liable Party's Group, without the payment of any further consideration, shall assume such rights and Liabilities to the fullest extent permitted by applicable Law. Each of the Parties shall, and shall cause the members of their respective Group to, take all actions and do all things reasonably necessary on its part, or such Subsidiaries' part, under applicable Law or contractual obligations to consummate and make effective the transactions contemplated by this Section 2.8.

Section 2.9. Post Closing Contracts. Following the Effective Time, except as otherwise set forth in the Master Transitional Contracting Agreement, in connection with Contracts that would otherwise be entered into by New SAIC following the Effective Time that (a) are the continuation, extension, renewal, option exercise, follow-on, or work related, to New SAIC Contracts pending novation or assignment pursuant to Section 2.8 or (b) result from quotations, proposals or bids for new opportunities, in each case to the extent relating to the New SAIC Business, including such Contracts that are subject to security-related accreditation or facility security clearance requirements to be eligible to bid or perform such Contracts (such Contracts set forth in clauses (a) and (b), collectively, the "Post Closing Contracts"), Leidos or the applicable member of the Leidos Group shall be, or shall continue to be, the contracting party for such Contracts until such time when, after New SAIC shall have obtained the necessary novations, accreditations, clearances or assignments to enter into such Contracts and submit such bids, such Contracts shall have been Transferred to New SAIC (such time, the "Post Closing Contracts Transfer Time"). In furtherance of the foregoing, New SAIC and Leidos shall use commercially reasonable efforts to, as promptly as practicable following the Effective Time, (i) obtain such necessary clearances, (ii) effect the Transfer of any such Post Closing Contracts, including any Assets and Liabilities thereunder, to New SAIC and (iii) procure the release of Leidos from any obligations or Liabilities thereunder to the fullest extent permitted by applicable Law.

Section 2.10. DCAA/DCMA.

(a) Leidos and New SAIC shall each use commercially reasonable efforts to reach a timely and reasonable settlement of SAIC's corporate office expense allocations, other indirect costs, Cost Accounting Standards violations, questioned costs, findings associated with the Statement of Condition and Recommendations (SOCARs) and expenses allocated to Leidos Contracts or New SAIC Contracts (collectively, "Indirect Rates") for SAIC's open fiscal years from 2006 through the Distribution Date, which Indirect Rates have not been finally determined and settled prior to the Effective Time (the "Open Years") with the Defense Contract Audit Agency, Defense Contract Management Agency, other Governmental Entities that may be conducting an audit or other authorized representatives of any such Governmental Entity (each, a "Audit Agency"). Where a settlement occurs for a matter related to the Open Years and is not allocable to Leidos or New SAIC contracts, the amounts shall be borne 60% by Leidos and 40% by New SAIC up to \$18,000,000 for New SAIC. For amounts in excess of \$18,000,000 for New SAIC, Section 2.10(d) applies. Subject to the provisions in (b) of this Section 2.10, Leidos shall be the party of record in settlement discussions with the applicable Audit Agency of Indirect Rates for Open Years; provided, however, that Leidos will (i) not propose, agree or consent to, without New SAIC's prior written consent (not to be unreasonably withheld, delayed or conditioned), any determination, settlement or offer regarding such Indirect Rates; and (ii) promptly inform New SAIC of the acceptance by the applicable Audit Agency of a final determination or settlement of Indirect Rates for Open Years previously agreed or consented to by New SAIC. In connection with the settlement of Indirect Rates, each Party shall make available to the other Party all personnel and pertinent Information in such Party's possession or under such Party's control relating thereto as are reasonably required by the other Party.

(b) If either Party becomes aware of a material development that would affect Indirect Rates, such Party shall, as soon as reasonably practicable thereafter, inform the other Party of the status of and developments relating to such matter. Leidos shall be responsible for scheduling meetings with the applicable Audit Agency that concern Indirect Rates relating to Leidos Contracts. New SAIC shall be responsible for scheduling meetings with the applicable Audit Agency that concern Indirect Rates relating to New SAIC Contracts. The Parties shall use commercially reasonable efforts to jointly determine the appropriate party that shall be responsible for scheduling meetings with the applicable Audit Agency that involve Indirect Rate issues applicable to both Parties, including company-wide fringe pools and corporate home office allocations. If the parties are unable to jointly determine which Party shall be responsible for scheduling meetings involving Indirect Rate issues applicable to both Parties, Leidos shall be responsible for scheduling such meetings. Prior to a Party scheduling any meeting with an Audit Agency regarding Indirect Rates for Open Years, each Party shall cause appropriate personnel from such Party to discuss the timing and agenda for such meeting, and each Party shall use commercially reasonable efforts to include personnel from the other Party; provided, however, that if the applicable Audit Agency objects to having the other Party present with respect to Indirect Rate issues that concern only the requesting Party's contracts, the requesting Party shall not be obligated to include personnel of the other Party but the requesting Party shall inform the other excluded Party of the discussions that occurred promptly following any such meeting. Each Party shall bear its own internal costs and expenses in connection with any matters involving Indirect Rates (including, for the avoidance of doubt, of the costs of salaries and benefits of its personnel engaged with respect to such matters). Costs and expenses of external legal counsel and other third-party advisors engaged by Leidos in connection with the settlement of Indirect Rates shall be borne by the Parties in accordance with their respective Sharing Percentages and amounts reimbursed for legal fees are not included in the "Closing Reserves" as the Closing Reserve does not contemplate legal fees in the basis for the US GAAP accrual.

(c) The “Closing Reserves” means an amount equal to \$45,000,000, which shall be allocated as of the Distribution Date to New SAIC in the amount of \$18,000,000 and to Leidos in the amount of \$27,000,000. Upon settlement of Indirect Rates for Open Years, responsibility for the costs of any resulting credit or payment due to customers shall be apportioned between the Parties based upon the accounting records supporting the foregoing allocation of the Closing Reserves and, as New SAIC and Leidos make such credits or payments, the Closing Reserves of each of New SAIC and Leidos shall be reduced accordingly on a dollar for dollar basis. If either Party makes any credit or payment to a customer that includes amounts allocable to the other Party pursuant to this paragraph, such Party shall be entitled to reimbursement by the other Party promptly upon delivery to such other Party of evidence of such credit or payment.

(d) After the Closing Reserves allocated to New SAIC have been exhausted, any additional amounts that are owed by New SAIC as a result of the determination or settlement of Indirect Rates shall (A) for the first \$5,000,000 so owed, be considered a Leidos Liability and (B) for any amounts so owed above \$5,000,000, be borne by the Parties in accordance with their Sharing Percentages.

Section 2.11. Guarantees; Letters of Credit.

(a) Except for those Contracts and/or letters of credit set forth on Schedule 2.11(a)(i), where (x) Leidos shall remain as guarantor or obligor with respect thereto and (y) New SAIC shall indemnify and hold harmless the Leidos Indemnitees for any Loss arising from or relating thereto (in accordance with the provisions of Article VII) or as otherwise specified in any Ancillary Agreement, at or prior to the Effective Time or as soon as practicable thereafter, New SAIC shall (with the reasonable cooperation of the applicable member of the Leidos Group) use commercially reasonable efforts to have the applicable members of the Leidos Group removed as guarantor or obligor for any New SAIC Liability, including in respect of those guarantees set forth on Schedule 2.11(a)(ii), to the extent that they relate to New SAIC Liabilities.

(b) At or prior to the Effective Time, to the extent required to obtain a release from a guaranty (a “Guaranty Release”) of any member of the Leidos Group, New SAIC shall, as applicable, execute a guaranty agreement substantially in the form of the existing guaranty or such other form as is agreed to by the relevant parties to such guaranty agreement, except to the extent that such existing guaranty contains representations, covenants or other terms or provisions either (A) with which New SAIC would be reasonably unable to comply or (B) which would be reasonably expected to be breached.

(c) If New SAIC is unable to obtain, or to cause to be obtained, any such required removal as set forth in clauses (a) and (b) of this Section 2.11, (i) New SAIC shall indemnify and hold harmless the member of the Leidos Group that is guarantor or obligor thereunder for any Loss arising from or relating thereto (in accordance with the provisions of Article VII) and shall or shall cause another member of the New SAIC Group, as agent or subcontractor for such guarantor or obligor, to pay, perform and discharge fully all the obligations or other Liabilities of such member of the Leidos Group; provided, that New SAIC shall have no obligation to indemnify any such member of the Leidos Group with respect to any matter to the extent that such Loss arises from any such member of the Leidos Group’s willful breach or misconduct, knowing violation of Law, fraud, willful misrepresentation or gross negligence in connection therewith, in which case such member of the Leidos Group shall be responsible for such Liabilities and (ii) New SAIC agrees not to renew or extend the term of, increase its obligations under, or Transfer to a third party, any loan, guarantee, lease, contract or other obligation for which any member of the Leidos Group is or may be liable without the prior written consent of Leidos or such member of the Leidos Group, unless all obligations of such member of the Leidos Group with respect thereto are thereupon terminated by documentation reasonably satisfactory in form and substance to Leidos or such member of the Leidos Group; provided, however, with respect to any New SAIC Lease, in the event a Guaranty Release is not obtained and New SAIC wishes to extend the term of such guaranteed lease, then New SAIC shall have the option of extending the term if it provides such security as is reasonably satisfactory to the member of the Leidos Group that is guarantor under such guaranteed lease.

Section 2.12. Disclaimer of Representations and Warranties. EACH OF LEIDOS (ON BEHALF OF ITSELF AND EACH MEMBER OF THE LEIDOS GROUP) AND NEW SAIC (ON BEHALF OF ITSELF AND EACH MEMBER OF THE NEW SAIC GROUP) UNDERSTANDS AND AGREES THAT, EXCEPT AS EXPRESSLY SET FORTH HEREIN, IN ANY ANCILLARY AGREEMENT OR IN ANY CONTINUING ARRANGEMENT, NO PARTY TO THIS AGREEMENT, ANY ANCILLARY AGREEMENT OR ANY OTHER AGREEMENT OR DOCUMENT CONTEMPLATED BY THIS AGREEMENT, ANY ANCILLARY AGREEMENTS OR OTHERWISE, IS REPRESENTING OR WARRANTING IN ANY WAY AS TO THE ASSETS, BUSINESSES OR LIABILITIES CONTRIBUTED, TRANSFERRED OR ASSUMED AS CONTEMPLATED HEREBY OR THEREBY, AS TO ANY CONSENTS OR GOVERNMENTAL APPROVALS REQUIRED IN CONNECTION HERewith OR THEREWITH, AS TO THE VALUE OR FREEDOM FROM ANY SECURITY INTERESTS, RESTRICTIONS ON TRANSFER, ENCUMBRANCE OR LIEN, NON-INFRINGEMENT, OR ANY OTHER MATTER CONCERNING, ANY ASSETS OF SUCH PARTY, OR AS TO THE ABSENCE OF ANY DEFENSES OR RIGHT OF SETOFF OR FREEDOM FROM COUNTERCLAIM WITH RESPECT TO ANY ACTION OR OTHER ASSET, INCLUDING ACCOUNTS RECEIVABLE, OF ANY PARTY, OR AS TO THE LEGAL SUFFICIENCY OF ANY CONTRIBUTION, ASSIGNMENT, DOCUMENT, CERTIFICATE OR INSTRUMENT DELIVERED HEREUNDER TO CONVEY TITLE TO ANY ASSET OR THING OF VALUE UPON THE EXECUTION, DELIVERY AND FILING HEREOF OR THEREOF. EXCEPT AS MAY EXPRESSLY BE SET FORTH HEREIN OR IN ANY ANCILLARY AGREEMENT, ALL SUCH ASSETS ARE BEING TRANSFERRED ON AN "AS IS, WHERE IS" BASIS (AND, IN THE CASE OF ANY REAL PROPERTY, BY MEANS OF A QUITCLAIM OR SIMILAR FORM DEED OR CONVEYANCE) AND THE RESPECTIVE TRANSFEREES SHALL BEAR THE ECONOMIC AND LEGAL RISKS THAT (I) ANY CONVEYANCE SHALL PROVE TO BE INSUFFICIENT TO VEST IN THE TRANSFEREE GOOD TITLE, FREE AND CLEAR OF ANY SECURITY INTEREST, RESTRICTIONS ON TRANSFER, ENCUMBRANCE OR LIEN AND (II) ANY NECESSARY CONSENTS OR GOVERNMENTAL APPROVALS ARE NOT OBTAINED OR THAT ANY REQUIREMENTS OF LAWS OR JUDGMENTS ARE NOT COMPLIED WITH.

ARTICLE III

CERTAIN ACTIONS AT OR PRIOR TO THE DISTRIBUTIONS

Section 3.1. Certificate of Incorporation; By-laws. Prior to the Distribution Date, SAIC and New SAIC shall take (or cause to be taken) all necessary actions to adopt a Certificate of Incorporation and By-laws substantially in the form filed by New SAIC with the Commission as exhibits to the Form 10, to be effective as of the Effective Time.

Section 3.2. Directors.

(a) Leidos. Prior to the Distribution Date, SAIC shall take (or cause to be taken) all necessary actions, including procuring the resignations of the directors named on Schedule 3.2(a), such that, immediately prior to the Effective Time, its Board shall include the individuals named on Schedule 3.2(a).

(b) New SAIC.

(i) Prior to the Distribution Date, SAIC and New SAIC shall take (or cause to be taken) all necessary action to cause the Board of Directors of New SAIC to include, immediately prior to the Effective Time, the individuals identified in the Information Statement as director nominees of New SAIC.

(ii) On or prior to the “listing date” of New SAIC Common Stock (as such term is defined under the NYSE Rules), SAIC and New SAIC shall take (or cause to be taken) all necessary action to cause the Board of Directors of New SAIC to include one independent director (as determined in accordance with the NYSE Rules).

Section 3.3. Officers.

(a) Leidos. On or prior to the Effective Time, SAIC shall take all necessary actions, including procuring the resignations of its officers, such that at the Effective Time its officers shall be the individuals named on Schedule 3.3(a).

(b) New SAIC. On or prior to the Effective Time, SAIC and New SAIC shall take (or cause to be taken) all necessary action to cause the individuals identified as such in the Information Statement to be officers of New SAIC as of the Effective Time.

Section 3.4. Resignations and Removals.

(a) New SAIC. On or prior to the Effective Time or as soon thereafter as practicable, (i) Leidos shall cause all its employees and any employees of its Subsidiaries (excluding any employees of any member of the New SAIC Group) to resign or be removed, effective as of the Effective Time, from all positions as officers or directors of any member of the New SAIC Group in which they serve, and (ii) New SAIC shall cause all its employees and any employees of its Subsidiaries to resign, effective as of the Effective Time, from all positions as officers or directors of any members of the Leidos Group in which they serve.

(b) No Person shall be required by any Party to resign from any position or office with another Party if such Person is disclosed in the applicable Information Statement as the Person who is to hold such position or office following the applicable Distribution.

Section 3.5. Cash Dividend to Leidos. Following the consummation of the New SAIC Financing after the Internal Distribution, New SAIC shall pay, prior to the Distribution, the New SAIC Dividend to Leidos.

ARTICLE IV

THE DISTRIBUTIONS

Section 4.1. Stock Dividends to Leidos Stockholders. At the Effective Time, Leidos shall cause the Distribution Agent to distribute all of the outstanding shares of New SAIC Common Stock then owned by Leidos to the Record Holders, and to credit the appropriate number of such shares of New SAIC Common Stock to book entry accounts for each such Record Holder or designated transferee or transferees of such Record Holder. Each Record Holder (or such holder’s designated transferee or transferees) shall be entitled to receive in the Distribution one share of New SAIC Common Stock for every seven shares of Leidos Common Stock held by such stockholder; provided that notwithstanding

anything herein to the contrary, Leidos shall not distribute any fractional shares of New SAIC Common Stock and instead, the Distribution Agent will aggregate fractional shares to which Record Holders would otherwise be entitled into whole shares, sell the whole shares in the open market at prevailing market prices and distribute the aggregate net cash proceeds from the sales pro rata to each Record Holder who would otherwise have been entitled to receive a fractional share in the spin-off.

Section 4.2. Actions in Connection with the Distribution.

(a) Prior to the Distribution Date, New SAIC shall file such amendments and supplements to its Form 10 as SAIC may reasonably request, and such amendments as may be necessary in order to cause the same to become and remain effective as required by Law, including filing such amendments and supplements to its Form 10 as may be required by the Commission or federal, state or foreign securities Laws. New SAIC shall mail to the holders of Leidos Common Stock, at such time on or prior to the Distribution Date as SAIC shall determine, the Information Statement included in its Form 10, as well as any other information concerning New SAIC, its business, operations and management, the transaction contemplated herein and such other matters as SAIC shall reasonably determine are necessary and as may be required by Law. Promptly after receiving a request from SAIC, to the extent requested, New SAIC shall prepare and, in accordance with applicable Law, file with the Commission any such documentation that SAIC reasonably determines is necessary or desirable to effectuate the Distribution, and SAIC and New SAIC shall each use commercially reasonable efforts to obtain all necessary approvals from the Commission with respect thereto as soon as practicable.

(b) New SAIC shall use commercially reasonable efforts in preparing, filing with the Commission and causing to become effective, as soon as reasonably practicable (but in any case prior to the Effective Time), an effective registration statement or amendments thereof which are required in connection with the establishment of, or amendments to, any employee benefit plans of New SAIC.

(c) To the extent not already approved and effective, New SAIC shall use commercially reasonable efforts to have approved and made effective, the application for the original listing on the NYSE of the New SAIC Common Stock to be distributed in the Distribution, subject to official notice of distribution and SAIC shall use commercially reasonable efforts to have approved with the NYSE the change in its ticker symbol from "SAI" to "LDOS".

(d) Each Party shall provide all cooperation reasonably requested by the other Party that is necessary or desirable in connection with the New SAIC Financing.

(e) Leidos shall promptly send to each Record Holder a statement concerning information regarding the allocation of tax basis between the Leidos Common Stock and New SAIC Common Stock held by such stockholder or otherwise satisfy any requirement to so send by instead posting such information on its website in accordance with, and for the time required by, applicable Law.

Section 4.3. Sole Discretion of the Board of SAIC. The Board, in its sole and absolute discretion, shall determine the Distribution Date, the Effective Time and all other terms of the Distribution, including the form, structure and terms of any transactions and/or offerings to effect the Distribution and the timing of and conditions to the consummation thereof. In addition, the Board may, at any time and from time to time until the completion of the Distribution, decide to abandon the Distribution or modify or change the terms of the Distribution, including by accelerating or delaying the timing of the consummation of all or part of the Distribution. Without limiting the foregoing, the Board shall have the right not to complete the Distribution if, at any time prior to the Effective Time, the Board shall have determined, in its sole discretion, that the Distribution is not in the best interests of SAIC or its stockholders, that a sale or other alternative is in the best interests of SAIC or its stockholders or that it is not advisable at that time for New SAIC to separate from SAIC.

Section 4.4. Conditions to Distribution. Subject to Section 4.3, the following are conditions to the consummation of the Distribution. The conditions are for the sole benefit of SAIC and shall not give rise to or create any duty on the part of SAIC or the Board to waive or not waive any such condition.

(a) The Form 10 shall have been declared effective by the Commission, no stop order suspending the effectiveness thereof shall be in effect, no proceedings for such purpose shall be pending before or threatened by the Commission, and the Information Statement shall have been mailed to the holders of Leidos Common Stock;

(b) The New SAIC Common Stock to be delivered in the Distribution shall have been approved for listing on the NYSE, subject to official notice of distribution;

(c) On or prior to the Distribution Date, SAIC shall have obtained an opinion from Simpson Thacher & Bartlett LLP, its tax counsel, in form and substance satisfactory to SAIC (in its sole discretion), as to the satisfaction of certain conditions necessary for the Distribution and the Internal Distribution to qualify as tax-free distributions under Sections 355 of the Code;

(d) On or prior to the Distribution Date, SAIC shall have obtained a private letter ruling from the Internal Revenue Service in form and substance satisfactory to SAIC (in its sole discretion), and such ruling shall remain in effect as of such Distribution Date, to the effect, among other things, that the Distribution will qualify as a tax-free distribution under Section 355 of the Code and that the Internal Distribution, together with certain related transactions, will qualify as a reorganization under Sections 355 and 368(a)(1)(D) of the Code;

(e) Prior to the Effective Time, the Board shall have obtained opinions from a nationally recognized valuation firm, in form and substance satisfactory to SAIC, with respect to the capital adequacy and solvency of each of Leidos and New SAIC;

(f) Any material Governmental Approvals and other Consents necessary to consummate the Distribution or any portion thereof shall have been obtained and be in full force and effect, it being understood that, for the avoidance of doubt, the Governmental Approvals and Consents contemplated by Section 2.8 and Section 2.9 shall not be deemed necessary to consummate the Distribution;

(g) No order, injunction or decree issued by any Governmental Entity of competent jurisdiction or other legal restraint or prohibition preventing the consummation of all or any portion of the Distribution shall be pending, threatened, issued or in effect, and no other event outside the control of SAIC shall have occurred or failed to occur that prevents the consummation of all or any portion of the Distribution;

(h) No other events or developments shall have occurred or failed to occur prior to the Effective Time that, in the judgment of the Board, would result in the Distribution having a material adverse effect on SAIC or its stockholders;

(i) The New SAIC Financing shall have been consummated following the Internal Distribution and following such consummation, the New SAIC Dividend shall have been paid by New SAIC to Leidos;

(j) The Internal Restructuring shall have been completed, except for such steps as SAIC in its sole discretion shall have determined may be completed after the Effective Time;

(k) The actions and events set forth in Article III shall have occurred;

(l) The Board shall have authorized the Distribution, which authorization may be given or withheld at its absolute and sole discretion; and

(m) Each Ancillary Agreement shall have been executed by each party thereto.

ARTICLE V CERTAIN COVENANTS

Section 5.1. Non-Solicit. Neither Leidos nor New SAIC, or any member of their respective Groups, shall, from the Effective Time through and including the first anniversary of the Distribution Date, without the prior written consent of the applicable Party recruit or solicit any person who is an employee of the other Party or its Subsidiaries as of the Effective Time or induce, or attempt to induce, any such employee to terminate his or her employment with, or otherwise cease his or her relationship with, the other Party or its Subsidiaries; provided, however, that nothing in this Section 5.1 shall be deemed to prohibit any general solicitation for employment through advertisements and search firms not specifically directed at employees of such other applicable Party or, any hiring as a result thereof. The Parties agree that irreparable damage may occur in the event that the provisions of this Section 5.1 were not performed in accordance with their specific terms. Accordingly, it is hereby agreed that the Parties shall be entitled to an injunction or injunctions to enforce specifically the terms and provisions hereof in any court of the United States or any state having jurisdiction, this being in addition to any other remedy to which they are entitled at law or in equity.

Section 5.2. Intellectual Property.

(a) Each Party shall not use or exploit the Intellectual Property of the other Party after the Effective Time, except (i) as permitted in the Ancillary Agreements, (ii) as required by applicable Law, (iii) as permitted by the “fair use” doctrine or defense, (iv) for neutral, non-trademark use of the other Parties’ Trademarks to describe the history of each Party’s respective business, or (v) as permitted in Section 5.2(b).

(b) Transitional Trademark License; Use of Certain Trademarks.

(i) New SAIC grants to Leidos and its Affiliates a non-exclusive, worldwide, fully paid-up, non-assignable, and non-sublicensable license to use any and all forms of the “SAIC” (Word), “SAIC” (Logo/Stylized), “ISSAIC,” “Your Ideas, Your SAIC,” “From Science to Solutions,” “Science to Solutions,” and “Science Applications International Corporation” trademarks (the “SAIC Marks”) as and as part of a trademark, service mark, logo, corporate name, trade name, domain name and other source indicators, solely (1) in connection with the operation, advertisement, marketing, promotion and support of the Leidos Business, (2) in a manner consistent with Leidos’ and its Affiliates’ use of the SAIC Marks prior to the Effective Time, and (3) as follows and for the time periods below:

(A) Leidos shall use commercially reasonable efforts to (i) file (or cause to be filed) to change all of its and its Affiliates’ corporate names, trade names, and d/b/a names to names that do not contain any SAIC Marks, as soon as practicable and within

one (1) year after the Distribution Date, provided that the filings to change each of the SAIC, Inc. and Science Applications International Corporation corporate names in the applicable jurisdiction in which each such entity is incorporated or otherwise organized shall be made no later than the Distribution Date, and one (1) month after the Distribution Date for all other Leidos Affiliates, and (ii) prosecute all such changes to completion;

(B) Leidos shall use commercially reasonable efforts to remove (or cause to be removed) those uses of SAIC Marks as Trademarks that may reasonably be considered likely to cause consumer or customer confusion from all of its and its Affiliates' websites (excluding press releases, investor materials, similar historical documents created prior to the Effective Time, and materials that describe the history of either Party's respective business), social and electronic media that are promoted or displayed to third parties and under Leidos' or its Affiliates' possession or control as soon as practicable and within one (1) year after the Distribution Date; and

(C) After the Distribution Date, Leidos and its Affiliates shall (i) not create any new materials, including signage, advertising, promotional materials, brochures, catalogues, manuals, datasheets, software, packaging, stationery, business cards, invoices, receipts, forms, literature or other similar items bearing the SAIC Marks and (ii) use commercially reasonable efforts to cease public use of any of the SAIC Marks as Trademarks on the foregoing materials in existence as of the Effective Time as soon as practicable and within one (1) year after the Distribution Date; provided, however, the foregoing prohibition on public use after (1) year from the Distribution Date will not be construed as an obligation to re-label or cease use of any such existing materials that may contain the SAIC Marks provided the contemplated use of such materials would not reasonably be considered likely to cause consumer confusion.

(ii) For one (1) year after the Distribution Date, each of New SAIC and Leidos shall display on its respective primary website a mutually-agreed upon disclaimer as to its lack of current affiliation with the other Party after the Distribution Date. For six (6) months after the Distribution Date or such longer time as Leidos and New SAIC may agree, New SAIC shall redirect Internet visitors from the websites set forth on Schedule 5.2(b)(ii) to new website(s) directed by Leidos.

(iii) Leidos and its Affiliates may sublicense the licenses in Section 5.2(b)(i) without New SAIC's prior written consent, to advertisers, distributors, vendors, dealers, suppliers and other Persons, solely for use in connection with the operation of the Leidos Business in a manner consistent with past practice, but not for such Persons' unrelated use. All other sublicenses require the prior written consent of New SAIC in its reasonable discretion. Leidos shall be liable to New SAIC for any act or omission by a sublicensee that would constitute a breach hereof if committed by Leidos.

(iv) Leidos' use of the SAIC Marks shall comply, in all material respects, with the trademark guidelines provided by New SAIC and applicable Laws.

(v) After the Distribution Date, New SAIC agrees to use the "From Science to Solutions" and "Science to Solutions" trademarks/taglines only in connection with the "SAIC" name or logo or the "Science Applications International Corporation" name.

(c) IP Liason. Within fifteen (15) days after the Distribution Date, each Party shall designate one employee as the IP liaison with the other Party for purposes of addressing any questions, disputes, and/or issues that may arise under this Section 5.2 or any other Ancillary Agreement relating to Intellectual Property, including any instances of non-compliance or additional desired license rights. The IP liaisons shall cooperate to resolve any such questions, disputes and/or issues in a reasonable and prompt manner, and any matters that cannot be amicably resolved by the IP liaisons shall be resolved pursuant to Article IX. In the event either Party becomes aware of any actual consumer confusion arising from Leidos' use of the SAIC Marks as permitted under this Section 5.2, such Party shall promptly advise the other Party of the details of such confusion, and each Party shall reasonably cooperate to address and remedy the confusion, including the use of a disclaimer as necessary.

(d) Covenant Not to Sue. Effective as of the Distribution Date, each Party covenants to the other Party and its Subsidiaries as of the Distribution Date that the covenanting Party shall not (and shall cause its Subsidiaries as of the Distribution Date not to) bring or threaten to bring an Action against the other Party or any of its Subsidiaries that alleges: (i) with respect to Leidos, that Leidos or any of its Subsidiaries' conduct of the Leidos Business or any product made, sold, offered for sale or otherwise used in the operation of such business after the Distribution Date in a manner consistent with its conduct and scope as of the Distribution Date infringes any patents owned by New SAIC or its Subsidiaries as of the Distribution Date; or (ii) with respect to New SAIC, that New SAIC or any of its Subsidiaries' conduct of the New SAIC Business or any product made, sold, offered for sale or otherwise used in the operation of such business after the Distribution Date in a manner consistent with its conduct and scope as of the Distribution Date infringes any patents owned by Leidos or its Subsidiaries as of the Distribution Date. Each Party may grant the benefit of this covenant to its customers, end-users and other Persons to the extent necessary to support such Party's operation of the Leidos Business or the New SAIC Business, as applicable, but not for any other use or purpose by any other Person. Each Party may grant the benefits (and shall convey the burdens) of this covenant to any successor or assignee of the Leidos Business or the New SAIC Business, as applicable, but such benefits and burdens do not extend to any other businesses or Affiliates of the successor or assignee.

Section 5.3. Access to Personnel and Cooperation.

(a) Each employee of a Party (or a member of such Party's Group) shall be entitled to communicate with employees of the other Party (or a member of such Party's Group), subject to compliance with the other provisions this Agreement (including Section 5.1 (*Non-Solicit*) and Section 8.5 (*Confidentiality*)) and the Ancillary Agreements.

(b) From and after the Effective Time and subject to compliance with the other provisions this Agreement (including Section 5.1 (*Non-Solicit*) and Section 8.5 (*Confidentiality*)) and the Ancillary Agreements, each Party shall, and shall cause each member of its Group and its employees to:

(i) provide reasonable cooperation and assistance to the other Party and its employees for any matter reasonably requested in connection with the separation of the New SAIC Business and the Leidos Business and the completion of the transactions contemplated herein and in each Ancillary Agreement,

(ii) transfer such knowledge regarding the other Party's Business (or SAIC's historical business) that is known by the first Party's employees, at the reasonable request of the other Party or any of its employees;

(iii) reasonably assist the other Party in the orderly and efficient transition in becoming a separate company;

(iv) reasonably assist the other Party in connection with requests for information from, audits or other examinations of, such other Party by a Governmental Entity; and

(v) reasonably assist the other Party in connection with requests for information with respect to conduct prior to the Effective Time by any employee of such other Party insofar as such conduct was the subject of any reported concern, inquiry or investigation relating to non-compliance with any policy governing standards of ethical conduct, subject to appropriate restrictions for classified Information, Privileged information and Confidential Information; provided, however, that no Party shall be required to provide to the other Party any such information (A) that is not permitted to be disclosed under applicable Law, or (B) the unauthorized use or disclosure of which could adversely affect such Party.

(c) In each case in subsection (a) and (b) above, except as may otherwise be agreed to by the Parties in writing, there shall be no cost to the Party requesting such assistance other than for the actual out-of-pocket costs incurred by the Party (and its employees) providing such assistance; provided that if an employee is requested to provide deliverables or dedicate time to a project, the Parties agree that such services shall be provided pursuant to Schedule of the Transition Services Agreement.

(d) In furtherance of, and without limiting, the foregoing, each Party shall make reasonably available to the other Party those employees with particular knowledge of any function or service of which the other Party was not allocated such employees, agents or consultants with particular knowledge in connection with the transactions contemplated herein and in each Ancillary Agreement.

Section 5.4. Periodic Meetings. Unless otherwise agreed to by the Parties, at least once during each fiscal quarter during the two (2) year period following the Distribution Date, the Parties shall hold a meeting for the purpose of sharing Information related to this Agreement, any Shared Contingent Liabilities or the preparation of any Party's financial statements. Each Party shall designate between one (1) and three (3) persons as its standing representatives for such meetings. The Managing Party shall be responsible for scheduling such meeting at reasonably consistent and convenient times and on no less than thirty (30) days' notice. The Parties' standing representatives and others may participate in such meetings in person or other medium by which all participants may hear each other.

Section 5.5. Office Space.

(a) New SAIC Headquarters Office Space. New SAIC's corporate headquarters as of the Effective Time will be located at 1710 SAIC Drive, Tower 3, McLean, Virginia.

(b) Leidos Headquarters Office Space. Leidos' corporate headquarters as of the Effective Time will be located at 11951 Freedom Drive, Reston, Virginia.

(c) Headquarters. From and after the Effective Time, Leidos and New SAIC shall cooperate to ensure that personnel shall be located in physically segregated spaces on separate floors or separate buildings on the SAIC campus, with each of Leidos and New SAIC having its own security systems. Leidos agrees that it shall vacate New SAIC's headquarters on or before the first anniversary of the Distribution Date.

Section 5.6. City Time.

(a) New SAIC shall, and shall cause each member of the New SAIC Group to, comply with the obligations applicable to Science Applications International Corporation under Sections 4, 5, 6, 12, 14 and 15 of the Deferred Prosecution Agreement, dated March 8, 2012 with the United States Attorney for the Southern District of New York, as the same may be amended or modified.

(b) New SAIC acknowledges and agrees that it is a successor to Science Applications International Corporation under the Administrative Agreement with the United States Army, dated August 21, 2012 and shall abide by the obligations of Science Applications International Corporation thereunder (or under any amendment thereto or such other agreement that New SAIC may enter into with the United States Army regarding such matters).

Section 5.7. Acquisition Documents. Following the Effective Time, New SAIC shall, and shall cause each member of the New SAIC Group to, comply with the non-solicitation and non-competition obligations set forth in Section 5.16 of that certain Asset Purchase Agreement, dated as of August 30, 2012, by and between Science Applications International Corporation and American Systems Corporation, as amended.

ARTICLE VI

SHARED CONTINGENT LIABILITIES AND SHARED CONTINGENT ASSETS

Section 6.1. Shared Contingent Liabilities. From and after the Effective Time, except as otherwise expressly set forth in this Article VI or the Tax Matters Agreement (with respect to Taxes) and without limiting the indemnification provisions of Article VII, Leidos and New SAIC shall each be responsible for (i) its Sharing Percentage of any Shared Contingent Liabilities pursuant to and in accordance with the relevant provisions of Article VII and, without duplication, (ii) its Sharing Percentage of any Specified Shared Expenses related to or arising out of any Shared Contingent Liability. Any amounts owed in respect of any Shared Contingent Liabilities other than Specified Shared Expenses (which are addressed pursuant to Section 5.3) shall be remitted promptly after the Party entitled to such amount provides an invoice (including reasonable supporting Information with respect thereto and a calculation of the amounts owed by each Party based on such Party's Sharing Percentage) to the Party owing such amount and such costs and expenses shall be included in the calculation of the amount of the applicable Shared Contingent Liability in determining the reimbursement obligations of the other Party with respect thereto; provided, however, that if so directed by the Party providing the invoice, in lieu of remitting amounts directly to the Party providing the invoice, the owing Party shall remit the owed amount directly to the appropriate third party or parties or to an account established by the invoicing Party for the benefit of the Parties, in which case each Party shall contribute its Sharing Percentage of such amount to such account for the benefit of the Parties. It shall not be a defense to any obligation by any Party to pay any amounts, whether pursuant to this Article VI or in respect of Losses pursuant to Article VII, in respect of any Shared Contingent Liability that (i) such Party was not consulted in the defense or management thereof, (ii) that such Party's views or opinions as to the conduct of such defense were not accepted or adopted, (iii) that such Party does not approve of the quality or manner of the defense thereof or (iv) that such Shared Contingent Liability was incurred by reason of a settlement rather than by a judgment or other determination of Liability (even if, subject in each case to Section 6.3(h), such settlement was effected without the consent or over the objection of such Party); provided that the foregoing is not meant to not limit the Managing Party's obligation to keep the other Party informed pursuant to Section 6.3(d). Notwithstanding the foregoing, no Party shall be required to pay its share of any final settlement in connection with any Shared Contingent Liability unless the final settlement agreement in connection therewith shall provide for a full and unconditional release of such Party.

Section 6.2. Shared Contingent Assets. From and after the Effective Time, to the extent that a Party or any member of its Group receives from a third party any proceeds of any kind arising out of a Shared Contingent Asset, such Party shall, or shall cause the applicable member of its Group to, promptly

(but in no event later than thirty (30) days following receipt thereof, unless there is a good faith open question as to whether such proceeds are in fact Shared Contingent Assets and the matter has been submitted for resolution pursuant to the terms of this Agreement, in which case, promptly following the final determination thereof) transfer such amounts to the other Party pursuant to and in accordance with its Sharing Percentage. Transfers under this Section 6.2 are subject to the Parties' agreement (x) as to the most cost efficient means of effecting such transfer and (y) to share any incremental costs arising as a result of such transfer; provided, that if the relevant Parties cannot agree on a means of effecting the transfer within thirty (30) days from the date that all relevant Parties have notice of the discovery of such proceeds, then the proceeds shall be immediately transferred.

Section 6.3. Management of Shared Contingent Liabilities and Shared Contingent Assets.

(a) "Managing Party" with respect to the Shared New SAIC Liabilities shall mean New SAIC, and with respect to the Shared Corporate Liabilities shall mean Leidos. With respect to any other Shared Contingent Liability or any Shared Contingent Asset, "Managing Party" shall initially mean Leidos; provided, however, the other Party may become the Managing Party with respect to any Shared Contingent Liability or Shared Contingent Asset upon the prior written agreement of the Parties.

(b) Except as provided in the Tax Matters Agreement (with respect to management of Tax Contests), the Managing Party shall, on behalf of itself and the other Party, have sole and exclusive authority to, and shall actively and diligently, commence, prosecute, manage, control, conduct or defend (or assume or conduct the defense of) or otherwise determine all matters whatsoever (including, as applicable, litigation strategy and choice of legal counsel or other professionals) with respect to any Shared Contingent Liability and Shared Contingent Asset. The Managing Party shall promptly notify the other Party in the event that it (i) receives notice of any Shared Contingent Liability including any claim or demand relating thereto or (ii) commences an Action with respect to a Shared Contingent Asset; provided, that the failure to provide such notice shall not give rise to any rights on the part of the other Party against the Managing Party or affect any other provision of this Section 6.2, except to the extent the other Party is actually and materially prejudiced thereby. No Party other than the Managing Party shall consent to the entry of any judgment or enter into any settlement with respect to any Shared Contingent Liability without the prior written consent of the Managing Party. For the avoidance of doubt, any settlement by the Managing Party shall be subject to Section 6.3(h).

(c) Each Party acknowledges that the Managing Party may elect not to pursue any Shared Contingent Asset for any reason whatsoever (including a different assessment of the merits of any Action, claim or right as compared with the other Party or any business reasons that may be in the best interests of the Managing Party or a member of such Managing Party's Group without regard to the best interests of any member of the other Group) and that no member of the Group of which the Managing Party is a member shall have any Liability to any Person (including any member of the other Party's Group) as a result of any such determination. If the Managing Party elects not to pursue such Shared Contingent Asset, the other Party may pursue such Shared Contingent Asset, provided that notwithstanding anything herein to the contrary, the costs and benefits of such pursuit shall be borne solely by such other Party, with no obligation to share any proceeds from such claim.

(d) The Managing Party shall on a quarterly basis, or if a material development occurs as soon as reasonably practicable thereafter, inform the other Party of the status of and developments relating to any matter involving a Shared Contingent Asset or Shared Contingent Liability and provide copies of any material document, notices or other materials related to such matters; provided, that the failure to provide any such information shall not be a basis for liability of the Managing Party except and solely to the extent the receiving Party shall have been actually prejudiced thereby. Each Party shall cooperate fully with the Managing Party in its management of any of such Shared Contingent Asset or Shared Contingent Liability and shall take such actions in connection therewith that the Managing Party reasonably requests (including providing access to such Party's Records and other Information and employees as set forth in Section 6.3).

(e) In the event of any dispute as to whether any Asset or Liability is a Shared Contingent Asset or Shared Contingent Liability, the Managing Party may, but shall not be obligated to, commence prosecution, other assertion or defense of such claim or right pending resolution of such dispute. In the event that the Managing Party commences any such prosecution, assertion or defense and, upon resolution of the dispute (pursuant to Article IX or otherwise), it is determined that such Asset or Liability is not a Shared Contingent Asset or Shared Contingent Liability, as the case may be, and that such Asset or Liability belongs to the other Party, pursuant to the provisions of this Agreement or any Ancillary Agreement, the Managing Party shall cease the prosecution, assertion or defense of such right or claim and the control thereof shall be transferred to the other Party. In such event, the other Party shall promptly reimburse the Managing Party for all out-of-pocket costs and expenses incurred to such date in connection with the prosecution, assertion or defense of such claim or right (which shall not include the costs of salaries and benefits of employees of the Managing Party or any pro rata portion of overhead or other costs of employing such employees which would have been incurred by such employees' employer regardless of the employees' service with respect to the foregoing).

(f) Until and unless the Managing Party assumes responsibility for defending a Shared Contingent Liability, such other Party against which a Third Party Claim may be brought may defend such Third Party Claim, with its costs and expenses to be borne by the Parties in accordance with their Sharing Percentages. If the other Party is conducting the defense of any such Shared Contingent Liability, the Managing Party shall cooperate with such other Party in such defense and make available to such other Party all witnesses, pertinent Information, and material in the Managing Party's possession or under such Managing Party's control relating thereto as are reasonably required by such other Party (with the costs of the foregoing to be borne by the Parties in accordance with their Sharing Percentages).

(g) Unless the Managing Party has failed to assume the defense of a Shared Contingent Liability in accordance with the terms of this Agreement, the other Party may not settle or compromise any Shared Contingent Liability without the prior written consent of the Managing Party, which consent shall not be unreasonably withheld or delayed.

(h) In the case of any Shared Contingent Liability, the Managing Party shall not consent to entry of any judgment or enter into any settlement of the Shared Contingent Liability without the prior written consent of the other Party (not to be unreasonably withheld or delayed) if the effect thereof is to permit any injunction, declaratory judgment or other non-monetary relief, to be entered, directly or indirectly, against the other Party.

Section 6.4. Access to Information and Employees by the Managing Party.

(a) Unless otherwise prohibited by Law, in connection with the management and disposition of any Shared Contingent Asset and Shared Contingent Liability, the other Party shall make readily available to and afford to the Managing Party and its authorized accountants, counsel and other designated representatives reasonable access, subject to appropriate restrictions for classified Information, Confidential Information or Privileged Information, to the employees, properties, Records and other Information of such Party and the members of such Party's Group insofar as such access relates to the relevant Shared Contingent Asset or Shared Contingent Liability; it being understood by the Parties that such access as well as any services provided pursuant to Section 6.3(b) below may require a significant time commitment on the part of such Party's employees and that any such commitment shall not otherwise limit any of the rights or obligations set forth in this Article VI; it also being understood that

such access and such services provided shall not unreasonably interfere with any of such Party's employees' normal functions. Nothing in this Section 6.3(a) shall require any Party to violate any agreement with any third party regarding the confidentiality of confidential and proprietary information relating to that third party or its business; provided, however, that in the event that a Party is required to disclose any such Information, such Party shall use commercially reasonable efforts to seek to obtain such third party's written consent to the disclosure of such Information.

(b) Certain Services. Each of Leidos and New SAIC shall make available to the other, upon reasonable written request, its and its Subsidiaries' officers, directors, employees, counsel and agents to assist in the management (including, if applicable, as witnesses in any Action) of any Shared Contingent Asset or Shared Contingent Liability to the extent that such Persons may reasonably be required in connection with the prosecution, defense or day-to-day management of any Shared Contingent Liability or Shared Contingent Asset. In respect of the foregoing, Schedule 1.1(70) and Schedule 1.1(71) set forth certain identified Shared Contingent Assets and Shared Contingent Liabilities, respectively, and identify (but do not limit) those employees and agents who shall assist the Managing Party in its management of such Shared Contingent Liabilities and Shared Contingent Assets.

(c) Costs and Expenses Relating to Access by the Managing Party. Except as otherwise provided in any Ancillary Agreement, the provision of access and other services pursuant to this Section 6.3 (including by the Managing Party) shall be borne by the Party providing such access and services (other than for actual out-of-pocket costs and expenses, which shall constitute Specified Shared Expenses) and shall be shared by the Parties accordingly.

(d) Other Specified Shared Expenses. Each Party shall be entitled, upon presentation of reasonable supporting documentation thereof, to reimbursement by the other Party of any out-of-pocket costs and expenses in excess of such first Party's Sharing Percentage of the aggregate combined out-of-pocket costs and expense of both Parties related to or arising out of defending, managing or providing assistance in managing any such Shared Contingent Liability or Shared Contingent Asset on a quarterly basis, in advance of a final determination or resolution of any Action related to a Shared Contingent Asset or Shared Contingent Liability. Specified Shared Expenses in respect of Shared Contingent Liabilities shall also include any amounts with respect to a bond, prepayment or similar security or obligation required (or determined to be advisable by the Managing Party) to be posted by the Managing Party in respect of any claim. In order to determine if a Party is owed any reimbursement pursuant to the foregoing, each Party shall provide the other Party on a quarterly basis its total out-of-pocket costs and expenses related to or arising out of defending, managing or providing assistance in managing any such Shared Contingent Liability or Shared Contingent Asset. In addition, each Party shall, in connection with each invoice, provide a quarterly estimated budget (for informational and planning purposes only) to the other Party of Specified Shared Expenses for the following quarter.

Section 6.5. Notice Relating to Shared Contingent Liabilities; Disputes.

(a) In the event that any Party or any member of such Party's Group or any of their respective Affiliates, becomes aware of (i) any Asset or Liability that may be a Shared Contingent Asset or Shared Contingent Liability, (ii) any matter or occurrence that has given or could give rise to a Shared Contingent Asset or Shared Contingent Liability or (iii) any matter that is material and is reasonably relevant to the Managing Party's ongoing or future management, prosecution, defense and/or administration of any Shared Contingent Asset or Shared Contingent Liability, such Party shall promptly (but in any event within thirty (30) days of becoming aware, unless, by its nature the subject matter of such notice would require earlier notice) notify the other Party of any such matter (setting forth in reasonable detail the subject matter thereof); provided, however, that no Party shall be liable for the failure to provide such notice except and solely to the extent the other Party shall have been actually and materially prejudiced as a result of such failure.

(b) In the event that any Party disagrees whether a claim, obligation or Liability is a Shared Contingent Liability or whether such claim, obligation or Liability is a Liability allocated to one of the Parties pursuant to this Agreement or any Ancillary Agreement, then such matter shall be resolved pursuant to and in accordance with the dispute resolution provisions set forth in Article IX.

Section 6.6. Cooperation with Governmental Entity. If, in connection with any Shared Contingent Liability or Shared Contingent Asset, a Party is required by Law to respond to and/or cooperate with a Governmental Entity, such Party shall be entitled to cooperate and respond to such Governmental Entity after, to the extent practicable under the specific circumstances, consultation with the Managing Party with respect to such Shared Contingent Asset or Shared Contingent Liability; provided, that to the extent such consultation was not practicable such Party shall promptly inform the Managing Party of such cooperation and/or response to the Governmental Entity and the subject matter thereof. In the event that any Party is requested or required by any Governmental Entity in connection with any Shared Contingent Asset or Shared Contingent Liability pursuant to written or oral question or request for Information or documents in any legal or administrative proceeding, review, interrogatory, subpoena, investigation, demand, or similar process, such Party shall notify the Managing Party promptly of the request or requirement and such Party's response thereto, and shall use commercially reasonable efforts to consult with the Managing Party with respect to the nature of such Party's response to the extent practicable and not in violation of any attorney-client Privilege or legal process.

Section 6.7. Default. In the event that a Party defaults in any full or partial payment in respect of any Shared Contingent Asset or Shared Contingent Liability (as provided in this Article VI and in Article VII), including the payment of the costs and expenses of the Managing Party, then the non-defaulting Party shall be required to pay the amount in default; provided, however, that any such payment by a non-defaulting Party shall in no way release the defaulting Party from its obligations to pay its obligations in respect of such Shared Contingent Asset or Shared Contingent Liability (both for past and future obligations) and the non-defaulting Party may exercise any available legal remedies available against such defaulting Party, including by off-setting any proceeds from a Shared Contingent Asset.

Section 6.8. Change of Control.

(a) Notwithstanding anything herein to the contrary, in the event that there is a public announcement of a Change of Control of New SAIC, the obligation of Leidos to pay the Leidos Sharing Percentage of any Shared New SAIC Liability shall terminate and be of no further force and effect, with New SAIC to be fully responsible for any Shared New SAIC Liability, unless such announced transaction is terminated, in which case such obligation shall be fully reinstated.

(b) Notwithstanding anything herein to the contrary, in the event that New SAIC sells, transfers or assigns (or announces the sale, transfer or assignment of) any business, division or other asset out of which a Shared New SAIC Liability arose, the obligation of Leidos to pay the Leidos Sharing Percentage of such Shared New SAIC Liability shall terminate and be of no further force and effect, with New SAIC (and/or the acquirer of such business, division or asset) to be fully responsible for such Shared New SAIC Liability (unless, if announced, such transaction is terminated, in which case such obligation shall be fully reinstated).

(c) Notwithstanding anything herein to the contrary, in the event that there is a public announcement of a Change of Control of Leidos, the obligations of New SAIC to pay the New SAIC Sharing Percentage of any Corporate Liability shall terminate and be of no further force and effect, with Leidos to be fully responsible for any such Corporate Liability.

(d) Notwithstanding anything herein to the contrary, in the event that Leidos sells, transfers or assigns (or announces the sale, transfer or assignment of) any business, division or other asset out of which a Corporate Liability arose, the obligation of New SAIC to pay the New SAIC Sharing Percentage of such Corporate Liability shall terminate and be of no further force and effect, with Leidos (and/or the acquirer of such business, division or asset) to be fully responsible for such Corporate Liability (unless, if announced, such transaction is terminated, in which case such obligation shall be fully reinstated).

(e) For purposes of this Agreement a “Change of Control” shall mean, with respect to either of Leidos or New SAIC, the occurrence of any one of the following after the Effective Time:

(i) the direct or indirect Transfer, in one or a series of related transactions, of all or substantially all of the properties or assets of such Party, and the other members of such Party’s Group, taken as a whole, to one or more Persons, other than to such Party or one of such Party’s Subsidiaries;

(ii) the first day on which the board of directors of such Party is not composed of a majority of directors who (1) were a member of such Party’s board of directors immediately following the Effective Time; or (2) were nominated for election, elected or appointed to such Party’s board of directors with the approval of a majority of directors described in clause (1) or this clause (2) who were members of such Party’s board of directors at the time of such nomination, election or appointment (either by a specific vote or by approval by such directors of the proxy statement of such Party in which such member was named as a nominee for election as a director);

(iii) the consummation of any transaction, including any merger, amalgamation, arrangement or consolidation, the result of which is that any Person becomes the beneficial owner, directly or indirectly, of more than 50% of the voting interests of such Party; provided that a transaction described in this clause (iii) shall not be deemed to involve a Change of Control if (a) such Party becomes a direct or indirect wholly-owned subsidiary of a holding company (which shall include a parent company) and (b) the direct or indirect holders of the voting interests of such holding company immediately following that transaction are substantially the same as, and hold in substantially the same proportions as, the holders of such Party’s voting interests immediately prior to that transaction. Following any such transaction, references in this definition to Leidos or New SAIC, as applicable, shall be deemed to refer to such holding company;

(iv) such Party consolidates with, or merges with or into, any Person, or any Person consolidates with, or merges with or into, such Party, in any such event pursuant to a transaction in which any of the outstanding voting interests of such Party, or of such other Person is converted into or exchanged for cash, securities or other property, other than any such transaction where the shares of such Party’s voting interests outstanding immediately prior to such transaction constitute, or are converted into or exchanged for, a majority of the voting interest of the surviving Person immediately after giving effect to such transaction; or

(v) the adoption of a plan relating to the liquidation or dissolution (other than a liquidation into a newly formed holding company) of such Party.

ARTICLE VII
INDEMNIFICATION

Section 7.1. Release of Pre-Distribution Claims.

(a) Except (i) as provided in Section 7.1(b), (ii) as may be otherwise expressly provided in this Agreement or in any Ancillary Agreement and (iii) for any matter for which any Party is entitled to indemnification pursuant to this Article VII, each Party (A) for itself and each member of its respective Group, their respective Affiliates as of the Effective Time and, to the extent legally permissible, all Persons who at any time prior to the Effective Time were directors, officers, agents or employees of any member of their Group (in their respective capacities as such), in each case, together with their respective heirs, executors, administrators, successors and assigns, does hereby remise, release and forever discharge the other Parties and the other members of such other Parties' Group, their respective Affiliates and all Persons who at any time prior to the Effective Time were stockholders, directors, officers, agents or employees of any member of such other Parties (in their respective capacities as such), in each case, together with their respective heirs, executors, administrators, successors and assigns, from any and all Liabilities whatsoever, whether at Law or in equity (including any right of contribution), whether arising under any Contract, by operation of Law or otherwise, existing or arising from any acts or events occurring or failing to occur or alleged to have occurred or to have failed to occur or any conditions existing or alleged to have existed on or before the Effective Time, including in connection with the Internal Reorganization and the Distribution and any of the other transactions contemplated hereunder and under the Ancillary Agreements and (B) in any event will not, and will cause its respective Subsidiaries not to, bring any Action or claim against any member of the other Groups in respect of any such Liabilities.

(b) Nothing contained in this Agreement shall impair or otherwise affect any right of any Party and, as applicable, a member of such Party's Group, to enforce this Agreement, any Ancillary Agreement or any agreements, arrangements, commitments or understandings contemplated in this Agreement or in any Ancillary Agreement to continue in effect after the Effective Time. In addition, nothing contained in Section 7.1(a) shall release any person from:

(i) any Liability assumed, Transferred or allocated to a Party or a member of such Party's Group pursuant to or contemplated by, or any other Liability of any member of such Group under, this Agreement or any Ancillary Agreement including (A) with respect to any Shared Contingent Liability, (B) with respect to Leidos, any Leidos Liability and (C) with respect to New SAIC, any New SAIC Liability;

(ii) any Liability for the sale, lease, construction, manufacture or receipt of goods, property or services purchased, obtained or used in the ordinary course of business by a member of one Group from or on behalf of a member of any other Group prior to the Effective Time;

(iii) any Liability provided in or resulting from any other Contract or understanding that is entered into after the Effective Time between any Party (and/or a member of such Party's or Parties' Group), on the one hand, and any other Party or Parties (and/or a member of such Party's or Parties' Group), on the other hand;

(iv) any Liability with respect to any Continuing Arrangements; and

(v) any Liability that the Parties may have with respect to indemnification pursuant to this Agreement or otherwise for claims brought against the Parties by third Persons, which Liability shall be governed by the provisions of this Agreement and, in particular, this Article VII and, if applicable, the appropriate provisions of the Ancillary Agreements.

In addition, nothing contained in Section 7.1(a) shall release Leidos from indemnifying any director, officer or employee of New SAIC who was a director, officer or employee of Leidos or any of its Affiliates prior to the Effective Time, to the extent such director, officer or employee is or becomes a named defendant in any Action with respect to which he or she was entitled to such indemnification pursuant to then existing obligations.

(c) Each Party shall not, and shall not permit any member of its Group to, make any claim, demand or offset, or commence any Action asserting any claim or demand, including any claim of contribution or any indemnification, against any other Party or any member of any other Party's Group, or any other Person released pursuant to Section 7.1(a), with respect to any Liabilities released pursuant to Section 7.1(a).

(d) It is the intent of each Party, by virtue of the provisions of this Section 7.1, to provide, to the fullest extent permitted by applicable Law, for a full and complete release and discharge of all Liabilities existing or arising from all acts and events occurring or failing to occur or alleged to have occurred or to have failed to occur and all conditions existing or alleged to have existed at or before the Effective Time, whether known or unknown, between or among any Party (and/or a member of such Party's Group), on the one hand, and any other Party or Parties (and/or a member of such Party's or parties' Group), on the other hand (including any contractual agreements or arrangements existing or alleged to exist between or among any such members at or before the Effective Time), except as specifically set forth in Sections 7.1(a) and 7.1(b). At any time, at the reasonable request of any other Party, each Party shall cause each member of its respective Group and, to the extent practicable, each other Person on whose behalf it released Liabilities pursuant to this Section 7.1 to execute and deliver releases, to the fullest extent permitted by applicable Law, reflecting the provisions hereof.

Section 7.2. Indemnification by Leidos. Except as otherwise specifically set forth in any provision of this Agreement or of any Ancillary Agreement, following the Effective Time, Leidos shall and shall cause the other members of the Leidos Group to indemnify, defend and hold harmless the New SAIC Indemnitees from and against any and all Losses of the New SAIC Indemnitees arising out of, by reason of or otherwise in connection with (a) the Leidos Liabilities or alleged Leidos Liabilities or (b) any breach by Leidos of any provision of this Agreement or any Ancillary Agreement unless such Ancillary Agreement expressly provides for separate indemnification therein, in which case any such indemnification claims shall be made thereunder.

Section 7.3. Indemnification by New SAIC. Except as otherwise specifically set forth in any provision of this Agreement or of any Ancillary Agreement, following the Effective Time, New SAIC shall and shall cause the other members of the New SAIC Group to indemnify, defend and hold harmless the Leidos Indemnitees from and against any and all Losses of the Leidos Indemnitees arising out of, by reason of or otherwise in connection with (a) the New SAIC Liabilities or alleged New SAIC Liabilities or (b) any breach by New SAIC of any provision of this Agreement (including Section 5.6 (CityTime)) or any Ancillary Agreement unless such Ancillary Agreement expressly provides for separate indemnification therein, in which case any such indemnification claims shall be made thereunder.

Section 7.4. Procedures for Indemnification.

(a) Other than with respect to Third Party Claims, which shall be governed by Section 7.4(b), and Shared Contingent Liabilities, which shall be governed by Section 6.4, each Leidos Indemnitee and New SAIC Indemnitee (each, an "Indemnitee") shall notify in writing, with respect to any matter that

such Indemnitee has determined has given or could give rise to a right of indemnification under this Agreement or any Ancillary Agreement, the Party which is or may be required pursuant to this Article VII or pursuant to any Ancillary Agreement to make such indemnification (the “Indemnifying Party”), within thirty (30) days of such determination, stating the amount of the Loss claimed, if known, and method of computation thereof, and referring to the provisions of this Agreement in respect of which such right of indemnification is claimed by such Indemnitee or arises; provided, however, that the failure to provide such written notice shall not release the Indemnifying Party from any of its obligations except and solely to the extent the Indemnifying Party shall have been actually prejudiced as a result of such failure. Each such Indemnitee shall provide the applicable Indemnifying Party with reasonable access, upon reasonable prior written notice and during normal business hours, in a manner so as not to unreasonably interfere in any material respect with the normal business operations of such Indemnitee, to its books and records, properties and personnel relating to the claim the Indemnitee has determined has given or could give rise to a right of indemnification under this Agreement or any Ancillary Agreement.

(b) Third Party Claims. If a claim or demand is made by any Person who is not a party to this Agreement (a “Third Party Claim”) against an Indemnitee as to which such Indemnitee is or may be entitled to indemnification pursuant to this Agreement or any Ancillary Agreement, such Indemnitee shall notify the Indemnifying Party in writing, and in reasonable detail, of the Third Party Claim promptly (and in any event within thirty (30) days) after receipt by such Indemnitee of written notice of the Third Party Claim; provided, however, that the failure to provide notice of any such Third Party Claim pursuant to this or the preceding sentence shall not release the Indemnifying Party from any of its obligations except and solely to the extent the Indemnifying Party shall have been actually and materially prejudiced as a result of such failure. If any Party shall receive notice or otherwise learn of the assertion of a Third Party Claim which may reasonably be determined to be a Shared Contingent Liability, such Party, as appropriate, shall give the Managing Party written notice thereof within thirty (30) days after such Person becomes aware of such Third Party Claim subject to and in compliance with Section 6.4. Thereafter, the Indemnitee shall deliver to the Indemnifying Party (and, if applicable, to the Managing Party), promptly (and in any event within five (5) Business Days) after the Indemnitee’s receipt thereof, copies of all notices and documents (including court papers) received by the Indemnitee relating to the Third Party Claim.

(c) Other than in the case of (i) a Shared Contingent Liability (the defense of which shall be assumed and controlled by the Managing Party) or (ii) Taxes addressed in the Tax Matters Agreement, the Indemnifying Party shall be entitled to participate in the defense of any Third Party Claim and, if it so chooses, to assume the defense thereof, at such Indemnifying Party’s own cost and expense and by such Indemnifying Party’s own counsel, that is reasonably acceptable to the Indemnitee, within thirty (30) days of the receipt of such notice from such Indemnitee; provided, however, that the Indemnifying Party shall not be entitled to assume the defense of any Third Party Claim to the extent such Third Party Claim (x) is an allegation of a criminal violation or (y) seeks injunctive relief against the Indemnitee. In connection with the Indemnifying Party’s defense of a Third Party Claim, such Indemnitee shall have the right to employ separate counsel and to participate in (but not control) the defense, compromise, or settlement thereof, at its own expense and, in any event, shall cooperate with the Indemnifying Party in such defense and make available to the Indemnifying Party, at the Indemnifying Party’s expense, all witnesses, pertinent information, materials and information in such Indemnitee’s possession or under such Indemnitee’s control relating thereto as are reasonably required by the Indemnifying Party; provided, however, that in the event of that any of the Indemnities reasonably believes there is a conflict of interest between the Indemnifying Party and the applicable Indemnitee, such Indemnitee shall be entitled to retain, at the Indemnifying Party’s expense, separate counsel as required by the applicable rules of professional conduct with respect to such matter; provided, further, that if (i) the Third Party Claim is not a Shared Contingent Liability and (ii) the Indemnifying Party has assumed the defense of the Third Party Claim but has specified, and continues to assert, any reservations or exceptions to such defense or to its liability therefor, then, in any such case, the reasonable fees and expenses of one separate counsel for all Indemnitees shall be borne by the Indemnifying Party.

(d) Notwithstanding any assumption of defense of a Third Party Claim by an Indemnifying Party in accordance with Section 7.4(c), in the event that in the course of defending such Third Party Claim the Indemnifying Party or the other Party becomes aware that the subject matter of such Third Party Claim relates to a Liability of the other Party and not to a Liability of such Indemnifying Party, then the Indemnifying Party shall, subject to the prior written consent of the other Party to which such Liability belongs (which consent shall not be unreasonably withheld or delayed), use commercially reasonable efforts to transfer the defense of such claim to such other Party, and shall thereafter cooperate fully with such other Party in such defense and make available to such other Party, at such Party's expense, all witnesses, pertinent Information, materials and information in such Indemnifying Party's possession or under such Indemnifying Party's control relating to such Third Party Claim as are reasonably required by such other Party.

(e) Until and unless the Indemnifying Party assumes responsibility for defending a Third Party Claim, such Indemnitee may defend such Third Party Claim at the cost and expense of the Indemnifying Party. If the Indemnitee is conducting the defense against any such Third Party Claim, the Indemnifying Party shall cooperate with the Indemnitee in such defense and make available to the Indemnitee, at the Indemnitee's expense, all witnesses, pertinent Information, and material in such Indemnifying Party's possession or under such Indemnifying Party's control relating thereto as are reasonably required by the Indemnitee.

(f) Unless the Indemnifying Party has failed to assume the defense of the Third Party Claim in accordance with the terms of this Agreement, no Indemnitee may settle or compromise any Third Party Claim without the prior written consent of the Indemnifying Party, which consent shall not be unreasonably withheld or delayed.

(g) In the case of a Third Party Claim, no Indemnifying Party shall consent to entry of any judgment or enter into any settlement of the Third Party Claim without the prior written consent of the Indemnitee (not to be unreasonably withheld or delayed) if the effect thereof is to permit any injunction, declaratory judgment or other non-monetary relief to be entered, directly or indirectly, against any Indemnitee. For the avoidance of doubt, no such consent shall be required to the extent such judgment or settlement is for monetary damages.

(h) Except as otherwise set forth in Sections 5.1, Article VI and 8.6, or as set forth in any Ancillary Agreement, absent fraud or willful misconduct by an Indemnifying Party, the indemnification provisions of this Article VII shall be the sole and exclusive remedy of an Indemnitee for any monetary or compensatory damages or losses resulting from any breach of this Agreement and each Indemnitee expressly waives and relinquishes any and all rights, claims or remedies such Person may have with respect to the foregoing other than under this Article VII against any Indemnifying Party. For the avoidance of doubt, all disputes in respect of this Article VII shall be resolved in accordance with Article IX.

Section 7.5. Cooperation in Defense and Settlement.

(a) With respect to any Third Party Claim that is not a Shared Contingent Liability and that implicates both Parties in any material respect due to the allocation of Liabilities, responsibilities for management of defense and related indemnities pursuant to this Agreement or any of the Ancillary Agreements, the Parties agree to use commercially reasonable efforts to cooperate fully and maintain a joint defense (in a manner that will preserve for all Parties any Privilege with respect thereto). The Party that is not responsible for managing the defense of any such Third Party Claim shall, upon reasonable request, be consulted with respect to significant matters relating thereto and may, if necessary or helpful, retain counsel to assist in the defense of such claims.

(b) Leidos and New SAIC each agree that at all times from and after the Effective Time, if an Action is commenced by a third party naming both Parties (or any member of such Parties' respective Groups) as defendants and with respect to which a named Party (or any member of such Party's respective Group) is a nominal defendant and/or such Action is otherwise not a Liability allocated to such named Party under this Agreement or any Ancillary Agreement, then the other Party shall use commercially reasonable efforts to cause such nominal defendant to be removed from such Action, as soon as reasonably practicable.

Section 7.6. Indemnification Payments. Indemnification required by this Article VII shall be made by periodic payments of the amount of Losses in a timely fashion during the course of the investigation or defense, as and when bills are received or an Loss incurred.

Section 7.7. Indemnification Obligations Net of Insurance Proceeds and Other Amounts.

(a) Any Loss subject to indemnification pursuant to this Article VII including, for the avoidance of doubt, in respect of any Shared Contingent Liability, shall be calculated (i) net of insurance proceeds that actually reduce the amount of the Loss, (ii) net of any proceeds received by the Indemnitee from any third party for indemnification for such Liability that actually reduce the amount of the Loss ("Third Party Proceeds") and (iii) net of any Tax benefits actually realized in accordance with, and subject to, the principles set forth or referred to in Section 2.4 of the Tax Matters Agreement, and increased in accordance with, and subject to, the principles set forth in Section 2.4 of the Tax Matters Agreement. Accordingly, the amount which any Indemnifying Party is required to pay pursuant to this Article VII to any Indemnitee pursuant to this Article VII shall be reduced by any Insurance Proceeds or Third Party Proceeds theretofore actually recovered by or on behalf of the Indemnitee in respect of the related Loss. If an Indemnitee receives a payment required by this Agreement from an Indemnifying Party in respect of any Loss (an "Indemnity Payment") and subsequently receives Insurance Proceeds or Third Party Proceeds, then the Indemnitee shall pay to the Indemnifying Party an amount equal to the excess of the Indemnity Payment received over the amount of the Indemnity Payment that would have been due if the Insurance Proceeds or Third Party Proceeds had been received, realized or recovered before the Indemnity Payment was made.

(b) The Parties acknowledge that the indemnification provisions hereof do not relieve any insurer who would otherwise be obligated to pay any claim to pay such claim. In furtherance of the foregoing, the Indemnitee shall use commercially reasonable efforts to seek to collect or recover any Insurance Proceeds and any Third Party Proceeds (other than Insurance Proceeds under an arrangement where future premiums are adjusted to reflect prior claims in excess of prior premiums) to which the Indemnitee is entitled in connection with any Loss for which the Indemnitee seeks indemnification pursuant to this Article VII; provided, that the Indemnitee's inability to collect or recover any such Insurance Proceeds or Third Party Proceeds (despite having used commercially reasonable efforts) shall not limit the Indemnifying Party's obligations hereunder.

Section 7.8. Additional Matters; Survival of Indemnities.

(a) The indemnity agreements contained in this Article VII shall remain operative and in full force and effect, regardless of (i) any investigation made by or on behalf of any Indemnitee; (ii) the knowledge by the Indemnitee of Losses for which it might be entitled to indemnification hereunder; and (iii) any termination of this Agreement following the Effective Time.

(b) The rights and obligations of each Party and their respective Indemnitees under this Article VII shall survive the sale or other Transfer by any Party or its respective Subsidiaries of any Assets or businesses or the assignment by it of any Liabilities, with respect to any Loss of any Indemnitee related to such Assets, businesses or Liabilities.

ARTICLE VIII

PRESERVATION OF RECORDS; ACCESS TO INFORMATION; CONFIDENTIALITY; PRIVILEGE

Section 8.1. Preservation of Corporate Records.

(a) Except to the extent otherwise provided herein or in any Ancillary Agreement, a Party providing Records or access to Information to the other Party under this Agreement shall be entitled to receive from such other Party, upon the presentation of invoices therefor, payments for such amounts, relating to supplies, disbursements and other out-of-pocket expenses (which shall not include the costs of salaries and benefits of employees of such Party or any pro rata portion of overhead or other costs of employing such employees which would have been incurred by such employees' employer regardless of the employees' service with respect to the foregoing), as may be reasonably incurred in providing such Records or access to Information.

(b) The Parties shall comply with those document retention policies as shall be set forth on Schedule 8.1(b) hereto or otherwise established and agreed to in writing by their respective authorized officers at or prior to the Effective Time in respect of Records and related matters.

Section 8.2. Financial Statements and Accounting; Government Audits. Each Party agrees to provide assistance and reasonable access to its properties, Records, other Information and personnel set forth in this Section 8.2 at the request of the other Party: (i) at any time, with the consent of the other Party (not to be unreasonably withheld or delayed) for reasonable business purposes relating to financial reporting and other regulatory obligations (including disclosure obligations) or other obligations to Government Entities; (ii) from the Effective Time until the completion of each Party's audit for the fiscal year ending January 31, 2015, in connection with the preparation and audit of each Party's financial statements for the fiscal years ending January 31, 2014 and January 30, 2015 (including financial statements for any interim periods), the printing, filing and public dissemination of such financial statements and the audit of each Party's internal controls over financial reporting and management's assessment thereof and management's assessment of each Party's disclosure controls and procedures, if required; (iii) in the event that either Party changes its independent auditors within two (2) years following the Distribution Date, reasonable access on the terms set forth in this Section 8.2 for a period of up to one hundred and eighty (180) days from such change; and (iv) to the extent reasonably necessary to respond to any written request or official comment from a Governmental Entity, such as in connection with responding to a comment letter from the Commission or an audit request from the DCAA or DCMA. Without limiting the foregoing, each Party agrees as follows:

(a) Financial Statements. Each Party shall provide reasonable access to the other Party on a timely basis to all Information reasonably required to meet its schedule for the preparation, printing, filing, and public dissemination of its quarterly and annual financial statements and for management's assessment of the effectiveness of its disclosure controls and procedures and its internal controls over financial reporting in accordance with Items 307 and 308, respectively, of Regulation S-K and, to the extent applicable to such Party, its auditor's audit of its internal controls over financial reporting and management's assessment thereof in accordance with Section 404 of the Sarbanes-Oxley Act of 2002 and the Commission's and the Public Company Accounting Oversight Board's rules and auditing standards thereunder, if required (such assessments and audit being referred to as the "Internal Control Audit and

Management Assessments”). Without limiting the generality of the foregoing, each Party shall provide all required financial and other Information with respect to itself and its Subsidiaries to its auditors in a sufficient and reasonable time and in sufficient detail to permit its auditors to take all steps and perform all reviews necessary to provide sufficient assistance, if requested, to each other Party’s auditors with respect to Information to be included or contained in such other Party’s annual financial statements and to permit such other Party’s auditors and management to complete the Internal Control Audit and Management Assessments, for all required periods in the fiscal years ending January 31, 2014 and January 30, 2015.

(b) Access to Audit Personnel and Records. Except to the extent otherwise contemplated by the Ancillary Agreements, each Party shall authorize its respective auditors to make reasonably available to the other Party’s auditors (the “Other Party’s Auditors”) both the personnel who performed or are performing the annual audits of such audited Party (each Party with respect to its own audit, the “Audited Party”) and work papers related to the annual audits of such Audited Party (subject to the execution of any reasonable and customary access letters that such Audited Party’s auditors may require in connection with the review of such work papers by such Other Party’s Auditors), in all cases within a reasonable time prior to such Audited Party’s auditors’ opinion date, so that the Other Party’s Auditors are able to perform the procedures they reasonably consider necessary to take responsibility for the work of the Audited Party’s auditors as it relates to their auditors’ report on such other Party’s financial statements, all within sufficient time to enable such other Party to meet its timetable for the printing, filing and public dissemination of its annual financial statements.

(c) Annual Reports. Each Party shall deliver to the other Party a reasonably complete draft of the portions of the annual report (and financial statements required to be filed therewith) for the fiscal year ending January 31, 2014 (the “Annual Report”) that relate to or directly discuss the Distribution and the other transactions contemplated by this Agreement, no later than two weeks prior to the date such Annual Report is expected to be filed; provided, however, that for the avoidance of doubt, each Party may continue to revise its respective Annual Report prior to the filing thereof, with material changes to the portions of the Annual Report and accompanying financial statements that are required to be shared hereunder to be delivered to the other Party as soon as reasonably available. Each Party shall notify the other Party, as soon as reasonably practicable after becoming aware thereof, of any material accounting differences relating to the Distribution and other transactions contemplated by this Agreement between the financial statements to be included in such Party’s Annual Report and the pro forma financial statements included, as applicable, in the Form 10 or the Form 8-K to be filed by Leidos with the Commission on or about the time of the Distribution. If any such differences are notified by any Party, the Parties shall confer and/or meet as soon as reasonably practicable thereafter, and in any event prior to the filing of any Annual Report, to consult with each other in respect of such differences and the effects thereof on the Parties’ Annual Reports. Notwithstanding anything herein to the contrary, neither Party shall be required to disclose to the other Party events or occurrences that such Party determines in good faith to be significant or material to such Party and that are not appropriate for disclosure.

(d) Nothing in this Article VIII shall require any Party to violate any agreement with any third party regarding the confidentiality of confidential and proprietary Information relating to that third party or its business; provided, however, that in the event that a Party is required under this Section 8.2 to disclose any such Information, such Party shall use commercially reasonable efforts to seek to obtain such third party’s written consent to the disclosure of such Information.

Section 8.3. Provision of Information. Other than in circumstances in which indemnification is sought pursuant to Article VII (in which event the provisions of such Article shall govern) or for matters related to provision of Tax Records (in which event the provisions of the Tax Matters Agreement shall govern) and without limiting the applicable provisions of Article VI, and subject to appropriate restrictions for classified Information, Privileged Information or Confidential Information:

(a) If Information that is retained by Leidos (pursuant to the proviso in Section 1.1(38)(xii)) is (A) Leidos Information but used in or related to the New SAIC Business, New SAIC shall have the right to access and use such Information and make reasonable copies thereof but solely for its internal purposes consistent with past practice, subject to applicable security restrictions and confidentiality obligations as set forth in Section 8.5 (Confidentiality) and (B) New SAIC Information, New SAIC shall have the right to access and use such Information and make reasonable copies thereof, which copies shall be included in the New SAIC Assets;

(b) If Information that is retained by New SAIC (pursuant to the proviso in Section 1.1(52)(xii)) is (A) New SAIC Information but used in or related to the Leidos Business, Leidos shall have the right to access and use such Information and make reasonable copies thereof but solely for its internal purposes consistent with past practice, subject to applicable security restrictions and confidentiality obligations as set forth in Section 8.5 and (B) is Leidos Information, Leidos shall have the right to access and use such Information and make reasonable copies thereof, which copies shall be included in the Leidos Assets.

Section 8.4. Witness Services. Except in the event the Parties are opposing one another in an Action, in which case normal discovery rules shall apply, at all times from and after the Effective Time, Leidos and New SAIC shall each use its commercially reasonable efforts to make available to the other Party, upon reasonable written request, its and its Subsidiaries' former (to the extent practicable) and then-current directors, officers, employees, other personnel and agents of such Party as witnesses and any Records or other Information within its control or which it otherwise has the ability to make available (other than materials covered by any Privilege) to the extent that such Persons (giving consideration to business demands of such directors, officers, employees, other personnel and agents) or Records or other Information may reasonably be required to testify, in the case of Persons, or be provided, in the case of Records or Information, in connection with the prosecution or defense of any Action in which the requesting Party may from time to time be involved (except for claims, demands or Actions between members of each Group). A Party providing a witness to the other Party under this Section shall be entitled to receive from the recipient of such witness services, upon the presentation of invoices therefor, payments for such amounts, relating to supplies, disbursements and other out-of-pocket expenses (which shall not include the costs of salaries and benefits of employees who are witnesses or any pro rata portion of overhead or other costs of employing such employees which would have been incurred by such employees' employer regardless of the employees' service as witnesses; provided that, notwithstanding the foregoing, the Party providing a witness (including in connection with any Shared Contingent Liability or Shared Contingent Asset) shall be entitled to receive the pro rata portion of the costs of salaries and benefits of such employees with respect to whom at least 30% of their professional time over period of one-month or greater is dedicated to such witness services), as may be reasonably incurred and properly paid under applicable Law.

Section 8.5. Confidentiality.

(a) Notwithstanding any termination of this Agreement, each Party shall hold, and shall cause each of its respective Subsidiaries to hold, and shall cause its and their respective officers, employees, agents, consultants and advisors to hold, in strict confidence, and not to disclose or release or, except as otherwise permitted by this Agreement or any Ancillary Agreement, use, without the prior written consent of the Party to whom the Confidential Information relates (which may be withheld in such Party's sole and absolute discretion, except where disclosure is required by applicable Law), any and all Confidential Information (as defined herein) concerning or belonging to the other Party; provided, that

each Party may disclose, or may permit disclosure of, Confidential Information (i) to its respective auditors, attorneys, financial advisors, bankers and other appropriate consultants and advisors who have a need to know such Information and are informed of the obligation to hold such Information confidential and in respect of whose failure to comply with such obligations, the applicable Party will be responsible, (ii) if any Party or any of its respective Subsidiaries is required or compelled to disclose any such Confidential Information by judicial or administrative process or by other requirements of Law or stock exchange rule or is advised by outside counsel in connection with a governmental proceeding that it is advisable to do so, (iii) as required in connection with any legal or other proceeding by one Party against any other Party, (iv) as necessary in order to permit a Party to prepare and disclose its financial statements, Tax Returns or other required disclosures, (v) as necessary for a Party to enforce its rights or perform its obligations under this Agreement (including pursuant to Section 2.3) or an Ancillary Agreement or (vi) to Governmental Entities in accordance with applicable procurement regulations and contract requirements. Notwithstanding the foregoing, in the event that any demand or request for disclosure of Confidential Information is made pursuant to clause (ii), (iii), (iv), (v) or (vi) above, each Party, as applicable, shall promptly notify (to the extent permissible by Law) the Party to whom the Confidential Information relates of the existence of such request, demand or disclosure requirement and shall provide such affected Party a reasonable opportunity to seek an appropriate protective order or other remedy, which such Party will cooperate in obtaining to the extent reasonably practicable. In the event that such appropriate protective order or other remedy is not obtained, the Party which faces the disclosure requirement shall furnish only that portion of the Confidential Information that is required to be disclosed and shall take commercially reasonable steps to ensure that confidential treatment is accorded such Confidential Information.

(b) Each Party acknowledges that it and the other members of its Group may have in its or their possession confidential or proprietary Information of third parties that was received under confidentiality or non-disclosure agreements with such third party while such Party and/or members of its Group were part of the Leidos Group. Each Party shall comply, and shall cause the other members of its Group to comply, and shall cause its and their respective officers, employees, agents, consultants and advisors (or potential buyers) to comply, with all terms and conditions of any such third-party agreements entered into prior to the Effective Time, with respect to any confidential and proprietary Information of third parties to which it or any other member of its Group has had access.

(c) The Parties agree that Confidential Information that is subject to privacy laws, rules, regulations and contractual requirements (“Protected Information”) will be subject to the additional terms and conditions set forth in Schedule 8.5(c).

(d) The Parties agree that irreparable damage may occur in the event that the provisions of this Section 8.5 were not performed in accordance with their specific terms. Accordingly, it is hereby agreed that the Parties shall be entitled to seek an injunction or injunctions to enforce specifically the terms and provisions hereof in any court of the United States or any state having jurisdiction, this being in addition to any other remedy to which they are entitled at law or in equity.

(e) For the avoidance of doubt, the disclosure and sharing of Privileged Information shall be governed by Section 8.6 and not by this Section 8.5.

Section 8.6. Privilege Matters.

(a) Pre-Separation Services. The Parties recognize that legal and other professional services that have been and will be provided prior to the Effective Time have been and will be rendered for the collective benefit of each of the members of the Leidos Group and the New SAIC Group, and that each of the members of the Leidos Group and the New SAIC Group should be deemed to be the client with

respect to such pre-separation services for the purposes of asserting all privileges, immunities, or other protections from disclosure which may be asserted under applicable Law, including attorney-client privilege, business strategy privilege, joint defense privilege, common interest privilege, and protection under the work-product doctrine (“Privilege”). The Parties shall have a shared Privilege with respect to all Information subject to Privilege (“Privileged Information”) which relates to such pre-separation services. For the avoidance of doubt, Privileged Information within the scope of this Section 8.7 includes, but is not limited to, services rendered by legal counsel retained or employed by any Party (or any member of such Party’s respective Group), including outside counsel and in-house counsel.

(b) Post-Separation Services. The Parties recognize that legal and other professional services will be provided following the Effective Time to each of Leidos and New SAIC. The Parties further recognize that certain of such post-separation services will be rendered solely for the benefit of Leidos or New SAIC, as the case may be, while other such post-separation services may be rendered with respect to claims, proceedings, litigation, disputes, or other matters which involve Leidos and New SAIC. With respect to such post-separation services and related Privileged Information, the Parties agree as follows:

(i) All Privileged Information relating to any claims, proceedings, litigation, disputes, or other matters which involve Leidos and New SAIC shall be subject to a shared Privilege between the Parties involved in the claims, proceedings, litigation, disputes, or other matters at issue; and

(ii) Except as otherwise provided in Section 8.7(b)(i), Privileged Information relating to post-separation services provided solely to one of Leidos or New SAIC shall not be deemed shared between the Parties, provided, that the foregoing shall not be construed or interpreted to restrict the right or authority of the Parties (x) to enter into any further agreement, not otherwise inconsistent with the terms of this Agreement, concerning the sharing of Privileged Information or (y) otherwise to share Privileged Information without waiving any Privilege which could be asserted under applicable Law.

(c) The Parties agree as follows regarding all Privileged Information with respect to which the Parties shall have a shared Privilege under Section 8.6(a) or (b):

(i) Subject to Section 8.7(c)(iii) and (iv), no Party may waive any Privilege which could be asserted under any applicable Law, and in which the other Party has a shared Privilege, without the consent of the other Party, which shall not be unreasonably withheld or delayed. Consent shall be in writing, or shall be deemed to be granted unless written objection is made within ten (10) days after written notice by the requesting Party to the Party whose consent is sought;

(ii) If a dispute arises between or among the Parties or their respective Subsidiaries regarding whether a Privilege should be waived to protect or advance the interest of any Party, each Party agrees that it shall negotiate in good faith, shall endeavor to minimize any prejudice to the rights of the other Party, and shall not unreasonably withhold consent to any request for waiver by the other Party. Each Party specifically agrees that it shall not withhold consent to waive for any purpose except to protect its own legitimate interests;

(iii) If, within ten (10) days of receipt by the requesting Party of written objection, the Parties have not succeeded in negotiating a resolution to any dispute regarding whether a Privilege should be waived, and the requesting Party determines that a Privilege should nonetheless be waived to protect or advance its interest, the requesting Party shall provide the objecting Party ten (10) days written notice prior to effecting such waiver. Each Party specifically agrees that failure within ten (10) days of receipt of such notice to commence proceedings in a court of competent jurisdiction to enjoin such disclosure under applicable Law shall be deemed full and effective consent to such disclosure; and

(iv) In the event of any litigation or dispute between the Parties, or any members of their respective Groups, either such Party may waive a Privilege in which the other Party or member of such Group has a shared Privilege, without obtaining the consent of the other Party; provided, that such waiver of a shared Privilege shall be effective only as to the use of Privileged Information with respect to the litigation or dispute between the Parties and/or the applicable members of their respective Groups, and shall not operate as a waiver of the shared Privilege with respect to third parties.

(d) The transfer of all Information pursuant to this Agreement is made in reliance on the agreement of Leidos or New SAIC as set forth in Sections 8.5 and this Section 8.6, to maintain the confidentiality of Privileged Information and to assert and maintain any applicable Privilege. The access to Information being granted hereunder, the agreement to provide witnesses and individuals hereunder, the furnishing of notices and documents and other cooperative efforts contemplated hereunder, and the transfer of Privileged Information between the Parties and their respective Subsidiaries pursuant to this Agreement, in each case shall not be deemed a waiver of any Privilege that has been or may be asserted under this Agreement or otherwise.

(e) Notwithstanding any provision to the contrary in this Section 8.6, the Audit Management Party (as defined in the Tax Matters Agreement) shall have the authority to disclose or not disclose, in its sole discretion, any and all Privileged Information to (i) any Taxing Authority (as defined in the Tax Matters Agreement) conducting a Tax Contest or (ii) to third parties in connection with the defense of a Tax Contest, including expert witnesses, accountants and other advisors, potential witnesses and other parties whose assistance is deemed, in the sole discretion of the Audit Management Party, to be necessary or beneficial to representing the interests of the Parties hereunder.

Section 8.7. Ownership of Information. Any Information owned by one Party or any of its Subsidiaries that is provided to a requesting Party pursuant to this Article VIII shall be deemed to remain the property of the providing Party. Unless specifically set forth herein or in an Ancillary Agreement, nothing contained in this Agreement shall be construed as granting or conferring rights of license or otherwise in any such Information. Leidos shall, as soon as reasonably practicable after the Effective Time, provide New SAIC with access to and/or copies of such Information consisting of spreadsheet tools and templates used for human resources purposes (the "HR Tools"). To the extent any such HR Tools contain personally identifiable information, Leidos will use commercially reasonable efforts to remove any such personally identifiable information from the HR Tools prior to delivering the HR Tools to New SAIC.

Section 8.8. Other Agreements. The rights and obligations granted under this Article VIII are subject to any specific rights, obligations, limitations, qualifications or additional provisions on the sharing, exchange or confidential treatment of Information set forth in any Ancillary Agreement.

ARTICLE IX
DISPUTE RESOLUTION

Section 9.1. Negotiation. In the event of a controversy, dispute or claim arising out of, in connection with, or in relation to the interpretation, performance, nonperformance, validity or breach of this Agreement or the Ancillary Agreements or otherwise arising out of, or in any way related to, this Agreement or the Ancillary Agreements or the transactions contemplated hereby, including any claim based on contract, tort, statute or constitution (collectively, "Disputes"), the general counsels of the Parties (or such other individuals designated by the respective general counsels) and/or the executive officers designated by the Parties, shall negotiate for a reasonable period of time to settle such Dispute; provided, that such reasonable period shall not, unless otherwise agreed by the Parties in writing, exceed forty-five (45) days from the time of receipt by a Party of written notice of such Agreement Dispute ("Dispute Notice"); provided, further, that in the event of any arbitration in accordance with Section 9.3 hereof, the Parties shall not assert the defenses of statute of limitations and laches arising during the period beginning after the date of receipt of the Dispute Notice, and any contractual time period or deadline under this Agreement or any Ancillary Agreement to which such Dispute relates occurring after the Dispute Notice is received shall not be deemed to have passed until such Dispute has been resolved; provided further, that the foregoing shall not apply to claims under Section 3.5, which shall be governed by such Section.

Section 9.2. Mediation. If, within forty-five (45) days after receipt by a Party of a Dispute Notice, the Parties have not succeeded in negotiating a resolution of the Dispute, the Parties may mutually agree to submit the Dispute at the earliest possible date to mediation conducted in accordance with the Mediation Procedure of the International Institute for Conflict Prevention and Resolution ("CPR"), with each Party to bear equally the costs of the mediation; provided, however, that each Party shall bear its own attorneys' fees and expenses and other costs in connection with such mediation. If mediation has been so agreed, the parties agree to participate in good faith in the mediation and negotiations related thereto for a period of thirty (30) days or such longer period as they may mutually agree following the initial mediation session (the "Mediation Period").

Section 9.3. Arbitration. If the Parties do not elect to submit the dispute to mediation in accordance with Section 9.2 or the Dispute has not been resolved for any reason after the Mediation Period, such Dispute shall be determined, at the request of any relevant Party, by arbitration conducted in Virginia, before and in accordance with the then-existing Rules for Non-Administered Arbitration of the CPR, except as modified herein (the "Rules"). There shall be three arbitrators, one of which shall be designated by each Party and the third of which shall be selected by the two so designated, which two shall be appointed by the Parties within twenty (20) days of receipt by respondent of a copy of the demand for arbitration and which third arbitrator shall be selected within fifteen (15) days thereafter. If the arbitrators are not timely appointed by the Parties (or by the selected arbitrators) under this Section 9.3, he or she shall be appointed by the CPR in accordance with the Rules, and in any such procedure, each Party shall be given two strikes, excluding strikes for cause. Any controversy concerning whether an Dispute is an arbitrable Dispute, whether arbitration has been waived, whether an assignee of this Agreement is bound to arbitrate, or as to the interpretation, validity or enforceability of this Article IX shall be determined by the arbitrator. In resolving any Dispute, the Parties intend that the arbitrator shall apply the substantive Laws of the State of Delaware, without regard to any choice of law principles thereof that would mandate the application of the laws of another jurisdiction. The Parties intend that the provisions to arbitrate set forth herein be valid, enforceable and irrevocable, and any award rendered by the arbitrator shall be final and binding on the Parties. The Parties agree to comply and cause the members of their applicable Group to comply with any award made in any such arbitration proceedings and agree to enforcement of or entry of judgment upon such award, in any court of competent jurisdiction, including the Virginia Courts (as defined in Section 11.18). The arbitrator shall be entitled, if appropriate, to award any remedy in such proceedings, including monetary damages, specific performance and all other forms of legal and equitable relief; provided, however, the arbitrator shall not be entitled to award special, consequential, reputational, indirect or punitive damages unless in connection with indemnification for a Third Party Claim (and in such a case, only to the extent awarded in such Third Party Claim).

Section 9.4. Arbitration Period. Any arbitration proceeding shall be concluded in a maximum of six (6) months from the commencement of the arbitration or such other period as the arbitrator together with the Parties involved in such proceeding shall deem reasonable.

Section 9.5. Treatment of Negotiations, Mediation and Arbitration. Without limiting the provisions of the Rules, unless otherwise agreed in writing by the Parties or permitted by this Agreement, the Parties shall keep, and shall cause the members of their applicable Group to keep, confidential all matters relating to and any negotiation, mediation, conference or discussion or otherwise pursuant to this Article IX, all of which shall be treated as compromise and settlement negotiations for purposes of Rule 408 of the Federal Rules of Evidence and comparable state rules; provided, that such matters may be disclosed (i) to the extent reasonably necessary in any proceeding ancillary to an arbitration hereunder, including to enforce the award or for entry of a judgment upon the award and (ii) to the extent otherwise required by Law or the rules of any stock exchange on which a Party's securities may be listed. Nothing said or disclosed, nor any document produced, in the course of any negotiations, conferences and discussions that is not otherwise independently discoverable shall be offered or received as evidence or used for impeachment or for any other purpose in any current or future arbitration. Nothing contained herein is intended to or shall be construed to prevent a Party from applying to any court of competent jurisdiction for interim measures or other provisional relief in connection with the subject matter of any Disputes. Without prejudice to such provisional remedies as may be available under the jurisdiction of a court, the arbitral tribunal shall have full authority to grant provisional remedies and to direct the parties to request that any court modify or vacate any temporary or preliminary relief issued by such court, and to award damages for the failure of a Party to respect the arbitral tribunal's orders to that effect.

Section 9.6. Continuity of Service and Performance. Unless otherwise agreed in writing, the Parties shall continue to provide service and honor all other commitments under this Agreement and each Ancillary Agreement during the course of dispute resolution pursuant to the provisions of this Article IX with respect to all matters not subject to such dispute resolution.

Section 9.7. Consolidation. The arbitrator may consolidate an arbitration under this Agreement with any arbitration arising under or relating to the Ancillary Agreements or any other agreement between the parties entered into pursuant hereto, as the case may be, if the subject of the Disputes thereunder arises out of or relates essentially to the same set of facts or transactions. Such consolidated arbitration shall be determined by the arbitrator appointed for the arbitration proceeding that was commenced first in time.

ARTICLE X INSURANCE

Section 10.1. Policies and Rights Included Within Assets. (a) The Leidos Assets shall include any and all rights of an insured party under each of the Company Policies, specifically including rights of indemnity and the right to be defended by or at the expense of the insurer, with respect to all claims, suits, actions, proceedings, injuries, losses, liabilities, damages and expenses incurred or claimed to have been incurred prior to the Effective Time by any party in or in connection with the conduct of the Leidos Business or, to the extent any claim is made against Leidos or any of its Subsidiaries, the conduct of the New SAIC Business, and which claims, suits, actions, proceedings, injuries, losses, liabilities, damages and expenses may arise out of an insured or insurable occurrence under one or more of such Company Policies.

(b) Subject to Section 10.2, the New SAIC Assets shall include any and all rights of an insured party under each of the Company Policies that are occurrence-based (as opposed to “claims- made”) policies, subject to Section 10.9 and to the terms of such Company Policies and any limitations or obligations of New SAIC contemplated by this Article X or Schedule 10.1, specifically including rights of indemnity and the right to be defended by or at the expense of the insurer, with respect to all claims, suits, actions, proceedings, injuries, losses, liabilities, damages and expenses incurred or claimed to have been incurred prior to the Effective Time by any party in or in connection with the conduct of the New SAIC Business or, to the extent any claim is made against New SAIC or any of its Subsidiaries, the conduct of the Leidos Business, and which claims, suits, actions, proceedings, injuries, losses, liabilities, damages and expenses may arise out of an insured or insurable occurrence under one or more of such Company Policies; provided, however, that nothing in this clause shall be deemed to constitute (or to reflect) an assignment of such Company Policies, or any of them, to New SAIC; and provided further that, with respect to claims under professional liability policies, any such claim in which the ultimate resolution thereof would exceed the self-insured retention may only be settled with the approval of Leidos, which approval may not be unreasonably withheld, delayed or conditioned.

Section 10.2. Post-Effective Time Claims. If, subsequent to the Effective Time, any person shall assert a claim against New SAIC or any of its Subsidiaries (including where New SAIC or its Subsidiaries are joint defendants with other persons) with respect to any claim, suit, action, proceeding, injury, loss, liability, damage or expense incurred or claimed to have been incurred prior to the Effective Time in or in connection with the conduct of the New SAIC Business or, to the extent any claim is made against New SAIC or any of its Subsidiaries (including where New SAIC or its Subsidiaries are joint defendants with other persons), the conduct of the Leidos Business, and which claim, suit, action, proceeding, injury, loss, liability, damage or expense may arise out of an insured or insurable occurrence under one or more of the Company Policies, Leidos shall, at the time such claim is asserted, be deemed to designate, without need of further documentation, New SAIC as the agent and attorney-in-fact to assert and to collect any related Insurance Proceeds under such Company Policy, and shall further be deemed to confer, without need of further documentation, but subject to Section 10.10, upon New SAIC any and all rights of an insured party under such Company Policy with respect to such asserted claim, specifically including rights of indemnity and the right to be defended by or at the expense of the insurer and the right to any applicable Insurance Proceeds thereunder; provided, however, that nothing in this Section 10.2 shall be deemed to constitute (or to reflect) an assignment of the Company Policies, or any of them, to New SAIC.

Section 10.3. Administration; Other Matters. (a) Administration. Subject to Section 10.10, from and after the Effective Time, each Party shall provide reasonable assistance to the other Party at the request of the other Party in regards to Claims Administration under Company Policies. New SAIC shall provide prompt notice to Leidos of any claims submitted by it or by its respective Subsidiaries under the Company Policies and of any Insurance Proceeds related thereto. Each Party shall administer and pay any costs relating to defending its respective Insured Claims under Company Policies to the extent such defense costs are not covered under such Policies, shall be responsible for any amounts of its respective Insured Claims under Company Policies that fall below applicable deductibles or self-insured retentions, and shall be responsible for obtaining or reviewing the appropriateness of releases upon settlement of its respective Insured Claims under Company Policies.

(b) Liability Limitation. Leidos and New SAIC shall not be liable to one another for claims not reimbursed by insurers for any reason not within the control of Leidos or New SAIC, as the case may be, including coinsurance provisions, deductibles, quota share deductibles, exhaustion of aggregates, self-insured retentions, bankruptcy or insolvency of an insurance carrier, Company Policy limitations or restrictions, any coverage disputes, any failure to timely claim by Leidos or New SAIC or any defect in such claim or its processing.

(c) Maximization of Insurance Proceeds. Each Party agrees to use commercially reasonable efforts to maximize available coverage under those Company Policies applicable to it, and to take all commercially reasonable steps to recover from all other responsible parties in respect of an Insured Claim, including, as may be applicable, pursuing recoveries under other insurance policies available to such Party.

Section 10.4. Agreement for Waiver of Conflict and Shared Defense. In the event that Insured Claims of more than one Party exist relating to the same occurrence, the relevant Parties shall jointly defend and waive any conflict of interest to the extent necessary to the conduct of the joint defense. Nothing in this Section 10.4 shall be construed to limit or otherwise alter in any way the obligations of the Parties, including those created by this Agreement, by operation of law or otherwise.

Section 10.5. Agreement for Waiver of Conflict and Insurance Litigation and/or Recovery Efforts. In the event of any Action by any Party (or both of the Parties) to recover or obtain insurance proceeds, or to defend against any Action by an insurance carrier to deny any Policy benefits, both Parties may join in any such Action and be represented by joint counsel and both Parties shall waive any conflict of interest to the extent necessary to conduct any such Action. Nothing in this Section 10.5 shall be construed to limit or otherwise alter in any way the obligations of the Parties, including those created by this Agreement, by operation of Law, or otherwise.

Section 10.6. Directors and Officers Liability Insurance; Fiduciary Liability Insurance.

(a) Directors and Officers Liability Insurance and Fiduciary Liability Insurance. Leidos agrees that, from and after the Effective Time to the sixth anniversary of the Distribution Date, it will maintain in full force and effect run-off coverage for the Company Policies identified as Directors & Officers Liability Insurance, Excess Directors & Officers Liability Insurance and Fiduciary Liability Insurance on Schedule 10.1 and shall not amend the terms of such Policies in a manner adverse to any persons covered by such insurance. The provisions of this Section 10.6 are intended for the benefit of, and shall be enforceable by, each of the persons covered by those Company Policies referenced in the preceding sentence.

(b) Professional Liability Insurance. Leidos agrees that, for a period of three years from and after the Effective Time, it will maintain in full force and effect \$100,000,000 of professional liability insurance for the benefit and protection of Leidos and New SAIC with respect to liabilities, damages or expenses incurred or claimed to have been incurred prior to the Effective Time; provided, however, that Leidos shall not be required to maintain \$100,000,000 of professional liability insurance if any premium increases related to such insurance would exceed 25% of the premium paid in the initial policy year September 28, 2013 to September 28, 2014, in which case Leidos shall only be required to maintain such amount of professional liability insurance as is reasonably available for a premium equal to 1.25 multiplied by premium paid in such initial policy year.

Section 10.7. No Coverage for Post-Effective Occurrences. New SAIC, on behalf of itself and its Subsidiaries, acknowledges and agrees that it will have no coverage under the Company Policies for acts or events that occur after the Effective Time.

Section 10.8. Cooperation. The Parties agree to use their commercially reasonable efforts to cooperate with respect to the various insurance matters contemplated by this Agreement (including in connection with Policies where Leidos is an additional named insured).

Section 10.9. Leidos as General Agent and Attorney-In-Fact. Notwithstanding anything to the contrary contained herein, Leidos remains the owner and holder of all rights and claims in and to the Company Policies. Should the provisions of Sections 10.1 and 10.2 as they pertain to New SAIC be challenged and/or fail of their purpose, Leidos shall act as agent and attorney-in-fact for New SAIC and thereby effectuate, on behalf of New SAIC, the provisions of Sections 10.1 and 10.2 of this Agreement, provided that New SAIC shall pay Leidos' reasonable out of pocket costs relating thereto.

Section 10.10. Additional Premiums, Return Premiums and Pro Rata Cancellation Premium Credits. If additional premiums are payable, or return premiums are receivable, on any Company Policies after the Effective Time as a result of an insurance carrier's retrospective audit of insured exposure, each of Leidos and New SAIC shall be responsible for its respective share of any such additional premiums, and shall be entitled to receive its respective share of any such return premiums, that are attributable to a change in its or its Subsidiaries' insured exposure. If cancellation premium credits are received after the Effective Time in connection with the cancellation of any Company Policies, each of Leidos and New SAIC shall be entitled to receive its Sharing Percentage of such cancellation premium credits.

ARTICLE XI

MISCELLANEOUS

Section 11.1. Complete Agreement; Construction. This Agreement, including the Exhibits and Schedules, and the Ancillary Agreements shall constitute the entire agreement between the Parties with respect to the subject matter hereof and shall supersede all previous negotiations, commitments, course of dealings and writings with respect to such subject matter. In the event of any inconsistency between this Agreement and any Schedule hereto, the Schedule shall prevail. In the event and to the extent that there shall be a conflict between the provisions of this Agreement and the provisions of any Continuing Arrangement, such Continuing Arrangement shall control. Except as expressly set forth in this Agreement or any Ancillary Agreement: (i) all matters relating to Taxes and Tax Returns of the Parties and their respective Subsidiaries shall be governed exclusively by the Tax Matters Agreement; and (ii) for the avoidance of doubt, in the event of any conflict between this Agreement or any Ancillary Agreement, on the one hand, and the Tax Matters Agreement, on the other hand, with respect to such matters, the terms and conditions of the Tax Matters Agreement shall govern.

Section 11.2. Ancillary Agreements. Except as expressly set forth herein, this Agreement is not intended to address, and should not be interpreted to address, the matters specifically and expressly covered by the Ancillary Agreements and in the case of any express conflict between this Agreement and any Ancillary Agreement, the terms of such Ancillary Agreement shall prevail.

Section 11.3. Counterparts. This Agreement may be executed in more than one counterpart, all of which shall be considered one and the same agreement, and shall become effective when one or more such counterparts have been signed by each of the Parties and delivered to each of the Parties.

Section 11.4. Survival of Agreements. Except as otherwise contemplated by this Agreement or any Ancillary Agreement, all covenants and agreements of the Parties contained in this Agreement and each Ancillary Agreement shall survive the Effective Time and remain in full force and effect in accordance with their applicable terms.

Section 11.5. Expenses. Except as otherwise provided (i) in this Agreement (including with respect to Specified Shared Expenses, responsibility for which is allocated pursuant to Section 5.3), or (ii) in any Ancillary Agreement, the Parties agree that all out-of-pocket fees and expenses incurred, or to be incurred and directly related to the Internal Reorganization, Distribution and the other transactions contemplated hereby (including third party professional fees, fees and expenses incurred in connection with the execution and delivery of this Agreement and such other third party fees and expenses incurred

on a non-recurring basis directly as a result thereof, including expenses set forth on Schedule 11.5, and excluding the costs of salaries and benefits of employees or any pro rata portion of overhead or other costs of employing such employees which would have been incurred by such employees' employer regardless of the employees' service with respect to the foregoing) (collectively, "Separation Expenses") shall (A) to the extent set forth on Schedule 11.5, be paid by Leidos and (B) otherwise, with respect to expenses incurred after the Effective Time, be paid by the Party generating and/or incurring such expenses. For the avoidance of doubt, except as expressly set forth in this Agreement or any Ancillary Agreements, each Party shall be responsible for its own internal fees (and reimburse any other Party to the extent such Party has paid such costs and expenses on behalf of the responsible Party), costs and expenses (e.g., salaries of personnel working in its respective Business) incurred following the Distribution Date, including any costs and expenses relating to such Party's (or any member of its Group's) documents filed with the Commission filed following the Distribution Date (including, printing, mailing and filing fees) or any costs and expenses incurred following the Distribution Date with the continued listing of such Party's common stock on the NYSE following the Distribution.

Section 11.6. Notices. All notices, requests, claims, demands and other communications under this Agreement and, to the extent applicable and unless otherwise provided therein, under each of the Ancillary Agreements shall be in English, shall be in writing and shall be given or made (and shall be deemed to have been duly given or made upon receipt) by delivery in person, by overnight courier service or by registered or certified mail (postage prepaid, return receipt requested) to the respective Parties at the following addresses (or at such other address for a Party as shall be specified in a notice given in accordance with this Section 11.6):

To Leidos:

Leidos, Inc.
11951 Freedom Drive
Reston, VA 20190
Attn: General Counsel

To New SAIC:

Science Applications International Corporation
1710 SAIC Drive
McLean, Virginia 22102
Attn: General Counsel

Section 11.7. Consents. Any consent required or permitted to be given by a Party to the other Parties under this Agreement shall be in writing and signed by the Party giving such consent and shall be effective only against such Party (and its Group).

Section 11.8. Assignment. This Agreement shall not be assignable, in whole or in part, directly or indirectly, by any party hereto without the prior written consent of the other Party (not to be unreasonably withheld or delayed), and any attempt to assign any rights or obligations arising under this Agreement without such consent shall be void. Notwithstanding the foregoing, this Agreement shall be assignable in whole in connection with a merger or consolidation or the sale of all or substantially all the assets of a party hereto so long as the resulting, surviving or transferee entity assumes all the obligations of the relevant party hereto by operation of law or pursuant to an agreement in form and substance reasonably satisfactory to the other parties to this Agreement. No assignment permitted by this Section 11.8 shall release the assigning Party from liability for the full performance of its obligations under this Agreement.

Section 11.9. Successors and Assigns. The provisions of this Agreement and the obligations and rights hereunder shall be binding upon, inure to the benefit of and be enforceable by (and against) the Parties and their respective successors and permitted transferees and assigns.

Section 11.10. Termination and Amendment. This Agreement (including Article VII hereof) may be terminated, modified or amended and the Distribution may be amended, modified or abandoned at any time prior to the Effective Time by and in the sole discretion of Leidos without the approval of New SAIC or the stockholders of Leidos. In the event of such termination, no Party shall have any liability of any kind to the other Party or any other Person. After the Effective Time, this Agreement may not be terminated, modified or amended except by an agreement in writing signed by Leidos and New SAIC.

Section 11.11. Payment Terms.

(a) Except as expressly provided to the contrary in this Agreement or in any Ancillary Agreement, any amount to be paid or reimbursed by a Party (and/or a member of such Party's Group), on the one hand, to the other Party (and/or a member of such Party's Group), on the other hand, under this Agreement shall be paid or reimbursed hereunder within sixty (60) days after presentation of an invoice or a written demand therefor and setting forth, or accompanied by, reasonable documentation or other reasonable explanation supporting such amount.

(b) Except as expressly provided to the contrary in this Agreement or in any Ancillary Agreement, any amount not paid when due pursuant to this Agreement (and any amount billed or otherwise invoiced or demanded and properly payable that is not paid within sixty (60) days of such bill, invoice or other demand) shall bear interest at a rate per annum equal to LIBOR, from time to time in effect, calculated for the actual number of days elapsed, accrued from the date on which such payment was due up to the date of the actual receipt of payment.

(c) Except as expressly provided to the contrary in this Agreement or in any Ancillary Agreement, a Party (or any member of a Party's Group) may direct that any payment owed such Party (or member of such Party's Group) hereunder or under any Ancillary Agreement be paid directly to another member of the same Group.

Section 11.12. No Circumvention. The Parties agree not to directly or indirectly take any actions, act in concert with any Person who takes an action, or cause or allow any member of any such Party's Group to take any actions (including the failure to take a reasonable action) such that the resulting effect is to materially undermine the effectiveness of any of the provisions of this Agreement or any Ancillary Agreement (including adversely affecting the rights or ability of any Party to successfully pursue indemnification or payment pursuant to Articles VI and VII).

Section 11.13. Subsidiaries. Each of the Parties shall cause to be performed, and hereby guarantees the performance of, all actions, agreements and obligations set forth herein to be performed by any Subsidiary of such Party or by any entity that becomes a Subsidiary of such Party at and after the Effective Time, to the extent such Subsidiary remains a Subsidiary of the applicable Party.

Section 11.14. Third Party Beneficiaries. Except (i) as provided in Article VII relating to Indemnitees and for the release under Section 7.1 of any Person provided therein, (ii) as provided in Section 10.6 relating to the directors, officers, employees, fiduciaries or agents provided therein and (iii) as specifically provided in any Ancillary Agreement, this Agreement is solely for the benefit of the Parties and should not be deemed to confer upon third parties any remedy, claim, liability, reimbursement, claim of action or other right in excess of those existing without reference to this Agreement.

Section 11.15. Title and Headings. Titles and headings to sections herein are inserted for the convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.

Section 11.16. Exhibits and Schedules.

(a) The Exhibits and Schedules shall be construed with and as an integral part of this Agreement to the same extent as if the same had been set forth verbatim herein. Nothing in the Exhibits or Schedules constitutes an admission of any liability or obligation of any member of the Leidos Group or the New SAIC Group or any of their respective Affiliates to any third party, nor, with respect to any third party, an admission against the interests of any member of the Leidos Group or the New SAIC Group or any of their respective Affiliates. The inclusion of any item or liability or category of item or liability on any Exhibit or Schedule is made solely for purposes of allocating potential liabilities between the Parties and shall not be deemed as or construed to be an admission that any such liability exists.

(b) Subject to the prior written consent of the other Parties (not to be unreasonably withheld or delayed), each Party shall be entitled to update the Schedules from and after the date hereof until the Effective Time.

Section 11.17. Governing Law. This Agreement shall be governed by and construed in accordance with the Laws of the State of Delaware without reference to any choice-of-law or conflicts of law principles that would result in the application of the laws of a different jurisdiction.

Section 11.18. Consent to Jurisdiction. Subject to the provisions of Article IX hereof, each of the Parties irrevocably submits to the exclusive jurisdiction of (a) the Fairfax County Circuit Court and any appeals courts thereof or (b) the United States District Court for the Eastern District of Virginia and any appeals courts thereof (the courts referred to in clauses (a) and (b), the “Virginia Courts”), for the purposes of any suit, action or other proceeding to compel arbitration or for provisional relief in aid of arbitration in accordance with Article IX or to prevent irreparable harm, and to the non-exclusive jurisdiction of the Virginia Courts for the enforcement of any award issued thereunder. Each of the Parties further agrees that service of any process, summons, notice or document by U.S. registered mail to such Party’s respective address set forth above shall be effective service of process for any action, suit or proceeding in the Virginia Courts with respect to any matters to which it has submitted to jurisdiction in this Section 11.18. Each of the Parties irrevocably and unconditionally waives any objection to the laying of venue of any action, suit or proceeding arising out of this Agreement or the transactions contemplated hereby in the Virginia Courts, and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

Section 11.19. Waiver of Jury Trial. EACH OF THE PARTIES HEREBY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT. EACH OF THE PARTIES HEREBY (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B)

ACKNOWLEDGES THAT IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, AS APPLICABLE, BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 11.19.

Section 11.20. Severability. In the event any one or more of the provisions contained in this Agreement should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and therein shall not in any way be affected or impaired thereby. The Parties shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions, the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

Section 11.21. Force Majeure. No Party (or any Person acting on its behalf) shall have any liability or responsibility for failure to fulfill any obligation (other than a payment obligation) under this Agreement or, unless otherwise expressly provided therein, any Ancillary Agreement, so long as and to the extent to which the fulfillment of such obligation is prevented, frustrated, hindered or delayed as a consequence of circumstances of Force Majeure. A Party claiming the benefit of this provision shall, as soon as reasonably practicable after the occurrence of any such event: (a) notify the other applicable Parties of the nature and extent of any such Force Majeure condition and (b) use due diligence to remove any such causes and resume performance under this Agreement as soon as feasible.

Section 11.22. Interpretation. The Parties have participated jointly in the negotiation and drafting of this Agreement. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the Party drafting or causing any instrument to be drafted.

Section 11.23. No Duplication; No Double Recovery. Nothing in this Agreement is intended to confer to or impose upon any Party a duplicative right, entitlement, obligation or recovery with respect to any matter arising out of the same facts and circumstances.

Section 11.24. Tax Treatment of Payments. Unless otherwise required by a Final Determination, this Agreement or the Tax Matters Agreement or otherwise agreed to between the Parties, for U.S. federal Tax purposes, any payment made pursuant to this Agreement (other than any payment of interest pursuant to Section 11.11) by: (i) New SAIC to Leidos shall be treated for all Tax purposes as a distribution by New SAIC to Leidos with respect to stock of New SAIC occurring after New SAIC is directly owned by Leidos and immediately before the applicable Distribution; or (ii) Leidos to New SAIC shall be treated for all Tax purposes as a tax-free contribution by Leidos to New SAIC with respect to its stock occurring after New SAIC is directly owned by Leidos and immediately before the Distribution; and in each case, no Party shall take any position inconsistent with such treatment. In the event that a Taxing Authority (as defined in the Tax Matters Agreement) asserts that a Party's treatment of a payment pursuant to this Agreement should be other than as required pursuant to this Agreement (ignoring any potential inconsistent or adverse Final Determination), such Party shall use its commercially reasonable efforts to contest such challenge.

Section 11.25. No Waiver. No failure to exercise and no delay in exercising, on the part of any Party, any right, remedy, power or privilege hereunder or under the other Ancillary Agreements shall operate as a waiver hereof or thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

Section 11.26. No Admission of Liability. The allocation of Assets and Liabilities herein (including on the Schedules hereto) is solely for the purpose of allocating such Assets and Liabilities between Leidos and New SAIC and is not intended as an admission of liability or responsibility for any alleged Liabilities vis-à-vis any third party, including with respect to the Liabilities of any non-wholly owned subsidiary of Leidos or New SAIC.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed as of the day and year first above written.

SAIC, INC.

By: /s/ John P. Jumper
Name: John P. Jumper
Title: Chief Executive Officer

SAIC GEMINI, INC.

By: /s/ Anthony J. Moraco
Name: Anthony J. Moraco
Title: Chief Executive Officer

Annex I

The Internal Reorganization will take place in steps 1 through 5 below, all of which will occur prior to the Distribution set forth in step 6 (except for certain transfers in Step 1, which may occur after the Distribution Date):

Step 1: Members of the Leidos Group contributes and/or assigns the New SAIC Assets to New SAIC or the applicable member of the New SAIC Group. New SAIC, or the applicable member of the New SAIC Group, assumes all of the New SAIC Liabilities and in consideration for the asset transferred and liabilities assumed, New SAIC issues stock to Science Applications International Corporation.

Step 2: Science Applications International Corporation distributes all of the issued and outstanding New SAIC Common Stock to SAIC (the “Internal Distribution”).

Step 3: New SAIC consummates the New SAIC Financing.

Step 4: The appropriate documentation is filed in order to change the legal name of New SAIC, SAIC, Inc., Science Applications International Corporation and each other Subsidiary with SAIC or a derivative thereof in its name, effective at 5 p.m. (Eastern Time) on the Distribution Date.

Step 5: At noon on the day before the Distribution Date, New SAIC pays the New SAIC Dividend to Leidos.

Step 6: At 11:59 p.m. on the Distribution Date, SAIC distributes all of the issued and outstanding New SAIC Common Stock to the Record Holders.

AMENDED AND RESTATED CERTIFICATE OF INCORPORATION OF SAIC, INC.

SAIC, Inc., a Delaware corporation, hereby certifies as follows:

1. The name of the Corporation is SAIC, Inc.
2. The original Certificate of Incorporation of the Corporation was filed with the Secretary of State of the State of Delaware on August 12, 2005.
4. This Amended and Restated Certificate of Incorporation amends and restates the provisions of the Corporation's Certificate of Incorporation as heretofore amended and supplemented.
5. This Amended and Restated Certificate of Incorporation was duly adopted in accordance with Sections 242 and 245 of the General Corporation Law of the State of Delaware (the "DGCL").
6. This Amended and Restated Certificate of Incorporation shall become effective immediately after 11:59 p.m., Eastern time, on September 27, 2013 (the "Amendment Effective Time").
7. Effective upon the Amendment Effective Time, the text of the Corporation's Certificate of Incorporation is hereby amended and restated to read in its entirety as follows:

FIRST: NAME. The name of the Corporation is Leidos Holdings, Inc.

SECOND: ADDRESS. The address of the registered office of the Corporation in the State of Delaware is 1209 Orange Street, in the City of Wilmington, County of New Castle, and the name of its registered agent at that address is The Corporation Trust Company.

THIRD: PURPOSE. The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the DGCL.

FOURTH: CAPITALIZATION

(A) Authorized Capitalization.

The Corporation is authorized to issue two classes of capital stock to be designated, respectively, "*Common Stock*" and "*Preferred Stock*." The total number of shares of capital stock of all classes which the Corporation shall have the authority to issue is 510,000,000 shares, each with a par value of \$0.0001 per share, of which:

- (1) 500,000,000 shares shall be Common Stock; and
- (2) 10,000,000 shares shall be Preferred Stock.

Effective immediately after 11:59 p.m., Eastern time, on September 27, 2013 (the "*Effective Time*"), each four (4) shares of the corporation's Common Stock, par value \$0.0001 per share, issued and outstanding or held by the corporation as treasury stock shall, automatically and without any action on the part of the respective holders thereof, be combined and converted into one share of Common Stock, par value \$0.0001 per share, of the corporation. No fractional shares shall be issued and, in lieu thereof, the corporation's transfer agent shall aggregate all fractional shares and sell them as soon as practicable after the Effective Time at the then prevailing prices on the open market, on behalf of those stockholders who would otherwise be entitled to receive a fractional share. After the transfer agent's completion of such sale, stockholders shall receive a cash payment from the transfer agent in an amount equal to their respective pro rata shares of the total net proceeds of that sale.

The number of authorized shares of any class or classes of stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of at least a majority of the voting power of the issued and outstanding shares of Common Stock of the Corporation irrespective of the provisions of Section 242(b)(2) of the DGCL or any corresponding provision hereinafter enacted.

(B) Preferred Stock.

The Board of Directors is expressly authorized to provide for the issuance of all or any shares of the Preferred Stock, in one or more series, and to fix for each such series the number of shares thereof and such voting powers, full or limited, or no voting powers, and such distinctive designations, preferences and relative, participating, optional or other special rights and such qualifications, limitations or restrictions thereof, as shall be stated and expressed in the resolution or resolutions adopted by the Board of Directors providing for the issuance of such series and as may be permitted by the DGCL, including, without limitation, the authority to provide that any such series may be (a) subject to redemption at such time or times and at such price or prices; (b) entitled to receive dividends (which may be cumulative or non-cumulative) at such rates, on such conditions, and at such times, and payable in preference to, or in such relation to, the dividends payable on any other class or classes or any other series; (c) entitled to such rights upon the dissolution of, or upon any distribution of the assets of, the Corporation; or (d) convertible into, or exchangeable for, shares of any other class or classes of stock, or of any other series of the same or any other class or classes of stock, of the Corporation at such price or prices or at such rates of exchange and with such adjustments; all as may be stated in such resolution or resolutions.

FIFTH: BALLOT. Elections of directors need not be by written ballot unless the Bylaws of the Corporation shall otherwise provide.

SIXTH: BYLAWS. In furtherance and not in limitation of the powers conferred by statute, the Board of Directors is expressly authorized to make, repeal, alter, amend and rescind the Bylaws of the Corporation. No section of the Bylaws shall be adopted, repealed, altered, amended or rescinded by the stockholders of the Corporation except by the vote of the holders of not less than two-thirds of the total voting power of all outstanding shares of voting stock of the Corporation.

SEVENTH: THE BOARD OF DIRECTORS.

(A) **Number of Directors.** The number of directors which shall constitute the whole Board of Directors of the Corporation shall be not less than seven (7) and not more than fourteen (14), and the exact number shall be fixed by the Board of Directors.

(B) **Term.** At each annual meeting of stockholders of the Corporation commencing at the annual meeting of stockholders next following the 2007 annual meeting of stockholders, all directors shall be elected for a term expiring at the next succeeding annual meeting of stockholders, by such stockholders having the right to vote on such election. The term of each director serving as and immediately following the date of the 2007 annual meeting of stockholders shall expire at the next annual meeting of stockholders after such date, notwithstanding that such director may have been elected for a term that extended beyond the date of such annual meeting of stockholders. Each director shall serve until the director's term expires in accordance with the foregoing provisions or until the director's prior resignation, death, disqualification or removal from office, provided that each director shall serve notwithstanding the expiration of the director's term until the director's successor shall be duly elected and qualified.

(C) **Removal.** Unless otherwise restricted by applicable law, any director or the entire Board may be removed with or without cause by the holders of two-thirds of the total voting power of all outstanding shares then entitled to vote at an election of directors.

(D) **Cumulative Voting.** At any election of directors of the Corporation, a holder of any class or series of stock then entitled to vote in such election shall be entitled to as many votes as shall equal the number of votes which (except for this Section (D) as to cumulative voting) such holder would be entitled to cast for the election of directors with respect to such holder's shares of stock multiplied by the number of directors to be elected in the election in which such holder's class or series of shares is entitled to vote, and such holder may cast all of such votes for a single director or may distribute them among the number to be voted for, or for any two or more of them as such holder may see fit.

(E) **Vacancies.** Any vacancy in the Board of Directors, whether because of resignation, death, disqualification, removal, an increase in the number of directors, or any other cause, may only be filled by vote of the majority of the remaining directors, although less than a quorum. The term of any director elected in accordance with the preceding sentence shall expire at the next annual meeting of stockholders. Each director shall serve until the director's term expires in accordance with the foregoing provisions or until the director's prior resignation, death, disqualification or removal from office, provided that each director shall serve notwithstanding the expiration of the director's term until the director's successor shall be duly elected and qualified.

EIGHTH: MEETINGS OF STOCKHOLDERS.

(A) **No Action by Written Consent.** No action shall be taken by the stockholders except at an annual or special meeting of stockholders, and no action may be effected by any consent in writing in lieu of a meeting of stockholders.

(B) **Special Meetings.** Special meetings of the stockholders of the Corporation for any purpose or purposes may be called at any time by the Board of Directors, or by a majority of the members of the Board of Directors, or by a committee of the Board of Directors which has been duly designated by the Board of Directors and whose powers and authority, as provided in a resolution of the Board of Directors or in the Bylaws of the Corporation, include the power to call such meetings, and shall be called by the Secretary of the Corporation following the Secretary's receipt of written requests to call a meeting from one stockholder of record owning at least ten percent (10%) or one or more stockholders of record of shares representing in the aggregate at least twenty-five percent (25%) in each case of the combined voting power of the then outstanding shares of all classes and series of capital stock of the Corporation entitled to vote on the matter or matters to be brought before the proposed special meeting, voting as a single class, and who have delivered such requests in accordance with and subject to the provisions of the Bylaws (as amended from time to time), including any limitations set forth in the Bylaws on the ability to make such a request for such a special meeting. Special meetings may not be called by any other person or persons; provided, however, that, if and to the extent that any special meeting of stockholders may be called by any other person or persons specified in any provisions of this Restated Certificate of Incorporation or any amendment thereto or any certificate filed under Section 151(g) of the DGCL (or its successor statute as in effect from time to time hereafter), then such special meeting may also be called by the person or persons, in the manner, at the times and for the purposes so specified.

NINTH: AMENDMENT. The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Restated Certificate of Incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred on stockholders herein are granted subject to this reservation. Notwithstanding the foregoing, the provisions set forth in Articles FIFTH, SIXTH, SEVENTH, EIGHTH and this Article NINTH may not be repealed or amended in any respect unless such repeal or amendment is approved by the affirmative vote of the holders of not less than two-thirds of the total voting power of all outstanding shares of voting stock of the Corporation.

TENTH: BUSINESS COMBINATIONS

(A) For the purposes of this Article TENTH:

(1) The term "*person*" shall mean any individual, firm, limited liability company, partnership, limited partnership, corporation or other entity.

(2) The term "*Subsidiary*" shall mean any corporation more than fifty percent (50%) of any class of equity security of which is owned, directly or indirectly, by the Corporation.

(3) The term "*Substantial Part of the Assets*" shall mean assets having a fair market value or book value, whichever is greater, equal to more than ten percent of the fair market value or book value, whichever is greater, of the total assets of a person as of the end of its most recent fiscal year ending prior to the time the determination is made.

(4) A person shall be a “Beneficial Owner” of any shares of voting stock of the Corporation (a) which such person or any of its “affiliates” or “associates” (as defined on the date of the adoption hereof in Rule 12b-2 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) beneficially owns, directly or indirectly, (b) which such person or any of its “affiliates” or “associates” has, directly or indirectly, (i) the right to acquire (whether such right is exercisable immediately or only after the passage of time) pursuant to any agreement, arrangement or understanding or upon the exercise of conversion rights, exchange rights, warrants or options, or otherwise or (ii) the right to vote or direct the voting of pursuant to any agreement, arrangement or understanding, *provided, however*, that a person shall not be deemed the Beneficial Owner of, or to beneficially own, any security by reason of such agreement, arrangement or understanding if the agreement, arrangement or understanding to vote such security (1) arises solely from a revocable proxy or consent given to such person in response to a public proxy or consent solicitation made pursuant to, and in accordance with, the applicable rules and regulations promulgated under the Exchange Act and (2) is not also then reportable on Schedule 13D under the Exchange Act (or any comparable or successor report), or (c) which are beneficially owned, directly or indirectly, by any other person with which such person or any of its “affiliates” or “associates” has any such agreement, arrangement or understanding for the purpose of acquiring, holding, voting or disposing of any shares of such voting stock.

(5) The term “Related Person” shall mean any person (except any profit-sharing, employee stock ownership or other employee benefit plan of the Corporation or any Subsidiary or any trustee or fiduciary with respect to any such plan when acting in such capacity) which is the Beneficial Owner (as herein defined) of five percent (5%) or more of the total voting power of all of the outstanding shares of voting stock of the Corporation.

(6) For the purposes of determining whether a person is a Related Person, the number of shares of voting stock of the Corporation deemed to be outstanding shall include all shares deemed owned by such person through application of Section (A)(4), but shall not include any other shares of voting stock which may be issuable pursuant to any agreement, arrangement or understanding, or upon exercise of conversion rights, warrants or options, or otherwise.

(7) The term “Business Combination” shall mean (a) any merger or consolidation of the Corporation or a Subsidiary with or into a Related Person, (b) any sale, lease, exchange, transfer, mortgage, pledge or other disposition (whether in one transaction or in a series of transactions) of all or any Substantial Part of the Assets (as herein defined) of a Related Person to the Corporation or to a Subsidiary, (c) any sale, lease, exchange, transfer, mortgage, pledge or other disposition (whether in one transaction or in a series of transactions) of all or any Substantial Part of the Assets of the Corporation (including without limitation any securities of a Subsidiary) to a Related Person, (d) the issuance of any securities of the Corporation or a Subsidiary to a Related Person, (e) the acquisition by the Corporation or a Subsidiary of any securities of a Related Person, (f) any reclassification of the securities (including any reverse stock split) or recapitalization of the Corporation, or any merger or consolidation of the Corporation with any Subsidiary or any other transaction (whether or not with or into or otherwise involving a Related Person) which has the effect, directly or indirectly, of increasing the proportionate amount of the outstanding shares of any class of equity securities or securities convertible into equity securities of the Corporation or any Subsidiary which is directly or indirectly owned by a Related Person, (g) any loan or other extension of credit by the Corporation or a Subsidiary to a Related Person or any guarantee by the Corporation or a Subsidiary of any loan or other extension of credit by any person to a Related Person, (h) the adoption of any plan or proposal for the dissolution, liquidation or termination of the Corporation or any Subsidiary proposed by or on behalf of a Related Person and (i) any agreement, contract or other arrangement providing for any of the foregoing Business Combination transactions.

(8) The term “Continuing Director” shall mean any member of the Board of Directors of the Corporation who is unaffiliated with the Related Person and was a member of the Board prior to the time that the Related Person became a Related Person, and any successor of a Continuing Director who is

unaffiliated with the Related Person and is recommended or elected to succeed a Continuing Director by a majority of Continuing Directors, provided that such recommendation or election shall only be effective if made at a meeting at which a Continuing Director Quorum is present.

(9) The term “*Continuing Director Quorum*” shall mean a majority of the Continuing Directors capable of exercising the powers conferred upon them under the provisions of this Restated Certificate of Incorporation or the Bylaws of the Corporation or by law.

(B) The approval or authorization of any Business Combination (as herein defined) of the Corporation with any Related Person (as herein defined) shall require the affirmative vote of the holders of (i) at least 80% of the total voting power of all of the outstanding shares of voting stock of the Corporation and (ii) a majority of the total voting power of all of the outstanding shares of voting stock of the Corporation other than shares of voting stock of which such Related Person is the Beneficial Owner (as herein defined). Such affirmative vote shall be required notwithstanding the fact that no vote may be required, or that the affirmative vote of a lesser percentage of stockholders may be specified, by law or otherwise.

(C) The provisions of this Article TENTH shall not be applicable to any particular Business Combination, and such Business Combination shall require only such affirmative vote, if any, as may be required by law or otherwise, if:

(1) The Board of Directors of the Corporation shall by resolution have approved or ratified a memorandum of understanding approving such Business Combination with such Related Person prior to the time such Related Person became the Beneficial Owner, directly or indirectly, of five percent (5%) or more of the voting shares of the Corporation; or

(2) The Business Combination shall have been approved by a majority of the Continuing Directors (as herein defined) at a meeting at which a Continuing Director Quorum (as herein defined) is present; or

(3) The Business Combination involves solely the Corporation and a Subsidiary (as herein defined) in which a Related Person has no direct or indirect interest (other than an interest arising solely because of control of the Corporation); provided, that if the Corporation is not the surviving corporation, (a) each stockholder of the Corporation receives the same type of consideration in such transaction in proportion to such stockholder's stockholdings, (b) the provisions of Articles SIXTH, SEVENTH, EIGHTH, NINTH, TENTH and ELEVENTH of this Restated Certificate of Incorporation are continued in effect or adopted by such surviving corporation as part of its articles of incorporation or certificate of incorporation, as the case may be, and such articles or certificate have no provisions inconsistent with such provisions, and (c) the provisions of the Corporation's Bylaws are continued in effect or adopted by such surviving corporation.

(D) Nothing contained in this Article TENTH shall be construed to relieve any Related Person of any fiduciary obligation imposed upon it by law.

(E) A majority of the Continuing Directors shall have the power and duty to determine, on the basis of information then known to them, whether (a) any person is a Related Person, (b) any Business Combination relates to a Substantial Part of the Assets of any person and (c) any director is a Continuing Director acting at a meeting at which a Continuing Director Quorum is or was present. Any such determination by a majority of the Continuing Directors shall be conclusive and binding for all purposes of this Article TENTH.

(F) The stockholders of the Corporation shall be entitled to statutory appraisal rights to the maximum extent permissible under Section 262 of the General Corporation Law of the State of Delaware, notwithstanding any exception otherwise provided therein, with respect to any Business Combination with a Related Person requiring the affirmative vote of the holders of outstanding stock of the Corporation having at least 80% of the voting power of the Corporation unless such vote is not required pursuant to Section C.

(G) No Business Combination subject to the provisions of Section B of this Article TENTH shall, unless such Business Combination shall be the subject of one of the exceptions provided for in Sections C(1), (2) or (3), be consummated, and the Corporation shall not enter into any such Business Combination, unless the agreement relating to such Business Combination shall provide that each stockholder of the Corporation who has voted against the Business Combination shall receive, at the time of the consummation of such Business Combination and in exchange for such stockholder's shares of the capital stock of the Corporation, at the option of such stockholder, either (i) the consideration offered by the Related Persons as part of the Business Combination, or (ii) consideration per share of capital stock of the Corporation held by such stockholder (either in cash or in the same form and of the same kind as the consideration paid by the Related Person in acquiring shares of capital stock of the Corporation, at the option of such stockholder) in an amount not less than the greater of the following:

(1) The highest per share price (including brokerage commissions, transfer taxes and soliciting dealers' fees) paid by such Related Person in acquiring any of the capital stock of the Corporation, or

(2) A price bearing the same percentage relationship to the market price of the capital stock of the Corporation immediately prior to the announcement of the Business Combination as the highest price per share (including brokerage commissions, transfer taxes and soliciting dealers' fees) of the capital stock of the Corporation previously paid by such Related Person for shares of capital stock of the Corporation bears to the market price of the capital stock of the Corporation immediately prior to the time such Related Person initially acquired any shares of capital stock of the Corporation notwithstanding that such person was not a Related Person at the time of such initial acquisition.

(H) Notice of any proposed alteration, amendment, rescission or repeal of this Article TENTH shall be included in the notice of any annual or special meeting of stockholders at which such proposal is to be considered.

(I) The provisions set forth in this Article TENTH may not be amended, altered, changed or repealed nor may any provision inconsistent with such provisions be added to the Restated Certificate of Incorporation of the Corporation except upon the affirmative vote of the holders of (i) at least eighty percent (80%) of the total voting power of all outstanding shares of voting stock of the Corporation and (ii) a majority of the total voting power of all of the outstanding shares of voting stock of the Corporation other than shares of voting stock which are Beneficially Owned by a Related Person which has directly or indirectly proposed such amendment, alteration, change or repeal; *provided, however*, that any or all of such provisions may be amended, altered, changed or repealed, and any such new provisions may be added, upon the affirmative vote of the holders of not less than a majority of the total voting power of all outstanding voting securities of the Corporation, if such amendment, change, alteration or repeal or additional provision shall first have been approved and recommended by a resolution adopted by a majority vote of the Continuing Directors at a meeting at which a Continuing Director Quorum was present.

ELEVENTH: INDEMNIFICATION AND LIMITATION OF LIABILITY

(A) Indemnification.

(1) **Indemnification of Directors and Officers.** The Corporation shall indemnify its directors and elected and appointed officers to the fullest extent authorized or permitted by the DGCL, as the same exists or may hereafter be amended, and such right to indemnification shall continue as to a person who has ceased to be a director or officer of the Corporation and shall inure to the benefit of his or her heirs, executors and administrators; *provided, however*, that, except for proceedings to enforce rights to indemnification, the Corporation shall not be obligated to indemnify any director or officer (or his or her heirs, executors or administrators) in connection with a proceeding (or part thereof) initiated by such person unless such proceeding (or part thereof) was authorized or consented to by the Board of Directors of the Corporation.

(2) **Advancement of Expenses.** The Corporation shall to the fullest extent not prohibited by applicable law pay the expenses (including attorneys' fees) incurred by past or present directors and officers of the Corporation in defending any proceeding in advance of its final disposition; *provided, however*, that, to the extent required by law, such payment of expenses in advance of the final disposition of the proceeding shall be made only upon receipt of an undertaking by such persons to repay all amounts advanced if it should be ultimately determined that such person is not entitled to be indemnified under this Article ELEVENTH or otherwise.

(3) **Indemnification of Employees and Agents.** The Corporation may, to the extent authorized from time to time by the Board of Directors, provide rights to indemnification and to the advancement of expenses to employees and agents of the Corporation who are not directors or officers similar to those conferred in this Section (A) to directors and officers of the Corporation.

The rights to indemnification and to the advancement of expenses conferred in this Section (A) shall not be exclusive of any other right which any person may have or hereafter acquire under this Restated Certificate of Incorporation, the Bylaws, any statute, agreement, insurance policy, vote of stockholders or disinterested directors, or otherwise.

(B) **Limitation on Liability.** No director shall be personally liable to the Corporation or any of its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (1) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (2) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (3) pursuant to Section 174 of the DGCL or (4) for any transaction from which the director derived an improper personal benefit.

(C) **Repeal or Modification of Rights.** Any repeal or modification of Section (A) shall not adversely affect any rights to indemnification and advancement of expenses of a director or officer of the Corporation existing pursuant to Section (A) with respect to any acts or omissions occurring prior to such repeal or modification. Any repeal or modification of Sections (A) or (B) shall not have any effect on the liability or alleged liability of any director of the Corporation for or with respect to any acts or omissions of such director occurring prior to such repeal or modification.

IN WITNESS WHEREOF, SAIC, Inc. has caused this Amended and Restated Certificate of Incorporation to be executed in its corporate name by its Secretary as of this 27th day of September 2013.

SAIC, Inc.

By: /s/ Raymond L. Veldman

Name: Raymond L. Veldman

Title: Secretary

**RESTATED BYLAWS
OF
LEIDOS HOLDINGS, INC.
(a Delaware corporation)**

September 27, 2013

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**ARTICLE I.
OFFICES**

Section 1.01 **Registered Office.** The registered office of Leidos Holdings, Inc. (the "Corporation") in the State of Delaware shall be at 1209 Orange Street, City of Wilmington, County of New Castle, and the name of the registered agent in charge thereof shall be The Corporation Trust Company.

Section 1.02 **Principal Office.** The principal office for the transaction of the business of the Corporation shall be at 11951 Freedom Drive, Reston, Virginia 20190. The Board of Directors (the "Board") is hereby granted full power and authority to change said principal office from one location to another.

Section 1.03 **Other Offices.** The Corporation may also have an office or offices at such other place or places, either within or without the State of Delaware, as the Board may from time to time determine or as the business of the Corporation may require.

**ARTICLE II.
MEETINGS OF STOCKHOLDERS**

Section 2.01 **Annual Meetings.** An annual meeting of stockholders shall be held for the election of directors and to transact such other business as may properly be brought before the meeting.

Section 2.02 **Special Meetings.**

(a) Special meetings of the stockholders of the Corporation for any purpose or purposes may be called at any time by the Board, or by a committee of the Board which has been duly designated by the Board and whose powers and authority, as provided in a resolution of the Board or in the Bylaws, include the power to call such meetings, and shall be called by the Secretary of the Corporation following the Secretary's receipt of written requests to call a meeting of stockholders (a "Special Meeting Request") from one stockholder of record owning at least ten percent (10%), or one or more stockholders of record of shares representing in the aggregate at least twenty-five percent (25%), in each case of the combined voting power of the then outstanding shares of all classes and series of capital stock of the Corporation entitled to vote on the matter or matters to be brought before the proposed special meeting, voting as a single class, and who have delivered such requests in accordance with and subject to the provisions of these Bylaws (as amended from time to time), including any limitations set forth in these Bylaws on the ability to make such a request for such a special meeting. Special meetings may not be called by any other person or persons; provided, however, that if and to the extent that any special meeting of stockholders may be called by any other person or persons specified in any provisions of the Certificate of Incorporation or any amendment thereto or any certificate filed under Section 151(g) of the General Corporation Law of the State of Delaware ("Delaware Law") (or its successor statute as in effect from time to time hereafter), then such special meeting may also be called by the person or persons, in the manner, at the times and for the purposes so specified.

(b) In determining whether Special Meeting Requests have met the requirements of this Section 2.02, multiple Special Meeting Requests will not be considered together if they relate to different items of business. Additionally, in order to be valid, all Special Meeting Requests must have been dated and delivered to the Secretary within sixty (60) days of the earliest dated Special Meeting Request. Business transacted at any special meeting of stockholders shall be limited to the purposes stated in the notice. A Special Meeting Request shall be signed by each stockholder, or duly authorized agent, requesting the special meeting and shall set forth: (i) a brief description of each matter of business desired to be brought before the special meeting and the reasons for conducting such business at the special meeting, (ii) the text of the proposal or business (including the text of any resolutions proposed for consideration and in the event that such business includes a proposal to amend these Bylaws, the language of the proposed amendment), (iii) any material interest of each stockholder and any beneficial owner on whose behalf the special meeting is being requested in the business desired to be brought before the special meeting, (iv) the name and address, as they appear on the Corporation's books, of each stockholder requesting the special meeting and any beneficial owner on whose behalf the special meeting is being requested, (v) the class and number of shares of the Corporation which are owned by each stockholder requesting the special meeting and any beneficial owner on whose behalf the

special meeting is being requested, and (vi) any other information that is required to be set forth in a stockholder's notice required pursuant to Section 2.07 of these Bylaws and, if the purpose of the special meeting includes the appointment or election of one or more directors to the Board, Section 3.03 of these Bylaws.

A stockholder may revoke a Special Meeting Request at any time prior to the special meeting; provided however, that if any such revocations are received by the Secretary and, as a result of such revocation, the number of un-revoked Special Meeting Requests no longer represents at least the requisite number of shares entitling the stockholders to request the calling of a special meeting pursuant to Section 2.02(a), then the Board shall have the discretion to determine whether or not to proceed with the special meeting. If none of the stockholders who submitted the Special Meeting Request appear or send a qualified representative (as defined in these Bylaws) to present the proposal(s) or business submitted by the stockholders for consideration at the special meeting, such proposal(s) or business shall be disregarded, notwithstanding that proxies in respect of such vote may have been received by the Corporation or such stockholder(s).

A Special Meeting Request shall not be valid (and the Board shall have no obligation to call a special meeting in respect of such Special Meeting Request) if it relates to an item of business that is not a proper subject for stockholder action under applicable law.

The Board shall determine the place, if any, and fix the date and time, of any stockholder requested special meeting. The Board may submit its own proposal or proposals for consideration at a stockholder requested special meeting.

Section 2.03 Time and Place of Meetings. All meetings of the stockholders shall be held at such places, within or without the State of Delaware, on such date and at such time as may from time to time be designated by the person or persons calling the respective meeting and specified in the respective notices or waivers of notice thereof.

Section 2.04 Notice of Meetings and Adjourned Meetings; Waivers of Notice.

(a) Whenever stockholders are required or permitted to take any action at a meeting, a notice of the meeting shall be given to stockholders of the Corporation, as required by applicable law, which shall state the place, date and hour of the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Notice may be given by such delivery means (mail, telecopy, electronic or other) as the Secretary deems appropriate and in compliance with applicable law and shall be delivered to the stockholder's address as it appears on the stock transfer records of the Corporation. Unless otherwise required by Delaware Law, such notice shall be given not less than 10 nor more than 60 days before the date of the meeting to each stockholder of record entitled to vote at such meeting. Unless otherwise expressly required by Delaware Law, when a meeting is adjourned to another time or place (whether or not a quorum is present), notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting, the Corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than 30 days, or after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

(b) Any waiver of any such notice given by the person entitled thereto, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends the meeting for the express purpose of objecting, and such person objects at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Business transacted at any special meeting of stockholders shall be limited to the purposes stated in the notice.

Section 2.05 Quorum. Except as provided by Delaware Law, the holders of record of a majority in voting interest of the shares of stock of the Corporation entitled to be voted thereat, present in person or by proxy, shall constitute a quorum for the transaction of business at any meeting of the stockholders of the Corporation or any adjournment thereof. In the absence of a quorum at any meeting or any adjournment thereof, a majority in voting interest of the stockholders present in person or by proxy and entitled to vote thereat or, in the absence therefrom of all the stockholders, any officer entitled to preside at, or to act as a secretary of, such meeting may adjourn such

meeting from time to time. At any such adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally called.

Section 2.06 **Voting.**

(a) At each meeting of the stockholders, each stockholder shall be entitled to vote, in person or by proxy, each share or fractional share of the stock of the Corporation having voting rights on the matter in question and which shall have been held by such stockholder and registered in such stockholder's name on the books of the Corporation:

(i) on the date fixed pursuant to Section 6.05 of these Bylaws as the record date for the determination of stockholders entitled to notice of and to vote at such meeting, or

(ii) if no such record date shall have been so fixed, then (a) at the close of business on the day before the day on which notice of the meeting shall be given or (b) if notice of the meeting shall be waived, at the close of business on the day before the day on which the meeting shall be held.

(b) Shares of its own stock belonging to the Corporation or to another corporation, if a majority of the shares entitled to vote in the election of directors in such other corporation is held, directly or indirectly, by the Corporation, shall neither be entitled to vote nor be counted for quorum purposes.

(c) Any such voting rights may be exercised by the stockholder entitled thereto in person or by his or her proxy delivered to the secretary of the meeting; *provided, however*, that no proxy shall be voted or acted upon after three (3) years from its date unless said proxy shall provide for a longer period. At any meeting of the stockholders all matters, except as otherwise provided in the Certificate of Incorporation, these Bylaws, Delaware Law, the rules or regulations of any stock exchange applicable to the Corporation, or any regulation applicable to the Corporation or its securities, shall be decided by the vote of a majority in voting interest of the stockholders present in person or by proxy and entitled to vote thereon, a quorum being present. The vote at any meeting of the stockholders on any question need not be by ballot, except as otherwise provided in the Certificate of Incorporation or unless so directed by the chair of the meeting. On a vote by ballot, each ballot shall be signed by the stockholder voting, or by his or her proxy, if there be such proxy, and it shall state the number of shares voted.

Section 2.07 Business at Annual Meeting (other than the Election of Directors). Only such business (other than nominations for election to the Board, which must comply with the provisions of Section 3.03(b)) may be transacted at an annual meeting of stockholders as is either (1) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board (or any duly authorized committee thereof), (2) otherwise properly brought before the meeting by or at the direction of the Board (or any duly authorized committee thereof), or (3) otherwise properly brought before the meeting by a stockholder who is a stockholder of record at the time of the giving of notice provided for in this Section 2.07 and on the record date for the determination of stockholders entitled to notice of and to vote at the meeting and who complies with the notice procedures set forth in this Section 2.07. In addition to any other applicable requirements, for business to be properly brought before an annual meeting by a stockholder, the stockholder must have given timely notice thereof in writing to the Secretary of the Corporation. To be timely, a stockholder's notice must be delivered to or mailed and received at the principal office of the Corporation not later than the close of business on the 90th day, nor earlier than the close of business on the 120th day, prior to the first anniversary of the preceding year's annual meeting (provided, however, that in the event that the date of the annual meeting is more than 30 days before or more than 70 days after such anniversary date, notice by the stockholder must be so delivered not earlier than the close of business on the 120th day prior to such annual meeting and not later than the close of business on the later of the 90th day prior to such annual meeting or the 10th day following the day on which public announcement of the date of such meeting is first made by the Corporation). In no event shall the public announcement of an adjournment or postponement of an annual meeting commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above.

A stockholder's notice to the Secretary of the Corporation shall set forth: (a) as to each matter the stockholder proposes to bring before the annual meeting, a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting and the text of the business (including the text of any resolutions proposed for consideration and in the event that such business includes a proposal to amend these Bylaws, the language of the proposed amendment), and (b) as to the stockholder

giving notice and the beneficial owner, if any, on whose behalf the proposal is being made, (i) the name and address of such person, (ii) (A) the class or series and number of all shares of stock of the Corporation which are owned beneficially or of record by such person and any affiliates or associates of such person, (B) the name of each nominee holder of shares of all stock of the Corporation owned beneficially but not of record by such person or any affiliates or associates of such person, and the number of such shares of stock of the Corporation held by each such nominee holder, (C) whether and the extent to which any derivative instrument, swap, option, warrant, short interest, hedge or profit interest or other transaction has been entered into by or on behalf of such person, or any affiliates or associates of such person, with respect to stock of the Corporation, and (D) whether and the extent to which any other transaction, agreement, arrangement or understanding (including any short position or any borrowing or lending of shares of stock of the Corporation) has been made by or on behalf of such person, or any affiliates or associates of such person, the effect or intent of any of the foregoing being to mitigate loss to, or to manage risk or benefit of stock price changes for, such person, or any affiliates or associates of such person, or to increase or decrease the voting power or pecuniary or economic interest of such person, or any affiliates or associates of such person, with respect to stock of the Corporation; (iii) a description of all agreements, arrangements, or understandings (whether written or oral) between or among such person, or any affiliates or associates of such person, and any other person or persons (including their names) in connection with the proposal of such business and any material interest of such person or any affiliates or associates of such person, in such business, including any anticipated benefit therefrom to such person, or any affiliates or associates of such person; (iv) whether the stockholder giving notice intends, or is part of a group that intends, to solicit proxies from other stockholders in support of such proposal; (v) a representation that the stockholder giving notice intends to appear in person or by proxy at the annual meeting to bring such business before the meeting; and (vi) any other information relating to such person that would be required to be disclosed in a proxy statement or other filing required to be made in connection with the solicitation of proxies by such person with respect to the proposed business to be brought by such person before the annual meeting pursuant to Section 14 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations promulgated thereunder.

A stockholder providing notice of business proposed to be brought before an annual meeting shall further update and supplement such notice, if necessary, so that the information provided or required to be provided in such notice pursuant to this Section 2.07 shall be true and correct as of the record date for determining the stockholders entitled to receive notice of the annual meeting. Such update and supplement shall be delivered to or be mailed and received by the Secretary at the principal office of the Corporation not later than five business days after the record date for determining the stockholders entitled to receive notice of the annual meeting. Nothing contained in this Section 2.07 shall be deemed to affect any rights of stockholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act (or any successor provision of law).

Notwithstanding the foregoing provisions of this Section 2.07, unless otherwise required by law or the Board or the chair of the annual meeting determines otherwise, if the stockholder (or a qualified representative of the stockholder) does not appear at the annual meeting of stockholders of the Corporation to present the proposed business, such proposed business shall not be transacted, notwithstanding that proxies in respect of such vote may have been received by the Corporation. For purposes of this Section 2.07, to be considered a qualified representative of the stockholder, a person must be authorized by a writing executed by such stockholder or an electronic transmission delivered by such stockholder to act for such stockholder as proxy at the meeting of stockholders and such person must produce such writing or electronic transmission, or a reliable reproduction of the writing or electronic transmission, at the meeting of stockholders.

No business shall be conducted at the annual meeting except in accordance with the procedures set forth in this Section 2.07; provided, however, that nothing in this Section 2.07 shall be deemed to preclude discussion by any stockholder of any business properly brought before the annual meeting.

The chair of the annual meeting shall, if the facts warrant, determine and declare to the meeting that business was not properly brought before the meeting in accordance with this Section 2.07 and if he should so determine, he shall so declare to the meeting and any such business not properly brought before the meeting shall not be transacted.

Section 2.08 List of Stockholders. The Secretary of the Corporation shall prepare and make, at least ten (10) days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in

the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten (10) days prior to the meeting, as required by applicable law. The list shall also be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present.

Section 2.09 **Inspectors.** Prior to each meeting of the stockholders, one or more inspectors shall be appointed by the Board, or, if no such appointment shall have been made, such inspectors shall be appointed by the chair of the meeting, to act thereat. Each inspector so appointed shall first subscribe an oath or affirmation faithfully to execute the duties of an inspector at such meeting with strict impartiality and according to the best of his or her ability. Such inspector(s) shall take charge of the ballots at such meeting, count the ballots cast on any question and deliver a written report of the results thereof to the secretary of such meeting. The inspector(s) need not be stockholders of the Corporation. Any officer of the Corporation may be an inspector on any question other than a vote for or against his or her election to any position with the Corporation or on any other question in which he or she may be directly interested other than as a stockholder.

Section 2.10 **Regulations for Conduct of Stockholders Meeting.** The Board may adopt by resolution such rules and regulations for the conduct of the meeting of stockholders as it shall deem appropriate. Except to the extent inconsistent with such rules and regulations adopted by the Board, the chair of any meeting of stockholders shall have the right and authority to convene and adjourn the meeting, to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chair, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board or prescribed by the chair of the meeting, may include, without limitation, the following: (a) the establishment of an agenda or order of business for the meeting; (b) rules and procedures for maintaining order at the meeting and the safety of those present; and (c) limitations on the time allotted to questions or comments by participants. Unless and to the extent determined by the Board or the chair of the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

ARTICLE III. BOARD OF DIRECTORS

Section 3.01 **General Powers.** The property, business and affairs of the Corporation shall be managed by or under the direction of the Board, who may exercise all such powers of the Corporation and do all such lawful acts and things as are not by Delaware Law, the Certificate of Incorporation or these Bylaws directed or required to be exercised or done by the stockholders of the Corporation.

Section 3.02 **Number.** The exact number of directors shall be fixed from time to time, within the limits specified in the Certificate of Incorporation, by resolution of the Board.

Section 3.03 Election of Directors.

(a) **Voting.** The directors shall be elected annually by the stockholders of the Corporation. A nominee for director shall be elected by the vote of the majority of votes cast with respect to such nominee's election, except that directors shall be elected by a plurality of the votes cast in a contested election. An election is contested if the number of nominees exceeds the number of directors to be elected. For election of directors, a majority of the votes cast means that the number of votes cast "for" a nominee exceeds the votes cast "against" that nominee, without counting abstentions as votes cast. If directors are to be elected by a plurality vote, stockholders may not vote against a nominee.

(b) **Nomination of Directors.** Only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Corporation. Nominations of persons for election to the Board may be made at a meeting of stockholders (1) by or at the direction of the Board, (2) by the Nominating and Corporate Governance Committee (or any other duly authorized committee of the Board), or (3) by any stockholder of the Corporation who is a stockholder of record at the time of the giving of notice provided for in this Section 3.03(b) and on the record date for the determination of stockholders entitled to notice of and to vote at such meeting and who complies with the notice procedures set forth in this Section 3.03(b). In addition to any other applicable requirements, for a nomination to be made by a stockholder, such stockholder must have given timely notice in writing to the Secretary of the Corporation. To be timely, a stockholder's notice to the Secretary of the Corporation must be delivered to or mailed and received at the principal office of the Corporation not later than the close of

business on the 90th day, nor earlier than the close of business on the 120th day, prior to the first anniversary of the preceding year's annual meeting (provided, however, that in the event that the date of the annual meeting is more than 30 days before or more than 70 days after such anniversary date, notice by the stockholder must be so delivered not earlier than the close of business on the 120th day prior to such annual meeting and not later than the close of business on the later of the 90th day prior to such annual meeting or the 10th day following the day on which public announcement of the date of such meeting is first made by the Corporation). In no event shall the public announcement of an adjournment or postponement of an annual meeting commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above.

Such stockholder's notice to the Secretary shall set forth: (a) as to each person whom the stockholder proposes to nominate for election or re-election as a director (i) the name, age, business address and residence address of such person, (ii) the principal occupation or employment of such person, (iii) (A) the class or series and number of all shares of stock of the Corporation which are owned beneficially or of record by such person and any affiliates or associates of such person, (B) the name of each nominee holder of shares of all stock of the Corporation owned beneficially but not of record by such person or any affiliates or associates of such person, and the number of such shares of stock of the Corporation held by each such nominee holder, (C) whether and the extent to which any derivative instrument, swap, option, warrant, short interest, hedge or profit interest or other transaction has been entered into by or on behalf of such person, or any affiliates or associates of such person, with respect to stock of the Corporation and (D) whether and the extent to which any other transaction, agreement, arrangement or understanding (including any short position or any borrowing or lending of shares of stock of the Corporation) has been made by or on behalf of such person, or any affiliates or associates of such person, the effect or intent of any of the foregoing being to mitigate loss to, or to manage risk or benefit of stock price changes for, such person, or any affiliates or associates of such person, or to increase or decrease the voting power or pecuniary or economic interest of such person, or any affiliates or associates of such person, with respect to stock of the Corporation; and (iv) any other information relating to such person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to Section 14 of the Exchange Act, and the rules and regulations promulgated thereunder; and (b) as to the stockholder giving the notice, and the beneficial owner, if any, on whose behalf the nomination is being made, (i) the name and record address of such person; (ii) (A) the class or series and number of all shares of stock of the Corporation which are owned beneficially or of record by such person and any affiliates or associates of such person, (B) the name of each nominee holder of shares of the Corporation owned beneficially but not of record by such person or any affiliates or associates of such person, and the number of shares of stock of the Corporation held by each such nominee holder, (C) whether and the extent to which any derivative instrument, swap, option, warrant, short interest, hedge or profit interest or other transaction has been entered into by or on behalf of such person, or any affiliates or associates of such person, with respect to stock of the Corporation and (D) whether and the extent to which any other transaction, agreement, arrangement or understanding (including any short position or any borrowing or lending of shares of stock of the Corporation) has been made by or on behalf of such person, or any affiliates or associates of such person, the effect or intent of any of the foregoing being to mitigate loss to, or to manage risk or benefit of stock price changes for, such person, or any affiliates or associates of such person, or to increase or decrease the voting power or pecuniary or economic interest of such person, or any affiliates or associates of such person, with respect to stock of the Corporation; (iii) a description of all agreements, arrangements, or understandings (whether written or oral) between such person, or any affiliates or associates of such person, and any proposed nominee or any other person or persons (including their names) pursuant to which the nomination(s) are being made by such person, and any material interest of such person, or any affiliates or associates of such person, in such nomination, including any anticipated benefit therefrom to such person, or any affiliates or associates of such person; (iv) a representation that the stockholder giving notice intends to appear in person or by proxy at the meeting to nominate the persons named in its notice; (v) a representation whether such stockholder intends, or is part of a group that intends, to solicit proxies from other stockholders in support of such nomination; and (vi) any other information relating to such person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with the solicitation of proxies for election of directors pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder. Such notice must be accompanied by a written consent of each proposed nominee to being named as a nominee and to serve as a director if elected. The Corporation may require any proposed nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as a director of the Corporation.

A stockholder providing notice of any nomination proposed to be made at a meeting of stockholders shall further update and supplement such notice, if necessary, so that the information provided or required to be provided in such notice pursuant to this Section 3.03(b) shall be true and correct as of the record date for determining the stockholders entitled to receive notice of the meeting. Such update and supplement shall be delivered to or be mailed and received by the Secretary at the principal office of the Corporation not later than five business days after the record date for determining the stockholders entitled to receive notice of such meeting.

No person shall be eligible for election as a director of the Corporation unless nominated in accordance with the procedures set forth herein. Notwithstanding anything above to the contrary, in the event that the number of directors to be elected to the Board at an annual meeting is increased and there is no public announcement by the Corporation naming the nominees for the additional directorships at least 100 days prior to the first anniversary of the preceding year's annual meeting, a stockholder's notice required by this Section 3.03(b) shall also be considered timely, but only with respect to nominees for the additional directorships, if it shall be delivered to the Secretary of the Corporation at the principal executive offices of the Corporation not later than the close of business on the 10th day following the day on which such public announcement is first made by the Corporation.

The chair of the meeting shall, if the facts warrant, determine and declare to the meeting that a nomination was not made in accordance with the foregoing procedure and, if the chair should so determine, the chair shall so declare to the meeting, and the defective nomination shall be disregarded.

Notwithstanding the foregoing provisions of this Section 3.03(b), unless otherwise required by applicable law or the Board or the chair of the annual meeting determines otherwise, if the stockholder (or a qualified representative of the stockholder) does not appear at the annual or special meeting of stockholders of the Corporation to present a nomination, such nomination shall be disregarded, notwithstanding that proxies in respect of such vote may have been received by the Corporation. For purposes of this Section 3.03(b), to be considered a qualified representative of the stockholder, a person must be authorized by a writing executed by such stockholder or an electronic transmission delivered by such stockholder to act for such stockholder as proxy at the meeting of stockholders and such person must produce such writing or electronic transmission, or a reliable reproduction of the writing or electronic transmission, at the meeting of stockholders.

Section 3.04 Resignations. Any director of the Corporation may resign at any time by giving written notice or notice by electronic transmission to the Board or to the Secretary of the Corporation. Any such resignation shall take effect at the time specified therein, or, if the time be not specified, it shall take effect immediately upon its receipt; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 3.05 Removal. Unless otherwise restricted by statute, the Certificate of Incorporation or these Bylaws, any director or the entire Board may be removed with or without cause by the holders of two-thirds of the total voting power of all outstanding shares then entitled to vote at an election of directors.

Section 3.06 Vacancies. Except as otherwise provided in the Certificate of Incorporation, any vacancy in the Board, whether because of death, resignation, disqualification, an increase in the number of directors, or any other cause, may only be filled by vote of the majority of the remaining directors, although less than a quorum. Each director so chosen to fill a vacancy shall hold office until his or her successor shall have been elected and shall qualify or until such director shall resign or shall have been removed.

Section 3.07 First Meeting. The Board shall meet as soon as practicable after each annual election of directors and notice of such first meeting shall not be required.

Section 3.08 Regular Meetings. Regular meetings of the Board may be held at such times as the Board shall from time to time by resolution determine. If any day fixed for a regular meeting shall be a legal holiday at the place where the meeting is to be held, then the meeting shall be held at the same hour and place on the next succeeding business day not a legal holiday. Except as provided by applicable law, notice of regular meetings need not be given.

Section 3.09 Special Meetings. Special meetings of the Board may be called at any time by the Chair of the Board, by the Chief Executive Officer or by the Secretary upon the written request of at least one-third of the directors then in office. Such meetings shall be held at the principal office of the Corporation, or at such other place or places, within or without the State of Delaware, as the person or persons calling the meeting may designate.

Section 3.10 Committees. The Board may designate one or more committees, each committee to consist of one or more of the directors of the Corporation. The Board may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board to act at the meeting in the place of any absent or disqualified member. Any such committee, to the extent provided in the resolution of the Board, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers which may require it; but no such committee shall have the power or authority in reference to (a) approving or adopting, or recommending to the stockholders, any action or matter (other than the election or removal of directors) expressly required by Delaware Law to be submitted to stockholders for approval or (b) adopting, amending or repealing any of these Bylaws. Any such committee shall keep written minutes of its meetings and report the same to the Board at the next regular meeting of the Board. Any Board committee may create one or more subcommittees, each subcommittee to consist of one or more members of such committee, and delegate to the subcommittee any or all of the powers of the committee.

Section 3.11 Notice of Meetings. Notice of all special meetings of the Board or a committee shall be mailed to each director, addressed to his or her residence or usual place of business, at least five (5) days before the day on which the meeting is to be held, or shall be personally delivered or otherwise given by such delivery means (teletype, electronic or other) as the Secretary deems appropriate and in compliance with applicable law, at least two (2) days before the day on which the meeting is to be held. Such notice may be waived by any director and any meeting shall be a legal meeting without notice having been given if all the directors shall be present thereat or if those not present shall, either before or after the meeting, waive notice of or consent to (in writing or by electronic transmission) such meeting or shall after the meeting sign the approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or be made a part of the minutes of the meeting.

Section 3.12 Place of Meeting, Etc. The Board (or committee of the Board) may hold any of its meetings at such place or places within or without the State of Delaware as the Board (or the committee) may from time to time by resolution designate or as shall be designated by the person or persons calling the meeting or in the notice or a waiver of notice of any such meeting. Directors may participate in any regular or special meeting of the Board or a committee by means of conference telephone or other communications equipment pursuant to which all persons participating in the meeting can hear each other, and such participation shall constitute presence in person at such meeting.

Section 3.13 Quorum and Manner of Acting. Except as otherwise provided in these Bylaws or by Delaware Law, the presence of a majority of the total number of directors shall be required to constitute a quorum for the transaction of business at any meeting of the Board and the presence of a majority of the total number of directors then serving on a committee of the Board shall be required to constitute a quorum for the transaction of business at any meeting of such committee, and all matters shall be decided at any such meeting, a quorum being present, by the affirmative votes of a majority of the directors present. In the absence of a quorum at any meeting or any adjournment thereof, a majority of directors present may adjourn such meeting from time to time. At any adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally called. Notice of any adjourned meeting need not be given. The directors shall act only as a Board or as a committee thereof, and the individual directors shall have no power as such.

Section 3.14 Action by Consent. Any action required or permitted to be taken at any meeting of the Board or of any committee thereof may be taken without a meeting if all members of the Board or such committee consent thereto in writing or by electronic transmission, as the case may be, and such written consent or electronic transmission is filed with the minutes of proceedings of the Board or committee.

Section 3.15 Compensation. The directors shall receive such compensation for their services as directors, and such additional compensation for their services as members of any committees of the Board, as may be authorized by the Board.

Section 3.16 Board Leadership.

(a) **Chair of the Board.** The Board may elect or appoint, from among its members, a Chair of the Board and one or more Vice Chairs of the Board, who shall not be considered by virtue of holding such position officers of the Corporation. The Chair of the Board, when present, shall preside at all meetings of the stockholders of the Corporation and of the Board. The Chair of the Board shall perform, under the direction and subject to the control of the Board, all duties incident to the office of Chair of the Board and such other duties as the Board may assign to the Chair of the Board from time to time.

(b) **Lead Director.** At any time the Chair of the Board is not independent as that term is defined in the Corporation's Corporate Governance Guidelines and any additional independence criteria established by the Board of Directors, the Securities and Exchange Commission and the New York Stock Exchange, the independent directors may designate from among them a Lead Director having the duties and responsibilities required by any applicable rules of the New York Stock Exchange and as otherwise determined by the Board of Directors from time to time.

ARTICLE IV. OFFICERS

Section 4.01 **Principal Officers.** The principal officers of the Corporation shall be a Chief Executive Officer, Chief Financial Officer, one or more Presidents of various ranks, one or more Executive Vice Presidents, a Secretary, a Controller and a Treasurer, all of whom shall serve under the direction and subject to the control of the Board.

Section 4.02 **Additional Officers and Agents.** In addition to the principal officers designated in Section 4.01, the Board may from time to time elect such other officers and agents as it may deem necessary or advisable, including one or more Vice Presidents of various rank, one or more Assistant Vice Presidents, one or more Assistant Secretaries, one or more Assistant Treasurers, and an Assistant Controller, each of which officers and agents shall be subject to the control of the Board and have such authority and perform such duties as are provided in these Bylaws or as the Board, Chair of the Board or Chief Executive Officer may from time to time determine. Each such officer shall hold office until his or her successor shall have been duly chosen and qualified or until his or her earlier resignation, removal or other disqualification for service. No person shall be deemed an officer of the Corporation unless and until elected as an officer by the Board in accordance with Section 4.02 or Section 4.03.

Section 4.03 **Election.** The officers of the Corporation shall be elected annually (or at such other intervals as the Board may determine) by the Board. Each such officer shall hold office until his or her successor shall have been duly elected and qualified or until his or her earlier resignation, removal or other disqualification for service.

Section 4.04 **Removal.** All officers and agents of the Corporation, elected or appointed by the Board, may be removed, either with or without cause, at any time, by (a) resolution adopted by the Board or (b) if the officer or agent is not a principal officer by the Chief Executive Officer (or someone to whom the Chief Executive Officer has delegated this authority).

Section 4.05 **Resignations.** Any officer may resign at any time by giving written notice to the Board, the Chair of the Board, the Chief Executive Officer or the Secretary of the Corporation. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4.06 **Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification, or other cause, may be filled in the manner prescribed in these Bylaws for regular appointments to such office.

Section 4.07 **Chief Executive Officer.** Subject to such supervisory powers, if any, as may be given by the Board to the Chair of the Board, if any, the Chief Executive Officer, if such officer is appointed, shall, subject to the control of the Board, have general supervision, direction and control of the business and officers of the Corporation. In the event of the death, disability or other absence of the Chair of the Board, the duties of the Chair of the Board may be performed by the Chief Executive Officer, including presiding at any meeting of the Board or the stockholders of the Corporation. The Chief Executive Officer may execute (in facsimile or otherwise) and deliver certificates for shares of the Corporation, any deeds, mortgages, bonds, contracts or other instruments that the Board has authorized to be executed and delivered, except in cases where the execution and delivery thereof shall be expressly and exclusively delegated to one or more other officers or agents of the Corporation by the Board or these Bylaws, or where the execution and delivery thereof shall be required by applicable law to be executed and delivered by another person.

Section 4.08 **President(s).** Individuals appointed to the office of President shall perform, under the direction and subject to the control of the Board and the Chief Executive Officer, all duties incident to the office of President and such other duties as the Board or Chief Executive Officer may assign to such President from time to time. The President may execute (in facsimile or otherwise) and deliver certificates for shares of the Corporation, any deeds, mortgages, bonds, contracts or other instruments that the Board or the Chief Executive Officer has authorized to be executed and delivered, except in cases where the execution and delivery thereof shall be expressly and exclusively delegated to one or more other officers or agents of the Corporation by the Board or these Bylaws, or where the execution and delivery thereof shall be required by applicable law to be executed and delivered by another person. Individuals appointed to the office of President of an organizational unit of the Corporation or Group President shall

perform, under the direction and subject to the control of the Board, the Chief Executive Officer and the President of the Corporation and shall have such other duties as the Board, Chief Executive Officer or President of the Corporation may assign to such officers from time to time.

Section 4.09 **Vice Presidents.** Each Vice President of the Corporation shall perform, under the direction and subject to the control of the Board, the Chief Executive Officer or President, such duties as the Board, the Chief Executive Officer, any President or such other office or officers may assign to such Vice President from time to time. Vice Presidents of the Corporation may be further designated as Executive Vice Presidents, Senior Vice Presidents, Vice Presidents, Assistant Vice Presidents or such other similar title as the Board may designate.

Section 4.10 **Secretary.** The Secretary of the Corporation or his or her designee shall attend all meetings of the stockholders of the Corporation, the Board and committees established by the Board and shall record correctly the proceedings of such meetings in a book suitable for such purposes. The Secretary shall attest with a signature and the seal of the Corporation (in facsimile or otherwise) all stock certificates issued by the Corporation and shall keep or cause to be kept a stock ledger in which all transactions pertaining to shares of all classes and series of capital stock of the Corporation shall be correctly recorded. The Secretary shall also attest with a signature and the seal of the Corporation (in facsimile or otherwise) all deeds, conveyances or other instruments requiring the seal of the Corporation. The Chair of the Board, the Chief Executive Officer or the Secretary shall give, or cause to be given, notice of all meetings of the stockholders of the Corporation and special meetings of the Board or committees established by the Board. The Secretary is authorized to issue certificates, to which the corporate seal may be affixed, attesting to the incumbency of officers of the Corporation or to actions duly taken by the stockholders of the Corporation, the Board or any committee established by the Board. The Secretary shall perform, under the direction and subject to the control of the Board and the Chief Executive Officer, all duties incident to the office of Secretary and such other duties as the Board or the Chief Executive Officer may assign to the Secretary from time to time. The duties of the Secretary may also be performed by any Assistant Secretary of the Corporation.

Section 4.11 **Chief Financial Officer.** The Chief Financial Officer of the Corporation in general shall supervise all of the financial affairs of the Corporation, under the direction and subject to the control of the Board and the Chief Executive Officer. The Chief Financial Officer shall perform, under the direction and subject to the control of the Board and the Chief Executive Officer, all duties incident to the office of Chief Financial Officer and such other duties as the Board or the Chief Executive Officer may assign to the Chief Financial Officer from time to time.

Section 4.12 **Treasurer.** The Treasurer of the Corporation shall have the care and custody of all the funds, notes, bonds, debentures, stock and other securities of the Corporation that may come into the hands of the Treasurer, acting in such capacity. The Treasurer shall be responsible for the investment and reinvestment of funds of the Corporation in accordance with general investment policies determined from time to time by the Corporation and shall ensure that the Corporation is adequately funded at all times by arranging, under the direction and subject to the control of the Board, the Chief Executive Officer, and the Chief Financial Officer, for the issuance of debt, equity and other forms of securities that may be necessary or appropriate. The Treasurer may endorse (in facsimile or otherwise) checks, drafts, notes, bonds, debentures and other instruments for the payment of money for deposit or collection when necessary or appropriate and may deposit the same to the credit of the Corporation in such banks or depositories as the Board may designate from time to time, and the Treasurer may endorse (in facsimile or otherwise) all commercial documents requiring endorsements for or on behalf of the Corporation. The Treasurer may deliver instructions to financial institutions by facsimile or otherwise. The Treasurer may execute (in facsimile or otherwise) all receipts and vouchers for payments made to the Corporation. The Treasurer shall render an account of the Treasurer's transactions to the Board or its Audit Committee as often as the Board or its Audit Committee shall require from time to time. The Treasurer shall enter regularly in the books to be kept by the Treasurer for that purpose, a full and adequate account of all monies received and paid by the Treasurer on account of the Corporation. If requested by the Board, the Treasurer shall give a bond to the Corporation for the faithful performance of the Treasurer's duties, the expenses of which bond shall be borne by the Corporation. The Treasurer shall perform, under the direction and subject to the control of the Board, the Chief Executive Officer and the Chief Financial Officer, all duties incident to the office of Treasurer and such other duties as the Board, the Chief Executive Officer or the Chief Financial Officer may assign to the Treasurer from time to time. The duties of the Treasurer may be performed by any Assistant Treasurer of the Corporation.

Section 4.13 **Controller.** The Controller of the Corporation shall be the chief accounting officer of the Corporation, shall maintain adequate records of all assets, liabilities and transactions of the Corporation and shall be

responsible for the design, installation and maintenance of accounting and cost control systems and procedures throughout the Corporation. The Controller also shall keep in books belonging to the Corporation full and accurate accounts of receipts of, and disbursements made by, the Corporation. The Controller shall render an account of the Controller's transactions to the Board or its Audit Committee as often as the Board or its Audit Committee shall require from time to time. The Controller shall perform, under the direction and subject to the control of the Board, the Chief Executive Officer and the Chief Financial Officer, all duties incident to the office of Controller and such other duties as the Board, the Chief Executive Officer and the Chief Financial Officer, may assign to the Controller from time to time. The duties of the Controller may also be performed by any Assistant Controller of the Corporation.

ARTICLE V. DELEGATIONS OF AUTHORITY

Section 5.01 Execution of Contracts. Except as otherwise provided in these Bylaws, the Board may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances; and unless so authorized by the Board or by these Bylaws, no officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or in any amount.

Section 5.02 Checks, Drafts, Etc. All checks, drafts or other orders for payment of money, notes or other evidence of indebtedness, issued in the name of or payable to the Corporation, shall be signed or endorsed by such person or persons and in such manner as, from time to time, shall be determined by resolution of the Board. Each such officer, assistant, agent or attorney shall give such bond, if any, as the Board may require.

Section 5.03 Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board may select, or as may be selected by any officer or officers, assistant or assistants, agent or agents, or attorney or attorneys of the Corporation to whom such power shall have been delegated by the Board. For the purpose of deposit and for the purpose of collection for the account of the Corporation, the Chair of the Board, the Chief Executive Officer, the Chief Financial Officer, any President, the Treasurer or any Vice President who has been authorized by the Chief Executive Officer, Chief Financial Officer or Treasurer to do so (or any other officer or officers, assistant or assistants, agent or agents, or attorney or attorneys of the Corporation who shall from time to time be determined by the Board) may endorse, assign and deliver checks, drafts and other orders for the payment of money which are payable to the order of the Corporation.

Section 5.04 General and Special Bank Accounts. The Board (or a committee of the Board to which such power is delegated) may from time to time authorize the opening and keeping of general and special bank accounts with such banks, trust companies or other depositories as the Board (or committee) may select or as may be selected by any officer or officers, assistant or assistants, agent or agents, or attorney or attorneys of the Corporation to whom such power shall have been delegated by the Board. The Board may make such special rules and regulations with respect to such bank accounts, not inconsistent with the provisions of these Bylaws, as it may deem expedient.

ARTICLE VI. SHARES AND SHARE TRANSFER

Section 6.01 Certificates Representing Stock.

(a) **Form and Execution of Certificates.** Certificates (if any) representing shares of stock or any bond, debenture or other corporate securities of the Corporation shall be in such form as is consistent with the Certificate of Incorporation and applicable law, and shall be numbered in the order in which they shall be issued and shall be signed in the name of the Corporation by the President or a Vice President, and by the Secretary or an Assistant Secretary or by the Treasurer or an Assistant Treasurer. Any of or all of the signatures on the certificates may be a facsimile. In case any officer, transfer agent or registrar who has signed, or whose facsimile signature has been placed upon, any such certificate has ceased to be such officer, transfer agent or registrar before such certificate is issued, such certificate may be issued by the Corporation with the same effect as though the person who signed such certificate, or whose facsimile signature shall have been placed thereupon, were such officer, transfer agent or registrar at the date of issue.

(b) **Special Designation on Certificates.** If the Corporation is authorized to issue more than one class of stock or more than one series of any class, then the powers, the designations, the preferences, and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights shall be set forth in full or summarized on the face or back of the certificate that the Corporation shall issue to represent such class or series of stock; provided, however, that, except as otherwise provided in Section 202 of Delaware Law, in lieu of the foregoing requirements there may be set forth on the face or back of the certificate that the Corporation shall issue to represent such class or series of stock a statement that the Corporation will furnish without charge to each stockholder who so requests the powers, the designations, the preferences, and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights.

(c) **Lost Certificates.** Except as provided in this Section 6.01(c), no new certificates for shares shall be issued to replace a previously issued certificate unless the latter is surrendered to the Corporation and canceled at the same time. The Corporation may issue a new certificate of stock in the place of any certificate previously issued by it, alleged to have been lost, stolen, mutilated or destroyed, and the Corporation may require the owner of the lost, stolen, mutilated or destroyed certificate, or the owner's legal representative, to give the Corporation a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft, mutilation or destruction of any such certificate or the issuance of such new certificate; provided, however, that a new certificate or uncertificated share may be issued without requiring any bond when, in the judgment of the Board, or the Secretary of the Corporation, it is proper so to do.

Section 6.02 **Uncertificated Shares.** Subject to any conditions imposed by Delaware Law, the Board may provide by resolution or resolutions that some or all of any or all classes or series of the stock of the Corporation shall be uncertificated shares. Within a reasonable time after the issuance or transfer of any uncertificated shares, the Corporation shall send to the registered owner thereof any written notice prescribed by Delaware Law.

Section 6.03 **Transfers of Stock.** Upon compliance with provisions restricting the transfer or registration of transfer of shares of stock, if any, transfers or registrations of transfers of shares of stock of the Corporation shall be made only on the books of the Corporation by the registered holder thereof, or by the attorney of the registered holder thereunto authorized by power of attorney duly executed and filed with the Secretary, or with a transfer clerk or a transfer agent, if any, and with respect to shares represented by certificates, upon surrender of the certificate or certificates for such shares properly endorsed, and with respect to uncertificated shares, upon the execution by the transferor and transferee of all transfer documents in such form as the Corporation shall reasonably require, and, with respect to all shares, upon the payment of all taxes thereon. The person in whose name shares of stock stand on the books of the Corporation shall be deemed the owner thereof for all purposes as regards the Corporation. Whenever any shares are pledged for collateral security such fact shall be reflected on the books of the Corporation.

Section 6.04 **Regulations.** The Board may make such rules and regulations as it may deem expedient, not inconsistent with these Bylaws, concerning the issue, transfer and registration of certificates for shares of the stock of the Corporation. It may appoint, or authorize any officer or officers to appoint, one or more transfer clerks or one or more transfer agents and one or more registrars, and may require all certificates for stock to bear the signature or signatures of any of them.

Section 6.05 **Fixing Date for Determination of Stockholders of Record.** In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any other change, conversion or exchange of stock or for the purpose of any other lawful action, the Board may fix, in advance, a record date, which shall not be more than 60 nor less than 10 days before the date of such meeting, nor more than 60 days prior to any other action. If in any case involving the determination of stockholders for any purpose other than notice of or voting at a meeting of stockholders, the Board shall not fix such a record date, the record date for determining stockholders for such purpose shall be the close of business on the day on which the Board shall adopt the resolution relating thereto. A determination of stockholders entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of such meeting; provided, however, that the Board may fix a new record date for the adjourned meeting.

**ARTICLE VII.
MISCELLANEOUS**

Section 7.01 **Seal.** The Board shall provide a corporate seal, which shall be in the form of a circle and shall bear the name of the Corporation and words and figures showing that the Corporation was incorporated in the State of Delaware and the year of incorporation.

Section 7.02 **Waiver of Notices.** Whenever notice is required to be given by these Bylaws, the Certificate of Incorporation or Delaware Law, the person entitled to said notice may waive such notice (in writing or by electronic transmission), either before or after the time stated therein, and such waiver shall be deemed equivalent to notice.

Section 7.03 **Fiscal Year.** The fiscal year of the Corporation shall begin on the day after the Friday closest to January 31 in each year.

Section 7.04 **Amendments.** These Bylaws, or any of them, may be altered, amended or repealed, and new Bylaws may be made by the Board, by vote of a majority of the number of directors then in office as directors, acting at any meeting of the Board. No section of the Bylaws shall be adopted, repealed, altered, amended or rescinded by the stockholders of the Corporation except by the vote of the holders of not less than two-thirds of the total voting power of all outstanding shares of voting stock of the Corporation.

Section 7.05 **Designation of Engineer.** The Corporation engages in the practice of engineering in various jurisdictions which regulate such practice, including the State of Washington. In order to comply with the laws of such jurisdictions, including the State of Washington, all engineering decisions pertaining to any project or engineering activities in any such jurisdiction shall be made by a designated engineer licensed to practice in such jurisdiction who shall be appointed by the Board from time to time as vacancies occur.

September 27, 2013

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AMENDED AND RESTATED CERTIFICATE OF INCORPORATION
OF
SCIENCE APPLICATIONS INTERNATIONAL CORPORATION

SCIENCE APPLICATIONS INTERNATIONAL CORPORATION, a Delaware Corporation, hereby certifies as follows:

1. The name of the Corporation is SCIENCE APPLICATIONS INTERNATIONAL CORPORATION and it was originally incorporated under the name of Science Applications, Inc.
2. The original Certificate of Incorporation of the Corporation was filed with the Secretary of State of Delaware on October 21, 1980.
3. This Amended and Restated Certificate of Incorporation (the "Certificate of Incorporation") amends and restates the provisions of the Corporation's Certificate of Incorporation as heretofore amended and supplemented.
4. This Certificate of Incorporation was duly adopted by the Corporation's Board of Directors and stockholders in accordance with Section 242 and 245 of the General Corporation Law of the State of Delaware.
5. This Certificate of Incorporation shall become effective at 4 p.m., Eastern time, on September 27, 2013 (the "*Effective Time*").
6. Effective upon the Effective Time, the text of the Corporation's Certificate of Incorporation is hereby amended and restated to read in its entirety as follows:

FIRST: NAME. The name of the Corporation is Leidos, Inc.

SECOND: ADDRESS. The address of the registered office of the Corporation in the State of Delaware is 1209 Orange Street, in the City of Wilmington, County of New Castle, and the name of its registered agent at that address is The Corporation Trust Company.

THIRD: PURPOSE. The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware (the "DGCL").

FOURTH: CAPITALIZATION. The total number of shares of capital stock which the Corporation shall have the authority to issue is 10,000 shares. All such shares are to be Common Stock, par value \$.01 per share, and are to be of one class.

FIFTH: BALLOT. Elections of directors need not be by written ballot unless the Bylaws of the Corporation shall otherwise provide.

SIXTH: BYLAWS. In furtherance and not in limitation of the powers conferred by statute, the Board of Directors is expressly authorized to make, repeal, alter, amend and rescind the Bylaws of the Corporation.

SEVENTH: THE BOARD OF DIRECTORS.

(A) Number of Directors. The number of directors which shall constitute the whole Board of Directors of the Corporation shall be not less than seven (7) and not more than fourteen (14) and the exact number shall be fixed by the Board of Directors.

(B) Term. Commencing at the 2008 annual meeting of stockholders, all directors shall be elected for a term expiring at the next succeeding annual meeting of stockholders, by such stockholders having the right to vote on such election. The term of each director serving as and immediately following the date of the 2008 annual meeting of stockholders shall expire at the next annual meeting of stockholders at such date, notwithstanding that such director may have been elected for a term that extended beyond the date of such annual meeting of stockholders. Each director shall serve until the director's term expires in accordance with the foregoing provision or until the director's prior resignation, death, disqualification or removal from office, provided that each director shall serve notwithstanding the expiration of the director's term until the director's successor shall be duly elected and qualified.

EIGHTH: AMENDMENT. The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred on stockholders herein are granted subject to this reservation.

NINTH: INDEMNIFICATION AND LIMITATION OF LIABILITY

(A) Indemnification.

(1) *Indemnification of Directors and Officers.* The Corporation shall indemnify its directors and elected and appointed officers to the fullest extent authorized or permitted by the DGCL, as the same exists or may hereafter be amended, and such right to indemnification shall continue as to a person who has ceased to be a director or officer of the Corporation and shall inure to the benefit of his or her heirs, executors and administrators; provided, however, that, except for proceedings to enforce rights to indemnification, the Corporation shall not be obligated to indemnify any director or officer (or his or her heirs, executors or administrators) in connection with a proceeding (or part thereof) initiated by such person unless such proceeding (or part thereof) initiated by such person unless such proceeding (or part thereof) was authorized or consented to by the Board of Directors of the Corporation.

(2) *Advancement of Expenses.* The Corporation shall to the fullest extent not prohibited by applicable law pay the expenses (including attorney's fees) incurred by past or present directors and officers of the Corporation in defending any proceeding in advance of its final disposition; provided, however, that, to the extent required by law, such payment of expenses in advance of the final disposition of the proceeding shall be made only upon receipt of an undertaking by such persons to repay all amounts advanced if it should be ultimately determined that such person is not entitled to be indemnified under this Article NINTH or otherwise.

(3) *Indemnification of Employees and Agents.* The Corporation may, to the extent authorized from time to time by the Board of Directors, provide rights to indemnification and to the advancement of expenses to employees and agents of the Corporation who are not directors or officers similar to those conferred in this Section (A) to directors and officers of the Corporation.

The right to indemnification and to the advancement of expenses conferred in this Section (A) shall be exclusive of any other right which any person may have or hereafter acquire under this Restated Certificate of Incorporation, the Bylaws, any statute, agreement, insurance policy, vote of stockholders or disinterested directors, or otherwise.

- (B) **Limitation on Liability.** No director shall be personally liable to the Corporation or any of its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) pursuant to Section 174 of the DGCL or (iv) for any transaction from which the director derived an improper personal benefit.
- (C) **Repeal or Modification of Rights.** Any repeal or modification of Section (A) shall not shall adversely affect any rights to indemnification and advancement of expenses of a director or officer the Corporation existing pursuant to Section (A) with respect to any acts or omissions of such director occurring prior to such repeal or modification. Any repeal or modification of Sections (A) or (B) shall not have any effect on the liability or alleged liability of any director of the Corporation for or with respect to any acts or omissions of such director occurring prior to such repeal or modification.

IN WITNESS WHEREOF, SCIENCE APPLICATIONS INTERNATIONAL CORPORATION has caused this Amended and Restated Certificate of Incorporation to be executed by a duly authorized officer on this 27th day of September, 2013.

SCIENCE APPLICATIONS INTERNATIONAL
CORPORATION

By: /s/ Raymond L. Veldman

Name: Raymond L. Veldman

Title: Secretary

RESTATED BYLAWS

OF

LEIDOS, INC.

(a Delaware corporation)

September 27, 2013

**RESTATED BYLAWS OF
LEIDOS, INC.
(a Delaware corporation)**

**ARTICLE I
OFFICES**

Section 1.01 **Registered Office.** The registered office of Leidos, Inc. (the "Corporation") in the State of Delaware shall be at 1209 Orange Street, City of Wilmington, County of New Castle, and the name of the registered agent in charge thereof shall be The Corporation Trust Company.

Section 1.02 **Principal Office.** The principal office for the transaction of the business of the Corporation shall be at 11951 Freedom Drive, Reston, Virginia 20190. The Board of Directors (the "Board") is hereby granted full power and authority to change said principal office from one location to another.

Section 1.03 **Other Offices.** The Corporation may also have an office or offices at such other place or places, either within or without the State of Delaware, as the Board may from time to time determine or as the business of the Corporation may require.

**ARTICLE II
MEETINGS OF STOCKHOLDERS**

Section 2.01 **Annual Meetings.** An annual meeting of stockholders shall be held for the election of directors and to transact such other business as may properly be brought before the meeting.

Section 2.02 **Special Meetings.** Special meetings of the stockholders of the Corporation for any purpose or purposes may be called at any time by the Board, or by a committee of the Board which has been duly designated by the Board and whose powers and authority, as provided in a resolution of the Board or in the Bylaws, include the power to call such meetings, but such special meetings may not be called by any other person or persons; provided, however, that if and to the extent that any special meeting of stockholders may be called by any other person or persons specified in any provisions of the Certificate of Incorporation or any amendment thereto or any certificate filed under Section 151(g) of the General Corporation Law of the State of Delaware ("Delaware Law") (or its successor statute as in effect from time to time hereafter), then such special meeting may also be called by the person or persons, in the manner, at the times and for the purposes so specified.

Section 2.03 **Time and Place of Meetings.** All meetings of the stockholders shall be held at such places, within or without the State of Delaware, on such date and at such time as may from time to time be designated by the person or persons calling the respective meeting and specified in the respective notices or waivers of notice thereof.

Section 2.04 **Notice of Meetings and Adjourned Meetings; Waivers of Notice.**

(a) Whenever stockholders are required or permitted to take any action at a meeting, a notice of the meeting shall be given to stockholders of the Corporation, as required by applicable law, which shall state the place, date and hour of the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Notice may be given by such delivery means (mail, telecopy, electronic or other) as the Secretary deems appropriate and in compliance with applicable law and shall be delivered to the stockholder's address as it appears on the stock transfer records of the Corporation. Unless otherwise required by Delaware Law, such notice shall be given not less than 10 nor more than 60 days before the date of the meeting to each stockholder of record entitled to vote at such meeting. Unless otherwise expressly required by Delaware Law, when a meeting is adjourned to another time or place (whether or not a quorum is present), notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting, the Corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more

than 30 days, or after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

(b) Any waiver of any such notice given by the person entitled thereto, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends the meeting for the express purpose of objecting, and such person objects at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Business transacted at any special meeting of stockholders shall be limited to the purposes stated in the notice.

Section 2.05 Quorum. Except as provided by Delaware Law, the holders of record of a majority in voting interest of the shares of stock of the Corporation entitled to be voted thereat, present in person or by proxy, shall constitute a quorum for the transaction of business at any meeting of the stockholders of the Corporation or any adjournment thereof. In the absence of a quorum at any meeting or any adjournment thereof, a majority in voting interest of the stockholders present in person or by proxy and entitled to vote thereat or, in the absence thereof of all the stockholders, any officer entitled to preside at, or to act as a secretary of, such meeting may adjourn such meeting from time to time. At any such adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally called.

Section 2.06 Voting.

(a) At each meeting of the stockholders, each stockholder shall be entitled to vote, in person or by proxy, each share or fractional share of the stock of the Corporation having voting rights on the matter in question and which shall have been held by such stockholder and registered in such stockholder's name on the books of the Corporation:

(i) on the date fixed pursuant to Section 6.05 of these Bylaws as the record date for the determination of stockholders entitled to notice of and to vote at such meeting, or

(ii) if no such record date shall have been so fixed, then (a) at the close of business on the day before the day on which notice of the meeting shall be given or (b) if notice of the meeting shall be waived, at the close of business on the day before the day on which the meeting shall be held.

(b) Shares of its own stock belonging to the Corporation or to another corporation, if a majority of the shares entitled to vote in the election of directors in such other corporation is held, directly or indirectly, by the Corporation, shall neither be entitled to vote nor be counted for quorum purposes.

(c) Any such voting rights may be exercised by the stockholder entitled thereto in person or by his or her proxy delivered to the secretary of the meeting; provided, however, that no proxy shall be voted or acted upon after three (3) years from its date unless said proxy shall provide for a longer period. At any meeting of the stockholders all matters, except as otherwise provided in the Certificate of Incorporation, these Bylaws, Delaware Law, or any regulation applicable to the Corporation or its securities, shall be decided by the vote of a majority in voting interest of the stockholders present in person or by proxy and entitled to vote thereon, a quorum being present. The vote at any meeting of the stockholders on any question need not be by ballot, except as otherwise provided in the Certificate of Incorporation or unless so directed by the chair of the meeting. On a vote by ballot, each ballot shall be signed by the stockholder voting, or by his or her proxy, if there be such proxy, and it shall state the number of shares voted.

Section 2.07 List of Stockholders. The Secretary of the Corporation shall prepare and make, at least ten (10) days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten (10) days prior to the meeting, as required by applicable law. The list shall also be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present.

Section 2.08 Inspectors. Prior to each meeting of the stockholders, one or more inspectors shall be appointed by the Board, or, if no such appointment shall have been made, such inspectors shall be appointed by the chair of the meeting, to act thereat. Each inspector so appointed shall first subscribe an oath or affirmation faithfully to execute

the duties of an inspector at such meeting with strict impartiality and according to the best of his or her ability. Such inspector(s) shall take charge of the ballots at such meeting, count the ballots cast on any question and deliver a written report of the results thereof to the secretary of such meeting. The inspector(s) need not be stockholders of the Corporation. Any officer of the Corporation may be an inspector on any question other than a vote for or against his or her election to any position with the Corporation or on any other question in which he or she may be directly interested other than as a stockholder.

Section 2.09 Regulations for Conduct of Stockholders Meeting. The Board may adopt by resolution such rules and regulations for the conduct of the meeting of stockholders as it shall deem appropriate. Except to the extent inconsistent with such rules and regulations adopted by the Board, the chair of any meeting of stockholders shall have the right and authority to convene and adjourn the meeting, to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chair, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board or prescribed by the chair of the meeting, may include, without limitation, the following: (a) the establishment of an agenda or order of business for the meeting; (b) rules and procedures for maintaining order at the meeting and the safety of those present; and (c) limitations on the time allotted to questions or comments by participants. Unless and to the extent determined by the Board or the chair of the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

ARTICLE III BOARD OF DIRECTORS

Section 3.01 General Powers. The property, business and affairs of the Corporation shall be managed by or under the direction of the Board, who may exercise all such powers of the Corporation and do all such lawful acts and things as are not by Delaware Law, the Certificate of Incorporation or these Bylaws directed or required to be exercised or done by the stockholders of the Corporation.

Section 3.02 Number. The exact number of directors shall be fixed from time to time, within the limits specified in the Certificate of Incorporation, by resolution of the Board.

Section 3.03 Election of Directors. The directors shall be elected annually by the stockholders of the Corporation and the persons receiving the greatest number of votes, up to the number of directors to be elected, shall be the persons then elected. The election of directors is subject to any provisions contained in the Certificate of Incorporation relating thereto, including any provisions for a classified board and for cumulative voting.

Section 3.04 Resignations. Any director of the Corporation may resign at any time by giving written notice or notice by electronic transmission to the Board or to the Secretary of the Corporation. Any such resignation shall take effect at the time specified therein, or, if the time be not specified, it shall take effect immediately upon its receipt; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 3.05 Vacancies. Except as otherwise provided in the Certificate of Incorporation, any vacancy in the Board, whether because of death, resignation, disqualification, an increase in the number of directors, or any other cause, may only be filled by vote of the majority of the remaining directors, although less than a quorum. Each director so chosen to fill a vacancy shall hold office until his or her successor shall have been elected and shall qualify or until such director shall resign or shall have been removed.

Section 3.06 First Meeting. The Board shall meet as soon as practicable after each annual election of directors and notice of such first meeting shall not be required.

Section 3.07 Regular Meetings. Regular meetings of the Board may be held at such times as the Board shall from time to time by resolution determine. If any day fixed for a regular meeting shall be a legal holiday at the place where the meeting is to be held, then the meeting shall be held at the same hour and place on the next succeeding business day not a legal holiday. Except as provided by applicable law, notice of regular meetings need not be given.

Section 3.08 Special Meetings. Special meetings of the Board may be called at any time by the Chair of the Board, by the Chief Executive Officer or by the Secretary upon the written request of at least one-third of the directors then in office. Such meetings shall be held at the principal office of the Corporation, or at such other place or places, within or without the State of Delaware, as the person or persons calling the meeting may designate.

Section 3.09 Committees. The Board may designate one or more committees, each committee to consist of one or more of the directors of the Corporation. The Board may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board to act at the meeting in the place of any absent or disqualified member. Any such committee, to the extent provided in the resolution of the Board, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers which may require it; but no such committee shall have the power or authority in reference to (a) approving or adopting, or recommending to the stockholders, any action or matter (other than the election or removal of directors) expressly required by Delaware Law to be submitted to stockholders for approval or (b) adopting, amending or repealing any of these Bylaws. Any such committee shall keep written minutes of its meetings and report the same to the Board at the next regular meeting of the Board. Any Board committee may create one or more subcommittees, each subcommittee to consist of one or more members of such committee, and delegate to the subcommittee any or all of the powers of the committee.

Section 3.10 Notice of Meetings. Notice of all special meetings of the Board or a committee shall be mailed to each director, addressed to his or her residence or usual place of business, at least five (5) days before the day on which the meeting is to be held, or shall be personally delivered or otherwise given by such delivery means (telecop, electronic or other) as the Secretary deems appropriate and in compliance with applicable law, at least two (2) days before the day on which the meeting is to be held. Such notice may be waived by any director and any meeting shall be a legal meeting without notice having been given if all the directors shall be present thereat or if those not present shall, either before or after the meeting, waive notice of, or consent to (in writing or by electronic transmission) such meeting or shall after the meeting sign the approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or be made a part of the minutes of the meeting.

Section 3.11 Place of Meeting, Etc. The Board (or committee of the Board) may hold any of its meetings at such place or places within or without the State of Delaware as the Board (or the committee) may from time to time by resolution designate or as shall be designated by the person or persons calling the meeting or in the notice or a waiver of notice of any such meeting. Directors may participate in any regular or special meeting of the Board or a committee by means of conference telephone or other communications equipment pursuant to which all persons participating in the meeting can hear each other, and such participation shall constitute presence in person at such meeting.

Section 3.12 Quorum and Manner of Acting. Except as otherwise provided in these Bylaws or by Delaware Law, the presence of a majority of the total number of directors shall be required to constitute a quorum for the transaction of business at any meeting of the Board and the presence of a majority of the total number of directors then serving on a committee of the Board shall be required to constitute a quorum for the transaction of business at any meeting of such committee, and all matters shall be decided at any such meeting, a quorum being present, by the affirmative votes of a majority of the directors present. In the absence of a quorum at any meeting or any adjournment thereof, a majority of directors present may adjourn such meeting from time to time. At any adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally called. Notice of any adjourned meeting need not be given. The directors shall act only as a Board or as a committee thereof, and the individual directors shall have no power as such.

Section 3.13 Action by Consent. Any action required or permitted to be taken at any meeting of the Board or of any committee thereof may be taken without a meeting if all members of the Board or such committee consent thereto in writing or by electronic transmission, as the case may be, and such written consent or electronic transmission is filed with the minutes of proceedings of the Board or committee.

Section 3.14 Compensation. The directors shall receive such compensation for their services as directors, and such additional compensation for their services as members of any committees of the Board, as may be authorized by the Board.

Section 3.15 Officers of the Board. The Board may elect or appoint, from among its members, a Chair of the Board and one or more Vice Chairs of the Board, who shall not be considered by virtue of holding such position officers of the Corporation. The Chair of the Board, when present, shall preside at all meetings of the stockholders

of the Corporation and of the Board. The Chair of the Board shall perform, under the direction and subject to the control of the Board, all duties incident to the office of Chair of the Board and such other duties as the Board may assign to the Chair of the Board from time to time.

ARTICLE IV OFFICERS

Section 4.01 Principal Officers. The principal officers of the Corporation shall be a Chief Executive Officer, Chief Financial Officer, one or more Presidents of various ranks, one or more Executive Vice Presidents, a Secretary, a Controller and a Treasurer, all of whom shall serve under the direction and subject to the control of the Board.

Section 4.02 Additional Officers and Agents. In addition to the principal officers designated in Section 4.01, the Board may from time to time elect such other officers and agents as it may deem necessary or advisable, including one or more Vice Presidents of various rank, one or more Assistant Vice Presidents, one or more Assistant Secretaries, one or more Assistant Treasurers, and an Assistant Controller, each of which officers and agents shall be subject to the control of the Board and have such authority and perform such duties as are provided in these Bylaws or as the Board, Chair of the Board or Chief Executive Officer may from time to time determine. Each such officer shall hold office until his or her successor shall have been duly chosen and qualified or until his or her earlier resignation, removal or other disqualification for service. No person shall be deemed an officer of the Corporation unless and until elected as an officer by the Board in accordance with Section 4.02 or Section 4.03.

Section 4.03 Election. The officers of the Corporation shall be elected annually (or at such other intervals as the Board may determine) by the Board. Each such officer shall hold office until his or her successor shall have been duly elected and qualified or until his or her earlier resignation, removal or other disqualification for service.

Section 4.04 Removal. All officers and agents of the Corporation, elected or appointed by the Board, may be removed, either with or without cause, at any time, by (a) resolution adopted by the Board or (b) if the officer or agent is not a principal officer by the Chief Executive Officer (or someone to whom the Chief Executive Officer has delegated this authority).

Section 4.05 Resignations. Any officer may resign at any time by giving written notice to the Board, the Chair of the Board, the Chief Executive Officer or the Secretary of the Corporation. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4.06 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or other cause, may be filled in the manner prescribed in these Bylaws for regular appointments to such office.

Section 4.07 Chief Executive Officer. Subject to such supervisory powers, if any, as may be given by the Board to the Chair of the Board, if any, the Chief Executive Officer, if such officer is appointed, shall, subject to the control of the Board, have general supervision direction and control of the business and officers of the Corporation. In the event of the death, disability or other absence of the Chair of the Board, the duties of the Chair of the Board may be performed by the Chief Executive Officer, including presiding at any meeting of the Board or the stockholders of the Corporation. The Chief Executive Officer may execute (in facsimile or otherwise) and deliver certificates for shares of the Corporation, any deeds, mortgages, bonds, contracts or other instruments that the Board has authorized to be executed and delivered, except in cases where the execution and delivery thereof shall be expressly and exclusively delegated to one or more other officers or agents of the Corporation by the Board or these Bylaws, or where the execution and delivery thereof shall be required by applicable law to be executed and delivered by another person.

Section 4.08 President(s). Individuals appointed to the office of President shall perform, under the direction and subject to the control of the Board and the Chief Executive Officer, all duties incident to the office of President and such other duties as the Board or Chief Executive Officer may assign to such President from time to time. The President may execute (in facsimile or otherwise) and deliver certificates for shares of the Corporation, any deeds, mortgages, bonds, contracts or other instruments that the Board or the Chief Executive Officer has authorized to be executed and delivered, except in cases where the execution and delivery thereof shall be expressly and exclusively

delegated to one or more other officers of agents of the Corporation by the Board or these Bylaws, or where the execution and delivery thereof shall be required by applicable law to be executed and delivered by another person. Individuals appointed to the office of President of an organizational unit of the Corporation or Group President shall perform, under the direction and subject to the control of the Board, the Chief Executive Officer and the President of the Corporation and shall have such other duties as the Board, Chief Executive Officer or President of the Corporation may assign to such officers from time to time.

Section 4.09 Vice Presidents. Each Vice President of the Corporation shall perform, under the direction and subject to the control of the Board, the Chief Executive Officer or President, such duties as the Board, the Chief Executive Officer, any President or such other office or officers may assign to such Vice President from time to time. Vice Presidents of the Corporation may be further designated as Executive Vice Presidents, Senior Vice Presidents, Vice Presidents, Assistant Vice Presidents or such other similar title as the Board may designate.

Section 4.10 Secretary. The Secretary of the Corporation or his or her designee shall attend all meetings of the stockholders of the Corporation, the Board and committees established by the Board and shall record correctly the proceedings of such meetings in a book suitable for such purposes. The Secretary shall attest with a signature and the seal of the Corporation (in facsimile or otherwise) all stock certificates issued by the Corporation and shall keep or cause to be kept a stock ledger in which all transactions pertaining to shares of all classes and series of capital stock of the Corporation shall be correctly recorded. The Secretary shall also attest with a signature and the seal of the Corporation (in facsimile or otherwise) all deeds, conveyances or other instruments requiring the seal of the Corporation. The Chair of the Board, the Chief Executive Officer or the Secretary shall give, or cause to be given, notice of all meetings of the stockholders of the Corporation and special meetings of the Board or committees established by the Board. The Secretary is authorized to issue certificates, to which the corporate seal may be affixed, attesting to the incumbency of officers of the Corporation or to actions duly taken by the stockholders of the Corporation, the Board or any committee established by the Board. The Secretary shall perform, under the direction and subject to the control of the Board and the Chief Executive Officer, all duties incident to the office of Secretary and such other duties as the Board or the Chief Executive Officer may assign to the Secretary from time to time. The duties of the Secretary may also be performed by any Assistant Secretary of the Corporation.

Section 4.11 Chief Financial Officer. The Chief Financial Officer of the Corporation in general shall supervise all of the financial affairs of the Corporation, under the direction and subject to the control of the Board and the Chief Executive Officer. The Chief Financial Officer shall perform, under the direction and subject to the control of the Board and the Chief Executive Officer, all duties incident to the office of Chief Financial Officer and such other duties as the Board or the Chief Executive Officer may assign to the Chief Financial Officer from time to time.

Section 4.12 Treasurer. The Treasurer of the Corporation shall have the care and custody of all the funds, notes, bonds, debentures, stock and other securities of the Corporation that may come into the hands of the Treasurer, acting in such capacity. The Treasurer shall be responsible for the investment and reinvestment of funds of the Corporation in accordance with general investment policies determined from time to time by the Corporation and shall ensure that the Corporation is adequately funded at all times by arranging, under the direction and subject to the control of the Board, the Chief Executive Officer, and the Chief Financial Officer, for the issuance of debt, equity and other forms of securities that may be necessary or appropriate. The Treasurer may endorse (in facsimile or otherwise) checks, drafts, notes, bonds, debentures and other instruments for the payment of money for deposit or collection when necessary or appropriate and may deposit the same to the credit of the Corporation in such banks or depositories as the Board may designate from time to time, and the Treasurer may endorse (in facsimile or otherwise) all commercial documents requiring endorsements for or on behalf of the Corporation. The Treasurer may deliver instructions to financial institutions by facsimile or otherwise. The Treasurer may execute (in facsimile or otherwise) all receipts and vouchers for payments made to the Corporation. The Treasurer shall render an account of the Treasurer's transactions to the Board or its Audit Committee as often as the Board or its Audit Committee shall require from time to time. The Treasurer shall enter regularly in the books to be kept by the Treasurer for that purpose, a full and adequate account of all monies received and paid by the Treasurer on account of the Corporation. If requested by the Board, the Treasurer shall give a bond to the Corporation for the faithful performance of the Treasurer's duties, the expenses of which bond shall be borne by the Corporation. The Treasurer shall perform, under the direction and subject to the control of the Board, the Chief Executive Officer and the Chief Financial Officer, all duties incident to the office of Treasurer and such other duties as the Board, the Chief Executive Officer

or the Chief Financial Officer may assign to the Treasurer from time to time. The duties of the Treasurer may be performed by any Assistant Treasurer of the Corporation.

Section 4.13 **Controller.** The Controller of the Corporation shall be the chief accounting officer of the Corporation, shall maintain adequate records of all assets, liabilities and transactions of the Corporation and shall be responsible for the design, installation and maintenance of accounting and cost control systems and procedures throughout the Corporation. The Controller also shall keep in books belonging to the Corporation full and accurate accounts of receipts of, and disbursements made by, the Corporation. The Controller shall render an account of the Controller's transactions to the Board or its Audit Committee as often as the Board or its Audit Committee shall require from time to time. The Controller shall perform, under the direction and subject to the control of the Board, the Chief Executive Officer and the Chief Financial Officer, all duties incident to the office of Controller and such other duties as the Board, the Chief Executive Officer and the Chief Financial Officer, may assign to the Controller from time to time. The duties of the Controller may also be performed by any Assistant Controller of the Corporation.

ARTICLE V DELEGATIONS OF AUTHORITY

Section 5.01 **Execution of Contracts.** Except as otherwise provided in these Bylaws, the Board may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances; and unless so authorized by the Board or by these Bylaws, no officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or in any amount.

Section 5.02 **Checks, Drafts, Etc.** All checks, drafts or other orders for payment of money, notes or other evidence of indebtedness, issued in the name of or payable to the Corporation, shall be signed or endorsed by such person or persons and in such manner as, from time to time, shall be determined by resolution of the Board. Each such officer, assistant, agent or attorney shall give such bond, if any, as the Board may require.

Section 5.03 **Deposits.** All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board may select, or as may be selected by any officer or officers, assistant or assistants, agent or agents, or attorney or attorneys of the Corporation to whom such power shall have been delegated by the Board. For the purpose of deposit and for the purpose of collection for the account of the Corporation, the Chair of the Board, the Chief Executive Officer, the Chief Financial Officer, any President, the Treasurer or any Vice President who has been authorized by the Chief Executive Officer, Chief Financial Officer or Treasurer to do so (or any other officer or officers, assistant or assistants, agent or agents, or attorney or attorneys of the Corporation who shall from time to time be determined by the Board) may endorse, assign and deliver checks, drafts and other orders for the payment of money which are payable to the order of the Corporation.

Section 5.04 **General Special Bank Accounts.** The Board (or a committee of the Board to which such power is delegated) may from time to time authorize the opening and keeping of general and special bank accounts with such banks, trust companies or other depositories as the Board (or committee) may select or as may be selected by any officer or officers, assistant or assistants, agent or agents, or attorney or attorneys of the Corporation to whom such power shall have been delegated by the Board. The Board may make such special rules and regulations with respect to such bank accounts, not inconsistent with the provisions of these Bylaws, as it may deem expedient.

ARTICLE VI SHARES AND SHARE TRANSFER

Section 6.01 **Certificates Representing Stock.** Certificates (if any) representing shares of stock or any bond, debenture or other corporate securities of the Corporation shall be in such form as is consistent with the Certificate of Incorporation and applicable law, and shall be numbered in the order in which they shall be issued and shall be signed in the name of the Corporation by the President or a Vice President, and by the Secretary or an Assistant Secretary or by the Treasurer or an Assistant Treasurer. Any of or all of the signatures on the certificates may be a facsimile. In case any officer, transfer agent or registrar who has signed, or whose facsimile signature has been

placed upon, any such certificate, has ceased to be such officer, transfer agent or registrar before such certificate is issued, such certificate may nevertheless be issued by the Corporation with the same effect as though the person who signed such certificate, or whose facsimile signature shall have been placed thereupon, were such officer, transfer agent or registrar at the date of issue.

Section 6.02 **Transfers of Stock.** Upon compliance with provisions restricting the transfer or registration of shares of stock, if any, transfers or registrations of transfers of shares of stock of the Corporation shall be made only on the books of the Corporation by the registered holder thereof, or by the attorney of the registered holder thereunto authorized by power of attorney duly executed and filed with the Secretary, or with a transfer clerk or a transfer agent, if any, and with respect to shares represented by certificates upon surrender of the certificate or certificates for such shares properly endorsed, and with respect to uncertificated shares, upon the execution by the transferor and transferee of all transfer documents in such form as the Corporation shall reasonably require, and, with respect to all shares, upon the payment of all taxes thereon. The person in whose name shares of stock stand on the books of the Corporation shall be deemed the owner thereof for all purposes as regards the Corporation. Whenever any shares are pledged for collateral security such fact shall be reflected on the books of the Corporation.

Section 6.03 **Regulations.** The Board may make such rules and regulations as it may deem expedient, not inconsistent with these Bylaws, concerning the issue, transfer and registration of certificates for shares of the stock of the Corporation. It may appoint, or authorize any officer or officers to appoint, one or more transfer clerks or one or more transfer agents and one or more registrars, and may require all certificates for stock to bear the signature or signatures of any of them.

Section 6.04 **Lost, Stolen, Destroyed and Mutilated Certificates.** In any case of any alleged loss, theft, destruction, or mutilation of any certificate of stock, another may be issued in its place upon certification of such alleged loss, theft, destruction, or mutilation and upon the giving of a bond or indemnity to the Corporation in such form and in such sum as the Board may direct; provided, however, that a new certificate or uncertificated share may be issued without requiring any bond or indemnity when, in the judgment of the Board, or the Corporate Secretary, it is proper so to do.

Section 6.05 **Fixing Date for Determination of Stockholders of Record.** In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any other change, conversion or exchange of stock or for the purpose of any other lawful action, the Board may fix, in advance, a record date, which shall not be more than 60 nor less than 10 days before the date of such meeting, nor more than 60 days prior to any other action. If in any case involving the determination of stockholders for any purpose other than notice of or voting at a meeting of stockholders, the Board shall not fix such a record date, the record date for determining stockholders for such purpose shall be the close of business on the day on which the Board shall adopt the resolution relating thereto. A determination of stockholders entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of such meeting; provided, however, that the Board may fix a new record date for the adjourned meeting.

ARTICLE VII MISCELLANEOUS

Section 7.01 **Seal.** The Board shall provide a corporate seal, which shall be in the form of a circle and shall bear the name of the Corporation and words and figures showing that the Corporation was incorporated in the State of Delaware and the year of incorporation.

Section 7.02 **Waiver of Notices.** Whenever notice is required to be given by these Bylaws or the Certificate of Incorporation or Delaware Law, the person entitled to said notice may waive such notice (in writing or by electronic transmission), either before or after the time stated therein, and such waiver shall be deemed equivalent to notice.

Section 7.03 **Fiscal Year.** The fiscal year of the Corporation shall begin on the day after the Friday closest to January 31 in each year.

Section 7.04 **Amendments.** These Bylaws, or any of them, may be altered, amended or repealed, and new Bylaws may be made by the Board, by vote of a majority of the number of directors then in office as directors, acting at any meeting of the Board.

Section 7.05 **Designation of Engineer.** The Corporation engages in the practice of engineering in various jurisdictions which regulate such practice, including the State of Washington. In order to comply with the laws of such jurisdictions, including the State of Washington, all engineering decisions pertaining to any project or engineering activities in any such jurisdiction shall be made by a designated engineer licensed to practice in such jurisdiction who shall be appointed by the Board from time to time as vacancies occur.

September 27, 2013

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EMPLOYEE MATTERS AGREEMENT

by and between

SAIC, INC.

and

SAIC GEMINI, INC.

dated as of

September 25, 2013

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EMPLOYEE MATTERS AGREEMENT

THIS EMPLOYEE MATTERS AGREEMENT, dated as of September 25, 2013, is entered into by and between SAIC, Inc., a Delaware corporation (“SAIC” or “Leidos”), that will be known as Leidos Holdings, Inc. following the Distribution and SAIC Gemini, Inc., a Delaware corporation (“New SAIC”). Leidos and New SAIC are also referred to in this Agreement individually as a “Party” and collectively as the “Parties.”

RECITALS

WHEREAS, Leidos, acting through its direct and indirect Subsidiaries, currently conducts the Leidos Retained Business and the New SAIC Business;

WHEREAS, the Board of Directors of Leidos (the “Board”) has determined that it would be appropriate, desirable and in the best interests of Leidos and the stockholders of Leidos to separate Leidos into two separate, publicly traded companies, one for each of (i) the Leidos Retained Business, which shall be owned and conducted, directly or indirectly, by Leidos and (ii) the New SAIC Business, which shall be owned and conducted, directly or indirectly, by New SAIC;

WHEREAS, Leidos and New SAIC have entered into the Distribution Agreement by and between Leidos and New SAIC, dated as of September 25, 2013 (the “Distribution Agreement”), in connection with the separation of the New SAIC Business from Leidos and the Distribution of New SAIC Common Stock to stockholders of Leidos;

WHEREAS, the Distribution Agreement also provides for the execution and delivery of certain other agreements, including this Agreement, in order to facilitate and provide for the separation of New SAIC and its subsidiaries from Leidos; and

WHEREAS, in order to ensure an orderly transition under the Distribution Agreement, it will be necessary for the Parties to allocate between them Assets, Liabilities and responsibilities with respect to certain employee compensation and benefit plans and programs, and certain other employment matters.

NOW, THEREFORE, in consideration of the foregoing and the covenants and agreements set forth below and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, the Parties hereby agree as follows:

ARTICLE I
DEFINITIONS

Section 1.1. Definitions. As used in this Agreement, the following terms shall have the meanings set forth in this Section 1.1.

“Adjusted Leidos Director Option” has the meaning set forth in Section 4.4(b)(i).

“Adjusted Leidos Director RSU” has the meaning set forth in Section 4.5(c)(i).

“Adjusted Leidos Employee Option” has the meaning set forth in Section 4.3(b)(i).

“Adjusted Leidos Phantom Shares” has the meaning set forth in Section 6.3(a)(ii).

“Adjusted Leidos RSA” has the meaning set forth in Section 4.2(a).

“Adjusted Leidos RSU” has the meaning set forth in Section 4.5(a).

“Affiliate” has the meaning set forth in the Distribution Agreement.

“Agreement” means this Employee Matters Agreement, together with all amendments, modifications, and changes hereto entered into pursuant to Section 12.9.

“Assets” has the meaning set forth in the Distribution Agreement.

“Banked PSUs” has the meaning set forth in Section 4.7(b).

“Benefit Management Records” has the meaning set forth in Section 3.3(b).

“Benefit Plan” means any contract, agreement, policy, practice, program, plan, trust, commitment or arrangement providing for benefits, perquisites or compensation of any nature to any Employee, or to any family member, dependent, or beneficiary of any such Employee, including pension plans, thrift plans, deferred compensation plans, supplemental pension plans and welfare plans, and contracts, agreements, policies, practices, programs, plans, trusts, commitments and arrangements providing for terms of employment, fringe benefits, severance benefits, change in control protections or benefits, travel and accident, life, disability and accident insurance, tuition reimbursement, travel reimbursement, vacation, sick, personal or bereavement days, leaves of absences and holidays of Leidos or New SAIC, as applicable.

“Board” has the meaning set forth in the recitals of this Agreement.

“Business Days” means any day other than a Saturday or Sunday or a day on which banking institutions in McLean, Virginia are authorized or requested by Law to close.

“COBRA” means the U.S. Consolidated Omnibus Budget Reconciliation Act of 1985, as codified at Section 601 et seq. of ERISA and at Section 4980B of the Code.

“Code” means the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder by the U.S. Department of the Treasury.

“Completed Period PSUs” has the meaning set forth in Section 4.7(a).

“Delayed Transfer Individual” has the meaning set forth in Section 2.6.

“Director Option” has the meaning set forth in Section 4.4(b)(i).

“Distribution” has the meaning set forth in the Distribution Agreement.

“Distribution Agreement” has the meaning set forth in the recitals to this Agreement.

“Distribution Date” has the meaning set forth in the Distribution Agreement.

“Distribution Ratio” means the quotient obtained by dividing one share of New SAIC Common Stock by seven shares of Leidos Common Stock.

“Effective Time” means the effective time of the Distribution.

“Employee” means any Leidos Group Employee, Former Leidos Group Employee or New SAIC Group Employee.

“ERISA” means the U.S. Employee Retirement Income Security Act of 1974, as amended, and the regulations promulgated thereunder.

“FICA” has the meaning set forth in Section 3.1(f).

“FMLA” means the U.S. Family and Medical Leave Act, as amended, and the regulations promulgated thereunder.

“Former Leidos Group Employee” means all former employees of Leidos or any of its Subsidiaries who have an employment end date on or before the Effective Time, excluding all New SAIC Group Employees.

“FSA Participation Period” has the meaning set forth in Section 7.3(a)(i).

“FUTA” has the meaning set forth in Section 3.1(f).

“HIPAA” means the Health Insurance Portability and Accountability Act of 1996, as amended, and the regulations promulgated thereunder.

“HSA Participation Period” has the meaning set forth in Section 7.3(b).

“IRS” means the Internal Revenue Service.

“Law” has the meaning set forth in the Distribution Agreement.

“Leidos” has the meaning set forth in the preamble to this Agreement.

“Leidos Benefit Plan” means any Benefit Plan sponsored or maintained by a member of the Leidos Group immediately prior to the Effective Time, excluding any such Benefit Plan that becomes a New SAIC Benefit Plan.

“Leidos Common Stock” means the common stock, par value \$0.0001 per share, of Leidos.

“Leidos Deferred Compensation Plans” means the Leidos Excess Deferral Plan, the Science Applications International Corporation Key Executive Stock Deferral Plan, the Science

Applications International Corporation Keystaff Deferral Plan, the Science Applications International Corporation Management Stock Compensation Plan and the Science Applications International Corporation Stock Compensation Plan.

“Leidos Director” means any individual who is or was previously a non-employee member of the board of directors of Leidos.

“Leidos Entity” means any member of the Leidos Group.

“Leidos Equity Plan” means the SAIC, Inc. 2006 Equity Incentive Plan.

“Leidos ESPP” means the SAIC, Inc. 2006 Employee Stock Purchase Plan.

“Leidos Excess Deferral Plan” means the Science Applications International Corporation 401(k) Excess Deferral Plan.

“Leidos Grantor Trust” means either the grantor trust under the Science Applications International Corporation Key Executive Stock Deferral Plan, the Science Applications International Corporation Stock Compensation Plan, and the Science Applications International Corporation Management Stock Compensation Plan or the grantor trust under the Leidos Excess Deferral Plan, as applicable.

“Leidos Group” has the meaning set forth in the Distribution Agreement.

“Leidos Group Employee” means any individual who is employed by a member of the Leidos Group immediately prior to the Effective Time, excluding any New SAIC Group Employee.

“Leidos Options” means exercisable and non-exercisable options to purchase shares of Leidos Common Stock granted pursuant to the Leidos Equity Plan.

“Leidos Phantom Shares” has the meaning set forth in Section 6.3(a).

“Leidos Policies” means the Leidos Comprehensive Leave accrual schedule, Disability Sick Leave, Special Retirement / Retiree Vesting Policy, and Voluntary Medical Continuation Plan.

“Leidos Post-Distribution Stock Value” means the closing per share price of Leidos Common Stock on the Distribution Date based on “ex distribution” trading under the ticker symbol “LDOS-WI” on the NYSE during Regular Trading Hours.

“Leidos Pre-Distribution Stock Value” means the closing per share price of Leidos Common Stock on the Distribution Date based on “regular way” trading on the NYSE during Regular Trading Hours.

“Leidos Ratio” means the quotient obtained by dividing the Leidos Post-Distribution Stock Value by the Leidos Pre-Distribution Stock Value.

“Leidos Retained Business” has the meaning set forth in the Distribution Agreement.

“Leidos Retirement Plan” means the Science Applications International Corporation Retirement Plan.

“Leidos Retirement Plan Beneficiaries” has the meaning set forth in Section 5.3(a).

“Leidos RSAs” means restricted stock awards issued under the Leidos Equity Plan.

“Leidos RSUs” means restricted stock units granted under the Leidos Equity Plan, other than PSUs.

“Leidos Value Ratio” means (A) the Leidos Post-Distribution Stock Value divided by (B)(i) the New SAIC Proportionate Value plus (ii) the Leidos Post-Distribution Stock Value.

“Leidos Welfare Plan” means any Welfare Plan sponsored or maintained by any one or more members of the Leidos Group as of immediately prior to the Effective Time.

“Liabilities” has the meaning set forth in the Distribution Agreement.

“New SAIC” has the meaning set forth in the preamble to this Agreement.

“New SAIC Benefit Plan” means any Benefit Plan sponsored or maintained by a member of the New SAIC Group immediately following the Effective Time.

“New SAIC Business” has the meaning set forth in the Distribution Agreement.

“New SAIC Common Stock” means the common stock, par value \$0.0001 per share, of New SAIC.

“New SAIC Deferred Compensation Plan Beneficiary” has the meaning set forth in Section 6.2(a).

“New SAIC Deferred Compensation Plans” has the meaning set forth in Section 6.2(a).

“New SAIC Director” means any individual who is a non-employee member of the board of directors of New SAIC immediately after the Effective Time.

“New SAIC Director Option” has the meaning set forth in Section 4.4(b)(i).

“New SAIC Director RSU” has the meaning set forth in Section 4.5(c)(i).

“New SAIC Employee Option” has the meaning set forth in Section 4.3(b)(ii).

“New SAIC Entity” means any member of the New SAIC Group.

“New SAIC Equity Plan” means the plan adopted by New SAIC prior to the Effective Time and approved by the sole stockholder of New SAIC, under which the New SAIC equity-based awards described in Article IV shall be issued.

“New SAIC ESPP” has the meaning set forth in Section 4.12.

“New SAIC Excess Deferral Plan” has the meaning set forth in Section 6.1(a).

“New SAIC Excess Deferral Plan Beneficiaries” has the meaning set forth in Section 6.1(a).

“New SAIC FSA” has the meaning set forth in Section 7.3(a).

“New SAIC Group” has the meaning set forth in the Distribution Agreement.

“New SAIC Group Employee” means any individual who is employed by a member of the New SAIC Group immediately prior to the Effective Time or whose employment will be transferred from the Leidos Group to the New SAIC Group as of the Effective Time.

“New SAIC HSA” has the meaning set forth in Section 7.3(b).

“New SAIC Option” means a New SAIC Director Option or a New SAIC Employee Option.

“New SAIC Phantom Shares” has the meaning set forth in Section 6.3(b).

“New SAIC Plan Effective Date” has the meaning set forth in Section 7.1.

“New SAIC Post-Distribution Stock Value” means the closing per share price of New SAIC Common Stock on the Distribution Date based on “when-issued” trading under the ticker symbol “SAIC-WI” on the NYSE during Regular Trading Hours.

“New SAIC Proportionate Value” means the New SAIC Post-Distribution Stock Value multiplied by the Distribution Ratio.

“New SAIC Ratio” means the quotient obtained by dividing the New SAIC Post-Distribution Stock Value by the Leidos Pre-Distribution Stock Value.

“New SAIC Retirement Plan” has the meaning set forth in Section 5.1.

“New SAIC Retirement Plan Beneficiaries” has the meaning set forth in Section 5.2.

“New SAIC RSAs” has the meaning set forth in Section 4.2(b).

“New SAIC RSUs” has the meaning set forth in Section 4.5(b).

“New SAIC Short-Term Incentive Plan” has the meaning set forth in Section 4.9(a).

“New SAIC Value Ratio” means (A) the New SAIC Proportionate Value divided by (B)(i) the New SAIC Proportionate Value plus (ii) the Leidos Post-Distribution Stock Value.

“New SAIC Welfare Plan” means any Welfare Plan sponsored or maintained by any one or more members of the New SAIC Group following the New SAIC Plan Effective Date.

“New SAIC Welfare Plan Participants” has the meaning set forth in Section 7.1.

“NYSE” means the New York Stock Exchange.

“Party” or “Parties” has the meaning set forth in the preamble to this Agreement.

“Person” has the meaning set forth in the Distribution Agreement.

“Privacy Contract” means any contract entered into in connection with applicable privacy protection Laws or regulations.

“PSUs” means performance share awards or performance share units, as applicable, issued under the Leidos Equity Plan.

“Regular Trading Hours” means the period beginning at 9:30 A.M. New York City time and ending at 4:00 P.M. New York City time.

“Remaining PSUs” has the meaning set forth in Section 4.7(a).

“SAIC” has the meaning set forth in the preamble to this Agreement.

“Securities Act” means the Securities Exchange Act of 1934.

“Subsidiary” has the meaning set forth in the Distribution Agreement.

“Tax” has the meaning set forth in the Distribution Agreement.

“Trading Day” means the period of time during any given calendar day, commencing with the determination of the opening price on the NYSE and ending with the determination of the closing price on the NYSE, in which trading and settlement in shares of Leidos Common Stock or New SAIC Common Stock is permitted on the NYSE.

“Transition Services Agreement” has the meaning set forth in the Distribution Agreement.

“U.S.” means the United States of America.

“WARN” means the U.S. Worker Adjustment and Retraining Notification Act, as amended, and the regulations promulgated thereunder, and any applicable state or local Law equivalent.

“Welfare Plan” means, where applicable, a “welfare plan” (as defined in Section 3(1) of ERISA) or a “cafeteria plan” under Section 125 of the Code, and any benefits offered thereunder, to any Employee, or to any family member, dependent or beneficiary of any such Employee, including any other plan offering health benefits (including medical, prescription drug, dental, vision, and mental health and substance abuse), disability benefits, or life, accidental death and disability, and business travel insurance, pre-tax premium conversion benefits, dependent care assistance programs, employee assistance programs, paid time off programs, contribution funding toward a health savings account, flexible spending accounts, or cashable credits of Leidos or New SAIC, as applicable.

Section 1.2. Interpretation. In this Agreement, unless the context clearly indicates otherwise:

(a) words used in the singular include the plural and words used in the plural include the singular;

(b) if a word or phrase is defined in this Agreement, its other grammatical forms, as used in this Agreement, shall have a corresponding meaning;

(c) reference to any gender includes the other gender and the neuter;

(d) the words “include,” “includes” and “including” shall be deemed to be followed by the words “without limitation”;

(e) the words “shall” and “will” are used interchangeably and have the same meaning;

(f) the word “or” shall have the inclusive meaning represented by the phrase “and/or”;

(g) relative to the determination of any period of time, “from” means “from and including,” “to” means “to but excluding” and “through” means “through and including”;

(h) all references to a specific time of day in this Agreement shall be based upon Eastern Standard Time or Eastern Daylight Saving Time, as applicable, on the date in question;

(i) whenever this Agreement refers to a number of days, such number shall refer to calendar days unless Business Days are specified;

(j) accounting terms used herein shall have the meanings historically ascribed to them by SAIC and its Subsidiaries, including New SAIC for this purpose, in its and their internal accounting and financial policies and procedures in effect immediately prior to the date of this Agreement;

(k) reference to any Article or Section means such Article or Section of this Agreement, as the case may be, and references in any Section or definition to any clause means such clause of such Section or definition;

(l) the words “this Agreement,” “herein,” “hereunder,” “hereof,” “hereto” and words of similar import shall be deemed references to this Agreement as a whole and not to any particular Section or other provision of this Agreement;

(m) the term “commercially reasonable efforts” means efforts which are commercially reasonable to enable a Party, directly or indirectly, to satisfy a condition to or

otherwise assist in the consummation of a desired result and which do not require the performing Party to expend funds or assume Liabilities other than expenditures and Liabilities which are customary and reasonable in nature and amount in the context of a series of related transactions similar to the Distribution;

(n) reference to any agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof and not prohibited by this Agreement;

(o) reference to any Law (including statutes and ordinances) means such Law (including any and all rules and regulations promulgated thereunder) as amended, modified, codified or reenacted, in whole or in part, and in effect at the time of determining compliance or applicability;

(p) references to any Person include such Person's successors and assigns but, if applicable, only if such successors and assigns are permitted by this Agreement; a reference to such Person's "Affiliates" shall be deemed to mean such Person's Affiliates following the Distribution and any reference to a third party shall be deemed to mean a Person who is not a Party or an Affiliate of a Party;

(q) unless otherwise specified in this Agreement, all references to dollar amounts herein shall be in respect of lawful currency of the U.S.;

(r) the titles to Articles and headings of Sections contained in this Agreement and in the table of contents to this Agreement have been inserted for convenience of reference only and shall not be deemed to be a part of or to affect the meaning or interpretation of this Agreement; and

(s) any portion of this Agreement obligating a Party to take any action or refrain from taking any action, as the case may be, shall mean that such Party shall also be obligated to cause its relevant Subsidiaries to take such action or refrain from taking such action, as the case may be.

ARTICLE II GENERAL PRINCIPLES FOR ALLOCATION OF LIABILITIES

Section 2.1. General Principles. Each member of the Leidos Group and each member of the New SAIC Group shall take any and all reasonable action as shall be necessary or appropriate so that active participation in the Leidos Benefit Plans by all New SAIC Group Employees shall terminate in connection with the Distribution as and when provided under this Agreement (or if not specifically provided under this Agreement, as of the Effective Time).

(a) Except as otherwise provided in this Agreement, effective as of the Effective Time, one or more members of the New SAIC Group (as determined by New SAIC) shall assume or continue the sponsorship of, and no member of the Leidos Group shall have any further Liability with respect to or under, and New SAIC shall indemnify each member of the Leidos Group, and the officers, directors, and employees of each member of the Leidos Group, and hold them harmless with respect to any and all:

(i) individual agreements entered into between any member of the Leidos Group and any New SAIC Group Employee;

(ii) agreements entered into between any member of the Leidos Group and any individual who is an independent contractor to the extent that any such Liability relates to services provided for the business activities of the New SAIC Group;

(iii) wages, salaries, incentive compensation (as the same may be modified by this Agreement), commissions, bonuses, and any other employee compensation or benefits payable to or on behalf of any New SAIC Group Employees after the Distribution Date, with respect to such wages, salaries, incentive compensation, commissions, bonuses, or other employee compensation or benefits earned after the Distribution Date;

(iv) moving expenses and obligations related to relocation, repatriation, transfers or similar items incurred by or owed to any New SAIC Group Employees, but only to the extent such items are incurred after the Distribution Date;

(v) immigration-related, visa, work application or similar rights, obligations and Liabilities related to any New SAIC Group Employees; and

(vi) Liabilities and obligations whatsoever with respect to claims made by or with respect to any New SAIC Group Employees in connection with any employee benefit plan, program or policy not otherwise retained or assumed by any member of the Leidos Group pursuant to this Agreement, including such Liabilities relating to actions or omissions of or by any member of the New SAIC Group or any officer, director, employee or agent thereof on or prior to the Distribution Date.

(b) Except as otherwise provided in this Agreement, effective as of the Effective Time, no member of the New SAIC Group shall have any further Liability for, and Leidos shall indemnify each member of the New SAIC Group, and the officers, directors, and employees of each member of the New SAIC Group, and hold them harmless with respect to any and all Liabilities and obligations whatsoever with respect to, claims made by or with respect to any Leidos Group Employees or Former Leidos Group Employees in connection with any Benefit Plan retained or assumed by any member of the New SAIC Group pursuant to this Agreement, including such Liabilities relating to actions or omissions of or by any member of the Leidos Group or any officer, director, employee or agent thereof on, prior to or after the Distribution Date.

Section 2.2. Service Credit.

(a) Service for Eligibility, Vesting, and Benefit Purposes. Except as otherwise provided in any other provision of this Agreement, the New SAIC Benefit Plans shall, and New SAIC shall cause each member of the New SAIC Group to, recognize each New SAIC

Group Employee's full service history with the Leidos Group for purposes of eligibility, vesting, determination of level of benefits and, to the extent applicable, benefit accruals under any New SAIC Benefit Plan for such New SAIC Group Employee's service with any member of the Leidos Group on or prior to the Effective Time to the same extent such service would be credited under the Leidos Deferred Compensation Plans, the Leidos Policies, the Leidos Retirement Plan and the Leidos Welfare Plans, as applicable.

(b) Evidence of Prior Service. Notwithstanding anything to the contrary, but subject to applicable Law, upon reasonable request by one Party to the other Party, the first Party will provide to the other Party copies of any records available to the first Party to document such service, plan participation and membership of such Employees and cooperate with the first Party to resolve any discrepancies or obtain any missing data for purposes of determining benefit eligibility, participation, vesting and calculation of benefits with respect to any Employee.

Section 2.3. Plan Administration.

(a) Transition Services. The Parties acknowledge that the Leidos Group or the New SAIC Group may provide administrative services for certain of the other Party's benefit programs for a transitional period under the terms of the Transition Services Agreement. The Parties agree to enter into a business associate agreement (if required by HIPAA or other applicable health information privacy Laws) in connection with such Transition Services Agreement.

(b) Participant Elections and Beneficiary Designations. All participant elections and beneficiary designations made under any Benefit Plan sponsored by a member of the Leidos Group prior to the Effective Time with respect to which Assets or Liabilities are transferred or allocated to plans maintained by a member of the New SAIC Group in accordance with this Agreement shall continue in effect under the applicable New SAIC plan, including deferral, investment and payment form elections, dividend elections, coverage options and levels, beneficiary designations and the rights of alternate payees under qualified domestic relations orders, to the extent allowed by applicable Law.

Section 2.4. No Duplication or Acceleration of Benefits. Notwithstanding anything to the contrary in this Agreement, the Distribution Agreement or any other contractual agreement or arrangement, no participant in the New SAIC Retirement Plan, New SAIC Deferred Compensation Plans, New SAIC Welfare Plan or other Benefit Plans of New SAIC shall receive benefits that duplicate benefits provided by the corresponding Leidos Benefit Plan or arrangement. Furthermore, unless expressly provided for in this Agreement, the Distribution Agreement or in any other contractual agreement or arrangement or required by applicable Law, no provision in this Agreement shall be construed to create any right to accelerate vesting or entitlements to any compensation or Benefit Plan on the part of any Leidos Group Employee, Former Leidos Group Employee or New SAIC Group Employee.

Section 2.5. No Expansion of Participation. Unless otherwise expressly provided in this Agreement, as otherwise determined or agreed to by Leidos and New SAIC, as required by applicable Law, or as explicitly set forth in a New SAIC Benefit Plan, a New SAIC Group Employee shall be entitled to participate in the New SAIC Benefit Plans only to the extent

that such Employee was entitled to participate in the corresponding Leidos Benefit Plan as in effect immediately prior to the Effective Time, it being the intent of the Parties that this Agreement not result in any expansion of the number of New SAIC Group Employees participating or the participation rights therein that they had prior to the Effective Time.

Section 2.6. Special Provisions. Notwithstanding any other provision in this Agreement to the contrary, the Chief Executive Officer, Chief Financial Officer, General Counsel and Executive Vice President of Human Resources, and each of them individually, of Leidos or New SAIC, as applicable, shall have the discretion, power and authority to adopt and implement special provisions, rules or procedures applicable to the employment, compensation and benefit arrangements of one or more individuals as are deemed necessary or advisable to give effect to the intentions of this Agreement, including without limitation, special provisions relating to (i) different equitable adjustments from those set forth in Article IV, in the case of a grantee who has outstanding equity-based awards granted under the Leidos Equity Plan or any Leidos Deferred Compensation Plan to the extent that any such officer deems such different treatment to be equitable, necessary or advisable, based on the advice of counsel; (ii) errors in the timing of employment transfers; (iii) issues pertaining to immigration Law requirements; and (iv) any delays in the transfer of employment or service of any individuals to the New SAIC Group following the Effective Time (each such individual, a "Delayed Transfer Individual"). To the extent that any such special provisions, rules or procedures are adopted or implemented with respect to any such Delayed Transfer Individual, such officer shall use best efforts to treat each such Delayed Transfer Individual in the same manner as if such Delayed Transfer Individual transferred employment or service to the New SAIC Group as of the Effective Time.

ARTICLE III ASSIGNMENT OF EMPLOYEES

Section 3.1. Active Employees.

(a) New SAIC Group Employees. Except as otherwise set forth in this Agreement, effective not later than immediately following the Effective Time, the employment of each New SAIC Group Employee shall be continued by a member of the New SAIC Group or shall be assigned and transferred to a member of the New SAIC Group (in each case, with such member as determined by New SAIC). Each of the Parties agrees to execute, and to seek to have the applicable employees execute, such documentation, if any, as may be necessary to reflect such assignments and transfers.

(b) Leidos Group Employees. Except as otherwise set forth in this Agreement, effective not later than immediately following the Effective Time, the employment of each Leidos Group Employee shall be continued by a member of the Leidos Group or shall be assigned and transferred to a member of the Leidos Group (in each case as determined by Leidos). Each of the Parties agrees to execute, and to seek to have the applicable employees execute, such documentation, if any, as may be necessary to reflect such assignments and transfers.

(c) At-Will Status. Notwithstanding the above or any other provision of this Agreement, nothing in this Agreement shall create any obligation on the part of any member of

the Leidos Group or any member of the New SAIC Group to (i) continue the employment of any Employee or permit the return from a leave of absence for any period following the date of this Agreement or the Effective Time (except as required by applicable Law) or (ii) change the employment status of any Employee from "at will," to the extent such Employee is an "at will" employee under applicable Law.

(d) Severance. The Parties acknowledge and agree that the Distribution and the assignment, transfer or continuation of the employment of Employees as contemplated by this Section 3.1 shall not be deemed a severance of employment of any Employee for purposes of this Agreement or any Benefit Plan of any member of the Leidos Group or any member of the New SAIC Group.

(e) Not a Change of Control/Change in Control. The Parties acknowledge and agree that neither the consummation of the Distribution nor any transaction in connection with the Distribution shall be deemed a "change of control," "change in control," or term of similar import for purposes of any Benefit Plan of any member of the Leidos Group or any member of the New SAIC Group.

(f) Payroll and Related Taxes. With respect to the portion of the tax year occurring prior to and including the Effective Time, Leidos will (i) be responsible for all payroll obligations, tax withholding and reporting obligations and (ii) furnish a Form W-2 or similar earnings statement to all New SAIC Group Employees for such period. With respect to the remaining portion of such tax year, New SAIC will (i) be responsible for all payroll obligations, tax withholding, and reporting obligations regarding New SAIC Group Employees and (ii) furnish a Form W-2 or similar earnings statement to all New SAIC Group Employees. With respect to each New SAIC Group Employee, Leidos and New SAIC shall, and shall cause their respective Affiliates to (to the extent permitted by applicable Law and practicable) (a) treat New SAIC (or the applicable New SAIC Entity) as a "successor employer" and Leidos (or the applicable Leidos Entity) as a "predecessor," within the meaning of Sections 3121(a)(1) and 3306(b)(1) of the Code, to the extent appropriate, for purposes of taxes imposed under the United States Federal Insurance Contributions Act, as amended ("FICA"), or the United States Federal Unemployment Tax Act, as amended ("FUTA"); (b) cooperate with each other to avoid, to the extent possible, the restart of FICA and FUTA upon or following the Effective Time with respect to each such New SAIC Group Employee for the tax year during which the Effective Time occurs; and (c) file tax returns, exchange wage payment information, and report wage payments made by the respective predecessor and successor employer on separate IRS Forms W-2 or similar earnings statements to each such New SAIC Group Employee for the tax year in which the Effective Time occurs, in a manner provided in Section 4.02(1) of Revenue Procedure 2004-53. Notwithstanding the foregoing, with respect to the pay period ending on September 27, 2013, New SAIC shall reimburse Leidos for all payroll obligations and tax withholding obligations undertaken by Leidos with regard to New SAIC Group Employees. Such reimbursement shall be effected no later than October 7, 2013. Any such reimbursement shall be treated in accordance with the principles set forth in Section 11.24 of the Distribution Agreement.

(g) Employment Contracts; Expatriate Obligations. New SAIC will assume and honor, or will cause a New SAIC Entity to assume and honor, any agreements to which any

New SAIC Group Employee is party with either any Leidos Entity or any joint venture with a Leidos Entity, including any (i) employment contract; (ii) retention, severance or change of control arrangement; or (iii) expatriate (including any international assignee) contract or arrangement (including agreements and obligations regarding repatriation, relocation, equalization of taxes and living standards in the host country).

Section 3.2. Employment Law Obligations.

(a) WARN. After the Effective Time, (i) Leidos shall be responsible for providing any necessary WARN notice (and meeting any similar state Law notice requirements) with respect to any termination of employment of any Leidos Group Employee and (ii) New SAIC shall be responsible for providing any necessary WARN notice (and meeting any similar state Law notice requirements) with respect to any termination of employment of any New SAIC Group Employee.

(b) Compliance With Employment Laws. At and after the Effective Time, (i) each member of the Leidos Group shall be responsible for adopting and maintaining any policies or practices, and for all other actions and inactions, necessary to comply with employment-related Laws and requirements relating to the employment of Leidos Group Employees and the treatment of any applicable Former Leidos Group Employees in respect of their former employment and (ii) each member of the New SAIC Group shall be responsible for adopting and maintaining any policies or practices, and for all other actions and inactions, necessary to comply with employment-related Laws and requirements relating to the employment of New SAIC Group Employees.

Section 3.3. Employee Records.

(a) Sharing of Information. Subject to any limitations imposed by applicable Law, Leidos and New SAIC (acting directly or through members of the Leidos Group or the New SAIC Group, respectively) shall provide to the other and their respective agents and vendors all information necessary for the Parties to perform their respective duties under this Agreement. The Parties also hereby agree to enter into any business associate arrangements that may be required for the sharing of any information pursuant to this Agreement to comply with the requirements of HIPAA.

(b) Transfer of Personnel Records and Authorization. Subject to any limitation imposed by applicable Law, on the Distribution Date, Leidos shall transfer and assign to New SAIC all personnel records, all immigration documents, including I-9 forms and work authorizations, all payroll deduction authorizations and elections, whether voluntary or mandated by Law, including but not limited to W-4 forms and deductions for benefits under the applicable New SAIC Benefit Plan and all absence management records, FMLA records, insurance beneficiary designations, flexible spending account enrollment confirmations, and attendance and return to work information ("Benefit Management Records") relating to New SAIC Welfare Plan Participants. Subject to any limitations imposed by applicable Law, Leidos, however, may retain originals of, copies of, or access to, personnel records, immigration records, payroll forms and Benefit Management Records as long as necessary to provide services to New SAIC (acting on its behalf pursuant to the Transition Services Agreement between the Parties entered into as

of the date of this Agreement). Immigration records will, if and as appropriate, become a part of New SAIC's public access file. New SAIC will use personnel records, payroll forms and Benefit Management Records for lawful purposes only, including calculation of withholdings from wages and personnel management. It is understood that following the Distribution Date, Leidos records so transferred and assigned may be maintained by New SAIC (acting directly or through one of its Subsidiaries) pursuant to New SAIC's applicable records retention policy.

(c) Access to Records. To the extent not inconsistent with this Agreement and any applicable privacy protection Laws or regulations or Privacy Contracts, reasonable access to Employee-related records after the Distribution Date will be provided to members of the Leidos Group and members of the New SAIC Group pursuant to the terms and conditions of Section 8.2(b) of the Distribution Agreement. In addition, notwithstanding anything to the contrary, New SAIC shall provide Leidos with reasonable access to those records necessary for its administration of any plans or programs on behalf of Leidos Group Employees and Former Leidos Group Employees after the Distribution Date as permitted by any applicable privacy protection Laws or regulations or Privacy Contracts. Leidos shall also be permitted to retain copies of all restrictive covenant agreements with any New SAIC Group Employee in which any member of the Leidos Group has a valid business interest. In addition, Leidos shall provide New SAIC with reasonable access to those records necessary for its administration of any plans or programs on behalf of New SAIC Group Employees after the Distribution Date as permitted by any applicable privacy protection Laws or regulations or Privacy Contracts. New SAIC shall also be permitted to retain copies of all restrictive covenant agreements with any Leidos Group Employee or Former Leidos Group Employee in which any member of the New SAIC Group has a valid business interest.

(d) Maintenance of Records. With respect to retaining, destroying, transferring, sharing, copying and permitting access to all Employee-related information, Leidos and New SAIC shall comply with all applicable Laws, regulations and internal policies, and shall indemnify and hold harmless each other from and against any and all Liabilities, claims, actions, and damages that arise from a failure (by the indemnifying party or its Subsidiaries or their respective agents) to so comply with all applicable Laws, regulations, Privacy Contracts and internal policies applicable to such information.

(e) Confidentiality. Except as otherwise set forth in this Agreement, all records and data relating to Employees shall, in each case, be subject to the confidentiality provisions of the Distribution Agreement and any other applicable agreement and applicable Law, and the provisions of this Section 3.3 shall be in addition to, and not in derogation of, the provisions of the Distribution Agreement governing confidential information, including Section 8.5 of the Distribution Agreement.

(f) Cooperation. Each Party shall use commercially reasonable efforts to cooperate to share, retain, and maintain data and records that are necessary or appropriate to further the purposes of this Section 3.3 and for each Party to administer its respective Benefit Plans to the extent consistent with this Agreement and applicable Law, and each Party agrees to cooperate as long as is reasonably necessary to further the purposes of this Section 3.3. Except as provided under any contractual agreement or arrangement, no Party shall charge another Party a fee for such cooperation.

ARTICLE IV
EQUITY AND INCENTIVE COMPENSATION PLANS

Section 4.1. General Principles.

(a) Leidos and New SAIC shall take any and all reasonable actions as shall be necessary and appropriate to further the provisions of this Article IV, including, to the extent practicable, providing written notice or similar communication to each Employee who holds one or more awards granted under the Leidos Equity Plan informing such Employee of (i) the actions contemplated by this Article IV with respect to such awards and (ii) whether (and during what time period) any “blackout” period shall be imposed upon holders of awards granted under the Leidos Equity Plan during which time awards may not be exercised or settled, as the case may be.

(b) Following the Effective Time, a grantee who has outstanding awards under the Leidos Equity Plan and/or replacement awards under the New SAIC Equity Plan shall be considered to have been employed by the applicable plan sponsor before and after the Effective Time for purposes of (i) vesting and (ii) determining the date of termination of employment as it applies to any such award. Neither the transfer of employment or service to a New SAIC Entity nor the Distribution shall constitute a “Termination” under the Leidos Equity Plan.

(c) No award described in this Article IV, whether outstanding or to be issued, adjusted, substituted or cancelled by reason of or in connection with the Distribution, shall be adjusted, settled, cancelled, or exercisable, until in the judgment of the administrator of the applicable plan or program such action is consistent with all applicable Laws, including federal securities Laws. Any period of exercisability will not be extended on account of a period during which such an award is not exercisable pursuant to the preceding sentence.

(d) The adjustment or conversion of Leidos Options, Leidos RSUs and PSUs shall be effected in a manner that is intended to avoid the imposition of any accelerated, additional, penalty or other taxes on the holders thereof pursuant to Section 409A of the Code.

Section 4.2. Restricted Stock.

(a) Treatment of Leidos RSAs Held by Leidos Group Employees and Former Leidos Group Employees. Each outstanding Leidos RSA held immediately prior to the Effective Time by a Leidos Group Employee or a Former Leidos Group Employee shall be adjusted at the Effective Time by dividing (A) the number of Leidos RSAs subject to each grant by (B) the Leidos Ratio (each such RSA, an “Adjusted Leidos RSA”). If the resulting quotient includes a fractional share, the number of Adjusted Leidos RSAs shall be rounded down to the nearest whole share. The terms and conditions to which the Adjusted Leidos RSAs are subject shall be substantially the same terms and conditions before and after the Effective Time.

(b) Treatment of Leidos RSAs Held by New SAIC Group Employees. Each outstanding Leidos RSA held immediately prior to the Effective Time by a New SAIC Group Employee shall be replaced by an award pursuant to the terms of the New SAIC Equity Plan of

shares of New SAIC restricted stock (the “New SAIC RSAs”) whose number shall be determined by dividing (A) the number of Leidos RSAs subject to each grant by (B) the New SAIC Ratio. If the resulting quotient includes a fractional share, the number of New SAIC RSAs shall be rounded down to the nearest whole share. The New SAIC RSAs shall be subject to substantially the same terms and conditions as in effect for the corresponding Leidos RSAs immediately prior to the Effective Time.

Section 4.3. Employee Stock Options.

(a) General Principles. The adjustments provided for in this Section 4.3 with respect to the Leidos Options and New SAIC Options are intended to be effected in a manner compliant with Section 424(a) of the Code.

(b) Treatment of Outstanding Stock Options Held by Employees.

(i) Leidos Group Employees. Each Leidos Option held by a Leidos Group Employee or Former Leidos Group Employee shall remain an option to purchase Leidos Common Stock issued under the Leidos Equity Plan (each such option, an “Adjusted Leidos Employee Option”). Each Adjusted Leidos Employee Option shall be subject to the same terms and conditions after the Effective Time as the terms and conditions applicable to the corresponding Leidos Option immediately prior to the Effective Time; provided, however, that from and after the Effective Time:

(x) the number of shares of Leidos Common Stock subject to each such Adjusted Leidos Employee Option shall be equal to (A) the number of shares of Leidos Common Stock subject to the corresponding Leidos Option immediately prior to the Effective Time divided by (B) the Leidos Ratio, with any fractional share rounded down to the nearest whole share; and

(y) the per-share exercise price of each such Adjusted Leidos Employee Option shall be equal to (A) the per-share exercise price of the corresponding Leidos Option immediately prior to the Effective Time multiplied by (B) the Leidos Ratio, rounded up to the nearest whole cent.

(ii) New SAIC Group Employees. Each Leidos Option held by a New SAIC Employee at the Effective Time shall be converted as of the Effective Time into an option to purchase shares of New SAIC Common Stock (each such option, a “New SAIC Employee Option”) pursuant to the terms of the New SAIC Equity Plan subject to terms and conditions after the Effective Time that are substantially similar to the terms and conditions applicable to the corresponding Leidos Option immediately prior to the Effective Time; provided, however, that from and after the Effective Time:

(x) the number of shares of New SAIC Common Stock subject to each such New SAIC Employee Option shall be equal to (A) the number of shares of Leidos Common Stock subject to the corresponding Leidos Option immediately prior to the Effective Time divided by (B) the New SAIC Ratio, with any fractional share rounded down to the nearest whole share; and

(y) the per-share exercise price of each such New SAIC Employee Option shall be equal to (A) the per-share exercise price of the corresponding Leidos Option immediately prior to the Effective Time multiplied by (B) the New SAIC Ratio, rounded up to the nearest whole cent.

Section 4.4. Director Stock Options.

(a) General Principles. The adjustments provided for in this Section 4.4 with respect to each Leidos Option held by a Leidos Director are intended to be effected in a manner compliant with Section 424(a) of the Code.

(b) Treatment of Outstanding Director Stock Options.

(i) Immediately prior to the Effective Time, each Leidos Option held by any Leidos Director shall be deemed bifurcated into two options, the first (a "New SAIC Director Option"), representing the right to purchase a number of shares of New SAIC Common Stock calculated by multiplying (A) the number of shares subject to the Director Option by (B) the New SAIC Value Ratio, and with an exercise price equivalent to the exercise price of the Director Option and the second (an "Adjusted Leidos Director Option"), representing the right to purchase a number of shares of Leidos Common Stock calculated by multiplying (A) the number of shares subject to the Director Option by (B) the Leidos Value Ratio, and with an exercise price equivalent to the exercise price of the Director Option.

(ii) At the Effective Time, each Adjusted Leidos Director Option shall be adjusted in the same manner as the Leidos Options as set forth in Section 4.3(b)(i), and each New SAIC Director Option shall be adjusted in the same manner as the New SAIC Employee Options as set forth in Section 4.3(b)(ii).

Section 4.5. Restricted Stock Units.

(a) Treatment of Leidos RSUs Held by Leidos Group Employees and Former Leidos Group Employees. Leidos RSUs held by a Leidos Group Employee or a Former Leidos Group Employee immediately prior to the Effective Time shall be adjusted at the Effective Time by dividing the (i) number of Leidos RSUs subject to each grant by (ii) Leidos Ratio (each such RSU, an "Adjusted Leidos RSU"). If the resulting quotient includes a fractional share, the number of Adjusted Leidos RSUs shall be rounded down to the nearest whole share. The terms and conditions to which the Adjusted Leidos RSUs are subject shall be substantially the same terms and conditions before and after the Effective Time.

(b) Treatment of Leidos RSUs Held by New SAIC Group Employees. Leidos RSUs held by New SAIC Group Employees immediately prior to the Effective Time shall be replaced at the Effective Time with an award under the New SAIC Equity Plan of a number of New SAIC restricted stock units (the "New SAIC RSUs") determined by dividing the number of Leidos RSUs subject to each grant by the New SAIC Ratio. If the resulting quotient includes a fractional share, the number of New SAIC RSUs shall be rounded down to the nearest whole share. The New SAIC RSUs shall be subject to substantially the same terms and conditions as in effect for the corresponding Leidos RSUs immediately prior to the Effective Time.

(c) Treatment of Leidos RSUs Held by Leidos Directors.

(i) Immediately prior to the Effective Time, each Leidos RSU held by any Leidos Director shall be deemed to be bifurcated into two restricted stock units, the first (a “New SAIC Director RSU”) representing the right to receive a number of shares of Leidos Common Stock calculated by multiplying (A) the number of Leidos RSUs subject to each grant by (B) the Distribution Ratio, rounded down to the nearest whole share and the second (an “Adjusted Leidos Director RSU”), representing the right to receive a number of shares of Leidos Common Stock calculated by multiplying (A) the number of Leidos RSUs subject to each grant by (B) one (1) minus the Distribution Ratio, rounded down to the nearest whole share.

(ii) At the Effective Time, each Adjusted Leidos Director RSU shall be adjusted in the same manner as the Leidos RSUs set forth in Section 4.5(a), and each New SAIC Director RSU shall be adjusted in the same manner as the New SAIC RSUs as set forth in Section 4.5(b).

Section 4.6. Section 16(b) of the Securities Act; Code Sections 162(m) and 409A.

(a) By approving the adoption of this Agreement, the respective Boards of Directors of each of Leidos and New SAIC intend to exempt from the short-swing profit recovery provisions of Section 16(b) of the Securities Act, by reason of the application of Rule 16b-3 thereunder, all acquisitions and dispositions of equity incentive awards by directors and officers of each of Leidos and New SAIC, and the respective Boards of Directors of Leidos and New SAIC also intend expressly to approve, in respect of any equity-based award, the use of any method for the payment of an exercise price and the satisfaction of any applicable Tax withholding (specifically including the actual or constructive tendering of shares in payment of an exercise price and the withholding of option shares from delivery in satisfaction of applicable Tax withholding requirements) to the extent such method is permitted under the Leidos Equity Plan, New SAIC Equity Plan and any award agreement.

(b) Notwithstanding anything in this Agreement to the contrary (including the treatment of supplemental and deferred compensation plans, outstanding long-term incentive awards and annual incentive awards as described herein), Leidos and New SAIC agree to negotiate in good faith regarding the need for any treatment different from that otherwise provided herein to ensure that (i) a federal income tax deduction for the payment of any supplemental or deferred compensation or long-term incentive award, annual incentive award or other compensation is, to the extent prescribed under the terms of the applicable plan and award agreement, not limited by reason of Section 162(m) of the Code, and (ii) the treatment of any supplemental or deferred compensation or long-term incentive award, annual incentive award or other compensation does not cause the imposition of a penalty tax under Section 409A of the Code.

Section 4.7. PSUs.

(a) Immediately prior to the Effective Time, each ongoing performance period relating to outstanding PSUs granted under the Leidos Equity Plan shall be terminated, and PSUs shall be bifurcated into (i) a number of PSUs prorated to reflect the elapsed time during any applicable performance period determined through the last completed fiscal quarter ending on or before the Distribution Date (the “Completed Period PSUs”), and (ii) a number of PSUs equal to the original target number of PSUs awarded less the number of corresponding Completed Period PSUs (the “Remaining PSUs”).

(b) As of the Effective Time, a portion of the Completed Period PSUs shall be deemed earned, based on the level of achievement of applicable measures based on actual performance through the last completed fiscal quarter ending on or before the Distribution Date, as determined by the compensation committee of the Board, in its sole discretion, and any such Completed Period PSUs that are deemed earned based on such achievement (the “Banked PSUs”) shall vest and be settled, subject to the continued employment of the recipient through the applicable settlement date, at the time or times the corresponding original PSUs would otherwise have been settled in the ordinary course, had the Distribution not occurred, in accordance with the terms of the original Leidos Equity Plan awards; provided, however, that (i) Banked PSUs held by Leidos Group Employees shall be further adjusted at the Effective Time by dividing the (A) number of Banked PSUs by (B) Leidos Ratio (and if the resulting quotient includes a fractional share, the number of Banked PSUs shall be rounded down to the nearest whole share) and shall be settled in shares of Leidos Common Stock, and (ii) Banked PSUs held by New SAIC Group Employees shall be further adjusted at the Effective Time by dividing the (A) number of Banked PSUs by (B) New SAIC Ratio (and if the resulting quotient includes a fractional share, the number of Banked PSUs shall be rounded down to the nearest whole share) and shall be settled in shares of New SAIC Common Stock. Any Completed Period PSUs that are not earned as of the Effective Time in accordance with this paragraph because all applicable performance targets have not been achieved or satisfied shall be forfeited without consideration as of the Effective Time.

(c) As of the Effective Time, the Remaining PSUs shall be deemed to satisfy applicable criteria at target levels, and shall no longer be subject to vesting based upon the achievement of performance criteria, but instead such Remaining PSUs shall vest, subject to continued employment through the vesting date, as of the end of the original performance period to which such Remaining PSUs relate. Such Remaining PSUs shall be adjusted as of the Effective Time pursuant to the methodology set forth in Section 4.5, as if such Remaining PSUs were instead Leidos RSUs.

Section 4.8. Liabilities for Settlement of Awards.

(a) Settlement of Leidos Options. Leidos shall be responsible for all Liabilities associated with Leidos Options (regardless of the holder of such awards), including any option exercise, share delivery, registration or other obligations related to the exercise of the Leidos Options.

(b) Settlement of New SAIC Options. New SAIC shall be responsible for all Liabilities associated with New SAIC Options (regardless of the holder of such awards), including any option exercise, share delivery, registration or other obligations related to the exercise of the New SAIC Options.

(c) Settlement of Leidos RSAs and Leidos RSUs. Leidos shall be responsible for all Liabilities associated with Leidos RSAs and Leidos RSUs, including any share delivery, registration or other obligations related to the settlement of the Leidos RSAs and Leidos RSUs.

(d) Settlement of New SAIC RSAs and New SAIC RSUs. New SAIC shall be responsible for all Liabilities associated with New SAIC RSAs and New SAIC RSUs, including any share delivery, registration or other obligations related to the settlement of the New SAIC RSAs and New SAIC RSUs.

(e) Settlement of PSUs. Leidos shall be responsible for all Liabilities associated with PSUs held by Leidos Group Employees, including any share delivery, registration or other obligations related to the settlement of the PSUs. New SAIC shall be responsible for all Liabilities associated with PSUs held by New SAIC Group Employees, including any share delivery, registration or other obligations related to the settlement of the PSUs.

Section 4.9. Bonus and Short-Term Incentive Payments.

(a) New SAIC Short-Term Incentive Plan. Not later than the Effective Time, New SAIC shall, or shall cause another New SAIC Entity to, adopt a plan that will provide annual bonus or short-term cash incentive compensation opportunities for New SAIC Group Employees transferred from the Leidos Group to the New SAIC Group (the "New SAIC Short-Term Incentive Plan"), subject to New SAIC's right to amend such plan after the Effective Time in accordance with the terms thereof. The New SAIC Short-Term Incentive Plan shall be approved prior to the Effective Time by the sole stockholder of New SAIC, and New SAIC Group Employees shall participate in such New SAIC Short-Term Incentive Plan immediately following the Effective Time; provided, however, that service with Leidos shall be credited for the purposes of determining whether such New SAIC Group Employee had been a participant in the New SAIC Short-Term Incentive Plan during the applicable performance period.

(b) Adjusted Leidos Group Bonuses. Immediately prior to the Effective Time, each ongoing performance period under any Leidos Group annual bonus or short-term cash incentive opportunities shall be truncated, and bonuses and incentives to be paid thereunder shall be determined, but not paid, on a prorated basis based on the portion of each performance period that has elapsed prior to the Effective Time. Amounts to be paid in accordance with this paragraph shall be paid at the time such bonuses and incentives would otherwise have been paid in the ordinary course had the Distribution not occurred, in accordance with the terms of the relevant annual bonus or short-term cash incentive program and subject to the continued employment of the recipient. Any settlement shall be based on actual performance as compared to the applicable quantitative and qualitative measures during each ongoing performance period. The performance targets for any Leidos Group annual bonus or short-term cash incentive opportunities in effect immediately prior to the Effective Time shall be replaced with new performance targets for the remainder of such incentive's remaining performance period following the Effective Time.

(c) Allocation of Bonus Responsibility. For the avoidance of doubt, (i) the New SAIC Group shall be solely responsible for funding, paying, and discharging all obligations relating to any annual cash incentive awards that any New SAIC Employee is eligible to receive (x) under any New SAIC Group annual bonus and other short-term incentive compensation plans with respect to payments made beginning at or after the Effective Time, including the New SAIC Short-Term Incentive Plan, and (y) in accordance with Section 4.9(b) above, and no member of the Leidos Group shall have any obligations with respect thereto and (ii) the Leidos Group shall be solely responsible for funding, paying, and discharging all obligations relating to any annual cash incentive awards that any Leidos Group Employee is eligible to receive under any Leidos annual bonus plans with respect to payments made beginning at or after the Effective Time, and no member of the New SAIC Group shall have any obligations with respect thereto.

Section 4.10. Form S-8. As soon as reasonably practicable and subject to applicable Law, New SAIC shall prepare and file with the Securities Exchange Commission a registration statement on Form S-8 (or another appropriate form) registering under the Securities Act the offering of a number of shares of New SAIC Common Stock at a minimum equal to the number of shares available under the New SAIC Deferred Compensation Plans, New SAIC Retirement Plan, New SAIC RSAs, New SAIC RSUs, New SAIC Director RSUs, New SAIC Options and New SAIC Director Options. New SAIC shall use commercially reasonable efforts to cause any such registration statement to be kept effective (and the current status of the prospectus or prospectuses required thereby to be maintained) as long as any New SAIC Deferred Compensation Plans, New SAIC RSAs, New SAIC RSUs, New SAIC Director RSUs, and New SAIC Options and New SAIC Director Options remain outstanding.

Section 4.11. Tax Reporting and Withholding for Equity-Based Awards. Leidos (or one of its Subsidiaries) will be responsible for all income, payroll, or other tax reporting related to income of Leidos Group Employees or Former Leidos Group Employees, and New SAIC (or one of its Subsidiaries) will be responsible for all income, payroll, or other tax reporting related to income of New SAIC Group Employees. Leidos (or one of its Subsidiaries) will be responsible for all income, payroll, or other tax reporting related to any equity incentive award granted by Leidos, and New SAIC (or one of its Subsidiaries) will be responsible for all income, payroll, or other tax reporting related to any equity incentive award granted by New SAIC. Similarly, Leidos will be responsible for all income, payroll, or other tax reporting related to income of its non-employee directors from equity-based awards, and New SAIC will be responsible for all income, payroll, or other tax reporting related to income of its non-employee directors from equity-based awards. Further, Leidos (or one of its Subsidiaries) shall be responsible for remitting applicable tax withholdings for Leidos Group Employees to each applicable taxing authority, and New SAIC (or one of its Subsidiaries) shall be responsible for remitting applicable tax withholdings for New SAIC Group Employees to each applicable taxing authority; provided, however, that either Leidos or New SAIC shall act as agent for the other company by remitting amounts withheld in the form of shares or in conjunction with an exercise transaction to an appropriate taxing authority. Leidos and New SAIC acknowledge and agree that the parties will cooperate with each other and with third-party providers to effect withholding and remittance of taxes, as well as required tax reporting, in a timely, efficient, and appropriate manner.

Section 4.12. Approval of the New SAIC Equity Plan and the New SAIC ESPP. Not later than the Effective Time, New SAIC shall, or shall have caused a New SAIC Entity to, have adopted the New SAIC Equity Plan and shall have adopted a new employee stock purchase plan intended to be qualified under section 423 of the Code (the "New SAIC ESPP"). The New SAIC Equity Plan and the New SAIC ESPP shall be approved prior to the Effective Time by the sole stockholder of New SAIC.

Section 4.13. Leidos ESPP. All New SAIC Group Employees shall cease active participation in the Leidos ESPP with respect to offering periods ending after the Effective Time. For the avoidance of doubt, the New SAIC Group Employees who participated in the Leidos ESPP prior to the Effective Time shall continue to participate in any offering periods under the Leidos ESPP ending prior to the Effective Time.

ARTICLE V U.S. QUALIFIED DEFINED CONTRIBUTION PLANS

Section 5.1. Establishment of the New SAIC Retirement Plan. As of the Effective Time, New SAIC shall, or shall cause another New SAIC Entity to, establish a defined contribution plan and trust for the benefit of New SAIC Group Employees (the "New SAIC Retirement Plan"). New SAIC shall be responsible for taking all necessary, reasonable, and appropriate action to establish, maintain, and administer the New SAIC Retirement Plan so that it is qualified under Section 401(a) of the Code and that the related trust thereunder is exempt under Section 501(a) of the Code. New SAIC (acting directly or through its Affiliates) shall be responsible for any and all Liabilities and other obligations with respect to the New SAIC Retirement Plan.

Section 5.2. Transfer of Leidos Retirement Plan Assets. Not later than thirty (30) days following the Effective Time (or such later time as mutually agreed by the Parties), Leidos shall cause the accounts (including any outstanding loan balances) in the Leidos Retirement Plan attributable to New SAIC Group Employees who will participate in the New SAIC Retirement Plan (the "New SAIC Retirement Plan Beneficiaries") and all of the Assets in the Leidos Retirement Plan related thereto to be transferred in-kind to the New SAIC Retirement Plan, and New SAIC shall cause the New SAIC Retirement Plan to accept such transfer of accounts and underlying Assets and, effective as of the date of such transfer, to assume and to fully perform, pay, and discharge, all obligations of the Leidos Retirement Plan relating to the accounts of the New SAIC Retirement Plan Beneficiaries (to the extent the Assets related to those accounts are actually transferred from the Leidos Retirement Plan to the New SAIC Retirement Plan) as of the Effective Time. The transfer of Assets shall be conducted in accordance with Section 414(l) of the Code, Treasury Regulation Section 1.414(1)-1, and Section 208 of ERISA.

Section 5.3. Treatment of New SAIC Common Stock and Leidos Common Stock.

(a) New SAIC Common Stock Fund; New SAIC Common Stock Held in Leidos Retirement Plan Accounts. The New SAIC Retirement Plan will provide, effective as of the Effective Time: (i) for the establishment of a New SAIC Common Stock fund; (ii) that such New SAIC Common Stock fund shall receive a transfer of and hold all shares of New SAIC Common Stock distributed in connection with the Distribution in respect of Leidos Common Stock held in Leidos Retirement Plan accounts of New SAIC Retirement Plan Beneficiaries; and (iii) that, following the Effective Time, contributions made by or on behalf of such New SAIC Retirement Plan Beneficiaries may be allocated to the New SAIC Common Stock fund. Shares of New SAIC Common Stock distributed in connection with the Distribution in respect of shares of Leidos Common Stock held in Leidos Retirement Plan accounts of Leidos Group Employees or Former Leidos Group Employees who participate in the Leidos Retirement Plan (the "Leidos Retirement Plan Beneficiaries") shall be deposited in a New SAIC Common Stock fund under the Leidos Retirement Plan, and Leidos Retirement Plan Beneficiaries will be prohibited from increasing their holdings in such New SAIC Common Stock fund under the Leidos Retirement Plan and may elect to liquidate their holdings in such New SAIC Common Stock fund and invest those monies in any other investment fund offered under the Leidos Retirement Plan. Any shares of New SAIC Common Stock held in Leidos Retirement Plan accounts of New SAIC Group Employees shall be transferred in kind to the trust underlying the New SAIC Retirement Plan pursuant to Section 5.2 of this Agreement.

(b) Leidos Common Stock in New SAIC Retirement Plan Accounts. Without limiting the generality of the provisions of Section 5.2, shares of Leidos Common Stock held in Leidos Retirement Plan accounts of New SAIC Retirement Plan Beneficiaries prior to the Effective Time shall be transferred in kind to a Leidos Common Stock Fund under the New SAIC Retirement Plan pursuant to Section 5.2 of this Agreement. New SAIC Retirement Plan Beneficiaries will be prohibited from increasing their holdings in Leidos Common Stock under such Leidos Common Stock Fund and may elect to liquidate their holdings in such Leidos Common Stock Fund and invest those monies in any other investment fund offered under the New SAIC Retirement Plan.

Section 5.4. Continuation of Elections. As of the Effective Time, New SAIC (acting directly or through members of the New SAIC Group) shall cause the New SAIC Retirement Plan to recognize and maintain all Leidos Retirement Plan elections, including, but not limited to, deferral, investment, and payment form elections, beneficiary designations, and the rights of alternate payees under qualified domestic relations orders with respect to New SAIC Group Employees to the extent such election or designation is available under the New SAIC Retirement Plan.

Section 5.5. Tax Qualified Status. New SAIC will take all steps and make any necessary filings with the IRS to establish and maintain the New SAIC Retirement Plan so that it is qualified under Section 401(a) of the Code and the related trust is tax-exempt under Section 501(a) of the Code, including seeking and obtaining a favorable determination letter from the IRS as to such qualification. Furthermore, no later than thirty (30) days prior to the Effective Time, Leidos and New SAIC (each acting directly or through their respective Affiliates) shall, to the extent necessary, file IRS Form 5310-A regarding the transfer of Assets and Liabilities from the Leidos Retirement Plan to the New SAIC Retirement Plan as discussed in this Article V.

ARTICLE VI
NONQUALIFIED DEFERRED COMPENSATION PLANS

Section 6.1. Excess Benefit Plans.

(a) Establishing New SAIC Excess Deferral Plan. On or prior to the Effective Time, New SAIC shall, or shall cause another New SAIC Entity to, establish and adopt an excess benefit plan (the "New SAIC Excess Deferral Plan") to provide each New SAIC Group Employee who was a participant in the Leidos Excess Deferral Plan as of immediately prior to the Effective Time (the "New SAIC Excess Deferral Plan Beneficiaries") benefits in respect of service and compensation following the Effective Time substantially similar to those accrued with respect to such person under the Leidos Excess Deferral Plan as of immediately prior to the Effective Time. As of the Effective Time, the New SAIC Group Employees will no longer participate in the Leidos Excess Deferral Plan.

(b) Liability and Responsibility. The Liabilities in respect of New SAIC Excess Deferral Plan Beneficiaries under the Leidos Excess Deferral Plan shall be assumed by the member of the New SAIC Group which sponsors the New SAIC Excess Deferral Plan, effective as of the Effective Time. New SAIC shall have sole responsibility for the administration of the New SAIC Excess Deferral Plan and the payment of benefits thereunder to or on behalf of New SAIC Group Employees, and no member of the Leidos Group shall have any liability or responsibility therefor. Leidos shall have sole responsibility for the administration of the Leidos Excess Deferral Plan and the payment of benefits thereunder to or on behalf of Leidos Group Employees and Former Leidos Group Employees, and no member of the New SAIC Group shall have any liability or responsibility therefor.

Section 6.2. Key Employee Deferred Compensation Plans.

(a) Establishing New SAIC Deferred Compensation Plans. On or prior to the Effective Time, New SAIC shall, or shall cause another New SAIC Entity to, establish and adopt deferred compensation plans for its key employees and directors (collectively, the "New SAIC Deferred Compensation Plans") to provide each New SAIC Group Employee or New SAIC Director who was a participant in the Leidos Deferred Compensation Plans as of immediately prior to the Effective Time (each, a "New SAIC Deferred Compensation Plan Beneficiary") benefits in respect of service and compensation following the Effective Time substantially similar to those accrued with respect to such person under the Leidos Deferred Compensation Plans as of immediately prior to the Effective Time. As of the Effective Time, the New SAIC Group Employees and New SAIC Directors shall no longer participate in the Leidos Deferred Compensation Plans. The Parties agree that for purposes of the Leidos Deferred Compensation Plans the employment of a New SAIC Deferred Compensation Plan Beneficiary shall not be considered to have terminated as a result of the Distribution or the transfer of employment from Leidos (or a Leidos Entity) to New SAIC (or a New SAIC Entity), and such employment shall only be considered to terminate for purposes of the New SAIC Deferred Compensation Plans when the employment of such New SAIC Deferred Compensation Plan Beneficiary with the New SAIC Group terminates in accordance with the terms of the New SAIC Deferred Compensation Plans and applicable Laws.

(b) Liability and Responsibility. The Liabilities in respect of New SAIC Deferred Compensation Beneficiaries under the Leidos Deferred Compensation Plans shall be assumed by the member of the New SAIC Group which sponsors the applicable New SAIC Deferred Compensation Plan, effective as of the Effective Time. New SAIC shall have sole responsibility for the administration of the New SAIC Deferred Compensation Plans and the payment of benefits thereunder to or on behalf of New SAIC Group Employees and the New SAIC Directors, and no member of the Leidos Group shall have any liability or responsibility therefor. Leidos shall have sole responsibility for the administration of the Leidos Deferred Compensation Plans and the payment of benefits thereunder to or on behalf of Leidos Group Employees and Former Leidos Group Employees and the Leidos Directors (other than the New SAIC Directors), and no member of the New SAIC Group shall have any liability or responsibility therefor.

Section 6.3. Phantom Shares in Deferred Compensation Plans.

(a) Treatment of Leidos Phantom Shares in Deferred Compensation Plans Held by Leidos Group Employees, Former Leidos Group Employees and Leidos Directors (Other than New SAIC Directors). The phantom shares relating to Leidos Common Stock held in the Leidos Deferred Compensation Plans (or in any similar nonqualified deferred compensation arrangement maintained by a Leidos Entity) (the "Leidos Phantom Shares") held by a Leidos Group Employee, a Former Leidos Group Employee or a Leidos Director (other than a New SAIC Director) immediately prior to the Effective Time shall be adjusted at the Effective Time in the following manner:

(i) The pre-distribution market value shall be calculated by multiplying the number of Leidos Phantom Shares held by such Leidos Group Employee, Former Leidos Group Employee or Leidos Director (other than a New SAIC Director) by the Leidos Pre-Distribution Stock Value.

(ii) The pre-distribution market value determined in Section 6.3(a)(i) above shall be divided by the Leidos Post-Distribution Stock Value (the "Adjusted Leidos Phantom Shares").

The Adjusted Leidos Phantom Shares held in the Leidos Deferred Compensation Plans (or in any similar nonqualified deferred compensation arrangement maintained by a Leidos Entity) shall continue to be subject to substantially the same terms and conditions as Leidos Phantom Shares immediately prior to the Effective Time.

(b) Treatment of Leidos Phantom Shares in Deferred Compensation Plans Held by New SAIC Deferred Compensation Plan Beneficiaries. The Leidos Phantom Shares held by a New SAIC Deferred Compensation Plan Beneficiary immediately prior to the Effective Time shall be replaced at the Effective Time with a number of New SAIC Phantom Shares (the "New SAIC Phantom Shares") calculated in the following manner:

(i) The pre-distribution market value shall be calculated by multiplying the number of Leidos Phantom Shares held by such New SAIC Deferred Compensation Plan Beneficiary by the Leidos Pre-Distribution Stock Value.

(ii) The pre-distribution market value determined in Section 6.3(b)(i) above shall be divided by the New SAIC Post-Distribution Stock Value.

The New SAIC Phantom Shares held in the New SAIC Deferred Compensation Plans shall continue to be subject to substantially the same terms and conditions as Leidos Phantom Shares immediately prior to the Effective Time.

Section 6.4. Grantor Trusts. On or prior to the Effective Time, New SAIC shall, or shall cause another New SAIC Entity to, adopt one or more grantor trusts in a form or forms that are substantially comparable to the Leidos Grantor Trusts as in effect immediately prior to the Effective Time. In connection with the assumption of the Liabilities under the Leidos Excess Deferral Plan and the Leidos Deferred Compensation Plans in respect of New SAIC Group Employees and New SAIC Directors, Leidos shall (or shall cause a Leidos Entity to), as soon as reasonably practicable after the Effective Time in respect of the New SAIC Excess Deferral Plan and New SAIC Deferred Compensation Plans, transfer Assets in an amount equal to the funded percentage of such Liabilities as of the Effective Time to such grantor trust.

ARTICLE VII WELFARE PLANS

Section 7.1. Establishment of New SAIC Welfare Plans. Following the Effective Time, on a date to be determined by New SAIC (but in no event later than December 31, 2013), New SAIC shall, or shall cause another New SAIC Entity to, establish and adopt New SAIC Welfare Plans which will provide welfare benefits to each New SAIC Group Employee who is a participant in any Leidos Welfare Plan (and their eligible spouses and dependents, as the case may be) (collectively, the "New SAIC Welfare Plan Participants") under terms and conditions that are substantially similar to the Leidos Welfare Plans. New SAIC may, in its sole discretion, vary the implementation date of each New SAIC Welfare Plan; provided that in no event shall such date be later than December 31, 2013 (each such date, a "New SAIC Plan Effective Date"). Coverage and benefits under the New SAIC Welfare Plans shall then be provided to the New SAIC Welfare Plan Participants on an uninterrupted basis under the newly established New SAIC Welfare Plans which shall contain substantially the same benefit provisions as in effect under the corresponding Leidos Welfare Plans immediately prior to the New SAIC Plan Effective Date. New SAIC Welfare Plan Participants shall cease to be eligible for coverage under the Leidos Welfare Plans in the case of New SAIC Welfare Plan Participants following the establishment and adoption of the New SAIC Welfare Plans. For the avoidance of doubt, New SAIC Welfare Plan Participants shall not participate in any Leidos Welfare Plans after the time set forth in the immediately preceding sentence, and Leidos Group Employees and Former Leidos Group Employees shall not participate in any New SAIC Welfare Plans at any time.

Section 7.2. Transitional Matters Under New SAIC Welfare Plans.

(a) Treatment of Claims Incurred.

(i) Liability for Claims. With respect to unpaid covered claims incurred on or prior to the New SAIC Plan Effective Date by any New SAIC Welfare

Plan Participant under any Leidos Welfare Plans, including claims that are self-insured and claims that are fully insured through third-party insurance, Leidos shall retain and be responsible for the payment for such claims or shall cause such Leidos Welfare Plans to fully perform, pay and discharge all such claims, as the case may be. No New SAIC Entity shall be responsible for any Liability with respect to any such claims.

(ii) Claims Incurred. For purposes of this Section 7.2(a), a claim or expense is deemed to be incurred (A) with respect to medical (including continuous hospitalization), dental, vision and/or prescription drug benefits, upon the rendering of health services giving rise to such claim or expense; (B) with respect to life insurance, accidental death and dismemberment and business travel accident insurance, upon the occurrence of the event giving rise to such claim or expense; and (C) with respect to short-term and long-term disability benefits, upon the date of an individual's disability, as determined by the disability benefit insurance carrier or claim administrator, giving rise to such claim or expense.

(b) Credit for Deductibles and Other Limits. With respect to each New SAIC Welfare Plan Participant, the New SAIC Welfare Plans will give credit for the plan year in which the New SAIC Plan Effective Date occurs for any amount paid, number of services obtained or provider visits by such New SAIC Welfare Plan Participant toward deductibles, out-of-pocket maximums, limits on number of services or visits, or other similar limitations to the extent such amounts are taken into account under the comparable Leidos Welfare Plan. For purposes of any life-time maximum benefit limit payable to a New SAIC Welfare Plan Participant under any New SAIC Welfare Plan, the New SAIC Welfare Plans will recognize any expenses paid or reimbursed by a Leidos Welfare Plan with respect to such participant prior to the New SAIC Plan Effective Date to the same extent such expense payments or reimbursements would be recognized in respect of an active plan participant under the applicable Leidos Welfare Plan.

(c) COBRA. Leidos and its Subsidiaries will be liable for all requirements under COBRA with respect to all New SAIC Group Employees (and their qualifying beneficiaries) who, as of the day prior to the New SAIC Plan Effective Date, were covered under a Leidos Benefit Plan pursuant to COBRA or who have a COBRA qualifying event (as defined in Section 4980B of the Code) that had occurred prior to and including the New SAIC Plan Effective Date. New SAIC shall be liable for all requirements under COBRA with respect to any COBRA qualifying event occurring after the New SAIC Plan Effective Date with respect to New SAIC Employees (and their qualifying beneficiaries).

Section 7.3. Continuity of Benefits.

(a) Additional Details Regarding Flexible Spending Accounts. To the extent any New SAIC Welfare Plan provides or constitutes a health care flexible spending account or dependent care flexible spending account (each a "New SAIC FSA"), such New SAIC Welfare Plan shall be effective as of a New SAIC Plan Effective Date.

(i) It is the intention of the Parties that all activity under a New SAIC Welfare Plan Participant's flexible spending account with Leidos for the plan year in which the New SAIC Plan Effective Date occurs be treated instead as activity under the

corresponding New SAIC FSA. Accordingly, (i) any period of participation by a New SAIC Welfare Plan Participant in a Leidos flexible spending account during the plan year in which the New SAIC Plan Effective Date occurs (the “FSA Participation Period”) will be deemed a period when the New SAIC Welfare Plan Participant participated in the corresponding New SAIC FSA; (ii) all expenses incurred during the FSA Participation Period will be deemed incurred while the New SAIC Welfare Plan Participant’s coverage was in effect under the corresponding New SAIC FSA; and (iii) all elections and reimbursements made with respect to an FSA Participation Period under a Leidos flexible spending account will be deemed to have been made with respect to the corresponding New SAIC FSA.

(ii) If the aggregate reimbursement payouts made to New SAIC Welfare Plan Participants prior to the New SAIC Plan Effective Date from the applicable Leidos Welfare Plan flexible spending accounts during the plan year in which the New SAIC Plan Effective Date occurs are less than the aggregate accumulated contributions to such accounts made by such New SAIC Welfare Plan Participants prior to the New SAIC Plan Effective Date for such plan year, Leidos shall cause an amount equal to the amount by which such contributions are in excess of such reimbursement payouts to be transferred to New SAIC (or a New SAIC Entity designated by New SAIC) by wire transfer of immediately available funds as soon as practicable, but in no event later than 45 days, following the New SAIC Plan Effective Date.

(iii) If the aggregate reimbursement payouts made to New SAIC Welfare Plan Participants prior to the New SAIC Plan Effective Date from the applicable Leidos Welfare Plan flexible spending accounts during the plan year in which the New SAIC Plan Effective Date occurs exceed the aggregate accumulated contributions to such accounts made by the New SAIC Welfare Plan Participants prior to the New SAIC Plan Effective Date for such plan year, New SAIC shall cause an amount equal to the amount by which such reimbursement payouts are in excess of such contributions to be transferred to Leidos (or a Leidos Group Entity designated by Leidos) by wire transfer of immediately available funds as soon as practicable, but in no event later than 45 days, following the New SAIC Plan Effective Date.

(iv) Notwithstanding anything in this Section 7.3(a), at and after the New SAIC Plan Effective Date, the New SAIC Group shall assume, and cause the New SAIC Welfare Plans to be solely responsible for, all claims by New SAIC Welfare Plan Participants under the applicable Leidos Welfare Plan flexible spending accounts that were incurred in the plan year in which the Distribution occurs, whether incurred prior to, on, or after the New SAIC Plan Effective Date, that have not been paid in full as of the New SAIC Plan Effective Date.

(b) Additional Details Regarding Health Savings Accounts. To the extent that any New SAIC Welfare Plan provides or constitutes a health savings account (each a “New SAIC HSA”), such New SAIC Welfare Plan shall be effective as of a New SAIC Plan Effective Date. It is the intention of the Parties that all activity under a New SAIC Welfare Plan Participant’s health savings account with Leidos for the year in which the Distribution occurs be treated instead as activity under the corresponding New SAIC HSA. Accordingly, (i) any period

of participation by a New SAIC Welfare Plan Participant in a Leidos health savings account during the year in which the New SAIC Plan Effective Date occurs (the “HSA Participation Period”) will be deemed a period when the New SAIC Welfare Plan Participant participated in the corresponding New SAIC HSA; (ii) all expenses incurred during the HSA Participation Period will be deemed incurred while the New SAIC Welfare Plan Participant’s coverage was in effect under the corresponding New SAIC HSA; and (iii) all elections and reimbursements made with respect to an HSA Participation Period under a Leidos health savings account will be deemed to have been made with respect to the corresponding New SAIC HSA.

(c) Employer Non-elective Contributions. As of immediately after the New SAIC Plan Effective Date, New SAIC shall cause any New SAIC Welfare Plan that constitutes a “cafeteria plan” under Section 125 of the Code to recognize and give effect to all non-elective employer contributions credited toward coverage of a New SAIC Welfare Plan Participant under the corresponding Leidos Welfare Plan that is a cafeteria plan under Section 125 of the Code for the applicable plan year.

(d) Waiver of Conditions or Restrictions. Unless prohibited by applicable Law, the New SAIC Welfare Plans will waive all limitations as to preexisting conditions, exclusions, service conditions, waiting period limitations or evidence of insurability requirements that would otherwise be applicable to the New SAIC Welfare Plan Participant following the New SAIC Plan Effective Date to the extent that such Employee had previously satisfied such limitation under the corresponding Leidos Welfare Plan.

Section 7.4. Insurance Contracts. To the extent any Leidos Welfare Plan is funded through the purchase of an insurance contract or is subject to any stop loss contract, Leidos and New SAIC will cooperate and use their commercially reasonable efforts to replicate such insurance contracts for New SAIC (except to the extent changes are required under applicable state insurance Laws or filings by the respective insurers) and to maintain any pricing discounts or other preferential terms for both Leidos and New SAIC for a reasonable term. Neither Party shall be liable for failure to obtain such insurance contracts, pricing discounts, or other preferential terms for the other Party. Each Party shall be responsible for any additional premiums, charges, or administrative fees that such Party may incur pursuant to this Section 7.4.

Section 7.5. Third-Party Vendors. Except as provided below, to the extent any Leidos Welfare Plan is administered by a third-party vendor, Leidos and New SAIC will cooperate and use their commercially reasonable efforts to replicate any contract with such third-party vendor for New SAIC and to maintain any pricing discounts or other preferential terms for both Leidos and New SAIC for a reasonable term. Neither Party shall be liable for failure to obtain such pricing discounts or other preferential terms for the other Party. Each Party shall be responsible for any additional premiums, charges, or administrative fees that such Party may incur pursuant to this Section 7.5.

ARTICLE VIII WORKERS’ COMPENSATION AND UNEMPLOYMENT COMPENSATION

Section 8.1. New SAIC Workers’ and Unemployment Compensation. Effective as of the Effective Time, New SAIC shall, or shall cause another New SAIC Entity to,

assume the obligations for all claims and Liabilities relating to (a) workers' compensation benefits with respect to (i) injuries that occur following the Effective Time affecting New SAIC Group Employees and whose claims relating to such injuries are incurred following the Effective Time, and (ii) injuries that occur prior to the Effective Time affecting New SAIC Group Employees but whose claims relating to such injuries are incurred following the Effective Time; and (b) unemployment compensation benefits for all New SAIC Group Employees. Effective as of the Effective Time, New SAIC, acting through the New SAIC Entity employing each New SAIC Group Employee, will be responsible for (x) obtaining workers' compensation insurance, including providing all collateral required by the insurance carriers and (y) establishing new or transferred unemployment insurance employer accounts, policies and claims handling contracts with the applicable government agencies. To the extent that such insurance coverage cannot be either assigned to or obtained by New SAIC or a New SAIC Entity, in respect of claims and Liabilities otherwise to be assumed by New SAIC or a New SAIC Entity pursuant to this Section 8.1, Leidos shall remain primarily liable for such claims and Liabilities, but New SAIC shall indemnify and hold harmless Leidos for any such claims and Liabilities. If the preceding sentence applies, then at one or more mutually agreed upon dates, Leidos will determine the present value of such claims and Liabilities and New SAIC shall reimburse Leidos for that amount.

Section 8.2. Leidos Workers' and Unemployment Compensation. Effective as of the Effective Time, the Leidos Entity employing each Leidos Group Employee shall have (and, to the extent it has not previously had such obligations, such Leidos Entity shall assume) the obligations for all claims and Liabilities relating to (a) workers' compensation benefits with respect to (i) injuries that occur prior to the Effective Time affecting Leidos Group Employees and New SAIC Group Employees, in each case, whose claims relating to such injuries are incurred prior to the Effective Time, and (ii) injuries that occur prior to the Effective Time affecting Leidos Group Employees but whose claims relating to such injuries are incurred following the Effective Time; and (b) unemployment compensation benefits for all Leidos Group Employees. Effective as of the Effective Time, the Leidos Entity formerly employing each Leidos Group Employee shall have (and, to the extent it has not previously had such obligations, such Leidos Entity shall assume) the obligations for all claims and Liabilities relating to workers' compensation and unemployment compensation benefits for all Former Leidos Group Employees.

Section 8.3. Assignment of Contribution Rights. Leidos will transfer and assign (or cause another member of the Leidos Group to transfer and assign) to a member of the New SAIC Group all rights to seek contribution or damages from any applicable third party (such as a third party who aggravates an injury to a worker who makes a workers' compensation claim) with respect to any workers' compensation claim for which New SAIC is responsible pursuant to this Article VIII. New SAIC will transfer and assign (or cause another member of the New SAIC Group to transfer and assign) to a member of the Leidos Group all rights to seek contribution or damages from any applicable third party (such as a third party who aggravates an injury to a worker who makes a workers' compensation claim) with respect to any workers' compensation claim for which Leidos is responsible pursuant to this Article VIII.

Section 8.4. Collateral. On and after the Distribution Date, New SAIC (acting directly or through a member of the New SAIC Group) shall be responsible for providing all collateral required by insurance carriers in connection with workers' compensation claims for which Liability is allocated to the New SAIC Group under this Article VIII. Leidos (acting directly or through a member of the Leidos Group) shall be responsible for providing all collateral required by insurance carriers in connection with workers' compensation claims for which Liability is allocated to the Leidos Group under this Article VIII.

Section 8.5. Cooperation. New SAIC and Leidos shall use commercially reasonable efforts to provide that workers' compensation and unemployment insurance costs are not adversely affected for either of them by reason of the Distribution.

ARTICLE IX SEVERANCE

Section 9.1. Severance. Leidos shall have no Liability or obligation under any Leidos severance plan or policy with respect to New SAIC Group Employees who did not have a termination event prior to the Effective Time giving rise to severance. Leidos shall remain liable for all severance to be paid to any New SAIC Group Employee if and to the extent the events giving rise to the severance payments occurred prior to the Effective Time. By no later than the Effective Time, New SAIC shall, or shall cause another New SAIC Entity to, adopt severance plans under which New SAIC Group Employees who, immediately prior to the Effective Time, shall be eligible to participate immediately following the Effective Time. Such New SAIC severance plan(s) or policies will provide terms and conditions for New SAIC Group Employees who are severed from the New SAIC Group following the Effective Time that are substantially similar to the terms and conditions provided under the applicable Leidos severance plan(s) in which such New SAIC Group Employees participated immediately prior to the Effective Time. For the avoidance of doubt, the Distribution and the assignment, transfer or continuation of the employment of New SAIC Group Employees contemplated by Section 3.1 shall not be deemed a severance of employment for purposes of this Agreement and any Leidos severance plans or policies, and effective as of the Effective Time, New SAIC Employees shall not be eligible to receive any severance or other benefits under any Leidos severance plans or policies.

ARTICLE X BENEFIT ARRANGEMENTS AND OTHER MATTERS

Section 10.1. Termination of Participation. Except as otherwise provided under this Agreement, effective as of immediately after the Effective Time, New SAIC Group Employees shall not be eligible to participate in any Leidos Benefit Plan.

Section 10.2. Accrued Time Off. New SAIC shall recognize and assume all Liability for all unused vacation, holiday, sick leave, flex days, personal days and paid-time off and other time-off benefits with respect to New SAIC Group Employees which accrued prior to the Effective Time and New SAIC shall credit each New SAIC Group Employee with such accrual.

Section 10.3. Leaves of Absence. New SAIC will continue to apply the appropriate leave of absence policies applicable to inactive New SAIC Group Employees who are on an approved leave of absence as of the Effective Time. Leaves of absence taken by New SAIC Group Employees prior to the Effective Time shall be deemed to have been taken as employees of a member of the New SAIC Group.

Section 10.4. Certain Director Fees. With respect to any Leidos Director and New SAIC Director, Leidos shall retain responsibility for the payment of any fees payable in respect of service on the board of directors of Leidos that are payable but not yet paid as of the Effective Time, and New SAIC shall not have any responsibility for any such payments. With respect to any New SAIC Director, New SAIC shall be responsible for the payment of any fees payable in respect of service on the board of directors of New SAIC that are earned at any time beginning at or after the Effective Time, and Leidos shall not have any responsibility for any such payments. With respect to any Leidos Director, Leidos shall be responsible for the payment of any fees payable in respect of service on the board of directors of Leidos that are earned at any time beginning at or after the Effective Time, and New SAIC shall not have any responsibility for any such payments.

Section 10.5. Restrictive Covenants in Employment and Other Agreements. To the fullest extent permitted by the agreements described in this Section 10.5 and applicable Law, Leidos shall assign, or cause an applicable member of the Leidos Group to assign, to New SAIC or a member of the New SAIC Group, as designated by New SAIC, all agreements containing restrictive covenants (including confidentiality, non-competition and non-solicitation provisions) and the assignment of any intellectual property between a member of the Leidos Group and a New SAIC Group Employee, with such assignment to be effective as of the Effective Time. To the extent that assignment of such agreements is not permitted, effective as of the Effective Time, each member of the New SAIC Group shall be considered to be a successor to each member of the Leidos Group for purposes of, and a third-party beneficiary with respect to, all agreements containing restrictive covenants (including confidentiality, non-competition and non-solicitation provisions) and the assignment of any intellectual property between a member of the Leidos Group and a New SAIC Group Employee, such that each member of the New SAIC Group shall enjoy all the rights and benefits under such agreements (including rights and benefits as a third-party beneficiary), with respect to the business operations of the New SAIC Group; provided, however, that in no event shall Leidos be permitted to enforce such restrictive covenant agreements against New SAIC Group Employees for action taken in their capacity as employees of a member of the New SAIC Group. Furthermore, the Parties agree that, with respect to equity awards held by Leidos Group Employees or New SAIC Group Employees which provide for cancellation, forfeiture or similar action in the event of a determination that the holder of an equity award engaged in “detrimental activities”, the entity that does not employ such holder shall enforce the penalties with respect to the detrimental activities and treat any equity award that was converted pursuant to the terms of this Agreement in the same manner as a result of such detrimental activities as the employing entity.

ARTICLE XI
NON-U.S. EMPLOYEES

Section 11.1. General Principles. Except as explicitly set forth in this Article XI, Leidos Group Employees and New SAIC Group Employees who are resident outside of the U.S. or otherwise are subject to non-U.S. Law and their related benefits and obligations shall be treated in the same manner as the Leidos Group Employees and New SAIC Group Employees who are resident in the U.S. All actions taken with respect to non-U.S. Employees in connection with the Distribution will be accomplished in accordance with applicable Law and custom in each of the applicable jurisdictions.

Section 11.2. Treatment of Equity Awards Held by Non-U.S. Employees Equity awards held by non-U.S. Employees of the Leidos Group or the New SAIC Group shall have such special adjustments and provisions as are needed to satisfy any applicable local Law.

ARTICLE XII
GENERAL PROVISIONS

Section 12.1. Preservation of Rights to Amend. The rights of each member of the Leidos Group and each member of the New SAIC Group to amend, waive, or terminate any Benefit Plan shall not be limited in any way by this Agreement.

Section 12.2. Confidentiality. Each Party agrees that any information conveyed or otherwise received by or on behalf of a Party in conjunction herewith that is not otherwise public through no fault of such Party is confidential and is subject to the terms of the confidentiality provisions set forth herein and in the Distribution Agreement, including Section 3.3(e) of this Agreement and Section 8.5 of the Distribution Agreement.

Section 12.3. Administrative Complaints/Litigation. Except as otherwise provided in this Agreement, on and after the Distribution Date, New SAIC shall assume, and be solely liable for, the handling, administration, investigation, and defense of actions, including ERISA, occupational safety and health, employment standards, union grievances, wrongful dismissal, discrimination or human rights, and unemployment compensation claims asserted at any time against Leidos or any member of the Leidos Group by any New SAIC Group Employee (including any dependent or beneficiary of any such Employee) or any other person, to the extent such actions or claims arise out of or relate to employment or the provision of services (whether as an employee, contractor, consultant, or otherwise) to or with respect to the business activities of any member of the New SAIC Group after the Distribution Date. To the extent that any legal action relates to a putative or certified class of plaintiffs, which includes both Leidos Group Employees (or Former Leidos Group Employees) and New SAIC Group Employees and such action involves employment or benefit plan related claims, reasonable costs and expenses incurred by the Parties in responding to such legal action shall be allocated among the Parties equitably in proportion to a reasonable assessment of the relative proportion of Employees included in or represented by the putative or certified plaintiff class. The procedures contained in the indemnification and related litigation cooperation provisions of the Distribution Agreement shall apply with respect to each Party's indemnification obligations under this Section 12.3.

Section 12.4. Reimbursement and Indemnification. Each Party agrees to reimburse the other Party, within 30 days of receipt from the other Party of reasonable verification, for all costs and expenses which the other Party may incur on its behalf as a result of any of the respective Leidos and New SAIC Welfare Plans, Retirement Plans, Benefit Plans, and Deferred Compensation Plans and, as contemplated by Section 9.1, any termination or severance payments or benefits. All Liabilities retained, assumed, or indemnified against by New SAIC pursuant to this Agreement, and all Liabilities retained, assumed, or indemnified against by Leidos pursuant to this Agreement, shall in each case be subject to the indemnification provisions of the Distribution Agreement. Notwithstanding anything to the contrary, (i) no provision of this Agreement shall require any member of the New SAIC Group to pay or reimburse to any member of the Leidos Group any benefit-related cost item that a member of the New SAIC Group has paid or reimbursed to any member of the Leidos Group prior to the Effective Time and (ii) no provision of this Agreement shall require any member of the Leidos Group to pay or reimburse to any member of the New SAIC Group any benefit-related cost item that a member of the Leidos Group has paid or reimbursed to any member of the New SAIC Group prior to the Effective Time.

Section 12.5. Costs of Compliance with Agreement. Except as otherwise provided in this Agreement or any other contractual agreement or arrangement, each Party shall pay its own expenses in fulfilling its obligations under this Agreement.

Section 12.6. Fiduciary Matters. Leidos and New SAIC each acknowledges that actions required to be taken pursuant to this Agreement may be subject to fiduciary duties or standards of conduct under ERISA or other applicable Law, and no Party shall be deemed to be in violation of this Agreement if it fails to comply with any provisions hereof based upon its good-faith determination (as supported by advice from counsel experienced in such matters) that to do so would violate such a fiduciary duty or standard. Each Party shall be responsible for taking such actions as are deemed necessary and appropriate to comply with its own fiduciary responsibilities and shall fully release and indemnify the other Party for any Liabilities caused by the failure to satisfy any such responsibility.

Section 12.7. Entire Agreement. This Agreement, together with the documents referenced herein (including the Distribution Agreement and the Benefit Plans), constitutes the entire agreement and understanding among the Parties with respect to the subject matter hereof and supersedes all prior written and oral and all contemporaneous oral agreements and understandings with respect to the subject matter hereof. To the extent any provision of this Agreement conflicts with the provisions of the Distribution Agreement, the provisions of this Agreement shall be deemed to control with respect to the subject matter hereof.

Section 12.8. Binding Effect; No Third-Party Beneficiaries; Assignment. This Agreement shall inure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns. Except as otherwise expressly provided in this Agreement, this Agreement is solely for the benefit of the Parties and should not be deemed to confer upon any third parties any remedy, claim, Liability, reimbursement, cause of action, or other right in excess of those existing without reference to this Agreement. Nothing in this Agreement is intended to amend any Benefit Plan or affect the applicable plan sponsor's right to amend or terminate any Benefit Plan pursuant to the terms of such plan. The provisions of this Agreement

are solely for the benefit of the Parties, and no current or former Employee, officer, director, or independent contractor or any other individual associated therewith shall be regarded for any purpose as a third-party beneficiary of this Agreement. This Agreement may not be assigned by any Party, except with the prior written consent of the other Party.

Section 12.9. Amendment; Waivers. No change or amendment may be made to this Agreement except by an instrument in writing signed on behalf of each of the Parties. Any Party may, at any time, (i) extend the time for the performance of any of the obligations or other acts of another Party; (ii) waive any inaccuracies in the representations and warranties of another Party contained herein or in any document delivered pursuant hereto; and (iii) waive compliance by another Party with any of the agreements, covenants, or conditions contained herein. Any such extension or waiver shall be valid only if set forth in an instrument in writing signed by the Party to be bound thereby. No failure or delay on the part of any Party in the exercise of any right hereunder shall impair such right or be construed to be a waiver of, or acquiescence in, any breach of any representation, warranty, covenant, or agreement contained herein, nor shall any single or partial exercise of any such right preclude other or further exercises thereof or of any other right.

Section 12.10. Remedies Cumulative. All rights and remedies existing under this Agreement are cumulative to, and not exclusive of, any rights or remedies otherwise available.

Section 12.11. Notices. Unless otherwise expressly provided herein, all notices, claims, certificates, requests, demands and other communications hereunder shall be in writing and shall be deemed to be duly given: (i) when personally delivered; (ii) if mailed by registered or certified mail, postage prepaid, return receipt requested, on the date the return receipt is executed or the letter is refused by the addressee or its agent; (iii) if sent by overnight courier which delivers only upon the executed receipt of the addressee, on the date the receipt acknowledgment is executed or refused by the addressee or its agent; or (iv) if sent by facsimile or electronic mail, on the date confirmation of transmission is received (provided that a copy of any notice delivered pursuant to this clause (iv) shall also be sent pursuant to clause (i), (ii) or (iii)), addressed to the attention of the addressee's General Counsel at the address of its principal executive office or to such other address or facsimile number for a Party as it shall have specified by like notice.

Section 12.12. Counterparts. This Agreement, including the other documents referred to herein, may be executed in multiple counterparts, each of which when executed shall be deemed to be an original but all of which together shall constitute one and the same agreement.

Section 12.13. Severability. If any term or other provision of this Agreement is determined by a non-appealable decision by a court, administrative agency, or arbitrator to be invalid, illegal, or incapable of being enforced by any rule of Law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such determination that any term or other provision is invalid, illegal, or incapable of being enforced, the court, administrative agency, or arbitrator shall interpret this Agreement so as to effect the original intent of the Parties as closely

as possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the fullest extent possible. If any sentence in this Agreement is so broad as to be unenforceable, the provision shall be interpreted to be only so broad as is enforceable.

Section 12.14. Governing Law. This Agreement (and any claims or disputes arising out of or related hereto or thereto or to the transactions contemplated hereby and thereby or to the inducement of any Party to enter herein and therein, whether for breach of contract, tortious conduct, or otherwise and whether predicated on common law, statute, or otherwise) shall be governed by and construed and interpreted in accordance with the Laws of the State of Delaware irrespective of the choice of laws principles of the State of Delaware, including all matters of validity, construction, effect, enforceability, performance, and remedies.

Section 12.15. Dispute Resolution. The procedures for negotiation and binding arbitration set forth in Article IX of the Distribution Agreement shall apply to any dispute, controversy or claim (whether sounding in contract, tort or otherwise) that arises out of or relates to this Agreement, any breach or alleged breach hereof, the transactions contemplated hereby (including all actions taken in furtherance of the transactions contemplated hereby on or prior to the date hereof), or the construction, interpretation, enforceability, or validity hereof.

Section 12.16. Performance. Each of Leidos and New SAIC shall cause to be performed, and hereby guarantees the performance of, all actions, agreements and obligations set forth herein to be performed by any member of the Leidos Group and any member of the New SAIC Group, respectively. Each of the Parties agrees to take such further actions and to execute, acknowledge, and deliver, or to cause to be executed, acknowledged, and delivered, all such further documents as are reasonably requested by the other for carrying out the purposes of this Agreement or of any document delivered pursuant to this Agreement.

Section 12.17. Construction. This Agreement shall be construed as if jointly drafted by the Parties and no rule of construction or strict interpretation shall be applied against any Party.

Section 12.18. Effect if Distribution Does Not Occur. Notwithstanding anything in this Agreement to the contrary, if the Distribution Agreement is terminated prior to the Effective Time, this Agreement shall be of no further force and effect and shall be void *ab initio*.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed in their names by a duly authorized officer as of the date first written above.

SAIC, INC.

By: /s/ John P. Jumper

Name: John P. Jumper

Title: Chief Executive Officer

SAIC GEMINI, INC.

By: /s/ Anthony J. Moraco

Name: Anthony J. Moraco

Title: Chief Executive Officer

TAX MATTERS AGREEMENT

by and between

SAIC, INC.

and

SAIC GEMINI, INC.

dated as of

September 25, 2013

TAX MATTERS AGREEMENT

This TAX MATTERS AGREEMENT is dated as of September 25, 2013, by and among SAIC, Inc., a Delaware corporation ("Leidos"), that will be known as Leidos Holdings, Inc. following the External Distribution, SAIC Gemini, Inc., a Delaware corporation ("New SAIC" and, together with Leidos, the "Parties", and each individually, a "Party"), that will be known as Science Applications International Corporation following the External Distribution and, solely for the purposes of Section 4.5(b), SAIC International Holdings, Inc., a Delaware corporation ("NewCo").

WHEREAS, as of the date hereof, Leidos is the common parent of an affiliated group of domestic corporations within the meaning of Section 1504(a) of the Code (the "Affiliated Group"), and the members of the Affiliated Group have heretofore joined in filing consolidated federal Income Tax Returns;

WHEREAS, Leidos, acting through its direct and indirect Subsidiaries, currently conducts the Leidos Business and the New SAIC Business;

WHEREAS, the Board of Directors of Leidos (the "Board") has determined that it is appropriate, desirable and in the best interests of Leidos and its stockholders to separate Leidos into two separate, publicly traded companies, one for each of (i) the Leidos Business, which shall be owned and conducted, directly or indirectly, by Leidos and (ii) the New SAIC Business, which shall be owned and conducted, directly or indirectly, by New SAIC;

WHEREAS, in order to effect such separation, the Board has determined that it is appropriate, desirable and in the best interests of Leidos and its stockholders to undertake the Internal Reorganization and, following the completion of the Internal Reorganization, for Leidos to distribute *pro rata* to the Record Holders in accordance with the Distribution Ratio, all of the issued and outstanding shares New SAIC Common Stock (the "External Distribution");

WHEREAS, it is the intention of the Parties that the External Distribution qualify as a tax-free distribution under Section 355 of the Code;

WHEREAS, it is the intention that the contributions of New SAIC Assets to, and the assumption of New SAIC Liabilities by, New SAIC prior to the Internal Distribution, together with the Internal Distribution, qualify as a reorganization within the meaning of Section 368(a)(1)(D) and 355 of the Code;

WHEREAS, as a result of the Distributions, the Parties desire to enter into this Tax Matters Agreement to provide for certain Tax matters, including the assignment of responsibility for the preparation and filing of Tax Returns, the payment of and indemnification for Taxes (including Taxes with respect to the Distributions and related transactions as contemplated in the Distribution Agreement and the other Ancillary Agreements), entitlement to refunds of Taxes, and the prosecution and defense of any Tax controversies; and

NOW, THEREFORE, in consideration of the mutual agreements, provisions and covenants contained in this Agreement, the Parties hereby agree as follows:

ARTICLE I. DEFINITIONS

SECTION 1.1. General. Capitalized terms used in this Agreement and not defined herein shall have the meanings that such terms have in the Distribution Agreement. As used in this Agreement, the following terms shall have the following meanings:

“Active Business” means the active business relied on by Leidos, Applications or New SAIC, as the case may be, to satisfy the active trade or business requirement of Section 355(b) for purposes of the Ruling.

“Affiliate” is defined in the Distribution Agreement.

“Affiliated Group” is defined in the preamble hereof.

“Agreement” means this Tax Matters Agreement.

“Applications” means Science Applications International Corporation, a Delaware corporation and wholly owned Subsidiary of Leidos, that will be known as Leidos, Inc. following the External Distribution.

“Breaching Party” is defined in Section 4.3.

“Business Day” or “Business Days” means any day that is not a Saturday, a Sunday or any other day on which banks are required or authorized by law to be closed in New York City or Virginia.

“Closing of the Books Method” means the apportionment of items between portions of a taxable period based on a closing of the books and records on the Distribution Date (as if the Distribution Date was the end of the taxable period).

“Code” means the United States Internal Revenue Code of 1986, as amended.

“Consolidated Return” means any Income Tax Return filed pursuant to Section 1502 of the Code, or any comparable combined, consolidated, or unitary group Income Tax Return filed under state or local Tax law with respect to which Leidos or any Leidos Subsidiary is the parent entity.

“Distribution” or “Distributions” means the External Distribution and the Internal Distribution, individually or collectively.

“Distribution Agreement” means the Distribution Agreement, dated as of September 25, 2013, between Leidos and New SAIC.

“Distribution Date” means the Business Day on which the External Distribution is effected.

“Effective Time” is defined in the Distribution Agreement.

“Final Determination” means the final resolution of liability for any Tax for any taxable period, including any related interest or penalties, by or as a result of: (i) a final and unappealable decision, judgment, decree or other order by any court of competent jurisdiction; (ii) a closing agreement or accepted offer in compromise under Section 7121 or 7122 of the Code, or comparable agreement under the laws of other jurisdictions which resolves the entire Tax liability for any taxable period; (iii) any allowance of a refund or credit in respect of an overpayment of Tax, but only after the expiration of all periods during which such refund may be recovered by the jurisdiction imposing the Tax; or (iv) any other final disposition.

“Force Majeure” is defined in the Distribution Agreement.

“Included Party” is defined in Section 3.3(b).

“Income Tax” means any income, franchise or similar Taxes imposed on (or measured by) net income or net profits.

“Income Tax Returns” means all Tax Returns relating to Income Taxes.

“Indemnified Liability” means any liability subject to indemnification pursuant to Section 4.3.

“IRS” means the United States Internal Revenue Service.

“Internal Distribution” is defined in the Distribution Agreement.

“Leidos” is defined in the preamble hereof.

“Leidos Business” is defined in the Distribution Agreement.

“Leidos Subsidiary” means any Subsidiary of Leidos other than New SAIC or any New SAIC Subsidiary.

“LIBOR” is defined in the Distribution Agreement.

“Losses” has the meaning ascribed to the term “Indemnifiable Losses” in the Distribution Agreement.

“New SAIC” is defined in the preamble hereof.

“New SAIC Business” is defined in the Distribution Agreement.

“New SAIC Subsidiary” means (i) any Subsidiary of New SAIC after the Distribution Date and (ii) any Subsidiary of New SAIC before the Distribution Date the successor of which is described in (i) above.

“Non-Breaching Party” is defined in Section 4.3.

“Opinion” means the opinion delivered by Simpson Thacher & Bartlett LLP pursuant to Section 4.4(c) of the Distribution Agreement.

“Party” is defined in the preamble hereof.

“Payment Period” is defined in Section 2.4(d).

“Preparing Party” is defined in Section 3.3(b).

“Proceeding” means any audit, examination or other proceeding brought by a Taxing Authority with respect to Taxes.

“Prohibited Acts” is defined in Section 4.2.

“Pro-Rated Method” means the apportionment of items between portions of a taxable period based on the number of days in such taxable period on or before the Distribution Date in comparison to the number of days in such taxable period after the Distribution Date (i.e., without regard to when any items are realized within such taxable period).

“Requesting Party” is defined in Section 4.2.

“Restricted Period” means the two-year period commencing on the Distribution Date.

“Ruling” means the private letter ruling issued by the IRS to Leidos dated July 2, 2013, any supplemental rulings related thereto and any requests or supplemental materials submitted by Leidos in connection with the private letter ruling.

“Sharing Percentage” means (i) seventy percent (70%) in the case of Leidos and (ii) thirty percent (30%) in the case of New SAIC.

“Subsidiary” is defined in the Distribution Agreement.

“Stub Taxable Period” is defined in Section 3.3(a).

“Tax” or “Taxes” means (i) all taxes, charges, fees, imposts, levies or other assessments imposed by a Taxing Authority, including all net income, gross receipts, capital, sales, use, gains, ad valorem, value added, transfer, franchise, profits, inventory, capital stock, license, withholding, payroll, employment, social security, unemployment, excise, severance, stamp, occupation, property and estimated taxes, custom duties, fees, assessments and charges of any kind whatsoever and (ii) liability for the payment of any amount of the type described in clause (i) above arising as a result of being (or having been) a member of any group or being (or having been) included or required to be included in any Tax Return related thereto. Whenever the term “Tax” or “Taxes” is used it shall include penalties, fines, additions to tax and interest thereon.

“Taxing Authority” means any governmental authority (whether United States or non-United States, and including, any state, municipality, political subdivision or governmental agency) responsible for the imposition of any Tax.

“Tax Package” is defined in Section 3.3(b).

“Tax Returns” means all reports or returns (including information returns and amended returns) required to be filed or that may be filed for any period with any Taxing Authority in connection with any Tax or Taxes (whether domestic or foreign).

SECTION 1.2. References; Interpretation. References in this Agreement to any gender include references to all genders, and references to the singular include references to the plural and vice versa. The words “include,” “includes” and “including” when used in this Agreement shall be deemed to be followed by the phrase “without limitation.” Unless the context otherwise requires, references in this Agreement to Articles, Sections, Exhibits and Schedules shall be deemed references to Articles and Sections of, and Exhibits and Schedules to, such Agreement. Unless the context otherwise requires, the words “hereof,” “hereby” and “herein” and words of similar meaning when used in this Agreement refer to this Agreement in its entirety and not to any particular Article, Section or provision of this Agreement.

ARTICLE II. ALLOCATION OF TAX LIABILITIES

SECTION 2.1. Payment of Taxes.

(a) Taxes Upon Filing and Adjusted Income Taxes. The Party responsible for the filing of a Tax Return pursuant to Sections 3.1 and 3.2 shall pay to the relevant Taxing Authority all Taxes due or payable in connection with such Tax Return (including any amounts relating to adjustments to such Tax Return) and shall be entitled to any refunds (including, for the avoidance of doubt, any similar credit or offset against Taxes) in connection therewith. Notwithstanding the foregoing, with respect to any Tax Return (other than a Consolidated Return) of New SAIC or any New SAIC Subsidiary for any taxable period that ends on or before the Distribution Date, Leidos shall be liable for, and shall be entitled to any refunds of, Taxes (including any amounts relating to adjustments to such Tax Return) relating to such taxable period. Notwithstanding the foregoing, with respect to any Tax Return (other than a Consolidated Return) of New SAIC or any New SAIC Subsidiary for any taxable period that begins before and includes but does not end on the Distribution Date, Leidos shall be liable for, and shall be entitled to any refunds of, Taxes (including any amounts relating to adjustments to such Tax Return) relating to the portion of the taxable period ending on the Distribution Date and New SAIC shall be liable for, and shall be entitled to any refunds of, Taxes relating to the portion of the taxable period beginning after the Distribution Date. For the purposes of the above sentence, (i) Taxes imposed on a periodic basis (such as real or personal property Taxes) shall be apportioned between the two portions of such taxable period in accordance with the Pro-Rated Method and (ii) Taxes not described in clause (i) above (such as franchise Taxes, Taxes that are based upon or related to income or receipts, based upon occupancy or imposed in connection with any sale or other transfer or assignment of property) shall be apportioned between the two portions of such taxable period in accordance with the Closing of the Books Method.

(b) Separation Taxes. Notwithstanding anything in this Section 2.1 to the contrary, and except as provided in Article IV, Leidos and New SAIC shall be liable (in accordance with their respective Sharing Percentages) for, and shall be entitled (in accordance with their respective Sharing Percentages) to any refunds of, any Taxes for a taxable period that begins before the Distribution Date imposed or incurred in connection with the Distributions or the Internal Reorganization, including (i) Taxes imposed as a result of any Distribution failing to qualify under Section 355 of the Code, (ii) Taxes imposed as a result of the stock of New SAIC distributed in any Distribution failing to be treated as qualified property pursuant to Section 355(d) or 355(e) of the Code, (iii) Taxes imposed as a result of Leidos or Applications otherwise recognizing any gain in connection with any Distribution (including, for the avoidance of doubt, the related internal transactions and the distribution of cash to Leidos from New SAIC following the Internal Distribution described in the Ruling), (iv) Taxes imposed as a result of the recapture of any previously claimed Tax items in connection with the Distributions, (v) Taxes imposed as a result of any deferred intercompany item or excess loss account (or any similar item under state, local or foreign Tax law) being taken into account in connection with the Distributions pursuant to Section 1502 of the Code and the regulations promulgated thereunder (or any similar provision of state, local or foreign Tax law) and (vi) any stamp, duty, transfer, sales and use or similar Taxes incurred in connection with the Distributions or the Internal Reorganization; provided, however, that Leidos shall be liable for, and shall be entitled to any refunds of, the first \$100,000 of such Taxes.

SECTION 2.2. Indemnity.

(a) Subject to Article IV, Leidos shall indemnify New SAIC and its Affiliates from all liability for Taxes for which Leidos is responsible pursuant to Section 2.1 and any related Losses.

(b) Subject to Article IV, New SAIC shall indemnify Leidos and its Affiliates from all liability for Taxes for which New SAIC is responsible pursuant to Section 2.1 and any related Losses.

(c) Unless otherwise agreed in writing, the indemnifying Party shall pay to the indemnified Party the amount required to be paid pursuant to Section 2.2(a) or (b) above within fifteen (15) days of being notified of the amount due by the indemnified Party. The notice by the indemnified Party requesting such payment shall be accompanied by the calculations and other information used to determine the indemnifying Party's obligations hereunder. Such payment shall be paid by the indemnifying Party to the indemnified Party by wire transfer of immediately available funds to an account designated by the indemnified Party by written notice to the indemnifying Party prior to the due date of such payment.

SECTION 2.3. Contests.

(a) Subject to Article IV, the right to control the conduct of any Proceeding shall belong to the Party responsible, pursuant to Sections 3.1 and 3.2, for the filing of the Tax Return to which such Proceeding relates. If the Party not controlling a Proceeding could have an indemnification obligation for an adjustment to Tax pursuant to such Proceeding, such Party shall be entitled to participate in (but not control) such Proceeding at its own cost and expense; provided, however, that the Party controlling the Proceeding shall not settle such Proceeding in a manner that would result in an indemnity payment from the other Party under this Agreement without the consent of the other Party (such consent not to be unreasonably withheld, conditioned or delayed); provided, further, that the Party controlling such Proceeding may settle such Proceeding without the consent of the other Party so long as such Party waives its indemnification rights hereunder in respect of such Proceeding.

(b) After the Distribution Date, each Party shall promptly notify the other Party in writing upon receipt of written notice of the commencement of any Proceeding or of any demand or claim upon it, which, if determined adversely, would be grounds for indemnification from such other Party pursuant to Section 2.2; provided that failure to provide notice pursuant to this sentence shall not relieve any Party of its obligations pursuant to this Agreement except to the extent such Party is actually prejudiced as a result thereof. Each Party shall, on a timely basis, keep the other Party informed of all developments in the Proceeding and provide such other Party with copies of all pleadings, briefs, orders, and other correspondence pertaining thereto.

SECTION 2.4. Treatment of Payments; After Tax Basis.

(a) Unless otherwise required by a Final Determination, this Agreement or otherwise agreed to between the Parties, any payment made pursuant to this Agreement (other than any payment of interest pursuant to Section 2.4(d)) by: (i) New SAIC to Leidos shall be treated for all Tax purposes as a distribution by New SAIC to Leidos with respect to the stock of New SAIC occurring after New SAIC is directly owned by Leidos and immediately before the External Distribution; or (ii) Leidos to New SAIC shall be treated for all Tax purposes as a tax-free contribution by Leidos to New SAIC with respect to its stock occurring after New SAIC is directly owned by Leidos and immediately before the External Distribution; and in each case, no Party shall take any position inconsistent with such treatment. In the event that a Taxing Authority asserts that a Party's treatment of a payment pursuant to this Agreement should be other than as required pursuant to this Agreement (ignoring any potential inconsistent or adverse Final Determination), such Party shall use its commercially reasonable efforts to contest such challenge.

(b) If the receipt or accrual of any payment pursuant to this Agreement (other than payments of interest pursuant to Section 2.4(d)) results in taxable income to the indemnified Party or any of its Affiliates, such payment shall be increased so that, after the payment of any Taxes with respect to the payment, the indemnified Party and its Affiliates shall have realized the same net amount they would have realized had the payment not resulted in taxable income.

(c) To the extent that any liability for Taxes or Losses that is subject to indemnification under this Agreement gives rise to a deduction, credit or other Tax benefit to the indemnified Party or any of its Affiliates, the amount of any payment made under this Agreement shall be decreased by taking into account any actual reduction in Taxes (determined on a with and without basis) of the indemnified Party or any of its Affiliates resulting from such Tax benefit. If (i) such actual reduction in Taxes of the indemnified Party or its Affiliate occurs in a taxable period following the period in which the indemnification payment is made or (ii) any adjustment to the liability for Taxes for which one Party or any Affiliates is responsible hereunder gives rise to a deduction, credit or other Tax benefit to the other Party or any of its Affiliates, the indemnified Party (or, in the case of (ii), the other Party) shall on an annual basis pay the indemnifying Party (or, in the case of (ii), the responsible Party) the amount of the actual reduction in Taxes (determined on a with and without basis); provided, however, that no such payment shall be required if the actual reduction in Taxes for the relevant year and any unpaid reduction in Taxes for all prior years is less than \$50,000.

(d) Payments made pursuant to this Agreement that are not made within the period prescribed in this Agreement or, if no period is prescribed, within thirty (30) days after demand for payment is made (the "Payment Period") shall bear interest for the period from and including the date immediately following the last date of the Payment Period through and including the date of payment at a rate of simple interest per annum equal to LIBOR. Such interest will be payable at the same time as the payment to which it relates and shall be calculated on the basis of a year of 365 days and the actual number of days for which due.

ARTICLE III. PREPARATION AND FILING OF TAX RETURNS

SECTION 3.1. Leidos's Responsibility for the Preparation and Filing of Tax Returns.

(a) Leidos shall prepare or cause to be prepared (i) all Consolidated Returns, (ii) all other Tax Returns that it or any Leidos Subsidiary is legally obligated to file after the Distribution Date according to the laws of the relevant taxing jurisdiction and (iii) all Tax Returns required to be filed before the Distribution Date. Leidos shall file or cause to be filed all such Tax Returns with the appropriate Taxing Authority.

(b) To the extent that New SAIC or any New SAIC Subsidiary is included in any Consolidated Return for a taxable period that includes the Distribution Date, Leidos shall include in such Consolidated Return the results of New SAIC and the New SAIC Subsidiaries on the basis of the Closing of the Books Method consistent with Treas. Reg. Section 1.1502-76(b)(2)(i).

SECTION 3.2. New SAIC's Responsibility for the Preparation and Filing of Tax Returns. New SAIC shall prepare or cause to be prepared all Tax Returns that it or any New SAIC Subsidiary is legally obligated to file after the Distribution Date according to the laws of the relevant taxing jurisdiction; provided, however, that Leidos shall have the right to review and comment with respect to items on such Tax Returns if and to the extent such items directly relate to Taxes for which Leidos would be liable under Section 2.1, such comment not to be unreasonably rejected. New SAIC shall file or cause to be filed all such Tax Returns with the appropriate Taxing Authority.

SECTION 3.3. Manner of Preparation.

(a) To the extent permitted by law, any taxable period of New SAIC or any New SAIC Subsidiary for any state or local Income Tax purposes that would otherwise include but not end on the Distribution Date shall be bifurcated into two separate taxable periods, one ending on the Distribution Date and the other beginning on the day following the Distribution Date (each a "Stub Taxable Period"), and a separate Income Tax Return for each Stub Taxable Period shall be prepared and filed by the Party responsible for such preparation and filing pursuant to Sections 3.1 and 3.2.

(b) To the extent any Tax Return required to be prepared by Leidos pursuant to Section 3.1 contains items relating to the New SAIC Business or any Tax Return required to be prepared by New SAIC pursuant to Section 3.2 contains items relating to the Leidos Business, the Party not responsible for preparing such Tax Return (the "Included Party") shall, at its own cost and expense, prepare and deliver to the Party responsible for preparing such Tax Return (the "Preparing Party") a true and correct accounting of all relevant Tax items (in a form reasonably requested by the Preparing Party) relating to the Included Party (or any of its Subsidiaries) for the taxable period covered by such Tax Return (a "Tax Package") within thirty (30) days following the written request of the Preparing Party. In the event an Included Party does not fulfill its obligations pursuant to this Section 3.3(b), the Preparing Party shall be entitled to prepare or cause to be prepared the information required to be included in the Tax Package for purposes of preparing any such Tax Return, and the Included Party shall reimburse the Preparing Party for any out-of-pocket expenses incurred in the preparation of such information.

(c) All Tax Returns for taxable periods (or portions thereof) beginning before the Distribution Date that are required to be filed after the Distribution Date that could give rise to an indemnity obligation pursuant to Section 2.2 shall be prepared in a manner consistent with past practices (e.g., accounting methods and accelerating deductions through bonus depreciation or otherwise) and the preparing Party shall, at the other Party's request, share any such Tax Return with such other Party after the filing thereof.

(d) All Income Tax Returns filed on or after the Distribution Date shall be prepared in a manner that is consistent with the Ruling and the Opinion, or any other rulings obtained from other Taxing Authorities in connection with the Distributions (in the absence of a Final Determination to the contrary) and shall be filed on a timely basis (including pursuant to extensions) by the Party responsible for such filing pursuant to Sections 3.1 and 3.2. In the absence of a Final Determination to the contrary or a change in law, all Income Tax Returns of New SAIC and its Subsidiaries for taxable periods beginning before the Distribution Date shall be prepared consistent with the Tax Returns of the Affiliated Group.

(e) Except to the extent required by law, New SAIC and any New SAIC Subsidiary shall not amend any Income Tax Return relating to a taxable period (or portion thereof) ending on or before to the Distribution Date without the written consent of Leidos (which consent may be withheld in its sole discretion).

SECTION 3.4. Costs and Expenses of Preparation. Subject to Section 3.3(b), (i) any out-of-pocket costs and expenses associated with preparing any U.S. federal, state or local Tax Returns with respect to taxable periods that begin before and include, but do not end on, the Distribution Date filed under Sections 3.1 or 3.2 shall be shared by the Parties in accordance with their respective Sharing Percentages and (ii) with respect to any Tax Return not described in (i) above, the Party responsible for

preparing any Tax Return under Sections 3.1 or 3.2 shall be responsible for the costs and expenses associated with preparing such Tax Returns. The Party responsible for reimbursing the other Party incurring such out-of-pocket costs and expenses pursuant to this Section 3.4 shall reimburse such other Party promptly upon being provided with evidence of the incurrence of such out-of-pocket costs and expenses.

SECTION 3.5. Carrybacks. To the extent permitted by law, New SAIC and any New SAIC Subsidiaries shall elect to forego a carryback of any net operating losses, capital losses or credits for any taxable period ending after the Distribution Date to a taxable period, or portion thereof, ending on or before the Distribution Date. Notwithstanding anything herein to the contrary, New SAIC and any New SAIC Subsidiaries shall not have any right to receive the benefit of any carryback of Tax attributes created in a taxable period beginning after the Distribution Date into a Consolidated Return.

SECTION 3.5. Retention of Records; Access.

(a) Leidos and New SAIC shall, and shall cause each of their Subsidiaries to, retain adequate records, documents, accounting data and other information (including computer data) necessary for the preparation and filing of all Tax Returns required to be filed by Leidos or New SAIC hereunder and for any Proceeding relating to such Tax Returns or to any Taxes payable by Leidos or New SAIC hereunder.

(b) Leidos and New SAIC shall, and shall cause each of their Subsidiaries to, provide reasonable access to (i) all records, documents, accounting data and other information (including computer data) necessary for the preparation and filing of all Tax Returns required to be filed by Leidos or New SAIC and for any Proceeding relating to such Tax Returns or to any Taxes payable by Leidos or New SAIC and (ii) its personnel and premises, for the purpose of the preparation, review or audit of such Tax Returns, or in connection with any Proceeding, as reasonably requested by either Leidos or New SAIC.

(c) The obligations set forth above in Sections 3.5(a) and 3.5(b) shall continue until the longer of (i) the time of a Final Determination or (ii) expiration of all applicable statutes of limitations, to which the records and information relate. For purposes of the preceding sentence, each Party shall assume that no applicable statute of limitations has expired unless such Party has received notification or otherwise has actual knowledge that such statute of limitations has expired.

SECTION 3.6. Confidentiality; Ownership of Information; Privileged Information. The provisions of Article VIII of the Distribution Agreement relating to confidentiality of information, ownership of information, privileged information and related matters shall apply with equal force to any records and information prepared and/or shared by and among the Parties in carrying out the intent of this Agreement.

ARTICLE IV. DISTRIBUTIONS AND RELATED TAX MATTERS

Notwithstanding anything herein to the contrary, the provisions of this Article IV shall govern all matters among the parties hereto related to an Indemnified Liability.

SECTION 4.1. Compliance with the Ruling and the Opinion. Leidos and New SAIC hereby confirm and agree to comply with (and cause their respective Subsidiaries to comply with) any and all covenants, agreements and representations in the Ruling and the Opinion applicable to Leidos and New SAIC, respectively.

SECTION 4.2. Opinion Requirement for Major Transactions Undertaken by Leidos or New SAIC During the Restricted Period. Other than pursuant to the transactions contemplated by the Distribution Agreement, Leidos and New SAIC each agree that during the Restricted Period neither Party shall (and Leidos shall not cause or permit Applications to) (i) merge or consolidate with or into any other entity, (ii) liquidate or partially liquidate (within the meaning of such terms as defined in Section 346 and Section 302, respectively, of the Code), (iii) sell or transfer all or substantially all of its assets (within the meaning of Rev. Proc. 77-37, 1977-2 C.B. 568) in a single transaction or series of related transactions, or sell or transfer any portion of its assets that would violate the “continuity of business enterprise” requirement of Treas. Reg. Section 1.368-1(d), (iv) redeem or otherwise repurchase any of its capital stock other than pursuant to open market stock repurchase programs meeting the requirements of section 4.05(1)(b) of Rev. Proc. 96-30, 1996-1 C.B. 696, (v) cease the active conduct of its trade or business within the meaning of Section 355(b) of the Code or the active conduct of its Active Business, (vi) enter into any negotiations, agreements or arrangements with respect to transactions or events (including any transactions described in Sections 4.2(i)-(iv) (and, for this purpose, including any redemptions made pursuant to open market stock repurchase programs), stock issuances (pursuant to the exercise of options or otherwise), option grants, capital contributions or acquisitions, entering into any partnership or joint venture arrangements, or a series of such transactions or events, but excluding any Distribution) that may cause any Distribution to be treated as part of a plan pursuant to which one or more persons acquire directly or indirectly stock of Leidos, Applications or New SAIC representing a “35-percent or greater interest” (i.e., stock possessing at least 35 percent of the total combined voting power of all classes of stock entitled to vote or at least 35 percent of the total value of shares of all classes of stock, as such terms are used in Section 355(d)(4) of the Code), or (vii) take any other action (or series of actions), or permit any Subsidiary to take any such action (or series of actions), where the taking of such action (or series of actions) could reasonably be expected to cause any Distribution to fail to qualify under Section 355 of the Code or cause the stock of New SAIC distributed in any Distribution to fail to be treated as qualified property pursuant to Section 355(e) of the Code (the acts listed in (i)-(vii) collectively, the “Prohibited Acts”). Notwithstanding the foregoing, Leidos (and Applications, if applicable) or New SAIC (the “Requesting Party”) may take any of the Prohibited Acts, subject to Section 4.3, if (x) the Requesting Party first obtains (at its expense) an opinion in form and substance reasonably acceptable to the other Party of a nationally recognized law firm or a “big four” accounting firm reasonably acceptable to the other Party, which opinion may be based on usual and customary factual representations (reasonably acceptable to the other Party) or (y) at the Requesting Party’s request, Leidos (at the expense of the Requesting Party) obtains a supplemental ruling from the IRS, that such Prohibited Act or Prohibited Acts, and any transaction related thereto, will not (a) affect any of the conclusions set forth in the Ruling, including (i) the qualification of the External Distribution under Section 355 of the Code, (ii) the qualification of the Internal Distribution and certain internal transactions preceding the Internal Distribution under Sections 355 and 368 of the Code, (iii) the nonrecognition of gain in connection with the cash distribution to Leidos from New SAIC following the Internal Distribution and (iv) the nonrecognition of gain to Leidos in the External Distribution and Applications in the Internal Distribution, or (b) cause the stock of New SAIC distributed in any Distribution to fail to be treated as qualified property pursuant to Sections 355(d) or 355(e) of the Code. A Party (and Applications, if applicable) may also take any of the Prohibited Acts, subject to Section 4.3, with the consent of the other Party in its sole and absolute discretion. During the Restricted Period, a Party shall provide all information reasonably requested by the other Party relating to any transaction involving an acquisition (directly or indirectly) of the stock of Leidos, Applications or New SAIC within the meaning of Section 355(e) of the Code.

SECTION 4.3. Indemnification for Distribution Taxes. If, after the External Distribution, a Party or any of its Affiliates takes any action or enters into any agreement to take any action, including

any of the Prohibited Acts as defined in Section 4.2 of this Agreement, or if there is a breach by any Party of Section 4.1 hereof, or if there is any direct or indirect acquisition of a Party's stock (or, in the case of Leidos, Applications' stock), and as a result (i) any Distribution shall fail to qualify under Section 355 of the Code, (ii) the stock of New SAIC distributed in any Distribution shall fail to be treated as qualified property pursuant to Section 355(d) or 355(e) of the Code or (iii) Leidos or Applications otherwise recognizes any gain in connection with any Distribution (including, for the avoidance of doubt, the related internal transactions and the cash distribution to Leidos from New SAIC following the Internal Distribution described in the Ruling), then such Party (the "Breaching Party") shall indemnify and hold harmless the other Party (the "Non-Breaching Party") and any of its Affiliates against any and all Taxes (and any related Losses) imposed upon or incurred by the Non-Breaching Party or any of its Affiliates (and any Taxes of Leidos shareholders to the extent the Non-Breaching Party or any of its Affiliates is liable with respect to such Taxes, whether to a Taxing Authority, to a shareholder or to any other person) as a result, unless such Taxes would, in any event, have been imposed upon or incurred by the Non-Breaching Party or any of its Affiliates without regard to such actions, breaches or events, as determined at such time. The Non-Breaching Party and any of its Affiliates shall be indemnified and held harmless under this Section 4.3 without regard to whether an opinion or supplemental ruling pertaining to the action pursuant to Section 4.2 was obtained, and without regard to whether the Non-Breaching Party gave its consent to such action pursuant to Section 4.2 or otherwise.

SECTION 4.4. Procedural Matters.

(a) Notice. If either New SAIC or Leidos receives any written notice of deficiency, claim or adjustment or any other written communication from a Taxing Authority that may result in an Indemnified Liability, the Party receiving such notice or communication shall promptly give written notice thereof to the other Party, provided that any delay in such notification shall not relieve the indemnifying Party of any liability to the other Party hereunder except to the extent the indemnifying Party is materially and adversely prejudiced by such delay. Leidos undertakes and agrees that from and after such time as Leidos obtains knowledge that any representative of a Taxing Authority has begun to investigate or inquire into any Distribution (whether or not such investigation or inquiry is a formal or informal investigation or inquiry), Leidos shall (i) notify New SAIC thereof, provided that any delay by Leidos in so notifying New SAIC shall not relieve New SAIC of any liability to Leidos hereunder except to the extent New SAIC is materially and adversely prejudiced by such delay, (ii) consult with New SAIC from time to time as to the conduct of such investigation or inquiry, (iii) provide New SAIC with copies of all correspondence between Leidos or its representatives and such Taxing Authority or any representative thereof pertaining to such investigation or inquiry, and (iv) cooperate with New SAIC to permit a representative (reasonably satisfactory to Leidos) of New SAIC to be present at, and participate in (but not control), all meetings with such Taxing Authority or any representative thereof pertaining to such investigation or inquiry, provided, that any costs relating to New SAIC's representation at such meetings shall be borne by New SAIC.

(b) Tax Proceedings Controlled by Leidos. With respect to any Proceeding that may result in an Indemnified Liability with respect which New SAIC would be entitled to indemnification from Leidos, Leidos shall be entitled to direct and control the defense or settlement of such Proceeding at its own expense.

(c) Tax Proceedings Controlled by New SAIC. With respect to any Proceeding that may result in an Indemnified Liability with respect to which Leidos would be entitled to indemnification from New SAIC, New SAIC shall be entitled to direct and control the defense or settlement of such Proceeding at its own expense; provided that such New SAIC shall not settle such Proceeding without the prior written

consent of Leidos (not to be unreasonably withheld, conditioned or delayed). New SAIC undertakes and agrees to (i) consult with Leidos from time to time as to the conduct of any such Proceeding over which it exercises direction and control, (iii) provide Leidos with copies of all correspondence between New SAIC or its representatives and such Taxing Authority or any representative thereof pertaining to such Proceeding, and (iv) cooperate with Leidos to permit a representative (reasonably satisfactory to New SAIC) of Leidos to be present at, and participate in (but not control), all meetings with such Taxing Authority or any representative thereof pertaining to such Proceeding, provided, that any costs relating to Leidos's representation at such meetings shall be borne by Leidos.

(d) Time and Manner of Payment. Unless otherwise agreed in writing, Leidos or New SAIC, as the case may be, shall pay to the other Party the amount with respect to an Indemnified Liability determined pursuant to a Final Determination (less any amount paid directly by the indemnifying Party to the Taxing Authority) at least two Business Days prior to the date payment of the Indemnified Liability is required to be made to the Taxing Authority. Such payment shall be paid by wire transfer of immediately available funds to an account designated by the indemnified Party by written notice to the indemnifying Party prior to the due date of such payment.

(e) Refund of Amounts. Should a Party or any of its Affiliates receive a refund in respect of an Indemnified Liability or other Taxes for which the other Party was responsible under this Article 4 or otherwise under this Agreement, or should any such amounts that would otherwise be refundable to such Party or any of its Affiliates be applied or credited by the Taxing Authority to obligations of such Party or any of its Affiliates unrelated to an Indemnified Liability, then such Party shall, promptly following receipt (or notification of credit), remit such refund or an amount equal to such credit (including any statutory interest that is included in such refund or credited amount) to the other Party.

(h) Cooperation. Subject to the provisions of Section 3.6, Leidos and New SAIC shall reasonably cooperate with one another in a timely manner in any Proceeding involving any matter that may result in an Indemnified Liability. Leidos and New SAIC agree that such cooperation shall include, without limitation, making available to the other Party, during normal business hours, all books, records and information, officers and employees (without substantial interruption of employment) necessary or useful in connection with any such judicial or administrative Proceeding. The Party requesting or otherwise entitled to any books, records, information, officers or employees pursuant to this Section 4.4(h) shall bear all reasonable out-of-pocket costs and expenses (except reimbursement of salaries, employee benefits and general overhead) incurred in connection with providing such books, records, information, officers or employees.

(i) Supplemental Rulings. Leidos shall provide New SAIC a copy of and an opportunity to comment upon any supplemental ruling sought from the IRS with respect to the Ruling and no supplemental ruling request shall be made without New SAIC's consent if such supplemental ruling would materially expand New SAIC's indemnification obligations under Section 4.3.

SECTION 4.5. Protective Section 336(e) Elections.

(a) For New SAIC. Leidos and New SAIC shall make a protective election under Section 336(e) (and any similar election under state or local law) with respect to the External Distribution in accordance with Treas. Reg. Section 1.336(e)-2(h) and (j) (and any applicable provisions under state and local law) and shall cooperate in the timely completion and/or filings of such elections and any related filings or procedures. This Section 4.5(a) is intended to constitute a binding, written agreement to make an election under Section 336(e) with respect to the External Distribution. In connection with such election, Leidos shall make an election under Treas. Reg. Section 1.1502-13(f)(5)(ii) with respect to the External Distribution.

(b) For NewCo. In connection with the elections set forth in Section 4.5(a), New SAIC and NewCo shall make a protective election under Section 336(e) (and any similar election under state or local law) with respect to NewCo in accordance with Treas. Reg. Section 1.336(e)-2(h) and (j) (and any applicable provisions under state and local law), and Leidos, New SAIC and NewCo shall cooperate in the timely completion and/or filings of such elections and any related filings or procedures. This Section 4.5(a) is intended to constitute a binding, written agreement to make an election under Section 336(e) with respect to NewCo.

ARTICLE V. MISCELLANEOUS

SECTION 5.1. Notices. All notices, requests, claims, demands and other communications under this Agreement shall be made and delivered in conformity with Section 11.6 of the Distribution Agreement.

SECTION 5.2. Amendment and Waiver. This Agreement may be terminated, modified or amended at any time prior to the Effective Time by and in the sole discretion of Leidos without the approval of New SAIC or the stockholders of Leidos. In the event of such termination, no Party shall have any liability of any kind to the other Party or any other Person. After the Effective Time, this Agreement may not be terminated, modified or amended except by an agreement in writing signed by Leidos, New SAIC and NewCo. No failure to exercise and no delay in exercising, on the part of any Party, any right, remedy, power or privilege hereunder shall operate as a waiver hereof or thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

SECTION 5.3. Entire Agreement. This Agreement shall constitute the entire agreement between the Parties (which, for purposes of this Article V, shall include NewCo) with respect to the subject matter hereof and shall supersede all previous negotiations, commitments, course of dealings and writings with respect to such subject matter.

SECTION 5.4. Assignment; Successors and Assigns. This Agreement shall not be assignable, in whole or in part, directly or indirectly, by any Party hereto without the prior written consent of the other Party (not to be unreasonably withheld or delayed), and any attempt to assign any rights or obligations arising under this Agreement without such consent shall be void. Notwithstanding the foregoing, this Agreement shall be assignable in whole in connection with a merger or consolidation or the sale of all or substantially all the assets of a party hereto so long as the resulting, surviving or transferee entity assumes all the obligations of the relevant party hereto by operation of law or pursuant to an agreement in form and substance reasonably satisfactory to the other parties to this Agreement. No assignment permitted by this Section 5.4 shall release the assigning Party from liability for the full performance of its obligations under this Agreement. The provisions of this Agreement and the obligations and rights hereunder shall be binding upon, inure to the benefit of and be enforceable by (and against) the Parties and their respective successors and permitted transferees and assigns

SECTION 5.5. Severability. In the event any one or more of the provisions contained in this Agreement should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired

thereby. The Parties shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions, the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 5.6. Governing Law; Jurisdiction. This Agreement shall be governed by and construed in accordance with the Laws of the State of Delaware without reference to any choice-of-law or conflicts of law principles that would result in the application of the laws of a different jurisdiction. Subject to the provisions of Article IX of the Distribution Agreement, each of the Parties irrevocably submits to the exclusive jurisdiction of (a) the Fairfax County Circuit Court and any appeals courts thereof or (b) the United States District Court for the Eastern District of Virginia and any appeals courts thereof (the courts referred to in clauses (a) and (b), the "Virginia Courts"), for the purposes of any suit, action or other proceeding to compel arbitration or for provisional relief in aid of arbitration in accordance with Article IX of the Distribution Agreement or to prevent irreparable harm, and to the non-exclusive jurisdiction of the Virginia Courts for the enforcement of any award issued thereunder. Each of the Parties further agrees that service of any process, summons, notice or document by U.S. registered mail to such Party's respective address set forth in Section 11.6 of the Distribution Agreement shall be effective service of process for any action, suit or proceeding in the Virginia Courts with respect to any matters to which it has submitted to jurisdiction in this Section 5.6. Each of the Parties irrevocably and unconditionally waives any objection to the laying of venue of any action, suit or proceeding arising out of this Agreement or the transactions contemplated hereby in the Virginia Courts, and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

SECTION 5.7. Waiver of Jury Trial. EACH OF THE PARTIES HEREBY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT. EACH OF THE PARTIES HEREBY (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, AS APPLICABLE, BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 5.7.

SECTION 5.8. Counterparts. This Agreement may be executed in more than one counterpart, all of which shall be considered one and the same agreement, and shall become effective when one or more such counterparts have been signed by each of the Parties and delivered to each of the Parties.

SECTION 5.9. Third Party Beneficiaries. This Agreement is solely for the benefit of the Parties and should not be deemed to confer upon third parties any remedy, claim, liability, reimbursement, claim of action or other right in excess of those existing without reference to this Agreement.

SECTION 5.10. Force Majeure. No Party (or any Person acting on its behalf) shall have any liability or responsibility for failure to fulfill any obligation (other than a payment obligation) under this Agreement, so long as and to the extent to which the fulfillment of such obligation is prevented,

frustrated, hindered or delayed as a consequence of circumstances of Force Majeure. A Party claiming the benefit of this provision shall, as soon as reasonably practicable after the occurrence of any such event: (a) notify the other applicable Parties of the nature and extent of any such Force Majeure condition and (b) use due diligence to remove any such causes and resume performance under this Agreement as soon as feasible.

SECTION 5.11. Double Recovery. Nothing in this Agreement is intended to confer to or impose upon any Party a duplicative right, entitlement, obligation or recovery with respect to any matter arising out of the same facts and circumstances.

SECTION 5.12. Title and Headings. Titles and headings to sections herein are inserted for the convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.

SECTION 5.13. Construction. The Parties have participated jointly in the negotiation and drafting of this Agreement. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting or causing any instrument to be drafted.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Parties and, solely with respect to Section 4.5(b), NewCo, have caused this Agreement to be duly executed as of the day and year first above written.

SAIC, INC.

By: /s/ John P. Jumper

Name: John P. Jumper

Title: Chief Executive Officer

SAIC GEMINI, INC.

By: /s/ Anthony J. Moraco

Name: Anthony J. Moraco

Title: Chief Executive Officer

SAIC INTERNATIONAL HOLDINGS, INC.

By: /s/ Paul H. Greiner

Name: Paul H. Greiner

Title: Secretary

MASTER TRANSITION SERVICES AGREEMENT

by and between

SAIC, INC.

and

SAIC GEMINI, INC.

dated as of

September 25, 2013

MASTER TRANSITION SERVICES AGREEMENT

This Master Transition Services Agreement (this "Agreement") is entered into on September 25, 2013, by and between SAIC, Inc., a Delaware corporation (the "Company" or "Leidos") and SAIC Gemini, Inc., a Delaware corporation ("New SAIC"). Each of Leidos and New SAIC is sometimes referred to herein as a "Party" and collectively as the "Parties." Capitalized terms used herein and not otherwise defined herein have the meanings given to such terms in the Distribution Agreement dated as of the date hereof, by and between Leidos and New SAIC (as such may be amended from time to time, the "Distribution Agreement").

RECITALS

WHEREAS, the Board of Directors of the Company has determined that it is appropriate, desirable and in the best interests of the Company and its stockholders to separate, pursuant to and in accordance with the Distribution Agreement, the Company into two separate, publicly traded companies, with Leidos to own and conduct, directly or indirectly, the Leidos Business and New SAIC to own and conduct, directly or indirectly, the New SAIC Business.

WHEREAS, in order to provide for an orderly transition in connection with the separation of New SAIC from the Company, each of Leidos and New SAIC desire to provide to the other certain services for specified periods following the Distribution Date, all in accordance with and subject to the terms and conditions set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and agreements of the Parties contained herein, the Parties agree as follows:

1. Services Provided.

(a) During the period commencing on the Distribution Date and ending on the applicable Termination Date (as defined in Section 11), Service Provider shall provide, or shall cause one or more of its Affiliates or a contractor, subcontractor, vendor or other third-party service provider (each, a "Third Party Provider") to provide, upon the terms and subject to the conditions set forth herein, the services (the "Services") described on Schedule A (Services provided by Leidos to New SAIC) or Schedule B (Services provided by New SAIC to Leidos) (collectively, the "Services Schedules").

(b) With respect to each Service, the Party required to provide such Service is the "Service Provider" and the other Party is the "Service Recipient". In performing the Services, Service Provider and each of its Affiliates shall provide, or ensure that any Third Party Provider shall provide, the Services consistent with the "Performance Standards", which shall mean (i) in the same manner and at the same level of service (including, as applicable, with respect to type, frequency, quality, quantity and timeliness as compared with the six-month period prior to the Distribution Date, except as may be set forth in individual Service Schedules), (ii) with the same degree of skill and care, and (iii) with the same level of security (or any increased level of security required as a result of Leidos and New SAIC not being affiliates of each other following the Distribution) as provided and used by the Service Provider during the

six-month period prior to the Distribution Date, which Services shall be free of material error. The Performance Standards shall in any event be standards that are commercially reasonable and would be acceptable to parties bargaining on an arm's length basis.

(i) Notwithstanding the foregoing, if circumstances dictate that there must be an increase in the complexity of a Service (whether as a result of increased quantity or quality, changing frequency or regulatory requirements or otherwise), Service Recipient acknowledges and agrees that such Service may not be provided within the same amount of time as it had previously taken during such period, and, in such a case, Service Provider and each of its Affiliates shall use commercially reasonable efforts to provide, or to ensure that any Third Party Provider shall provide, such Service in a timely manner.

(ii) Notwithstanding anything herein to the contrary, the Services are to be provided in a manner that does not treat Service Recipient (or its Subsidiaries or its or their personnel or business) materially different than Service Provider treats itself (or its Affiliates or its or their personnel or business) in connection with the provision of a Self-Service (as defined in Section 2(d)).

(c) In the event Service Provider would like to provide a Service by using a Third Party Provider, if such Services were not provided by such Third Party Provider to Service Recipient during the six month period prior to the Distribution Date, Service Provider shall obtain the consent of Service Recipient (such consent shall not be unreasonably withheld, delayed or conditioned) prior to so providing such Service; provided further, that in any case, Service Provider shall remain responsible for the performance by any Third Party Provider of its obligations hereunder.

(d) Increased Services.

(i) Service Recipient may request additional quantities of Services beyond the quantities specified in the applicable Services Schedule ("Increased Services") from Service Provider by providing written notice. Service Provider shall use commercially reasonable efforts to accommodate such request; it being understood, however, that Service Provider shall not be required to provide Increased Services if the Parties are unable to reach agreement on the terms thereof. Upon the mutual written agreement as to the nature, cost (including cost of additional equipment as stated in ii. below), duration and scope of such Increased Services, the Parties shall supplement in writing the Services Schedules hereto to include such Increased Services. Service Provider's obligations with respect to providing any such Increased Services shall become effective only upon a new Services Schedule or an amendment to an existing Services Schedule being duly executed by the Parties.

(ii) Unless otherwise agreed by the Parties, if an Increased Service requires Service Provider to purchase any machinery, equipment, apparatuses, computer hardware and other electronic data processing and communications equipment, tools, instruments, furniture, office equipment, automobiles, trucks, and other transportation equipment, special and general tools, test devices, molds, tooling, dies, prototypes and models and other tangible personal property (collectively, "Equipment"), Service Recipient shall bear

the costs of such Equipment, which Service Provider will provide at cost. Upon the termination of the applicable Service, such Equipment shall be assigned and transferred to Service Recipient.

2. **Payment.**

(a) Except as otherwise provided on the applicable Services Schedule, for each Service, Service Recipient shall pay Service Provider an amount equal to the Service Costs (as defined below) for all Services being provided to Service Recipient.

(b) Except as otherwise provided on the applicable Services Schedule, the “Service Costs” for each Service shall be the cost to Service Provider (or its Affiliates) for providing Services, without fee, calculated in a manner consistent with past practice, including the following (but only to the extent allocable to the provision of the Services):

(i) the fully burdened cost (i.e., labor plus fringe, overhead and G&A) of personnel involved in providing the Services;

(ii) the aggregate cost impacts of any increases in Service Provider’s unit cost for Self-Service that is directly caused by Service Provider’s requirement to provide the Services described herein;

(ii) any reasonable out-of-pocket expenses incurred by Service Provider with Third Party Providers in connection with the provision of Services, without markup or fee, including to the extent applicable to the Services, one-time set-up costs, license fees, costs to enter into third party agreements, costs to exit third party agreements, termination fees, and other costs incurred in connection with Third Party Providers providing Services in compliance with this Agreement, and including pursuing any warranty or indemnity against a Third Party Provider in accordance with Section 3(e);

(iii) the cost of licenses for software or other intellectual property (or other cost associated with obtaining rights to use software or intellectual property) (a “Third Party License”), without markup or fee, including any termination, transfer, sublicensing, access, upgrade or conversion fees;

(iv) any sales, transfer, goods, services, value added, gross receipts or similar taxes, fees, charges or assessments (including any such taxes that are required to be withheld) arising out of such Service and incurred by Service Provider; provided that the Parties agree to use commercially reasonable efforts to minimize any such taxes, fees or assessments and Service Recipient shall not be obligated to pay any income or franchise taxes imposed on the Service Provider; and

(v) the cost of travel expenses that are reasonable and incurred in accordance with Service Provider’s normal travel policy and other reasonable miscellaneous out-of-pocket costs and expenses incurred by Service Provider; provided that, unless otherwise set forth in the applicable Services Schedule, any such expenses exceeding \$5,000 per month for each Service shall require advance approval of Service Recipient.

(c) Except as otherwise provided on the applicable Services Schedule or required by applicable Law, all amounts shall be invoiced and paid in U.S. Dollars. To the extent necessary, local currency conversion on any such invoice shall be based on Service Provider's internal exchange rate for the then-current month, based upon the average for such month, as calculated consistently with how such local currency conversion was calculated in the twelve-month period prior to the Distribution Date.

(d) With respect to any service that a Service Provider provides or causes an Affiliate to provide to itself or its Affiliates that is the same or substantially similar to a Service provided to Service Recipient or its Subsidiaries hereunder (such service, a "Self-Service"), Service Provider may stop providing such Self-Service to itself or its Affiliates as long as (i) such termination does not adversely affect the ability of Service Provider to deliver the Service to Service Recipient in accordance with the Performance Standards and (ii) Service Provider notifies Service Recipient of such termination as promptly as practicable and no later than ninety (90) days prior to the date it intends to stop providing the Self-Service. Further, if Service Provider terminates a Self-Service prior to the Termination Date applicable for the corresponding Service, the Service Costs of such Service following any such termination shall be calculated as if Service Provider had not terminated such Self-Service.

(e) Invoices and Payment.

(i) Except as provided on the applicable Services Schedule, Service Provider shall invoice Service Recipient for the Service Costs owed hereunder on a monthly basis, with Service Costs for all Services provided by Service Provider, its Affiliates or its Third Party Providers to Service Recipient in the last fiscal period included on a combined single invoice, and shall provide reasonable documentation supporting such Service Costs. Service Recipient shall pay the amount of such invoice by electronic transfer of immediately available funds not later than thirty (30) days after the date of such invoice.

(ii) Neither Party nor any of its respective Affiliates shall have a right of set-off against the other Party or its Subsidiaries, except in connection with any amounts billed hereunder.

(iii) In the event Service Recipient does not pay Service Provider in accordance with the terms hereof (a) all amounts so payable and past due shall accrue interest from the 31st day after the date of the invoice to the receipt of payment at a rate per annum equal to the six (6)-month LIBOR rate (as shown on the Reuters Screen LIBOR 01 Page (or on any successor or substitute of such page) at approximately 11:00 a.m. on the 31st day after the date of the invoice, or the next Business Day, if such day is not a Business Day) plus 3% (the "Interest Rate", with the applicable rate to be recalculated every six months), until such amounts, together with all accrued and unpaid interest thereon, are paid in full, and (b) Service Recipient shall pay, as additional fees, all reasonable out-of-pocket costs and expenses incurred by Service Provider in attempting to collect and collecting amounts so due, including all reasonable attorneys fees and expenses.

(iv) In the event that Service Recipient in good faith disputes an invoice submitted by Service Provider, Service Recipient may withhold payment of any amount subject to the dispute; provided that (a) Service Recipient shall continue to pay all undisputed amounts in accordance with the terms hereof, (b) Service Recipient shall notify Service Provider, in writing, of any disputed amounts and the reason for any dispute by the due date for payment of the invoice containing any disputed charges and (c) in the event any dispute is resolved in Service Provider's favor, any amount that Service Recipient should have paid shall be deemed to have accrued interest at the Interest Rate from the date such payment should have been made. In the event of a dispute regarding the amount of any invoice, the Parties shall use all reasonable efforts to resolve such dispute within forty-five (45) days after Service Recipient provides written notification of such dispute to Service Provider. Each Party shall provide full supporting documentation concerning any disputed amount or invoice within thirty (30) days after written notification of the dispute. Unpaid fees that are under good faith dispute shall not be considered a basis for default hereunder. To the extent that a dispute regarding the amount of any invoice cannot be resolved pursuant to this Section 2(e)(iv), the dispute resolution procedures set forth in Section 9 herein shall apply.

3. Cooperation.

(a) Service Recipient and Service Provider shall cooperate and work together in good faith to develop a global transition plan in order to facilitate a smooth and orderly termination of a Service by its applicable Termination Date or at such earlier time as Service Recipient terminates Service Provider's performance of the Services in accordance with Section 11.

(b) In furtherance of the foregoing, Service Provider will, if requested and at Service Recipient's expense, provide Service Recipient with reasonable support necessary to transition or migrate the services to Service Recipient or any third party or parties chosen by Service Recipient, which may include, but not be limited to, consulting and training and providing reasonable access to data and other information and to Service Provider's and its Affiliates' employees; provided that such activities shall not unduly burden or interfere with Service Provider's business and operations.

(c) It is understood that it will require significant efforts by the Parties to implement this Agreement and ensure performance hereunder. Service Recipient shall (i) cooperate with and provide Service Provider with such information and documentation as is reasonably necessary for Service Provider to perform the Services; and (ii) perform such other duties and tasks as may be reasonably required to permit Service Provider to perform the Services, including (x) cooperating in obtaining any consents or approvals from third parties necessary to facilitate Service Provider's ability to provide the Services and (y) conducting such testing as may be reasonably required by Service Provider in connection with any updates or changes to the applicable systems or processes involved in providing a Service, provided that Service Provider has given Service Recipient such prior written notice as set forth in the applicable Services Schedules or, if not contemplated therein, a reasonable time before conducting such testing, taking into account the type and scope of such testing. A Service Provider shall not be deemed to be in breach of its obligations to provide or make available any Service to the extent that Service Recipient has not provided information and access to appropriate personnel that is reasonably necessary for the performance of such Service.

(d) Service Provider shall use best efforts to make or obtain any approvals, permits and licenses and implement any systems as may be necessary for it to perform the Services independently in each country and applicable jurisdiction as soon as practicable following the Distribution Date.

(e) Upon Service Recipient's written request and without prejudice to any direct rights Service Recipient may have against a Third Party Provider or Service Provider, Service Provider shall use commercially reasonable efforts to pursue any warranty or indemnity under any contract Service Provider or its Affiliates may have with a Third Party Provider with respect to any Service provided to Service Recipient by such Third Party Service Provider.

(f) Service Provider shall use best efforts to obtain, if required, any Third Party License or consent required by any Third Party Provider to provide the applicable Service to Service Recipient, and Service Recipient shall, as necessary, cooperate with Service Provider in obtaining any such Third Party License or consent. If such Third Party License or consent cannot be obtained on commercially reasonable terms, the Parties will use best efforts to arrange for an alternative method of obtaining any such Service on Service Recipient's behalf ("Alternative Method"), which may include Service Provider providing such Service itself. If there is any Third Party License or consent which was not required as of the date hereof but will subsequently be required before the Termination Date for a particular Service, Service Provider shall identify in writing to Service Recipient such Third Party License or consent within sixty (60) days of the date hereof and in any event no later than thirty (30) days prior to the date such Third Party License or consent is required.

(g) The Parties shall use the fiscal quarter and year ends as set forth in Schedule C in connection with the provision and receipt of applicable Services hereunder, for so long as such Services are being provided.

4. Performance Standards; Reports; Personnel.

(a) Services shall be provided in accordance with the Performance Standards.

(b) It will not be deemed to be a breach of this Agreement if Service Provider fails to meet the Performance Standards because of (i) the failure of Service Recipient to reasonably cooperate with or provide information, facilities, equipment, hardware or software, services or decisions to Service Provider as required hereunder, (ii) changes reasonably deemed to be required by changes in Law, technology or the availability of reasonably commercially available products and services, (iii) changes otherwise permitted hereunder, (iv) changes to the relevant systems, processes or personnel of Service Recipient, or (v) Force Majeure as further provided in Section 8.

(c) Service Provider shall not make changes in the manner of providing a Service unless (i) Service Provider is making similar changes in a Self-Service being performed for itself or its Subsidiaries or such changes are *de minimus*, in each case so long as such changes do not prevent Service Provider from meeting the Performance Standards, (ii) such changes are

required by Service Provider or Service Recipient pursuant to applicable Law, or (iii) Service Recipient provides its prior written consent (which shall not be unreasonably withheld, conditioned or delayed) to such changes (in each case, for the avoidance of doubt, with the costs of any such change to be included in the calculation of Service Costs).

(d) The Parties hereto acknowledge that it is currently contemplated that Leidos will be moving corporate headquarters following the Distribution Date and Leidos and New SAIC shall each cooperate and work in good faith to limit the disruption in any required transition of any Service to such new location.

(e) All Services shall be performed in compliance with applicable Law, including all applicable U.S. and non-U.S. laws and regulations relating to export controls, sanctions, and imports, including those regulations maintained by the U.S. Department of the Treasury's Office of Foreign Assets Control, the Export Administration Regulations maintained by the U.S. Department of Commerce, Bureau of Industry and Security, the Foreign Corrupt Practices Act and the International Traffic in Arms Regulations maintained by the U.S. Department of State, Directorate of Defense Trade Controls.

(f) Except as provided in the applicable Services Schedule for a Service, in providing, or causing to be provided, the Services, Service Provider shall only provide employees or agents of Service Recipient with access to systems or software to the extent that such employees or agents of Service Recipient or its Subsidiaries had authorized access immediately prior to the Distribution Date, or are replacement employees or agents of Service Recipient or its Subsidiaries.

(g) Unless otherwise set forth in the applicable Services Schedule and except as may be otherwise required (or prohibited) by applicable Law, in performing the Services, Service Provider shall prepare and furnish to Service Recipient reports concerning the Services, which reports shall contain substantially the same data, in substantially the same format, and prepared and delivered on substantially the same timetable, as reports prepared by Service Provider with respect to such Services during the six month period prior to the Distribution Date (excluding any reports solely prepared in contemplation of the Distribution). Upon Service Recipient's written request for modifications to the reporting and data transfer practices reasonably required to assist Service Recipient in transitioning off the Service, Service Provider shall cooperate and consult in good faith with Service Recipient to make such modifications; provided that if Service Provider reasonably determines in its sole discretion that any such modification may cause Service Provider to be in breach of its other obligations to Service Recipient, then Service Provider shall not be under any obligation to make such modifications.

(h) Service Provider shall make available such personnel as may be required to provide the Services, including any specific personnel designated on the applicable Services Schedule. Except as otherwise provided in the applicable Services Schedule, Service Provider shall have the right to designate which personnel it will assign to perform the Services. Service Provider also shall have the right to remove and replace any such personnel at any time or designate any of its Affiliates or a Third Party Provider (subject to Section 1(c) herein) at any time to perform the Transition Services; provided that Service Provider shall use its commercially reasonable efforts consistent with past practice to limit the disruption to Service

Recipient in the transition of the Services to different personnel; provided further that if a Services Schedule designates a certain person as a “key personnel”, if such person is no longer in the employ of the Service Provider or its Affiliates or is otherwise not available to perform the Services, then the portion of such Service performed by such person may be terminated by Service Recipient upon fifteen (15) days prior written notice to Service Provider, even if prior to the end of the Minimum Service Period. Except as set forth in the Services Schedules, Service Provider shall have no obligation to retain any individual employee for the sole purpose of providing a particular Service.

(i) In the event Service Recipient or any of its Affiliates hires an employee of Service Provider or its Affiliates, and such employee was material to providing Services to Service Recipient, Service Provider shall have the option, in its sole discretion (in addition to any other remedies available to it under the Distribution Agreement or otherwise), upon ten (10) Business Days’ written notice to Service Recipient to suspend its obligations with respect to the Services performed by the hired employee (with a reduction in the applicable Service Costs associated with the hired employee) effective on the date of such employee’s termination of employment with Service Provider. Any provision of Service following a reduction in Service Provider’s obligations pursuant to this Section shall be deemed to be consistent with Service Provider’s obligations under this Agreement, so long as Service Provider satisfies the Performance Standards and the obligations contained in this Section 4 with respect to such Service.

(j) Each Party agrees that it shall be responsible for compliance by its personnel (including any Third Party Provider) performing or otherwise involved with Services with all of the terms and conditions of this Agreement.

(k) Each Party shall notify the other Party in writing as promptly as practicable after becoming aware of any default or breach of this Agreement committed by either it or the other Party. Service Provider shall notify Service Recipient of any event that may reasonably be expected to materially impact a Service provided hereunder.

(l) In the event Service Provider has received a written notice of default or breach in the performance of a Service hereunder (including as a result of material error(s) in the performance of such Service), it will use its best efforts to cure such default or breach. In the event Service Provider is unable to cure such breach or default within thirty (30) days from receipt of notice thereof, in addition to the rights available under Section 11, there shall be an adjustment to Service Costs to reflect the costs to Service Recipient associated with such default, breach or error, including any reasonable out-of-pocket costs and expenses incurred by Service Recipient in retaining any Third Party Provider to provide such Service or in providing such Service itself.

5. **New Services**. If, after the date hereof and on or prior to the 90th day following the Distribution Date, the Parties mutually determine that a service required by Service Recipient and provided by Service Provider or one of its Subsidiaries prior to the Distribution Date was inadvertently omitted from the Services Schedules, Service Recipient may request that Service Provider perform such service (“New Service”) in addition to the Services being provided hereunder. Service Provider shall promptly begin performing any New Service consistent with

past practice upon a timely written request from Service Recipient (which request may be in the form of email) that includes (a) a description of the New Service, and (b) a schedule for commencing and completing such New Service. Thereafter, Service Provider and Service Recipient shall enter into good faith negotiations to agree to an amendment to the Services Schedules providing for such New Service; provided that if no agreement for an Additional Service Schedule Amendment has been reached in writing in thirty (30) days, such New Service shall be deemed to have a Termination Date of one year from the Distribution Date, with Service Costs as provided for in Section 2(a), calculated as if the amendment to the Services Schedule for such New Service were silent regarding costs and expenses (such amendment or deemed amendment pursuant to the foregoing proviso, an “Additional Service Schedule Amendment”). Any New Service shall be considered a Service hereunder and the Services Schedules shall incorporate, and be deemed to be duly amended by, such Additional Service Schedule Amendment.

6. Intellectual Property; IT Security.

(a) Service Recipient agrees to comply with, and to cause its Subsidiaries to comply with, the terms of any license or other agreement of Service Provider or any of its Affiliates relating to software that is provided to Service Recipient and is used in connection with the provision of any Services hereunder; provided that in the event that Service Provider enters into new software licenses after the Distribution Date, Service Recipient shall have the prior opportunity to review and confirm its ability to comply therewith, which it shall do reasonably and in good faith. In the event that Service Recipient provides notice of its inability to comply therewith, Service Provider may in its sole discretion suspend its provision of any Services under such new software licenses effective after thirty (30) days’ notice of the same. While such Service is suspended, Service Provider shall use commercially reasonable efforts to identify alternative software with accompanying licenses acceptable to Service Recipient. Upon entering into new software licenses acceptable to Service Recipient, Service Provider shall resume or commence providing Service. Service Recipient shall indemnify Service Provider for any claims by third parties arising out of or in connection with Service Recipient’s noncompliance with or violation of software licenses relating to software that is provided to Service Recipient and is used in connection with the provision of any Services hereunder; provided that Service Recipient will not be obligated to indemnify Service Provider for any software that is the subject of an above-described notice of inability to comply with license after the date that Service Provider receives such notice. Subject to the foregoing, the Parties shall cooperate to identify any material licenses or consents necessary for such provision and shall use commercially reasonable efforts to minimize the costs associated therewith.

(b) If the receipt or provision of any Service hereunder requires the use by a Party of the Intellectual Property (other than Trademarks) of the other Party, then such Party and its Affiliates shall have the non-exclusive, royalty-free, non-sublicensable (except as required for its and its Affiliates’ receipt or provision of Services) right and license to use such Intellectual Property for the sole purpose of, and only to the extent necessary for, the receipt or provision of such Services hereunder, pursuant to the terms and conditions of this Agreement. This license does not permit a Party to access, possess, or modify the source code of the other Party or to reverse engineer the software of the other Party. Upon the Termination Date applicable to such Service, or the earlier termination of any Services in accordance with Section 11, the license

herein to the applicable Intellectual Property will terminate; and the applicable Service Recipient and/or Service Provider shall cease all use of the Intellectual Property licensed hereunder. Nothing in this Section 6(b) shall be deemed to limit, modify or terminate any License Agreement between the Parties.

(c) Subject to the limited licenses granted in Section 6(b), and unless the Parties expressly agree otherwise in the Services Schedules or in a separate written agreement executed by authorized personnel of each Party, each Party shall exclusively own any Intellectual Property that it creates, develops or invents in connection with the provision of any Services hereunder.

(d) While using or accessing any computers, systems, software, networks, information technology or related infrastructure or equipment (including any data stored thereon or transmitted thereby) ("Systems") of the other Party (whether or not a Service), each Party shall and shall cause each of its Affiliates to, comply with all applicable Laws and adhere in all respects to the other Party's controlled processes, policies and procedures (including any of the foregoing with respect to Confidential Information, data, communications and system privacy, operation, security and proper use) as in effect on the Distribution Date or as communicated to such Party from time to time in writing.

(e) Those employees of Service Recipient and Service Provider (or their respective Affiliates) having access to the other Party's Systems may be required by Service Provider or Service Recipient, as the case may be, to enter into a customary non-disclosure or similar agreement in connection with, and as a condition to, such access.

7. **Records and Audits.** Service Provider shall provide to Service Recipient, upon Service Recipient's request, taking into consideration the financial reporting, internal controls and other public company requirements of the Parties, all information and records reasonably required to maintain full and accurate books relating to the provision of Services to the extent any such information and/or records were provided or maintained during the twelve month period prior to the Distribution Date, excluding any actions taken in contemplation of the Distribution. Upon reasonable notice and reasonable request from the Service Recipient, and at the Service Recipient's cost, Service Provider shall (a) make available for inspection and copying by Service Recipient's agents or representatives such information, books and records reasonably relating to the Services during reasonable business hours and (b) certify that the controls in effect prior to the Distribution Date continue to be in effect, or if Service Provider is aware of any instances where such controls are not so in effect, in lieu of certification for such instances, provide a list of such instances and descriptions of the change in such controls thereof. Each Party shall keep and preserve all such aforementioned records for a period of at least eight (8) years from and after the end of the relevant Services term.

8. **Force Majeure; Reduction of Services.** No Party (or any Person acting on its behalf) shall have any liability or responsibility for failure to fulfill any obligation (other than a payment obligation) under this Agreement so long as and to the extent to which the fulfillment of such obligation is prevented, frustrated, hindered or delayed as a consequence of circumstances of Force Majeure. A Party claiming the benefit of this provision shall, as soon as reasonably practicable after the occurrence of any such event: (a) notify the other Party of the nature and

extent of any such Force Majeure condition and (b) use due diligence to remove any such causes and resume performance under this Agreement as soon as feasible. Notwithstanding the foregoing, Service Recipient shall be entitled to terminate Services so affected by a Force Majeure that continues for a period of fifteen (15) days or more upon five (5) days' prior written notice in respect of any such delay or failure resulting from any such Force Majeure without any penalty or obligation to pay for Services not performed.

9. TSA Leaders; Dispute Resolution.

(a) Each Party shall nominate in writing one representative to act as the primary contact with respect to the provision and receipt of Services (a "TSA Leader"), with the initial TSA Leaders as listed on Schedule D. Each Party may, at its discretion, from time to time select another individual to serve in these capacities during the term of this Agreement; provided that each Party shall notify the other Party promptly (and in any event within five (5) Business Days) of any change in an individual serving in this capacity, setting forth the name and contact information of the replacement, and stating that such replacement is authorized to act for such Party in accordance with this Section 9(a).

(b) The TSA Leaders shall meet as expeditiously as possible to resolve any dispute hereunder, and notwithstanding anything in Article IX (Dispute Resolution) of the Distribution Agreement to the contrary, in the event any dispute is not so resolved within thirty (30) days, a TSA Leader may provide written notice of such dispute to the General Counsel of each Party (or such other executive as designated by the General Counsel of such Party), who shall attempt within a period of fifteen (15) days following the end of such previous thirty (30) day period to conclusively resolve any such issue, and in the event the dispute remains unresolved following such fifteen (15) day period, the dispute may be submitted to mediation in accordance with Section 9.2 (Mediation) of the Distribution Agreement, and if any dispute remains unresolved after the Mediation Period, such dispute shall be determined, at the request of either Party, by arbitration in accordance with Section 9.3 (Arbitration) of the Distribution Agreement and the other applicable provisions of Article IX (Dispute Resolution) of the Distribution Agreement. Nothing in this Section 9 or any provision of the Distribution Agreement shall be construed to prevent a Party from applying to any court of competent jurisdiction for interim measures or other provisional relief in connection with the subject matter of any disputes.

(c) In the event of any dispute between the Parties regarding a Service, prior to the applicable Termination Date, Service Provider shall not discontinue the supply of any such Service, unless (i) so provided for in a settlement agreement between the Parties or arbitral determination pursuant to and in accordance with Section 9(b) herein and Article IX of the Distribution Agreement, (ii) Service Recipient has failed to pay Service Provider undisputed amounts for a Service in accordance with the terms hereof, in which case Service Provider may terminate such Service as provided in accordance with Section 11(d); or (iii) as requested by Service Recipient pursuant to a Termination Notice.

10. Disclaimer; Limited Liability.

(a) Service Recipient acknowledges that the Services being provided pursuant to this Agreement are provided as an accommodation to Service Recipient. Other than in the event of Service Provider's gross negligence or willful misconduct or a violation of applicable Law, Service Provider will not be liable for any error or omission in rendering Services under this Agreement, or for any defect in Services so rendered; provided that if there is a material error in, or failure to provide, any of the Services, Service Provider shall use best efforts to attempt to correct the error and/or provide the Service, or if Service Provider is unable to so correct such error and/or provide the Service, to provide an adjustment to the Service Cost for such Service in reasonable proportion to that which the error and/or failure bears to the Service provided for such month, which adjustment shall include any reasonable out-of-pocket costs and expenses incurred by Service Recipient in retaining a Third Party Provider to provide such Service or in providing such Service itself.

(b) Service Provider shall have no responsibility to maintain insurance to cover any loss or damage to goods or equipment to which Service Recipient has title that are in the possession or control of Service Provider, its Affiliates or a Third Party Provider as a result of this Agreement and the risk of loss with respect to such goods or equipment shall be solely with Service Recipient. Service Recipient shall obtain from its insurance company a waiver of subrogation on behalf of Service Provider and its Subsidiaries effective as of Distribution Date. Service Recipient shall have no responsibility to maintain insurance to cover any loss or damage to goods or equipment to which Service Provider has title that are in the possession or control of Service Recipient or its Subsidiaries as a result of this Agreement and the risk of loss with respect to such goods or equipment shall be solely with Service Provider. Service Provider shall obtain from its insurance company a waiver of subrogation on behalf of Service Recipient and its Subsidiaries effective as of the Distribution Date.

(c) EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESSED OR IMPLIED (INCLUDING WARRANTIES OF NON-INFRINGEMENT, MERCHANTABILITY, ACCURACY, SATISFACTORY QUALITY, FITNESS FOR A PARTICULAR PURPOSE OR CONFORMITY TO ANY REPRESENTATION OR DESCRIPTION) ARE MADE BY SERVICE PROVIDER OR ANY OF ITS AFFILIATES WITH RESPECT TO THE PROVISION OF SERVICES UNDER THIS AGREEMENT AND, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ALL SUCH REPRESENTATIONS OR WARRANTIES NOT SET FORTH IN THIS AGREEMENT ARE HEREBY WAIVED AND DISCLAIMED. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, UNDER NO CIRCUMSTANCES, INCLUDING THE FAILURE OF THE ESSENTIAL PURPOSE OF ANY REMEDY, SHALL SERVICE PROVIDER BE LIABLE FOR, INCLUDING BUT NOT LIMITED TO, ANY LOST PROFITS, LOSS OF BUSINESS, INTERRUPTION OF BUSINESS, REMITTANCES, COLLECTIONS, INVOICES, PENALTIES, INTEREST OR FOR INDIRECT, SPECIAL, PUNITIVE, INCIDENTAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES CAUSED BY THE PERFORMANCE OF, ANY DELAY IN THE PERFORMING, FAILURE TO PERFORM OR DEFECTS IN THE PERFORMANCE OF, THE SERVICES CONTEMPLATED TO BE PERFORMED BY SERVICE PROVIDER PURSUANT TO THIS AGREEMENT, REGARDLESS OF WHETHER A PARTY HAS BEEN

11. **Term of Agreement and Service Termination Dates.**

(a) This Agreement (other than Sections 9, 10, 11 and 13) shall terminate upon the last of the Termination Dates in respect of all Services to be provided hereunder; provided that the rights of the Parties in respect of any claims that have accrued prior to such termination shall survive such termination.

(b) For each Service, the "Termination Date" shall be the date specified for a Service on the applicable Services Schedule; provided that the Parties may mutually agree to extend any Service for a reasonable period and such Service may be terminated earlier as provided in this Agreement or in the applicable Services Schedule.

(c) For each Service, the minimum service period ("Minimum Service Period"), if any, during which Service Recipient is obligated to receive such Service is set forth in each Service Schedule.

(i) Service Recipient may terminate any Service on or after its Minimum Service Period and prior to its Termination Date by providing to Service Provider written notice of termination, which shall be deemed irrevocable upon delivery (a "Termination Notice"), by the date as set forth in the applicable Services Schedule, or if no such date is specified, not less than ninety (90) days before the date of such earlier termination or as otherwise may be mutually agreed to by the Parties; provided that if the Services Schedule indicates that any Service is dependent on one or more other Services, then each such Service must be terminated together; provided further that any termination may be on a location by location basis if so indicated on the Services Schedules. If no Minimum Service Period is provided in a particular Services Schedule, such Service may be terminated by Service Recipient at any time before its Termination Date as may be mutually agreed by the Parties.

(ii) Upon the receipt of a Termination Notice, if Service Provider is unable to transition the applicable Service to the Service Recipient or its designee in a commercially reasonable manner which does not unduly disrupt the Service on the requested termination date, Service Provider shall use commercially reasonable efforts consistent with past practice to transition such Service as soon as possible, and any resulting third party, out-of-pocket costs to Service Recipient shall be shared equally between Service Provider and Service Recipient.

(d) In the event either Party breaches or defaults in the performance of a Service, and if such breach or default is not cured within thirty (30) days after written notice from the other Party specifying such breach or default as provided in Sections 4(k) and (l), then the Service Recipient may at any time thereafter terminate, at its option, any such Service that is the subject of such default by giving five (5) days prior written notice to Service Provider.

12. **Independent Contractor.** The Parties hereto understand and agree that this Agreement does not make either of them an agent or legal representative of the other for any purpose whatsoever. No Party is granted, by this Agreement or otherwise, any right or authority to assume or create any obligation or responsibilities, express or implied, on behalf of or in the name of any other Party, or to bind any other Party in any manner whatsoever. The Parties expressly acknowledge (a) that Service Provider is an independent contractor with respect to Service Recipient in all respects, including the provision of the Services, and (b) that the Parties are not partners, joint venturers, employees or agents of or with each other.

13. **Confidentiality.**

(a) Any Confidential Information of either Party shall be subject to Section 8.6 of the Distribution Agreement, provided that a Party's Confidential Information may be used in connection with the provision and receipt of the Services and Confidential Information may be provided to Third Party Providers to the extent required to perform any such Service, provided that such Third Party Provider is subject to appropriate and customary confidentiality obligations. In connection with any permitted disclosure of this Agreement to any third party, each Party shall redact the portions of the Services Schedules that are not relevant to such third party's inquiry.

(b) It is further understood and agreed that money damages may not be a sufficient remedy for any breach of this Section 13 and that each Party shall be entitled to seek equitable relief, including injunction and specific performance, as remedy for any such breach. Such remedies shall not be deemed to be the exclusive remedies for a breach, but shall be in addition to all other remedies herein described available at law or equity.

14. **Beneficiary of Services; No Third Party Beneficiaries.** This Agreement is for the sole benefit of the Parties hereto, and nothing expressed or implied shall give or be construed to give any person any legal or equitable rights hereunder, whether as a third-party beneficiary or otherwise. Each Party agrees, and each Party in its capacity as a Service Recipient represents and warrants, that the Services shall be provided solely to, and shall be used solely by, Service Recipient and its Subsidiaries. Service Recipient shall not resell or provide the Services to any other Person, or permit the use of the Services by any Person other than Service Recipient and its Subsidiaries.

15. **Entire Agreement.** This Agreement, together with the Distribution Agreement and the other Ancillary Agreements, constitutes the entire agreement of the Parties with respect to the subject matter hereof, and supersedes all prior agreements, understandings and negotiations, both written and oral, between the Parties with respect to the subject matter hereof. In the event and to the extent that there shall be a conflict between the provisions of this Agreement and the provisions of the Distribution Agreement or any other Ancillary Agreement, the Parties agree that this Agreement shall govern. The Parties agree that, in the event of an express conflict between the terms of this Agreement and a Services Schedule, the terms of the Services Schedule shall govern.

16. **Amendment; Waiver.** This Agreement and the Services Schedules may be amended, and any provision of this Agreement may be waived, if but only if such amendment or

waiver is in writing and signed, in the case of an amendment, by each of the Parties, or in the case of a waiver, by the Party against whom the waiver is effective. No failure or delay by either Party in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

17. **Notices.** All notices, requests and other communications to any Party hereunder shall be in writing (including teletype or similar writing) and shall be given as follows:

if to Leidos or to any of its Affiliates:

Leidos, Inc.
11951 Freedom Drive
Reston, VA 20190
Attn: General Counsel

if to New SAIC or to any of its Affiliates:

Science Applications International Corporation
1710 SAIC Drive
McLean, VA 22102
Attn: General Counsel

or to such other address or teletype number and with such other copies, as such Party may hereafter specify for the purpose of notice to the other Parties. Each such notice, request or other communication shall be effective (a) if given by fax, when such fax is transmitted to the fax number specified in this Section 17 and evidence of receipt is received or (b) if given by any other means, upon delivery or refusal of delivery at the address specified in this Section 17.

18. **Non-Assignability.** Neither this Agreement nor any of the rights, interests or obligations of either Party hereunder may be assigned or transferred by any such Party without the prior written consent of the other Party (not to be unreasonably withheld, delayed or conditioned), and any purported assignment, without such prior written consent shall be null and void; provided that a Party may assign or transfer all its rights hereunder without such consent to an acquirer in connection with a sale of all or substantially all of its assets or other similar change in control of such Party.

19. **Further Assurances.** From time to time after the date hereof, without further consideration, each Party shall use commercially reasonable efforts to take, or cause to be taken, all appropriate action, do or cause to be done all things reasonably proper or advisable under applicable Law, and execute and deliver such documents as may be required or appropriate to carry out the provisions of this Agreement and to consummate, perform and make effective the transition contemplated hereby.

20. **Definitions and Rules of Construction.**

(a) Defined terms used in this Agreement have the meanings ascribed to them by definition in this Agreement or in the Distribution Agreement.

(b) This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the Party drafting or causing any instrument to be drafted.

(c) Whenever the words “include”, “including”, or “includes” appear in this Agreement, they shall be read to be followed by the words “without limitation” or words having similar import.

(d) As used in this Agreement, the plural shall include the singular and the singular shall include the plural.

21. **Counterparts; Effectiveness.** This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. Copies of executed counterparts transmitted by telecopy, telefax or other electronic transmission service shall be considered original executed counterparts for purposes of this Section 21, provided that receipt of copies of such counterparts is confirmed. This Agreement shall become effective when each Party has received a counterpart hereof signed by the other Party hereto.

22. **Section Headings.** The section headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

23. **Severability.** If any provision of this Agreement shall be declared by any court of competent jurisdiction to be illegal, void or unenforceable, all other provisions of this Agreement shall not be affected and shall remain in full force and effect, and the Parties shall negotiate in good faith to replace such illegal, void or unenforceable provision with a provision that corresponds as closely as possible to the intentions of the Parties as expressed by such illegal, void, or unenforceable provision.

24. **Governing Law.** This Agreement shall be governed by and construed in accordance with the Laws of the State of Delaware without reference to any choice-of-law or conflicts of law principles that would result in the application of the laws of a different jurisdiction.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first above written.

SAIC, INC.

By: /s/ John P. Jumper

Name: John P. Jumper

Title: Chief Executive Officer

SAIC GEMINI, INC.

By: /s/ Anthony J. Moraco

Name: Anthony J. Moraco

Title: Chief Executive Officer

SCHEDULE A

Service Provider: Leidos

Service Recipient: New SAIC

Service to be provided:

Schedule A-1

Service: Human Resources – Total Rewards (Benefits, Stock, Retirement, Payroll)

Capitalized terms used herein and not otherwise defined shall have the meaning assigned such term in the Master Transition Services Agreement (“Agreement”). Upon the terms and subject to the conditions of this Service Schedule and the Agreement, the Service Provider shall provide to Service Recipient the services identified below (collectively, the “Service”). The Service provided hereunder is subject in all respects to the terms and conditions of the Agreement, except where expressly noted.

SERVICE PROVIDER: Leidos

SERVICE RECIPIENT: New SAIC

SERVICE OWNERS:

All service matters and general inquiries regarding this Service should be directed to:

<u>Name and Title</u>	<u>Phone</u>	<u>e-mail</u>
Leidos George Reiter, SVP Director – Total Rewards	703-676-5084	george.b.reiter@saic.com
New SAIC Dede O’Donnell, SVP Director – Compensation & Benefits	703-676-6529	deborah.h.o’donnell@saic.com

GENERAL SERVICE DESCRIPTION:

Service Provider will provide continuation of employee benefits coverage under the Leidos Group for New SAIC employees under specified plans for the balance of plan year (CY) 2013. The continuation of coverage under the Leidos Group shall include benefits administration, benefits accounting and claims payment services to ensure continuity of programs and plans.

Service Provider shall provide professional/administrative support/guidance/consultation and training in the Total Rewards area, as requested, to Service Recipient on an as needed/requested basis.

SERVICE PERIOD AND TERMINATION:

Service Period and Termination Date: Service Provider will provide the Service to Service Recipient from the Distribution Date for a period of up to 1 year (or through August 1, 2014 (“Termination Date”). Additionally, Service Provider will provide claims runout payment services through June 30, 2014, unless Service Provider and Service Recipient separately agree in writing that claims runout payment services shall be extended beyond June 30, 2014.

Minimum Service Period and Early Termination by Service Recipient: The Service will be provided for a minimum period of 6 months or until the end of the 2014 fiscal year, whichever is earlier, from the Distribution Date (“Minimum Service Period”).

SCOPE OF SERVICE AND PRICING:

Base Service

Specific description of Service to be provided includes:

- Obligations of Service Provider – Service provider shall be responsible for:
 - payment of claims for the self-insured medical and dental plans (administered by Aetna & Anthem), payment of monthly service fees, payment of runout claims (claims incurred prior to January 1, 2014 but processed after January 1, 2014),
 - payment of claims and fees for the self-insured pharmacy plan (ESI) and coordination of year-end rebates as needed,
 - payment of premiums to the fully-insured carriers (CIGNA for life, AD&D, LTD) and to AON Hewitt (CIGNA Int’l medical & dental plans, Dominion Dental plan, HMSA, Kaiser, VSP),
 - payment of administrative fees to vendors for other services (Budco, Conexis, Health Advocate, Staywell, and HDMS),
 - administration/management as required through the Leidos VEBA, preparation & filing of 5500 & Schedule A for the 2013 plan year, and preparation & filing of any other required documents,
 - timely invoicing to Service Recipient for services provided and costs of benefits programs, and
 - continued employment of employees on short-term disability at the Distribution Date (CA only or all states, as determined) and payment of benefits to employees (CA SDI, VSDI, DSL – as appropriate) and notification/coordination with Service Recipient as employees are released to return to work to effect an orderly transition from Leidos to New SAIC.
- Obligations of Service Recipient – Service Recipient shall be responsible to:
 - provide requested information/confirmation to Service Provider in order for Service Provider to fulfill its obligations and ensure accuracy in premium payments and accounting,
 - fund or reimburse Service Provider for payments made on behalf of Service Recipient to providers and recipients within 30 days, and

- coordinate with Service Provider to ensure orderly transition of employees released to return to work from disability from Leidos to New SAIC.
- Key functions—which will require regular interface/coordination—include Benefits (Total Rewards/HR), Treasury (Finance), Shared Services (SSC/HR) and Benefits Accounting (SSC/Finance).
- Service Provider’s deliverables include monthly documentation of timely payment of claims and fees/premiums, reporting requirements include the provision of monthly total claims paid.
- All documentation will be delivered via email.
- Service Provider will provide ad hoc reporting as requested by Service Recipient.
- Service Provider will provide FSA/HSA reconciliation after plan year end (per EMA).
- As requested by Service Recipient, Service Provider will support, advise and train Service Recipient benefits, retirement, stock and payroll staff regarding administration and maintenance.
- Service Provider will prepare and file any reports as required by government agencies or other recipients.

Pricing

In accordance with the Agreement, Service Recipient shall pay Service Provider an amount equal to the Service Costs for all Services provided to Service Recipient plus the actual premiums/rates paid to vendors on behalf of Service Recipient. It is estimated that time for providing the services and any additional consulting will be approximately 40 hours per week through FY 2014 and 5 hours per week for the remainder of the Service Period. Estimated hours per week are allocated as follows: HR/Total rewards – 15 hours, Benefits Accounting – 10 hours, SSC/HR –15 hours (due to open enrollment related fluctuations) for the remainder of FY 2014. An estimated loaded cost is 40 hours X \$100 per hour X 13 weeks or \$52,000 per quarter. Additionally, benefit program costs will be based on actuals as agreed by Service Provider and Service Recipient.

Service Greater or Less Than Pre-Distribution Date

For the limited set of services outlined in this Services Schedule, it is intended that support shall not be different from that which has been provided in the 6 months prior to the Distribution Date (August, 2013).

Service Levels

Services will be provided in a manner consistent with the Performance Standards set forth in the Agreement.

Exit Services

The following services will be provided by Service Provider in connection with the termination of the Service:

- Final reports of claims, fees and premiums paid on behalf of Service Recipient;
- Runout claims processing through June 30, 2014.

Supplemental Services

For requests for supplemental services relating to the Service by Service Recipient not described in this Service Schedule or not included within the pricing documented in this Service Schedule or the Agreement, Service Recipient will provide a discreet written project request and submit such request to Service Provider for consideration by Service Provider.

LOCATIONS/GEOGRAPHIC COVERAGE:

The Service Provider will provide the Service at the Leidos corporate headquarters office and the Shared Services Center office.

ADDITIONAL TERMS, CONDITIONS AND OTHER INFORMATION:

None.

Schedule A-2

Service: Proprietary Alarm Monitoring (C*cure-based)

Capitalized terms used herein and not otherwise defined shall have the meaning assigned such term in the Master Transition Services Agreement (“Agreement”). Upon the terms and subject to the conditions of this Service Schedule and the Agreement, the Service Provider shall provide to Service Recipient the services identified below (collectively, the “Service”). The Service provided hereunder is subject in all respects to the terms and conditions of the Agreement, except where expressly noted.

SERVICE PROVIDER: Leidos

SERVICE RECIPIENT: New SAIC

SERVICE OWNERS:

All service matters and general inquiries regarding this Service should be directed to:

<u>Name and Title</u>	<u>Phone</u>	<u>e-mail</u>
Leidos Kirk Poulsen Chief Security Officer	703-676-2704	poulsenk@saic.com
New SAIC Steve Colo Chief Security Officer	703-676-5732	colos@saic.com

GENERAL SERVICE DESCRIPTION:

Service Provider will perform alarm monitoring, notification and related activities for all relevant Ccure systems under Service Recipient’s management/cognizance (classified and unclassified). The Service will conform to established services and service levels of SAIC in effect as of the Distribution Date, in compliance with UL 2050, NISPOM, ICD and related instructions, as applicable.

Where the Service Provider has contract guards under the SAIC/JLL/PGS contract that provide physical alarm response for locations that will transfer to New SAIC, such contract guard services will be maintained as part of the terms of this Service.

SERVICE PERIOD AND TERMINATION:

Service Period and Termination Date: Service Provider will provide the Service to Service Recipient through Wednesday, December 31, 2014 (the "Termination Date"). A service extension is not anticipated but may be required in the event that Service Recipient has not established the requisite contract/agreement/capability to migrate from Service Provider by the Termination Date. Any such extension will not exceed 90 days from the Termination Date.

Minimum Service Period and Early Termination by Service Recipient: The Service will be provided for a minimum period of 30 days from the Distribution Date ("Minimum Service Period"). After the Minimum Service Period ends, Service Recipient can elect to terminate the Service upon 30 days prior notice to Service Provider.

SCOPE OF SERVICE AND PRICING:

Base Service

In general, alarm monitoring consists of alarm signal recognition via the automated system(s) located in Service Provider's SOC (security operations center) or backup method by the SOC officer; alarm signal assessment; review of applicable instructions; appropriate notification per instructions; annotation/documentation of actions, findings, etc. in the system or on hardcopy; and additional support/coordination actions as may be required. With respect to the categorization of the alarms (classified, unclassified), the following apply:

- *Classified* – All services are to be provided in accordance with the UL 2050 standard for National Industrial Security Systems, as well as applicable NISPOM, ICD and related directives, under Service Provider's CRZM listing as a UL-certified monitoring station, national industrial security. Service Recipient alarms shall be managed per the automated instructions associated with each or as per the UL 2050 and applicable hardcopy instructions should the automated system be down. Service Recipient is responsible for updating the necessary alarm instructions as needed.
- *Unclassified* – Alarms received from unclassified Service Recipient locations shall be acted upon in a manner equivalent to those received from Service Provider locations, with priority given to classified alarms where there is conflict or overlap. Service Recipient alarms shall be managed per the automated instructions or applicable hardcopy instructions associated with each. Should the automated monitoring system be down, Service Recipient system administrators are to be notified within 15 minutes of the outage.

Key personnel for alarm monitoring activities include:

- SOC Officers (SECRET cleared contract security guards) under Service Provider management
- Service Provider system administrators
- Service Recipient system administrators
- Local/area security managers for classified zones and/or monitored facilities

Pricing

The estimating team looked at monitoring from the perspective of the protected area, facility or alarm point, depending on the requirement; so deriving the cost for a TSA was a bit of a challenge. When considering the above "criteria" in terms of the future scope for each of the new companies, it was determined that New SAIC would consume approximately 20.75% of the total volume managed by Leidos. Fixed costs tied to the monitoring operations which include rent, office services, system hardware/software, administrative and contract security officer labor was then looked at to determine a complete current cost. That sum total came out to \$244,401 for 1 year of service. At 20.75%, New SAIC's share would then be \$50,713 annually or ~\$12,600 per quarter.

Service Levels

Alarms received shall be addressed in order of criticality followed by sequence (order of arrival), irrespective of being a Leidos alarm or an SAIC alarm. In accordance with UL 2050, priority is to be given to classified alarms over all others with the exception of life safety. Any planned or unscheduled downtimes, service interruptions, etc. will be communicated to Service Recipient key personnel and affected area personnel in accordance with guiding standards or as soon as reasonably possible.

Exit Services

In support of Service termination, Service Provider will maintain service levels until Service Recipient has confirmed transition of the services to a new provider. The exit transition may involve a phased termination of services/locations over a period of time. Service Provider will also support the transfer of any historical or configuration data related to the monitoring services provided under this Service to Service Recipient.

Supplemental Services

With the elimination of Service Recipient's centralized command center, the parties agree to negotiate additional services and the pricing for such services in good faith.

LOCATIONS/GEOGRAPHIC COVERAGE:

The Service will be provided for all Ccure-supported locations managed by Service Recipient (existing and new).

ADDITIONAL TERMS, CONDITIONS AND OTHER INFORMATION:

Not Applicable.

Schedule A-3

Service: ITS – Wide Area Network (WAN)

Capitalized terms used herein and not otherwise defined shall have the meaning assigned such term in the Master Transition Services Agreement (the “Agreement”). Upon the terms and subject to the conditions of this Service Schedule and the Agreement, the Service Provider shall provide to Service Recipient the services identified below (collectively, the “Service”). The Service provided hereunder is subject in all respects to the terms and conditions of the Agreement, except where expressly noted.

SERVICE PROVIDER: Leidos

SERVICE RECIPIENT: New SAIC

SERVICE OWNERS:

All service matters and general inquiries regarding this Service should be directed to:

<u>Name and Title</u>	<u>Phone</u>	<u>e-mail</u>
Leidos Rich Clifton Director of Infrastructure Operations	703-676-6565 732-312-6565	richard.d.clifton@saic.com Richard.d.clifton@leidos.com
New SAIC Barbara Shurtleff (Acting) Director of Network & Collaboration	703-676-4819 703-459-4757	Barbara.A.Shurtleff@saic.com

GENERAL SERVICE DESCRIPTION:

Service Provider will manage and administer communication circuits to establish connectivity to provide network transport (WAN) to the Service Recipient.

SERVICE PERIOD AND TERMINATION:

Service Period and Termination Date: Service Provider will provide the Service to Service Recipient from the Distribution Date through the date that is 6 months after the Distribution Date (“Termination Date”). Both parties can agree in writing to extend or renew the Service for a longer period.

Service Recipient can elect to terminate the Service upon 90 days’ prior written notice to Service Provider.

Additionally, in the event of early termination of data circuit(s) prior to the end date of the Sprint or Level 3 contract associated with the circuit during the Minimum Service Period, the Service Recipient shall be liable for early termination fees associated with the contract.

SCOPE OF SERVICE AND PRICING:

Base Service

Type of activity / service

Description

WAN Connectivity Service Provider will provide Service Recipient with access to existing wide area network data, Site2Site VPNs to and from sites where Service Recipient has dedicated or shared personnel / hardware assets connected to the network.

Service Provider will provide the Service until Service Recipient has secured services to support its own network, but no later than the end of the Service Period.

The Service Period shall be governed by timing of expiration of existing contracts with the various 3rd party service providers.

Service Provider will allow Service Recipient access to existing MPLS networks for the Service Period of the Agreement or until Service Recipient has secured similar services to support its own data center(s), whichever comes first.

WAN interim trust connectivity

Service Provider will establish connectivity between Service Provider and Service Recipient's MPLS network to allow access to shared systems (applications / access) during the Service Period. The trust will be established prior to Distribution Date and maintained / supported through full separation of the data centers.

Provisioning services

Service Provider shall support Service Recipient requests to add new services and change requests for existing services. Key Service Provider activities include:

1. Provisioning of new circuits
2. Provisioning for redundant circuits, where required
3. If a circuit is reaching the current recommended capacity, the Service Provider will inform Service Recipient of the issue and ask for decision on moving the service to a circuit with greater capacity.
4. Establishing a WAN forwarding to Service Recipient's new WAN cloud.

Vendor management

The Service Provider shall be responsible for maintaining vendor relationships and communicating with vendor(s) in order to facilitate the provisioning process and ongoing maintenance of the service.

Resourcing The following is a list of key resources (management and engineers) will be required to support this TSA Schedule:

- Leidos**
- John Brady
 - Kumar Velayutham
 - Zack Tennant
 - Rohan Dabay
 - Michael Jenkins

- New SAIC**
- Barb Shurtleff
 - Ian Slade
 - Ryan Gursky
 - Kay Weng

Out of scope

Responsibility for monitoring and help desk services related to these services is not part of the Service and is expected to be handled as part of a separate agreement between the Service Provider and the Service Recipient.

Pricing

Assumptions:

1. FY14 WAN Services costs will be the same as FY13 WAN Services costs.
2. Each company will pay hardware costs (depreciation and maintenance) for owned hardware assets.
3. Shared hardware costs will be allocated proportionally to usage—current estimate 60% Service Provider | 40% Service Recipient.
4. Each company will pay software costs (depreciation and maintenance) for owned assets.
5. Shared software costs will be allocated proportional to usage—current estimate 60% Service Provider | 40% Service Recipient.
6. Each company will provide its own staff—Labor = \$0.
7. Each company will pay its own travel—Travel = \$0.
8. Consultant costs for company specific incidents/problems will be paid for by impacted company.
9. Consultant costs for shared systems will be proportional to used—current estimates 60% Service Provider | 40% Service Recipient.
10. Each company will pay facilities costs for own staff.
11. Common facilities costs will be allocated proportional to usage base—current estimate 60% Service Provider | 40% Service Recipient

In accordance with the Agreement, Service Recipient shall pay Service Provider an amount equal to the Service Costs for all Services provided to Service Recipient, subject to the following:

Circuit costs

- **Dedicated Sites** (Sites where all personnel / assets are part of the Service Provider or Service Recipient's organization) – Service Provider and Service Recipient will be directly charged for the actual cost of the circuits supporting each company.
- **Shared Sites** (Sites where Service Provider / Service Recipient personnel are co-located) – Service Recipient will be charged a fee based on the number of Service Recipient employees using the shared circuit in proportion to the total number of Service Provider and Service Recipient employees (i.e. total headcount at the site) at the site as set forth below.

Methodology:

- *Service Recipient cost = (Circuit Cost * Service Recipient headcount at site) / Total Site Headcount*
- The total estimated monthly cost to the Service Recipient [for the entire Service] is approximately \$ 944,000 per year or \$236,000 per Quarter based on SAIC's existing contract and historical costs.

Service Levels

Service Provider will maintain service levels commensurate with the **aggregate WAN circuit and core infrastructure availability** of 99.9% uptime.

Service Provider will furnish the standard reports (as provided 3 months before the Distribution Date) on an ongoing basis until the end of the Service Period. The standard reports are consistent with those provided in the 6 months prior to the Distribution Date. Additional requests outside of normal service delivery (e.g., ad-hoc reports) shall be provided on a "best efforts" basis as Supplemental Services.

Exit Services

Service Provider shall assist Service Recipient with planning and execution of a Service exit strategy. The Service Recipient shall be responsible for design, procurement and overall execution of the plan with support from the Service Provider where required and as requested by Service Recipient. The following are the key areas identified in connection with the termination of the Service:

- Migrating the McLean Core network infrastructure to Lewisville location (Clone Firewall, Core GW, WAN GW & EDMZ)
- Establishing a duplicate Core GW and WAN GW for New SAIC in Carrollton
- Establishing a dedicated MPLS for New SAIC
- Scheduling migration of sites to Recipient's carrier prior to termination of existing carrier connectivity.

Supplemental Services

For Server Recipient Service requests for supplemental services including Exit Services not described in this Service Schedule or not included within the pricing documented in this Service Schedule or the Agreement, Service Recipient will provide a written project request and submit such request to Service Provider for consideration by Service Provider.

LOCATIONS/GEOGRAPHIC COVERAGE:

The locations identified in the Facilities TSA Schedule are the dedicated sites and the shared sites being covered in this Service.

ADDITIONAL TERMS, CONDITIONS AND OTHER INFORMATION:

Service Provider shall be responsible for ensuring that network connectivity services can be provided to the Service Recipient during the Service Period.

Service Provider shall obtain required consent from all related third party service providers (e.g. L3 and Sprint) to split billing for dedicated sites to the appropriate company prior to the Distribution Date in order to ensure business continuity.

Schedule A-4

Service: ITS – BU Hosting Services (Oak Ridge)

Capitalized terms used herein and not otherwise defined shall have the meaning assigned such term in the Master Transition Services Agreement (the “Agreement”). Upon the terms and subject to the conditions of this Service Schedule and the Agreement, the Service Provider shall provide to Service Recipient the services identified below (collectively, the “Service”). The Service provided hereunder is subject in all respects to the terms and conditions of the Agreement, except where expressly noted.

SERVICE PROVIDER: Leidos

SERVICE RECIPIENT: New SAIC

SERVICE OWNERS:

All service matters and general inquiries regarding this Service should be directed to:

<u>Name and Title</u>	<u>Phone</u>	<u>e-mail</u>
Leidos		
Rich Clifton	703-676-6565	richard.d.clifton@saic.com
Director of Infrastructure Operations	732-312-6565	
New SAIC		
Tom Hollenbeck	865-481-2179	thomas.m.hollenbeck@saic.com
Director of Infrastructure Operations	865-256-2179	

GENERAL SERVICE DESCRIPTION:

Service Provider to provide secure application hosting services for Service Recipient’s applications at the Oakridge, TN data center location. Key components include physical touch labor at the location, co-location services, operating system support, VM support, computing and storage, monitoring services, and network connectivity.

SERVICE PERIOD AND TERMINATION:

Service Period and Termination Date: Service Provider will provide the Service to Service Recipient from the Distribution Date through the date that is 6 months after the Distribution Date (“Termination Date”). Both parties can agree in writing to extend or renew the Service for a longer period.

Service Recipient can elect to terminate the Service upon 90 days’ notice to Service Provider.

SCOPE OF SERVICE AND PRICING:

Base Service

- Service Provider will provide co-located hosting services at Oak Ridge, TN facility with support for Windows, Linux, Solaris and VMware.
- Service Provider will provide necessary infrastructure for secure application data storage at the facility.
- Service Provider will provide remote monitoring services for performance, application, database monitoring and overall performance reporting.
- Service Provider will manage security for the facility in accordance with standards (e.g. SG-3, G-10) established prior to Distribution Date.
- Service Provider will provide reliable network connectivity to the location from Service Recipient facilities.
- Service Provider will provide 24X7 support to support incident response and resolution.
- Service Provider will support scheduled and ad-hoc data backup and system restore activities related to ongoing operations as well as business continuity situations.
- Service Provider will perform basic monitoring, troubleshooting of servers, operating systems and applications.
- Service Provider will support routine maintenance activities on server environments.
- Service Provider will support planning activities related to server/virtual environments that host enterprise applications.
- Service Provider will handle required communications with internal/external stakeholders (customers, team members and vendors) to notify / resolve issues
- Key Service Provider personnel are Dale Elrod and Theresa Joyner.

Out of scope

Responsibility for help desk services related to these services is not part of the Service and is expected to be handled as part of a separate commercial agreement between the Service Provider and the Service Recipient (i.e. separate agreement with ISMC).

Pricing

The service recipient shall pay the service provider a fee based on the published service center rates. For FY14, that rate is \$55/virtual machine per period. This rate will change every fiscal year.

The Service Recipient currently has 237 virtual machines in this data center. The estimated costs per Quarter are \$39,105.

Service Levels

- Data retention periods will be set in accordance with the record retention provisions of the Distribution Agreement for similar systems.
- Changes made to backup policies, and data restoration requests are based on Remedy ticket severity.
- Ticket severity SLA (as published on ISSAIC in the Enterprise Services Catalog as of 3 months prior to the distribution date) drives the response time.

Exit Services

Service Provider will provide the following services at the request of Service Recipient in connection with the termination of the Service:

- Provide consulting services for design and implementation of a new solution to replace this Service
- Provide restorations as needed to transfer key system configurations and authorized data, within the Service Period
- Provide access to current documentation towards preventing a lapse in ongoing backup\restore services
- Assist with data segregation (where applicable) and data migration to Service Recipients' new solution prior to termination of this Service.

Supplemental Services

For requests for supplemental services relating to the Service by Service Recipient not described in this Service Schedule, including exit services, or not included within the pricing documented in this Service Schedule or the Agreement, Service Recipient will provide a discreet written project request and submit such request to Service Provider for consideration by Service Provider.

Supplemental services could include projects to replace major pieces components of the infrastructure (e.g., installation of new hardware / new application deployments).

LOCATIONS/GEOGRAPHIC COVERAGE:

The Service Provider will provide the Service from the Oak Ridge, TN facility.

ADDITIONAL TERMS, CONDITIONS AND OTHER INFORMATION:

Service Provider shall be responsible to obtain consent (if applicable) from all third party service providers allowing Service Provider to share the license, infrastructure and support services with the Service Recipient during the Service Period.

Schedule A-5

Service: ITS – System Monitoring Service

Capitalized terms used herein and not otherwise defined shall have the meaning assigned such term in the Master Transition Services Agreement (the “Agreement”). Upon the terms and subject to the conditions of this Service Schedule and the Agreement, the Service Provider shall provide to Service Recipient the services identified below (collectively, the “Service”). The Service provided hereunder is subject in all respects to the terms and conditions of the Agreement, except where expressly noted.

SERVICE PROVIDER: Leidos

SERVICE RECIPIENT: New SAIC

SERVICE OWNERS:

All service matters and general inquiries regarding this Service should be directed to:

<u>Name and Title</u>	<u>Phone</u>	<u>e-mail</u>
Leidos		
Don Mahler	703-676-0080	donald.mahler@saic.com
Enterprise Mgmt. Architect	732-766-9449	
New SAIC		
Susan Schmitt	407-243-3544	Susan.C.Schmitt@saic.com
Director of Business Enablement	407-921-4800	

GENERAL SERVICE DESCRIPTION:

The purpose of this Service Schedule is to provide appropriate telemetry of all key IT systems, networks, and applications, such that all operational events are appropriately managed and that all operational service targets are achieved.

Additionally, Enterprise Management (EMGT) provides operational awareness of production systems. Some of the Services provided include: early warning on production issues, correlation of issues to the effect on the business services, capacity planning reporting across networks, systems, and applications, as well as operational metrics.

SERVICE PERIOD AND TERMINATION:

Service Period and Termination Date: Service Provider will provide the Service to Service Recipient from the Distribution Date through the date that is 6 months after the Distribution Date (“Termination Date”). Both parties can agree in writing to extend or renew the Service for a longer period.

Service Recipient may elect to terminate the Service upon 90 days' written notice to Service Provider.

SCOPE OF SERVICE AND PRICING:

Service Provider Base Service

- Service Provider shall be responsible for providing overall leadership to the joint operational team (made up of Service Provider and Service Recipient personnel for all areas of this Service) during the Service Period. Service Provider shall name a person responsible for this role prior to Distribution Date.
- Service Provider shall be responsible for maintaining operating systems used to support monitoring of key systems across the Service Recipient's enterprise application portfolio. Some of the key uses of these systems include:
 - Early warning on production issues;
 - Correlation of issues to the effect on the business services;
 - Capacity planning reporting across networks, systems, and applications, as well as operational metrics; and
 - Web-based portal of real-time monitoring results and historical trends.
- Service Provider shall be responsible for establishing integration between systems used to deliver this Service and ticketing systems (existing or new) to support overall incident / trouble and configuration management processes of the Service Recipient following the Distribution Date. It is expected that the interfaces will be similar to current (pre-distribution) state design.
- Service Provider shall implement required changes to provide company-specific views to enable accurate reporting on service status and enable effective situational awareness capabilities (BSM/TEC/Splunk) and configure notification systems to alert the responsible party.
- Service Provider shall establish standard reporting process segregating new SAIC's data prior to Distribution Date. Reports will include inventory and service delivery reporting (SLAs, performance, capacity etc.). Additional report requests outside of normal service delivery (e.g., ad-hoc reports) shall be provided on a "best efforts" basis.

Pricing

Assumptions:

1. Each company will pay hardware costs (depreciation and maintenance) for owned hardware assets.
2. Shared hardware costs will be allocated proportionally to usage—current estimate 60% Service Provider | 40% Service Recipient.

3. Each company will pay software costs (depreciation and maintenance) for owned assets
4. Shared software costs will be allocated proportional to usage—current estimate 60% | 40% split.
5. Each company will provide its own staff—Labor = \$0.
6. Each company will pay its own travel—Travel = \$0.
7. Consultant costs for company specific incidents/problems will be paid for by impacted company.
8. Consultant costs for shared systems will be proportional to used—current estimates 60% | 40% split.
9. Network costs are included in the WAN and LAN TSAs.
10. Facilities costs are included in the datacenter TSAs.

As of August 21, 2013, all existing hardware and software assets have been allocated to either the Service Provider or the Service Recipient. Therefore, all hardware and software costs will be paid by the owning company. As a result, the estimated cost for this service is \$0.

Service Levels

Service Provider will maintain service levels commensurate with the service levels provided in the 6 months prior to the Distribution Date, as published in the Enterprise Services Catalogue on ISSAIC prior to the Distribution Date. The key metric that determines SLAs are ticket severity levels established and documented in the Remedy ticketing system as of the Distribution Date.

Exit Services

The Service Provider will provide the following services in connection with the termination of the Service:

- Provide consulting services for design and implementation of a new solution to replace this Service;
- Provide documentation for each monitoring system, where applicable;
- Provide training for new resources on the monitoring systems Service Recipient will own following the Service Termination Date; and
- Support on-going on boarding and training of any new staff identified to augment the existing joint team (i.e., Service Provider/Service Recipient).

Supplemental Services

For requests for supplemental services relating to the Service by Service Recipient not described in this Service Schedule or not included within the pricing documented in this Service Schedule or the Agreement, Service Recipient will provide a project request and submit such request to Service Provider for consideration by Service Provider.

Supplemental services include projects to replace major pieces of the EMGT infrastructure and would be considered supplemental services (e.g., the replacement of Tivoli TEC).

LOCATIONS/GEOGRAPHIC COVERAGE:

The Service Provider will provide the Service via a distributed team based in Florida, New Jersey, and Virginia.

ADDITIONAL TERMS, CONDITIONS AND OTHER INFORMATION:

Service Provider shall be responsible to obtain consent (if applicable) from all third party service providers allowing Service Provider to share / transfer the license, infrastructure and/or support services with the Service Recipient during the Service Period.

Schedule A-6

Service: ITS – Endpoint Services

Capitalized terms used herein and not otherwise defined shall have the meaning assigned such term in the Master Transition Services Agreement (the “Agreement”). Upon the terms and subject to the conditions of this Service Schedule and the Agreement, the Service Provider shall provide to Service Recipient the services identified below (collectively, the “Service”). The Service provided hereunder is subject in all respects to the terms and conditions of the Agreement, except where expressly noted.

SERVICE PROVIDER: Leidos

SERVICE RECIPIENT: New SAIC

SERVICE OWNERS:

All service matters and general inquiries regarding this Service should be directed to:

<u>Name and Title</u>	<u>Phone</u>	<u>e-mail</u>
Leidos		
Rich Clifton	703-676-6565	richard.d.clifton@saic.com
VP, Line IT Support Services	732-312-6565	richard.d.clifton@leidos.com
New SAIC		
Thomas Hollenbeck	865-481-2179	thomas.m.hollenbeck@saic.com
VP, Line IT Support Services	865-256-2179	

GENERAL SERVICE DESCRIPTION:

The purpose of this Service Schedule is to provide End Point Services for all managed workstations and servers. End Point Services includes all client agents, supporting backend server infrastructure, processes and procedures utilized to provide software inventory control, and security services directly to end-points.

SERVICE PERIOD AND TERMINATION:

Service Period and Termination Date: Service Provider will provide the Service to Service Recipient from the Distribution Date through the date that is 6 months after the Distribution Date (“Termination Date”). Both parties can agree in writing to extend or renew the Service for a longer period.

Service Recipient may elect to terminate the Service upon 90 days’ written notice to Service Provider.

SCOPE OF SERVICE AND PRICING:

Service Provider Base Service

- Service Provider shall be responsible for providing overall leadership to the joint operational team (made up of Service Provider and Service Recipient personnel for all areas of this Service) during the Service Period. Service Provider shall name a person responsible for this role prior to Distribution Date.
- Service Provider shall be responsible for maintaining servers, clients, configuration and processes used for End Point systems across the Service Recipient's enterprise. All such systems will be operated using as-is scope and processes unless otherwise agreed upon by both Service Provider and Service Recipient. Some of the key uses of these systems include but are not exclusive too:
 - System software inventory control
 - Application control
 - Anti-virus
 - Data system forensics
 - Encryption services
 - User access control
- Service Provider shall be responsible for establishing integration between systems used to deliver this Service and Remedy ticketing systems (existing or new) to support overall incident / trouble and configuration management processes of the Service Recipient following the Distribution Date. It is expected that the interfaces will be similar to current (pre-distribution) state design.
- Service Provider shall use all reasonable means through the course of the defined TSA period to segregate data such that each company's data can be represented individually. It is understood that segregation will occur on "best effort" basis and will be dependent on activities coordinated outside the scope of this TSA.
- Service Provider will continue existing displacement/replacement activities that are in progress, coordinating with the Service Recipient as necessary.

Key systems, all of which have been split or replicated between Service Provider and Service Recipient, including associated functionality and key resources are identified below:

<u>System</u>	<u>Purpose</u>	<u>Lead Engineer</u>	<u>Lead Engineer Company</u>
McAfee Suite	Provides security services including: framework agent, antivirus, host intrusion prevention, application control (whitelisting), full disk encryption, and removable media encryption	Darrell Pierson	Leidos
Symantec Altiris	Provides system software inventory, patch management, management of local administrative privileges, and software distribution	Matthew Randall	Leidos
Symantec End Point Protection (SEP)	Provides antivirus (moving to McAfee Suite)	Lenell Martin	SAIC
Symantec EPHD/SEE-FD	Provides end point encryption services (moving to McAfee Suite)	Jo Justice	Leidos
HBGary Active Defense / Mandiant MIR	Provides ability to sweep managed systems for known indicators of compromise (IOCs) as part of the DID2.0 enhanced detection systems.	Michael Fox	SAIC
Guidance Encase	Provides the ability to complete data system forensics in support of internal audit, ethics, and cyber-attack investigations.	Darrell Pierson	Leidos
Beyond Trust Power Broker	Provides control for selective elevation of privileges on end point systems to reduce the risk of attacks successfully migrating out of user-space and into kernel-space.	Jeff Steele	Leidos

Service Provider Responsibilities

The following Service Provider personnel will be responsible for performing / leading key operational activities in support of the overall Service. Any changes to staffing will need to be approved by the Service Recipient, such approval not to be unreasonably withheld or delayed.

<u>Service Provider Key contact</u>	<u>Responsibilities</u>
Craig Meyer	Security Engineering Team Lead (Leidos)
Eric Purcell	Manager of Enterprise Computing (Leidos)
Matthew Randall	Enterprise Computing Team Lead (Leidos), Altiris SME
Darrell Pierson	McAfee EPO, VSE, HIPS, EEPC, EEFF and Guidance Encase SME (engineering)
Jerry Collins	McAfee EPO, VSE, HIPS, EEPC, EEFF SME (operations)
Joseph Pressnell	McAfee Application Control SME
Jo Justice	Symantec EPHD/SEE-FD SME
Daniel May	Mandiant MIR SME
Jeff Steele	Beyond Trust Power Broker SME

Service Recipient Responsibilities

The following personnel from the Service Recipient will be responsible for performing / leading key operational activities in support of the overall Service. Any changes to staffing will need to be approved by the Service Provider, such approval not to be unreasonably withheld or delayed.

<u>Service Recipient Key contact</u>	<u>Responsibilities</u>
Thai Pham	Security Engineering Team Lead (New SAIC)
Rob Mallard	Manager of Enterprise Computing (New SAIC)
Lenell Martin	McAfee EPO, VSE, HIPS, EEPC, EEFF / Symantec SEP SME (engineering)
Michael Fox	HBGary Active Defense SME

Pricing

Assumptions:

1. Each company will pay hardware costs (depreciation and maintenance) for owned hardware assets.

2. Shared hardware costs will be allocated proportionally to usage—current estimate 60% Service Provider | 40% Service Recipient.
3. Each company will pay software costs (depreciation and maintenance) for owned assets.
4. Shared software costs will be allocated proportional to usage—current estimate 60% | 40% split.
5. Each company will provide its own staff—Labor = \$0.
6. Each company will pay its own travel—Travel = \$0.
7. Consultant costs for company specific incidents/problems will be paid for by impacted company.
8. Consultant costs for shared systems will be proportional to used—current estimates 60% | 40% split.
9. Network costs are included in the WAN and LAN TSAs.
10. Each company will pay facilities costs for its staff.

As of August 21, 2013, all existing hardware and software assets have been allocated to either the Service Provider or the Service Recipient. Therefore, all hardware and software costs will be paid by the owning company. As a result, the estimated cost for this service is \$0.

Service Levels

Service Provider will maintain service levels commensurate with the service levels provided in the 6 months prior to the Distribution Date. The key metric that determines SLAs are ticket severity levels established and documented in the Remedy ticketing system as 6 months prior to the Distribution Date and published on ISSAIC in the Enterprise Services Catalogue.

Exit Services

The Service Provider will provide the following services in connection with the termination of the Service:

- Provide documentation for each system, where applicable

Supplemental Services

For requests for supplemental services relating to the Service by Service Recipient not described in this Service Schedule or not included within the pricing documented in this Service Schedule or the Agreement, Service Recipient will provide a project request and submit such request to Service Provider for consideration by Service Provider.

Supplemental services include projects to replace existing systems or significantly increase deployment scope of existing systems outside of already planned displacement activities (e.g. McAfee solutions for security & encryption displacing Symantec).

LOCATIONS/GEOGRAPHIC COVERAGE:

The Service Provider will provide the Service via a nation-wide distributed team.

ADDITIONAL TERMS, CONDITIONS AND OTHER INFORMATION:

Service Provider shall be responsible to obtain consent (if applicable) from all third party service providers allowing Service Provider to share / transfer the license, infrastructure and/or support services with the Service Recipient during the Service Period.

Schedule A-7

Service: ITS – Network Security Services

Capitalized terms used herein and not otherwise defined shall have the meaning assigned such term in the Master Transition Services Agreement (the “Agreement”). Upon the terms and subject to the conditions of this Service Schedule and the Agreement, the Service Provider shall provide to Service Recipient the services identified below (collectively, the “Service”). The Service provided hereunder is subject in all respects to the terms and conditions of the Agreement, except where expressly noted.

SERVICE PROVIDER: Leidos

SERVICE RECIPIENT: New SAIC

SERVICE OWNERS:

All service matters and general inquiries regarding this Service should be directed to:

<u>Name and Title</u>	<u>Phone</u>	<u>e-mail</u>
Leidos		
Rich Clifton Director Infrastructure Operations	703-676-6565 732-312-6565	richard.d.clifton@saic.com richard.d.clifton@leidos.com
New SAIC		
Barbara Shurtleff (Acting) Director of Network & Collaboration	703-676-4819 703-459-4757	Barbara.A.Shurtleff@saic.com

GENERAL SERVICE DESCRIPTION:

The purpose of this Service Schedule is to provide Network Security Services for the combined SAIC and Leidos shared network infrastructure. Network Security Services includes systems designed to control network aperture, content filtering, detect and prevent intrusions, quarantine attacks, identify vulnerabilities, remote access, provide authentication and collect forensic information.

Systems covered under this TSA are supported jointly by Leidos CSG and ITS. Service Agreements which cover operational responsibilities are in place for this Leidos group to provide services to SAIC. For those services, this TSA will cover only the existing as-is efforts that ITS provides in support of the systems and does not cover those services provided by the CSG. Other services in this TSA are operated directly by ITS and are fully in scope of this TSA.

SERVICE PERIOD AND TERMINATION:

Service Period and Termination Date: Service Provider will provide the Service to Service Recipient from the Distribution Date through the date that is 6 months after the Distribution Date ("Termination Date"). Both parties can agree in writing to extend or renew the Service for a longer period.

Service Recipient may elect to terminate the Service upon 90 days' written notice to Service Provider.

SCOPE OF SERVICE AND PRICING:

Service Provider Base Service

- Service Provider shall be responsible for providing overall leadership to the joint operational team (made up of Service Provider and Service Recipient personnel for all areas of this Service) during the Service Period. Service Provider shall name a person responsible for this role prior to Distribution Date.
- Service Provider shall be responsible for maintaining servers, appliances, configuration and processes used for Network Security systems across the Service Recipient's enterprise. All such systems will be operated using as-is scope and processes unless otherwise agreed upon by both Service Provider and Service Recipient. Some of the key uses of these systems include but are not exclusive too:
 - Control network aperture
 - Content Filtering
 - Detect and prevent intrusions
 - Quarantine attacks
 - Identify vulnerabilities
 - Collect forensic information
 - Remote Access
 - Radius Authentication
 - Anti-virus
 - Data system forensics
 - Encryption services
 - User access control
- Service Provider shall be responsible for establishing integration between systems used to deliver this Service and Remedy ticketing systems (existing or new) to support overall incident / trouble and configuration management processes of the Service Recipient following the Distribution Date. It is expected that the interfaces will be similar to current (pre-distribution) state design.

Service Provider shall use all reasonable means through the course of the defined TSA period to segregate data such that each company's data can be represented individually. It is understood that segregation will occur on "best effort" basis and will be dependent on activities coordinated outside the scope of this TSA.

Key systems include associated functionality and key resources are identified below:

<u>System</u>	<u>Purpose</u>	<u>Lead Engineer</u>	<u>Lead Engineer Company</u>
Juniper Firewall	Juniper firewalls provide network aperture control for remote sites connected to the SAIC WAN and Internet sites using ECRs.	Jonathan Bane	Leidos
Palo Alto NGFW	Palo Alto Next Generation Firewalls provide aperture control using protocol identification, intrusion prevention services and content filtering for core datacenters and some remote sites.	Marcus Gentile	SAIC
Niksun NetDetector	Niksun NetDetectors provide forensic packet capture for core datacenters and the main Internet points of presence.	Daniel May	Leidos
Anue NetTool Optimizer	The Anue NetTool Optimizer provides aggregation, data de-duplication, and selective forwarding of network packets that are collected from various network TAPs. This tool is used to feed data into several security and network management systems in the datacenters.	Daniel May	Leidos
McAfee Intrushield	The McAfee Intrushield system is used to provide network Intrusion detection and prevention services.	Joseph Pressnell	Leidos
Sourcefire IDS	The Sourcefire IDS system is the primary system providing intrusion detection services at the core datacenters and for the internet points of presence.	Daniel May	Leidos
Sourcefire SSL	The Sourcefire SSL system provides selective interception and decryption of SSL sessions in support of advanced security on critical datacenter assets.	Marcus Gentile	SAIC

<u>System</u>	<u>Purpose</u>	<u>Lead Engineer</u>	<u>Lead Engineer Company</u>
IBM Rational Appscan	The IBM Rational Appscan system is used to detect vulnerabilities in various web applications both pre and post deployment.	Oliver Irlam	Ledios
McAfee Vulnerability Manager	The McAfee Vulnerability Manager (Foundstone) is used to identify generic system vulnerability based largely on known Common Vulnerabilities and Exposures (CVE)	Oliver Irlam	Leidos
Juniper SA VPN	The Juniper SA VPN is used to provide remote access services. This includes both traditional tunnel based VPN on SSL and IPsec as well as reverse proxy/web rewrite capability through its content intermediation engine (CIE) service.	Thai Pham	SAIC
SNORT HTTP Logging	The SNORT logging system is a solution that collects special information about HTTP sessions that are used in both detection and in the course of forensic security investigations.	Michael Fox	SAIC
Blackhole Server	The Blackhole server is a type of network honeypot where known command and control traffic is redirected in order to detect unknown infections and glean intelligence from malware operating on the network.	Thai Pham	SAIC
Radius Authentication Service	The radius authentication service provides authentication of administrators accessing infrastructure assets (FW's, switches, routers, etc.)	Chadrick Sine	SAIC

<u>System</u>	<u>Purpose</u>	<u>Lead Engineer</u>	<u>Lead Engineer Company</u>
Security Supporting Systems	Supporting systems include both lab equipment in the network development environment (NDE) and other locations used for upgrade testing and design as well as bounce boxes used for both administration and storing backups of security appliance configurations.	Oliver Irlam	Leidos

Service Provider Responsibilities

The following Service Provider personnel will be responsible for performing / leading key operational activities in support of the overall Service. Any changes to staffing will need to be approved by the Service Recipient, such approval not to be unreasonably withheld or delayed.

<u>Service Provider Key contact</u>	<u>Responsibilities</u>
Craig Meyer	Security Engineering Team Lead (Leidos)
James Fraser	Authentication Engineering Team Lead
Oliver Irlam	NDE SME, IBM Appscan SME, McAfee Vulnerability Manager SME
Jonathan Bane	Bounce Box (supporting system) SME, Juniper FW SME, Palo Alto Firewall SME
Darrell Pierson	Juniper SA / Remote Access SME
Joseph Pressnell	Sourcefire SME, McAfee Intrushield SME
Daniel May	Anue NetTool Optimizer SME, Niksun NetDetector SME, Sourcefire SSL SME
Allen Paschel	Operates the IBM Appscan tool for Web Application Vulnerability Assessments

Service Recipient Responsibilities

The following personnel from the Service Recipient will be responsible for performing / leading key operational activities in support of the overall Service. Any changes to staffing will need to be approved by the Service Provider, such approval not to be unreasonably withheld or delayed.

Service Recipient Key contact

Responsibilities

Thai Pham	Security Engineering Team Lead (New SAIC), Remote Access SME, Blackhole SME, McAfee Vulnerability Manager SME
Marcus Gentile	Palo Alto Firewall SME, Sourcefire SSL SME
Michael Fox	SNORT Logging SME
Chadrick Sine	Radius Authentication SME

Pricing

Assumptions:

1. Each company will pay hardware costs (depreciation and maintenance) for owned hardware assets.
2. Shared hardware costs will be allocated proportionally to usage—current estimate 60% Service Provider | 40% Service Recipient.
3. Each company will pay software costs (depreciation and maintenance) for owned assets.
4. Shared software costs will be allocated proportional to usage—current estimate 60% | 40% split.
5. Each company will provide its own staff—Labor = \$0.
6. Each company will pay its own travel—Travel = \$0.
7. Consultant costs for company specific incidents/problems will be paid for by impacted company.
8. Consultant costs for shared systems will be proportional to used—current estimates 60% | 40% split.
9. Network costs are included in the WAN and LAN TSAs.
10. Facilities costs are included in the datacenter TSAs.

As of August 21, 2013, all existing hardware and software assets have been allocated to either the Service Provider or the Service Recipient. Therefore, all hardware and software costs will be paid by the owning company. As a result, the estimated cost for this service is \$0.

Service Levels

Service Provider will maintain service levels commensurate with the service levels provided in the 6 months prior to the Distribution Date. The key metric that determines SLAs are ticket severity levels established and documented in the Remedy ticketing system as of 6 months prior to the Distribution Date and published on ISSAIC in the Enterprise Services Catalogue.

Exit Services

The Service Provider will provide the following services in connection with the termination of the Service:

- Provide documentation for each system, where applicable

Supplemental Services

For requests for supplemental services relating to the Service by Service Recipient not described in this Service Schedule or not included within the pricing documented in this Service Schedule or the Agreement, Service Recipient will provide a project request and submit such request to Service Provider for consideration by Service Provider.

Supplemental services include projects to replace existing systems or significantly increase deployment scope of existing systems.

LOCATIONS/GEOGRAPHIC COVERAGE:

The Service Provider will provide the Service via a nation-wide distributed team.

ADDITIONAL TERMS, CONDITIONS AND OTHER INFORMATION:

Service Provider shall be responsible to obtain consent (if applicable) from all third party service providers allowing Service Provider to share / transfer the license, infrastructure and/or support services with the Service Recipient during the Service Period.

SCHEDULE B

Service Provider: New SAIC

Service Recipient: Leidos

Service to be Provided:

Schedule B-1

Service: ITS – Data Center Support

Capitalized terms used herein and not otherwise defined shall have the meaning assigned such term in the Master Transition Services Agreement (the “Agreement”). Upon the terms and subject to the conditions of this Service Schedule and the Agreement, the Service Provider shall provide to Service Recipient the services identified below (collectively, the “Service”). The Service provided hereunder is subject in all respects to the terms and conditions of the Agreement, except where expressly noted.

SERVICE PROVIDER: New SAIC

SERVICE RECIPIENT: Leidos

SERVICE OWNERS:

All service matters and general inquiries regarding this Service should be directed to:

<u>Name and Title</u>	<u>Phone</u>	<u>e-mail</u>
Leidos Rich Clifton Director of Infrastructure Operations	703-676-6565 732-312-6565	richard.d.clifton@saic.com Richard.d.clifton@Leidos.com
New SAIC Susan Schmitt Director of Business Enablement	407-243-3544 407-921-4800	Susan.C.Schmitt@saic.com

GENERAL SERVICE DESCRIPTION:

Service Provider (leveraging third party services) will provide Service Recipient a Tier-IV data center hosting facility, including infrastructure, space, electrical supply, cooling, uninterruptable power supply and on-site support (physical touch labor) services related to data center infrastructure maintenance and ongoing support.

SERVICE PERIOD AND TERMINATION:

Service Period and Termination Date: Service Provider will provide the Service to Service Recipient from the Distribution Date through the date that is 6 months after the Distribution Date (“Termination Date”). Both parties can agree in writing to extend or renew the Service for a longer period.

Service Recipient can elect to terminate the Service upon 90 days’ prior written notice to Service Provider.

SCOPE OF SERVICE AND PRICING:

Base Service

- Service Provider shall provide shared computing, storage, and intra networking infrastructure assets.
- Service Provider (leveraging third party services) will be responsible for maintenance and administration of existing contract with the data center service provider (Cyrus One), for lease of the facility at the locations set forth below and support services related to physical provisioning of racks, servers, storage and other equipment required for business operations of the data center hosting facility.
- Service Provider shall support standard or customized procedures for responding to Service Recipient’s audit requirements. Audit requirements will remain consistent with SOX, ISO-27001 procedures already existing six months prior to Distribution Date.
- Service Provider will make office space / seating available at the data center hosting facility location(s) set forth below to house any data center operation staff reasonably required by Service Recipient to be located on site.
- Service Provider will be responsible to maintain physical site security capabilities to protect assets within the data center hosting facility locations specified below.
- Service Provider will provide a primary and DR Tier IV Data Center facility hosting environment as designed 6 months prior to the Distribution Agreement.

Pricing

Assumptions:

1. FY14 Datacenter cost will be the same as FY13
2. Datacenter costs include: Computing, Storage, and Intra Data Center Networking in Carrolton and Lewisville
3. Shared Datacenter hardware costs will be allocated—current estimate 60%—Service Recipient | 40%—Service Provider
4. Shared Datacenter software costs will be allocated—current estimate 60% | 40% split
5. Facilities will be allocated—current estimates 60% | 40% split
6. Utilities will be allocated—current estimates 60% | 40% split
7. Each company will provide its own staff—Labor = \$0
8. Each company will pay its own travel—Travel = \$0
9. Consultant costs for company specific incidents/problems will be paid for by impacted company

10. Consultant costs for shared systems will be proportional split—current estimates 60% | 40% split
11. Network costs are included in the WAN and LAN TSAs
12. Taxes are included in the rent/facilities
13. Each company will pay for its own non shared facilities

Due to the co-mingled nature of the equipment in the co-located data centers, the cost of the data centers facilities will be split as noted in the assumptions above between the Service Provider and Service Recipient during the Service Period.

- Key pricing components include shared infrastructure, rent, utilities, on-site support, and security services.
- The total estimated cost to the Service Recipient is approximately \$3,000,000 for the 12 month period of the Agreement or \$750,000 per Quarter, based on SAIC's existing contract and historical costs.

Service Levels

- The Service Provider shall maintain the level of service at or above the Pre-Distribution Date level and shall notify the Service Recipient of any changes 90 days prior to implementation.
- Key service level metrics include:
 - On-site support services are available Monday – Friday 8 to 5 CT; off-hour services are available as requested by Service Recipient.
 - Critical incidents (as published on ISSAIC 3 months prior to the Distribution Date in the Enterprise Services Catalogue specific to production outages) are supported 24/7/365.
 - All outage and request for services must be reported via a Remedy ticket.
 - Response time and tracking is performed by Remedy, SLAs will remain similar to SAIC's guidelines utilized in the 6 months prior to the Distribution Date.

Exit Services

The following services will be provided in connection with the termination of the Service:

- Service Provider will provide reasonably required support at the existing facilities set forth below to assist Service Recipient with movement of equipment to the separate Service Recipient space within the same data center.
- Service Recipient will provide a discreet written project request and submit such request to Service Provider for consideration by Service Provider

Supplemental Services

For Service Recipient requests for supplemental services relating to the Service not described in this Service Schedule, including exit services or not included within the pricing documented in this Service Schedule or the Agreement, Service Recipient will provide a discreet written project request and submit such request to Service Provider for consideration by Service Provider.

Any request for supplemental services outside of the Base Service set forth in this Service Schedule will require an additional cost to cover the costs of such services.

LOCATIONS/GEOGRAPHIC COVERAGE:

The Service Provider will provide the Service at Lewisville, TX and Carrollton, TX.

ADDITIONAL TERMS, CONDITIONS AND OTHER INFORMATION:

None

Schedule B-2

Service: ITS – Exchange 2003 Messaging Service

Capitalized terms used herein and not otherwise defined shall have the meaning assigned such term in the Master Transition Services Agreement (the “Agreement”). Upon the terms and subject to the conditions of this Service Schedule and the Agreement, the Service Provider shall provide to Service Recipient the services identified below (collectively, the “Service”). The Service provided hereunder is subject in all respects to the terms and conditions of the Agreement, except where expressly noted.

SERVICE PROVIDER: New SAIC

SERVICE RECIPIENT: Leidos

SERVICE OWNERS:

All service matters and general inquiries regarding this Service should be directed to:

<u>Name and Title</u>	<u>Phone</u>	<u>e-mail</u>
Leidos Rich Clifton Director of Infrastructure Operations	703-676-6565 732-312-6565	richard.d.clifton@saic.com Richard.d.clifton@leidos.com
New SAIC Susan Schmitt Director of Business Enablement	407-243-3544 407-921-4800	Susan.C.Schmitt@saic.com

GENERAL SERVICE DESCRIPTION:

Service Provider will maintain existing MS 2003 Exchange email service to provide ongoing email service to Service Recipient and provide support for Outlook client software while the Service Recipient establishes and transitions the service to its own platform after the Distribution Date. In addition, existing scheduling and messaging functionality shall be maintained. This service does not include the migration of mailboxes from the existing mail system to Leidos’ new email system.

SERVICE PERIOD AND TERMINATION:

Service Period and Termination Date: Service Provider will provide the Service to Service Recipient from the Distribution Date up to 6 months after the Distribution Date (“Termination Date”). Both parties can agree in writing to extend or renew the Service for a longer period.

Service Recipient can elect to terminate the Service upon 90 days’ prior written notice to Service Provider.

SCOPE OF SERVICE AND PRICING:

Base Service

- Service Provider will provide email routing for existing domains, including SAIC.com, leidos.com and other SAIC domains for the service period
- Service Provider will provide email security and will continue to route through external IronPort mail relays for spam, phishing and content filtering; Virus filtering through Symantec Brightmail Gateways and internal mail routing to Exchange (us.saic.com,leidos.com and other domains for which Exchange is authoritative).
- Service Provider shall continue current levels of support for BlackBerry and GOOD mobile application support for ITS-managed Exchange users.
- Service Provider will provide ongoing support of Exchange servers including 24 x 7 monitoring and security patching; inappropriate material event defrags, phishing event handling which may include ExMerge of emails as directed by IT Security CIRT team from the Cybersecurity Business Unit. Creation of distribution lists (AutoDL, employee number and manual), resource/generic mailbox's and contacts. Galsync with Naismc Exchange.
- Service Provider will provide email services consistent with pre-distribution date capability.

Pricing

Assumptions:

1. FY14 Exchange costs will be the same as FY13.
2. Each company will pay hardware costs (depreciation and maintenance) for owned hardware assets.
3. Shared hardware costs will be allocated proportionally to usage—current estimate 60% Service Recipient | 40% Service Provider.
4. Each company will pay software costs (depreciation and maintenance) for owned assets.
5. Shared software costs will be allocated proportional to usage—current estimate 60% | 40% split.
6. Each company will provide its own staff—Labor = \$0.
7. Each company will pay its own travel—Travel = \$0.
8. Consultant costs for company specific incidents/problems will be paid for by impacted company.
9. Consultant costs for shared systems will be proportional to used—current estimates 60% | 40% split.

10. Network costs are included in the WAN and LAN TSAs.

11. Facilities costs are included in the datacenter TSAs.

In accordance with the Agreement, Service Recipient shall pay Service Provider an amount equal to the Service Costs for all Services provided to Service Recipient, subject to the following methodology:

Methodology:

*Monthly Recipient Cost = (Total email infrastructure computer costs / Number of mailboxes across both companies) * Baseline Service Recipient Mailboxes (# of mailboxes belonging to Leidos employees)*

Service Provider shall charge Service Recipient on a per mailbox basis. The number of mailboxes will be baselined 30 days prior to Distribution Date and adjusted if mailboxes increase more than 20% from the previous month.

The total estimated cost to the Service Recipient is approximately \$102,400 annually or \$25,600 per quarter, based on SAIC's historical costs.

Note: Service Recipient shall continue to pay for Service until all mailboxes are migrated

Service Levels

- Service Provider shall provide services commensurate with SLAs as currently published in the Enterprise Services Catalogue on ISSAIC

Exit Services

The following services will be provided by Service Provider in connection with the termination of the Service:

- Decommissioning of infrastructure used to provide the service and secure archival / purging of all data per Service Recipient data retention policies

Supplemental Services

For requests for supplemental services relating to the Service by Service Recipient not described in this Service Schedule, including exit services or not included within the pricing documented in this Service Schedule or the Agreement, Service Recipient will provide a discreet written project request and submit such request to Service Provider for consideration by Service Provider.

LOCATIONS/GEOGRAPHIC COVERAGE:

Service Provider will provide email service as it is provided prior to the distribution date.

ADDITIONAL TERMS, CONDITIONS AND OTHER INFORMATION:

Service Provider shall be responsible to obtain consent (if applicable) from all third parties allowing Service Provider to share / transfer the license, infrastructure and/or support services with the Service Recipient during the Service Period.

Schedule B-3

Service: ITS – Telecommunications Services

Capitalized terms used herein and not otherwise defined shall have the meaning assigned such term in the Master Transition Services Agreement (the “Agreement”). Upon the terms and subject to the conditions of this Service Schedule and the Agreement, the Service Provider shall provide to Service Recipient the services identified below (collectively, the “Service”). The Service provided hereunder is subject in all respects to the terms and conditions of the Agreement, except where expressly noted.

SERVICE PROVIDER: New SAIC

SERVICE RECIPIENT: Leidos

SERVICE OWNERS:

All service matters and general inquiries regarding this Service should be directed to:

<u>Name and Title</u>	<u>Phone</u>	<u>e-mail</u>
Leidos Rich Clifton Director of Infrastructure Operations	703-676-6565 732-312-6565	richard.d.clifton@saic.com
New SAIC Tom Hollenbeck Director of End User Enablement	865-481-2179 865-256-2179	thomas.m.hollenbeck@saic.com

GENERAL SERVICE DESCRIPTION:

Service Provider will provide a mechanism and the administration thereof, to manage and operate the Desktop Telephony Systems (to include life-cycle management for desktop telephones, including installation, configuration, and support of standard multi-feature phones and voicemail) associated communication infrastructure (circuits, IVRs etc.) and billing services to the Service Recipient. Services are to be provided in a manner consistent with previous services provided by the SAIC ITS Telecommunications Department prior to the Distribution Date.

SERVICE PERIOD AND TERMINATION:

Service Period and Termination Date: Service Provider will provide the Service to Service Recipient from the Distribution Date through the date that is 12 months after the Distribution Date (“Termination Date”). Both parties can agree in writing to extend or renew the Service for a longer period.

Service Recipient can elect to terminate the Service upon 90 days’ prior written notice to Service Provider.

SCOPE OF SERVICE AND PRICING:

Base Service

- Service Provider will provide required infrastructure to provide desktop telephony services to facilities that are dedicated (locations that house only one company) and shared (locations that will house both Leidos and SAIC) between New SAIC and Leidos and manage vendors associated with delivering the services (e.g., telecom provider, on-site technicians, handsets)
 - Desktop telephone model will vary depending on the type of telephone system installed at the location and any security requirements that may dictate specific phone models and availability
- Service Provider will provide voice mail service to all active lines associated with the Service Recipient
- Service Provider will provide access for local, long-distance, and international calling, and manage billing (call accounting) for these services with the associated vendors.
- Service Provider shall be responsible for identifying and segregating the charges associated with the Recipient for ongoing billing under the Agreement
- Service Provider will provide internal operator and directory services for all locations
- Key Service Provider personnel are Ron Oakley and Cary Lawrence. Should these personnel become unavailable, alternate individuals would be named.

Out of Scope

The following services are not within the scope of the Service and Service Provider shall not provide any of the following as part of the Service:

- Helpdesk support (Level 1) associated with the Services. It is expected that New SAIC and Leidos will establish separate agreements for helpdesk support service.
- Ad-hoc support and support for projects outside of normal operations.
- Audio and web conferencing facilities. These facilities will be fully separated at the Distribution Date.
- Mobile phone and data devices (hot spots) assets, which will be separated at the Distribution Date and any future purchases for Service Recipient shall be the responsibility of Service Recipient
- Mobile device management including service contracts with carriers, which will be separated by the Distribution Date.

Desktop telephony support for BU sites not managed by ITS Telecommunications

Pricing

Assumptions:

1. FY14 desktop telephony costs align with FY14 Desktop Telephony Service Center Estimates and Home Office allocation for long distance, calling cards, and pagers.
2. Each company will pay hardware costs (depreciation and maintenance) for owned hardware assets.
3. Shared hardware costs will be allocated proportionally to usage—current estimate 60% Service Recipient | 40% Service Provider.
4. Each company will pay software costs (depreciation and maintenance) for owned assets.
5. Shared software costs will be allocated proportional to usage—current estimate 60% | 40% split.
6. Each company will provide its own staff—Labor = \$0.
7. Each company will pay its own travel—Travel = \$0.
8. Consultant costs for non-Service specific incidents/problems will be paid for by impacted company.
9. Network costs are included in the WAN and LAN TSAs.

In accordance with the Agreement, Service Recipient shall pay Service Provider an amount equal to the Service Costs for all Services provided to Service Recipient, subject to the pricing methodology described below.

Service

Pricing Methodology

Fixed line telecommunication	Service Provider shall charge Service Recipient a fixed fee of \$4,800,000 per year or \$1,200,000 per Quarter, based on the number of users at the site. Price per user shall be calculated by total cost of telecom infrastructure (dial tone + voice mail + carrier connectivity + WAN charges for VOIP) / Total employees 60 days prior to Distribution Date.
Long distance calling	60% of actual costs will be charged to the Recipient.
International calling	60% of actual costs will be charged to the Recipient.
Billing and accounting services	The cost for supporting ongoing carrier and invoice generation is included in the cost of the Service.

Service Levels

- Service levels will be commensurate with the service levels provided in the three months prior to the Distribution Date. Ticket severity SLA shall drive the response time.
 - Troubles with individual telephone will be resolved within 24 hours
 - Troubles affecting 10% or more of the telephones at a location are resolved within 4 hours
 - Moves, adds, or changes (MACs) to telephone service:
 - 1 to 4 phones: 3 to 5 business days
 - 5 to 19 phones: 5 to 7 business days
 - 20 to 40 phones: 10 business days
 - 40 or more phones: Contact the Facilities Help Desk
 - There will be 2 toll free numbers for the Facilities Help Desk. Jones Lang LaSalle's on-line move request tool will be cloned.

Exit Services

Service Provider shall provide the following services at the request of Service Recipient in connection with the termination of the Service:

- Provide consulting services for planning and execution to deploy new Desktop Telephony Systems for the Service Recipient;
- Provide restorations as needed to transfer key system configurations and authorized data, within the Service Period;
- Provide access to current documentation towards preventing a lapse in ongoing services;
- Provide training for new resources on the Desktop Telephony Systems the current Service Recipient will own; and
- Provide assistance in setting up forwarding/notification service (voice, website redirection etc.) to Recipient's new services where possible for a period of 90 days after termination of the Service.

Service Recipient agrees to purchase assets used exclusively at Service Recipient's facilities in the amount equal to the remaining net book value (NBV) which is estimated at \$745K as of 8/21/2013.

Supplemental Services

For requests for supplemental services relating to the Service by Service Recipient not described in this Service Schedule, including exit services, or not included within the pricing documented in this Service Schedule or the Agreement, Service Recipient will provide a written project request and submit such request to Service Provider for consideration by Service Provider.

Supplemental services include projects to replace major pieces of the Desktop Telephony infrastructure (e.g. Deployment of a new Avaya Core infrastructure, implementing cloned or new Mobile Device Management (MDM) solution).

LOCATIONS/GEOGRAPHIC COVERAGE:

Service Provider will provide the service via a distributed team based primarily in California, Florida, and Virginia. See attachment A which identifies Blue (Leidos), White (new SAIC) and Shared (Blue/White) sites.

ADDITIONAL TERMS, CONDITIONS AND OTHER INFORMATION:

Service Provider shall be responsible to obtain consent (where applicable) from Avaya to provide the Service during the Service Period.

Attachment A

<u>Location</u>	<u>State</u>	<u>Location Numbers</u>	<u>Address</u>	<u>Blue or White</u>
ANNISTON	AL	1391	1021 Nobel St	B
HUNTSVILLE	AL	2166	9805 Kellner Rd	W
HUNTSVILLE	AL	10	ODY-01 6725 Odyssey Dr; ODY-02 6723 Odyssey Dr	Ody 1 - B; Ody 2 - W
TANNER	AL	2123	6505 US Hwy 31	B
SIERRA VISTA	AZ	1773	2387 E Fry Blvd	B
SIERRA VISTA	AZ	486	655 North Garden Ave	
CARPINTERIA	CA	439	5464 Carprinteria Ave	B
EL SEGUNDO CA	CA	1444	300 North Sepulveda Ave	B
EL SEGUNDO CA	CA	1444	300 North Sepulveda Ave	B
HANCOCK/Point Loma	CA	1513, 1512, 973, 1498	PL-Q 4065 Hancock St; PL-R 4025 Hancock St; PL-S 4015 Hancock St; PL-T 4035 Hancock St	W
LOS GATOS/Campbell	CA	1209	1671 Dell Ave	B
OAKLAND	CA	457, 1536	1000 Broadway	B
POWAY	CA	337	13691 Danieson St	W
SACRAMENTO	CA	1610	2600 Capitol Ave	B
SAN DIEGO	CA	245, 1, 94, 358 & 461, 18	CP-A 10210 Campus Point Dr; CP-C 10260 Campus Point Dr; CP-D 4242 Campus Point Ct; CP-E 4161 Campus Point Ct; CP-H 10140 Campus Point Dr	Bldg H - B; Bldg A - B; Bldg C - B; Bldg E - B; Bldg D - B
SAN DIEGO—Ponderosa	CA	130, 2121	4211 & 4223-D Ponderosa	B
SEAL BEACH	CA	829	3030 Old Ranch Pkwy	B
THORN MINT	CA	1660	10740 Thornmint Rd	B
VISTA	CA	1655	2985 Scott St	B
AURORA	CO	1843	3950 North Lewiston	B
COLORADO SPRINGS	CO	579	630 Command View	B
LITTLETON	CO	2101	8209 SouthPark Cir	B
WASHINGTON—L'ENFANT PLAZA	DC	685	901 D St	B
WASHINGTON—MARITIME PLAZA	DC	1055,	1220 12th St	W
WASHINGTON—VERMONT AVE.	DC	371	1120 Vermont Ave	W

WASHINGTON DC- VIRGINIA AVE	DC	1238, 1240	400 Virginia Ave	W
ORLANDO	FL	88, 1684	SCI-01 12901 Science Dr; SCI-02 12809 Science Dr	B/W
ORLANDO	FL	1347	6333 McCoy Road	B
TAMPA	FL	74	One North Dale Mabry Hwy	B/W
ATLANTA	GA	1563	2295 Parklake Dr	B
AUGUSTA	GA	2039	3633 Wheeler Rd	B
COLUMBUS	GA	1187	2320 Double Churches Rd	W
HONOLULU	HI	350, 1299, 1882	3375 Koapaka St	B/W
HONOLULU	HI	1839	1132 Bishop St	B
NAPERVILLE	IL	251	1751 West Diehl Rd	
O'FALLON	IL	1521	1660 Essex Way	W
O'FALLON	IL	1519	620 Pierce Blvd	W
O'FALLON	IL	1875	1670 Essex Way	W
O'FALLON	IL	401	731 Lakepointe Centre Dr	W
BEDFORD	IN	1811	3290 16th St	W
CRANE	IN	1750	14064 E Westgate Ct	W
INDIANAPOLIS	IN	825	4422 Bragdon St	W
ODON	IN	1826	13980 E Captain WJ Nelson Dr	W
LEAVENWORTH	KS	1555	1145 N 2nd St	B
SOMERSET	KY	1302	75 Valley Oak Dr	B/W
BILLERICA	MA	2142	900 Technology Park Dr	B
NATICK	MA	1385	190 North Main St	B
ABERDEEN	MD	2110	6210 Guardian Gateway Bldg D	B/W
BELTSVILLE	MD	661	4600 Powder Mill Rd	W
CALIFORNIA	MD	2091	Park Place Way and Abell House Lane	W
COLUMBIA—FRANKLIN CENTER	MD	1775	6841 Benjamin Franklin Dr	B
COLUMBIA GATEWAY	MD	905, 1453, 2125, 2126	7120 Columbia Gateway Dr; 7035 Einstein Dr; 7080 Columbia Gateway Dr; 7090 Columbia Gateway Dr	B
FREDERICK	MD	750	5202 Presidents Ct	B
GERMANTOWN	MD	292	20201 Century Blvd	B
GREENBELT	MD	1857	6301 Ivy Ln	B
LANDOVER	MD	1232	8j400 Corporate Dr	W
LaPLATA	MD	1327, 1528	113 Howard St	W
ROCKVILLE	MD	1281	12530 Parklawn Dr	B
STERLING HEIGHTS	MI	589	6300 18 1/2 Mile Rd	B

STERLING HEIGHTS	MI	1722	6260 18 1/2 Mile Rd	B
BLOOMINGTON	MN	645	7900 Xerxes Ave	B
EARTH CITY	MO	508	13397 Lakefront Dr	B
CARY	NC	1551	120 Quade Dr	
FAYETTEVILLE	NC	1506	500 North Reilly Rd	W
PICATINNY ARSENAL	NJ	1387	3028 W Clarke rd	B
ALBUQUERQUE	NM	2120	2440 Alamo SE	W
SYRACUSE	NY	2155	301 Plainfield Rd	B
BEAVERCREEK	OH	768	4035 Colonel Glenn Hwy	B
BEAVERCREEK	OH	2129	3745 Pentagon Blvd	B
DAYTON	OH	2107	2685 Hibiscus Way	B
SPRINGFIELD	OH	1503	250 Veronia Dr	B
CAMP HILL/MECHANICSBURG	PA	39	4640 Trindle Rd	B
CHAMBERSBURG	PA	1764	1051 Sheffler Dr	W
JOHNSTOWN	PA	1531	227 Franklin St	W
MIDDLETOWN	RI	1133	28 Jacome Way	W
NEWPORT	RI	150	221 Third St	B
CHARLESTON—EMA	SC	1733	5617 North Rhett Ave	W
HANAHAN	SC	1884	1020 North Point Industrial Blvd	W
HANAHAN—EMA	SC	1745	7410 Magi Rd	W
NORTH CHARLESTON	SC	1593	4801 A & C Rivers Ave	B
NORTH CHARLESTON—REMOUNT	SC	2068	1141 Remount Rd	W
OAK RIDGE	TN	47, 739	301 Laboratory Rd; 151 Lafayette Dr	Loc 47 B; Loc 739 W
CARROLLTON	TX	2079	2440 Marsh Ln	
LEWISVILLE	TX	2072	2501 Business South Hwy 121	
ALEXANDRIA—6350 WALKER LANE	VA	385, 473	6350 Walker Ln	B
ALEXANDRIA—6359 WALKER LANE	VA	1470	6359 Walker Ln	B
ALEXANDRIA—8850 RICHMOND HWY	VA	694	8850 Richmond Hwy	B
ALEXANDRIA—KINGSTOWNE	VA	1348	5971 Kingstowne Village Pkwy	B
ALEXANDRIA—METRO PARK 8	VA	1887	6909 Walker Ln	B
ARLINGTON—4001 N. FAIRFAX DR	VA	668	4001 N Fairfax Dr	B
ARLINGTON—CRYSTAL GATEWAY 2	VA	1007	1225 S Clark St	B/W
ARLINGTON—GOVT AFFAIRS	VA	235	2111 Wilson Blvd	B
ARLINGTON—ROSSLYN	VA	2058	1820 N Fort Myer Dr	W

BLACKSBURG	VA	1824	2020 Kraft Dr	B
CHANTILLY—LIBERTY CENTER	VA	1471	14668 Lee Rd	B
CHARLOTTESVILLE	VA	1620	1001 Research Park Blvd	B
FALLS CHURCH—6565 ARLINGTON BLVD	VA	612	6565 Arlington Blvd	W
FALLS CHURCH—SKYLINE	VA	456, 953 & 1487, 713 & 1212	Sky 2 5203 Leesburg Pike; Sky 4 5113 Leesburg Pike Ste 500 & 205, Sky 5 5111 Leesburg Pike Ste 404 & 203	Sky 4 -B; Sky 2 -B; Sky 5 -W
KING GEORGE—DAHLGREN	VA	1053	16442 Commerce Dr	W
MANASSAS—SETS	VA	1873	7327 Gateway Ct	B
MCLEAN	VA	15	T-1 1710 SAIC Dr; T-2 1709 SAIC Dr; T-3 1707 SAIC Dr	
MCLEAN	VA	015, 747	T-1 1710 SAIC Dr; T-2 1709 SAIC Dr; T-3 1707 SAIC Dr; 8301 Greensboro Dr	
MERRIFIELD—MERRILEE	VA	1836	2809 Merrilee Dr	W
NEWPORT NEWS	VA	1828, 1850	One Compass Way, Ste 200 & 350	B/W
RESTON—ORACLE WAY	VA	1213	1900 Oracle Way	B
RESTON—ROGER BACON	VA	641	11251 Roger Bacon Dr	B
RESTON EXECUTIVE CENTER	VA	307	12100 Sunset Hills Rd	B
RESTON MICHAEL FARADAY DR	VA	137	1808 Michael Faraday Ct	B
STAFFORD	VA	2141	800 Corporate Dr	W
STAFFORD	VA	1596	50 Tech Pkwy	B
STERLING	VA	2145	22635 Davis Dr	W
VA BEACH—2929 SABRE ST	VA	1578	2929 Sabre St	B
VA BEACH—GUARDIAN LANE	VA	1044	2877 Guardian Ln	B/W
VA BEACH—LONDON BRIDGE	VA	1346	1355 London Bridge Rd	W
VIENNA	VA	966	7990 Science Applications Ct	B
VIENNA	VA	411	1953 Gallows Rd	B
WARRENTON—VINT HILL	VA	609	6848 Johnson Dr	B
BOTHELL	WA	168	18912 North Creek Pkwy	B
KENT	WA	1409	20829 72nd Ave	B
LYNNWOOD	WA	855, 1230	12424 Beverly Park Edmonds Rd	B
POULSBO	WA	1217	26279 Twelve Trees Ln	W
RICHLAND	WA	24	3250 Port of Benton Blvd	B

Schedule B-4

Service: ITS – iSTARS and iSTKS Support

Capitalized terms used herein and not otherwise defined shall have the meaning assigned such term in the Master Transition Services Agreement (the “Agreement”). Upon the terms and subject to the conditions of this Service Schedule and the Agreement, the Service Provider shall provide to Service Recipient the services identified below (collectively, the “Service”). The Service provided hereunder is subject in all respects to the terms and conditions of the Agreement, except where expressly noted.

SERVICE PROVIDER: New SAIC

SERVICE RECIPIENT: Leidos

SERVICE OWNERS:

All service matters and general inquiries regarding this Service should be directed to:

<u>Name and Title</u>	<u>Phone</u>	<u>e-mail</u>
New SAIC		
David Gisy Director	865-481-1150 865-556-4047	David.A.Gisy@saic.com
Leidos		
John S. Brown Jr. Vice President for Project Control	858-826-7004 858-366-5814	John.S.Brown.Jr@saic.com

GENERAL SERVICE DESCRIPTION:

Service Provider will provide the Service described herein with respect to iSTARS, the internet Status Tracking and Reporting System, which is a website application development program utilized by the Service Recipient. This Service encompasses a series of website services and applications, of which iSTKS, the iSTARS Subcontractor Time Keeping System, is an example. Other iSTARS sites include website applications that assist in candidate onboarding, process asset libraries, document repositories and internal SAIC financial workflows. The iSTARS Service will be provided via labor efforts – Service Provider will not provide any software or hardware deliverables. iSTKS is provisioned via a service center while other iSTARS service offerings use touch charging.

SERVICE PERIOD AND TERMINATION:

Service Period and Termination Date: Service Provider will provide the Service to Service Recipient from the Distribution Date through January 31, 2014 (the “Termination Date”).

After the Termination Date, Service Provider is not obligated to provide the Service unless an extension is mutually agreed in writing by the Parties.

Service Recipient can elect to terminate the Service at any time upon 90 days' prior written notice to Service Provider.

SCOPE OF SERVICE AND PRICING:

Base Service

- Key Service Provider Resources

Role

iSTARS Program Lead

iSTARS Task Lead

Name

Dave Gisy

Shawn Rapjack

- Service Provider shall provide:
 - iSTARS service – there are no software or hardware deliverables.
 - Access to iSTARS resources over the internet; Service Provider ensures that the client-server architecture responsible for its websites is available.
 - Website applications are available 24/7.
 - Customer service support during normal business hours (8:00 AM to 5:00 PM) Mountain Time.
- Service Recipient will provide:
 - Representatives to participate in Change Control Board activities if applicable to their iSTKS' website.

Pricing

In accordance with the Agreement, Service Recipient shall pay Service Provider an amount equal to the Service Costs for all Services provided to Service Recipient, subject to the following:

Methodology – iSTKS Websites:

- iSTKS' pricing is governed by a service center.
- The basis of cost for an iSTKS website is the number of subcontractor companies the website supports multiplied by a set cost as determined by the service center. Currently, that cost is \$117.18. For example—an iSTKS website supporting 10 subcontractor companies would pay \$1,171.80 per SAIC monthly financial period.
 - The \$117.18 rate is intended to be updated throughout the year, reflecting updated subcontractor company counts and updated costs of the components of the service center. As more subcontractor companies are supported across all iSTKS sites, the \$117.18 should decrease.

- iSTKS websites are updated with new features based on input from CCBs.
 - If a change benefits all iSTKS websites across the board, the labor hours involved are charged to the service center and hence would be passed on to the Service Recipient. Estimates for these updates are provided for approval before work begins.
 - If a change is initiated by—and benefits only—a single Service Provider customer community, then the labor hours involved are charged directly to that customer on a touch-charging basis. Estimates for these updates are provided to the customer for approval before work begins.

<u>Site Name</u>	<u>Sector</u>	<u>iSTKS Subcontractor Companies Supported</u>	<u>Service Center Rate</u>	<u>Approximate iSTKS Cost per Quarter</u>
iSTKS ACCFS	Craver	8	\$117.18	\$ 2,812.32
iSTKS AHLTA Integration	Craver	3	\$117.18	\$ 1,054.62
iSTKS DHIMS Wounded Warrior	Craver	1	\$117.18	\$ 351.54
iSTKS Military Health	Craver	6	\$117.18	\$ 2,109.24
iSTKS Sustainment II	Craver	14	\$117.18	\$ 4,921.56
TOTAL:				\$11,249.28

Table 1: iSTKS Sites Supported

Methodology – Other iSTARS Websites:

- Service Recipient personnel interacting with sites other than iSTKS may provide requirements directly to the Service Provider development team (without a CCB). Labor hours involved will be charged directly to the Service Recipient on a touch-charging basis. Estimates for these requirements are provided to the Service Recipient for approval before work begins. Below are estimated personnel costs, provided that the actual costs may adjust due to normal business activities such as salary adjustments, personnel adjustments, changes in rate pools, etc.

<u>Title</u>	<u>Rate (Costs only)</u>
Program Manager	\$ 158.40
Senior Programmer	\$ 89.35
Senior Programmer	\$ 90.05
System Engineer	\$ 109.87
Internet Analyst	\$ 74.24

The following is a list of currently existing indirect iSTARS sites:

<u>Site Name</u>	<u>Group</u>	<u>Site Name</u>	<u>Group</u>
AtN TO1	Von Thær	JIEDDO	Von Thær
CSBU			
Formerly CISBU	Von Thær	SAWS	
IFSEAC (BU 838)	Craver	SEE&I	Craver
IFSEAC (BU 818 / 389)	Craver	SEE&I	Craver
IFSEAC_BU226 (BU 843)	Craver	Silver Talon	Von Thær
IFSEAC-BU357 (BU 841)	Craver		

Table 2: iSTARS Sites Supprted

Service Levels

This section reiterates several aspects of iSTARS service levels.

1. iSTARS is a service provided by Service Provider with no software or hardware deliverables.
2. As described above, iSTARS (including iSTKS) is available 24/7.

3. Help desk support is available during normal business hours (8:00 AM to 5:00 PM) Mountain Time. Such support includes:
 - a. Troubleshooting user access issues;
 - b. Troubleshooting any defects;
 - c. Working with iSTKS customers on uploading and maintaining financial data on their sites; and
 - d. Any requirements elicitation or discussions about website application features.

Exit Services

Service Provider will provide the following services in connection with the termination of the Service:

- Service Provider will provide Service Recipient with excel spreadsheets of any financial data, if applicable. This would apply to iSTKS and other iSTARS websites with financial data.
- Service Provider will provide Service Recipient with document repository copies on DVD, if applicable. This would apply to iSTARS websites with document repositories.
- These services will be provided on a touch-charging basis.

Supplemental Services

For requests for supplemental services relating to the Service by Service Recipient not described in this Service Schedule or not included within the pricing documented in this Service Schedule or the Agreement, Service Recipient will provide a discreet written project request and submit such request to Service Provider for consideration by Service Provider.

The following would be considered supplemental services:

- Any development of iSTARS, outside of the projections described under “Base Service” and “Service Level” above;
- Help desk support outside of hours described under “Service Level” above.

LOCATIONS/GEOGRAPHIC COVERAGE:

The Service Provider team based in Colorado will provide the Service to Service Recipients on the programs listed in Tables 1 and 2 of this document.

ADDITIONAL TERMS, CONDITIONS AND OTHER INFORMATION:

Not Applicable.

Schedule B-5

Service: ITS – Mobility Services

Capitalized terms used herein and not otherwise defined shall have the meaning assigned such term in the Master Transition Services Agreement (the “Agreement”). Upon the terms and subject to the conditions of this Service Schedule and the Agreement, the Service Provider shall provide to Service Recipient the services identified below (collectively, the “Service”). The Service provided hereunder is subject in all respects to the terms and conditions of the Agreement, except where expressly noted.

SERVICE PROVIDER: New SAIC

SERVICE RECIPIENT: Leidos

SERVICE OWNERS:

All service matters and general inquiries regarding this Service should be directed to:

<u>Name and Title</u>	<u>Phone</u>	<u>e-mail</u>
Leidos Rich Clifton Director of Infrastructure Operations	703-676-6565 732-312-6565	richard.d.clifton@saic.com
New SAIC Tom Hollenbeck Director of Infrastructure Operations	865-481-2179 865-256-2179	thomas.m.hollenbeck@saic.com

GENERAL SERVICE DESCRIPTION:

Service Provider will provide management and operation of the Mobility Systems (to include life-cycle management for Mobile Services and Devices for Blackberries, cell phones, pagers, and aircards, (including installation, configuration, and support) and billing services to the Service Recipient. The Service shall be provided in a manner consistent with the same services provided by the SAIC ITS Telecommunications Department prior to the Distribution Date.

SERVICE PERIOD AND TERMINATION:

Service Period and Termination Date: Service Provider will provide the Service to Service Recipient from the Distribution Date through the date that is 6 months after the Distribution Date (“Termination Date”). Both parties can agree in writing to extend or renew the Service for a longer period.

Service Recipient may elect to terminate the Service upon 90 days’ written notice to Service Provider.

SCOPE OF SERVICE AND PRICING:

Base Service

- Service Provider will provide devices and services to provide Mobility Services for Service Recipient's employees and manage vendors associated with delivering the services (e.g., telecom service providers, on-site technicians, handsets).
 - Mobile Device model will vary depending on the type of system offered by the Service Provider and specific requirements that may dictate specific models and availability
- Service Provider will manage a third party Telecom Expense Management partner (Tangoe) support as it relates to Mobility Services.
- Service Provider will manage Blackberry support as it relates to Mobility Services Blackberry provides to Service Recipient.
- Service Provider will provide access for international calling, if required, and manage billing (call accounting) for these services with the associated vendors.
- Key Service Provider personnel are Ron Oakley and Kenneth Earl Adams. If these personnel become unavailable, alternate individuals will be named by Service Provider.

Out of Scope

The following services are not within the scope of the Service and Service Provider shall not provide any of the following as part of the Service:

- Ad-hoc support and support for projects outside of normal operations.
- Mobile device management for Bring Your Own Device (BYOD) services via Bluefish/Sprint which are expected to be separated by the Distribution Date.

Pricing

Assumptions:

1. FY14 Mobility costs align with FY14 Mobility Service Center Estimates.
2. Each company will pay hardware costs (depreciation and maintenance) for its owned hardware assets.
3. Shared hardware costs will be allocated between Service Recipient and Service Provider proportionally to usage – the current estimate is 60% Service Recipient | 40% Service Provider.
4. Each company will pay software costs (depreciation and maintenance) for its owned assets.
5. Shared software costs will be allocated between Service Recipient and Service Provider proportional to usage – the current estimate is 60% Service Recipient | 40% Service Provider.
6. Each company will provide its own staff—Labor = \$0.
7. Each company will pay its own travel—Travel = \$0.
8. Consultant costs for non non-Service specific incidents/problems will be paid for by impacted company.
9. Network costs are included in the Service Schedules under the Agreement which address WAN and LAN services.

In accordance with the Agreement, Service Recipient shall pay Service Provider an amount equal to the Service Costs for all Services provided to Service Recipient, subject to the assumptions set forth above and the pricing methodology described below.

Methodology

- **System cost:** *The total cost (infrastructure) will be split 40% (Service Provider) / 60% (Service Recipient) (Includes software licenses and ongoing maintenance cost for software and hardware required to support this Service based on historical estimate prior to Distribution Date)*
 - *This cost will be a fixed monthly fee until full separation of all the services associated with this Service.*
- *The estimated annual cost to the Service Recipient is \$6,000,000 or \$1,500,000 per quarter.*

Service Levels

- Service levels will be commensurate with the service levels provided in the three months prior to the Distribution Date. The key metric that determines SLAs are ticket severity levels established and documented in the Remedy ticketing system as of the Distribution Date.

Exit Services

Service Provider shall provide the following services at the request of Service Recipient in connection with the termination of the Service:

- Provide consulting services for planning and execution to deploy new Mobility Services/ Systems for the Service Recipient.
- Provide access to current documentation towards preventing a lapse in ongoing services.
- Provide training for Service Recipient's new resources on the Mobility Systems the Service Recipient will own.
- Provide assistance in setting up forwarding/notification service (voice, website redirection etc.) to Service Recipient's new services where possible for a period of 90 days after termination of the Service.

Supplemental Services

For requests for supplemental services relating to the Service by Service Recipient not described in this Service Schedule, including exit services, or not included within the pricing documented in this Service Schedule or the Agreement, Service Recipient will provide a written project request and submit such request to Service Provider for consideration by Service Provider.

Supplemental services include projects to replace major pieces of the Mobility Services Environment implementing cloned or new Mobile Device Management (MDM) solution).

LOCATIONS/GEOGRAPHIC COVERAGE:

Service Provider will provide the service via a distributed team based primarily in Orlando, FL and San Diego, California.

ADDITIONAL TERMS, CONDITIONS AND OTHER INFORMATION:

Service Provider shall be responsible to obtain consent (where applicable) from Blackberry to provide the Service during the Service Period.

SCHEDULE C

Fiscal Calendar

Fiscal 2014 (February 1, 2013 – January 31, 2014)

First Quarter End – May 3, 2013

Second Quarter End – August 2, 2013

Third Quarter End – November 1, 2013

Fourth Quarter End – January 31, 2014

Fiscal 2015 (February 1, 2014 – January 30, 2015)

First Quarter End – May 2, 2014

Second Quarter End – August 1, 2014

Third Quarter End – October 31, 2014

Fourth Quarter End – January 30, 2015

SCHEDULE D

The initial TSA Leaders for Leidos and New SAIC shall be Charles L. Kanewske and Thomas G. Baybrook, respectively.