
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 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) February 6, 2012

FAIR ISAAC CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

1-11689
(Commission
File Number)

94-1499887
(IRS Employer
Identification No.)

901 Marquette Avenue, Suite 3200
Minneapolis, Minnesota
(Address of principal executive offices)

55402-3232
(Zip Code)

Registrant's telephone number, including area code 612-758-5200

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 (see General Instruction A.2. below):

- 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 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Fair Isaac Corporation (the “Company”) has entered into Letter Agreements and Amended and Restated Management Agreements, all of which were effective as of February 6, 2012, with each of the following executive officers, all of whom are currently serving as executive officers of the Company: Michael Pung, Senior Vice President and Chief Financial Officer; Deborah Kerr, Executive Vice President and Chief Technology Officer; and Mark Scadina, Executive Vice President, General Counsel and Secretary (each an “Officer”).

The term of each of the Letter Agreements is from February 6, 2012 through December 31, 2016. Pursuant to his or her respective Letter Agreement, Mr. Pung will receive an annual base salary of \$400,000, Ms. Kerr will receive an annual base salary of \$500,000, and Mr. Scadina will receive an annual base salary of \$400,000, which in each case is subject to upward adjustment from time to time during the term of the Letter Agreement as determined by the Compensation Committee of the Board (the “Committee”). For each full fiscal year of the Company during the term of the Letter Agreement, each of the Officers will be eligible to receive a cash incentive award payable from 0% to 100% of his or her annual base salary at the rate in effect at the end of such fiscal year, with a target equal to 50% of his or her annual base salary, pursuant to the Company’s Management Incentive Plan and the terms and conditions established by the Committee from time to time.

For each full fiscal year that he or she is employed during the term of the Letter Agreement, each Officer will be eligible for an annual equity grant based on achievement of objectives established by the Committee. Some or all of such annual equity grant may be in the form of restricted stock units, performance share units or other equity awards that have an equivalent economic value to an option award.

If an Officer’s employment is terminated by the Company without Cause or if he or she voluntary resigns for Good Reason (both as defined in the Officer’s respective Letter Agreement) prior to the expiration of the term of the Letter Agreement, such Officer will be entitled to the following severance pay and benefits pursuant to the Letter Agreement: (i) a cash payment in an amount equal to one times the sum of (A) his or her annual base salary in effect on the last day of his or her employment, plus (B) the annual cash incentive payment last paid to him or her before the termination of his or her employment, such cash payment to be made in a lump sum on the 70th day following the Officer’s separation from service (subject to certain exceptions), and (ii) continuation of certain benefits pursuant to COBRA for 12 months. An Officer’s receipt of these severance pay and benefits would be conditioned on his or her execution of a release of claims against the Company, his or her compliance with the terms of any agreements in effect between him or her and the Company, his or her cooperation in the transition of his or her duties, and his or her agreement not to disparage the Company. In addition, in the event that any Officer will receive payments and benefits pursuant to the Amended and Restated Management Agreement described below, he or she will not be entitled to severance payments or benefits under the Letter Agreement.

Each of the Officers had been party to a prior management agreement with the Company that was amended and restated in its entirety as set forth in the Amended and Restated Management Agreements. The term of each of the Amended and Restated Management Agreements is from February 6, 2012 through December 31, 2016. Pursuant to the Amended and Restated Management Agreements, if an Officer’s employment is terminated by the Company without Cause or if he or she resigns for Good Reason within 60 days before or one year following a change of control Event that occurs during the Term of the Amended and Restated Management Agreement (each as defined in the Amended and Restated Management Agreement), then such Officer will be entitled to the following severance pay and benefits, subject to certain limitations specified in the Amended and Restated Management Agreement: (i) a cash payment in an amount equal to one times the sum of (A) his or her annual base salary in effect on the last day of his or her employment, plus (B) the annual cash incentive payment paid to him or her for the preceding fiscal year, such cash payment to be made in a lump sum on the 70th day following the Officer’s separation from service (subject to certain exceptions), (ii) continuation of certain insurance benefits for 12 months, and (iii) full acceleration of all of such Officer’s unvested stock options, restricted stock units and performance share units. An Officer’s receipt of these severance pay and benefits would be conditioned on his or her execution of a release of claims against the Company and a one-year nonsolicitation agreement.

The foregoing descriptions of the Letter Agreements and Amended and Restated Management Agreements are summaries only and are qualified in all respects by reference to the full text of the Letter Agreement for Mr. Pung, the Letter Agreement for Ms. Kerr, the Letter Agreement for Mr. Scadina, and the form of Amended and Restated Management Agreement, which are attached to this Current Report on Form 8-K as Exhibits 10.1, 10.2, 10.3, and 10.4, respectively, and incorporated into this Item 5.02 by reference.

Item 5.07. Submission of Matters to a Vote of Security Holders.

The Company held its 2012 Annual Meeting of Stockholders (the "Annual Meeting") on February 7, 2012. Of the 35,855,356 shares of common stock entitled to vote, 33,512,258 shares were present at the Annual Meeting in person or by proxy. The final results for each of the matters submitted to a vote of stockholders at the Annual Meeting are as follows:

Item No. 1: All of the board's nominees for director that were standing for re-election were elected by the votes set forth in the table below:

<u>Nominee</u>	<u>For</u>	<u>Against</u>	<u>Abstain</u>	<u>Broker Non-Votes</u>
A. George Battle	25,245,193	4,183,027	616,657	3,467,381
Nicholas F. Graziano	29,859,738	141,194	43,945	3,467,381
James D. Kirsner	29,252,556	787,292	5,029	3,467,381
William J. Lansing	29,881,410	158,320	5,147	3,467,381
Rahul L. Merchant	29,894,605	144,442	5,830	3,467,381
David A. Rey	29,900,356	138,748	5,773	3,467,381
Duane E. White	26,662,849	3,375,206	6,822	3,467,381

Item No. 2: The stockholders approved the adoption of the 2012 Long-Term Incentive Plan by the votes set forth in the table below:

<u>For</u>	<u>Against</u>	<u>Abstain</u>	<u>Broker Non-Votes</u>
23,260,270	6,766,995	17,612	3,467,381

Item No. 3: The stockholders approved, on an advisory (non-binding) basis, the resolution relating to the Company's executive officer compensation by the votes set forth in the table below:

<u>For</u>	<u>Against</u>	<u>Abstain</u>	<u>Broker Non-Votes</u>
29,060,643	956,427	27,807	3,467,381

Item No. 4: The appointment of Deloitte & Touche LLP as the Company's independent registered public accounting firm for fiscal 2012 was ratified by the stockholders, by the votes set forth in the table below:

<u>For</u>	<u>Against</u>	<u>Abstain</u>
33,018,265	479,037	14,956

Item 9.01. Financial Statements and Exhibits.

(c) Exhibits.

<u>Exhibit</u>	<u>Description</u>
10.1	Letter Agreement, dated February 6, 2012, between Michael Pung and the Company
10.2	Letter Agreement, dated February 6, 2012, between Deborah Kerr and the Company
10.3	Letter Agreement, dated February 6, 2012, between Mark Scadina and the Company
10.4	Form of Amended and Restated Management Agreement

SIGNATURE

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.

FAIR ISAAC CORPORATION

By /s/ MARK R. SCADINA

Mark R. Scadina

Executive Vice President, General Counsel, and Secretary

Date: February 10, 2012

EXHIBIT INDEX

<u>Exhibit</u>	<u>Description</u>	<u>Manner of Filing</u>
10.1	Letter Agreement, dated February 6, 2012, between Michael Pung and the Company	Filed Electronically
10.2	Letter Agreement, dated February 6, 2012, between Deborah Kerr and the Company	Filed Electronically
10.3	Letter Agreement, dated February 6, 2012, between Mark Scadina and the Company	Filed Electronically
10.4	Form of Amended and Restated Management Agreement	Filed Electronically



February 6, 2012

Michael J. Pung

Dear Mike:

This letter agreement (the "Agreement") confirms our desire to retain your employment with Fair Isaac Corporation (the "Company") as the Company's Senior Vice President, Chief Financial Officer, and sets out the terms and conditions of your continued employment with the Company, as follows:

Title: You will continue to serve as the Company's Senior Vice President, Chief Financial Officer.

Term: The term of your employment as the Company's Senior Vice President, Chief Financial Officer under the terms and conditions of this Agreement shall be for a period commencing on February 6, 2012 and ending on December 31, 2016 (the "Initial Term"), unless earlier terminated by either party as provided in this Agreement. Following the Initial Term, your employment with the Company under the terms and conditions of this Agreement shall automatically be renewed for successive one year periods (each a "Renewal Term") on January 1 of each year, unless the Company elects not to extend the Term providing you with written notice at least one hundred and eighty (180) days' prior to the end of the Initial Term or any Renewal Term thereof. The period of your employment with the Company under the terms and conditions of this Agreement (including during the Initial Term and any Renewal Term) is referred to as the "Term."

Responsibilities: During your employment hereunder with the Company as Senior Vice President, Chief Financial Officer you will report to the Company's Chief Executive Officer and will be responsible for overseeing all accounting, financial reporting, financial planning and budget, tax, treasury, investor relations, facilities management and other functions to which you may be assigned from time to time by the Chief Executive Officer or his or her designee. You agree to serve the Company faithfully and to the best of your ability, and to devote your full working time, attention and efforts to the business of the Company. You may participate in charitable activities and personal investment activities to a reasonable extent, and you may serve as a director of business and civic organizations (and retain compensation from same) as approved by the Company's Board of Directors (the "Board"), so long as such activities and directorships do not interfere with the performance of your duties and responsibilities to the Company.

Representation: By accepting your continued employment with the Company under this Agreement and signing below, you represent and confirm that you are under no contractual or legal commitments that would prevent you from fulfilling your duties and responsibilities to the Company as Senior Vice President, Chief Financial Officer.

Initial Base Salary: During the Term, you will be paid a base salary at the rate of \$400,000 per year for services performed, in accordance with the regular payroll practices of the Company with annual review by the Committee. Your performance and base salary will be reviewed by the Committee annually during the first quarter of each fiscal year and may be adjusted upward from time to time at the discretion of the Committee, but will not be reduced without your consent during the Term. After any such increase, the reference to base salary in this Agreement shall mean such increased amount.

Incentive Bonus: You will participate in the Company's Management Incentive Plan, as may be amended by the Committee from time to time (the "MIP"). Under the MIP, for each full fiscal year of the Company that you are employed during the Term, you will be eligible for an annual incentive award opportunity payable from 0% to 100%, with a target award equal to 50% of your annual base salary at the rate in effect at the end of such fiscal year, pursuant to the terms and conditions established by the Committee from time to time. Objectives will be established during the first quarter of the fiscal year. Any annual incentive bonus earned for a fiscal year will be paid to you by December 31 of the calendar year in which such fiscal year ends.

Annual Equity: For each fiscal year of the Company that you are employed during the Term, you will be eligible for an annual equity grant based on achievement of objectives established by the Committee, and on such other terms established by the Committee in its sole discretion. In accordance with the policies and practices of the Company, some or all of such annual equity grant may be in the form of restricted stock units, performance share units, or other equity that is an economic equivalent to an option award. Such equivalency will be determined by the Company in its sole discretion.

Existing Equity: The option grants and equity-based awards received by you during your employment with the Company through the date of this Agreement shall continue to be governed by the terms and conditions set forth in the applicable written stock option, restricted stock unit, and performance share unit agreements.

Benefits: While employed by the Company during the Term, you (and your eligible dependents) will be eligible to participate in the employee benefit plans and programs generally available to other executive officers of the Company, and in such other employee benefit plans and programs to the extent that you meet the eligibility requirements for each individual plan or program and subject to the provisions, rules and regulations applicable to each such plan or program as in effect from time to time. The plans and programs of the Company may be modified or terminated by the Company in its discretion.

Travel and Other Business Expenses: In performing your responsibilities as Senior Vice President, Chief Financial Officer, you will be required to travel extensively, both within the United States and internationally. The Company will reimburse you promptly for all travel and other business expenses incurred by you in connection with the performance of your duties for the Company, subject to the Company's normal business expense and travel policies and procedures.

Vacation: During your employment with the Company, you will receive vacation time off in accordance with the policies and practices of the Company. Vacation time shall be taken at such times so as not to unduly disrupt the operations of the Company.

Office Location: Your employment will be based at the Company's offices located in Minneapolis, Minnesota.

Inventions Agreement: You acknowledge and agree that you continue to be bound by the terms and conditions of the Proprietary Information and Inventions Agreement or similar agreement previously signed by you (the "Past PIIA"). In addition, as a condition of your continued employment under the terms and conditions of this Agreement and of receiving payments and benefits in accordance with this Agreement, you agree to sign the enclosed Proprietary Information and Inventions Agreement (the "New PIIA"), the terms of which are incorporated herein by reference.

Change in Control: You and the Company will enter into an Amended and Restated Management Agreement dated as of February 6, 2012 (the "Management Agreement"), the terms of which are incorporated herein by reference (except that terms defined in the Management Agreement apply only to the use of such terms in the Management Agreement, and terms defined in this Agreement apply only to the use of such terms in this Agreement).

Termination: Either you or the Company may terminate the employment relationship during the Term or after the Term at any time and for any reason. Upon termination of your employment by either party for any reason, you will promptly resign any and all positions you then hold as officer or director of the Company or any of its affiliates.

Severance: In case of involuntary termination of your employment by the Company without Cause prior to the end of the Initial Term or prior to the end of any Renewal Term then in effect or in the case of voluntary resignation of your employment for Good Reason prior to the end of the Initial Term or prior to the end of any Renewal Term then in effect (each a "Qualifying Termination"), the Company will pay you as severance pay an amount equal to one (1) times the sum of (a) your annual base salary at the rate in effect on your last day of

employment plus (b) the annual incentive bonus last paid to you preceding the Qualifying Termination. In addition, upon a Qualifying Termination, if you (and, if applicable, your eligible dependents), complete and return the forms necessary to elect COBRA continuation coverage to the COBRA administrator for the group health plan in which you participate at the time of your Qualifying Termination, then the Company will provide you and your eligible dependents with COBRA continuation coverage at no cost to you, for a period of twelve (12) months following the effective date of termination of your employment, provided you remain eligible for COBRA. This continuation coverage will be provided only with respect to your base medical, dental, vision and Employee Assistance Program coverage under the group health plan in which you receive COBRA continuation coverage (and in Minnesota only, this applies to basic life insurance coverage), and shall not apply to any medical expense reimbursement account, dental care plan, vision care plan, or other arrangement for which you may be entitled to COBRA continuation coverage. To the extent necessary in order for you to avoid being subject to tax under section 105(h) of the Code (as defined below) on any payment or reimbursement of group medical, dental or other group health care expenses made to you or for your benefit pursuant to this paragraph, the Company shall impute as taxable income to you an amount equal to the COBRA continuation coverage cost described above.

Payment by the Company of any severance pay or premium reimbursements under this paragraph will be conditioned upon you (1) signing and not revoking a full release of all claims against the Company, its affiliates, officers, directors, employees, agents and assigns, substantially in the form attached to this Agreement as Exhibit A, and delivering such signed release to the Company within the period specified in Exhibit A (2) complying with your obligations under the Past PIIA, the New PIIA or any other agreement between you and the Company then in effect, (3) cooperating with the Company in the transition of your duties, and (4) agreeing not to disparage or defame the Company, its affiliates, officers, directors, employees, agents, assigns, products or services as set forth in Exhibit A. Subject to your execution and non-revocation of the release in the form attached hereto as Exhibit A and delivery of such signed release within forty-five (45) days after your "separation from service" as determined under Section 409A of the Internal Revenue Code of 1986, as amended (the "Code") and the regulations and all notices, rulings and other guidance issued by the Internal Revenue Service interpreting same ("Section 409A") and your compliance with the other conditions identified above, any severance payable to you under this Agreement will be paid to you in a lump sum on the 70th day following your "separation from service" as determined under Section 409A; provided, however, that if your "separation from service" occurs on or before December 31, 2012 any severance payable to you under this Agreement will be paid to you in a lump sum on the first day of the seventh month following your "separation from service" as determined under Section 409A.

For purposes of this Agreement, “Cause” and “Good Reason” have the following definitions:

“Cause” means a determination in good faith by the Company of the existence of one or more of the following: (i) commission by you of any act constituting a felony; (ii) any intentional and/or willful act of fraud or material dishonesty by you related to, connected with or otherwise affecting your employment with the Company, or otherwise likely to cause material harm to the Company or its reputation; (iii) the willful and/or continued failure, neglect, or refusal by you to perform in all material respects your duties with the Company as an employee, officer or director, or to fulfill your fiduciary responsibilities to the Company, which failure, neglect or refusal has not been cured within fifteen (15) days after written notice thereof to you from the Company; or (iv) a material breach by you of the Company’s material policies or codes of conduct or of your material obligations under the Past PIIA, the New PIIA or other written agreement signed by you and the Company.

“Good Reason” means any one or more of the following conditions occur without your prior written consent: (i) a material reduction in your base salary, unless such reduction is part of an across-the-board uniformly applied reduction affecting all senior executives of the Company; (ii) a material reduction in your annual cash incentive bonus target expressed as a percentage of base salary, unless such reduction is part of an across-the-board uniformly applied reduction affecting all senior executives of the Company; (iii) a requirement that you relocate to an office located fifty (50) or more miles from your current office location; (iv) material breach by the Company of any terms or conditions of this Agreement; or (v) the failure of the Company to obtain agreement from any successor to assume and agree to perform this Agreement, unless this Agreement is otherwise assumed by any successor by operation of law. A termination for Good Reason shall not take effect unless the following provisions are satisfied. You shall notify the Company within ninety (90) days after the later of the occurrence of the event giving rise to Good Reason or your learning of such event, specifying such act or acts. The Company shall have thirty (30) days after such notice has been given to cure such conduct. If the Company fails to cure such condition, then you shall be entitled to resign for Good Reason, provided such resignation shall be no later than 180 days after the occurrence of the event giving rise to your right to so resign.

In the event of termination of your employment by the Company for Cause, resignation by you other than for Good Reason, or termination due to your death or any disability for which you are qualified for benefits under the Company’s group long-term disability program, the Company’s only obligations hereunder shall be those obligations set forth immediately below in this paragraph. For any termination of your employment, you shall be entitled to (i) such compensation and any benefits (including any vested equity awards) as are earned by you or accrued or vested through the date of termination of employment, (ii) reimbursement of your business

expenses incurred through the date of termination, subject to the Company's normal business expense and travel policies and procedures; (iii) payments or benefits due to you pursuant to any applicable plan, policy, arrangement of, or agreement with, the Company or any of its affiliates; and (iv) your rights under the Indemnification Agreement, the Company's (or any successor's) charter documents or pursuant to applicable law or to be covered under any applicable directors' and officers' insurance policies.

In the event that you receive any payment or benefit under the Management Agreement following termination of your employment, you shall not be entitled to receive a comparable payment or benefit under this Agreement so as to prevent any duplication of any payments or benefits under this Agreement and the Management Agreement.

Indemnification:

The Company will indemnify you in connection with your duties and responsibilities for the Company, as set out in the Indemnification Agreement previously signed by you (the "Indemnification Agreement").

Taxes:

The Company may withhold from any compensation payable to you in connection with your employment such federal, state and local income and employment taxes as the Company shall reasonably determine are required to be withheld pursuant to any applicable law or regulation. You acknowledge and agree that the Company has made no assurances or representations to you regarding the tax treatment of any consideration provided for in this Agreement and that the Company has advised you to obtain your own personal tax advice. Except for any tax amounts withheld by the Company from the payments or other consideration hereunder and any employment taxes required to be paid by the Company or any tax liabilities for you that are the direct result of the Company failing to make payments or to provide other consideration hereunder in accordance with the terms of this Agreement, you shall be responsible for payment of any and all taxes owed in connection with the consideration provided for in this Agreement.

No Mitigation/No Offset:

In the event of any termination of your employment, you shall be under no obligation to seek other employment or otherwise mitigate damages. There shall be no offset against, or any recoupment of, any amounts, benefits or entitlements due to you hereunder on account of any remuneration or other benefit earned or received by you from subsequent employment. As such, Article 13 of the 1992 Long-Term Incentive Plan shall not apply to your awards.

Binding Nature:

As of the date first written above, this Agreement is intended to bind and inure to the benefit of and be enforceable by you and the Company and their respective successors, assigns, heirs, executors and administrators, except you may not assign your rights or obligations hereunder without the prior written consent of the Company (provided that if you should die while

any payment, benefit or entitlement is due to you hereunder, such payment, benefit or entitlement shall be paid to your designated beneficiary, or, if there is no designated beneficiary, to your estate). In addition, no rights or obligations of the Company under this Agreement may be assigned or transferred by the Company without your prior written consent, except that such rights or obligations may be assigned or transferred pursuant to a merger or consolidation in which the Company is not the continuing entity, or a sale, liquidation or other disposition of all or substantially all of the assets of the Company, provided that the assignee or transferee is the successor to all or substantially all of the assets of the Company and assumes the liabilities, obligations and duties of the Company under this Agreement, either contractually or as a matter of law.

Applicable Law:

This Agreement shall be interpreted and construed in accordance with the laws of the State of Minnesota.

Section 409A:

The parties hereto intend that all payments and benefits to be made or provided to you will be paid or provided in compliance with all applicable requirements of Section 409A (as defined above), and the provisions of this Agreement shall be construed and administered in accordance with and to implement such intent. In furtherance of the foregoing, the provisions set forth below shall apply notwithstanding any other provision in this Agreement.

(a) All payments to be made to you hereunder, to the extent they constitute a deferral of compensation subject to the requirements of Section 409A (after taking into account all exclusions applicable to such payments under Section 409A), shall be made no later, and shall not be made any earlier, than at the time or times specified herein or in any applicable plan for such payments to be made, except as otherwise permitted or required under Section 409A.

(b) The date of your “separation from service”, as defined in Section 409A (and as determined by applying the default presumptions in Treas. Reg. §1.409A-1(h)(1)(ii)), shall be treated as the date of your termination of employment for purposes of determining the time of payment of any amount that becomes payable to you related to your termination of employment and that is properly treated as a deferral of compensation subject to Section 409A after taking into account all exclusions applicable to such payment under Section 409A.

(c) To the extent any payment or delivery otherwise required to be made to you hereunder on account of your separation from service is properly treated as a deferral of compensation subject to Section 409A after taking into account all exclusions applicable to such payment and delivery under Section 409A, and if you are a “specified employee” under Section 409A at the time of your separation from service, then such payment and delivery shall not be

made prior to the first business day after the earlier of (i) the expiration of six months from the date of your separation from service, or (ii) the date of your death (such first business day, the “Delayed Payment Date”). On the Delayed Payment Date, there shall be paid or delivered to you or, if you have died, to your estate, in a single payment or delivery (as applicable) all entitlements so delayed, and in the case of cash payments, in a single cash lump sum, an amount equal to aggregate amount of all payments delayed pursuant to the preceding sentence.

(d) In the case of any amounts payable to you under this Agreement that may be treated as payable in the form of “a series of installment payments”, as defined in Treas. Reg. §1.409A-2(b)(2)(iii), your right to receive such payments shall be treated as a right to receive a series of separate payments for purposes of Treas. Reg. §1.409A-2(b)(2)(iii).

(e) To the extent that the reimbursement of any expenses eligible for reimbursement or the provision of any in-kind benefits under any provision of this Agreement would be considered deferred compensation under Section 409A (after taking into account all exclusions applicable to such reimbursements and benefits under Section 409A): (i) reimbursement of any such expense shall be made by the Company as soon as practicable after such expense has been incurred, but in any event no later than December 31st of the year following the year in which you incur such expense; (ii) the amount of such expenses eligible for reimbursement, or in-kind benefits to be provided, during any calendar year shall not affect the amount of such expenses eligible for reimbursement, or in-kind benefits to be provided, in any calendar year; and (iii) your right to receive such reimbursements or in-kind benefits shall not be subject to liquidation or exchange for another benefit.

Section 280G:

Section 3 of the Management Agreement is incorporated in full into this Agreement and shall apply to any payment, benefit or entitlement paid or provided to you (or to be paid or so provided) hereunder or otherwise as if such payment, benefit or entitlement had been paid under the Management Agreement.

Notices:

Any notice, request or other communication required under this Agreement shall be in writing and shall be deemed to have been given (i) when delivered personally, or (ii) two days after having been sent by a recognized courier, provided written acknowledgement of receipt is obtained. Any such notices, requests or other communications shall be given to the Company, at Fair Isaac Corporation, Attn: General Counsel, 901 Marquette Avenue, Suite 3200, Minneapolis, MN 55402, and to you at your home address in the Company’s files (or to any other address the party provides in accordance with this notice provision).

Entire Agreement:

This Agreement, the Past PIIA, the New PIIA, the Indemnification Agreement and the Management Agreement constitute the entire agreement between the parties with respect to the subject matter hereto, and supersede all prior discussions, agreements and negotiations between you and the Company with respect to the subject matter hereof. No amendment or modification of this Agreement will be effective unless made in writing and signed by you and an authorized officer or director of the Company. Any waiver of this Agreement will only be effective if signed by the party against whom the waiver is being enforced (which in the case of the Company shall be an authorized officer or director). No waiver by any party of any breach of any condition or provision of this Agreement shall be deemed a waiver of any similar or dissimilar condition or provision at the same or any prior or subsequent time.

[signature page follows]

If you have any questions about the terms of this Agreement, please contact Richard Deal.

Sincerely,

/s/ William J. Lansing

William J. Lansing
President and Chief Executive Officer

Enclosures

- Form of Release attached hereto as Exhibit A
- Amended and Restated Management Agreement
- New Proprietary Information and Inventions Agreement
- Indemnification Agreement

I accept and agree to the terms and conditions of employment with Fair Isaac Corporation as set forth above.

/s/ Michael J. Pung
Michael J. Pung

2/9/12
Dated

EXHIBIT A

RELEASE BY MICHAEL J. PUNG

Definitions. I intend all words used in this Release to have their plain meanings in ordinary English. Specific terms that I use in this Release have the following meanings:

- A. I, me, and my include both me (Michael J. Pung) and anyone who has or obtains any legal rights or claims through me.
- B. FICO means Fair Isaac Corporation, any company related to Fair Isaac Corporation in the present or past (including without limitation, its predecessors, parents, subsidiaries, affiliates, joint venture partners, and divisions), and any successors of Fair Isaac Corporation.
- C. Company means FICO; the present and past officers, directors, committees, shareholders, and employees of FICO; any company providing insurance to FICO in the present or past; the present and past employee benefit plans sponsored or maintained by FICO (other than multiemployer plans) and the present and past fiduciaries of such plans; the attorneys for FICO; and anyone who acted on behalf of FICO or on instructions from FICO.
- D. Agreement means the letter agreement between me and FICO dated February 6, 2012, including all of the documents attached to such agreement.
- E. My Claims mean all of my rights that I now have to any relief of any kind from the Company, whether I now know about such rights or not, including without limitation:
 - 1. all claims arising out of or relating to my employment with FICO or the termination of that employment;
 - 2. all claims arising out of or relating to the statements, actions, or omissions of the Company;
 - 3. all claims for any alleged unlawful discrimination, harassment, retaliation or reprisal, or other alleged unlawful practices arising under the laws of the United States or any other country or of any state, province, municipality, or other unit of government, including without limitation, claims under Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act, the Americans with Disabilities Act, the Family and Medical Leave Act, 42 U.S.C. § 1981, the Employee Retirement Income Security Act, the Equal Pay Act, the Worker Adjustment and Retraining Notification Act, the Sarbanes-Oxley Act, the Lilly Ledbetter Fair Pay Act of 2009, the Minnesota Human Rights Act, the Genetic Information Nondiscrimination Act, the Fair Credit Reporting Act, the California Fair Employment and Housing Act, the Minneapolis Civil Rights Ordinance, and workers' compensation non-interference or non-retaliation statutes (such as Minn. Stat. § 176.82);

4. all claims for alleged wrongful discharge; breach of contract; breach of implied contract; failure to keep any promise; breach of a covenant of good faith and fair dealing; breach of fiduciary duty; estoppel; my activities, if any, as a “whistleblower”; defamation; infliction of emotional distress; fraud; misrepresentation; negligence; harassment; retaliation or reprisal; constructive discharge; assault; battery; false imprisonment; invasion of privacy; interference with contractual or business relationships; any other wrongful employment practices; and violation of any other principle of common law;
5. all claims for compensation of any kind, including without limitation, bonuses, commissions, stock-based compensation or stock options, vacation pay and paid time off, perquisites, and expense reimbursements;
6. all rights I have under California Civil Code section 1542, which states that: “A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor;”
7. all claims for back pay, front pay, reinstatement, other equitable relief, compensatory damages, damages for alleged personal injury, liquidated damages, and punitive damages; and
8. all claims for attorneys’ fees, costs, and interest.

However, My Claims do not include any claims that the law does not allow to be waived; any claims that may arise after the date on which I sign this Release; any rights I may have to indemnification from FICO as a current or former officer, director or employee of FICO, including pursuant to the Indemnification Agreement (as defined in the Agreement); any claims for payments, entitlements or benefits due me under the Agreement or the Management Agreement (as defined in the Agreement), if applicable, subject to any terms or conditions under the Agreement or the Management Agreement, if applicable; or any claims I may have for earned and accrued benefits under any employee benefit plan sponsored by the Company in which I am a participant as of the date of termination of my employment with FICO or pursuant to any long-term incentive or equity plan or award agreement

Consideration. I am entering into this Release in consideration of FICO’s obligations to provide me certain severance benefits as specified in the Agreement. I will receive consideration from FICO as set forth in the Agreement if I sign and do not rescind this Release as provided below. I understand and acknowledge that I would not be entitled to the consideration under the Agreement if I did not sign this Release. The consideration is in addition to anything of value that I would be entitled to receive from FICO if I did not sign this Release or if I rescinded this Release. I acknowledge and represent that I have received all payments and benefits that I am entitled to receive (as of the date of this Release) by virtue of any employment by the Company.

Agreement to Release My Claims. In exchange for the consideration described in the Agreement, I give up and release all of My Claims. I will not make any demands or claims against the Company for compensation or damages relating to My Claims. The consideration that I am receiving is a fair compromise for the release of My Claims.

Cooperation. Upon the reasonable request of the Company, I agree that I will (i) timely execute and deliver such acknowledgements, instruments, certificates, and other ministerial documents (including without limitation, certification as to specific actions performed by me in my capacity as an officer of the Company) as may be necessary or appropriate to formalize and complete the applicable corporate records; (ii) reasonably consult with the Company regarding business matters that I was involved with while employed by the Company; and (iii) be reasonably available, with or without subpoena, to be interviewed, review documents or things, give depositions, testify, or engage in other reasonable activities in connection with any litigation or investigation, with respect to matters that I may have knowledge of by virtue of my employment by or service to the Company. In performing my obligations under this paragraph to testify or otherwise provide information, I will honestly, truthfully, forthrightly, and completely provide the information requested, volunteer pertinent information and turn over to the Company all relevant documents which are or may come into my possession.

My Continuing Obligations. I understand and acknowledge that I must comply with all of my post-employment obligations under the Agreement and under the Proprietary Information and Inventions Agreement dated February 6, 2012. I will not defame or disparage the reputation, character, image, products, or services of FICO, or the reputation or character of FICO's directors, officers, employees and agents, and I will refrain from making public comment about the Company except upon the express written consent of an officer of FICO or if required by law or by any court with actual or apparent jurisdiction.

Additional Agreements and Understandings. Even though FICO will provide consideration for me to settle and release My Claims, the Company does not admit that it is responsible or legally obligated to me. In fact, the Company denies that it is responsible or legally obligated to me for My Claims, denies that it engaged in any unlawful or improper conduct toward me, and denies that it treated me unfairly.

Advice to Consult with an Attorney. I understand and acknowledge that I am hereby being advised by the Company to consult with an attorney prior to signing this Release and I have done so (or waived my right to do so). My decision whether to sign this Release is my own voluntary decision made with full knowledge that the Company has advised me to consult with an attorney.

Period to Consider the Release. I understand that I have at least 21 days from the date I received this Release (or at least 21 days after the last day of my employment with FICO, if later) to consider whether I wish to sign this Release. If I sign this Release before the end of the 21-day period, it will be my voluntary decision to do so because I have decided that I do not need any additional time to decide whether to sign this Release. I understand and agree that if I sign this Release prior to my last day of employment with FICO it will not be valid and FICO will not be obligated to provide the consideration described in the Release.

My Right to Rescind this Release. I understand that I may rescind this Release at any time within 15 days after I sign it, not counting the day upon which I sign it. This Release will not become effective or enforceable unless and until the 15-day rescission period has expired without my rescinding it. I understand that if I rescind this Release FICO will not be obligated to provide the consideration described in the Release.

Procedure for Accepting or Rescinding the Release. To accept the terms of this Release, I must deliver the Release, after I have signed and dated it, to FICO by hand or by mail within 45 days after my separation from service date. To rescind my acceptance, I must deliver a written, signed statement that I rescind my acceptance to FICO by hand or by mail within the 15-day rescission period. All deliveries must be made to FICO at the following address:

Senior Vice President of Human Resources
Fair Isaac Corporation
901 Marquette Avenue
Suite 3200
Minneapolis, MN 55402

If I choose to deliver my acceptance or the rescission by mail, it must be postmarked within the period stated above and properly addressed to FICO at the address stated above.

Interpretation of the Release. This Release should be interpreted as broadly as possible to achieve my intention to resolve all of My Claims against the Company. If this Release is held by a court to be inadequate to release a particular claim encompassed within My Claims, this Release will remain in full force and effect with respect to all the rest of My Claims. I agree that the provisions of this Release may not be amended, waived, changed or modified except by an instrument in writing signed by an authorized representative of FICO and by me.

My Representations. I am legally able and entitled to receive the consideration being provided to me in settlement of My Claims. I have not been involved in any personal bankruptcy or other insolvency proceedings at any time since I began my employment with FICO. No child support orders, garnishment orders, or other orders requiring that money owed to me by FICO be paid to any other person are now in effect.

I have read this Release carefully. I understand all of its terms. In signing this Release, I have not relied on any statements or explanations made by the Company except as specifically set forth in the Agreement. I am voluntarily releasing My Claims against the Company. I intend this Release and the Agreement to be legally binding.

Dated: _____

Michael J. Pung



February 6, 2012

Ms. Deborah Kerr

Dear Deborah:

This letter agreement (the "Agreement") confirms our desire to retain your employment with Fair Isaac Corporation (the "Company") as the Company's Executive Vice President, Chief Technology Officer and sets out the terms and conditions of your continued employment with the Company, as follows:

Title: You will continue to serve as the Company's Executive Vice President, Chief Technology Officer.

Term: The term of your employment as the Company's Executive Vice President, Chief Technology Officer under the terms and conditions of this Agreement shall be for a period commencing on February 6, 2012 and ending on December 31, 2016 (the "Initial Term"), unless earlier terminated by either party as provided in this Agreement. Following the Initial Term, your employment with the Company under the terms and conditions of this Agreement shall automatically be renewed for successive one year periods (each a "Renewal Term") on January 1 of each year, unless the Company elects not to extend the Term providing you with written notice at least one hundred and eighty (180) days' prior to the end of the Initial Term or any Renewal Term thereof. The period of your employment with the Company under the terms and conditions of this Agreement (including during the Initial Term and any Renewal Term) is referred to as the "Term."

Responsibilities: During your employment hereunder with the Company as Executive Vice President, Chief Technology Officer you will report to the Company's Chief Executive Officer and will be responsible for leading the Company's information technology, product development, product management and other functions to which you may be assigned from time to time by the Chief Executive Officer or his or her designee. You agree to serve the Company faithfully and to the best of your ability, and to devote your full working time, attention and efforts to the business of the Company. You may participate in charitable activities and personal investment activities to a reasonable extent, and you may serve as a director of business and civic organizations (and retain compensation from same) as approved by the Company's Board of Directors (the "Board"), so long as such activities and directorships do not interfere with the performance of your duties and responsibilities to the Company.

Representation: By accepting your continued employment with the Company under this Agreement and signing below, you represent and confirm that you are under no contractual or legal commitments that would prevent you from fulfilling your duties and responsibilities to the Company as Executive Vice President, Chief Technology Officer.

Initial Base Salary: During the Term, you will be paid a base salary at the rate of \$500,000 per year for services performed, in accordance with the regular payroll practices of the Company with annual review by the Committee. Your performance and base salary will be reviewed by the Committee annually during the first quarter of each fiscal year and may be adjusted upward from time to time at the discretion of the Committee, but will not be reduced without your consent during the Term. After any such increase, the reference to base salary in this Agreement shall mean such increased amount.

Incentive Bonus: You will participate in the Company's Management Incentive Plan, as may be amended by the Committee from time to time (the "MIP"). Under the MIP, for each full fiscal year of the Company that you are employed during the Term, you will be eligible for an annual incentive award opportunity payable from 0% to 100%, with a target award equal to 50% of your annual base salary at the rate in effect at the end of such fiscal year, pursuant to the terms and conditions established by the Committee from time to time. Objectives will be established during the first quarter of the fiscal year. Any annual incentive bonus earned for a fiscal year will be paid to you by December 31 of the calendar year in which such fiscal year ends.

Annual Equity: For each fiscal year of the Company that you are employed during the Term, you will be eligible for an annual equity grant based on achievement of objectives established by the Committee, and on such other terms established by the Committee in its sole discretion. In accordance with the policies and practices of the Company, some or all of such annual equity grant may be in the form of restricted stock units, performance share units, or other equity that is an economic equivalent to an option award. Such equivalency will be determined by the Company in its sole discretion.

Existing Equity: The option grants and equity-based awards received by you during your employment with the Company through the date of this Agreement shall continue to be governed by the terms and conditions set forth in the applicable written stock option, restricted stock unit, and performance share unit agreements.

Benefits: While employed by the Company during the Term, you (and your eligible dependents) will be eligible to participate in the employee benefit plans and programs generally available to other executive officers of the Company, and in such other employee benefit plans and programs to the extent that you meet the eligibility requirements for each individual plan or program and subject to the provisions, rules and regulations applicable to each such plan or program as in effect from time to time. The plans and programs of the Company may be modified or terminated by the Company in its discretion.

Travel and Other Business Expenses: In performing your responsibilities as Executive Vice President, Chief Technology Officer you will be required to travel extensively, both within the United States and internationally. The Company will reimburse you promptly for all travel and other business expenses incurred by you in connection with the performance of your duties for the Company, subject to the Company's normal business expense and travel policies and procedures. The Company will allow you to book business class tickets for all work-related domestic and international travel, subject to the terms and conditions of the Company's travel policies, including advance ticket purchase requirements.

Vacation: During your employment with the Company, you will receive vacation time off in accordance with the policies and practices of the Company. Vacation time shall be taken at such times so as not to unduly disrupt the operations of the Company.

Office Location: Your employment will be based at the Company's offices located in San Diego, California.

Inventions Agreement: You acknowledge and agree that you continue to be bound by the terms and conditions of the Proprietary Information and Inventions Agreement or similar agreement previously signed by you (the "Past PIIA"). In addition, as a condition of your continued employment under the terms and conditions of this Agreement and of receiving payments and benefits in accordance with this Agreement, you agree to sign the enclosed Proprietary Information and Inventions Agreement (the "New PIIA"), the terms of which are incorporated herein by reference.

Change in Control: You and the Company will enter into an Amended and Restated Management Agreement dated as of February 6, 2012 (the "Management Agreement"), the terms of which are incorporated herein by reference (except that terms defined in the Management Agreement apply only to the use of such terms in the Management Agreement, and terms defined in this Agreement apply only to the use of such terms in this Agreement).

Termination: Either you or the Company may terminate the employment relationship during the Term or after the Term at any time and for any reason. Upon termination of your employment by either party for any reason, you will promptly resign any and all positions you then hold as officer or director of the Company or any of its affiliates.

Severance: In case of involuntary termination of your employment by the Company without Cause prior to the end of the Initial Term or prior to the end of any Renewal Term then in effect or in the case of voluntary resignation of your employment for Good Reason prior to the end of the Initial Term or prior to the end of any Renewal Term then in effect (each a "Qualifying Termination"),

the Company will pay you as severance pay an amount equal to one (1) times the sum of (a) your annual base salary at the rate in effect on your last day of employment plus (b) the annual incentive bonus last paid to you preceding the Qualifying Termination. In addition, upon a Qualifying Termination, if you (and, if applicable, your eligible dependents), complete and return the forms necessary to elect COBRA continuation coverage to the COBRA administrator for the group health plan in which you participate at the time of your Qualifying Termination, then the Company will provide you and your eligible dependents with COBRA continuation coverage at no cost to you, for a period of twelve (12) months following the effective date of termination of your employment, provided you remain eligible for COBRA. This continuation coverage will be provided only with respect to your base medical, dental, vision and Employee Assistance Program coverage under the group health plan in which you receive COBRA continuation coverage (and in Minnesota only, this applies to basic life insurance coverage), and shall not apply to any medical expense reimbursement account, dental care plan, vision care plan, or other arrangement for which you may be entitled to COBRA continuation coverage. To the extent necessary in order for you to avoid being subject to tax under section 105(h) of the Code (as defined below) on any payment or reimbursement of group medical, dental or other group health care expenses made to you or for your benefit pursuant to this paragraph, the Company shall impute as taxable income to you an amount equal to the COBRA continuation coverage cost described above.

Payment by the Company of any severance pay or premium reimbursements under this paragraph will be conditioned upon you (1) signing and not revoking a full release of all claims against the Company, its affiliates, officers, directors, employees, agents and assigns, substantially in the form attached to this Agreement as Exhibit A, and delivering such signed release to the Company within the period specified in Exhibit A (2) complying with your obligations under the Past PIIA, the New PIIA or any other agreement between you and the Company then in effect, (3) cooperating with the Company in the transition of your duties, and (4) agreeing not to disparage or defame the Company, its affiliates, officers, directors, employees, agents, assigns, products or services as set forth in Exhibit A. Subject to your execution and non-revocation of the release in the form attached hereto as Exhibit A and delivery of such signed release within forty-five (45) days after your "separation from service" as determined under Section 409A of the Internal Revenue Code of 1986, as amended (the "Code") and the regulations and all notices, rulings and other guidance issued by the Internal Revenue Service interpreting same ("Section 409A") and your compliance with the other conditions identified above, any severance payable to you under this Agreement will be paid to you in a lump sum on the 70th day following your "separation from service" as determined under Section 409A; provided, however, that if your "separation from service" occurs on or before December 31, 2012 any severance payable to you under this Agreement will be paid to you in a lump sum on the first day of the seventh month following your "separation from service" as determined under Section 409A.

For purposes of this Agreement, “Cause” and “Good Reason” have the following definitions:

“Cause” means a determination in good faith by the Company of the existence of one or more of the following: (i) commission by you of any act constituting a felony; (ii) any intentional and/or willful act of fraud or material dishonesty by you related to, connected with or otherwise affecting your employment with the Company, or otherwise likely to cause material harm to the Company or its reputation; (iii) the willful and/or continued failure, neglect, or refusal by you to perform in all material respects your duties with the Company as an employee, officer or director, or to fulfill your fiduciary responsibilities to the Company, which failure, neglect or refusal has not been cured within fifteen (15) days after written notice thereof to you from the Company; or (iv) a material breach by you of the Company’s material policies or codes of conduct or of your material obligations under the Past PIIA, the New PIIA or other written agreement signed by you and the Company.

“Good Reason” means any one or more of the following conditions occur without your prior written consent: (i) a material reduction prior to January 31, 2013 in your authority, duties or responsibilities as Executive Vice President, Chief Technology & Products Officer, including a material reduction prior to January 31, 2013 in your budget authority or a requirement that you report to a corporate officer or employee instead of reporting directly to the CEO of the Company, provided that a reduction in the size or scope of the Company’s current or anticipated business, including without limitation a diminution in, or divestiture relating to, the Company’s scoring, application or tools strategy or business, shall not constitute a material reduction in your authority, duties or responsibilities under this subsection; (ii) a material reduction in your base salary, unless such reduction is part of an across-the-board uniformly applied reduction affecting all senior executives of the Company; (iii) a material reduction in your annual cash incentive bonus target expressed as a percentage of base salary, unless such reduction is part of an across-the-board uniformly applied reduction affecting all senior executives of the Company; (iv) a requirement that you relocate to an office located fifty (50) or more miles from your current office location; (v) material breach by the Company of any terms or conditions of this Agreement; or (vi) the failure of the Company to obtain agreement from any successor to assume and agree to perform this Agreement, unless this Agreement is otherwise assumed by any successor by operation of law. A termination for Good Reason shall not take effect unless the following provisions are satisfied. You shall notify the Company within ninety (90) days after the later of the occurrence of the event giving rise to Good Reason or your learning of such event, specifying such act or acts. The Company shall have thirty (30) days after such notice has been given to cure such conduct. If the Company fails to cure such condition, then you shall be entitled to resign for Good Reason, provided such resignation shall be no later than 180 days after the occurrence of the event giving rise to your right to so resign.

In the event of termination of your employment by the Company for Cause, resignation by you other than for Good Reason, or termination due to your death or any disability for which you are qualified for benefits under the Company's group long-term disability program, the Company's only obligations hereunder shall be those obligations set forth immediately below in this paragraph. For any termination of your employment, you shall be entitled to (i) such compensation and any benefits (including any vested equity awards) as are earned by you or accrued or vested through the date of termination of employment, (ii) reimbursement of your business expenses incurred through the date of termination, subject to the Company's normal business expense and travel policies and procedures; (iii) payments or benefits due to you pursuant to any applicable plan, policy, arrangement of, or agreement with, the Company or any of its affiliates; and (iv) your rights under the Indemnification Agreement, the Company's (or any successor's) charter documents or pursuant to applicable law or to be covered under any applicable directors' and officers' insurance policies.

In the event that you receive any payment or benefit under the Management Agreement following termination of your employment, you shall not be entitled to receive a comparable payment or benefit under this Agreement so as to prevent any duplication of any payments or benefits under this Agreement and the Management Agreement.

Indemnification:

The Company will indemnify you in connection with your duties and responsibilities for the Company, as set out in the Indemnification Agreement previously signed by you (the "Indemnification Agreement").

Taxes:

The Company may withhold from any compensation payable to you in connection with your employment such federal, state and local income and employment taxes as the Company shall reasonably determine are required to be withheld pursuant to any applicable law or regulation. You acknowledge and agree that the Company has made no assurances or representations to you regarding the tax treatment of any consideration provided for in this Agreement and that the Company has advised you to obtain your own personal tax advice. Except for any tax amounts withheld by the Company from the payments or other consideration hereunder and any employment taxes required to be paid by the Company or any tax liabilities for you that are the direct result of the Company failing to make payments or to provide other consideration hereunder in accordance with the terms of this Agreement, you shall be responsible for payment of any and all taxes owed in connection with the consideration provided for in this Agreement.

No Mitigation/No Offset:

In the event of any termination of your employment, you shall be under no obligation to seek other employment or otherwise mitigate damages. There shall be no offset against, or any recoupment of, any amounts, benefits or entitlements due to you hereunder on account of any remuneration or other benefit earned or received by you from subsequent employment. As such, Article 13 of the 1992 Long-Term Incentive Plan shall not apply to your awards.

Binding Nature: As of the date first written above, this Agreement is intended to bind and inure to the benefit of and be enforceable by you and the Company and their respective successors, assigns, heirs, executors and administrators, except you may not assign your rights or obligations hereunder without the prior written consent of the Company (provided that if you should die while any payment, benefit or entitlement is due to you hereunder, such payment, benefit or entitlement shall be paid to your designated beneficiary, or, if there is no designated beneficiary, to your estate). In addition, no rights or obligations of the Company under this Agreement may be assigned or transferred by the Company without your prior written consent, except that such rights or obligations may be assigned or transferred pursuant to a merger or consolidation in which the Company is not the continuing entity, or a sale, liquidation or other disposition of all or substantially all of the assets of the Company, provided that the assignee or transferee is the successor to all or substantially all of the assets of the Company and assumes the liabilities, obligations and duties of the Company under this Agreement, either contractually or as a matter of law.

Applicable Law: This Agreement shall be interpreted and construed in accordance with the laws of the State of Minnesota.

Section 409A: The parties hereto intend that all payments and benefits to be made or provided to you will be paid or provided in compliance with all applicable requirements of Section 409A (as defined above), and the provisions of this Agreement shall be construed and administered in accordance with and to implement such intent. In furtherance of the foregoing, the provisions set forth below shall apply notwithstanding any other provision in this Agreement.

(a) All payments to be made to you hereunder, to the extent they constitute a deferral of compensation subject to the requirements of Section 409A (after taking into account all exclusions applicable to such payments under Section 409A), shall be made no later, and shall not be made any earlier, than at the time or times specified herein or in any applicable plan for such payments to be made, except as otherwise permitted or required under Section 409A.

(b) The date of your "separation from service", as defined in Section 409A (and as determined by applying the default presumptions in Treas. Reg. §1.409A-1(h)(1)(ii)), shall be treated as the date of your termination of employment for purposes of determining the time of payment of any amount that becomes payable to you related to your termination of employment and that is properly treated as a deferral of compensation subject to Section 409A after taking into account all exclusions applicable to such payment under Section 409A.

(c) To the extent any payment or delivery otherwise required to be made to you hereunder on account of your separation from service is properly treated as a deferral of compensation subject to Section 409A after taking into account all exclusions applicable to such payment and delivery under Section 409A, and if you are a “specified employee” under Section 409A at the time of your separation from service, then such payment and delivery shall not be made prior to the first business day after the earlier of (i) the expiration of six months from the date of your separation from service, or (ii) the date of your death (such first business day, the “Delayed Payment Date”). On the Delayed Payment Date, there shall be paid or delivered to you or, if you have died, to your estate, in a single payment or delivery (as applicable) all entitlements so delayed, and in the case of cash payments, in a single cash lump sum, an amount equal to aggregate amount of all payments delayed pursuant to the preceding sentence.

(d) In the case of any amounts payable to you under this Agreement that may be treated as payable in the form of “a series of installment payments”, as defined in Treas. Reg. §1.409A-2(b)(2)(iii), your right to receive such payments shall be treated as a right to receive a series of separate payments for purposes of Treas. Reg. §1.409A-2(b)(2)(iii).

(e) To the extent that the reimbursement of any expenses eligible for reimbursement or the provision of any in-kind benefits under any provision of this Agreement would be considered deferred compensation under Section 409A (after taking into account all exclusions applicable to such reimbursements and benefits under Section 409A): (i) reimbursement of any such expense shall be made by the Company as soon as practicable after such expense has been incurred, but in any event no later than December 31st of the year following the year in which you incur such expense; (ii) the amount of such expenses eligible for reimbursement, or in-kind benefits to be provided, during any calendar year shall not affect the amount of such expenses eligible for reimbursement, or in-kind benefits to be provided, in any calendar year; and (iii) your right to receive such reimbursements or in-kind benefits shall not be subject to liquidation or exchange for another benefit.

Section 280G:

Section 3 of the Management Agreement is incorporated in full into this Agreement and shall apply to any payment, benefit or entitlement paid or provided to you (or to be paid or so provided) hereunder or otherwise as if such payment, benefit or entitlement had been paid under the Management Agreement.

Notices:

Any notice, request or other communication required under this Agreement shall be in writing and shall be deemed to have been given (i) when delivered personally, or (ii) two days after having been sent by a recognized

courier, provided written acknowledgement of receipt is obtained. Any such notices, requests or other communications shall be given to the Company, at Fair Isaac Corporation, Attn: General Counsel, 901 Marquette Avenue, Suite 3200, Minneapolis, MN 55402, and to you at your home address in the Company's files (or to any other address the party provides in accordance with this notice provision).

Entire Agreement:

This Agreement, the Past PIIA, the New PIIA, the Indemnification Agreement and the Management Agreement constitute the entire agreement between the parties with respect to the subject matter hereto, and supersede all prior discussions, agreements and negotiations between you and the Company with respect to the subject matter hereof. For avoidance of doubt, you acknowledge that the previous letter agreement between you and the Company dated January 12, 2009 expired by its terms. No amendment or modification of this Agreement will be effective unless made in writing and signed by you and an authorized officer or director of the Company. Any waiver of this Agreement will only be effective if signed by the party against whom the waiver is being enforced (which in the case of the Company shall be an authorized officer or director). No waiver by any party of any breach of any condition or provision of this Agreement shall be deemed a waiver of any similar or dissimilar condition or provision at the same or any prior or subsequent time.

[signature page follows]

If you have any questions about the terms of this Agreement, please contact Richard Deal.

Sincerely,

/s/ William J. Lansing

William J. Lansing
President and Chief Executive Officer

Enclosures

- Form of Release attached hereto as Exhibit A
- Amended and Restated Management Agreement
- New Proprietary Information and Inventions Agreement
- Indemnification Agreement

I accept and agree to the terms and conditions of employment with Fair Isaac Corporation as set forth above.

/s/ Deborah Kerr
Deborah Kerr

2/10/12
Dated

EXHIBIT A

RELEASE BY DEBORAH KERR

Definitions. I intend all words used in this Release to have their plain meanings in ordinary English. Specific terms that I use in this Release have the following meanings:

- A. I, me, and my include both me (Deborah Kerr) and anyone who has or obtains any legal rights or claims through me.
- B. FICO means Fair Isaac Corporation, any company related to Fair Isaac Corporation in the present or past (including without limitation, its predecessors, parents, subsidiaries, affiliates, joint venture partners, and divisions), and any successors of Fair Isaac Corporation.
- C. Company means FICO; the present and past officers, directors, committees, shareholders, and employees of FICO; any company providing insurance to FICO in the present or past; the present and past employee benefit plans sponsored or maintained by FICO (other than multiemployer plans) and the present and past fiduciaries of such plans; the attorneys for FICO; and anyone who acted on behalf of FICO or on instructions from FICO.
- D. Agreement means the letter agreement between me and FICO dated February 6, 2012, including all of the documents attached to such agreement.
- E. My Claims mean all of my rights that I now have to any relief of any kind from the Company, whether I now know about such rights or not, including without limitation:
 - 1. all claims arising out of or relating to my employment with FICO or the termination of that employment;
 - 2. all claims arising out of or relating to the statements, actions, or omissions of the Company;
 - 3. all claims for any alleged unlawful discrimination, harassment, retaliation or reprisal, or other alleged unlawful practices arising under the laws of the United States or any other country or of any state, province, municipality, or other unit of government, including without limitation, claims under Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act, the Americans with Disabilities Act, the Family and Medical Leave Act, 42 U.S.C. § 1981, the Employee Retirement Income Security Act, the Equal Pay Act, the Worker Adjustment and Retraining Notification Act, the Sarbanes-Oxley Act, the Lilly Ledbetter Fair Pay Act of 2009, the Minnesota Human Rights Act, the Genetic Information Nondiscrimination Act, the Fair Credit Reporting Act, the California Fair Employment and Housing Act, the Minneapolis Civil Rights Ordinance, and workers' compensation non-interference or non-retaliation statutes (such as Minn. Stat. § 176.82);

4. all claims for alleged wrongful discharge; breach of contract; breach of implied contract; failure to keep any promise; breach of a covenant of good faith and fair dealing; breach of fiduciary duty; estoppel; my activities, if any, as a “whistleblower”; defamation; infliction of emotional distress; fraud; misrepresentation; negligence; harassment; retaliation or reprisal; constructive discharge; assault; battery; false imprisonment; invasion of privacy; interference with contractual or business relationships; any other wrongful employment practices; and violation of any other principle of common law;
5. all claims for compensation of any kind, including without limitation, bonuses, commissions, stock-based compensation or stock options, vacation pay and paid time off, perquisites, and expense reimbursements;
6. all rights I have under California Civil Code section 1542, which states that: “A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor;”
7. all claims for back pay, front pay, reinstatement, other equitable relief, compensatory damages, damages for alleged personal injury, liquidated damages, and punitive damages; and
8. all claims for attorneys’ fees, costs, and interest.

However, My Claims do not include any claims that the law does not allow to be waived; any claims that may arise after the date on which I sign this Release; any rights I may have to indemnification from FICO as a current or former officer, director or employee of FICO, including pursuant to the Indemnification Agreement (as defined in the Agreement); any claims for payments, entitlements or benefits due me under the Agreement or the Management Agreement (as defined in the Agreement), if applicable, subject to any terms or conditions under the Agreement or the Management Agreement, if applicable; or any claims I may have for earned and accrued benefits under any employee benefit plan sponsored by the Company in which I am a participant as of the date of termination of my employment with FICO or pursuant to any long-term incentive or equity plan or award agreement

Consideration. I am entering into this Release in consideration of FICO’s obligations to provide me certain severance benefits as specified in the Agreement. I will receive consideration from FICO as set forth in the Agreement if I sign and do not rescind this Release as provided below. I understand and acknowledge that I would not be entitled to the consideration under the Agreement if I did not sign this Release. The consideration is in addition to anything of value that I would be entitled to receive from FICO if I did not sign this Release or if I rescinded this Release. I acknowledge and represent that I have received all payments and benefits that I am entitled to receive (as of the date of this Release) by virtue of any employment by the Company.

Agreement to Release My Claims. In exchange for the consideration described in the Agreement, I give up and release all of My Claims. I will not make any demands or claims against the Company for compensation or damages relating to My Claims. The consideration that I am receiving is a fair compromise for the release of My Claims.

Cooperation. Upon the reasonable request of the Company, I agree that I will (i) timely execute and deliver such acknowledgements, instruments, certificates, and other ministerial documents (including without limitation, certification as to specific actions performed by me in my capacity as an officer of the Company) as may be necessary or appropriate to formalize and complete the applicable corporate records; (ii) reasonably consult with the Company regarding business matters that I was involved with while employed by the Company; and (iii) be reasonably available, with or without subpoena, to be interviewed, review documents or things, give depositions, testify, or engage in other reasonable activities in connection with any litigation or investigation, with respect to matters that I may have knowledge of by virtue of my employment by or service to the Company. In performing my obligations under this paragraph to testify or otherwise provide information, I will honestly, truthfully, forthrightly, and completely provide the information requested, volunteer pertinent information and turn over to the Company all relevant documents which are or may come into my possession.

My Continuing Obligations. I understand and acknowledge that I must comply with all of my post-employment obligations under the Agreement and under the Proprietary Information and Inventions Agreement dated February 6, 2012. I will not defame or disparage the reputation, character, image, products, or services of FICO, or the reputation or character of FICO's directors, officers, employees and agents, and I will refrain from making public comment about the Company except upon the express written consent of an officer of FICO or if required by law or by any court with actual or apparent jurisdiction.

Additional Agreements and Understandings. Even though FICO will provide consideration for me to settle and release My Claims, the Company does not admit that it is responsible or legally obligated to me. In fact, the Company denies that it is responsible or legally obligated to me for My Claims, denies that it engaged in any unlawful or improper conduct toward me, and denies that it treated me unfairly.

Advice to Consult with an Attorney. I understand and acknowledge that I am hereby being advised by the Company to consult with an attorney prior to signing this Release and I have done so (or waived my right to do so). My decision whether to sign this Release is my own voluntary decision made with full knowledge that the Company has advised me to consult with an attorney.

Period to Consider the Release. I understand that I have at least 21 days from the date I received this Release (or at least 21 days after the last day of my employment with FICO, if later) to consider whether I wish to sign this Release. If I sign this Release before the end of the 21-day period, it will be my voluntary decision to do so because I have decided that I do not need any additional time to decide whether to sign this Release. I understand and agree that if I sign this Release prior to my last day of employment with FICO it will not be valid and FICO will not be obligated to provide the consideration described in the Release.

My Right to Rescind this Release. I understand that I may rescind this Release at any time within 15 days after I sign it, not counting the day upon which I sign it. This Release will not become effective or enforceable unless and until the 15-day rescission period has expired without my rescinding it. I understand that if I rescind this Release FICO will not be obligated to provide the consideration described in the Release.

Procedure for Accepting or Rescinding the Release. To accept the terms of this Release, I must deliver the Release, after I have signed and dated it, to FICO by hand or by mail within 45 days after my separation from service date. To rescind my acceptance, I must deliver a written, signed statement that I rescind my acceptance to FICO by hand or by mail within the 15-day rescission period. All deliveries must be made to FICO at the following address:

Senior Vice President of Human Resources
Fair Isaac Corporation
901 Marquette Avenue
Suite 3200
Minneapolis, MN 55402

If I choose to deliver my acceptance or the rescission by mail, it must be postmarked within the period stated above and properly addressed to FICO at the address stated above.

Interpretation of the Release. This Release should be interpreted as broadly as possible to achieve my intention to resolve all of My Claims against the Company. If this Release is held by a court to be inadequate to release a particular claim encompassed within My Claims, this Release will remain in full force and effect with respect to all the rest of My Claims. I agree that the provisions of this Release may not be amended, waived, changed or modified except by an instrument in writing signed by an authorized representative of FICO and by me.

My Representations. I am legally able and entitled to receive the consideration being provided to me in settlement of My Claims. I have not been involved in any personal bankruptcy or other insolvency proceedings at any time since I began my employment with FICO. No child support orders, garnishment orders, or other orders requiring that money owed to me by FICO be paid to any other person are now in effect.

I have read this Release carefully. I understand all of its terms. In signing this Release, I have not relied on any statements or explanations made by the Company except as specifically set forth in the Agreement. I am voluntarily releasing My Claims against the Company. I intend this Release and the Agreement to be legally binding.

Dated: _____

Deborah Kerr



February 6, 2012

Mr. Mark R. Scadina

Dear Mark:

This letter agreement (the "Agreement") confirms our desire to retain your employment with Fair Isaac Corporation (the "Company") as the Company's Executive Vice President, General Counsel and Corporate Secretary, and sets out the terms and conditions of your continued employment with the Company, as follows:

Title: You will continue to serve as the Company's Executive Vice President, General Counsel and Corporate Secretary.

Term: The term of your employment as the Company's Executive Vice President, General Counsel and Corporate Secretary under the terms and conditions of this Agreement shall be for a period commencing on February 6, 2012 and ending on December 31, 2016 (the "Initial Term"), unless earlier terminated by either party as provided in this Agreement. Following the Initial Term, your employment with the Company under the terms and conditions of this Agreement shall automatically be renewed for successive one year periods (each a "Renewal Term") on January 1 of each year, unless the Company elects not to extend the Term providing you with written notice at least one hundred and eighty (180) days' prior to the end of the Initial Term or any Renewal Term thereof. The period of your employment with the Company under the terms and conditions of this Agreement (including during the Initial Term and any Renewal Term) is referred to as the "Term."

Responsibilities: During your employment hereunder with the Company as Executive Vice President, General Counsel and Corporate Secretary, you will report to the Company's Chief Executive Officer and will be responsible for overseeing global client contract administration, corporate governance, employment law compliance, litigation management, intellectual property protection, corporate development and other functions to which you may be assigned from time to time by the Chief Executive Officer or his or her designee. You agree to serve the Company faithfully and to the best of your ability, and to devote your full working time, attention and efforts to the business of the Company. You may participate in charitable activities and personal investment activities to a reasonable extent, and you may serve as a director of business and civic organizations (and retain compensation from same) as approved by the Company's Board of Directors (the "Board"), so long as such activities and directorships do not interfere with the performance of your duties and responsibilities to the Company.

Representation: By accepting your continued employment with the Company under this Agreement and signing below, you represent and confirm that you are under no contractual or legal commitments that would prevent you from fulfilling your duties and responsibilities to the Company as Executive Vice President, General Counsel and Corporate Secretary.

Initial Base Salary: During the Term, you will be paid a base salary at the rate of \$400,000 per year for services performed, in accordance with the regular payroll practices of the Company with annual review by the Committee. Your performance and base salary will be reviewed by the Committee annually during the first quarter of each fiscal year and may be adjusted upward from time to time at the discretion of the Committee, but will not be reduced without your consent during the Term. After any such increase, the reference to base salary in this Agreement shall mean such increased amount.

Incentive Bonus: You will participate in the Company's Management Incentive Plan, as may be amended by the Committee from time to time (the "MIP"). Under the MIP, for each full fiscal year of the Company that you are employed during the Term, you will be eligible for an annual incentive award opportunity payable from 0% to 100%, with a target award equal to 50% of your annual base salary at the rate in effect at the end of such fiscal year, pursuant to the terms and conditions established by the Committee from time to time. Objectives will be established during the first quarter of the fiscal year. Any annual incentive bonus earned for a fiscal year will be paid to you by December 31 of the calendar year in which such fiscal year ends.

Annual Equity: For each fiscal year of the Company that you are employed during the Term, you will be eligible for an annual equity grant based on achievement of objectives established by the Committee, and on such other terms established by the Committee in its sole discretion. In accordance with the policies and practices of the Company, some or all of such annual equity grant may be in the form of restricted stock units, performance share units, or other equity that is an economic equivalent to an option award. Such equivalency will be determined by the Company in its sole discretion.

Existing Equity: The option grants and equity-based awards received by you during your employment with the Company through the date of this Agreement shall continue to be governed by the terms and conditions set forth in the applicable written stock option, restricted stock unit, and performance share unit agreements.

Benefits: While employed by the Company during the Term, you (and your eligible dependents) will be eligible to participate in the employee benefit plans and programs generally available to other executive officers of the Company, and in such other employee benefit plans and programs to the extent that you meet

the eligibility requirements for each individual plan or program and subject to the provisions, rules and regulations applicable to each such plan or program as in effect from time to time. The plans and programs of the Company may be modified or terminated by the Company in its discretion.

- Travel and Other Business Expenses:** In performing your responsibilities as Executive Vice President, General Counsel and Corporate Secretary, you will be required to travel extensively, both within the United States and internationally. The Company will reimburse you promptly for all travel and other business expenses incurred by you in connection with the performance of your duties for the Company, subject to the Company's normal business expense and travel policies and procedures.
- Vacation:** During your employment with the Company, you will receive vacation time off in accordance with the policies and practices of the Company. Vacation time shall be taken at such times so as not to unduly disrupt the operations of the Company.
- Office Location:** Your employment will be based at the Company's offices located in San Jose, California.
- Inventions Agreement:** As a condition of your continued employment under the terms and conditions of this Agreement and of receiving payments and benefits in accordance with this Agreement, you agree to sign the enclosed Proprietary Information and Inventions Agreement (the "PIIA"), the terms of which are incorporated herein by reference.
- Change in Control:** You and the Company will enter into an Amended and Restated Management Agreement dated as of February 6, 2012 (the "Management Agreement"), the terms of which are incorporated herein by reference (except that terms defined in the Management Agreement apply only to the use of such terms in the Management Agreement, and terms defined in this Agreement apply only to the use of such terms in this Agreement).
- Termination:** Either you or the Company may terminate the employment relationship during the Term or after the Term at any time and for any reason. Upon termination of your employment by either party for any reason, you will promptly resign any and all positions you then hold as officer or director of the Company or any of its affiliates.
- Severance:** In case of involuntary termination of your employment by the Company without Cause prior to the end of the Initial Term or prior to the end of any Renewal Term then in effect or in the case of voluntary resignation of your employment for Good Reason prior to the end of the Initial Term or prior to the end of any Renewal Term then in effect (each a "Qualifying Termination"), the Company will pay you as severance pay an amount equal to one (1) times the sum of (a) your annual base salary at the rate in effect on your last day of employment plus (b) the annual incentive bonus last paid to you preceding the

Qualifying Termination. In addition, upon a Qualifying Termination, if you (and, if applicable, your eligible dependents), complete and return the forms necessary to elect COBRA continuation coverage to the COBRA administrator for the group health plan in which you participate at the time of your Qualifying Termination, then the Company will provide you and your eligible dependents with COBRA continuation coverage at no cost to you, for a period of twelve (12) months following the effective date of termination of your employment, provided you remain eligible for COBRA. This continuation coverage will be provided only with respect to your base medical, dental, vision and Employee Assistance Program coverage under the group health plan in which you receive COBRA continuation coverage (and in Minnesota only, this applies to basic life insurance coverage), and shall not apply to any medical expense reimbursement account, dental care plan, vision care plan, or other arrangement for which you may be entitled to COBRA continuation coverage. To the extent necessary in order for you to avoid being subject to tax under section 105(h) of the Code (as defined below) on any payment or reimbursement of group medical, dental or other group health care expenses made to you or for your benefit pursuant to this paragraph, the Company shall impute as taxable income to you an amount equal to the COBRA continuation coverage cost described above.

Payment by the Company of any severance pay or premium reimbursements under this paragraph will be conditioned upon you (1) signing and not revoking a full release of all claims against the Company, its affiliates, officers, directors, employees, agents and assigns, substantially in the form attached to this Agreement as Exhibit A, and delivering such signed release to the Company within the period specified in Exhibit A (2) complying with your obligations under the PIIA or any other agreement between you and the Company then in effect, (3) cooperating with the Company in the transition of your duties, and (4) agreeing not to disparage or defame the Company, its affiliates, officers, directors, employees, agents, assigns, products or services as set forth in Exhibit A. Subject to your execution and non-revocation of the release in the form attached hereto as Exhibit A and delivery of such signed release within forty-five (45) days after your “separation from service” as determined under Section 409A of the Internal Revenue Code of 1986, as amended (the “Code”) and the regulations and all notices, rulings and other guidance issued by the Internal Revenue Service interpreting same (“Section 409A”) and your compliance with the other conditions identified above, any severance payable to you under this Agreement will be paid to you in a lump sum on the 70th day following your “separation from service” as determined under Section 409A; provided, however, that if your “separation from service” occurs on or before December 31, 2012 any severance payable to you under this Agreement will be paid to you in a lump sum on the first day of the seventh month following your “separation from service” as determined under Section 409A.

For purposes of this Agreement, “Cause” and “Good Reason” have the following definitions:

“Cause” means a determination in good faith by the Company of the existence of one or more of the following: (i) commission by you of any act constituting a felony; (ii) any intentional and/or willful act of fraud or material dishonesty by you related to, connected with or otherwise affecting your employment with the Company, or otherwise likely to cause material harm to the Company or its reputation; (iii) the willful and/or continued failure, neglect, or refusal by you to perform in all material respects your duties with the Company as an employee, officer or director, or to fulfill your fiduciary responsibilities to the Company, which failure, neglect or refusal has not been cured within fifteen (15) days after written notice thereof to you from the Company; or (iv) a material breach by you of the Company’s material policies or codes of conduct or of your material obligations under the PIIA or other written agreement signed by you and the Company.

“Good Reason” means any one or more of the following conditions occur without your prior written consent: (i) a material reduction in your base salary, unless such reduction is part of an across-the-board uniformly applied reduction affecting all senior executives of the Company; (ii) a material reduction in your annual cash incentive bonus target expressed as a percentage of base salary, unless such reduction is part of an across-the-board uniformly applied reduction affecting all senior executives of the Company; (iii) a requirement that you relocate to an office located fifty (50) or more miles from your current office location; (iv) material breach by the Company of any terms or conditions of this Agreement; or (v) the failure of the Company to obtain agreement from any successor to assume and agree to perform this Agreement, unless this Agreement is otherwise assumed by any successor by operation of law. A termination for Good Reason shall not take effect unless the following provisions are satisfied. You shall notify the Company within ninety (90) days after the later of the occurrence of the event giving rise to Good Reason or your learning of such event, specifying such act or acts. The Company shall have thirty (30) days after such notice has been given to cure such conduct. If the Company fails to cure such condition, then you shall be entitled to resign for Good Reason, provided such resignation shall be no later than 180 days after the occurrence of the event giving rise to your right to so resign.

In the event of termination of your employment by the Company for Cause, resignation by you other than for Good Reason, or termination due to your death or any disability for which you are qualified for benefits under the Company’s group long-term disability program, the Company’s only obligations hereunder shall be those obligations set forth immediately below in this paragraph. For any termination of your employment, you shall be entitled to (i) such compensation and any benefits (including any vested equity awards) as are earned by you or accrued or vested through the date of termination of employment, (ii) reimbursement of your business expenses incurred through the date of termination, subject to the Company’s normal business expense and travel policies and procedures; (iii) payments or benefits due to you pursuant to any applicable plan, policy, arrangement

of, or agreement with, the Company or any of its affiliates; and (iv) your rights under the Indemnification Agreement, the Company's (or any successor's) charter documents or pursuant to applicable law or to be covered under any applicable directors' and officers' insurance policies.

In the event that you receive any payment or benefit under the Management Agreement following termination of your employment, you shall not be entitled to receive a comparable payment or benefit under this Agreement so as to prevent any duplication of any payments or benefits under this Agreement and the Management Agreement.

Indemnification:

The Company will indemnify you in connection with your duties and responsibilities for the Company, as set out in the Indemnification Agreement previously signed by you (the "Indemnification Agreement").

Taxes:

The Company may withhold from any compensation payable to you in connection with your employment such federal, state and local income and employment taxes as the Company shall reasonably determine are required to be withheld pursuant to any applicable law or regulation. You acknowledge and agree that the Company has made no assurances or representations to you regarding the tax treatment of any consideration provided for in this Agreement and that the Company has advised you to obtain your own personal tax advice. Except for any tax amounts withheld by the Company from the payments or other consideration hereunder and any employment taxes required to be paid by the Company or any tax liabilities for you that are the direct result of the Company failing to make payments or to provide other consideration hereunder in accordance with the terms of this Agreement, you shall be responsible for payment of any and all taxes owed in connection with the consideration provided for in this Agreement.

No Mitigation/No Offset:

In the event of any termination of your employment, you shall be under no obligation to seek other employment or otherwise mitigate damages. There shall be no offset against, or any recoupment of, any amounts, benefits or entitlements due to you hereunder on account of any remuneration or other benefit earned or received by you from subsequent employment. As such, Article 13 of the 1992 Long-Term Incentive Plan shall not apply to your awards.

Binding Nature:

As of the date first written above, this Agreement is intended to bind and inure to the benefit of and be enforceable by you and the Company and their respective successors, assigns, heirs, executors and administrators, except you may not assign your rights or obligations hereunder without the prior written consent of the Company (provided that if you should die while any payment, benefit or entitlement is due to you hereunder, such payment, benefit or entitlement shall be paid to your designated beneficiary, or, if there is no designated beneficiary, to your estate). In addition, no rights or

obligations of the Company under this Agreement may be assigned or transferred by the Company without your prior written consent, except that such rights or obligations may be assigned or transferred pursuant to a merger or consolidation in which the Company is not the continuing entity, or a sale, liquidation or other disposition of all or substantially all of the assets of the Company, provided that the assignee or transferee is the successor to all or substantially all of the assets of the Company and assumes the liabilities, obligations and duties of the Company under this Agreement, either contractually or as a matter of law.

Applicable Law:

This Agreement shall be interpreted and construed in accordance with the laws of the State of Minnesota.

Section 409A:

The parties hereto intend that all payments and benefits to be made or provided to you will be paid or provided in compliance with all applicable requirements of Section 409A (as defined above), and the provisions of this Agreement shall be construed and administered in accordance with and to implement such intent. In furtherance of the foregoing, the provisions set forth below shall apply notwithstanding any other provision in this Agreement.

(a) All payments to be made to you hereunder, to the extent they constitute a deferral of compensation subject to the requirements of Section 409A (after taking into account all exclusions applicable to such payments under Section 409A), shall be made no later, and shall not be made any earlier, than at the time or times specified herein or in any applicable plan for such payments to be made, except as otherwise permitted or required under Section 409A.

(b) The date of your "separation from service", as defined in Section 409A (and as determined by applying the default presumptions in Treas. Reg. §1.409A-1(h)(1)(ii)), shall be treated as the date of your termination of employment for purposes of determining the time of payment of any amount that becomes payable to you related to your termination of employment and that is properly treated as a deferral of compensation subject to Section 409A after taking into account all exclusions applicable to such payment under Section 409A.

(c) To the extent any payment or delivery otherwise required to be made to you hereunder on account of your separation from service is properly treated as a deferral of compensation subject to Section 409A after taking into account all exclusions applicable to such payment and delivery under Section 409A, and if you are a "specified employee" under Section 409A at the time of your separation from service, then such payment and delivery shall not be made prior to the first business day after the earlier of (i) the expiration of six months from the date of your separation from service, or (ii) the date of your death (such first business day, the "Delayed Payment Date"). On the Delayed

Payment Date, there shall be paid or delivered to you or, if you have died, to your estate, in a single payment or delivery (as applicable) all entitlements so delayed, and in the case of cash payments, in a single cash lump sum, an amount equal to aggregate amount of all payments delayed pursuant to the preceding sentence.

(d) In the case of any amounts payable to you under this Agreement that may be treated as payable in the form of “a series of installment payments”, as defined in Treas. Reg. §1.409A-2(b)(2)(iii), your right to receive such payments shall be treated as a right to receive a series of separate payments for purposes of Treas. Reg. §1.409A-2(b)(2)(iii).

(e) To the extent that the reimbursement of any expenses eligible for reimbursement or the provision of any in-kind benefits under any provision of this Agreement would be considered deferred compensation under Section 409A (after taking into account all exclusions applicable to such reimbursements and benefits under Section 409A): (i) reimbursement of any such expense shall be made by the Company as soon as practicable after such expense has been incurred, but in any event no later than December 31st of the year following the year in which you incur such expense; (ii) the amount of such expenses eligible for reimbursement, or in-kind benefits to be provided, during any calendar year shall not affect the amount of such expenses eligible for reimbursement, or in-kind benefits to be provided, in any calendar year; and (iii) your right to receive such reimbursements or in-kind benefits shall not be subject to liquidation or exchange for another benefit.

Section 280G:

Section 3 of the Management Agreement is incorporated in full into this Agreement and shall apply to any payment, benefit or entitlement paid or provided to you (or to be paid or so provided) hereunder or otherwise as if such payment, benefit or entitlement had been paid under the Management Agreement.

Notices:

Any notice, request or other communication required under this Agreement shall be in writing and shall be deemed to have been given (i) when delivered personally, or (ii) two days after having been sent by a recognized courier, provided written acknowledgement of receipt is obtained. Any such notices, requests or other communications shall be given to the Company, at Fair Isaac Corporation, Attn: General Counsel, 901 Marquette Avenue, Suite 3200, Minneapolis, MN 55402, and to you at your home address in the Company’s files (or to any other address the party provides in accordance with this notice provision).

Entire Agreement:

This Agreement, the PIIA, the Indemnification Agreement and the Management Agreement constitute the entire agreement between the parties with respect to the subject matter hereto, and supersede all prior discussions, agreements and negotiations between you and the Company with respect to the subject matter hereof. No amendment or modification of

this Agreement will be effective unless made in writing and signed by you and an authorized officer or director of the Company. Any waiver of this Agreement will only be effective if signed by the party against whom the waiver is being enforced (which in the case of the Company shall be an authorized officer or director). No waiver by any party of any breach of any condition or provision of this Agreement shall be deemed a waiver of any similar or dissimilar condition or provision at the same or any prior or subsequent time.

[signature page follows]

If you have any questions about the terms of this Agreement, please contact Richard Deal.

Sincerely,

/s/ William J. Lansing

William J. Lansing
President and Chief Executive Officer

Enclosures

- Form of Release attached hereto as Exhibit A
- Amended and Restated Management Agreement
- Proprietary Information and Inventions Agreement
- Indemnification Agreement

I accept and agree to the terms and conditions of employment with Fair Isaac Corporation as set forth above.

/s/ Mark R. Scadina
Mark R. Scadina

2/9/12
Dated

EXHIBIT A

RELEASE BY MARK R. SCADINA

Definitions. I intend all words used in this Release to have their plain meanings in ordinary English. Specific terms that I use in this Release have the following meanings:

- A. I, me, and my include both me (Mark R. Scadina) and anyone who has or obtains any legal rights or claims through me.
- B. FICO means Fair Isaac Corporation, any company related to Fair Isaac Corporation in the present or past (including without limitation, its predecessors, parents, subsidiaries, affiliates, joint venture partners, and divisions), and any successors of Fair Isaac Corporation.
- C. Company means FICO; the present and past officers, directors, committees, shareholders, and employees of FICO; any company providing insurance to FICO in the present or past; the present and past employee benefit plans sponsored or maintained by FICO (other than multiemployer plans) and the present and past fiduciaries of such plans; the attorneys for FICO; and anyone who acted on behalf of FICO or on instructions from FICO.
- D. Agreement means the letter agreement between me and FICO dated February 6, 2012, including all of the documents attached to such agreement.
- E. My Claims mean all of my rights that I now have to any relief of any kind from the Company, whether I now know about such rights or not, including without limitation:
 - 1. all claims arising out of or relating to my employment with FICO or the termination of that employment;
 - 2. all claims arising out of or relating to the statements, actions, or omissions of the Company;
 - 3. all claims for any alleged unlawful discrimination, harassment, retaliation or reprisal, or other alleged unlawful practices arising under the laws of the United States or any other country or of any state, province, municipality, or other unit of government, including without limitation, claims under Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act, the Americans with Disabilities Act, the Family and Medical Leave Act, 42 U.S.C. § 1981, the Employee Retirement Income Security Act, the Equal Pay Act, the Worker Adjustment and Retraining Notification Act, the Sarbanes-Oxley Act, the Lilly Ledbetter Fair Pay Act of 2009, the Minnesota Human Rights Act, the Genetic Information Nondiscrimination Act, the Fair Credit Reporting Act, the California Fair Employment and Housing Act, the Minneapolis Civil Rights Ordinance, and workers' compensation non-interference or non-retaliation statutes (such as Minn. Stat. § 176.82);

4. all claims for alleged wrongful discharge; breach of contract; breach of implied contract; failure to keep any promise; breach of a covenant of good faith and fair dealing; breach of fiduciary duty; estoppel; my activities, if any, as a “whistleblower”; defamation; infliction of emotional distress; fraud; misrepresentation; negligence; harassment; retaliation or reprisal; constructive discharge; assault; battery; false imprisonment; invasion of privacy; interference with contractual or business relationships; any other wrongful employment practices; and violation of any other principle of common law;
5. all claims for compensation of any kind, including without limitation, bonuses, commissions, stock-based compensation or stock options, vacation pay and paid time off, perquisites, and expense reimbursements;
6. all rights I have under California Civil Code section 1542, which states that: “A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor;”
7. all claims for back pay, front pay, reinstatement, other equitable relief, compensatory damages, damages for alleged personal injury, liquidated damages, and punitive damages; and
8. all claims for attorneys’ fees, costs, and interest.

However, My Claims do not include any claims that the law does not allow to be waived; any claims that may arise after the date on which I sign this Release; any rights I may have to indemnification from FICO as a current or former officer, director or employee of FICO, including pursuant to the Indemnification Agreement (as defined in the Agreement); any claims for payments, entitlements or benefits due me under the Agreement or the Management Agreement (as defined in the Agreement), if applicable, subject to any terms or conditions under the Agreement or the Management Agreement, if applicable; or any claims I may have for earned and accrued benefits under any employee benefit plan sponsored by the Company in which I am a participant as of the date of termination of my employment with FICO or pursuant to any long-term incentive or equity plan or award agreement

Consideration. I am entering into this Release in consideration of FICO’s obligations to provide me certain severance benefits as specified in the Agreement. I will receive consideration from FICO as set forth in the Agreement if I sign and do not rescind this Release as provided below. I understand and acknowledge that I would not be entitled to the consideration under the Agreement if I did not sign this Release. The consideration is in addition to anything of value that I would be entitled to receive from FICO if I did not sign this Release or if I rescinded this Release. I acknowledge and represent that I have received all payments and benefits that I am entitled to receive (as of the date of this Release) by virtue of any employment by the Company.

Agreement to Release My Claims. In exchange for the consideration described in the Agreement, I give up and release all of My Claims. I will not make any demands or claims against the Company for compensation or damages relating to My Claims. The consideration that I am receiving is a fair compromise for the release of My Claims.

Cooperation. Upon the reasonable request of the Company, I agree that I will (i) timely execute and deliver such acknowledgements, instruments, certificates, and other ministerial documents (including without limitation, certification as to specific actions performed by me in my capacity as an officer of the Company) as may be necessary or appropriate to formalize and complete the applicable corporate records; (ii) reasonably consult with the Company regarding business matters that I was involved with while employed by the Company; and (iii) be reasonably available, with or without subpoena, to be interviewed, review documents or things, give depositions, testify, or engage in other reasonable activities in connection with any litigation or investigation, with respect to matters that I may have knowledge of by virtue of my employment by or service to the Company. In performing my obligations under this paragraph to testify or otherwise provide information, I will honestly, truthfully, forthrightly, and completely provide the information requested, volunteer pertinent information and turn over to the Company all relevant documents which are or may come into my possession.

My Continuing Obligations. I understand and acknowledge that I must comply with all of my post-employment obligations under the Agreement and under the Proprietary Information and Inventions Agreement dated February 6, 2012. I will not defame or disparage the reputation, character, image, products, or services of FICO, or the reputation or character of FICO's directors, officers, employees and agents, and I will refrain from making public comment about the Company except upon the express written consent of an officer of FICO or if required by law or by any court with actual or apparent jurisdiction.

Additional Agreements and Understandings. Even though FICO will provide consideration for me to settle and release My Claims, the Company does not admit that it is responsible or legally obligated to me. In fact, the Company denies that it is responsible or legally obligated to me for My Claims, denies that it engaged in any unlawful or improper conduct toward me, and denies that it treated me unfairly.

Advice to Consult with an Attorney. I understand and acknowledge that I am hereby being advised by the Company to consult with an attorney prior to signing this Release and I have done so (or waived my right to do so). My decision whether to sign this Release is my own voluntary decision made with full knowledge that the Company has advised me to consult with an attorney.

Period to Consider the Release. I understand that I have at least 21 days from the date I received this Release (or at least 21 days after the last day of my employment with FICO, if later) to consider whether I wish to sign this Release. If I sign this Release before the end of the 21-day period, it will be my voluntary decision to do so because I have decided that I do not need any additional time to decide whether to sign this Release. I understand and agree that if I sign this Release prior to my last day of employment with FICO it will not be valid and FICO will not be obligated to provide the consideration described in the Release.

My Right to Rescind this Release. I understand that I may rescind this Release at any time within 15 days after I sign it, not counting the day upon which I sign it. This Release will not become effective or enforceable unless and until the 15-day rescission period has expired without my rescinding it. I understand that if I rescind this Release FICO will not be obligated to provide the consideration described in the Release.

Procedure for Accepting or Rescinding the Release. To accept the terms of this Release, I must deliver the Release, after I have signed and dated it, to FICO by hand or by mail within 45 days after my separation from service date. To rescind my acceptance, I must deliver a written, signed statement that I rescind my acceptance to FICO by hand or by mail within the 15-day rescission period. All deliveries must be made to FICO at the following address:

Senior Vice President of Human Resources
Fair Isaac Corporation
901 Marquette Avenue
Suite 3200
Minneapolis, MN 55402

If I choose to deliver my acceptance or the rescission by mail, it must be postmarked within the period stated above and properly addressed to FICO at the address stated above.

Interpretation of the Release. This Release should be interpreted as broadly as possible to achieve my intention to resolve all of My Claims against the Company. If this Release is held by a court to be inadequate to release a particular claim encompassed within My Claims, this Release will remain in full force and effect with respect to all the rest of My Claims. I agree that the provisions of this Release may not be amended, waived, changed or modified except by an instrument in writing signed by an authorized representative of FICO and by me.

My Representations. I am legally able and entitled to receive the consideration being provided to me in settlement of My Claims. I have not been involved in any personal bankruptcy or other insolvency proceedings at any time since I began my employment with FICO. No child support orders, garnishment orders, or other orders requiring that money owed to me by FICO be paid to any other person are now in effect.

I have read this Release carefully. I understand all of its terms. In signing this Release, I have not relied on any statements or explanations made by the Company except as specifically set forth in the Agreement. I am voluntarily releasing My Claims against the Company. I intend this Release and the Agreement to be legally binding.

Dated: _____

Mark R. Scadina

AMENDED AND RESTATED MANAGEMENT AGREEMENT

This Amended and Restated Management Agreement (this "Agreement") is entered into as of February 6, 2012, by and between Fair Isaac Corporation, a Delaware corporation (the "Company"), and [] ("Executive").

WHEREAS, Executive is currently employed by the Company and it is in the best interests of the Company and its shareholders to continue to obtain the benefits of Executive's services and attention to the affairs of the Company, pursuant to an employment agreement of even date herewith (the "Employment Agreement"); and

WHEREAS, the Company and Executive are parties to an Amended and Restated Management Agreement dated [], which the parties desire to amend and restate in its entirety as set forth in this Agreement; and

WHEREAS, Executive is a key member of the management of the Company and has heretofore devoted substantial skill and effort to the affairs of the Company; and

WHEREAS, it is desirable and in the best interests of the Company and its shareholders to provide inducement for Executive (A) to remain in the service of the Company in the event of any proposed or anticipated change in control of the Company and (B) to remain in the service of the Company in order to facilitate an orderly transition in the event of a change in control of the Company, without regard to the effect such change in control may have on Executive's employment with the Company; and

WHEREAS, it is desirable and in the best interests of the Company and its shareholders that Executive be in a position to make judgments and advise the Company with respect to proposed changes in control of the Company; and

WHEREAS, the Executive desires to be protected in the event of certain changes in control of the Company; and

WHEREAS, for the reasons set forth above, the Company and Executive desire to enter into this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements contained herein, the Company and Executive agree as follows:

1. **Events.** No amounts or benefits shall be payable or provided for pursuant to this Agreement unless an Event shall occur during the Term of this Agreement.

(a) For purposes of this Agreement, an "Event" shall be deemed to have occurred if any of the following occur:

- (i) Any “person” (as defined in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended, or any successor statute thereto (the “Exchange Act”)) acquires or becomes a “beneficial owner” (as defined in Rule 13d-3 or any successor rule under the Exchange Act), directly or indirectly, in one or a series of related transactions, of securities of the Company representing 30% or more of the combined voting power of the Company’s securities entitled to vote generally in the election of directors (“Voting Securities”) then outstanding or 30% or more of the shares of common stock of the Company (“Common Stock”) outstanding, provided, however, that the following shall not constitute an Event pursuant to this Section 1(a)(i):
- (A) any acquisition or beneficial ownership by the Company or a subsidiary of the Company;
 - (B) any acquisition or beneficial ownership by any employee benefit plan (or related trust) sponsored or maintained by the Company or one or more of its subsidiaries;
 - (C) any acquisition or beneficial ownership by any corporation (including without limitation an acquisition in a transaction of the nature described in Section 1(a)(iii)) with respect to which, immediately following such acquisition, more than 70%, respectively, of (x) the combined voting power of the Company’s then outstanding Voting Securities and (y) the Common Stock is then beneficially owned, directly or indirectly, by all or substantially all of the persons who beneficially owned Voting Securities and Common Stock, respectively, of the Company immediately prior to such acquisition in substantially the same proportions as their ownership of such Voting Securities and Common Stock, as the case may be, immediately prior to such acquisition; or
 - (D) any acquisition of Voting Securities or Common Stock directly from the Company; or
- (ii) Continuing Directors shall not constitute a majority of the members of the Board of Directors of the Company. For purposes of this Section 1(a)(ii), “Continuing Directors” shall mean: (A) individuals who, on the date hereof, are directors of the Company, (B) individuals elected as directors of the Company subsequent to the date hereof for whose election

proxies shall have been solicited by the Board of Directors of the Company or (C) any individual elected or appointed by the Board of Directors of the Company to fill vacancies on the Board of Directors of the Company caused by death or resignation (but not by removal) or to fill newly-created directorships, provided that a "Continuing Director" shall not include an individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the threatened election or removal of directors (or other actual or threatened solicitation of proxies or consents) by or on behalf of any person other than the Board of Directors of the Company; or

- (iii) Consummation of a reorganization, merger or consolidation of the Company or a statutory exchange of outstanding Voting Securities of the Company (other than a merger or consolidation with a subsidiary of the Company), unless immediately following such reorganization, merger, consolidation or exchange, all or substantially all of the persons who were the beneficial owners, respectively, of Voting Securities and Common Stock immediately prior to such reorganization, merger, consolidation or exchange beneficially own, directly or indirectly, more than 70% of, respectively, (x) the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors of the corporation resulting from such reorganization, merger, consolidation or exchange and (y) the then outstanding shares of common stock of the corporation resulting from such reorganization, merger, consolidation or exchange in substantially the same proportions as their ownership, immediately prior to such reorganization, merger, consolidation or exchange, of the Voting Securities and Common Stock, as the case may be; or
- (iv) (x) Approval by the shareholders of the Company of a complete liquidation or dissolution of the Company or (y) the sale or other disposition of all or substantially all of the assets of the Company (in one or a series of transactions), other than to a corporation with respect to which, immediately following such sale or other disposition, more than 70% of, respectively, (1) the combined voting power of the then outstanding voting securities of such corporation entitled to vote generally in the election of directors and (2) the then outstanding shares of common stock of such corporation is then beneficially owned, directly or indirectly, by all or substantially all of the persons who were the beneficial owners, respectively, of the Voting Securities and Common Stock immediately prior to such sale or other disposition in

substantially the same proportions as their ownership, immediately prior to such sale or other disposition, of the Voting Securities and Common Stock, as the case may be; or

- (v) A majority of the members of the Board of Directors of the Company shall have declared that an Event has occurred or, if a majority of the members of the Board of Directors has previously declared that an Event will occur upon satisfaction of specified conditions, such specified conditions have been satisfied.

Notwithstanding anything stated in this Section 1(a), an Event shall not be deemed to occur with respect to Executive if (x) the acquisition or beneficial ownership of the 30% or greater interest referred to in Section 1(a)(i) is by Executive or by a group, acting in concert, that includes Executive or (y) a majority of the then combined voting power of the then outstanding voting securities (or voting equity interests) of the surviving corporation or of any corporation (or other entity) acquiring all or substantially all of the assets of the Company shall, immediately after a reorganization, merger, exchange, consolidation or disposition of assets referred to in Section 1(a)(iii) or 1(a)(iv), be beneficially owned, directly or indirectly, by Executive or by a group, acting in concert, that includes Executive.

(b) For purposes of this Agreement, a “subsidiary” of the Company shall mean any entity of which securities or other ownership interests having general voting power to elect a majority of the board of directors or other persons performing similar functions are at the time directly or indirectly owned by the Company.

2. Payments and Benefits. If any Event shall occur during the Term of this Agreement and the employment of Executive with the Company is voluntarily or involuntarily terminated under circumstances specified in Section 2(a), then Executive shall be entitled to receive from the Company or its successor (which term as used herein shall include any person acquiring all or substantially all of the assets of the Company) a cash payment and other benefits on the following basis:

(a) If at any time within 60 days before, or at any time upon or after the occurrence of, the first Event to occur (the “First Event”) and prior to the end of the Transition Period, the employment of Executive with the Company is voluntarily or involuntarily terminated for any reason (unless such termination is a voluntary termination by Executive other than for Good Reason, is on account of the death or Disability of the Executive or is a termination by the Company for Cause), subject to the limitations set forth in Sections 2(d) and 2(e), Executive shall be entitled to the following:

- (i) The Company shall pay Executive’s full base salary through the Termination Date at the rate then in effect in accordance with the normal payroll practices of the Company and reimburse Executive for Executive’s business expenses incurred through the Termination Date, subject to the Company’s normal business expense and travel policies and procedures.

- (ii) The Company or its successor shall make a cash payment to Executive in an amount equal to one (1) times the sum of (A) the annual base salary of Executive in effect immediately prior to the First Event plus (B) the cash bonus or cash incentive compensation received by the Executive from the Company for the fiscal year preceding the First Event. If the employment of Executive with the Company is voluntarily or involuntarily terminated under circumstances specified in Section 2(a) and the Termination Date is on or before December 31, 2012, and the First Event occurs either before such Termination Date or within 60 days after such Termination Date, then any amount payable under this Section 2(a)(ii) will be paid to Executive in a lump sum on the first regular payroll date of the Company or its successor to occur after the first day of the seventh month following the Termination Date. If the employment of Executive with the Company is voluntarily or involuntarily terminated under circumstances specified in Section 2(a) and the Termination Date is on or after January 1, 2013, and the First Event occurs either before such Termination Date (provided the Termination Date occurs prior to the end of the Transition Period) or within 60 days after such Termination Date, then any amount payable under this Section 2(a)(ii) will be paid to Executive in a lump sum on the 70th day following the Termination Date.
- (iii) For a 12-month period after the Termination Date, the Company shall allow Executive (and Executive's eligible dependents) to participate in any group health and group life insurance plan or program in which the Executive (and Executive's eligible dependents) was entitled to participate immediately prior to the First Event as if Executive were an employee of the Company during such 12-month period; provided, however, that in the event that Executive's (or Executive's eligible dependents) participation in any such health or life insurance plan or program of the Company is barred, the Company, at its sole cost and expense, shall arrange to provide Executive (or Executive's eligible dependents, as the case may be) with benefits substantially similar to those which Executive (or Executive's eligible dependents, as the case may be) would be entitled to receive under such plan or program if Executive (or such dependents) were not barred from participation. Benefits otherwise receivable by Executive pursuant to this Section 2(a)(iii) shall be reduced to the extent comparable benefits are received by Executive from another employer or other

third party during such 12-month period, and Executive shall promptly report receipt of any such benefits to the Company. To the extent necessary in order for Executive to avoid being subject to tax under section 105(h) of the Code on any payment or reimbursement of medical or dental expenses made to Executive or for Executive's benefit pursuant to this Section 2(a)(iii), the Company shall impute as taxable income to the Executive an amount equal to that portion of the full actuarial cost of the health care benefit coverages provided to Executive and Executive's eligible dependents under this Section 2(a)(iii) as exceeds the portion of such cost that is paid for by Executive.

- (iv) As of the Termination Date or as of the First Event if the Termination Date precedes the First Event, any outstanding and unvested stock options granted to Executive shall become fully vested and immediately exercisable by Executive (and shall remain exercisable for the applicable post-termination exercise periods specified in the applicable stock option agreements); any unvested restricted stock units granted to Executive shall be accelerated and shares of Company stock shall be issued to Executive or cash shall be paid to Executive, as specified in the applicable restricted stock unit agreement as soon as practicable following the vesting date; any restricted stock awarded to Executive and subject to forfeiture shall be fully vested and shall no longer be subject to forfeiture; and any performance share units ("PSUs") that are earned but unvested shall become fully vested and any outstanding PSUs whose applicable performance period includes the Termination Date shall be deemed to be earned at target and vested as of the Termination Date or as of the First Event if the Termination Date precedes the First Event, with all vested PSUs delivered to Executive in stock as soon as practicable following the vesting date. In all events, settlement of all vested restricted stock units and PSUs shall occur within 15 days following the applicable vesting date.

(b) The Company shall also pay to Executive reimbursement for all legal fees and expenses incurred by Executive in Executive's lifetime as a result of such termination and relating to claims not barred by the applicable statutes of limitations, including, but not limited to, all such fees and expenses, if any, incurred in contesting or disputing any such termination or in seeking to obtain or enforce any right or benefit provided by this Agreement. The amount of expenses eligible for reimbursement hereunder during any given calendar year shall not affect the expenses eligible for reimbursement in any other calendar year. Executive shall submit verification of expenses to the Company within 60 days from the date the expense was incurred, and the Company shall reimburse eligible expenses within 30 days thereafter, but in any case no later than the last day of the calendar year following the calendar year in which the expense was incurred. The right to reimbursement of legal fees and expenses hereunder may not be exchanged for cash or any other benefit.

(c) In addition to all other amounts payable to Executive under this Section 2, Executive shall be entitled to receive all benefits payable to Executive under any other plan or agreement relating to retirement benefits, pursuant to the terms and conditions of such plan or agreement.

(d) Executive shall not be required to mitigate the amount of any payment or other benefit provided for in Section 2 by seeking other employment or otherwise, nor shall the amount of any payment or other benefit provided for in Section 2 be reduced by any compensation earned by Executive as the result of employment by another employer after the Termination Date or otherwise, except as specifically provided in Section 2(a)(iii) of this Agreement.

(e) Notwithstanding any other provision of this Agreement, the Company will not pay to Executive, and Executive will not be entitled to receive, any payment pursuant to Section 2(a)(ii) unless and until:

- (i) Within 45 days following Executive's Termination Date, Executive executes, and there shall be effective following any statutory period for revocation or rescission (which shall not exceed 15 days), a release that irrevocably and unconditionally releases the Company, any company acquiring the Company or its assets and their past and current shareholders, directors, officers, employees and agents from and against any and all claims, liabilities, obligations, covenants, rights and damages of any nature whatsoever, whether known or unknown, anticipated or unanticipated (provided that with respect to any individual or agent, such release shall be limited to their official relationship with the Company or any successor); provided, however, that the release shall not adversely affect Executive's rights to receive benefits to which Executive is entitled under this Agreement or, if applicable, the Employment Agreement, or pursuant to any employee benefit plan or arrangement, or Executive's rights to indemnification under applicable law, the Indemnification Agreement (as defined in the Employment Agreement), the charter documents of the Company (or any successor), any insurance policy maintained by the Company (or any successor) or any written agreement between the Company (or any successor) and Executive; and
- (ii) Executive executes an agreement prohibiting Executive for a period of one (1) year following the Termination Date from soliciting, recruiting or inducing, or attempting to solicit, recruit or induce, any employee of the Company or of any company

acquiring the Company or its assets to terminate the employee's employment, which Executive has satisfied by executing a Proprietary Inventions and Information Agreement on the same date Executive signed this Agreement

(f) The obligations of the Company under this Section 2 and the provisions of Section 3 shall survive the expiration of the Term of this Agreement.

3. Certain Reduction of Payments by the Company.

(a) Notwithstanding anything contained herein to the contrary, prior to the payment of any amounts pursuant to Section 2(a) hereof, an independent national accounting firm designated by the Company (the "Accounting Firm") shall compute whether there would be any "excess parachute payments" payable to Executive, within the meaning of Section 280G of the Internal Revenue Code of 1986, as amended (the "Code"), taking into account the total "parachute payments," within the meaning of Section 280G of the Code, payable to Executive by the Company or any successor thereto under this Agreement and any other plan, agreement or otherwise. If there would be any excess parachute payments, the Accounting Firm will compute the net after-tax proceeds to Executive, taking into account the excise tax imposed by Section 4999 of the Code, if (i) the payments hereunder were reduced, but not below zero, such that the total parachute payments payable to Executive would not exceed three (3) times the "base amount" as defined in Section 280G of the Code, less One Dollar (\$1.00), or (ii) the payments hereunder were not reduced. If reducing the payments hereunder would result in a greater after-tax amount to Executive, such lesser amount shall be paid to Executive. If not reducing the payments hereunder would result in a greater after-tax amount to Executive, such payments shall not be reduced. The determination by the Accounting Firm shall be binding upon the Company and Executive subject to the application of Section 3(b) hereof. Notwithstanding any provision to the contrary in this Agreement or in any other applicable agreement or plan, any reduction in payments required under this Section 3(a) (the "Required Reduction") shall be implemented as follows: *first*, by reducing any cash severance payments to be made to Executive, including, but without limitation, the payments to be made to Executive under Section 2(a)(ii) above; *second*, by cancelling any outstanding PSU awards, the performance goals for which have not been met prior to the Termination Date or if later the date of the occurrence of the First Event; *third*, by cancelling the acceleration of vesting of (i) any of Executive's outstanding outstanding PSU awards the performance goals for which were met as of the Termination Date or if later the date of the occurrence of the First Event, and (ii) any of Executive's outstanding restricted stock unit and restricted stock awards, including, without limitation, the acceleration of vesting of any such awards pursuant to Section 2(a)(iv) above; *fourth*, by eliminating the Company's payment of the cost of any post-termination continuation of medical or dental benefits for Executive and Executive's dependents; and *fifth*, by cancelling the acceleration of vesting of any of Executive's outstanding stock options, including, without limitation, the acceleration of vesting of any of such options pursuant to Section 2(a)(iv) above). In the case of the reductions to be made pursuant to each of the above- mentioned clauses, the payment amounts to be reduced, and the acceleration of vesting to be cancelled, shall be reduced or cancelled in the inverse

order of their originally scheduled dates of payment or vesting, as applicable, and shall be so reduced (x) only to the extent that the payment otherwise to be made, or the vesting of the award that otherwise would be accelerated, would be treated as a “parachute payment” within the meaning section 280G(b)(2)(A) of the Code, and (y) only to the extent necessary to achieve the Required Reduction.

(b) All fees, costs and expenses (including, but not limited to, the cost of retaining experts) of the Accounting Firm shall be borne by the Company and the Company shall pay such fees, costs, and expenses as they become due. In performing the computations required hereunder, the Accounting Firm shall assume that taxes will be paid for state and federal purposes at the highest possible marginal tax rates which could be applicable to Executive in the year of receipt of the payments, unless Executive agrees otherwise.

4. Definition of Certain Additional Terms.

(a) “Cause” shall mean, and be limited to, (i) willful and gross neglect of duties by the Executive or (ii) an act or acts committed by the Executive constituting a felony and substantially detrimental to the Company or its reputation.

(b) “Disability” shall mean Executive’s absence from Executive’s duties with the Company on a full time basis for 180 consecutive business days, as a result of Executive’s incapacity due to physical or mental illness, unless within 30 days after written notice of intent to terminate is given by the Company following such absence Executive shall have returned to the full time performance of Executive’s duties.

(c) “Good Reason” shall mean if, without Executive’s express written consent, any of the following shall occur:

- (i) a material reduction by the Company or any successor of Executive’s authority, duties, or responsibilities, including: (A) a material reduction in Executive’s budget authority, or (B) a material reduction in the authority, duties, or responsibilities of the person to whom Executive reports, but excluding any isolated, insubstantial, or inadvertent action not taken in bad faith and which is remedied by the Company or any successor within five (5) days after receipt of notice thereof from Executive;
- (ii) a material reduction by the Company or any successor in Executive’s annual base salary or target incentive in effect immediately prior to the First Event;
- (iii) the taking of any action by the Company or any successor that would result in a material reduction of the aggregate benefits enjoyed by Executive under the Company’s pension, life insurance, medical, health and accident, disability, deferred compensation, incentive awards, employee stock options, restricted stock or stock unit awards, performance share unit awards, or savings plans in which Executive was participating at the time of the First Event;

- (iv) the Company requiring Executive to relocate to any place other than a location within fifty miles of the location at which Executive performed Executive's primary duties immediately prior to the First Event or, if Executive is based at the Company's principal executive offices, the relocation of the Company's principal executive offices to a location more than fifty miles from its location immediately prior to the First Event, except for required travel on the Company's business to an extent substantially consistent with Executive's prior business travel obligations; or
- (v) the failure of the Company to obtain agreement from any successor to assume and agree to perform this Agreement, as contemplated in Section 5(b), unless this Agreement is otherwise assumed by any successor by operation of law.

A termination for Good Reason shall not take effect unless the following provisions are satisfied. Executive shall notify the Company within 90 days after the later of the occurrence of the event giving rise to Good Reason or Executive learning of such event, specifying such act or acts, or such failure or failures to act. The Company shall have 30 days after such notice has been given to cure such conduct. If the Company fails to cure such condition, then Executive shall be entitled to resign for Good Reason, provided such resignation shall be no later than 180 days after the events giving rise to Executive's right to so resign.

(d) As used herein, other than in Section 1(a) hereof, the term "person" shall mean an individual, partnership, corporation, estate, trust or other entity.

(e) "Termination Date" shall mean the date of termination of Executive's employment, which in the case of termination for Disability shall be the 30th day after notice is given as required in Section 4(b); provided, however, that for purposes of Section 2(a)(ii) of this Agreement only, the Termination Date shall mean the date on which a "separation from service" has occurred for purposes of Section 409A of the Internal Revenue Code and the regulations and all notices, rulings and other guidance issued by the IRS interpreting same ("Section 409A").

(f) "Transition Period" shall mean the one-year period commencing on the date of the First Event and ending on the first anniversary of the First Event; provided that if a Good Reason event occurs during such one-year period, the Transition Period shall be extended such that it ends 180 days after such Good Reason event.

5. Successors and Assigns.

(a) This Agreement shall be binding upon and inure to the benefit of the successors, legal representatives and assigns of the parties hereto; provided, however, that the Executive shall not have any right to assign, pledge or otherwise dispose of or transfer any interest in this Agreement or any payments hereunder, whether directly or indirectly or in whole or in part, without the written consent of the Company or its successor. Notwithstanding the foregoing, if Executive should die while any payment, benefit or entitlement is due to Executive hereunder, such payment, benefit or entitlement shall be paid or provided to Executive's designated beneficiary or, if there is no designated beneficiary, to Executive's estate.

(b) The Company will require any successor (whether direct or indirect, by purchase of a majority of the outstanding voting stock of the Company or all or substantially all of the assets of the Company, or by merger, consolidation or otherwise), by agreement in form and substance satisfactory to Executive, to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. Failure of the Company to obtain such agreement prior to the effectiveness of any such succession (other than in the case of a merger or consolidation) shall be a breach of this Agreement. As used in this Agreement, "Company" shall mean the Company as hereinbefore defined and any successor to its business and/or assets as aforesaid that is required to execute and deliver the agreement as provided for in this Section 5(b) or that otherwise becomes bound by all the terms and provisions of this Agreement by operation of law.

6. Governing Law. This Agreement shall be construed in accordance with the laws of the State of Minnesota.

7. Notices. All notices, requests and demands given to or made pursuant to this Agreement shall be in writing and shall be deemed to have been duly given when delivered or mailed by United States registered or certified mail, return receipt requested, postage pre-paid, addressed to the last known residence address of Executive or in the case of the Company, to its principal executive office to the attention of each of the then directors of the Company with a copy to its Secretary, or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notice of change of address shall be effective only upon receipt.

8. Remedies and Claim Process. If Executive disputes any determination made by the Company regarding Executive's eligibility for any benefits under this Agreement, the amount or terms of payment of any benefits under this Agreement, or the Company's application of any provision of this Agreement, then Executive shall, before pursuing any other remedies that may be available to Executive, seek to resolve such dispute by submitting a written claim notice to the Company. The notice by Executive shall explain the specific reasons for Executive's claim and basis therefore. The Board of Directors shall review such claim and the Company will notify Executive in writing of its response within 60 days of the date on which Executive's notice of claim was given. The notice responding to Executive's claim will

explain the specific reasons for the decision. Executive shall submit a written claim hereunder before pursuing any other process for resolution of such claim. This Section 8 does not otherwise affect any rights that Executive or the Company may have in law or equity to seek any right or benefit under this Agreement.

9. Severability; Survivability. In the event that any portion of this Agreement is held to be invalid or unenforceable for any reason, it is hereby agreed that such invalidity or unenforceability shall not affect the other portions of this Agreement and that the remaining covenants, terms and conditions or portions hereof shall remain in full force and effect. The provisions of this Agreement shall survive any expiration of the Term or any termination of Executive's employment with the Company to the extent necessary to preserve or implement the intentions of the parties hereunder.

10. Integration. In the event that any payment or benefit becomes payable to Executive pursuant to Section 2 of this Agreement, then Executive shall not be entitled to receive a comparable payment or benefit under the Employment Agreement so as to prevent any duplication of payments or benefits under this Agreement and the Employment Agreement. In addition, the acceleration of stock options and lapsing of forfeiture provisions of restricted stock units or other equity awards provided pursuant to Section 2(a)(iv) of this Agreement shall not be subject to the provisions of Article 13 of the Company's 1992 Long-Term Incentive Plan (or similar successor provision or plan).

11. Miscellaneous. No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by the parties in the case of any modification and by the party against whom the waiver or discharge is being enforced in the case of any waiver or discharge. No waiver by either party hereto at any time of any breach by the other party to this Agreement of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior to similar time.

12. Term. Subject to Section 9 of this Agreement, the Term of this Agreement shall commence on the date of this Agreement and shall terminate, and the Term of this Agreement shall end, on the later of (A) December 31, 2016, provided that such period shall be automatically extended for one year and from year to year thereafter until notice of termination is given that such Term shall not be extended by the Company or Executive to the other party hereto at least 180 days prior to December 31, 2016 or the one-year extension period then in effect, as the case may be, or (B) if the First Event occurs on or prior to December 31, 2016 (or prior to the end of the extension year then in effect as provided for in clause (A) hereof), the later of the first anniversary of the First Event or the last day of the Transition Period.

13. Section 409A. The parties hereto intend that all payments and benefits to be made or provided to Executive will be paid or provided in compliance with all applicable requirements of Section 409A, and the provisions of this Agreement shall be construed and administered in accordance with and to implement such intent. In furtherance of the foregoing, the provisions set forth below shall apply notwithstanding any other provision in this Agreement.

(a) All payments to be made to Executive hereunder, to the extent they constitute a deferral of compensation subject to the requirements of Section 409A (after taking into account all exclusions applicable to such payments under Section 409A), shall be made no later, and shall not be made any earlier, than at the time or times specified herein or in any applicable plan for such payments to be made, except as otherwise permitted or required under Section 409A.

(b) The date of Executive's "separation from service", as defined in Section 409A (and as determined by applying the default presumptions in Treas. Reg. §1.409A-1(h)(1)(ii)), shall be treated as the date of Executive's termination of employment for purposes of determining the time of payment of any amount that becomes payable to Executive related to Executive's termination of employment and that is properly treated as a deferral of compensation subject to Section 409A after taking into account all exclusions applicable to such payment under Section 409A.

(c) To the extent any payment or delivery otherwise required to be made to Executive hereunder on account of Executive's separation from service is properly treated as a deferral of compensation subject to Section 409A after taking into account all exclusions applicable to such payment and delivery under Section 409A, and if Executive is a "specified employee" under Section 409A at the time of Executive's separation from service, then such payment and delivery shall not be made prior to the first business day after the earlier of (i) the expiration of six months from the date of Executive's separation from service, or (ii) the date of Executive's death (such first business day, the "Delayed Payment Date"). On the Delayed Payment Date, there shall be paid or delivered to Executive or, if Executive has died, to Executive's estate, in a single payment or delivery (as applicable) all entitlements so delayed, and in the case of cash payments, in a single cash lump sum, an amount equal to aggregate amount of all payments delayed pursuant to the preceding sentence.

(d) In the case of any amounts payable to Executive under this Agreement that may be treated as payable in the form of "a series of installment payments", as defined in Treas. Reg. §1.409A-2(b)(2)(iii), Executive's right to receive such payments shall be treated as a right to receive a series of separate payments for purposes of Treas. Reg. §1.409A-2(b)(2)(iii).

(e) To the extent that the reimbursement of any expenses eligible for reimbursement or the provision of any in-kind benefits under any provision of this Agreement would be considered deferred compensation under Section 409A (after taking into account all exclusions applicable to such reimbursements and benefits under Section 409A): (i) reimbursement of any such expense shall be made by the Company as soon as practicable after such expense has been incurred, but in any event no later than December 31st of the year following the year in which Executive incurs such expense; (ii) the amount of such expenses eligible for reimbursement, or in-kind benefits to be provided, during any calendar year shall

not affect the amount of such expenses eligible for reimbursement, or in-kind benefits to be provided, in any calendar year; and (iii) Executive's right to receive such reimbursements or in-kind benefits shall not be subject to liquidation or exchange for another benefit.

14. Taxes. Executive acknowledges and agrees that the Company has made no assurances or representations to Executive regarding the tax treatment of any consideration provided for in this Agreement and that the Company has advised Executive to obtain Executive's own personal tax advice. Except for any tax amounts withheld by the Company from the payments or other consideration hereunder and any employment taxes required to be paid by the Company or any tax liabilities for Executive that are the direct result of the Company failing to make payments or to provide other consideration hereunder in accordance with the terms of this Agreement, Executive shall be responsible for payment of any and all taxes owed in connection with the consideration provided for in this Agreement.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

Fair Isaac Corporation

By _____
Its _____

[Executive]

By _____