

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

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

Date of Report (Date of earliest event reported) June 5, 2023

FAIR ISAAC CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-11689
(Commission
File Number)

94-1499887
(IRS Employer
Identification No.)

**5 West Mendenhall, Suite 105
Bozeman, Montana**
(Address of principal executive offices)

59715
(Zip Code)

Registrant's telephone number, including area code 406-982-7276

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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value per share	FICO	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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

On June 5, 2023, the Leadership Development and Compensation Committee (the “Committee”) of the Board of Directors of Fair Isaac Corporation (the “Company”) made a special performance-based retention award to William J. Lansing, the Company’s Chief Executive Officer. The approximately \$30 million award was granted 50% in the form of 19,576 target number of Market Share Units (“MSUs”) and 50% in the form of 52,082 non-qualified stock options (“Options”).

This award is intended to secure Mr. Lansing’s continued leadership during the next five years as the Company pursues its market-leading software platform and scores business strategies. Currently 65 years of age, Mr. Lansing has guided the Company through transformative growth since his appointment as CEO in 2012. As evidence of his leadership contributions, during Mr. Lansing’s tenure the Company has achieved cumulative TSR performance versus the Russell 3000 Index that places the Company in the 99th percentile. He has provided invaluable leadership to the Company in terms of business vision, strategic execution, and in attracting and engaging top talent. The Committee believes that retaining Mr. Lansing over at least the next five years is critical to continuing to advance the Company’s strategies and to provide senior leadership team continuity.

In light of these objectives, the Committee conducted an extensive benchmarking analysis based on market data, with the assistance of its independent compensation consultant. Following review and consideration of various factors, including relevant industry data, market competition and Mr. Lansing’s significant leadership contributions, the Committee determined that this special award would help serve its objectives and enhance the retention value of Mr. Lansing’s total compensation package.

The MSUs that are earned will be based on the Company’s total stockholder return relative to the Russell 3000 Index over performance periods of three years (Period 1), four years (Period 2) and five years (Period 3), with one-third (1/3) of the total target number of MSUs being subject to each performance period. Each of these performance periods is two years longer than the annual MSU awards historically granted to the Company’s executive officers, which are over performance periods of one, two and three years. Depending on performance, as few as zero and as many as 200% of the target number of MSUs granted to Mr. Lansing could be earned. Any earned MSUs during each performance period will vest on the relevant grant anniversary date immediately following the conclusion of each performance period (i.e., June 5th of 2026, 2027 and 2028).

The Options will vest and become exercisable as follows: (i) three-fifths (3/5) of the Options shall vest on the third anniversary of the grant date; (ii) one-fifth (1/5) of the Options shall vest on the fourth anniversary of the grant date; and (iii) the remaining one-fifth (1/5) of the Options shall vest on the fifth anniversary of the grant date. The Options have an exercise price of \$791.60 per share, the closing price of the Company’s common stock on the grant date, and expire on June 4, 2030.

Any and all shares of common stock that Mr. Lansing receives upon settlement of any earned MSUs or as a result of his exercise of the Options, other than shares that are sold or withheld to pay the exercise price for the Options or to satisfy tax obligations, must be retained by Mr. Lansing until June 5, 2028.

The treatment of outstanding MSUs and Options upon Mr. Lansing’s death or disability, or in connection with a change in control of the Company, will be the same as for other awards of MSUs and Options granted to the Company’s executive officers, as previously disclosed. However, unlike other outstanding awards held by Mr. Lansing and other executive officers, if Mr. Lansing retires, such retirement will not entitle him to acceleration or continued vesting of these retention MSUs and Options.

The foregoing descriptions of the MSUs and Options are summaries only and are qualified by reference to the Market Share Unit Agreement and the Non-Statutory Stock Option Agreement governing Mr. Lansing's MSUs and Options attached to this Current Report on Form 8-K as Exhibits 10.1 and 10.2, respectively.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit</u>	<u>Description</u>
10.1	Market Share Unit Agreement, dated as of June 5, 2023, by and between the Company and William J. Lansing
10.2	Non-Statutory Stock Option Agreement, dated as of June 5, 2023, by and between the Company and William J. Lansing
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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
Corporate Secretary

Date: June 7, 2023

Fair Isaac Corporation
2021 Long-Term Incentive Plan

Market Share Unit Agreement
Grant Number: M230008

This Market Share Unit Award Agreement (this “Agreement”), dated June 5, 2023 (the “Grant Date”), is by and between William J. Lansing (the “Participant”), and Fair Isaac Corporation, a Delaware corporation (the “Company”). Any term capitalized but not defined in this Agreement will have the meaning set forth in the Company’s 2021 Long-Term Incentive Plan (the “Plan”).

In the exercise of its discretion to grant Awards under the Plan, the Committee has determined that the Participant should receive an Award of market share units under the Plan (the “Units”). This Award is subject to the following terms and conditions:

1. **Grant of Market Share Units.** The Company hereby grants to the Participant an Award consisting of 19,576 Units (the “Target Units”), subject to possible decrease to as few as 0 Units and to possible increase to as many as 39,152 Units as provided by this Agreement. Each Unit that has been earned pursuant to Section 3 of this Agreement and vests pursuant to Section 4 of this Agreement represents the right to receive one share of the Company’s common stock as provided in Section 7 of this Agreement. The Award will be subject to the terms and conditions of the Plan and this Agreement.
2. **Restrictions on Units.** Neither this Award nor the Units subject to this Award may be sold, assigned, transferred, exchanged or encumbered other than a transfer upon death in accordance with the Participant’s will, by the laws of descent and distribution or pursuant to a beneficiary designation submitted by the Participant in accordance with Section 6(d) of the Plan. Any attempted transfer in violation of this Section 2 shall be of no effect and may result in the forfeiture of all Units. The Units and the Participant’s right to receive Shares in settlement of the Units under this Agreement shall be subject to forfeiture as provided in this Agreement until satisfaction of the conditions for earning and vesting the Units as set forth in Section 3 and Section 4 of this Agreement, respectively.
3. **Earned Units.** Whether and to what degree the Units are earned will be determined by the relationship between the Company’s total shareholder return performance relative to that of a benchmark index during three performance periods: Performance Period 1 will start on June 1, 2023 and end on May 31, 2026, Performance Period 2 will start on June 1, 2023 and end on May 31, 2027, and Performance Period 3 will start on June 1, 2023 and end on May 31, 2028 (each, a “Performance Period”). The Performance Periods may be adjusted under the circumstances and to the extent specified in Section 6(b) of this Agreement.

(a) The number of Units subject to this Award that will be deemed earned at the conclusion of Performance Period 1 (the “Period 1 Earned Units”) will equal $\frac{1}{3}$ of the number of Target Units multiplied by the Relative Return Factor (calculated in accordance with Appendix A to this Agreement) applicable to Performance Period 1, rounded down to the nearest whole Unit in case of a fraction.

(b) The number of Units subject to this Award that will be deemed earned at the conclusion of Performance Period 2 (the “Period 2 Earned Units”) will equal $\frac{1}{3}$ of the number of Target Units multiplied by the Relative Return Factor applicable to Performance Period 2, rounded down to the nearest whole Unit in case of a fraction.

(c) The number of Units subject to this Award that will be deemed earned at the conclusion of Performance Period 3 (the “Period 3 Earned Units”) will equal the number of Target Units multiplied by the Relative Return Factor applicable to Performance Period 3, rounded down to the nearest whole Unit in case of a fraction, minus the sum of the Period 1 Earned Units and the Period 2 Earned Units; provided that if a negative number results from the calculation of Period 3 Earned Units, the number of Period 3 Earned Units will be deemed to be 0.

(d) Any Units that are not deemed to be Period 1 Earned Units, Period 2 Earned Units, or Period 3 Earned Units in accordance with this Section 3 will be forfeited without consideration.

4. **Vesting of Earned Units.** Subject to Section 6 of this Agreement, if the Participant remains a Service Provider continuously from the Grant Date, then all Period 1 Earned Units will vest as of June 5, 2026, all Period 2 Earned Units will vest as of June 5, 2027, and all Period 3 Earned Units will vest as of June 5, 2028.

5. **Service Requirement.** Except as otherwise provided in accordance with Section 6 of this Agreement, if you cease to be a Service Provider prior to the vesting dates specified in Section 4 of this Agreement, you will forfeit all unvested Units. Your Service will be deemed continuing while you are on a leave of absence approved by the Company in writing or guaranteed by applicable law or other written agreement you have entered into with the Company (an “Approved Leave”). If you do not resume providing Service to the Company or any Affiliate following your Approved Leave, your Service will be deemed to have terminated upon the expiration of the Approved Leave.

6. **Effect of Termination of Service or Change in Control.**

(a) Except as provided under the remainder of this Section 6, upon termination of Service prior to the final vesting date, any unvested Units will be immediately forfeited without consideration.

(b) Upon a Change in Control as a result of which the Company does not survive as an operating company or survives only as a subsidiary of another entity (a “Business Combination”) that is consummated before the end of Performance Period 3, the following provisions apply:

(i) Each Performance Period during which the Business Combination occurs will be truncated so that it ends on the date the Business Combination is consummated (each, an “Adjusted Performance Period”).

(ii) The number of Units deemed earned at the conclusion of each Adjusted Performance Period (the “Adjusted Period Earned Units”) will be calculated as specified in Section 3(a), (b), or (c) of this Agreement, as applicable, using the modified calculation of the Relative Return Factor set forth in Appendix A.

(iii) A portion of the Adjusted Period Earned Units for each Adjusted Performance Period will vest in full upon or immediately before, and conditioned upon, the consummation of the Business Combination, with such portion determined by multiplying the number of Adjusted Period Earned Units for that Adjusted Performance Period by a fraction, the numerator of which equals the number of days contained in the Adjusted Performance Period and the denominator of which equals the number of days contained in the Performance Period without adjustment (the “Accelerated Units”).

(iv) The number of Adjusted Period Earned Units in excess of the number of Accelerated Units for each Adjusted Performance Period (the “Time-Based Units”) will vest ratably on the 5th day of each month during the period beginning with the consummation of the Business Combination and ending on June 5, 2028, provided the Participant’s Service as an employee with the acquiring or surviving entity in the Business Combination (or with any of its affiliated entities) continues without interruption. If the Participant experiences an involuntary termination of Service for reasons other than Cause during such vesting period, the Time-Based Units will vest in full.

(c) In connection with a Change in Control that is not a Business Combination and that is consummated before the end of Performance Period 3, the Committee may provide in its discretion that some or all of the unearned and unvested Units subject to this Award will be deemed earned and will vest in full upon the occurrence of the Change in Control or upon the termination of the Participant’s Service as an employee within 12 months following the Change in Control.

(d) In connection with a Change in Control that is consummated after the end of Performance Period 3 but before June 5, 2028, the Period 3 Earned Units will vest in full upon the consummation of such a Change in Control.

(e) In connection with a termination of Service due to death or Disability before the end of Performance Period 3, a number of Units equal to the Target Units minus the sum of any vested Period 1 Earned Units and vested Period 2 Earned Units will vest in full upon such termination. In connection with a termination of Service due to death or Disability after the end of Performance Period 3 but before June 5, 2028, the Period 3 Earned Units will vest in full upon such termination.

7. **Settlement of Units.** After any Units vest pursuant to Section 4 or Section 6 of this Agreement, the Company shall, as soon as practicable (but in any event within the period specified in Treas. Reg. § 1.409A-1(b)(4) to qualify for a short-term deferral exception to Section 409A of the Code), cause to be issued and delivered to the Participant, or to the Participant’s designated beneficiary or estate in the event of the Participant’s death, one Share in payment and settlement of each vested Unit (the date of each such issuance being a “Settlement Date”). After any Units vested pursuant to Section 6(f) of this Agreement, the Company shall, as soon as practicable (but in any event within the period specified in Treas. Reg. § 1.409A-3(d)), cause to be issued and delivered to you, one Share in payment and settlement of each vested Unit.

Delivery of the Shares shall be effected by the electronic delivery of the Shares to a brokerage account maintained for the Participant at E*TRADE (or another broker designated by the Company or the Participant), or by another method provided by the Company, and shall be subject to the tax withholding provisions of Section 8 of this Agreement and compliance with all applicable legal requirements, including compliance with the requirements of applicable federal and state securities laws, and shall be in complete satisfaction and settlement of such vested Units. Notwithstanding the foregoing, (i) the settlement of each Time-Based Unit that vests in accordance with Section 6(b)(iv) of this Agreement will be made in the amount and in the form of the consideration (whether stock, cash, other securities or property, or a combination thereof) to which a holder of a Share was entitled upon the consummation of the Business Combination (without interest thereon) (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding Shares), and (ii) the Committee may provide for the settlement of Adjusted Period Earned Units that vest in accordance with Section 6(b)(iii) of this Agreement or for the settlement of Period 3 Earned Units that vest under the circumstances specified in Section 6(d) of this Agreement on the same basis as described in the preceding clause (i).

Until June 5, 2028, the Participant must retain and not transfer the Shares resulting from the settlement of the Units, except for Shares that are sold or withheld to satisfy any tax obligations, including withholding taxes, arising in connection with the vesting or settlement of the Units.

8. **Tax Consequences and Withholding.** As a condition precedent to the delivery of Shares in settlement of the Units, the Participant is required to make arrangements acceptable to the Company for payment of any federal, state or local withholding taxes that may be due as a result of the settlement of the Units (“Withholding Taxes”), in accordance with Section 14 of the Plan.

Until such time as the Company provides notice to the contrary, it will collect the Withholding Taxes through an automatic Share withholding procedure (the “Share Withholding Method”), unless other arrangements acceptable to the Company have been made. Under such procedure, the Company or its agent will withhold, upon the tax withholding event, a portion of the Shares with a Fair Market Value (measured as of such date) sufficient to cover the amount of such taxes; provided, however, that the number of any Shares so withheld shall not exceed the number necessary to satisfy the Company’s required tax withholding obligations using the applicable minimum statutory withholding rate or such other rate as may be permitted under the Plan up to the maximum rate applicable in your jurisdiction.

In the event that the Committee determines that the Share Withholding Method would be problematic under applicable tax or securities laws or would result in materially adverse accounting consequences, you authorize the Company to collect Withholding Taxes through one of the following methods:

(a) delivery of the Participant’s authorization to E*TRADE (or another broker designated by the Company or the Participant) to transfer to the Company from the Participant’s account at such broker the amount of such Withholding Taxes;

(b) the use of the proceeds from a next-day sale of the Shares issued to the Participant, provided that (i) such sale is permissible under the Company’s trading policies governing its securities, (ii) the Participant makes an irrevocable commitment, on or before a Settlement Date, to effect such sale of the Shares, and (iii) the transaction is not otherwise deemed to constitute a prohibited loan under Section 402 of the Sarbanes-Oxley Act of 2002; or

(c) any other method approved by the Company.

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9. **No Shareholder Rights.** The Units subject to this Award do not entitle the Participant to any rights of a shareholder of the Company's common stock. The Participant will not have any of the rights of a shareholder of the Company in connection with the grant of Units subject to this Agreement unless and until Shares are issued to the Participant upon settlement of the Units as provided in Section 7 of this Agreement.
 10. **Governing Plan Document.** This Agreement and the Award are subject to all the provisions of the Plan, and to all interpretations, rules and regulations which may, from time to time, be adopted and promulgated by the Committee pursuant to the Plan. If there is any conflict between the provisions of this Agreement and the Plan, the provisions of the Plan will govern.
 11. **Choice of Law.** This Agreement will be interpreted and enforced under the laws of the state of Minnesota (without regard to its conflicts or choice of law principles).
 12. **Binding Effect.** This Agreement will be binding in all respects on the Participant's heirs, representatives, successors and assigns, and on the successors and assigns of the Company.
 13. **Discontinuance of Service.** This Agreement does not give the Participant a right to continued Service with the Company or any Affiliate, and the Company or any such Affiliate may terminate the Participant's Service at any time and otherwise deal with the Participant without regard to the effect it may have upon the Participant under this Agreement.
 14. **Section 409A of the Code.** The Units as provided in this Agreement and any issuance of Shares or payment pursuant to this Agreement are intended to either be exempt from or comply with Section 409A of the Code so as not to subject you to payment of any additional tax, penalty or interest imposed under Section 409A of the Code. The provisions of this Agreement shall be construed and interpreted to avoid the imputation of any such additional tax, penalty or interest under Section 409A of the Code yet preserve (to the nearest extent reasonably possible) the intended benefit payable to you.
 15. **Compensation Recovery Policy.** Notwithstanding any other provisions in the Plan or this Agreement, any Units which are subject to recovery under any law, government regulation, stock exchange listing requirement or current or future recoupment policy adopted by the Company will be subject to such deductions and clawback as may be required to be made pursuant to such law, government regulation, stock exchange listing requirement or recoupment policy adopted by the Company (including, but not limited to, a policy adopted by the Company in response to any such law, government regulation or stock exchange listing requirement).

By executing this Agreement, the Participant accepts this Award and agrees to all the terms and conditions described in this Agreement and in the Plan document.

PARTICIPANT

FAIR ISAAC CORPORATION

William J. Lansing

By: _____
Title: Executive Vice President, General Counsel and Secretary

Fair Isaac Corporation
2021 Long-Term Incentive Plan
Executive Non-Statutory Stock Option Agreement (U.S.)

Option Terms and Conditions*

1. **Grant of Stock Options.** The Company hereby grants to you, subject to the terms and conditions in this Executive Non-Statutory Stock Option Agreement (the “Agreement”) and subject to the terms and conditions of the Plan, an option to purchase the number of Shares specified on the cover page of this Agreement (the “Option”).
2. **Non-Statutory Stock Option.** This Option is not intended to be an “incentive stock option” within the meaning of Section 422 of the Code and will be interpreted accordingly.
3. **Vesting and Exercise Schedule.** This Option will vest and become exercisable as to the portion of Shares and on the dates specified on the cover page to this Agreement, so long as you remain a Service Provider. The vesting and exercise schedule is cumulative, meaning that to the extent the Option has not already been exercised and has not expired, terminated or been cancelled, you or the person otherwise entitled to exercise the Option as provided in this Agreement may at any time purchase all or any portion of the Shares that may then be purchased under that schedule.

Vesting and exercisability of this Option will be accelerated during the term of the Option if your Service to the Company or any Affiliate terminates because of your death or Disability, as provided in Section 6(e)(2) of the Plan. Vesting and exercisability will also be accelerated under the circumstances described in Section 12(d) of the Plan and may be accelerated (or, as applicable, waived) by action of the Committee in accordance with Sections 3(b)(2), 12(b)(2), 12(b)(3) and 12(c) of the Plan. Vesting and exercisability may also be accelerated upon the occurrence of events and in accordance with the terms and conditions specified in any other written agreement you have with the Company.
4. **Expiration.** This Option will expire and will no longer be exercisable at 5:00 p.m. Central Time on the earliest of:
 - (a) the expiration date specified on the cover page of this Agreement;
 - (b) the expiration of any applicable period specified in Section 6(e) of the Plan during which this Option may be exercised after your termination of Service;
 - (c) if the Committee has taken action to accelerate exercisability in accordance with Sections 3(b)(2), 12(b)(3) or 12(c) of the Plan, the expiration of any applicable exercise period specified by the Committee pursuant to such action;

* To the extent any capitalized term used in this Agreement is not defined, it has the meaning assigned to it in the Plan as the Plan currently exists or as it is amended in the future.

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- (d) the date (if any) fixed for cancellation of this Option pursuant to Section 12(b)(2) or 12(d) of the Plan; or
- (e) the expiration of any applicable period specified in any other written agreement you have with the Company providing for accelerated vesting and exercisability.
5. **Service Requirement.** Except as otherwise provided in Section 6(e) of the Plan, and as may otherwise be provided by action of the Committee in accordance with Sections 12(b)(3) or 12(c) of the Plan, this Option may be exercised only while you continue to provide Service to the Company or an Affiliate as a Service Provider, and only if you have continuously provided such Service since the date this Option was granted.
6. **Leave of Absence.** Your Service will be deemed continuing while you are on a leave of absence approved by the Company in writing or guaranteed by applicable law or other written agreement you have entered into with the Company (an "Approved Leave"). If you do not resume providing Service following your Approved Leave, your Service will be deemed to have terminated upon the expiration of the Approved Leave.
7. **Exercise of Option.** Subject to Section 5 of this Agreement and to the Company's policies governing trading in its securities, the vested and exercisable portion of this Option may be exercised through use of the account maintained for you at E*TRADE or another automated electronic platform approved by the Company or through delivery to the Company's Stock Administration office of written notification of exercise that states the number of Shares to be purchased and is signed or otherwise authenticated by the person exercising this Option. If the person exercising this Option is not the Optionee, he or she also must submit appropriate proof of his or her right to exercise this Option.
8. **Payment of Exercise Price.** When you submit your notice of exercise pursuant to Section 7 of this Agreement, you must include payment of the exercise price of the Shares being purchased through one or a combination of the following methods:
- (a) your personal check, a cashier's check or money order;
 - (b) to the extent permitted by law, a broker-assisted cashless exercise in which you irrevocably instruct a broker to deliver proceeds of a sale of all or a portion of the Shares for which the Option is being exercised to the Company in payment of the exercise price of such Shares, and, to the extent consistent with Section 9 of this Agreement, in payment of Tax-Related Items (as defined below);
 - (c) by delivery to the Company or its designated agent of unencumbered Shares having an aggregate Fair Market Value on the date of exercise equal to the exercise price of the Shares for which the Option is being exercised; or
 - (d) by a reduction in the number of Shares to be delivered to you upon exercise, such number of Shares to be withheld having an aggregate Fair Market Value on the date of exercise equal to the exercise price of the Shares for which the Option is being exercised.

However, if the Committee determines, in any given circumstance, that payment of the exercise price with Shares pursuant to subsection (c) above or by authorizing the Company to retain Shares pursuant to subsection (d) above is undesirable for any reason, you will not be permitted to pay any portion of the exercise price in that manner. Moreover, if the Committee determines that payment of the exercise price by one of the methods specified above is required or desirable for legal or administrative reasons, you will be required to pay the exercise price by such method.

9. **Tax Consequences and Withholding.** You acknowledge that, regardless of any action taken by the Company, the ultimate liability for all income tax, social insurance, payroll tax, payment on account, or other tax-related items related to your participation in the Plan and legally applicable to you (the "Tax-Related Items") is and remains your responsibility and may exceed the amount, if any, actually withheld by the Company. You further acknowledge that the Company (a) makes no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Option, including but not limited, the grant, vesting or exercise of the Option or subsequent sale of Shares acquired at exercise, and (b) does not commit to and is under no obligation to structure the terms of the grant or any aspect of the Option to reduce or eliminate your liability for Tax-Related Items or achieve any particular tax result. Further, if you are subject to Tax-Related Items in more than one jurisdiction, you acknowledge that the Company (or your employer, if different) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any relevant taxable or tax withholding event, as applicable, you agree to make arrangements acceptable to the Company to satisfy all Tax-Related Items. In this regard, you authorize the Company (or its agent), at its discretion, to satisfy any withholding obligation for the Tax-Related Items by one of the following methods:

- (i) withholding from proceeds of the sale of Shares acquired at exercise of the Option either through a voluntary sale or through a mandatory sale arranged by the Company (on your behalf pursuant to this authorization without further consent);
- (ii) delivery of your authorization to E*TRADE (or another broker designated by the Company) to transfer to the Company from your account at such broker the amount of such Tax-Related Items;
- (iii) withholding from your wages or other cash compensation paid to you by the Company; and/or
- (iv) any other method approved by the Company and permitted under applicable law.

Depending on the withholding method and to the extent permitted under the Plan and applicable law, the Company may withhold for Tax-Related Items by considering minimum statutory withholding rates or up to the maximum rate applicable in your jurisdiction. In the event of any over-withholding, you will have no entitlement to the over-withheld amount in Shares and such amounts will be refunded to you in cash in accordance with applicable law.

The Company may refuse to issue or deliver the Shares or the proceeds of the sale of Shares if you fail to comply with your obligations in connection with the Tax-Related Items.

10. **Delivery of Shares.** As soon as practicable after the Company receives the notice of exercise and exercise price provided for above and determines that all conditions to exercise and delivery of Shares, including the Tax-Related Items withholding provisions of Section 9 and the compliance provisions of Section 18 of this Agreement, have been satisfied, it will arrange for the delivery of the Shares being purchased. Delivery of the Shares shall be effected by the electronic delivery of the Shares to a brokerage account maintained for you at E*TRADE (or another broker designated by the Company), or by another method provided by the Company. All Shares so issued will be fully paid and nonassessable. Until June 5, 2028, the Participant must retain and not transfer the Shares resulting from the exercise of this Option, except for Shares that are sold or withheld to pay any applicable exercise price for this Option or to satisfy any tax obligations, including withholding taxes, arising in connection with the exercise of this Option.
11. **Transfer of Option.** During your lifetime, only you (or your guardian or legal representative in the event of legal incapacity) may exercise this Option except in the case of a transfer described below. You may not assign or transfer this Option other than (a) a transfer upon your death in accordance with your will, by the laws of descent and distribution or pursuant to a beneficiary designation submitted in accordance with Section 6(d) of the Plan, (b) pursuant to a qualified domestic relations order, or (c) by gift to any “family member” (as defined in General Instruction A.1(a)(5) to Form S-8 under the Securities Act of 1933). Following any such transfer, this Option shall continue to be subject to the same terms and conditions that were applicable to this Option immediately prior to its transfer and may be exercised by such permitted transferee as and to the extent that this Option has become exercisable and has not terminated in accordance with the provisions of the Plan and this Agreement.
12. **No Shareholder Rights Before Delivery of Shares.** Neither you nor any permitted transferee of this Option will have any of the rights of a shareholder of the Company with respect to any Shares subject to this Option until such Shares have been delivered to you or your permitted transferee pursuant to Section 11 of this Agreement. No adjustments shall be made for dividends or other rights if the applicable record date occurs before such delivery has been effected, except as otherwise described in the Plan.
13. **Discontinuance of Service.** This Agreement does not give you a right to continued Service with the Company or any Affiliate, and the Company or any such Affiliate may terminate your Service at any time and otherwise deal with you without regard to the effect it may have upon you under this Agreement.
14. **Governing Plan Document.** This Agreement and Option are subject to all the provisions of the Plan, and to all interpretations, rules and regulations which may, from time to time, be adopted and promulgated by the Committee pursuant to the Plan. If there is any conflict between the provisions of this Agreement and the Plan, the provisions of the Plan will govern.
15. **No Advice Regarding Grant.** The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding your participation in the Plan, or your acquisition or sale of the underlying Shares. You understand and agree that you should consult with your own personal tax, legal and financial advisors regarding your participation in the Plan before taking any action related to the Plan.
16. **Choice of Law and Venue.** This Option and Agreement will be interpreted and construed in accordance with and governed by the laws of the laws of the State of Minnesota and you agree to the exclusive venue and jurisdiction of the State and Federal Courts located in Hennepin County, Minnesota and waive any objection based on lack of jurisdiction or inconvenient forum. Any action relating to or arising out of this Plan must be commenced within one year after the cause of action accrued. This provision will not apply to you if you primarily reside and work in California.

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17. **Binding Effect.** This Agreement will be binding in all respects on your heirs, representatives, successors and assigns, and on the successors and assigns of the Company.
 18. **Compliance with Law.** Notwithstanding any other provision of the Plan or this Agreement, unless there is an exemption from any registration, qualification or other legal requirement applicable to the Shares, the Company shall not be required to deliver any Shares issuable upon exercise of the Option prior to the completion of any registration or qualification of the shares under any U.S. federal, state or foreign securities or exchange control law or under rulings or regulations of the U.S. Securities and Exchange Commission (“SEC”) or of any other governmental regulatory body, or prior to obtaining any approval or other clearance from any local, state, federal or foreign governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. You understand that the Company is under no obligation to register or qualify the Shares with the SEC or any state or foreign securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of the Shares. Further, you agree that the Company shall have unilateral authority to amend the Agreement without your consent to the extent necessary to comply with securities or other laws applicable to the issuance of the Shares.
 19. **Insider Trading Policy.** You acknowledge that you are subject to the Company’s insider trading policy as set forth in the “Statement of Company Policy as to Trades in the Company’s Securities By Company Personnel and Confidential Information,” and you are responsible for ensuring compliance with the restrictions and requirements therein. Further, you may be subject to U.S. insider trading restrictions and/or market abuse laws, which may affect your ability to accept, acquire, sell or otherwise dispose of Shares or rights to Shares (e.g., the Option) or rights linked to the value of Shares during such times as you are considered to have “inside information” regarding the Company (as defined by the laws in the U.S.). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under the Company’s insider trading policy.
 20. **Imposition of Other Requirements.** The Company reserves the right to impose other requirements on your participation in the Plan, on the Option and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require you to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.
 21. **Electronic Delivery and Participation.** The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.
 22. **Compensation Recovery Policy.** Notwithstanding any other provisions in the Plan or this Agreement, any Options which are subject to recovery under any law, government regulation, stock exchange listing requirement or recoupment policy adopted by the Company will be subject to such deductions and clawback as may be required to be made pursuant to such law, government regulation, stock exchange listing requirement or recoupment policy adopted by the Company (including, but not limited to, a policy adopted by the Company in response to any such law, government regulation or stock exchange listing requirement).

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23. **Waiver.** You acknowledge that a waiver by the Company of breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by you or any other Participant.
 24. **Severability.** The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

By accepting this Option in the manner prescribed by the Company, you agree to all the terms and conditions described in this Agreement and in the Plan document.

PARTICIPANT

FAIR ISAAC CORPORATION

William J. Lansing

By: _____
Title: Executive Vice President, General Counsel and Secretary