

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): **April 14, 2008**

Bimini Capital Management, Inc.
(Exact Name of Registrant as Specified in Charter)

Maryland
(State or Other Jurisdiction of Incorporation)

001-32171
(Commission File Number)

72-1571637
(IRS Employer Identification No.)

3305 Flamingo Drive, Vero Beach, Florida 32963
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: **(772) 231-1400**

N/A
(Former Name or Former Address, if Changed Since Last Report)

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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ITEM 5.02. DEPARTURE OF DIRECTORS OR CERTAIN OFFICERS; ELECTION OF DIRECTORS; APPOINTMENT OF CERTAIN OFFICERS; COMPENSATORY ARRANGEMENTS OF CERTAIN OFFICERS.

On April 14, 2008, Jeffrey J. Zimmer resigned his positions as Chairman of the Board, President and Chief Executive Officer, and as a member of the Board of Directors (the "Board"), of Bimini Capital Management, Inc. (the "Company"). In connection with Mr. Zimmer's resignation, the Company entered into a Separation Agreement and General Release (the "Separation Agreement") with Mr. Zimmer that provides for, among other things, payment to Mr. Zimmer of his base salary through April 30, 2008, a cash payment to Mr. Zimmer of \$265,000, payable in two equal installments, the first installment of which is payable immediately after the Separation Agreement becomes effective following the expiration of a mandatory seven-day waiting period required under the Age Discrimination and Employment Act, and the second installment of which is payable 180 days after the effective date of the Separation Agreement, and certain health insurance and other benefits. Under the Separation Agreement, Mr. Zimmer is subject to certain negative and affirmative covenants, including a non-solicitation and no-hire covenant, a non-disclosure covenant with respect to the Company's confidential information and certain other covenants. The foregoing summary is qualified in its entirety by reference to the Separation Agreement, which is being filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated by reference herein.

In connection with the Board's acceptance of Mr. Zimmer's resignation on April 14, 2008, the Board appointed the following individuals to serve as executive officers of the Company in the capacities indicated below:

- the appointment of Robert E. Cauley, 49, as President and Chief Executive Officer. Mr. Cauley previously served as the Company's Senior Executive Vice President, Chief Investment Officer, Chief Financial Officer and Treasurer, and he is a co-founder of the Company. Mr. Cauley continues to serve as Vice Chairman and a member of the Company's Board of Directors. Prior to joining the Company, he was previously Vice President, Portfolio Manager, at Federated Investment Management Company in Pittsburgh, Pennsylvania. Mr. Cauley, who is a Chartered Financial Analyst and a Certified Public Accountant, received his MBA in Finance and Economics from Carnegie Mellon University and his BA in Accounting from California State University, Fullerton. Mr. Cauley served in the United States Marine Corps for four years.
- the appointment of G. Hunter Haas, IV, 31, as Executive Vice President, Chief Investment Officer, Interim Chief Financial Officer and Treasurer. Mr. Haas joined the Company in April 2004 as Vice President and Head of Mortgage Research and continues to report to Mr. Cauley. Prior to joining the Company, Mr. Haas was employed by National City Mortgage Company from June 2002 to April 2004, most recently as Vice President of Risk Analytics in the Servicing Asset Risk Management Department. Mr. Haas holds a Masters of Science in Economics from Oklahoma State University.
- the appointment of J. Christopher Clifton, 36, as Executive Vice President, General Counsel, Chief Compliance Officer and Secretary. Mr. Clifton, who previously served as Senior Vice President, General Counsel, Chief Compliance Officer and Secretary and reported to Mr. Zimmer, now reports to Mr. Cauley. From 2003 to 2006, Mr. Clifton served as Assistant Counsel at PPG Industries, Inc. advising primarily on corporate governance, finance and securities matters. From 1999 to 2003, Mr. Clifton was an associate at Pillsbury Winthrop LLP, where he focused on corporate, mergers and acquisitions, securities and finance matters. Mr. Clifton holds a Juris Doctorate from Vanderbilt University Law School, an MBA in Finance from the Owen Graduate School of Management at Vanderbilt, and a BS in Accounting from The University of the State of New York, Regents College. He is also a Certified Public Accountant and is admitted to the bars of New York, Connecticut, Pennsylvania and Indiana.

The Board also approved the separation of the Chairman and Chief Executive Officers positions in an effort to further enhance the Company's corporate governance in light of current corporate governance best practices. W. Christopher Mortenson, an independent member of the Company's Board of Directors, was elected as non-executive Chairman of the Board of Directors. Mr. Mortenson continues to serve as Lead Independent Director and Chairman of the Compensation Committee of the Board of Directors.

ITEM 9.01. EXHIBITS.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
10.1	Separation Agreement and General Release, dated April 14, 2008, by and between Bimini Capital Management, Inc. and Jeffrey J. Zimmer.

SIGNATURES

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

Date: April 16, 2008

BIMINI CAPITAL MANAGEMENT, INC.

By: /s/ Robert E. Cauley
Robert E. Cauley
Vice Chairman, President and Chief Executive Officer

SEPARATION AGREEMENT AND GENERAL RELEASE

This Separation Agreement and General Release (this "Separation Agreement") is made by and between BIMINI CAPITAL MANAGEMENT, INC., a Maryland corporation (the "Company"), and JEFFREY ZIMMER ("Executive"). The Company and the Executive may be referred to collectively herein from time to time as "the Parties."

WHEREAS, the Employment Agreement, dated as of April 12, 2004, by and between the Company and Executive (the "Employment Agreement") expired on April 11, 2008, and has not been renewed; and

WHEREAS, Executive and the Company have mutually agreed that Executive's employment with the Company shall terminate effective as of the Separation Date (as defined below); and

WHEREAS, the Parties have agreed to the terms and conditions relating to the termination of Executive's employment as set forth herein; and

WHEREAS, this Separation Agreement shall supersede and replace in all respects any and all agreements and understandings between the Company and Executive relating to Executive's employment by and/or separation from the Company, including but not limited to any provisions in the Employment Agreement that survived the expiration of such Employment Agreement.

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

1. Effective Date of Agreement. This Separation Agreement shall become effective and enforceable on the eighth day after the Separation Date (as defined below) (the "Effective Date"). Once effective, all of the terms, conditions, benefits and restrictions of this Separation Agreement shall be fully enforceable and binding on the Parties.
2. Termination of Employment.
 - a. Executive hereby resigns his employment and any and all positions he holds with the Company and each of its subsidiaries and affiliates, including but not limited to his positions as Chairman, President and Chief Executive Officer of the Company, a director of the Company, the plan trustee of the Company's 401(k) plan, and president and a director of the 3305 Flamingo Condominium Association, Inc., in each case effective as of the Separation Date (as defined below). Effective on the Separation Date, the Executive shall have no further duties or responsibilities to be performed for the Company or any of its subsidiaries or affiliates, other than as specified herein, and shall have no authority to act or endeavor to act on behalf of the Company or any of its subsidiaries or affiliates for any reason whatsoever. For purposes of this Separation Agreement, Executive's "Separation Date" shall be April 14, 2008.
 - b. Any shares of Company common stock, stock options or other equity awards held by Executive that are not vested or that are subject to forfeiture restrictions as of the Separation Date shall be forfeited as of the Separation Date.
 - c. Executive will not receive any compensation or benefits from the Company after the Separation Date, except as expressly hereinafter provided in this Separation Agreement. Executive and the Company each acknowledges and agrees that valid consideration exists for the promises contained in this Separation Agreement.
3. Consideration to Executive.
 - a. The Company shall pay Executive's accrued Annual Salary that is payable as of the Separation Date in accordance with the Company's normal payroll practices on April 15, 2008. As additional consideration, this April 15 payroll payment will also include Executive's Annual Salary for the remainder of the month of April.
 - b. Within one (1) business day after the Effective Date, the Company shall deliver to Executive a check in the amount of \$132,500 (One Hundred and Thirty Two Thousand Five Hundred Dollars and No Cents), less applicable withholding taxes, made payable to the Executive, and subject to compliance by Executive with all of his obligations under this Agreement, within one hundred and eighty (180) days after the Effective Date, the Company shall deliver, or cause to be delivered, to Executive a check in the amount of \$132,500 (One Hundred and Thirty Two Thousand Five Hundred Dollars and No Cents), less applicable withholding taxes, made payable to the Executive.
 - c. For the period from the Separation Date until the earlier of December 31, 2008, or the date on which the Executive is eligible to receive similar coverage under another employer's group health insurance plan, the Company agrees to pay the health insurance premiums for continuing coverage for Executive and his dependents under the existing group health insurance plan maintained by the Company for the benefit of its officers and employees provided Executive timely provides the requisite election notice required under the Consolidated Omnibus Budget Reconciliation Act ("COBRA"). The Executive shall promptly notify the Company when the Executive becomes eligible to receive similar coverage under another employer's group health insurance plan. To the extent any portion of the COBRA payments made by the Company on behalf of the Executive pursuant to this Section 3(c) are deemed to be compensation, the Company will gross up such payments in an amount sufficient to cover any applicable withholding taxes on such payments. If the Executive has not become eligible to receive similar coverage under another employer's group health insurance plan by December 31, 2008, Executive shall have the right, at his cost, upon written notice to the Company, to elect to continue coverage under the Company's group health insurance plan in accordance with COBRA until the earlier of expiration of the 18 month period following the Separation Date and the date on which the Executive becomes eligible to receive similar coverage under another employer's group health insurance plan.
 - d. The Company agrees to reimburse Executive for the actual reasonable out of pocket business expenses incurred by the Executive in connection with the performance of his duties as Chief Executive Officer of the Company, subject to delivery by the Executive to the Company of receipts and other appropriate supporting documentation reasonably requested by the Company.
 - e. Executive shall be permitted to retain ownership of the laptop computer, the home desktop computer and the cell phone that the Company has provided to him, subject to the obligation of the Executive to make his laptop computer and home desktop computer

available to a representative from the Company on Monday, April 14, 2008, before the close of business, to enable the Company's representative to review the files, data and software stored on such laptop computer and desktop computer and remove any data or files that constitute Confidential Information (as hereinafter defined).

- f. The Executive understands and agrees that all payments payable to the Executive under Sections 3(a), 3(b) and 3(c) will be treated by the Company as compensation expense.

4. Waiver, Release of Claims, and Covenant Not to Sue.

- a. Executive, for himself, his agents, personal representatives, heirs and assigns, hereby unconditionally releases and forever discharges the Company and all of its affiliated entities and subsidiaries, as well as their respective officers, directors, partners, owners, employees, agents, representatives, financial advisors, predecessors and successors, whether in their individual or representative capacities (collectively "Released Parties") from any and all liability of every kind and nature whatsoever arising out of or connected in any way with Executive's employment, or termination of employment, by the Company and any of its affiliates or subsidiaries, or any other matter relating to the Company or any of its affiliates or subsidiaries, or the business or assets of any of them, both as to matters now known and those discovered hereafter, including, without limitation, any and all claims for monetary relief, injunctive relief, attorney fees, costs, back pay or unpaid wages, fringe benefits, employment or reinstatement that could have been raised under common law, wrongful discharge, breach of any contractual rights, both express or implied, breach of any covenant of good faith and fair dealing, both express or implied, any tort, any claim of invasion of privacy, any legal restrictions on the Released Parties' rights to terminate employees, and any federal, state, or other governmental statute, regulation, ordinance, or directive, specifically including, without limitation, Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act, the Family and Medical Leave Act, the Fair Labor Standards Act, the Employee Retirement Income Security Act, the Securities Act of 1933, the Securities Exchange Act of 1934, and state securities laws. The foregoing also includes any and all claims Executive could have brought or could bring as a partner, member, director, officer or employee of any of the Released Parties and any and all claims Executive may have, in his capacity as a shareholder, with respect to events occurring prior to the Separation Date. Executive covenants not to sue the Released Parties with respect to any of the released claims or potential claims described above. The foregoing release does not waive or infringe Executive's right to receive the payments and benefits described in Section 3 hereof. Notwithstanding anything herein to the contrary, this Separation Agreement shall not impact or release any rights that Executive may have, under the bylaws of the Company, applicable insurance policies of the Company and/or under applicable law, to indemnification with respect to liabilities, costs, losses and claims arising from or related to Executive's service as an officer, director or employee of the Company, any parent, subsidiary or affiliate of the Company, or any of the Released Parties.
- b. The Company hereby unconditionally releases and forever discharges Executive, his agents, personal representatives, heirs and assigns, from any and all liability whatsoever for any acts, occurrences or omissions arising out of or connected in any way with Executive's performance or discharge of his duties as a director or officer of the Company, employment, prospective employment, or termination of employment by the Company and any of its affiliates or subsidiaries, or any other matter relating to the Company or any of its affiliates or subsidiaries, or the business or assets of any of them, both as to matters now known and those discovered hereafter, except to the extent that the Executive has engaged in any fraudulent or criminal conduct in the performance of his duties while employed by the Company (the "Released Claims"); *provided, however*, the Released Claims shall not include, and the Company is not releasing the Executive for liability with respect to, existing third party claims against the Company for which the Executive is not entitled to receive indemnification from the Company in accordance with the Company's Charter, Bylaws or Maryland law. Except as provided in the immediately preceding sentence, the Released Claims shall include, without limitation, any and all claims for monetary relief, injunctive relief, attorney fees, costs and claims the Company could have brought or could bring against Executive as a shareholder, partner, member, director, officer or employee of any of the Released Parties. The Company covenants not to sue the Executive with respect to any of the Released Claims except to the extent that the Company determines in good faith that the Executive has engaged in any fraudulent or criminal conduct in the performance of his duties while employed by the Company; *provided*, that the Company will reimburse Executive for all reasonable attorneys fees and other defense costs if the Company brings suit against Executive alleging fraudulent or criminal conduct and Executive is successful on the merits in defending the action as determined by a final non-appealable order.
- c. The Parties expressly understand and agree that the waivers, releases and covenants not to sue set forth in clauses (a) and (b) above do not preclude either Party from acting to enforce the terms, conditions, rights, obligations and requirements of this Separation Agreement as provided herein.
- d. This Separation Agreement is intended by the Parties to comply with the requirements of the Older Workers Benefits Protection Act (29 U.S.C. § 626(f)). To that end the Parties acknowledge that (a) Executive has read and understands the terms of this Separation Agreement and he accepts them knowingly and voluntarily, (b) the claims released by Executive pursuant to this Separation Agreement include claims arising under the Age Discrimination in Employment Act (29 U.S.C. § 626 et. seq.), (c) Executive does not waive any of his rights or claims that may arise after the date this Separation Agreement is effective, (d) the consideration provided in Section 3 of this Separation Agreement in exchange for Executive's release of claims is in addition to anything of value which Executive is already entitled to receive from the Company, (e) Executive has been advised in writing to consult with an attorney prior to signing this Separation Agreement, (f) Executive has been given a period of up to 21 days in which to consider the terms of this Separation Agreement, and (g) Executive has a period of 7 days following the date he signs this Separation Agreement to revoke it, and the Separation Agreement shall not become effective or enforceable until the revocation period has expired, as provided for in Section 1 herein.

5. Nondisclosure of Confidential Information.

- a. Subject to the provisions of Section 5(b) below, Executive shall keep confidential all secret or Confidential Information, knowledge or data relating to the Company or any of its affiliated companies, and their respective businesses and properties, which shall have been obtained by the Executive during the Executive's employment by the Company or any of its affiliated companies, except for secret or Confidential Information, knowledge or data which becomes public knowledge (other than as a result of any act by the Executive or any representatives of the Executive in violation of this Separation Agreement). Executive shall not, without the prior written consent of the Company or as may otherwise be required by law or legal process, communicate or divulge

any such information, knowledge or data to anyone other than the Company and those designated by it. The agreement made in this Section 5 shall be in addition to, and not in limitation or derogation of, any obligations otherwise imposed by law upon the Executive in respect of confidential information of the Company. "Confidential Information," as used in this Separation Agreement, means any and all confidential information (whether recorded in documentary form or by electronic or other means) relating to the properties, business methods, corporate plans, business plans, strategic plans, employee information (including compensation, qualifications, and utilization), management systems, finances, existing or developing business opportunities, processes under development or development projects of the Company or any of its affiliates or subsidiaries, or relating to the marketing or sales of any past, present or future property or asset of any of them. Confidential Information also includes any other information in respect of which the Company owes an obligation of confidentiality to any third party, knowledge of which Executive acquired at any time during his employment by the Company or any of its affiliated companies and which is not readily ascertainable to persons not connected with the Company either at all or without significant expenditure of labor, skill or money. Confidential Information does not include, however, information which (a) is or becomes generally available to the public other than as a result of a disclosure by the Executive or any of his representatives, or (b) becomes available to Executive on a non-confidential basis from a person other than the Company or any of its representatives who is not known by Executive to be bound by a confidentiality agreement with the Company or any of its affiliates. The nondisclosure obligation set forth in this Paragraph is in addition to any fiduciary duties of Executive to maintain the confidentiality of the Company's Confidential Information and, to the extent not otherwise provided herein, the Company's trade secrets.

- b. Notwithstanding the foregoing, the Company agrees that Executive shall have the right to retain the possession and use of all studies, research, financial models, documents, agreements, and other information developed or acquired by Executive during his employment with the Company relating to the formation and capitalization of a new Agency residential mortgage REIT that Executive has been working on for the last several months (the "Agency REIT"); *provided, however*, that the Company's agreement to relinquish to Executive the right to retain the possession and use of such studies, research, financial models, documents, agreements, and other information shall be subject to, and is expressly made in reliance on, the agreement of Executive to cause any such Agency REIT, or any other similar newly-formed fund or business founded, in whole or in part, by Executive, immediately upon completion by such Agency REIT, or any other similar newly-formed fund or business founded, in whole or in part, by Executive, of public or private capital raising transactions that cumulatively raise at least \$50 million of equity capital, to make a lump-sum payment to the Company in an amount equal to the aggregate costs and expenses described on the attached Schedule A. The reimbursement obligation set forth in the proviso of the immediately preceding sentence shall survive until the second anniversary of the Separation Date, subject, however, to extension of the reimbursement obligation until the fourth anniversary of the Separation Date if Executive is successful in founding, in whole or in part, any such Agency REIT that raises in one or more public or private capital raising transactions less than \$50 million of equity capital prior to the second anniversary of the Separation Date. If any such Agency REIT fails to timely make the payment to the Company described in the immediately preceding sentence, the Company shall have, in addition to all other remedies available to the Company at law or in equity, a right of set-off with respect to that portion of Executive's severance that is payable 180 days after the Effective Date pursuant to Section 3(b) of this Separation Agreement.

6. Non-Solicitation and Non-Hire. Executive agrees that, for a period of one (1) year following the Separation Date,

- a. Executive shall not, without the Company's prior written consent, directly or indirectly, whether for himself or on behalf of any other person, firm, corporation or other business organization, knowingly (i) solicit or encourage to leave the employment or other service of the Company or any of its affiliates, or (ii) hire or participate in the hiring of, any then current employee or exclusive independent contractor thereof, and
- b. Executive will not, whether for his own account or for the account of any other person, firm, corporation or other business organization, intentionally interfere with the Company's or any of its affiliates' relationship with any person who, during the term of Executive's employment with the Company, is or was a customer, client, financing counterparty, hedging counterparty, trading counterparty or other person, firm, corporation or other business organization with which the Company or any of its affiliates has a business relationship (each a "Company Business Contact"). In addition, Executive agrees, prior to the Effective Date of this Agreement, that he shall not, without the prior written of the Company, such consent not to be unreasonably withheld, communicate in any manner whatsoever, whether written or oral, with any Company Business Contact, except to the extent expressly requested by the Company. Executive agrees that the Company has the right, for a period of fifteen (15) days after the Separation Date, to request, upon at least 24 hours prior notice, and Executive agrees to comply with any such request, that Executive participate, together with one or more other Company officers, in one or more conference calls with certain Company Business Contacts designated by the Company in order to provide such Company Business Contacts with appropriate assurances regarding the ongoing stability and adequacy of the Company's operations and management as of the Separation Date.

7. Acknowledgement of Enforceability of Covenants. It is agreed by the Parties that the covenants contained in Sections 5 and 6 impose a fair and reasonable restraint on Executive in light of the activities and business of the Company on the date of the execution of this Separation Agreement and the current plans of the Company; but it is also the intent of the Company and Executive that such covenants be construed and enforced in accordance with the changing activities, business and locations of the Company and its affiliates throughout the term of these covenants. Executive also acknowledges that this restraint will not prevent him from earning a living in his chosen field of work.

- a. In the event any court of competent jurisdiction shall determine that the scope, time or other restrictions set forth herein are unreasonable, then it is the intention of the Parties that such restrictions be enforced to the fullest extent that such court deems reasonable, and this Separation Agreement shall thereby be reformed to reflect the same.
- b. It is specifically agreed that the duration of the period during which the agreements and covenants of Executive made in Sections 5 and 6 shall be effective shall be computed by excluding from such computation any time during which Executive is in violation of any provision of Sections 5 and 6.
- c. Notwithstanding any of the foregoing, if any applicable law, judicial ruling or order shall reduce the time period during which Executive shall be prohibited from engaging in any competitive activity described in Sections 5 and 6 hereof, the period of time for which Executive shall be prohibited pursuant to Sections 5 and 6 hereof shall be the maximum time permitted by law.

8. Consultation in Advance of Action. Before Executive engages in any action which may reasonably be construed as a violation of this Separation Agreement, or as to which Executive believes the application of the Separation Agreement is not clear, specifically including the provisions of Sections 5 and 6 above, Executive agrees to contact and confer with the Chief Executive Officer of the Company, or his designee, regarding Executive's intended action, to make a good faith effort to avoid a violation, and to discuss the availability of alternative courses of action that would not result in a violation. Both Parties agree to engage in such discussions in good faith.
9. Injunctive and Contractual Relief. Executive understands and agrees that the covenants contained in Sections 5 and 6 are special, unique and of an extraordinary character. Because of the difficulty of measuring economic losses to the Company as a result of a breach of the foregoing covenants, and because of the immediate and irreparable damage that could be caused to the Company for which it would have no other adequate remedy, in the event of any default, breach or threatened breach of these Sections by Executive, the Company shall be entitled to institute and prosecute legal proceedings to enforce its rights hereunder, and shall be entitled specifically to injunctive relief and to such other and further relief as may be available to the Company at law and/or in equity. Executive hereby waives any right to require the posting of a bond in the event the Company seeks injunctive and/or other equitable relief to enforce this Separation Agreement. The rights, obligations and remedies provided in this section shall be in addition to, and not in lieu of, any rights, obligations and/or remedies imposed by applicable law under statutes enforcing the protection of trade secrets and other confidential and proprietary information.
10. Covenant to Cooperate in Legal Proceedings. The Executive agrees to cooperate in good faith with and provide reasonable assistance to the Company, upon its reasonable request, with respect to the defense or prosecution of any litigation, investigation or other legal proceeding involving the Company that arises or has arisen prior to the Separation Date.
11. Severability. The Parties understand and agree that every Section, and each subpart, sub-paragraph or provision therein, of this Separation Agreement is separable, severable and divisible from the rest of the Separation Agreement. If any Section, subpart, sub-paragraph or provision herein is ruled invalid, illegal, unenforceable or void by any arbitrator, regulatory agency or court of competent jurisdiction, the Parties understand and agree that the remainder of this Separation Agreement shall continue to be enforceable to the fullest extent permitted by law. If the Company defaults on any its payment obligations to the Executive hereunder and fails to correct such default within 48 hours after receiving written notice of the default from the Executive, the Executive shall have no further obligations under this Agreement; *provided, however*, if the Company does not make a payment to Executive hereunder because the Company disputes in good faith its obligation to make such payment as a result of a failure on the part of Executive to comply with his obligations under this Agreement, then the failure to make such payment shall not be deemed to be a payment default hereunder unless and until such dispute is resolved in favor of the Executive.
12. Choice of Governing Law and Venue. The Parties (a) understand and agree that the validity, interpretation, construction and performance of this Separation Agreement, as well as the rights of the Parties under this Separation Agreement, shall be governed in accordance with the laws of the State of Florida, without regard to its conflicts of law principles; and (b) irrevocably and unconditionally submit to the exclusive jurisdiction of the courts of the State of Florida and federal courts sitting in the State of Florida with respect to all actions and proceedings arising out of or relating to this Separation Agreement and the transactions contemplated hereby.
13. Full Integration. This Separation Agreement constitutes the entire agreement between the parties regarding the resignation of Executive's employment with the Company. It fully supersedes any and all prior oral or written representations, communications or agreements between the parties pertaining to its subject matter, including the Employment Agreement. The Parties understand and agree that by executing this Separation Agreement, the Parties mutually and voluntarily release one another from each and every of their respective rights and obligations under the Employment Agreement and agree that Executive's Employment Agreement shall be void and shall have no further force or effect whatsoever. The Parties further acknowledge that no written or oral representations inconsistent with or additional to the terms and conditions of this Separation Agreement have been made or reached. Except as provided herein, the parties further agree that no modification, amendment or waiver of any of the provisions of this Separation Agreement shall be effective unless made in writing, specifically referring to this Separation Agreement, and signed by Executive and the Company.
14. Disputes. Each Party to this Separation Agreement shall be entitled to seek any and all relief to which it or he, as applicable, is entitled with respect to any violation or threatened violation by the other Party of this Separation Agreement. Except as otherwise set forth herein, in the event a Party institutes any proceeding to enforce his or its legal rights under, or to recover damages for breach by the other Party of, this Separation Agreement, the prevailing Party shall be entitled to recover from the other Party any actual expenses for attorney's fees and disbursements incurred by such prevailing Party.
15. No Waiver. The Parties acknowledge and agree that the failure to enforce at any time any of the provisions of this Separation Agreement or to require at any time performance by any party of any of the provisions hereto shall in no way be construed as a waiver of such provision or affect the validity of this Separation Agreement or any part thereof, or the right of each party thereafter to enforce each and every provision in accordance with the terms of this Separation Agreement.
16. Assignability. This Separation Agreement is not assignable by Executive but is assignable by the Company. This Separation Agreement shall be binding upon and inure to the benefit of the Company and its successors and assigns. The Company agrees to cause its successors and assigns to assume the Company's liabilities and obligations set forth in this Separation Agreement.
17. Non-Disclosure of Agreement. The Parties agree to keep any and all matters relating to this Separation Agreement, including its existence, terms and the negotiations and circumstances which led to this Separation Agreement, confidential such that they will not disclose such matters to any person or entity at any time; provided that (1) the Company may disclose such matters to (i) any of its officers, directors, partners, owners, agents, auditors, representatives and employees, to the extent necessary to implement this Separation Agreement, (ii) any prospective purchaser of the Company's business in order to comply with the Company's disclosure obligations to or due diligence requests by any prospective purchaser of the Company's business, (iii) its shareholders and prospective investors through filings with the Securities and Exchange Commission in order to comply with its public company reporting and disclosure obligations, and (iv) any party to the extent required by law, and (2) the Executive may disclose this Separation Agreement to his counsel, his tax and financial advisors and his immediate family members, and the Executive may discuss his separation from the Company and this Separation Agreement with persons with whom he has a personal relationship to the extent such persons inquire of him regarding these matters so long as the Executive does not misrepresent in any manner the terms of his separation.
18. Non-Disparagement. The Parties agree that they will not take any action or make any comment which impugns, defames, disparages, criticizes, negatively characterizes or casts in an unfavorable light, the other. Executive's obligation under this Paragraph shall apply to the Company and to the Released Parties, including their officers, directors, management, employees, agents and other representatives. Executive agrees not to voluntarily provide assistance or information to any person or entity pursuing any claim, charge or complaint against the Company, except that nothing herein shall

be interpreted to limit Executive's right to confer with counsel or to provide truthful testimony pursuant to subpoena or notice of deposition or as otherwise required by law.

19. Counterparts. This Separation Agreement may be executed in counterparts, each of which shall be deemed an original for all purposes.

[Remainder of page intentionally left blank]

Both Parties have read this Separation Agreement, understand and agree to its terms and enter into it voluntarily. By signing below, Executive acknowledges that he is receiving a signed copy of this Separation Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Separation Agreement to be signed as of the day and year first below written.

Date: April 14, 2008

BIMINI CAPITAL MANAGEMENT, INC.
/s/ Robert E. Cauley
By: Robert E. Cauley
Title: President & Chief Executive Officer

Date: April 14, 2008

/s/ Jeffrey J. Zimmer
JEFFREY ZIMMER
