

AN AGREEMENT
BY AND BETWEEN
THE TEXAS A&M UNIVERSITY SYSTEM OFFICES
AND ENSPHIGHER VENTURES LLC

This Services Agreement ("Agreement") is entered into and effective August 1, 2020 (the "Effective Date"), by and between The Texas A&M University System (hereafter referred to as "A&M System"), an agency of the state of Texas, and Enspigher Ventures LLC (hereafter referred to as "PROVIDER"). A&M System and PROVIDER are sometimes hereafter referred to as "Party" individually or "Parties" collectively).

A&M System and PROVIDER hereby agree as follows:

1. SCOPE OF WORK

PROVIDER will work with A&M System to provide services to assist in establishing the RELLIS Campus Human-Machine Ecosystem Lab (HMEL). The services included (but not limited to) in the scope of this Agreement are listed in Exhibit A, attached hereto.

2. TERM OF THE AGREEMENT

The initial term of this Agreement shall begin August 1, 2020 and will extend for six (6) months. This Agreement can be extended for three (3) additional six (6) month terms upon written agreement of both parties. Any extensions shall be at the same terms and conditions plus any approved changes to be determined by A&M System and negotiated in writing with the PROVIDER.

3. PAYMENT TERMS

- A. For the services rendered under this Agreement, A&M System shall pay PROVIDER \$7,500 per month. This amount does not include payment for reasonable and necessary expenses, including travel. Unless otherwise authorized, the maximum amount allowed for reimbursables is limited to \$2,000 per month.
- B. PROVIDER can invoice A&M System monthly for the Scope of Work identified in Section 1. For reimbursement of travel expenses, PROVIDER'S invoice(s) must include supporting documents. Payment will be made to PROVIDER upon approval of such invoice by A&M System. It is the policy of the state of Texas to make payment on a properly prepared and submitted invoice within thirty (30) days of the latter of any final acceptance of performance or the receipt of a properly submitted invoice, in conformance with the Texas Prompt Payment law. Generally, payment will be made on the 30th day unless a discount has been arranged for more immediate payment.
- C. Business-related travel, lodging and/or meal expenses will be reimbursed by A&M System according to the State of Texas rates, rules, and regulations (<http://www.window.state.tx.us//procurement/prog/stmp/>). PROVIDER is required to submit all travel receipts when requesting reimbursement. Under no circumstance will the PROVIDER be reimbursed for alcohol purchases. State travel rates are subject to change without notice and will be adjusted accordingly. Mileage rates will be calculated from point-to-point (PROVIDER's place of business to job site) using the State of Texas mileage. Should the contract be renewed for an additional term, travel reimbursement amounts will be renegotiated at that time.
- D. All payments shall be made by electronic direct deposit. PROVIDER is required to complete and submit to A&M System a Vendor Direct Deposit Authorization form prior to the first payment request. The form can be accessed at;

<https://www.tamus.edu/business/budgets-and-accounting/accounting/general/> .

- E. All invoices must reference the A&M System purchase order number (which will be provided to PROVIDER within 15 days of the execution of this Agreement) and description of services provided to include but not limited to time, deliverables, and activities.

4. DEFAULT AND TERMINATION

- A. In the event of substantial failure by PROVIDER to perform in accordance with the terms hereof, A&M System may terminate this Agreement upon fifteen (15) days written notice of termination setting forth the nature of the failure (the termination shall not be effective if the failure is fully cured prior to the end of the fifteen-day period), provided that said failure is through no fault of A&M System.
- B. A&M System may terminate this Agreement at any time upon thirty (30) days prior notice to PROVIDER.

5. PUBLIC INFORMATION

- A. PROVIDER acknowledges that A&M System is obligated to strictly comply with the Public Information Act, Chapter 552, Texas Government Code, in responding to any request for public information pertaining to this Agreement, as well as any other disclosure of information required by applicable Texas law.
- B. Upon A&M System's written request, PROVIDER will promptly provide specified contracting information exchanged or created under this Agreement for or on behalf of A&M System.
- C. PROVIDER acknowledges that A&M System may be required to post a copy of the fully executed Agreement on its Internet website in compliance with Section 2261.253(a)(1), Texas Government Code.
- D. The requirements of Subchapter J, Chapter 552, Texas Government Code, may apply to this agreement and the PROVIDER agrees that the agreement can be terminated if the PROVIDER knowingly or intentionally fails to comply with a requirement of that subchapter.

6. DISPUTE RESOLUTION

The dispute resolution process provided in Chapter 2260, *Texas Government Code*, and the related rules adopted by the Texas Attorney General pursuant to Chapter 2260, shall be used by A&M System and PROVIDER to attempt to resolve any claim for breach of contract made by PROVIDER that cannot be resolved in the ordinary course of business. PROVIDER shall submit written notice of a claim of breach of contract under this Chapter to Billy Hamilton, Deputy Chancellor and Chief Financial Officer for A&M System, who shall examine PROVIDER's claim and any counterclaim and negotiate with PROVIDER in an effort to resolve the claim.

7. INSURANCE

- A. This process is described in Exhibit B, attached hereto.

8. MISCELLANEOUS

- A. **Indemnification.** PROVIDER agrees to indemnify and hold harmless A&M System from any claim, damage, liability, expense or loss to the extent arising out of PROVIDER's negligent or willful errors or omissions under this Agreement.
- B. **Independent Contractor.** PROVIDER is an independent contractor, and neither PROVIDER nor any employee of PROVIDER shall be deemed to be an agent or employee of A&M System. A&M System

will have no responsibility to provide transportation, insurance or other fringe benefits normally associated with employee status. PROVIDER shall observe and abide by all applicable laws and regulations, policies and procedures, including but not limited to those of A&M System relative to conduct on its premises.

- C. **Delinquent Child Support Obligations.** A child support obligor who is more than 30 days delinquent in paying child support and a business entity in which the obligor is a sole proprietor, partner, shareholder, or owner with an ownership interest of at least 25 percent is not eligible to receive payments from state funds under an agreement to provide property, materials, or services until all arrearages have been paid or the obligor is in compliance with a written repayment agreement or court order as to any existing delinquency. The *Texas Family Code* requires the following statement: "Under Section 231.006, *Texas Family Code*, the vendor or applicant certifies that the individual or business entity named in this contract, bid, or application is not ineligible to receive the specified grant, loan, or payment and acknowledges that this contract may be terminated and payment may be withheld if this certification is inaccurate."
- D. **Payment of Debt or Delinquency to the State.** Pursuant to Section 2252.903, *Texas Government Code*, PROVIDER agrees that any payments owing to PROVIDER under this Agreement may be applied directly toward certain debts or delinquencies that PROVIDER owes the State of Texas or any agency of the State of Texas regardless of when they arise, until such debts or delinquencies are paid in full.
- E. **Previous Employment.** PROVIDER acknowledges and understands that Section 2252.901, *Texas Government Code*, prohibits A&M System from using state appropriated funds to enter into any employment contract, consulting contract, or professional services contract with any individual who has been previously employed, as an employee, by the agency within the past twelve (12) months. If PROVIDER is an individual, by signing this Agreement, PROVIDER certifies that Section 2252.901, *Texas Government Code*, does not prohibit the use of state appropriated funds for satisfying the payment obligations herein.
- F. **Not Eligible for Rehire.** PROVIDER is responsible to ensure that employees participating in work for any A&M System member have not been designated by the A&M System as Not Eligible for Rehire as defined in System policy 32.02, Section 4. Non-conformance to this requirement may be grounds for termination of this Agreement.
- G. **Franchise Tax Certification.** If PROVIDER is a taxable entity subject to the Texas Franchise Tax (Chapter 171, *Texas Tax Code*), then PROVIDER certifies that it is not currently delinquent in the payment of any franchise (margin) taxes or that PROVIDER is exempt from the payment of franchise (margin) taxes.
- H. **State Auditor's Office.** PROVIDER understands that acceptance of funds under this Agreement constitutes acceptance of the authority of the Texas State Auditor's Office, or any successor agency (collectively, "Auditor"), to conduct an audit or investigation in connection with those funds pursuant to Section 51.9335(c), *Texas Education Code*. PROVIDER agrees to cooperate with the Auditor in the conduct of the audit or investigation, including without limitation, providing all records requested. PROVIDER will include this provision in all contracts with permitted subcontractors.
- I. **Entire Agreement.** This Agreement constitutes the sole agreement of the parties and supersedes any other oral or written understanding or agreement pertaining to the subject matter of this Agreement. This Agreement may not be amended or otherwise altered except upon the written agreement of both parties.
- J. **Severability.** If any provisions of this Agreement are rendered or declared illegal for any reason, or shall be invalid or unenforceable, such provision shall be modified or deleted in such manner

so as to afford the Party for whose benefit it was intended the fullest benefit commensurate with making this Agreement, as modified, enforceable, and the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby, but shall be enforced to the greatest extent permitted by applicable law.

- K. **Headings.** Headings appear solely for convenience of reference. Such headings are not part of this Agreement and shall not be used to construe it.
- L. **Non-Assignment.** PROVIDER shall neither assign its rights nor delegate its duties under this Agreement without the prior written consent of A&M System.
- M. **HUB Subcontracting Plan.** If a subcontractor will be used to provide any commodity or service as part of the scope on a specific assignment, the PROVIDER will be required to make a good faith effort and complete the state of Texas HSP found at <https://www.tamus.edu/business/hub-procurement/hub-programs-3/system-offices-hub-program/>. If there are pre-existing agreements in place with companies who will be hired as subcontractors, the PROVIDER will show those companies as subcontractors on the HSP and provide an explanation as to why solicitations were not done, e.g. contractual requirements. If no pre-existing agreements with companies who will be hired as subcontractors exist, then the PROVIDER will be expected to make a good faith effort according to the HSP instructions.

In the event that you determine you will be using a subcontractor, please contact Keith Williams from the A&M System's HUB Program at (979) 458-3265 or kwilliams@tamus.edu for assistance in determining available HUB subcontractors and proper completion of the HSP.

- N. **Force Majeure.** Neither party is required to perform any term, condition, or covenant of this Agreement, if performance is prevented or delayed by a natural occurrence, a fire, an act of God, an act of terrorism, or other similar occurrence, the cause of which is not reasonably within the control of such party and which by due diligence it is unable to prevent or overcome.
- O. **Loss of Funding.** Performance by A&M System under this Agreement may be dependent upon the appropriation and allotment of funds by the Texas State Legislature (the "Legislature"). If the Legislature fails to appropriate or allot the necessary funds, A&M System will issue written notice to PROVIDER and A&M System may terminate this Agreement without further duty or obligation hereunder. PROVIDER acknowledges that appropriation of funds is beyond the control of A&M System.
- P. **Governing Law.** The validity of this Agreement and all matters pertaining to this Agreement, including but not limited to, matters of performance, non-performance, breach, remedies, procedures, rights, duties, and interpretation or construction, shall be governed and determined by the Constitution and the laws of the State of Texas.
- Q. **Venue.** Pursuant to Section 85.18, *Texas Education Code*, venue for any suit filed against A&M System shall be in the county in which the primary office of the chief executive officer of A&M System is located, which is Brazos County, Texas.
- R. **Non-Waiver.** PROVIDER expressly acknowledges that A&M System is an agency of the State of Texas and nothing in this Agreement will be construed as a waiver or relinquishment by A&M System of its right to claim such exemptions, privileges, and immunities as may be provided by law.
- S. **Conflict of Interest.** By executing this Agreement, PROVIDER and each person signing on behalf of PROVIDER certifies, and in the case of a sole proprietorship, partnership or corporation, each party thereto certifies as to its own organization, that to the best of their knowledge and belief, no member of The A&M System or The A&M System Board of Regents, nor any employee, or person, whose salary is payable in whole or in part by The A&M System, has direct or indirect

financial interest in the award of this Agreement, or in the services to which this Agreement relates, or in any of the profits, real or potential, thereof.

- T. **Prohibition on Contracts with Companies Boycotting Israel.** To the extent that Texas Government Code, Chapter 2271 applies to this Agreement, PROVIDER certifies that (a) it does not currently boycott Israel; and (b) it will not boycott Israel during the term of this Agreement. PROVIDER acknowledges this Agreement may be terminated and payment withheld if this certification is inaccurate.
- U. **Certification Regarding Business with Certain Countries and Organizations.** Pursuant to Subchapter F, Chapter 2252, Texas Government Code, PROVIDER certifies it is not engaged in business with Iran, Sudan, or a foreign terrorist organization. PROVIDER acknowledges this Purchase Order may be terminated if this certification is or becomes inaccurate.
- V. **Prohibition on Contracts Related to Persons Involved in Human Trafficking.** Under Section 2155.0061, Government Code, the vendor certifies that the individual or business entity named in this contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate.
- W. **Records Retention.** PROVIDER will preserve all contracting information, as defined under Texas Government Code, Section 552.003 (7), related to the Agreement for the duration of the Agreement and for seven years after the conclusion of the Agreement.
- X. **Notices.** Any notice required or permitted under this Agreement must be in writing, and shall be deemed to be delivered (whether actually received or not) when deposited with the United States Postal Service, postage prepaid, certified mail, return receipt requested, and addressed to the intended recipient at the address set out below. Notice may also be given by regular mail, personal delivery, courier delivery, facsimile transmission, email or other commercially reasonable means and will be effective when actually received. A&M System and PROVIDER can change their respective notice address by sending to the other party a notice of the new address. Notices should be addressed as follows:

A&M System: The Texas A&M University System
301 Tarrow St., Suite 273
College Station, Texas 77840
Attention: Jeff Zimmermann
Phone: (979) 458-6410
E-mail: jzimmermann@tamus.edu

PROVIDER: Ensphigher Ventures LLC
110 Willow Cove
Eatonton, GA 31024
Phone: 706-473-2290
Email: edward.cardon@gmail.com

IN WITNESS WHEREOF, intending to be bound, the Parties have entered into this Agreement as of the Effective Date.

DS



The Texas A&M University System

DocuSigned by:

By 

BECDDB89EA78479

Billy Hamilton

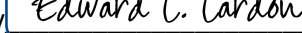
Deputy Chancellor and CFO

8/19/2020 | 17:04:16 CDT

Date

Enspigher Ventures LLC

DocuSigned by:

By 

F4E2B7E316D74EA...

Edward C. Cardon

8/19/2020 | 10:24:14 CDT

Date

EXHIBIT A – SCOPE

Establishing the RELLIS Campus Human-Machine Ecosystem Lab (HMEL)

Introduction

The RELLIS Academic Alliance is a model for the future of higher-education collaboration. It provides a transparent ecosystem for participation in workforce development programs, both academic degree programs and skills training programs. Within the scope of the RELLIS Academic Alliance are academic degrees and programs leading to the award of a certificate certifying completion of a skills or professional development program.

The Texas A&M University System RELLIS Academic Alliance is creating a Human Machine Ecosystem Laboratory (HMEL) to begin operations in Academic Year (AY) 2020-21 to address three linked problems:

1. Translation of basic research in AI/ML and related fields into mission-ready tools and capabilities for the national security community, Texas state government and the private sector;
2. Operationalization of AI/ML tools and capabilities in distinctive environments through development of an “ecosystem” in which the human/machine interfaces are explored and identified to assist users in the implementation of tools; and
3. Explore and identify human in-, on- and out-of-the-loop boundaries with respect to the use and value of AI/ML tools and capabilities in a decision-making process

The Lab will operate as a collaborative environment engaging academics from around the nation, representatives of U.S. national security agencies, private sector R&D leaders, and Texas government entities.

The HMEL would pursue four lines of operations:

1. Creation and sustainment of an “ecosystem” that users, including the HMEL, might design, test and assess the operational efficacy and utility of an implementation of an AI/ML instance;
2. Translation of basic research in AI/ML through applied research into AI/ML-enabled operational capabilities for use in mission-oriented tasks;
3. Education of graduate and undergraduate students, and professional career education, in relevant disciplines ready to join the public or private sector workforce;
4. Conduct workshops and experiments, based on experiential learning and targeted skills development, to assess the efficacy of selected capabilities developed at HMEL or elsewhere and to accelerate their adaptation and deployment to meet operational needs

Purpose

To inform and shape the Texas A&M University System’s (TAMUS) HMEL activities, TAMUS requires sustained support from a recognized and prominent advisor to help take the HMEL from its existing conceptual stage to an implemented program that produces results in support of the Nation’s AI/ML workforce development needs and talent pipelines.

Requirements

To successfully support the stand-up of the HMEL, TAMUS requires the following experience and characteristics from the contractor staff:

- Expert in each of the following fields:
 - o Cybersecurity
 - o Artificial intelligence
 - o Organizational transformation
- Senior-level experience (3-star level or above) in the United States military
- Top Secret level U.S. Government clearance
- Master's degree

For planning and pricing purposes, the contractor should estimate the equivalent of 5 days/month (or 40 hours) in support of this effort.

Scope

The Texas A&M University System (TAMUS) intends to award a contract to support the stand-up of the HMEL. The contract will be established as a pilot with the following Periods of Performance:

- Base Period: 6 Months
- Option Period 1: 6 Months
- Option Period 2: 6 Months
- Option Period 3: 6 Months

It is TAMUS' intent to commence work on this contract during the month of August 2020.

Place of Performance

Unless otherwise authorized, work will be performed remotely, and in accordance with COVID-19 restrictions, and no more than 2 trips to the Bryan/College Station, TX area should be planned during the base period.

Tasks, Deliverables, and Schedule

Base Period

The HMEL concept could accommodate "seed funding" in U.S. Government Fiscal Year (GFY) 2020/2021 to set the conditions for successive years. For example, workshops on ecosystem design or pilots on experiential learning could be conducted in consultation with sponsors and partners. Therefore, TAMUS anticipates the following tasks to be performed during the Base Period:

Task	Deliverable	Suspense
In consultation with TAMUS staff, support the development of a draft charter with U.S. Government sponsors to create the HMEL	Charter defining the mission of the HMEL and options for creating and evolving the Lab in future years. Essential elements include: - Sponsor(s) - Collaborative environment - Multidisciplinary approach - Replicable - Integration of applied research, education, and experiential learning in a “virtuous feedback loop” to advance the concept in theory and test its veracity, utility and efficacy for leaders, managers, analysts and operators - The system or process to identify, prioritize and resource use cases.	No later than (NLT)90 days after contract award
In consultation with TAMUS staff, support the development of a draft plan for a pilot experiential learning program	Prototype of an experiential learning environment (ELE) capable of conducting a pilot course agreed with the sponsor A baseline network architecture will be established. Critical hardware and/or software requirements will be defined to permit the ELE to emulate, as required, a public sector network for assessing the veracity, utility, and efficacy of one or more tools.	The ELE will begin development following delivery of the first draft of the HMEL Charter. The objective is development of sufficient capacity to conduct a pilot test of the ELE prior to the end of the period of performance. Based on that pilot, specifications for future development of the ELE will be defined for incorporation in subsequent contract option years. Final delivery of the draft plan is to be NLT 180 days after contract award
Option: In consultation with TAMUS staff, identify, and support the development of a draft scope of work for an applied research project that can result in a mission useful application based on a use case supplied by a sponsor	Draft scope of work that identifies the following: - Use Case Description - Sponsor - Intended Results - Technical Requirements - Notional Research Plan with Milestones and Interim Project Reviews (IPRs)	NLT 270 days after contract award
Support the development of a draft annual review process and template to be used for performance assessment	Draft annual review process and notional structure for performance assessment and evaluation. At a minimum, process and structure elements should include: - Performance measures for the HMEL - Reporting cadence (when should projects report) and format (what should project leads present)	

Option Period 1

Deliverables for this period will be based on the results of the previous PoP, and therefore, will be developed in collaboration with the contractor prior to exercise of the Option Period.

Option Period 2

Deliverables for this period will be based on the results of the previous PoP, and therefore, will be developed in collaboration with the contractor prior to exercise of the Option Period.

Option Period 3

Deliverables for this period will be based on the results of the previous PoP, and therefore, will be developed in collaboration with the contractor prior to exercise of the Option Period.

Payment Terms

The contractor will be paid monthly and approved travel will be reimbursed.

EXHIBIT B – INSURANCE

PROVIDER shall obtain and maintain, for the duration of this Agreement or longer, the minimum insurance coverage set forth below. With the exception of Professional Liability (E&O), all coverage shall be written on an occurrence basis. All coverage shall be underwritten by companies authorized to do business in the State of Texas or eligible surplus lines insurers operating in accordance with the Texas Insurance Code and have a financial strength rating of A- or better and a financial strength rating of VII or better as measured by A.M. Best Company or otherwise acceptable to A&M System. By requiring such minimum insurance, the Owner shall not be deemed or construed to have assessed the risk that may be applicable to PROVIDER under this Agreement. PROVIDER shall assess its own risks and if it deems appropriate and/or prudent, maintain higher limits and/or broader coverage. PROVIDER is not relieved of any liability or other obligations assumed pursuant to this Agreement by reason of its failure to obtain or maintain insurance in sufficient amounts, duration, or types. No policy will be canceled without unconditional written notice to A&M System at least ten days before the effective date of the cancellation.

Insurance:

- A. **Professional Liability (Errors & Omissions)** Insurance with limits of not less than \$1,000,000 each occurrence, \$2,000,000 aggregate. Such insurance will cover all professional services rendered by or on behalf of PROVIDER and its subcontractors under this Agreement. Renewal policies written on a claims-made basis will maintain the same retroactive date as in effect at the inception of this Agreement. If coverage is written on a claims-made basis, PROVIDER agrees to purchase an Extended Reporting Period Endorsement, effective for two (2) full years after the expiration or cancellation of the policy. No professional liability policy written on an occurrence form will include a sunset or similar clause that limits coverage unless such clause provides coverage for at least three (2) years after the expiration of cancellation of this Agreement.

- B. PROVIDER will deliver to A&M System:

Evidence of insurance on a Texas Department of Insurance approved certificate form verifying the existence and actual limits of all insurance after the execution and delivery of this Agreement and prior to the performance of any services by PROVIDER under this Agreement. Additional evidence of insurance will be provided on a Texas Department of Insurance approved certificate form verifying the continued existence of all required insurance no later than thirty (30) days after each annual insurance policy renewal.

All insurance policies, with the exception of worker's compensation, employer's liability and professional liability will be endorsed and name The Board of Regents for and on behalf of The Texas A&M University System and The Texas A&M University System as Additional Insureds up to the actual liability limits of the policies maintained by PROVIDER. Commercial General Liability and Business Auto Liability will be endorsed to provide primary and non-contributory coverage. The Commercial General Liability Additional Insured endorsement will include on-going and completed operations and will be submitted with the Certificates of Insurance.

All insurance policies will be endorsed to provide a waiver of subrogation in favor of The Board of Regents of The Texas A&M University System and The Texas A&M University System. No policy will be canceled without unconditional written notice to A&M System at least ten days before the effective date of the cancellation. **All insurance policies** will be endorsed to require the insurance carrier providing coverage to send notice to A&M System ten (10) days prior to the effective date of cancellation, material change, or non-renewal relating to any insurance policy required in this Exhibit B.

Any deductible or self-insured retention must be declared to and approved by A&M System prior to the performance of any services by PROVIDER under this Agreement. PROVIDER is responsible to pay any

deductible or self-insured retention for any loss. All deductibles and self-insured retentions will be shown on the Certificates of Insurance.

Certificates of Insurance and Additional Insured Endorsements as required by this Agreement will be emailed to the following A&M System contact in SOProurement@tamus.edu.

The insurance coverage required by this Agreement will be kept in force until all services have been fully performed and accepted by A&M System in writing, except as may be noted.