

**SERVICE AGREEMENT  
BY AND BETWEEN  
THE TEXAS A&M UNIVERSITY SYSTEM  
AND PROCTORIO, INC.**

This Service Agreement (this “**Agreement**”) is entered into and effective upon final execution (the “**Effective Date**”) by and between The Texas A&M University System, an agency of the State of Texas (the “**A&M System**”), and Proctorio, Inc. (“**PROVIDER**”). The A&M System and PROVIDER are sometimes referred to herein as a “**Party**” individually and as the “**Parties**” collectively.

A&M SYSTEM and PROVIDER hereby agree as follows:

**1. SERVICES**

- A. This Agreement is not a contract to perform specific work but is intended to establish the terms and conditions under which the A&M SYSTEM and its member universities and agencies (hereafter referred to as “Member” or “Members”) may enter into a contract individually with the PROVIDER to license and use PROVIDER’s services (“Services”). These Services include implementation and operation of online proctored testing. Participating Member(s) will contract with PROVIDER by executing an order form or purchase order (each an “Order Form”) with PROVIDER. The A&M SYSTEM makes no guarantee of execution of an Order Form. The Services requested by a Member shall be delivered and/or licensed by PROVIDER to the Member during the term of this Agreement in accordance with the rights, obligations and pricing set forth herein.
- B. The Order Form shall incorporate the specific Services requested by Member, the payment amount due to PROVIDER and the period of performance subject to the terms under this Agreement. The terms of this Agreement shall be incorporated into any Order Form executed by a Member and PROVIDER for the Services during the term of this Agreement and an Order Form shall reference this Agreement. The Order Form shall grant the Member a non-exclusive, non-sublicensable right and license to access and use the Services. Upon execution of such Order Form, such Member is only responsible for its own compliance with the terms and conditions of this Agreement.

**2. TERM AND TERMINATION**

- A. The term of this Agreement begins on the Effective Date and continues for a period of five (5) years unless earlier terminated as provided herein; provided, however, that the terms of this Agreement shall remain applicable to any Order Form that was executed prior to the expiration or termination of this Agreement but whose period of performance extends beyond the expiration or termination of this Agreement. This Agreement may be extended for two (2) additional two (2) year periods upon mutual written agreement executed by the Parties.
- B. Either Party may terminate this Agreement effective upon written notice to the other Party if the other Party materially breaches any term of this Agreement and fails to cure such breach within thirty (30) days after receiving written notice of the breach. Furthermore, A&M SYSTEM may terminate this Agreement at any time upon sixty (60) days prior notice to PROVIDER.
- C. The period of performance of any Order Form will be as provided in the Order Form.

Either party to the Order Form may terminate such Order Form effective upon written notice to the other party if the other party materially breaches any term of this Agreement or the Order Form and fails to cure such breach within thirty (30) days after receiving written notice of the breach. In the event that the Member terminates the Order Form pursuant to this Section, the Member shall receive a pro-rata refund of any pre-paid fees. Furthermore, Member may terminate the Order Form at any time upon sixty (60) days prior notice to PROVIDER. The termination of any one Order Form will not affect any other Order Form or this Agreement.

### **3. PAYMENT TERMS**

- A. The A&M SYSTEM shall not pay any costs or fees as a direct result of this Agreement. The fees paid by Member to PROVIDER for the Services requested under the Order Form, shall be calculated based on the fee rate schedule attached as Exhibit A and made a part of this Agreement. The rate schedule may be renegotiated at the discretion of A&M SYSTEM upon renewal of this Agreement. Additional rates and fees may be negotiated on a Member specific Order Form, provided no less favorable than under this Agreement.
- B. PROVIDER shall invoice Member for amounts due consistent with the payment schedule as negotiated under the Order Form. Each invoice must reference the Order Form and Member's purchase order number (if applicable) and include a description of services provided along with documentation that Member may reasonably request to support the invoice amount. Member will make payment on a properly prepared and submitted invoice in accordance with Chapter 2251, Texas Government Code (the "Texas Prompt Payment Act"), which shall govern remittance of payment and remedies for late payment and non-payment.
- C. As an agency of the State of Texas, the A&M System and its Members are tax exempt. Tax exemption certification will be furnished to PROVIDER upon request.

### **4. DATA PRIVACY AND SECURITY**

- A. The A&M SYSTEM or the applicable Member shall retain all right, title, and interest in and to all information, data or other content that the A&M SYSTEM, the Members, their employees, contractors, students, or any other third party on behalf of MEMBER enter, submit or upload to Services or otherwise provide to PROVIDER under this Agreement (collectively, the "A&M System Data"). A&M System Data may include information relating to employees and students, including, but not limited to personally identifiable information, social security numbers, credit card numbers, or data protected or made confidential or sensitive by applicable federal, state, and local laws, rules, and regulations.
- B. PROVIDER shall safeguard and maintain the confidentiality of the A&M SYSTEM Data in accordance with applicable federal, state, and local laws, rules, and regulations. PROVIDER shall only use or disclose A&M SYSTEM Data for the purpose of fulfilling PROVIDER's obligations under this Agreement, as required by law, or as otherwise authorized in writing by A&M SYSTEM or the applicable Member. PROVIDER shall restrict disclosure of the A&M SYSTEM Data solely to those employees, subcontractors or agents of PROVIDER that have a need to access the A&M SYSTEM Data in order for PROVIDER to perform its obligations under this Agreement. PROVIDER shall require any such subcontractors or agents to comply with the same restrictions and obligations imposed

on PROVIDER in this Agreement and PROVIDER agrees that it shall be responsible for its subcontractors' and agents' compliance with such obligations.

- C. PROVIDER must promptly notify A&M SYSTEM or the applicable Member of any legal request for A&M SYSTEM Data from a third party and take (and assist A&M SYSTEM or Member in taking) appropriate steps not to disclose such A&M SYSTEM Data.
- D. PROVIDER shall, within two (2) business days of discovery, report to A&M SYSTEM or the applicable Member any use or disclosure of A&M SYSTEM Data not authorized by this Agreement or in writing by A&M SYSTEM or the applicable Member. PROVIDER's report must identify: (a) the nature of the unauthorized use or disclosure, (b) the A&M SYSTEM Data used or disclosed, (c) who made the unauthorized use or received the unauthorized disclosure, (d) what PROVIDER has done or will do to mitigate any deleterious effect of the unauthorized use or disclosure, and (e) what corrective action PROVIDER has taken or will take to prevent future similar unauthorized use or disclosure. PROVIDER shall provide such other information, including a written report, as reasonably requested by A&M SYSTEM or the applicable Member.
- E. Within thirty (30) days of the expiration or termination of this Agreement or an Order Form, PROVIDER, as directed by A&M SYSTEM or the applicable Member, shall return in acceptable electronic format all A&M SYSTEM Data in its possession (or in the possession of any of its subcontractors or agents) to A&M SYSTEM or, at A&M SYSTEM's option, delete all such A&M System Data, if return is not feasible. PROVIDER shall provide A&M System with at least ten (10) days' written notice of PROVIDER's intent to delete such A&M System Data, and shall confirm such deletion in writing.

## 5. CONFIDENTIALITY

- A. The Parties anticipate that under this Agreement it may be necessary for a Party (the "Disclosing Party") to transfer information of a confidential nature ("Confidential Information") to the other Party (the "Receiving Party"). The Disclosing Party shall clearly identify Confidential Information at the time of disclosure by (i) appropriate stamp or markings on the document exchanged, or (ii) written notice, with attached listings of all material, copies of all documents, and complete summaries of all oral disclosures (under prior assertion of the confidential nature of the same) to which each notice relates, delivered within thirty (30) days of the disclosure to the other party.
- B. Confidential Information shall not include A&M System Data. "Confidential Information" does not include information that: (i) is or becomes publicly known or available other than as a result of a breach of this Agreement by the Receiving Party; (ii) was already in the possession of the Receiving Party as the result of disclosure by an individual or entity that was not then obligated to keep that information confidential; (iii) the Disclosing Party had disclosed or discloses to an individual or entity without confidentiality restrictions; or (iv) the Receiving Party had developed or develops independently before or after the Disclosing Party discloses equivalent information to the Receiving Party.
- C. The Receiving Party shall handle Confidential Information with the same care that the Receiving Party uses to protect its own information of comparable sensitivity, but not less than reasonable care. The Receiving Party may use Confidential Information only for purposes of performing its obligations under this Agreement and may disclose Confidential Information only to the Receiving Party's employees, contractors, agents,

and other representatives (“Representatives”) having a need to know the Confidential Information for purposes of performing its obligations under this Agreement, provided that they are subject to confidentiality obligations not less restrictive than those set forth herein, and the Receiving Party remains responsible for its Representatives’ compliance with the obligations under this Section.

- D. The Receiving Party shall promptly notify the Disclosing Party of any known unauthorized disclosure, misappropriation, or misuse of Confidential Information and shall take prompt and effective steps to prevent a recurrence of such misappropriation or misuse.
- E. If the Receiving Party is legally required to disclose Confidential Information, the Receiving Party shall, to the extent allowed by law, promptly give the Disclosing Party written notice of the requirement so as to provide the Disclosing Party a reasonable opportunity to pursue appropriate process to prevent or limit the disclosure. If the Receiving Party complies with the terms of this Section, disclosure of that portion of the Confidential Information, which the Receiving Party is legally required to disclose, will not constitute a breach of this Agreement.
- F. The Receiving Party shall, upon request of the Disclosing Party, promptly return or destroy all materials embodying Confidential Information other than materials in electronic backup systems or otherwise not reasonably capable of being readily located and segregated without undue burden or expense, except that the Receiving Party may securely retain one (1) copy in its files solely for record purposes. The Receiving Party’s obligations as to Confidential Information will survive the termination or expiration of this Agreement for a period of three (3) years.

## **6. INTELLECTUAL PROPERTY**

- A. PROVIDER shall retain all rights, title, and interest in and to the Services. PROVIDER represents and warrants that: (i) it has the full right, power, and authority to grant the rights and licenses to Members; (ii) the Services do not infringe upon or violate any copyright, patent, trademark, or other proprietary or intellectual property rights of any third party; (iii) the Services will perform substantially in accordance with PROVIDER’s marketing materials and documentation, including without limitation, any user guides, technical specifications, training materials, instructions, documented policies or other written materials regarding the Services that are posted, delivered or otherwise made available by PROVIDER to Members; and (iv) PROVIDER and each of its employees, subcontractors, or agents who will perform the Services has the necessary knowledge, skill, experience, and qualifications to provide and perform the Services in accordance with this Agreement, and the Services will be performed for and delivered to Members in a diligent, professional, workmanlike manner in accordance with industry standards.
- B. PROVIDER shall indemnify and hold harmless the A&M SYSTEM, Members, and their regents, employees, and agents (collectively, the “A&M System Indemnitees”) from any Claim arising from or related to (i) an allegation that any of the Services infringe upon or violate the intellectual property rights of a third party (“Infringement Claim”) or (ii) PROVIDER’s breach of any of its representations or warranties in this Agreement. If the Services become or are likely to become the subject of an Infringement Claim, then PROVIDER may, at its expense and option, either: (a) replace or modify the Services to make them non-infringing, while maintaining equivalent functionality; (b) procure for the Members the right to continue using the Services pursuant to this Agreement; or (c)

terminate this Agreement and refund the Members, on a pro-rata basis, the amount of any pre-paid fees.

**7. COMPLIANCE WITH LAWS**

- A. PROVIDER shall comply with all federal, state, and local laws, rules, and regulations applicable to the performance of its obligations under this Agreement.
- B. Each Party shall comply with U.S. export control regulations. If either Party desires to disclose to the other Party any information, technology, or data that is identified on any U.S. export control list, the disclosing Party shall advise the other Party at or before the time of intended disclosure and may not provide export-controlled information to the other Party without the written consent of the other Party. PROVIDER certifies that none of its personnel participating in the activities under this Agreement is a “restricted party” as listed on the Denied Persons List, Entity List, and Unverified List (U.S. Department of Commerce), the Debarred Parties Lists (U.S. Department of State), the Specially Designated Nationals and Blocked Persons List (U.S. Department of Treasury), or any similar governmental lists.
- C. If applicable, for purposes of the Family Educational Rights and Privacy Act (“FERPA”), Member hereby designates PROVIDER as a school official with a legitimate educational interest in any education records (as defined in FERPA) that PROVIDER is required to create, access, receive, or maintain in order to fulfill its obligations under this Agreement. PROVIDER shall comply with FERPA as to any such education records and is prohibited from redisclosure of the education records except as provided for in this Agreement or otherwise authorized by FERPA or Member in writing. PROVIDER is only permitted to use the education records for the purpose of fulfilling its obligations under this Agreement and shall restrict disclosure of the education records solely to those employees, subcontractors or agents who have a need to access the education records for such purpose. PROVIDER shall require any such subcontractors or agents to comply with the same restrictions and obligations imposed on PROVIDER in this Section, including without limitation, the prohibition on redisclosure. PROVIDER shall implement and maintain reasonable administrative, technical, and physical safeguards to secure the education records from unauthorized access, disclosure or use.

**8. INDEMNIFICATION**

PROVIDER shall indemnify and hold harmless the A&M System Indemnitees from and against any third-party claim, damage, liability, expense or loss asserted against the A&M System Indemnitees (each, a “Claim”) arising out of (i) PROVIDER’s negligent or willful errors or omissions under this Agreement, or (ii) PROVIDER’s breach of any representation or warranty contained herein.

**9. INSURANCE**

Insurance requirements as stated within Exhibit B, attached hereto.

**10. INFORMATION TECHNOLOGY**

- A. **Electronic and Information Resources.** PROVIDER represents and warrants that the electronic and information resources and all associated information, documentation, and support that it provides to A&M SYSTEM and Members under this Agreement (collectively, the “EIRs”) comply with the applicable requirements set forth in Title 1,

Chapter 213 of the Texas Administrative Code and Title 1, Chapter 206 of the Texas Administrative Code (as authorized by Chapter 2054, Subchapter M of the Texas Government Code) (the "EIR Accessibility Warranty"). If PROVIDER becomes aware that the EIRs, or any portion thereof, do not comply with the EIR Accessibility Warranty, PROVIDER shall, at no cost to A&M SYSTEM and Members, either (1) perform all necessary remediation to make the EIRs satisfy the EIR Accessibility Warranty or (2) replace the EIRs with new EIRs that satisfy the EIR Accessibility Warranty. In the event that PROVIDER fails or is unable to do so, A&M SYSTEM and Members may immediately terminate this Agreement, and PROVIDER will refund to A&M SYSTEM and Members all amounts paid by A&M SYSTEM and Members under this Agreement within thirty (30) days following the effective date of termination.

- B. **Access to Agency Data.** Pursuant to Section 2054.138, Texas Government Code, PROVIDER shall implement and maintain appropriate administrative, technical, and physical security measures, including without limitation, the security controls available at <https://cyber-standards.tamus.edu>, as may be amended from time to time (the "Security Controls"), to safeguard and preserve the confidentiality, integrity, and availability of A&M SYSTEM Data. PROVIDER shall periodically provide A&M System and Members with evidence of its compliance with the Security Controls within thirty (30) days of A&M System or Member's request.
- C. **Cloud Computing Services.** As of the Effective Date, PROVIDER represents and warrants that it complies with the then-current requirements of the risk and authorization management program established by the Texas Department of Information Resources ("TX-RAMP"). Pursuant to Section 2054.0593, Texas Government Code, PROVIDER shall maintain RAMP compliance and certification, as may be amended from time to time, throughout the Term, including any renewal term of this Agreement. PROVIDER shall provide A&M System and Members with evidence of its TX-RAMP compliance and certification within thirty (30) days of A&M System and Members request and at least thirty (30) days prior to the start of any renewal term of this Agreement. In the event that PROVIDER fails to maintain TX-RAMP compliance and certification throughout the Term, including any Renewal Term, A&M System and Members may immediately terminate this Agreement, and PROVIDER will provide a refund to A&M System and Members of any prepaid fees.

**Cybersecurity Training Program.** Pursuant to Section 2054.5192, Texas Government Code, PROVIDER and its employees, officers, and subcontractors who have access to A&M SYSTEM's or Members' computer system and/or database must complete a cybersecurity training program certified under Section 2054.519, Texas Government Code, and selected by A&M SYSTEM and Members. The cybersecurity training program must be completed by PROVIDER and its employees, officers, and subcontractors during the Term and any renewal period of this Agreement. PROVIDER shall verify completion of the program in writing to A&M SYSTEM and Members within the first thirty (30) calendar days of the Term and any renewal period of this Agreement. PROVIDER acknowledges and agrees that its failure to comply with the requirements of this Section are grounds for A&M SYSTEM and Members to terminate this Agreement for cause.

## 11. MISCELLANEOUS

- A. **Entire Agreement.** This Agreement constitutes the entire and only agreement between the Parties hereto and supersedes any prior understanding, written or oral agreements



between the Parties, or “side deals” which are not described in this Agreement. This Agreement may be amended only by a subsequent written agreement signed by authorized representatives of both parties. In the event of a conflict between the terms of this Agreement and any other documents constituting part of this Agreement, the terms of this Agreement shall control.

- B. **Authority to Contract.** Each Party represents and warrants that it has full right, power and authority to enter into and perform its obligations under this Agreement, and that the person signing this Agreement is duly authorized to enter into this Agreement on its behalf.
- C. **Representations & Warranties.** If PROVIDER is a business entity, PROVIDER warrants, represents, covenants, and agrees that it is duly organized, validly existing and in good standing under the laws of the state of its incorporation or organization and is duly authorized and in good standing to conduct business in the State of Texas, that it has all necessary power and has received all necessary approvals to execute and deliver this Agreement, and the individual executing this Agreement on behalf of PROVIDER has been duly authorized to act for and bind PROVIDER.
- D. **Independent Contractor.** Notwithstanding any provision of this Agreement to the contrary, the Parties hereto are independent contractors. No employer-employee, partnership, agency, or joint venture relationship is created by this Agreement or by PROVIDER’s Service to A&M SYSTEM and Members. Except as specifically required under the terms of this Agreement, PROVIDER (and its representatives, agents, employees and subcontractors) will not represent themselves to be an agent or representative of A&M SYSTEM or Members. As an independent contractor, PROVIDER is solely responsible for all taxes, withholdings, and other statutory or contractual obligations of any sort, including but not limited to workers’ compensation insurance. PROVIDER and its employees shall observe and abide by all applicable A&M SYSTEM and Members policies, regulations, rules and procedures, including those applicable to conduct on its premises.
- E. **Use of Name.** Each Party acknowledges that all rights in any trademarks, service marks, slogans, logos, designs, and other similar means of distinction associated with that Party (its “Marks”), including all goodwill pertaining to the Marks, are the sole property of that Party. Neither Party may use the Marks of the other without the advance written consent of that Party, except that each Party may use the name of the other Party in factual statements that, in context, are not misleading. The Parties will mutually agree in advance upon any public announcements, or communications to the media regarding this Agreement or the Services to be provided pursuant to this Agreement.
- F. **Non-Assignment.** PROVIDER shall neither assign its rights nor delegate its duties under this Agreement without the prior written consent of A&M SYSTEM or Members.
- G. **Severability.** In case any one or more of the provisions contained in this Agreement shall, for any reason, be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions hereof, and this Agreement shall be construed as if such invalid, illegal, and unenforceable provision had never been contained herein. The Parties agree that any alterations, additions, or deletions to the provisions of the Agreement that are required by changes in federal or state law or regulations are automatically incorporated into the Agreement without

written amendment hereto and shall become effective on the date designated by such law or by regulation.

- H. **Survival.** Any provision of this Agreement that may reasonably be interpreted as being intended by the Parties to survive the termination or expiration of this Agreement will survive the termination or expiration of this Agreement.
- I. **Force Majeure.** Neither Party shall be held liable or responsible to the other Party nor be deemed to have defaulted under or breached this Agreement for failure or delay in fulfilling or performing any obligation under this Agreement if and to the extent such failure or delay is caused by or results from causes beyond the affected Party's reasonable control, including, but not limited to, acts of God, strikes, riots, flood, fire, epidemics, natural disaster, embargoes, war, insurrection, terrorist acts or any other circumstances of like character; provided, however, that the affected Party has not caused such force majeure event(s), shall use reasonable commercial efforts to avoid or remove such causes of nonperformance, and shall continue performance hereunder with reasonable dispatch whenever such causes are removed. Either Party shall provide the other Party with prompt written notice of any delay or failure to perform that occurs by reason of force majeure, including describing the force majeure event(s) and the actions taken to minimize the impact of such event(s).
- J. **Notices.** Any notice required or permitted under this Agreement must be in writing, and shall be deemed given: (i) three (3) business days after it is deposited and post-marked with the United States Postal Service, postage prepaid, certified mail, return receipt requested, (ii) the next business day after it is sent by overnight carrier, (iii) on the date sent by email transmission with electronic confirmation of receipt by the party being notified, or (iv) on the date of delivery if delivered personally. 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: [zimmermann@tamus.edu](mailto:zimmermann@tamus.edu)
- PROVIDER:                       Proctorio, Inc.  
7340 Main Street, Suite 203  
Scottsdale, AZ 85251  
Attention: Jamie Morris  
Phone: (480) 953-3796  
Email: [jamiem@proctorio.com](mailto:jamiem@proctorio.com)
- K. **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.
- L. **Venue.** Pursuant to Section 85.18(b), *Texas Education Code*, mandatory venue for all legal proceedings against A&M SYSTEM or Members is to be in the county in which the principal office of A&M SYSTEM's or Member's governing officer is located.



- M. **Non-Waiver.** A&M SYSTEM and Members are an agency of the state of Texas and under the Constitution and the laws of the state of Texas possesses certain rights and privileges, is subject to certain limitations and restrictions, and only has authority as is granted to it under the Constitution and the laws of the state of Texas. PROVIDER expressly acknowledges that A&M SYSTEM and Members are an agency of the state of Texas and nothing in this Agreement will be construed as a waiver or relinquishment by A&M SYSTEM and Members of their right to claim such exemptions, remedies, privileges, and immunities as may be provided by law, including the sovereign immunity of A&M SYSTEM and Members.
- N. **Dispute Resolution.** To the extent that Chapter 2260, Texas Government Code is applicable to this Agreement, the dispute resolution process provided in Chapter 2260, and the related rules adopted by the Texas Attorney General pursuant to Chapter 2260, shall be used by A&M SYSTEM, Members 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 the Contracts Officer of A&M SYSTEM or the applicable Member, who shall examine PROVIDER's claim and any counterclaim and negotiate with PROVIDER in an effort to resolve the claim. This provision and nothing in this Agreement waives A&M SYSTEM's or Member's sovereign immunity to suit or liability, and A&M SYSTEM and Members have not waived their right to seek redress in the courts.
- O. **Public Information Act.** PROVIDER acknowledges that A&M SYSTEM and Members are 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. Upon A&M SYSTEM's and Member's written request, PROVIDER will promptly provide specified contracting information exchanged or created under this Agreement for or on behalf of A&M SYSTEM or Members to A&M SYSTEM or Members in a non-proprietary format acceptable to A&M SYSTEM or Members that is accessible by the public. PROVIDER acknowledges that A&M SYSTEM and Members 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. The requirements of Subchapter J, Chapter 552, Texas Government Code, may apply to this Agreement and PROVIDER agrees that this Agreement can be terminated if PROVIDER knowingly or intentionally fails to comply with a requirement of that subchapter.
- P. **Certification Regarding Business with Certain Countries and Organizations.** PROVIDER represents and warrants that it is not engaged in business with Iran, Sudan, or a foreign terrorist organization, as prohibited by Section 2252.152, Texas Government Code. PROVIDER acknowledges this Agreement may be terminated immediately if this certification is inaccurate.
- Q. **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. Under Section 231.006, Texas Family Code, PROVIDER certifies that it is not

ineligible to receive the payments under this Agreement and acknowledges that this Agreement may be terminated and payment may be withheld if this certification is inaccurate.

- R. **Payment of Debt or Delinquency to the State.** Pursuant to Sections 2107.008 and 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.
- S. **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.
- T. **HUB Subcontracting Plan.** It is the policy of the state of Texas, A&M SYSTEM and Members to encourage the use of Historically Underutilized Businesses ("HUB") in our contracts, purchasing transactions and through subcontracting opportunities. The goal of the HUB program is to promote equal access and equal opportunity to HUB vendors in A&M SYSTEM and Member contracting and purchasing. PROVIDER has indicated it will not subcontract any of its duties or obligations under this Agreement. If PROVIDER will subcontract any of its duties and obligations under this Agreement, PROVIDER will be required to provide prior written notice to A&M SYSTEM and Members and make a good faith effort to submit a HUB subcontracting plan as required under Section 20.285 of the Texas Administrative Code.
- U. **Certification Regarding Products from the Gaza Strip.** PROVIDER represents and warrants that the goods it provides to MEMBER under this Agreement, if any, are not produced in or exported from the Gaza Strip or from any organization or state actor with ties to Hamas.
- V. **Prohibition on Contracts with Companies Boycotting Israel.** To the extent that Chapter 2271, Texas Government Code, is applicable 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.
- W. **Verification Regarding Discrimination Against Firearm Entities and Trade Associations.** To the extent that Chapter 2274, Texas Government Code, is applicable to this Agreement, PROVIDER verifies that (1) it does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association, and (2) will not discriminate during the term of this Agreement against a firearm entity or firearm trade association.
- X. **Verification Regarding Boycotting Energy Companies.** To the extent that Chapter 2274, Texas Government Code, is applicable to this Agreement, PROVIDER verifies that (1) it does not boycott energy companies, and (2) it will not boycott energy companies during the term of this Agreement. PROVIDER acknowledges this Agreement may be terminated and payment withheld if this verification is inaccurate.

- Y. **Loss of Funding.** Performance by A&M SYSTEM and Members 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 and Members will issue written notice to PROVIDER and A&M SYSTEM and Members may terminate this Agreement without further duty or obligation hereunder. PROVIDER acknowledges that appropriation of funds is beyond the control of A&M SYSTEM and Members. In the event of a termination or cancellation under this Section, A&M SYSTEM and Members will not be liable to PROVIDER for any damages that are caused or associated with such termination or cancellation.
- Z. **Prior Employment.** PROVIDER acknowledges that Section 2252.901, Texas Government Code, prohibits A&M SYSTEM and Members from using state appropriated funds to enter into an employment contract, a professional services contract under Chapter 2254, or a consulting services contract under Chapter 2254 with individual who has been previously employed by A&M SYSTEM and Members during the twelve (12) month period immediately prior to the effective date of the Agreement. If PROVIDER is an individual, by signing this Agreement, PROVIDER represents and warrants that it is not a former or retired employee of A&M SYSTEM or Members that was employed by A&M SYSTEM or Members during the twelve (12) month period immediately prior to the effective date of the Agreement.
- AA. **Conflict of Interest.** PROVIDER certifies, to the best of their knowledge and belief, that no member of the A&M System's Board of Regents, nor any officer of A&M SYSTEM or Members, has a direct or indirect financial interest in PROVIDER or in the transaction that is the subject of the Agreement.
- BB. **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.
- CC. **Not Eligible for Rehire.** PROVIDER is responsible for ensuring that its employees involved in any work being performed for A&M SYSTEM or Members under this Agreement have not been designated as "Not Eligible for Rehire" as defined in System policy 32.02, *Discipline and Dismissal of Employees*, Section 4 ("NEFR Employee"). In the event A&M SYSTEM or Member becomes aware that PROVIDER has a NEFR Employee involved in any work being performed under this Agreement, A&M SYSTEM or Member will have the sole right to demand removal of such NEFR Employee from work being performed under this Agreement. Non-conformance to this requirement may be grounds for termination of this Agreement by A&M SYSTEM or Member.

**(SIGNATURES TO FOLLOW ON NEXT PAGE)**

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

**The Texas A&M University System**

**Proctorio, Inc.**

By: DocuSigned by:  
*Jeff Zimmermann*  
E2BE2924E69547F... \_\_\_\_\_

By: DocuSigned by:  
*Justin Depuydt*  
40AD953EA88544F... \_\_\_\_\_

Name: Jeff Zimmermann

Name: Justin Depuydt

Title: Executive Director, Procurement Services

Title: Dir. of Strategic Operations

Date: 5/31/2024

Date: 5/31/2024

**Exhibit A – Fee Rate Schedule**

| <b>AUTOMATED PROCTORING</b>   | <b>PROCTORIO</b>  |
|---|---|
| Proctorio offers the following pricing models:<br>1. Campus license that covers the total headcount according to the latest IPEDS report with unlimited usage per student, per year.<br>2. Standard licenses by number of annual users (unlimited usage, per student, per year)<br>3. Bulk of exams - per exam, per student (upfront purchase)<br>4. Live ID Verification - Per Exam per Student upfront purchase |   |
| Exam Length   | A single exam session with the recordings can last anywhere up to 8 hours   |
| Per Exam - One Time Usage   | \$8.00 - \$5.00 for unlimited exam length   |
| Per Exam + Live ID Verification (additional \$5.00 per exam)  | \$13.00 - \$10.00 for unlimited exam length   |
| Comments  | See Tier Level Pricing below.<br>Includes onboarding, implementation, proactive 24/7/365 support and immediate proctoring results. No time limits, no-show fees, no rescheduling fees, or wait times. Includes standard lockdown browser and ID verification.   |
| Exam Length   | Unlimited   |
| Per Student - Unlimited Annual Usage  | \$24.00 - \$18.00   |
| Comments  | See Tier Level Pricing below.<br>Includes unlimited assessments for students across all courses within the LMS. Includes onboarding, implementation, proactive 24/7/365 support and immediate proctoring results.   |
| Implementation  | Included  |
| Training  | Included  |
| Lockdown Browser  | Included  |
| Webcam Recordings   | Included  |
| Screen Recordings   | Included  |
| Support 24/7/365  | Included  |
| Discounted Pricing off List Price   | See Tier Level Pricing and Discounts below  |
|   |   |
| Volume Pricing  | See Tier Level Pricing below  |
| Value-Added Offerings:  | No scheduling required. Test takers can take exams whenever they want within the designated test window set by the instructor. No extra fees, no late fees, take-it-now fees, peak-hour fees, or holiday fees. Unlimited attempts for the same exam. Retests are included, second attempt, third attempt, etc. No limits. |

|                                   |   |
|-----------------------------------|---|
| Discounted Pricing off List Price | See Tier Level Pricing and Discounts below  |
| Volume Pricing                    | See Tier Level Pricing below  |
| Value-Added Offerings:            | No scheduling required. Test takers can take exams whenever they want within the designated test window set by the instructor. No extra fees, no late fees, take-it-now fees, peak-hour fees, or holiday fees. Unlimited attempts for the same exam. Retests are included, second attempt, third attempt, etc. No limits. |

| Proctorio Tier Level Pricing           | Price                                |
|--|--------------------------------------|
| <b>Automated Proctoring - Per Exam</b> | <b>Discounted from \$10 per exam</b> |
| Tier 1: 1 - 5,000 exams                | \$ 8.00                              |
| Tier 2: 5,001 - 10,000 exams           | \$ 7.00                              |
| Tier 3: 10,001 - 15,000 exams          | \$ 6.00                              |
| Tier 4: 15,001+ exams                  | \$ 5.00                              |

\*includes Automated ID Verification

| Proctorio Tier Level Pricing                                 | Price                                |
|--|--------------------------------------|
| <b>Automated Per Exam Per Student + Live ID Verification</b> | <b>Discounted from \$15 per exam</b> |
| Tier 1: 1 - 5,000 exams                                      | \$ 13.00                             |
| Tier 2: 5,001 - 10,000 exams                                 | \$ 12.00                             |
| Tier 3: 10,001 - 15,000 exams                                | \$ 11.00                             |
| Tier 4: 15,001+ exams  | \$ 10.00                             |

\*includes Live ID Verification at an add-on of \$5.00 per exam



| <b>Proctorio Tier Level Pricing</b>                          | <b>Price</b>                            |
|--|---|
| <b>Automated Per Student - Unlimited # of Exams Annually</b> | <b>Discounted from \$30 per student</b> |
| Tier 1: 1 - 5,000 students                                   | \$ 24.00                                |
| Tier 2: 5,001 - 10,000 students                              | \$ 22.00                                |
| Tier 3: 10,001 - 15,000 students                             | \$ 20.00                                |
| Tier 4: 15,001+ students                                     | \$ 18.00                                |

\*includes Automated ID Verification

| <b>Proctorio Campus License - Headcount</b>  | <b>Standard Price</b>   |
|--|---|
| <b>Tier 1 (1 - 3 participating Institutions)<br/>Per student, per year, unlimited usage</b>  | \$7.50 *  |
| <b>Tier 2 (4 - 6 participating Institutions)<br/>Per student, per year, unlimited usage</b>  | \$6.00 *  |
| <b>Tier 3 (7 - 10 participating Institutions)<br/>Per student, per year, unlimited usage</b> | \$4.75 *  |
| <b>Tier 4 (11+ participating Institutions)<br/>Per student, per year, unlimited usage</b>    | \$4.25 *  |
| Comments   | Total headcount based on the institutions' latest IPEDS report a campus license is offered at \$7.50 per student, per year, for unlimited usage.<br><b>**Texas A&amp;M University System discount based on the estimated headcount shown below.</b> |

\*includes Automated ID Verification

|  |   |                             |                             |   |
|--|---|-----------------------------|-----------------------------|---|
| <b>Automated Proctoring Solution<br/>- Campus license</b>          | <b>PROPOSED EXAMPLE COST</b> (total cost is based on <u>assumption of 5 participating</u> institutions (A&M Prairie View, A&M University - Commerce, A&M University - Kingsville, A&M University - Central Texas and A&M University - San Antonio) with a total headcount of 35.961 students, the final cost can be determined based on the actual numbers according to IPEDS and the guaranteed price per student indicated below) |                             |                             |   |
|  | <b>Year 1 Cost</b>  | <b>Year 2 Cost</b>          | <b>Year 3 Cost</b>          | <b>Total Years Term of Contract Cost stated below</b> |
|  | <b>\$215,766</b>  | <b>\$215,766</b>            | <b>\$215,766</b>            | <b>\$647,298</b>                                      |
| <b>Cost Breakdown</b>  |   |                             |                             |   |
| <b>Licensing - unlimited usage, per student, per year (Tier 2)</b> | <b>\$6.00** per Student</b>   | <b>\$6.00** per Student</b> | <b>\$6.00** per Student</b> |   |
| <b>Implementation*</b>   | <b>Included</b>   | <b>Included</b>             | <b>Included</b>             |   |
| <b>Annual Support</b>  | <b>Included</b>   | <b>Included</b>             | <b>Included</b>             |   |
| <b>Training</b>  | <b>Included</b>   | <b>Included</b>             | <b>Included</b>             |   |
| <b>Hosting</b>   | <b>Included</b>   | <b>Included</b>             | <b>Included</b>             |   |

Note: This pricing shall be based with the understanding that each Member will determine which Online Proctoring tool to implement from the awarded Respondents according to its needs.

Proctorio may provide additional pricing options that would provide discounts if multiple Members selected its Online Proctoring tool.

## Exhibit B - Insurance

A. PROVIDER shall obtain and maintain, for the duration of this Agreement or longer, the minimum insurance coverage set forth below. 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 MEMBER. By requiring such minimum insurance, MEMBER 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 MEMBER at least ten days before the effective date of the cancellation.

### 1. Worker's Compensation

Worker's compensation insurance with the following minimum limits of coverage:

|                                  |                                  |
|----------------------------------|----------------------------------|
| Statutory Benefits (Coverage A)  | Statutory                        |
| Employers Liability (Coverage B) | \$1,000,000 Each Accident        |
|                                  | \$1,000,000 Disease/Employee     |
|                                  | \$1,000,000 Disease/Policy Limit |

Workers' compensation policy must include under Item 3.A., on the information page of the workers' compensation policy, the state in which work is to be performed for MEMBER. Workers' compensation insurance is required, and no "alternative" forms of insurance will be permitted.

### 2. Automobile Liability

Business auto liability insurance covering all owned, non-owned or hired automobiles, with limits of not less than \$1,000,000 single limit of liability per accident for bodily injury and property damage;

### 3. Commercial General Liability

Commercial general liability insurance with the following minimum limits of coverage:

|                                 |             |
|---------------------------------|-------------|
| Each Occurrence Limit           | \$1,000,000 |
| General Aggregate Limit         | \$2,000,000 |
| Products / Completed Operations | \$1,000,000 |
| Personal / Advertising Injury   | \$1,000,000 |
| Damage to rented Premises       | \$300,000   |
| Medical Payments                | \$5,000     |

The required commercial general liability policy must be issued on a form that insures PROVIDER's or its subcontractors' liability for bodily injury (including death), property damage, personal and advertising injury assumed under the terms of this Agreement.

4. **Cyber Liability**

PROVIDER shall procure and maintain, for the duration of this Agreement and for such length of time as is necessary to cover any and all claims, cyber liability insurance with limits not less than \$2,000,000 per occurrence or claim, \$2,000,000 aggregate. The cyber liability policy shall be sufficiently broad to cover PROVIDER's duties and obligations under this Agreement and include coverage for claims involving: invasion of privacy; loss, damage, theft, alteration or other misuse of data; unauthorized exposure or breach of data; privacy event expenses such as mandatory/voluntary notification costs, credit monitoring, call center services, forensic costs, and any other fees, costs, or expenses necessary to comply with any applicable breach notification laws; privacy regulatory proceedings (including fines and penalties); cyber extortion payments; and network security.

- B. PROVIDER shall deliver to MEMBER evidence of insurance on a Texas Department of Insurance approved certificate form verifying the existence and actual limits of all insurance prior to the execution and delivery of this Agreement and prior to the performance of any services by PROVIDER under this Agreement. PROVIDER shall provide additional evidence of insurance 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.
- C. Commercial General Liability and Auto Liability policies must be endorsed to name The Texas A&M University System Board of Regents ("Board of Regents"), The Texas A&M University System ("A&M System") and MEMBER as additional insureds up to the actual liability limits of the policies maintained by PROVIDER. The commercial general liability additional insured endorsements must include on-going and completed operations afforded by CG 20 10 (10 01 Edition or equivalent) and CG 20 37 (10 01 Edition or equivalent). Commercial general liability and business auto liability policies must be written on a primary and non-contributory basis. Copies of each endorsement must be submitted with the certificate of insurance. The Umbrella policy, at minimum, must follow form.
- D. All insurance policies must be endorsed to provide a waiver of subrogation in favor of the Board of Regents, A&M System and MEMBER.
- E. All insurance policies will be endorsed to require the insurance carrier providing coverage to send notice to MEMBER ten (10) days prior to the effective date of cancellation, material change, or non-renewal relating to any insurance policy.
- F. Any deductible or self-insured retention must be declared to and approved by MEMBER prior to the performance of any services by PROVIDER under this Agreement. PROVIDER shall pay any deductible or self-insured retention for any loss. All deductibles and self-insured retentions must be shown on the certificates of insurance.
- G. Certificates of Insurance and Additional Insured Endorsements as required by this Agreement will be forwarded to: [SOProurement@tamus.edu](mailto:SOProurement@tamus.edu)
- H. The insurance coverage required by this Agreement must be kept in force until all services have been fully performed and accepted by MEMBER in writing.
- I. Certificate Holder should read as follow:

The Board of Regents for and on Behalf of The Texas A&M University System  
The Texas A&M University System  
301 Tarrow St.  
College Station, TX 77840