

CONTRACT NO. 473-25-00018
BETWEEN
THE PUBLIC UTILITY COMMISSION OF TEXAS
AND
DREXEL HAMILTON, LLC

This contract engages a Contractor to provide expert consulting services regarding CenterPoint Energy Houston Electric LLC's (CenterPoint) securitization financing of system restoration costs incurred as a result of Hurricane Beryl in July 2024, Hurricane Francine in September 2024, and Winter Storm Enzo in January 2025. This contract is issued under the authority of Texas Utilities Code §§ 36.401-36.403 and Chapter 39, Subchapter G, and under the authority of Texas Government Code Chapter 2254, Subchapter B, for expert consulting services.

The parties to this contract are the PUCT, an agency of the State of Texas, located at 1701 N. Congress Ave., Austin, Texas 78701, and Drexel Hamilton, LLC, with a mailing address of 110 E. 42nd Street, Suite 1502, New York, NY, 10017.

Article 1. DEFINITIONS

When used in this contract, the following terms have the following meanings:

- (1) **Business day** means a day other than a: (i) Saturday or Sunday; (ii) national holiday under Texas Government Code § 662.003(a); or (iii) state holiday under Texas Government Code § 662.003(b). Unless described as a '**business day**', a '**day**' means a calendar day.
- (2) **Commission** means the governing body of the PUCT.
- (3) **Contractor** means the person, organization, business entity, or other entity that is selected for the contract contemplated by RFP Number 473-25-00018.
- (4) **Parties** means the PUCT and Contractor. **Party** means the PUCT or Contractor.
- (5) **Proposer** means a person, organization, business entity, or other entity that submits a proposal in response to RFP Number 473-25-00018.
- (6) **PUCT** means the Public Utility Commission of Texas, an agency of the state of Texas.
- (7) **Services** means any and all services performed and any and all goods and products delivered by Contractor as specified in the Statement of Work, attached hereto as Attachment A.
- (8) **Statement of Work** means the description of goods and services to be provided as specified in Attachment A to this contract.
- (9) **Vendor** means a person, organization, business entity, or other entity that has been selected for or entered into a contract with a Texas state agency.
- (10) **Vendor Performance Tracking System** means the system the Texas Comptroller of Public Accounts is required to provide under Section 2262.055, Texas Government Code, for evaluating vendor performance. The Vendor Performance Tracking System is located at: <http://txsmartbuy.com/vpts>.
- (11) **Week** means seven consecutive calendar days.

Article 2. COMPENSATION

2.1 Compensation. Contractor agrees to provide all Services (including labor, expenses, and any other services) described in Attachment A, Statement of Work, for the firm fixed price of

\$47,500.00 for the term of the contract. Contractor understands that the PUCT is not responsible for payment of any costs or expenses exceeding \$47, 500.00 for the term of the contract.

If Contractor believes that changes in the scope of Services to be performed will require Contractor to increase its fee, it must request the PUCT's written authorization to increase its fee. Contractor must document the changes in the scope of Services and why they will require additional effort. The PUCT must approve the increase in fee by written amendment to this contract before Contractor performs any Services or may invoice the increased fee.

2.2 Payment Process. Contractor must submit a monthly invoice to the PUCT contract administrator no later than the final day of the month after the month that Services have been performed. The invoice must contain the name of the person performing the Services and a brief description of work performed, including a description of any applicable deadlines for deliverables during the period invoiced and the date those deliverables were provided to the PUCT. No payment will be made for administrative overhead, overtime, or other costs not specifically described in this contract.

On the statement or invoice, Contractor must include a statement that the invoice accurately describes the Services performed and the Services were performed in compliance with the contract. The statement or invoice must include the vendor identification number issued by the Texas Comptroller or Contractor's federal taxpayer identification number, a description of the Services provided, and the name and division of the PUCT contract administrator.

Contractor must submit the invoice to the PUCT as follows:

By email to: Payables@puc.texas.gov

Or by mail to: Accounts Payable

Public Utility Commission of Texas

P.O. Box 13326

Austin, TX 78711-3326

The PUCT contract administrator will review the invoice and any other relevant documentation to ensure the Services were performed in compliance with the contract. If the invoice does not contain required information or documentation, or if the PUCT disputes that the Services were performed in compliance with the contract, the PUCT will reject the invoice and give the Contractor its reasons and the opportunity to submit a corrected invoice.

Upon approval of the invoice, the PUCT will direct the payment of the invoice.

The PUCT reserves the right to withhold payment of any invoice(s) for poor performance, default, or non-compliance with the terms of the contract, without penalty to the PUCT. In such event, payment(s) may be withheld until the poor performance, default, or non-compliance is resolved in a manner satisfactory to the PUCT. The Contractor will not be entitled to any additional compensation from the PUCT for any damages or expenses incurred as a result of withheld payment(s) under this section.

2.3 Release of Claims. Contractor's acceptance of payment releases the PUCT of all claims for compensation owed in connection with this contract.

2.4 Refund. Contractor will promptly refund or credit within thirty calendar days any funds erroneously paid by the PUCT which are not expressly authorized under the contract.

2.5 Payments Made to Subcontractors. Contractor must pay its subcontractors, if any, the appropriate share of payments received not later than the 10th day after the date Contractor receives the payment. The subcontractor's payment is overdue on the 11th day after the date Contractor receives the payment. The PUCT must approve Contractor's use of any subcontractor before Contractor engages the subcontractor (see Section 5.1 of this contract).

2.6 Records Retention. Contractor shall maintain and retain all records relating to the performance of the contract, including supporting fiscal documents adequate to ensure that claims for contract funds are in accordance with applicable State of Texas requirements. These records will be maintained and retained by Contractor for a period of seven (7) years after the contract expiration date or until all audit, claim, and litigation matters are resolved, whichever is later. Contractor must make all records available to the PUCT, PUCT's designee, or the State Auditor during normal business hours with reasonable notice, upon the request of the PUCT contract administrator.

2.7 Contracting Information Responsibilities. In accordance with Section 552.372 of the Texas Government Code, Contractor agrees to (1) preserve all contracting information related to the contract as provided by the records retention requirements applicable to the PUCT for the duration of the contract, (2) promptly provide to the PUCT any contracting information related to the contract that is in the custody or possession of the Contractor on request of the PUCT, and (3) on termination or expiration of the contract, either provide at no cost to the PUCT all contracting information related to the contract that is in the custody or possession of the Contractor or preserve the contracting information related to the contract as provided by the records retention requirements applicable to the PUCT. Except as provided by Section 552.374(c) of the Texas Government Code, the requirements of Subchapter J, Chapter 552, Government Code may apply to the contract, and the Contractor agrees that the contract can be terminated if the Contractor knowingly or intentionally fails to comply with a requirement of that subchapter.

2.8 Sole Compensation. Payments under this Article are Contractor's sole compensation under this contract. Contractor must not incur expenses not contemplated under the Statement of Work, attached hereto as Attachment A, with the expectation that the PUCT, the State of Texas, or any other agency of the State of Texas will pay the expense.

Article 3. CONTRACT ADMINISTRATION

3.1 PUCT Contract Administration. The PUCT designates Darryl Tietjen to serve as its primary point of contact and contract administrator throughout the term of this contract. Contractor acknowledges that the PUCT contract administrator does not have any authority to amend this contract on behalf of the PUCT, except as expressly provided herein. Contractor further acknowledges that such authority is exclusively held by the Commission exercising its authority through a vote in an open meeting, or the Executive Director of the PUCT as the Commission's authorized designee.

3.2 Contractor Contract Administration. Contractor designates its contract administrator as Jeremy Traska, Managing Director.

3.3 Reporting. Contractor must report directly to the PUCT contract administrator and must perform all activities in accordance with the reasonable instructions, directions, and requests conveyed to Contractor by the PUCT contract administrator.

3.4 Cooperation. The Parties' respective contract administrators must handle all communications between them in a timely and cooperative manner. The Parties must timely notify each other by email or other written communication of any change in designee or contact information.

3.5 Media Releases. Contractor shall not use the PUCT's name, logo, or other likeness in any press release, marketing material, or other announcement without the PUCT's prior written approval. The PUCT does not endorse any vendor, commodity, or service. Contractor is not authorized to make or participate in any media releases or public announcements pertaining to the procurement, the response, or the services to which they relate, or this contract without the PUCT's prior written consent, and then only in accordance with explicit written instructions from the PUCT. Contractor will promptly refer all inquiries regarding this contract received from state legislators, other public officials, the media, or anyone else not a Party to this contract to the PUCT contract administrator.

Article 4. REPORTS AND RECORDS

4.1 Written Reports. Contractor must provide written reports to the PUCT in the form and with the frequency specified in the Statement of Work, attached hereto as Attachment A, or as otherwise agreed in writing between the Parties.

4.2 Distribution of Consultant Reports. Contractor agrees the PUCT has the right to distribute any consultant report associated with this contract or to allow another Texas state agency or the Texas legislature to distribute it. The PUCT will also have the right to post any consultant report associated with this contract to the PUCT's website or to the website of a standing committee of the legislature. This provision does not waive any right to confidentiality that the PUCT may assert for the report or any portion thereof.

Article 5. SUBCONTRACTING PARTIES

5.1 Use of Subcontractors. The Parties acknowledge and agree that, at the time of execution of this contract, Contractor intends to perform the Services required under this Contract without the use of subcontractor(s). Contractor may not subcontract any or all of the work and/or obligations due under the contract without prior written approval of the PUCT. Subcontracts, if any, entered into by the Contract shall be in writing and be subject to the requirements of the contract. Should Contractor subcontract any of the services required in the contract, Contractor expressly understands and acknowledges that in entering into such subcontract(s), the PUCT is in no manner liable to any subcontractor(s) of the Contractor. In no event shall this provision relieve Contractor of the responsibility for ensuring that the services performed under all subcontracts are rendered in compliance with the contract.

Contractor will notify the PUCT contract administrator of any other proposed subcontractor and will work with the PUCT HUB Coordinator to procure such other subcontractor and to submit appropriate subcontractor selection documentation for approval prior to engaging any other subcontractor, such approval not to be unreasonably withheld. Any subcontractor not contemplated at the initiation of this contract and any subsequent substitution of a subcontractor must be approved by an amendment according to the terms of Article 7.

5.2 Sole Responsibility. Contractor is solely responsible for the quality and timeliness of the work produced by all subcontractors that Contractor may engage to provide Services hereunder and for the timely payment for all work produced by all subcontractors that the PUCT accepts in accordance with the terms of this contract.

5.3 Prime Vendor Contract. The Parties expressly agree that this contract is intended to constitute a prime vendor contract, with Contractor serving as the prime vendor for delivery of the Services made the subject hereof. Contractor acknowledges and agrees that it is fully liable and responsible for timely, complete delivery of the Services described in this contract, notwithstanding the engagement of any subcontractor to perform an obligation under this contract.

Article 6. TERM AND TERMINATION

6.1 Term. The term of this Contract will begin on the date of the last signatory to sign and will continue in effect for two (2) years unless extended or sooner terminated under Sections 6.2 or 6.3 of this contract.

6.2 Termination for Cause. If Contractor fails to provide the goods or services contracted for according to the provisions of the contract or fails to comply with any terms or conditions of the contract, the PUCT may serve upon Contractor written notice requiring Contractor to cure such default. Unless within thirty (30) days after receipt of said notice by Contractor, said default is corrected or arrangements satisfactory to the PUCT for correcting the default have been made by Contractor, the PUCT may terminate this contract for default and will have all rights and remedies provided by law and under this contract. If the PUCT terminates Contractor for a violation of Section 18.23 of this contract, the PUCT need not provide any notice or opportunity for curing the default. The PUCT will not be liable for any damages or loss to Contractor as a result of termination for cause.

6.3 Termination for Convenience. The PUCT reserves the right to terminate the contract at any time, in whole or in part, without cost or penalty, by providing thirty (30) calendar days' advance written notice, if the PUCT determines that such termination is in the best interest of the State. In the event of such a termination, Contractor must, unless otherwise mutually agreed upon in writing, cease all work immediately upon the effective date of termination. The PUCT shall be liable for payments limited only to the portion of work the PUCT authorized in writing and which Contractor has completed and delivered to the PUCT, and which has been accepted by the PUCT. All such work shall have been completed, in accordance with contract requirements, prior to the effective date of termination. The PUCT shall have no other liability, including no liability for any costs associated with the termination.

6.4 Transfer of Duties. In the event of termination, Contractor will provide reasonable cooperation to transfer its duties under the contract to another entity without disruption to the provision of Services.

6.5 Remedies for Breach. All remedies available to the PUCT for breach or anticipatory breach of this contract by Contractor are cumulative and may be exercised concurrently or separately, and the exercise of any one remedy will not be deemed an election of such remedy to the exclusion of other remedies. Actual damages, cost projections, and injunctive relief may also be invoked either separately or combined with any other remedy in accordance with applicable law.

6.5.1. Liquidated Damages.

Contractor's failure to timely meet the deliverables and Services set forth in the Statement of Work, attached hereto as Attachment A, would result in damages to the PUCT that, by their nature are difficult to ascertain. Deadlines will not be considered unmet if delays arise from circumstances outside the Contractor's reasonable control, including force majeure events, delays caused by the PUCT, or delays arising from mutual agreement between the Contractor and PUCT. Liquidated damages may be assessed, in the PUCT's sole discretion, at the rate(s) set forth below. The liquidated damages are not intended to be a penalty and are solely intended as compensation for damages.

Deliverables.

If the Contractor fails to provide a post-pricing book memorializing the pre-issuance and actual market for the securities by the final business day of the month following the month in which the transaction was finalized, the Contractor will owe the PUCT \$5,000 per week past the deadline until it is produced.

6.6 Vendor Performance Tracking System

At the end of this contract, the PUCT will input required information into the Vendor Performance Tracking System regarding the Contractor's performance and whether the Contractor satisfied the best value standard for this contract. This information is public, and other state agencies seeking goods or services are required, under most circumstances, to use the information in the Vendor Performance Tracking System to determine whether or not a particular vendor will meet the best value standard for the purchase of the goods or services.

6.7 Survival. Expiration or termination of the contract for any reason does not release Contractor from any liability or obligation set forth in the contract that is expressly stated to survive any such expiration or termination, that by its nature would be intended to be applicable following any such expiration or termination, or that is necessary to fulfill the essential purpose of the contract, including without limitation the provisions regarding warranty, indemnification, confidentiality, and rights and remedies upon termination.

Article 7. ASSIGNMENT, AMENDMENTS, AND MODIFICATIONS

7.1 Material Change Requests. The PUCT may propose changes to the Statement of Work attached hereto as Attachment A. Upon receipt of a written request from the PUCT for a change

to the Statement of Work, Contractor must, within the deadline specified in the request, or if no deadline is specified within a reasonable time after the request, submit to the PUCT a detailed written estimate of any proposed price and schedule adjustments to this contract. No changes to the Statement of Work will occur without the Parties' written consent as provided in accordance with the terms stated in this contract.

7.2 Change in Law and Compliance with Laws. Contractor shall comply with all laws, regulations, requirements, and guidelines applicable to a vendor providing services and products required by the contract to the State of Texas, as these laws, regulations, requirements, and guidelines currently exist and as amended throughout the term of the contract. The PUCT reserves the right, in its sole discretion, to unilaterally amend the contract prior to award and throughout the term of the contract to incorporate any modifications necessary for the PUCT's compliance, as an agency of the State of Texas, with all applicable state and federal laws, regulations, requirements and guidelines.

7.3 Assignment. Contractor shall not assign its rights under the contract or delegate the performance of its duties under the contract without prior written approval from the PUCT. Any attempted assignment in violation of this provision is void and without effect.

7.4 Amendments and Modifications. This contract may not be amended or modified in any manner except by written instrument executed by authorized representatives of the Parties in accordance with the terms of this contract.

7.5 Binding Effect. The contract shall be binding upon and shall inure to the benefit of the PUCT and Contractor and to their representatives, successors, and assigns.

Article 8. REPRESENTATIONS, WARRANTIES, AND COVENANTS

8.1 Warranty of Performance. Contractor represents, warrants, and covenants that it will perform the Services outlined in the Statement of Work, attached hereto as Attachment A, in a professional and workmanlike manner, consistent with professional standards of practice in the professional industry.

8.2 Warranty of Services. Contractor warrants that the Services will be rendered by the qualified personnel named in Section 19.8 of this contract. If Services provided under this contract require a professional license, then Contractor represents, warrants, and covenants that the activity will be performed only by duly licensed personnel.

Article 9. RISK OF LOSS AND PROPERTY RIGHTS

9.1 Risk of Loss. The risk of loss for all items to be furnished hereunder will remain with Contractor until the items are delivered to and accepted by the PUCT, at which time the risk of loss will pass to the PUCT.

9.2 Ownership. Except for materials where any intellectual property rights are vested in a third party, such as software or hardware, in which case such rights remain the property of the third party, all finished materials, deliverables, conceptions, or products created or prepared for or on behalf of the PUCT and purchased by the PUCT, or on behalf of the PUCT, that the PUCT has

accepted as part of the performance of Services hereunder, will be the PUCT's property exclusively and will be given to the PUCT either at the PUCT's request during the term of the contract or upon termination or expiration of the contract. Notwithstanding the foregoing, materials created, prepared for, or purchased exclusively by the PUCT or on behalf of the PUCT are the PUCT's exclusive property regardless of whether delivery to the PUCT is effectuated during or upon termination or expiration of this contract.

9.3 Prior Works. Except as provided herein, all previously owned materials, conceptions, or products prior to execution of the contract will remain the property of Contractor and nothing contained in this contract will be construed to require Contractor to transfer ownership of such materials to the PUCT.

9.4 Trademark Ownership. Contractor hereby acknowledges and agrees that trademarks owned by the PUCT remain the exclusive property of the PUCT, that all right, title, and interest in and to the trademarks are exclusively held by the PUCT, and all goodwill associated with such trademarks inures solely to the PUCT.

9.5 Program Information. Program information, data, and details relating to Contractor's Services under this contract must be maintained separately from Contractor's other activities. Contractor must undertake all reasonable care and precaution in the handling and storing of this information.

9.6 Provision to be Inserted in Subcontracts. Contractor must insert a provision containing Sections 9.2 and 9.5 of this contract in all subcontracts hereunder except altered as necessary for proper identification of the contracting Parties and the PUCT under this contract.

Article 10. PUBLIC INFORMATION ACT

10.1 Public Information Act. Contractor understands that the PUCT will comply with the Texas Public Information Act (Chapter 552 of the Texas Government Code) as interpreted by judicial rulings and opinions of the Attorney General of the State of Texas. Information, documentation, and other material in connection with the solicitation of, or this resulting contract, may be subject to public disclosure pursuant to the Texas Public Information Act. In accordance with Section 2252.907 of the Texas Government Code, Contractor is required to make any information created or exchanged with the State pursuant to the contract, and not otherwise excepted from disclosure under the Texas Public Information Act, available in a format that is accessible by the public at no additional charge to the State. For the purpose of this paragraph, paper documents, Adobe Portable Document Format files (.pdf), Microsoft Excel spreadsheets (.xls), Microsoft Word documents (.docx), and Hypertext Markup Language (.html) files will be considered accessible by the public, unless another format is specified by the PUCT, at the PUCT's sole discretion.

The Parties acknowledge that not all terms of this contract may be confidential under the PIA, regardless of whether those terms are marked "Proprietary," "Trade Secret," or "Confidential." The PUCT will notify Contractor of requests for Contractor's information as required under the PIA. If information created or exchanged with the state pursuant to this contract is excepted from disclosure under the PIA, Contractor will not be required to make the information available to the public but may be required to facilitate the PUCT's provision of the information to the Texas

Attorney General for a decision on the information's confidentiality. The PUCT has no duty or responsibility to argue a defense of confidentiality to Contractor's information or data; it will be Contractor's sole responsibility to do so.

Article 11. CONFLICTS OF INTEREST AND EMPLOYMENT RESTRICTION

11.1 No Conflicts of Interest. Contractor represents and warrants that the provision of goods and services or other performance under the contract will not constitute an actual or potential conflict of interest or reasonably create an appearance of impropriety.

11.2 Prohibition on Transactions with Parties Adverse to the PUCT. Contractor agrees that during the term of this contract and any extensions or renewals thereof, it will neither provide contractual services nor enter into any agreement, oral or written, to provide services to a person or organization that is regulated or funded by the PUCT or that has interests that are directly or indirectly adverse to those of the PUCT. The PUCT may waive this provision in writing if, in the PUCT's sole judgment, such activities of the Contractor will not be adverse to the interests of the PUCT.

11.3 Notice of Conflict. Contractor agrees to promptly notify the PUCT of any circumstance that may create a real or perceived conflict of interest, whether arising prior to or during the term of the contract. Contractor agrees to use its best efforts to resolve any real or perceived conflict of interest to the satisfaction of the PUCT. If Contractor fails to do so, it will be grounds for termination of this contract for cause, pursuant to Section 6.2 of this contract.

11.4 Prohibited Employment. Contractor agrees that it will not hire any person whose employment with Contractor would violate any of the employment restrictions in Texas Government Code Chapter 572 or Texas Utilities Code Chapter 12.

Article 12. INDEMNIFICATION

CONTRACTOR SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS THE STATE OF TEXAS AND THE PUCT, AND/OR THEIR OFFICERS, AGENTS, EMPLOYEES, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES FROM ANY AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEY FEES, AND EXPENSES ARISING OUT OF, OR RESULTING FROM ANY ACTS OR OMISSIONS OF CONTRACTOR OR ITS AGENTS, EMPLOYEES, SUBCONTRACTORS, ORDER FULFILLERS, OR SUPPLIERS OF SUBCONTRACTORS IN THE EXECUTION OR PERFORMANCE OF THE CONTRACT AND ANY PURCHASE ORDERS ISSUED UNDER THE CONTRACT. THE DEFENSE SHALL BE COORDINATED BY CONTRACTOR WITH THE OFFICE OF THE TEXAS ATTORNEY GENERAL WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND CONTRACTOR MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE TEXAS ATTORNEY GENERAL. CONTRACTOR AND THE PUCT AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM.

Article 13. INSURANCE

13.1 Contractor Responsibility. Contractor agrees to comply with all state and federal laws applicable to the liability and payment of Contractor and Contractor's employees, including laws regarding wages, taxes, insurances, and workers' compensation. Neither the PUCT nor the State of Texas will be liable to the Contractor, its employees, agents, or others for the provision of unemployment insurance or workers' compensation or any benefit available to a state employee.

13.2 Minimum Insurance. Contractor must, at its sole cost and expense, secure and maintain as a minimum, from the effective date of this contract and thereafter during the term of this contract and any renewals or extensions thereof, for its own protection and the protection of the PUCT and the State of Texas:

- a) commercial liability insurance, covering, at a minimum, the following categories of liability within the following limits: (i) bodily injury and property damage - \$1,000,000 limit per occurrence, \$2,000,000 aggregate, (ii) medical expense - \$5,000 limit per person, (iii) personal injury and advertising liability - \$1,000,000 limit, (iv) products or completed operations – \$2,000,000 aggregate, (v) damage to premises rented - \$50,000 limit;
- b) automobile liability coverage for vehicles driven by Contractor's employees (\$500,000 per occurrence).
- c) workers' compensation insurance in accordance with the statutory limits, as follows: (i) employer's liability - \$1,000,000 each incident; and (ii) disease - \$1,000,000 each employee and \$1,000,000 policy limit; and
- d) cyber incident coverage to include: privacy breach related legal expenses to review and determine responsibilities under privacy breach laws; expenses related to compliance with privacy law notification requirements; credit and identification monitoring for up to 12 months after a cyber incident; expenses related to forensic investigations to investigate a system intrusion into the Contractor's computer system; and expenses to hire a public relations firm for public communications response; and

The PUCT and the State of Texas must be named an additional insured on the commercial liability and automobile policies.

Insurance coverage must be from companies licensed by the State of Texas to provide insurance with an "A" rating from A.M. Best and authorized to provide the corresponding coverage.

13.3 Certificates of Insurance. Contractor must furnish to the PUCT certificates of insurance and any applicable endorsements, signed by authorized representatives of the surety or insurers, of all such bonds and insurance and confirming the amounts of such coverage within ten (10) days of the effective date of this contract, and upon request thereafter. Contractor must provide the PUCT contract administrator with timely renewal certificates as the coverage renews. Failure to maintain such insurance coverage specified herein, or to provide such certificates or endorsements promptly, will constitute a material breach of this contract. Contractor must provide thirty (30) days' written notice of any notice for renewal or cancellation of insurance.

Article 14. DISPUTE RESOLUTION

The dispute resolution process provided for in Chapter 2260 of the Texas Government Code must be used to attempt to resolve any dispute arising under the contract.

Article 15. SOVEREIGN IMMUNITY

Nothing in the contract shall be construed as a waiver of the PUCT's or the State's sovereign immunity. This contract shall not constitute or be construed as a waiver of any of the privileges, rights, defenses, remedies, or immunities available to the PUCT or the State of Texas. The failure to enforce, or any delay in the enforcement, of any privileges, rights, defenses, remedies, or immunities available to the PUCT or the State of Texas under the contract or under applicable law shall not constitute a waiver of such privileges, rights, defenses, remedies, or immunities or be considered as a basis for estoppel. The PUCT does not waive any privileges, rights, defenses, or immunities available to the PUCT by entering into the contract or by its conduct prior to or subsequent to entering into the contract.

Article 16. GOVERNING LAW AND VENUE

The contract shall be governed by and construed in accordance with the laws of the State of Texas, without regard to the conflicts of law provisions. The venue of any suit arising under the contract is fixed in any court of competent jurisdiction of Travis County, Texas, unless the specific venue is otherwise identified in a statute which directly names or otherwise identifies its applicability to the PUCT.

Article 17. COMPLIANCE WITH LAW

17.1 General. Contractor must comply with all federal, state, and local laws, executive orders, regulations, and rules applicable at the time of performance. Contractor warrants that all Services sold hereunder will have been produced, sold, delivered, and furnished in strict compliance with all applicable laws and regulations to which they are subject.

17.2 Taxes. Purchases made for State of Texas use are exempt from the State Sales Tax and Federal Excise Tax. The PUCT will furnish Tax Exemption Certificates upon request. Contractor represents and warrants that it shall pay all taxes or similar amounts resulting from the contract, including, but not limited to, any federal, State, or local income, sales or excise taxes of Contractor or its employees. The PUCT shall not be liable for any taxes resulting from the contract.

17.3 Workers' Compensation. Contractor agrees that it will be in compliance with applicable state workers' compensation laws throughout the term of this contract and any renewals or extensions thereof.

17.4 Conflicts. Contractor agrees to abide by the requirements of and policy directions provided by the Texas statutes and the rules and regulations of the PUCT. Contractor agrees to inform and consult with the PUCT when further interpretations or directions are needed in order to fully implement the rules and regulations of the PUCT. In the event that Contractor becomes aware of inconsistencies between this contract and a Texas statute or PUCT rule, Contractor will so advise the PUCT immediately and will cooperate fully to revise applicable provisions of this contract, as necessary.

17.5 Unfair Business Practices. Contractor represents and warrants that it has not been the subject of allegations of Deceptive Trade Practices violations under Chapter 17 of the Texas Business and Commerce Code, or allegations of any unfair business practice in any administrative hearing or

court suit, and that Contractor has not been found to be liable for such practices in such proceedings. Contractor certifies that it has no officers who have served as officers of other entities who have been the subject of allegations of Deceptive Trade Practices violations or allegations of any unfair business practices in an administrative hearing or court suit and that such officers have not been found to be liable for such practices in such proceedings.

17.6 Americans with Disabilities Act. Contractor represents and warrants its compliance with the requirements of the Americans With Disabilities Act (ADA) and its implementing regulations, as each may be amended. Further, Contractor must, upon request, provide the PUCT with documentation demonstrating compliance with standards set forth in 1 Texas Administrative Code Chapters 206 and 213, as they relate to electronic information resources provided by the Contractor to the PUCT.

17.7 Lobbying Prohibition. Contractor represents and warrants that the PUCT's payments to Contractor and Contractor's receipt of appropriated or other funds under the contract are not prohibited by Sections 556.005 or 556.0055 of the Texas Government Code.

17.8 Disclosure of Interested Parties. Contractor represents and warrants that, if applicable, it will submit to the PUCT a Certificate of Interested Parties prior to contract execution in accordance with Section 2252.908 of the Texas Government Code.

17.9 Equal Employment Opportunity. Contractor represents and warrants its compliance with all applicable duly enacted state and federal laws governing equal employment opportunities.

17.10 Federal Occupational Safety and Health Law. Contractor represents and warrants that all articles and services shall meet or exceed the safety standards established and promulgated under the Federal Occupational Safety and Health Act of 1970, as amended (29 U.S.C. Chapter 15).

Article 18. CONTRACTOR'S CERTIFICATION

By accepting the terms of this contract, Contractor certifies that, to the extent applicable, it is in compliance with the following provisions. Contractor understands and agrees that a false certification may lead to termination of this contract for cause.

18.1 Dealings with Public Servants Affirmation. Contractor has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with this contract.

18.2 Debts and Delinquency Affirmation. Contractor agrees that any payments due under the contract shall be applied towards any debt or delinquency that is owed to the State of Texas.

18.3 Excluded Parties. Contractor certifies that it is not listed in the prohibited vendors list authorized by Executive Order No. 13224, "Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism", published by the United States Department of the Treasury, Office of Foreign Assets Control.

18.4 Foreign Terrorist Organizations. Contractor further represents and warrants that it is not engaged in business with Iran, Sudan, or a foreign terrorist organization, as prohibited by Section 2252.152 of the Texas Government Code.

18.5 Antitrust. Contractor represents and warrants that, in accordance with Section 2155.005 of the Texas Government Code, neither Contractor nor the firm, corporation, partnership, or institution represented by Contractor, or anyone acting for such a firm, corporation or institution has (1) violated any provision of the Texas Free Enterprise and Antitrust Act of 1983, Chapter 15 of the Texas Business and Commerce Code, or the federal antitrust laws, or (2) communicated directly or indirectly the contents of RFP Number 473-25-00018, its proposal, or this contract to any competitor or any other person engaged in the same line of business as Contractor.

18.6 Prohibited Compensation. Contractor has not received compensation from the PUCT, or any agent, employee, or person acting on the PUCT's behalf for participation in the preparation of this contract.

18.7 Financial Participation Prohibited Affirmation. Under Section 2155.004(b) of the Texas Government Code, Contractor certifies that the individual or business entity named in this contract is not ineligible to receive the specified contract and acknowledges that the contract may be terminated and payment withheld if this certification is inaccurate.

18.8 Child Support Obligation Affirmation. Under Section 231.006 of the Family Code, the Contractor certifies that the individual or business entity named in this contract is not ineligible to receive the specified payments and acknowledges that this contract may be terminated and payment may be withheld if this certification is inaccurate in addition to other remedies set out in § 231.006(f).

18.9 Executive Head of State Agency Affirmation. In accordance with Section 669.003 of the Texas Government Code, relating to contracting with the executive head of a state agency, Contractor certifies that it is not (1) the executive head of the PUCT, (2) a person who at any time during the four years before the date of the contract was the executive head of the PUCT, or (3) a person who employs a current or former executive head of the PUCT.

18.10 Former Agency Employees. Further, Contractor represents and warrants that none of its employees including, but not limited to, those authorized to provide services under the contract, were former employees of the PUCT during the twelve (12) month period immediately prior to the date of execution of the contract.

18.11 Buy Texas Affirmation. In accordance with Section 2155.4441 of the Texas Government Code, Contractor agrees that during the performance of a contract for services it shall purchase products and materials produced in Texas when they are available at a price and time comparable to products and materials produced outside this state.

18.12 Prior Disaster Relief Contract Violation. Under Sections 2155.006 and 2261.053 of the Texas Government Code, the Contractor 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.

18.13 E-Verify Program. Contractor certifies that for contracts for services, it shall utilize the U.S. Department of Homeland Security's E-Verify system during the term of the contract to determine the eligibility of:

1. all persons employed by Contractor to perform duties within Texas; and
2. all persons, including subcontractors, assigned by Contractor to perform work pursuant the contract within the United States of America.

18.14 Suspension and Debarment. Contractor certifies that neither it nor its principals are debarred, suspended, proposed for debarment, declared ineligible, or otherwise excluded from participation in the contract by any state or federal agency.

18.15 Entities that Boycott Israel. Contractor represents and warrants that (1) it does not, and shall not for the duration of the contract, boycott Israel; or (2) the verification required by Section 2271.002 of the Texas Government Code does not apply to the contract. If circumstances relevant to this provision change during the course of the contract, Contractor shall promptly notify the PUCT.

18.16 COVID-19 Vaccine Passport Prohibition. Under Section 161.0085 of the Texas Health and Safety Code, Contractor certifies that the individual or business entity named in this contract is not ineligible to receive this contract.

18.17 Human Trafficking Prohibition. Under Section 2155.0061 of the Texas Government Code, the Contractor 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.

18.18 Energy Company Boycott. Contractor represents and warrants that: (1) it does not, and will not for the duration of the contract, boycott energy companies; or (2) the verification required by Section 2276.002 of the Texas Government Code does not apply to the contract. If circumstances relevant to this provision change during the course of the contract, Contractor shall promptly notify the PUCT.

18.19 Firearm Entities and Trade Associations Discrimination. Contractor verifies that: (1) it does not, and will not for the duration of the contract, have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; or (2) the verification required by Section 2274.002 of the Texas Government Code does not apply to the contract. If circumstances relevant to this provision change during the course of the contract, Contractor shall promptly notify the PUCT.

18.20 Data Management and Security Controls. In accordance with Texas Government Code § 2054.138, Contractor certifies that it will comply with the security controls required under this contract and will maintain records and make them available to the PUCT as evidence of Contractor's compliance with the required controls.

18.21 Critical Infrastructure Affirmation. Pursuant to Texas Government Code § 2275.0102, Contractor certifies that neither it nor its parent company, nor any affiliate of Contractor or its parent company, is: (i) majority owned or controlled by citizens or governmental entities of China, Iran, North Korea, Russia, or any other country designated by the Governor under Texas Government Code § 2275.0103; or (ii) headquartered in any of those countries.

18.22 Disaster Recovery Plan. Upon request of the PUCT, Contractor shall provide the descriptions of its business continuity and disaster recovery plans.

18.23 False Statements. Contractor represents and warrants that all statements and information prepared and submitted in this document are current, complete, true, and accurate. Submitting a contract with a false statement or material misrepresentations made during the performance of a contract is a material breach of contract and may void any resulting contract.

18.24 Hardening of State Government. Contractor certifies that neither it, nor its holding companies or subsidiaries, is: (a) Listed in Section 889 of the 2019 National Defense Authorization Act; (b) Listed in Section 1260H of the 2021 National Defense Authorization Act; or (c) Owned by the government of a country on the U.S. Department of Commerce's foreign adversaries list under 15 C.F.R Section 791.4; or (d) Controlled by any governing or regulatory body located in a country on the U.S. Department of Commerce's foreign adversaries list under 15 C.F.R Section 791.4.

18.25 Disclosure of Prior State Employment. In accordance with Section 2254.033 of the Texas Government Code, relating to consulting services, Contractor certifies that it does not employ an individual who has been employed by the PUCT or another agency at any time during the two years preceding the submission of the response to RFP Number 473-25-00018 or, in the alternative, Contractor has disclosed in its response the following: (i) the nature of the previous employment with the PUCT or the other agency; (ii) the date the employment was terminated; and (iii) the annual rate of compensation for the employment at the time of its termination.

18.26 Restricted Employment for Certain State Personnel. Pursuant to Section 572.069 of the Texas Government Code, Contractor certifies that it has not employed and will not employ a former state officer or employee who participated in a procurement or contract negotiations for the PUCT involving Contractor within two (2) years after the date that the contract is signed or the procurement is terminated or withdrawn.

18.27 Legal and Regulatory Actions. Contractor represents and warrants that it is not aware of and has received no notice of any court or governmental agency actions, proceedings or investigations, etc., pending or threatened against Contractor or any of the individuals or entities included in the contract within the five (5) calendar years immediately preceding the submission of the proposal that would or could impair Contractor's performance under the contract, relate to the solicited or similar goods or services, or otherwise be relevant to the PUCT's consideration of the proposal. If Contractor is unable to make the preceding representation and warranty, then Contractor instead represents and warrants that it has included as a detailed attachment in its proposal a complete disclosure of any such court or governmental agency actions, proceedings or

investigations, etc., that would or could impair Contractor's performance under the contract, relate to the solicited or similar goods or services, or otherwise be relevant to the PUCT's consideration of the response. In addition, Contractor represents and warrants that it shall notify the PUCT in writing within five (5) business days of any changes to the representations or warranties in this clause and understands that failure to so timely update the PUCT shall constitute breach of contract and may result in immediate termination of the contract.

Article 19. GENERAL PROVISIONS

19.1 Independent Contractor. Contractor and Contractor's employees, representatives, agents, subcontractors, suppliers, and third-party service providers shall serve as independent contractors in providing the services under the contract. Neither Party is an agent of the other and neither may make any commitments on the other party's behalf. Should Contractor subcontract any of the services required in the contract, Contractor expressly understands and acknowledges that in entering into such subcontract(s), the PUCT is in no manner liable to any subcontractor(s) of Contractor. In no event shall this provision relieve Contractor of the responsibility for ensuring that the services performed under all subcontracts are rendered in compliance with the contract. Contractor shall have no claim against the PUCT for vacation pay, sick leave, retirement benefits, social security, worker's compensation, health or disability benefits, unemployment insurance benefits, or employee benefits of any kind. The contract shall not create any joint venture, partnership, agency, or employment relationship between the Parties.

19.2 Non-Exclusivity. Nothing in this contract is intended nor will be construed as creating any exclusive arrangement between Contractor and PUCT. This contract will not restrict from acquiring any similar, equal, or like goods or services from other entities or sources. Further, the PUCT makes no express or implied warranty whatsoever that any minimum compensation or minimum quantity will be guaranteed under the contract.

19.3 Taxes and Statutory Withholdings. Contractor acknowledges that it is not a PUCT employee but is an independent contractor. Accordingly, it is Contractor's sole obligation to report as income all compensation received by Contractor under the terms of this contract. Contractor is solely responsible for all taxes (federal, state, or local), withholdings, social security, unemployment, Medicare, Workers' Compensation insurance, and other similar statutory obligations (of any governmental entity of any country) arising from, relating to, or in connection with any payment made to Contractor under this contract. Contractor must defend, indemnify and hold the PUCT harmless to the extent of any obligation imposed by law on the PUCT to pay any tax (federal, state, or local), withholding, social security, unemployment, Medicare, Workers' Compensation insurance, or other similar statutory obligation (of any governmental entity of any country) arising from, relating to, or in connection with any payment made to Contractor under this contract. Further, Contractor understands that neither it nor any of its individual employees is eligible for any PUCT employee benefit, including but not limited to holiday, vacation, sick pay, withholding taxes (federal, state, local), social security, Medicare, unemployment or disability insurance, Workers' Compensation, health and welfare benefits, profit sharing, 401(k) or any employee stock option or stock purchase plans. Contractor hereby waives any and all rights to any such PUCT employment benefit.

19.4 Notice. Except as otherwise stated in this contract, all notices provided for in this contract must be (a) in writing; (b) addressed to a Party at the address set forth below (or as expressly designated by such Party in a subsequent effective written notice referring specifically to this contract); (c) sent by a national carrier with tracking capability (e.g. FedEx or Certified U.S. Mail); with proper postage; and (d) deemed effective upon the third business day after deposit of the notice with the carrier.

IF TO THE PUCT:
ATTENTION: Executive Director
1701 N. Congress Ave., 7th Floor
Austin, TX 78701

With copies to the PUCT contract administrator and Jay Stone CTCD, CTCM, at the same address.

IF TO CONTRACTOR:
ATTENTION: Jeremy Traska, Managing Director
110 E. 42nd Street, Suite 1502
New York, NY 10017

19.5 Headings. Titles and headings of articles and sections within this contract are provided merely for convenience and must not be used or relied upon in construing this contract or the Parties' intentions with respect thereto. Reference to the singular throughout the contract includes a reference to the plural and vice versa.

19.6 Export Laws. Contractor represents, warrants, agrees and certifies that it (a) will comply with the United States Foreign Corrupt Practices Act (regarding, among other things, payments to government officials) and all export laws and rules and regulations of the United States Department of Commerce or other United States or foreign agency or authority; and (b) will not knowingly permit any non-Party to directly or indirectly, import, export, re-export, or transship any intellectual property or any third Party materials accessed by Contractor during the course of this contract in violation of any such laws, rules or regulations.

19.7 Preprinted Forms. The use of preprinted forms, such as purchase orders or acknowledgments, in connection with this contract is for convenience only and all preprinted terms and conditions stated thereon are void and of no effect. The terms of this contract cannot be amended, modified, or altered by any conflicting terms, provisions, or conditions contained in a proposal or a preprinted form, such as purchase orders or acknowledgments. If any conflict exists between this contract and any terms and conditions on a proposal, purchase order, acknowledgment, or other preprinted form, the terms and conditions of this contract will govern.

19.8 Specific Personnel. Contractor has identified the personnel for this assignment ("Team"), as follows: Jeremy Traska, Managing Director; and John Kerin, Managing Director.

Contractor warrants that it will use its best efforts to avoid any changes to the Team during the course of this contract. Should personnel changes occur during the term of this contract or any extensions or renewals thereof, Contractor will recommend to the PUCT personnel with

comparable experience and required qualifications and training. The PUCT must approve any change in personnel on this project in writing. Contractor must provide individuals qualified to perform the tasks assigned to such individual. At the PUCT's request, Contractor must remove from the project any individual whom the PUCT finds unacceptable for any reason in the PUCT's sole discretion. Contractor must replace such individual with another individual satisfactory to the PUCT as soon as practicable.

19.9 No Felony Criminal Convictions. Contractor represents and warrants that neither Contractor, nor any of its employees, agents, or representatives, including any subcontractors and employees, agents or representatives of such subcontractors, has been convicted of a felony criminal offense or that if such a conviction has occurred Contractor has fully advised the PUCT of the facts and circumstances surrounding the conviction.

19.10 No Third-Party Beneficiaries. Nothing contained in the contract, either expressed or implied, is intended to confer on any person other than the Parties, or their respective permitted successors, assigns, transferees or delegates, any interests, rights, remedies, obligations or liabilities pursuant to, or by reason of, this contract.

19.11 Prompt Payment. All payments to Contractor, any payments by Contractor to any subcontractor, and any payments by a subcontractor to any other person or entity that provides goods or services under this contract must be made in compliance with Chapter 2251 of the Texas Government Code and 34 Texas Administrative Code § 20.487.

Article 20. NO IMPLIED WAIVER

The failure of a Party to insist at any time upon the strict performance of any covenant or agreement or to exercise any option, right, power, or remedy contained in the contract shall not be construed as a waiver or a relinquishment thereof for the future.

Article 21. ORDER OF PRECEDENCE

In the event of conflicts or inconsistencies between the provisions of this contract and any attachments or exhibits, the following are given preference in the order listed below:

- 1) The terms and conditions of this contract, including attachments;
- 2) The Statement of Work;
- 3) The RFP and any addendums; and
- 4) The Contractor's proposal and any amendments to the proposal, including best and final offer(s) and written communications between the Parties addressing best and final offer(s).

Article 22. FORCE MAJEURE

Neither Party shall be liable to the other for any delay in, or failure of performance, of any requirement included in the contract caused by force majeure. The existence of such causes of delay or failure shall extend the period of performance until after the causes of delay or failure have been removed provided the non-performing party exercises all reasonable due diligence to perform. Force majeure is defined as acts of God, war, fires, explosions, hurricanes, floods, failure of transportation, or other causes that are beyond the reasonable control of either Party and that by exercise of due foresight such party could not reasonably have been expected to avoid, and which, by the exercise of all reasonable due diligence, such party is unable to overcome.

Article 23. SEVERABILITY

If any provision of the contract is construed to be illegal or invalid, such construction will not affect the legality or validity of any of its other provisions. The illegal or invalid provision will be deemed severable and stricken from the contract as if it had never been incorporated herein, but all other provisions will continue in full force and effect.

Article 24. TERMINATION FOR NON-APPROPRIATION (FUNDING OUT)

The contract is subject to termination or cancellation, without penalty to the PUCT, either in whole or in part, subject to the availability of state funds.

Article 25. DRUG FREE WORKPLACE POLICY

Contractor must comply with the applicable provisions of the Drug-Free Work Place Act of 1988, 41 U.S.C. § 8102, et seq., and 48 CFR § 52.223-6 Drug-Free Workplace) and maintain a drug-free work environment. The requirements of the Drug Free Workplace Act and the rules interpreting it are incorporated by reference and Contractor must comply with the relevant provisions thereof, including any amendments that may hereafter be issued. Contractor must provide the PUCT a copy of its drug-free work environment policy upon request.

Article 26. SUBSTITUTIONS

Substitutions are not permitted without written approval of the PUCT.

Article 27. STATE AUDITOR'S RIGHT TO AUDIT

The state auditor may conduct an audit or investigation of any entity receiving funds from the State directly under the contract or indirectly through a subcontract under the contract. The acceptance of funds directly under the contract or indirectly through a subcontract under the contract acts as acceptance of the authority of the state auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. Under the direction of the legislative audit committee, an entity that is the subject of an audit or investigation by the state auditor must provide the state auditor with access to any information the state auditor considers relevant to the investigation or audit.

Article 28. DAMAGE TO GOVERNMENTAL PROPERTY.

In the event of loss, destruction, or damage to any PUCT or State of Texas property by Contractor or Contractor's employees, agents, subcontractors, and suppliers, Contractor shall be liable to the PUCT and the State of Texas for the full cost of repair, reconstruction, or replacement of the lost, destroyed, or damaged property. Contractor will reimburse the PUCT and the State of Texas for such property damage within ten (10) calendar days after the Contractor's receipt of the agency's notice of amount due.

Article 29. CYBERSECURITY TRAINING

Contractor represents and warrants that it will comply with the requirements of Section 2054.5192 of the Texas Government Code relating to cybersecurity training and required verification of completion of the training program.

Article 30. ARTIFICIAL INTELLIGENCE (AI) DISCLOSURE

“Artificial intelligence system” means a machine-based system that for explicit or implicit objectives infers from provided information a method to generate outputs, such as predictions, content, recommendations, or decisions, to influence a physical or virtual environment with varying levels of autonomy and adaptiveness after deployment. Contractor shall not use an AI system to perform the contract without the prior consent of the PUCT and in compliance with the PUCT’s written policy on the use of AI. Due to the rapidly evolving nature of AI technology, the PUCT’s AI policy may be updated, at the PUCT’s sole discretion, at any time during the contract term. Contractor is charged with full knowledge of all terms, conditions, and requirements of the PUCT’s AI policy during the contract term. Failure to comply with the PUCT’s AI policy during the contract term is a material breach of the contract and may serve as grounds for termination of this contract.

Article 31. SURVEILLANCE, INTIMIDATION, AND RELATED ACTS

Contractor certifies that it, and its subcontractors, if applicable, have not, and will not, either directly or indirectly through a third party, engage in surveillance targeting or engage in an act of intimidation, coercion, extortion, undue influence, or other similar conduct intended to influence, silence, or retaliate against: (1) a member of the state legislature or person employed to support the state legislature in any capacity or their family members; (2) a state agency employee; or (3) an individual making a complaint or raising concerns regarding state agency operations or contracting. Contractor certifies that it, and its subcontractors, if applicable, have not, and will not, either directly or indirectly through a third party, use private or confidential information to manipulate or influence a state contracting decision or proceeding. Contractor acknowledges that it, its executives and directors, and other associated entities and individuals could be terminated, barred from state contracts, and penalized up to \$2 million for a violation of Government Code § 2261.302.

Article 32. SIGNATURE AUTHORITY

The undersigned signatories represent and warrant that they have full authority to enter into this contract on behalf of the respective parties.

Article 33. ENTIRE AGREEMENT

This contract, including the Statement of Work, attached hereto as Attachment A, constitutes the entire agreement and understanding between the parties with regard to its subject matter and supersedes and merges all prior discussions, writings, negotiations, understandings, and agreements concerning the provision of these Services. Any terms and conditions attached to a solicitation will not be considered unless incorporated into this contract by specific reference.

In WITNESS WHEREOF both parties through their duly authorized representatives have executed this contract effective upon the last date of signature.

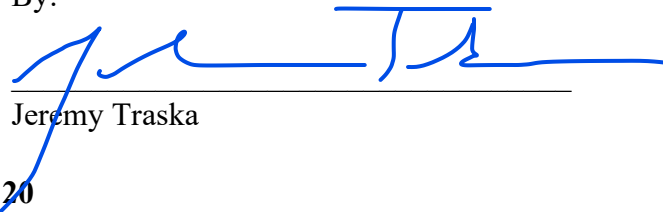
The Public Utility Commission of Texas

By:

Connie Corona

Contractor

By:



Jeremy Traska

Executive Director

Managing Director

Date Signed: _____

Date Signed: Sept. 19, 2025

ATTACHMENT A

SECTION 3 – STATEMENT OF WORK

Introduction. The Public Utility Commission of Texas (PUCT) is issuing a Request for Proposals (RFP) for a Contractor to provide expert consulting services regarding CenterPoint Energy Houston Electric LLC's (CenterPoint) securitization financing of system restoration costs incurred as a result of Hurricane Beryl in July 2024, Hurricane Francine in September 2024, and Winter Storm Enzo in January 2025. This RFP is issued pursuant to Texas Utilities Code §§ 14.001 and 36.401-36.403 and Chapter 39, Subchapter G.

The issuance of securitized bonds involves highly specialized expertise and experience in capital market conditions and debt financing. The purpose of the Consultant's work is to assist the Commission in determining if the requested securitization of system restoration costs will provide greater tangible and quantifiable benefits to ratepayers than would have been achieved without the issuance of transition bonds and to ensure that the securitization will be accomplished using the same procedures, standards, and protections authorized under Chapter 39, Subchapter G.

To that end, the Contractor will be required to meet the following requirements.

I. Requirements.

- As directed by the PUCT's Contract Administrator or other PUCT Staff, hold discussions with the transaction's book-running senior manager to fully understand the type of security that is to be sold.
- Hold discussions with the PUCT's Contract Administrator or other PUCT Staff to understand the Commission's objectives and the pricing considerations consistent with those objectives.
- As directed by the PUCT's Contract Administrator or other PUCT Staff, participate in conference calls with the utility company, underwriters, the PUCT's Contract Administrator or other PUCT Staff, and various counsel and consultants regarding the structuring plans for the securities and the potential implications of evolving market conditions.
- At the beginning of the public marketing process, hold discussions with the transaction's book-running senior manager and the PUCT's Contract Administrator or other PUCT Staff regarding the market environment and the specific structuring of tranches, amortization, coupons and yields, and call features. Provide relevant feedback to the PUCT's Contract Administrator or other PUCT Staff regarding the information gathered through discussions with the transaction's book-running senior manager.
- During the order process, evaluate pricing of tranching structures based on evaluation of investor preferences, analyze relative pricing of tranches against relevant benchmark securities, and assess market environment for other primary offerings, as well as U.S. economic indicators that could affect the pricing and scheduled sale of the securities. As directed by the PUCT's Contract Administrator or other PUCT Staff, analyze alternatives (such as lowering yields) to reduce the amount of oversubscription and recommend whether the oversubscribed bonds are reasonably priced or should be re-priced.
- At the time of final pricing, provide feedback to the PUCT's Contract Administrator or other PUCT Staff on the securities' coupon rates, yield, tranching, and structuring in given market conditions.

- If requested by the PUCT's Contract Administrator or other PUCT Staff, attend pricing of securitized bonds at the offices of the book-running senior manager.
- If requested by the PUCT's Contract Administrator or other PUCT Staff, attend open meeting(s) of the Commission and provide to the Commission one or more oral briefings on the results of the transaction.
- Provide a written report on the pricing process as directed by the PUCT's Contract Administrator or other PUCT Staff.

II. Deliverables.

Throughout the term of the contract, the Contractor must provide an assessment of relevant market conditions to the PUCT's Contract Administrator or other PUCT Staff at least weekly, or more often if required by the PUCT's Contract Administrator or other PUCT Staff. These updates may be held virtually (e.g., Zoom, teams calls) or by phone unless directed to provide updates in writing. If the update is virtual or by phone, the Contractor must submit the update in writing to the PUCT's Contract Administrator or other PUCT Staff within one (1) business day after the virtual or phone call. If the update is done strictly in writing, the update must be submitted to the PUCT's Contract Administrator or other PUCT Staff by 8:00 a.m. CST each Monday while the contract is in place or as otherwise directed by the PUCT's Contract Administrator or other PUCT Staff.

By the final business day of the month following the month in which the transaction has been finalized, the Contractor must:

- Prepare a post-pricing book memorializing the pre-issuance and actual market for the securities; and
- Submit a detailed invoice to the PUCT as specified in the contract.