

**COMMONWEALTH OF KENTUCKY
OFFICE OF THE ATTORNEY GENERAL**

**STANDARD CONTRACT
FOR LITIGATION SUPPORT SERVICES/EXPERT WITNESS
PURSUANT TO KRS 45A.095**

Name and Address of Individual or Firm:
Vendor # KS0023783

GBX Holdings LLC
d/b/a Global Business Experts Group
8244 E San Miguel Avenue
Scottsdale, AZ 85250

TIN – 873-62-0251

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OAG Contract Number	2708-27
Amendment No.	
Account No.	
Contract Amount	<u>Not to exceed</u> <u>\$1,223,752.90</u>
Effective Dates	<u>07/1/2026</u> <u>06/30/2027</u>

This contract is made and entered into by and between the OFFICE OF THE ATTORNEY GENERAL, Commonwealth of Kentucky, hereinafter referred to as the OAG or as the First Party, and GBX Holdings LLC, hereinafter referred to as the Contractor or as the Second Party.

WHEREAS, the Agency in the exercise of its lawful duties, has determined the necessity of the performance of the following-described function(s):

An expert in the fields of COPPA and marketing, to provide consultation services in connection with the OAG's litigation of consumer protection and like claims against social media companies and, if necessary, to produce a written expert report and expert testimony, based thereon.

WHEREAS, the Agency has concluded that either State personnel are not available to perform said function, or it would not be feasible to utilize state personnel to perform said function; and

WHEREAS, the Second Party is available and would be qualified to perform such function;

NOW, THEREFORE, it is mutually agreed by and between the parties hereto as follows;

SERVICES.

The Second Party (the Contractor) will perform the services as described below to the OAG and a coalition of State Attorneys General (hereinafter "the AsG") litigating claims in MDL No. 3047 of the Northern District of California, In re: Social Media Adolescent Addiction/Personal Injury Products Liability Litigation (hereinafter "MDL"). A list of all member state Attorney General offices party in the coalition is provided in Appendix A.:

1. Provide consultation services throughout the fact discovery process in the AsG's litigation in the MDL against social media companies, including, but not limited to, preparing for depositions, assisting in the drafting of requests for production and interrogatories and other fact discovery tasks as needed.
2. Review documents, data, and other evidence produced by social media defendants throughout the course of the MDL litigation.
3. If needed, provide a written expert report detailing the Contractor's expert opinion based on the Contractor's review of the relevant documents, data, and other evidence.
4. If needed, provide expert testimony either through deposition and/or at court hearings or trials related to the MDL.

CONSIDERATION

A. FEE & INVOICING

As fee for the services set forth in this contract, the Agency agrees to pay the Contractor the following manner or on the following terms:

Upon invoice and approval by agency contact. Invoices must be approved in writing by OAG staff person assigned to review invoices before payment can be made.

Contractor shall charge no more than:

- \$1,170 per hour for expert report preparation (Dr. Adam Alter)
- \$1,440 per hour for expert testimony (Dr. Adam Alter)
- \$585 per hour for travel (Dr. Adam Alter)
- \$513 per hour Principal level support
- \$473 per hour for Senior Analyst/Consultant support
- \$405 per hour for Consultant support
- \$248 per hour for Analyst support
- \$135 per hour for Admin/Coder support
- In the event travel is necessary, Contractor shall be reimbursed for reasonable travel related expenses; however, Contractor's time spent traveling will not be compensated.

The Contractor's invoice(s) must be signed by the Contractor and shall include not less than the following information:

Name of contractor, mailing address, SS # or Fed. ID #, hours worked and description of services performed.

The contractor shall maintain supporting documents to substantiate invoices and shall furnish same if required by the Agency.

Travel time, if required, not to be billed, but paid at the state rate for mileage and in accordance with state travel regulations.

No payment on this contract shall be made prior to the effective date of this contract.

B. MAXIMUM FOR FEE AND EXPENSES

The Contractor's fee and expenses shall not exceed a total of **\$1,223,752.90**.

EXTENSIONS

At the expiration of its initial term, this contract may, at the option of the parties hereto, be extended upon the same terms and conditions as set forth herein for further periods not to exceed twelve (12) months each, subject to the advance approval of the Attorney General.

CONFIDENTIAL INFORMATION

Contractor agrees to treat all non-public written and oral information communicated to it by OAG in connection with the Services as confidential ("Confidential Information"). Contractor shall only disclose Confidential Information to third parties at the discretion of the OAG or by court order upon providing OAG with prior notice of having received an order.

SOCIAL SECURITY

The parties are cognizant that the state is not liable for social security contributions, pursuant to 42

U.S. Code, section 418, relative to the compensation of the second party for this contract.

Any exceptions to this stipulation require an attachment or exhibit that explicitly addresses, and provides a basis for, payment of second party's social security contributions by the state, pursuant to 42 U.S. Code, section 418.

Choice of Law and Forum:

This contract shall be governed by and construed in accordance with the laws of the Commonwealth of Kentucky. Any action brought against the Commonwealth on the contract, including but not limited to actions either for breach of contract or for enforcement of the contract, shall be brought in Franklin Circuit Court, Franklin County, Kentucky in accordance with KRS 45A.245.

Cancellation:

The Commonwealth shall have the right to terminate and cancel this contract at any time not to exceed thirty (30) days' written notice served on the Contractor by registered or certified mail.

Funding Out Provision:

The state agency may terminate this contract if funds are not appropriated to the contracting agency or are not otherwise available for the purpose of making payments without incurring any obligation for payment after the date of termination, regardless of the terms of the contract. The state agency shall provide the Contractor thirty (30) calendar days' written notice of termination of the contract due to lack of available funding.

Reduction in Contract Worker Hours:

The Kentucky General Assembly may allow for a reduction in contract worker hours in conjunction with a budget balancing measure for some professional and non-professional service contracts. If under such authority the agency is required by Executive Order or otherwise to reduce contract hours, the agreement will be reduced by the amount specified in that document. If the contract funding is reduced, then the scope of work related to the contract may also be reduced commensurate with the reduction in funding. This reduction of the scope shall be agreeable to both parties and shall not be considered a breach of contract.

Authorized to do Business in Kentucky:

The Contractor affirms that it is properly authorized under the laws of the Commonwealth of Kentucky to conduct business in this state and will remain in good standing to do business in the Commonwealth of Kentucky for the duration of any contract awarded.

The Contractor shall maintain certification of authority to conduct business in the Commonwealth of Kentucky during the term of this contract. Such registration is obtained from the Secretary of State, who will also provide the certification thereof.

Registration with the Secretary of State by a Foreign Entity:

Pursuant to KRS 45A.480(1)(b), an agency, department, office, or political subdivision of the Commonwealth of Kentucky shall not award a state contract to a person that is a foreign entity required by KRS 14A.9-010: to obtain a certificate of authority to transact business in the Commonwealth ("certificate") from the Secretary of State under KRS 14A.9-030:

<https://apps.legislature.ky.gov/law/statutes/statute.aspx?id=40424> therefore, foreign entities should submit a copy of their certificate with their solicitation response.

If the foreign entity is not required to obtain a certificate as provided in KRS 14A.9-010: <https://apps.legislature.ky.gov/law/statutes/statute.aspx?id=44318> , **the foreign entity should identify the applicable exception in its solicitation response.** Foreign entity is defined within KRS 14A.1-070: <https://apps.legislature.ky.gov/law/statutes/statute.aspx?id=50474>

It is the determination of the OAG that an expert witness or litigation support services are exempt in accordance with KRS14A.9-010 (2) (a) in that they are maintaining, defending or settling any procedure.

Businesses can register with the Secretary of State at <https://secure.kentucky.gov/sos/ftbr/welcome.aspx>.

Invoices for fees:

The Contractor shall maintain supporting documents to substantiate invoices and shall furnish same if required by the OAG.

Travel expenses, if authorized:

The Contractor shall be paid for no travel expenses unless and except as specifically authorized by the specifications of this contract or authorized in advance and in writing by the Commonwealth. The Contractor shall maintain supporting documents that substantiate every claim for expenses and shall furnish same if requested by the Commonwealth.

Other expenses, if authorized herein:

The Contractor shall be reimbursed for no other expenses of any kind, unless and except as specifically authorized within the specifications of this contract or authorized in advance and in writing by the Commonwealth.

If the reimbursement of such expenses is authorized, the reimbursement shall be only on an out-of-pocket basis. Request for payment of same shall be processed upon receipt from the Contractor of valid, itemized statements submitted periodically for payment at the time any fees are due. The Contractor shall maintain supporting documents that substantiate every claim for expenses and shall furnish same if requested by the Commonwealth.

Conflict-of-interest laws and principles:

The Contractor certifies that he/she is legally entitled to enter into this contract with the Commonwealth of Kentucky, and by holding and performing this contract, he/she will not be violating either any conflict of interest statute (KRS 45A.330-45A.340, 45A.990, 164.390), or KRS 11A.040 of the executive branch code of ethics, relating to the employment of former public servants.

Campaign finance:

The Contractor certifies that neither he/she nor any member of his/her immediate family having an interest of 10% or more in any business entity involved in the performance of this contract, has contributed more than the amount specified in KRS 121.056(2), to the campaign of the gubernatorial candidate elected at the election last preceding the date of this contract. The Contractor further swears under the penalty of perjury, as provided by KRS 523.020, that neither he/she nor the company which he/she represents, has knowingly violated any provisions of the campaign finance laws of the Commonwealth, and that the award of a contract to him/her or the company which he/she represents will not violate any provisions of the campaign finance laws of the Commonwealth.

Access to Records:

The state agency certifies that it is in compliance with the provisions of KRS 45A.695, "Access to contractor's books, documents, papers, records, or other evidence directly pertinent to the contract." The Contractor, as defined in KRS 45A.030, agrees that the contracting agency, the Finance and Administration Cabinet, the Auditor of Public Accounts, and the Legislative Research Commission, or their duly authorized representatives, shall have access to any books, documents, papers, records, or other evidence, which are directly pertinent to this agreement for the purpose of financial audit or program review. The Contractor also recognizes that any books, documents, papers, records, or other evidence, received during a financial audit or program review shall be subject to the Kentucky Open Records Act, KRS 61.870 to 61.884. Records and other prequalification information confidentially disclosed as part of the bid process shall not be deemed as directly pertinent to the agreement and shall be exempt from disclosure as provided in KRS 61.878(1)(c).

Violation of tax and employment laws:

KRS 45A.485 requires the Contractor and all subcontractors performing work under the contract to reveal to the Commonwealth any final determination of a violation by the Contractor within the previous five (5) year period of the provisions of KRS chapters 136, 139, 141, 337, 338, 341, and 342. These statutes relate to corporate and utility tax, sales and use tax, income tax, wages and hours laws, occupational safety and health laws, unemployment insurance laws, and workers compensation insurance laws, respectively. Disclosure of any violations is required prior to the award of any state contract and throughout the duration the contract.

Failure to disclose violations, shall be grounds for the Commonwealth's disqualification of a contractor or subcontractor from eligibility for future state contracts for a period of two (2) years.

To comply with KRS 45A.485, the Contractor and all subcontractors performing work under this contract shall report any such final determination(s) of any violation(s) within the previous five (5) years to the Commonwealth by providing a list of the following information regarding any violation(s): (1) specific KRS violated, (2) date of any final determination of a violation, and (3) state agency which issued the final determination.

Artificial Intelligence (AI):

Vendor agrees to adhere to [CIO-126 Artificial Intelligence Policy.pdf](#), which includes but is not limited to, the required written disclosure, in advance, of every use of generative AI and/or integrations with generative AI system. Vendor agrees to disclose all parts of contracted work that is expected to be or will be performed with the assistance of AI. Further, Vendor understands and agrees to take appropriate measures to ensure Generative AI shall not be used for any activities that are illegal or in violation of state policy, COT policy, or agency policy per CIO-126. Vendors may not use Commonwealth confidential or internal data in generative AI queries or for building or training proprietary generative AI programs unless explicitly approved in writing by the agency head with consultation from the COT Chief Information Officer. Vendor agrees to provide reasonable written notice of any issue of noncompliance with these requirements.

A list of any disclosures made prior to award of a contract shall be attached to the contract.

The Contractor affirms that it has not violated any of the provisions of the above statutes within the previous five (5) year period, aside from violations explicitly disclosed and attached to this contract. Contractor further affirms that it will (1) communicate the above KRS 45A.485 disclosure requirements to any subcontractors and (2) disclose any subcontractor violations it becomes aware of to the Commonwealth.

EXAMINED AS TO FORM AND LEGALITY

Christopher Thacker
Attorney, Office of the Attorney General

FIRST PARTY: Office of the Attorney General

BY Stacy Woodrum

Executive Director, Office of Management & Budget

DATE June 29, 2026

SECOND PARTY: GBX Holdings LLC

BY Mark Pelyshyn

TITLE: Principal

DATE June 29, 2026

Appendix A
MDL 3047 GROUP OF ATTORNEYS GENERAL

1. The State of California, Office of the Attorney General
2. The Commonwealth of Kentucky, Office of the Attorney General
3. The State of Nebraska, Office of the Attorney General
4. The State of New Jersey, Office of the Attorney General
5. The State of Illinois, Office of the Attorney General
6. The State of Indiana, Office of the Attorney General
7. The State of New York, Office of the Attorney General
8. The State of North Carolina, Office of the Attorney General
9. The State of Washington, Office of the Attorney General
10. The State of Arizona, Office of the Attorney General
11. The State of Colorado, Office of the Attorney General
12. The State of Connecticut, Office of the Attorney General
13. The State of Delaware, Office of the Attorney General
14. The State of Hawaii, Office of the Attorney General
15. The State of Idaho, Office of the Attorney General
16. The State of Kansas, Office of the Attorney General
17. The State of Louisiana, Office of the Attorney General
18. The State of Maine, Office of the Attorney General
19. The State of Maryland, Office of the Attorney General
20. The State of Minnesota, Office of the Attorney General
21. The State of Missouri, Office of the Attorney General
22. The State of Ohio, Office of the Attorney General
23. The State of Oregon, Office of the Attorney General
24. The Commonwealth of Pennsylvania, Office of the Attorney General
25. The State of Rhode Island, Office of the Attorney General
26. The State of South Carolina, Office of the Attorney General
27. The State of South Dakota, Office of the Attorney General
28. The Commonwealth of Virginia, Office of the Attorney General
29. The State of West Virginia, Office of the Attorney General
30. The State of Wisconsin, Office of the Attorney General