



7 EAGLE
GROUP

**ANIMATE
CYBER INC.**

CONTINGENCY SERVICES AGREEMENT

Win the war for top military-trained talent!

- ✓ No risk to start a search -- Placement Fee due only if YOU hire!
- ✓ *It's a smart business decision and a patriotic act to hire our country's heroes.*
- ✓ *Veterans have grit, determination, and "can-do" attitudes -- they get the job done!*



Questions? Jordie Kern - JK@7Eagle.com - 914-469-9875

CONTINGENCY SERVICES AGREEMENT

7 EAGLE GROUP (7EG) & ANIMATE CYBER INC. (ACI)

OPTION #1: CAREER TRANSITION PROGRAM

OVERVIEW

- This Program is an opportunity for transitioning Service Members to gain valuable civilian work experience during their last six months of service and for companies to “test-drive” potential employees.
- The Federal government — not ACI — pays the Service Member’s salary and benefits for up to six months.
- The Service Member works 40 hours/week for ACI (exact duration depends on the Commanding Officer’s approval – some Service Members may only be authorized for less time).
- ACI manages and supervises the Service Member.
- There’s no obligation for ACI to hire the Service Member or for the Service Member to accept a W2 Employment offer at the end of the program – even though that’s the goal for both parties.
- The Department of Defense refers to this Program as a “Skillbridge Internship”
Details: <https://skillbridge.osd.mil/>

7EG RESPONSIBILITIES

- Present candidates who meet ACI’s requirements and are comfortable with the position’s location and salary range should ACI decide to convert the Service Member to a W2 Employee.
- Handle all government reporting and paperwork on ACI’s behalf.
- Regularly check in with the Service Member to make sure he/she is meeting ACI’s expectations.
- Immediately communicate any concerns to ACI’s management.
- Provide free online cyber security and IT courses via third-party providers if ACI would like the Service Member to learn additional skills or certifications.

ACI RESPONSIBILITIES

- Evaluate the Service Member’s performance to determine if it makes sense for ACI to convert him/her to a W2 Employee at the end of the Program.
- After authorizing this Agreement, provide a salary range that the Service Member could expect only if ACI offers a W2 Employee job offer.
- Provide 7EG with a program curriculum..a week by week description of what the Service Member will do during the program.
- Manage the Service Member to ensure he/she receives valuable experience.

- Grant the Service Member an official interview for a W2 position at ACI at the end of the Program; however, there is no obligation for ACI to hire.
- If the Service Member is not offered a full-time position, ACI agrees to provide career guidance, industry introductions, references, etc.
- Provide 7EG feedback regarding the Service Member's performance.

PLACEMENT FEE

- ACI agrees to pay 7EG 18% of the estimated first-year salary ACI states at the start of the search.
- The Placement Fee is based on the salary range average. Example: if ACI's range is \$55,000 to \$65,000, the Placement Fee is \$10,800 (\$60,000 average salary x 18% fee).
- If the Service Member is eventually hired as a W2 Employee for a different salary than the one 7EG based its fee on, 7EG will adjust the Placement Fee.
- If the Service Member works for less than six months (i.e. Commanding Officer only approves four months), yet is still hired as a W2 Employee, the full Placement Fee is due. ACI will know how much time the Service Member has for the Program before the Start Date.
- The Placement Fee covers sourcing candidates, getting approval from the Service Member's Commanding Officer, completing all required DoD paperwork, collaborating with ACI to develop the Program curriculum, monitoring performance, and the W2 Employee conversion fee.

PAYMENT TERMS

- The Fee is paid in equal monthly installments. Example: if the Placement Fee is \$10,800, ACI owes \$1,800 on Day 30, 60, 90, 120, 150, and 180 (\$10,800 divided by 6 installments).

PLACEMENT FEE REDUCTION DUE ACI IF THE SERVICE MEMBER WORKS FOR LESS THAN SIX MONTHS AND DOES NOT CONVERT TO A W2 EMPLOYEE

- The reduction due ACI equals Total Weeks Not Worked x 1/26 of Placement Fee.
- Example: If the Placement Fee is \$10,800, yet the Service Member works 20 weeks – NOT 26 weeks – ACI's Fee drops to \$8,308 – \$10,800 minus \$2,492 reduction (6 weeks x \$415/week).

FEDERAL TAX CREDIT

- ACI should receive a \$5,600 Federal Tax Credit if the Service Member is hired as a W2 Employee.
- Details: www.7Eagle.com/tax-credit
- 7EG has no control over whether ACI receives the tax credit – that is entirely between ACI and the Federal Government.

- 7EG will provide guidance as to which forms must be submitted within 28 days after the W2 Employee starts working.

OPTION #2: DIRECT HIRE PROGRAM

PLACEMENT FEE

- Equal to Year 1 salary multiplied by 18%.
- Example: If a new employee is hired for \$50,000, 7EG's Placement Fee is \$9,000.

PAYMENT TERMS

- The full Fee is due on Day 30.

GUARANTEE

As long as ACI meets 7EG's payment deadline, if the new employee quits/gets fired during the...

- Initial 30 days, ACI owes nothing to 7EG.
- Initial 90 days: ACI receives one free replacement guarantee per hire (does not include layoffs).
- Between 90 and 365 days: ACI receives 50% credit toward any future assignment.
- If none of 7EG's replacement candidates are selected, ACI may apply the replacement to any future position.

FEDERAL TAX CREDIT

- ACI may receive a \$2,400 - \$9,000 Federal Tax Credit if the Service Member is hired as a W2 Employee and meets eligibility criteria.
- Details: <https://www.irs.gov/businesses/small-businesses-self-employed/work-opportunity-tax-credit>
- 7EG has no control over whether ACI receives the tax credit – that is entirely between ACI and the Federal Government.
- 7EG will provide guidance as to which forms must be submitted within 28 days after the W2 Employee starts working.

7EG RESPONSIBILITIES

RECRUIT CANDIDATES

- Confidentially evaluate candidates for the opening(s) at ACI.
- Present a short-list of the best-matched candidates — comfortable with ACI's job requirements, salary range, responsibilities, commute, etc. — with brief Video Introductions, resumes, and Skills Alignment forms.
- Schedule interviews, present job offers, and help negotiate employment packages.
- Never headhunt or poach ACI's current employees for other 7EG clients.

FOCUS ON VETERANS

- 7EG always focuses recruiting efforts on Veterans.
- In the event a qualified Veteran cannot be identified quickly, 7EG will present qualified military spouses and family members and also civilians.

GUIDANCE WITH FEDERAL TAX CREDITS

- 7EG is NOT affiliated with the Federal Tax Credit program and has no control over whether or not ACI will receive a \$2,400 - \$9,600 credit for hiring a particular Veteran.
- Details: www.7Eagle.com/tax-credit.

ACI RESPONSIBILITIES

PARTICIPATE ON PHONE CALLS

ACI's hiring team including the new employee's immediate supervisor will participate on...

- An initial 15-minute Needs Analysis call to allow 7EG's recruiting team to gather all of the necessary qualifications ACI requires in the ideal candidate.
- Weekly 15-minute call to discuss candidates presented and any changes to the search assignment.

PROVIDE TIMELY FEEDBACK

- ACI will provide feedback within two business days on all presented and interviewed candidates.
- If 7EG does not hear back from ACI regarding a particular candidate, 7EG will be unable to keep the candidate engaged and most likely lose him/her to ACI competitors (it's a candidate's market!).

HONOR 7EG-REFERRED CANDIDATES

- ACI owes a Placement Fee for any 7EG-referred candidate hired for any position during the initial 12 months.
- Example: ACI interviews a 7EG-referred candidate today, but does not hire for 11 months, then 7EG's Placement Fee is still due.
- If 7EG presents a candidate currently being actively pursued by ACI, then 7EG is not entitled to a Placement Fee.

CONDUCT BACKGROUND CHECKS

If ACI requires a candidate to undergo any pre-employment required screening, ACI will handle this responsibility.

Terms

To the maximum extent permitted by law, 7EG will defend, indemnify, and hold ACI and its parent, subsidiaries, directors, officers, agents, representatives, and employees harmless from all claims, losses, and liabilities (including reasonable attorneys' fees) to the extent caused by 7EG's breach of this Agreement; its failure to discharge its duties and responsibilities set forth; or the gross negligence, or willful misconduct of 7EG or 7EG officers, employees, or authorized agents in the discharge of those duties and responsibilities.

To the extent permitted by law, ACI will defend, indemnify, and hold 7EG and its parent, sub-idiaries, directors, officers, agents, representatives, and employees harmless from all claims, losses, and liabilities (including reasonable attorneys' fees) to the extent caused by ACI's breach of this Agreement; its failure to discharge its duties and responsibilities set forth; or the negligence, gross negligence, or willful misconduct of ACI or ACI's officers, employees, or authorized agents in the discharge of those duties and responsibilities.

All warranties, conditions, representations, indemnities and guarantees, whether express or implied, arising by law, custom, prior oral or written by 7EG or otherwise (including, but not limited to, any warranty of merchant ability or fitness for particular purpose) are hereby over- ridden, excluded and disclaimed. 7EG makes no assurance as to the results of its services, and 7EG is to be paid for services rendered irrespective of the results of such services.

Neither party shall be liable for or be required to indemnify the other party for any incidental, consequential, exemplary, special, punitive, or lost profit damages that arise in connection with this agreement, regardless of the form of action (whether in contract, tort, negligence, strict liability, or otherwise) and regardless of how characterized, even if such party has been advised of the possibility of such damages.

As a condition precedent to indemnification, the party seeking indemnification will inform the other party within two (2) business days after it receives notice of any claim, loss, liability, or demand for which it seeks indemnification from the other party; and the party seeking indemnification will cooperate in the investigation and defense of any such matter.

ACI accepts that 7EG is not liable for Candidate (and agrees to hold him/her harmless for) any losses arising out of:

Any deception, misrepresentation, fraud or fraudulent statement by the Candidate howsoever made.

Any loss howsoever arising caused by the Candidate acting under employment to ACI including losses due to negligence or gross-misconduct.

Any loss caused by the Candidate failing to take up employment as agreed.

The agreement shall be governed by Massachusetts law. Venue for any civil action related to this Agreement will be in a Court of competent jurisdiction in Massachusetts. The parties to this Agreement hereby consent to personal jurisdiction by said Court and hereby waive their respective rights to a trial by jury.

The non-prevailing party shall pay all the prevailing party's costs, expenses and fees including reasonable attorney's fees and other costs and expenses incurred in connection with the prosecution or defense of such.

Authorization

For:

7 EAGLE GROUP

Jordie Kern
Founder
39 Linden Ridge Road
Amherst, MA. 01002

Signature _____

Date _____

For:

Animate Cyber Inc. (ACI)

Signature _____

Date _____

W9 TAX FORM: www.7Eagle.com/w9