

## SMARTSECURE SUBSCRIPTION AGREEMENT and Services Overview

### The SmartSecure SUBSCRIPTION AGREEMENT GOVERNS YOUR ACQUISITION AND USE OF OUR SERVICES

READ CAREFULLY THE FOLLOWING SUBSCRIPTION AGREEMENT THAT, TOGETHER WITH ANY DOCUMENTS EXPRESSLY INCORPORATED BY REFERENCE (TOGETHER, THE "AGREEMENT"), PREFERRED THIS AGREEMENT IS A LEGALLY BINDING CONTRACT BETWEEN THE ENTITY ACCEPTING IT AND PREFERRED. YOU MUST ACCEPT THIS AGREEMENT PRIOR TO BEING GRANTED ACCESS TO THE SERVICES. THIS AGREEMENT GOVERNS YOUR INITIAL SUBSCRIPTION AS WELL AS ANY FUTURE SUBSCRIPTIONS BY YOU THAT REFERENCE THIS AGREEMENT.

YOU ACCEPT THIS SUBSCRIPTION AGREEMENT BY EXECUTING AN ORDER FORM THAT REFERENCES THIS AGREEMENT, YOU REPRESENT AND WARRANT THAT (A) YOU HAVE READ, UNDERSTAND AND AGREE TO BE BOUND BY THE TERMS AND CONDITIONS OF THIS AGREEMENT AND (B) YOU HAVE THE RIGHT, POWER AND AUTHORITY TO ENTER INTO THIS AGREEMENT ON BEHALF OF THE CORPORATION, ORGANIZATION OR OTHER LEGAL ENTITY THAT YOU REPRESENT AND BIND THEM TO ITS TERMS.

DO NOT ACCEPT THIS AGREEMENT IF YOU ARE UNWILLING OR UNABLE TO BE BOUND BY THIS AGREEMENT.

#### 1. Definitions

- a. "Agreement" means this subscription agreement.
- b. "Service Level Agreement" ("SLA") means the description of our services and any deliverables or measures of performance as set forth in the Services Overview.
- c. "We", "Us", "Our" means Preferred Communication Systems, Inc ("Preferred")
- d. "You", "Your", "Client" means the company or other legal entity for which you are accepting this Agreement and any affiliates of that company or entity.
- e. "Order Form" means an ordering document specifying the Services to be provided hereunder that is entered into between You and Us or any of our affiliates, including any addenda and supplements thereto.
- f. "Services" means the products and services that are ordered by You under an Order Form, including any documentation.
- g. "Point of Contact" (POC) or "Client Administrator" - means an individual that is authorized to use the Service.
- h. "Client Data" means electronic data and information provided by you or collected from you as part of the Service.

**2. Services Provided and Equipment.** A description of services provided by Preferred is provided in the Services Overview section of this Agreement. Preferred may install or ship to the client certain equipment that is necessary to provide the Services (the "**Equipment**"). You are responsible to install the Equipment at the location(s) specified by Preferred. The Equipment is a part of the Service and loaned to you by Preferred, not sold. You acknowledge that should you attempt to install or use the Equipment at a location other than Your Premises, the Services may fail to function or may function improperly. You are directly responsible for loss, repair, replacement and other costs, damages, fees and charges if you do not return the Equipment to Preferred in an undamaged condition.

**3. Registration.** Prior to using the Services, you must identify the Primary and Secondary administrative users for your account ("**Client Administrator**"). These named individuals will receive reports, escalation remediation requests and authorizations, as well as have the authority to make requests of Preferred's security team for security issues, reports or incidents.

**4. Reservation of Rights and Ownership.** You acknowledge and agree that (a) the Services, any Software and Documentation provided by Preferred are protected by United States and international copyright, trademark, patent, trade secret and other intellectual property or proprietary rights laws, (b) Preferred retains all right, title and interest (including, without limitation, all patent, copyright, trade secret and other intellectual property rights) in and to the Services, the Software, any Documentation, any other deliverables, any and all related and underlying technology and any derivative works or modifications of any of the foregoing. (c) there are no implied licenses and any rights not expressly granted to you hereunder are reserved by Preferred, (d) the Software and access to the Services are licensed on a subscription basis, not sold, and you acquire no ownership or other interest (other than the license rights expressly stated herein) in or to the Services, any Software and Documentation and (e) the Services are offered as an on-line, hosted solution, and that you have no right to obtain a copy of the Services.

#### 5. Restrictions, Responsibilities, Prohibited Use and Client Data.

- (a) **Restrictions.** You agree not to, directly or indirectly: (i) modify, translate, copy or create derivative works based on the Service or any element of the Software, (ii) interfere with or disrupt the integrity or performance of the Services or the data contained therein or block or disrupt any use or enjoyment of the Services by any third party, (iii) attempt to gain unauthorized access to the Services or their related systems or networks or (iv) remove or obscure any proprietary or other notice contained in the Services, including on any reports or data printed from the Services.

- (b) **Responsibilities of Preferred.** Preferred shall provide the SmartSecure CyberSOC Managed Services as further described in the Service Level Agreement (SLA). The Services provided under this Agreement shall include (a) any software, plug-ins or extensions related to the Services or upon which the Services are based including any and all updates, upgrades, bug fixes, dot releases, version upgrades or any similar changes that may be made available from time to time (the “**Software**”), (b) the technical documentation for the Service as updated from time to time (“**Documentation**”), (c) regular maintenance, and (d) other technology, user interfaces, know-how and other trade secrets, techniques, designs, inventions, data, images, text, content, APIs, and tools provided in conjunction with the Services.
- (c) **Responsibilities of Client.** You acknowledge and agree that your Administrators will be able to view some traffic and activities that occur on your network and that you are responsible for all activities that occur under your Administrator accounts. Administrators are granted to individual, named persons and cannot be shared or used by more than one Administrator but may be reassigned from time to time to new Administrators replacing former Administrators who have terminated an employment or some other prior relationship with you, changed job status or function, or otherwise no longer require ongoing access to the Services. You shall (i) obtain any licenses and/or consents necessary for Preferred to perform its obligations under this Agreement, (ii) be responsible for ensuring the security and confidentiality of all Administrator data, (iii) prevent unauthorized access to, or use of, the Services, (iv) notify Preferred promptly of any unauthorized use of the Services or any breach, or attempted breach, of security of the Services and (v) not use the Services in a manner that would violate the laws of any country in which the you are located. Preferred shall notify Client promptly of any breach of security of the Services, Administrator accounts, passwords, or Client Data of which it becomes aware.

**Cyber Liability Insurance Coverage / Incident & Breach Remediation** – The client is responsible to maintain adequate cyber liability coverage to protect their business from financial losses due to a security breach or incident. Remediation services for cybersecurity incidents will be tracked and billed separately unless specifically stated in the signed agreement. In the event of a breach of incident, Preferred will provide professional services to remediate such breach and will submit an invoice upon completion for payment.

- (d) **Prohibited Use.** You represent and warrant that you are neither a Prohibited Person nor owned or controlled by a Prohibited Person. “**Prohibited Persons**” shall mean a person or entity appearing on the lists published by the U.S. Department of Commerce, the U.S. Department of State, the U.S. Department of Treasury or any other list that may be published by the U.S. Government, as amended from time to time, that is prohibited from acquiring ownership or control of items under this Agreement, or with which Preferred is prohibited from doing business. You further represent that the Services shall not be used for or in connection with nuclear activities; the development of biological or chemical weapons, missiles, or unmanned aerial vehicles; to support terrorist activities; or in any other way that would violate U.S. export controls or economic sanctions laws. You agree to promptly notify Preferred and terminate your use of the Services if you discover that any of the foregoing conditions apply. Preferred may suspend any use of the Services it reasonably believes may be (or that is alleged to be) in violation of the foregoing.
- (e) **Client Data.** You grant Preferred the right to store, process and retrieve data that you transmit to the SmartSecure CyberSOC in connection with your use of the Services (“**Client Data**”). You warrant that you have the necessary rights to transfer Client Data to the SmartSecure CyberSOC to process the Client Data as contemplated by the Services. You retain all rights to the Client Data transmitted to the Services and such Client Data is protected by Preferred as described in Section 8. Preferred may utilize the information obtained by the Services to (i) maintain and improve the Services, (ii) comply with legal or contractual requirements, (iii) statistically analyze anonymous aggregated information and (iv) otherwise analyze the Services.
6. **Fees and Payment** Pricing for the Services will be provided by a “Quote”. All fees are payable in advance in U.S. Dollars via ACH Payment. If you fail to make undisputed payment(s) due under this Agreement or an applicable Order Form, Preferred shall notify you of such nonpayment. If a payment that is due remains unpaid for ten (10) days after Preferred provides you with notice of such nonpayment, Preferred may cease providing the Services without any liability to Preferred. If you believe that Preferred has billed you incorrectly, you must contact Preferred no later than thirty (30) days after the closing date on the first billing statement in which the error or problem appeared in order to receive an adjustment or credit. Inquiries should be directed to Preferred’s Client support department.
7. **Compliance with Laws.** Both parties represent and warrant that, during the term of this Agreement, the parties will comply with all applicable foreign, federal, state and local statutes, laws, orders, rules, regulations and requirements, including those of any governmental (including any regulatory or quasi-regulatory) agency in connection with your use of the Services.
8. **Confidentiality.** Either party (as a “**Discloser**”) may disclose confidential and proprietary information, orally or in writing (“**Confidential Information**”) to the other party (as a “**Recipient**”). All such information shall be marked with a restrictive legend of the Discloser or, if disclosed orally, it shall be identified as confidential at the time of disclosure and summarized in writing within 30 days in order to be protected hereunder. Notwithstanding the foregoing marking requirements, Preferred acknowledges that Client Data and any data that Preferred collects from you in the course of providing the Services is your Confidential Information and is therefore protected as such under this section. Notwithstanding the marking requirements of this section, you acknowledge that the following constitutes Confidential Information of Preferred: any trade secrets, know-how, inventions (whether or not patentable), techniques, ideas, or processes related to the Services; the Software; the design and architecture of the Services; the computer code, internal documentation, and design and functional specifications of the Services; and any problem reports, analysis and performance information related to the Services. Each party agrees to hold the other party’s Confidential Information in strict confidence, not to disclose such Confidential Information to third parties not authorized by the Discloser to receive such Confidential Information, and not to use such Confidential Information for any purpose except as expressly permitted hereunder. Each party agrees to take commercially reasonable steps to protect the other party’s Confidential Information and to ensure that such Confidential Information is not disclosed, distributed or used in violation of the provisions of this Agreement. The Recipient may disclose Confidential Information only (a) with the Discloser’s prior written consent and (b) to those employees, officers and directors with a clear and well-defined “need to know” purpose who are informed of and bound

by the obligations of this Agreement. Notwithstanding the foregoing, the Recipient may disclose Confidential Information to the extent required by law. However, the Recipient will give the Discloser prompt notice to allow the Discloser a reasonable opportunity to obtain a protective order and such Confidential Information disclosed to the extent required by law shall otherwise remain confidential and subject to the protections and obligations of this Agreement. The Discloser agrees that the foregoing obligations shall not apply with respect to any information that the Recipient can document (i) is rightfully in its possession or known to it prior to receipt from the Discloser, (ii) is or has become public knowledge through no fault of the Recipient, (iii) is rightfully obtained by the Recipient from a third party without breach of any confidentiality obligation or (iv) is independently developed by employees of the Recipient who had no access to Discloser's Confidential Information. Upon expiration or termination of this Agreement for any reason, each party shall promptly return to the other party or destroy all copies of the other party's Confidential Information and copies, notes or other derivative material relating to the Confidential Information.

**9. Suggestions.** You agree that Preferred, in its sole discretion, may use or incorporate into the Services or the Software any suggestions, ideas, enhancement requests, feedback, recommendations or other information provided by you or your Administrators or other personnel relating to the Services or the Software. Any such suggestions shall not be deemed to constitute Confidential Information or to impose any confidentiality obligations on Preferred.

#### **10. Indemnity.**

**(a) Preferred's Indemnity.** Preferred will defend any third party claim or action brought against you to the extent based on the allegation that the Service infringes any intellectual property right (patents, utility models, design rights, copyrights and trademarks or any other intellectual property right) having effect in the United States and Preferred will pay any settlements that Preferred agrees to in a writing signed by an authorized officer of Preferred or final judgments awarded to the third party claimant by a court of competent jurisdiction. The foregoing obligations do not apply with respect to the Service, the Software or portions or components of either (a) not provided by Preferred, (b) combined with other products, processes or materials that are not reasonably contemplated by the Documentation where the alleged infringement relates to such combination or (c) where your use of the Service is not strictly in accordance with this Agreement or the published Documentation

**(b) Your Indemnity.** You agree to defend any claim or action brought against Preferred to the extent based on your alleged breach of Section 8 and you agree to pay any settlements that you agree to in a writing signed by an authorized officer of your company or final judgments awarded to the third-party claimant by a court of competent jurisdiction.

**(c) Procedures.** Each party's indemnification obligations are conditioned on the indemnified party (a) providing the indemnifying party with prompt written notice of any claim, provided that the failure to provide such notice shall only limit the indemnifying party's obligation to indemnify to the extent that the failure prejudices the indemnifying party in its defense of the claim (b) granting the indemnifying party the sole control of the defense or settlement of the claim, and (c) providing reasonable information and assistance to the indemnifying party in the defense or settlement of the claim at the indemnifying party's expense.

**(d) Options.** If your use of the Service has become, or in Preferred's opinion is likely to become, the subject of any claim of infringement, Preferred may at its option and expense (a) procure for you the right to continue using and receiving the Service as set forth hereunder, (b) replace or modify the Service to make it non-infringing, (c) substitute an equivalent for the Services or (d) if Preferred, in its sole discretion, determines that options (a)-(c) are not reasonably practicable, terminate this Agreement and refund any pre-paid unused Fees.

**(e) Sole Remedy.** THIS SECTION STATES PREFERRED'S ENTIRE RESPONSIBILITY AND YOUR SOLE AND EXCLUSIVE REMEDY WITH RESPECT TO INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS.

**11. Warranty and Warranty Disclaimer.** PREFERRED WARRANTS THAT, (I) THE SERVICES SHALL BE PROVIDED IN A DILIGENT, PROFESSIONAL, AND WORKMANLIKE MANNER IN ACCORDANCE WITH INDUSTRY STANDARDS, (II) THE SERVICES PROVIDED UNDER THIS AGREEMENT DO NOT INFRINGE OR MISAPPROPRIATE ANY INTELLECTUAL PROPERTY RIGHTS OF ANY THIRD PARTY, AND (III) THE SERVICES SHALL SUBSTANTIALLY PERFORM IN ALL MATERIAL RESPECTS AS DESCRIBED IN THE SLA. IN THE EVENT OF ANY BREACH OF SECTION 11(III), PREFERRED SHALL, AS ITS SOLE LIABILITY AND YOUR SOLE REMEDY, REPAIR OR REPLACE THE SERVICES THAT ARE SUBJECT TO THE WARRANTY CLAIM AT NO COST TO YOU OR IF PREFERRED IS UNABLE TO REPAIR OR REPLACE, THEN PREFERRED WILL REFUND ANY PRE-PAID FEES FOR SERVICES NOT RENDERED. EXCEPT FOR THE WARRANTY DESCRIBED IN THIS SECTION, THE SERVICES ARE PROVIDED WITHOUT WARRANTY OF ANY KIND, EXPRESS OR IMPLIED INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OR CONDITIONS OF DESIGN, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND ANY WARRANTIES OF TITLE AND NON-INFRINGEMENT. YOU ACKNOWLEDGE THAT THE SERVICES ARE PROVIDED "AS IS" AND FURTHER ACKNOWLEDGE THAT PREFERRED DOES NOT WARRANT THAT (A) THE OPERATION OF THE SERVICES WILL BE UNINTERRUPTED, OR ERROR FREE, (B) THE SERVICES ARE NOT VULNERABLE TO FRAUD OR UNAUTHORIZED USE OR (C) THE FEATURES OR FUNCTIONALITIES OF THE SERVICES WILL BE AVAILABLE AT ANY TIME IN THE FUTURE. YOU ARE RESPONSIBLE AND PREFERRED SHALL HAVE NO RESPONSIBILITY FOR DETERMINING THAT YOUR PROPOSED USE OF THE SERVICES COMPLIES WITH APPLICABLE LAWS IN YOUR JURISDICTION(S).

**12. Limitation of Liability.** FOR ANY CAUSE RELATED TO OR ARISING OUT OF THIS AGREEMENT, WHETHER IN AN ACTION BASED ON A CONTRACT, TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY) OR ANY OTHER LEGAL THEORY, HOWEVER ARISING, PREFERRED WILL IN NO EVENT BE LIABLE TO YOU OR ANY THIRD PARTY FOR (A) DAMAGES BASED ON OR TO THE EXTENT AS A RESULT OF ACCESS, , INTERRUPTION, DELAY OR INABILITY TO USE THE SERVICES, LOST REVENUES OR PROFITS, LOSS OF SERVICES, BUSINESS OR GOODWILL, LOSS OR CORRUPTION OF DATA, LOSS RESULTING FROM SYSTEM FAILURE, MALFUNCTION OR SHUTDOWN, FAILURE TO ACCURATELY TRANSFER, READ OR TRANSMIT

INFORMATION, FAILURE TO UPDATE OR PROVIDE CORRECT INFORMATION, SYSTEM INCOMPATIBILITY OR PROVISION OF INCORRECT COMPATIBILITY INFORMATION OR BREACHES IN SYSTEM SECURITY, UNLESS DUE TO THE GROSS NEGLIGENCE OF PREFERRED AS FOUND BY A COURT OF COMPETENT JURISDICTION OR (B) ANY INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES OR (C) ANY AMOUNTS THAT EXCEED THE TOTAL FEES PAID OR PAYABLE BY YOU FOR THE SERVICES THAT ARE THE SUBJECT OF THE CLAIM DURING THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRIOR TO THE EVENT WHICH GIVES RISE TO SUCH DAMAGES. THESE LIMITATIONS SHALL APPLY WHETHER OR NOT PREFERRED HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY.

- 13. Term and Renewal.** The Term of this subscription is 12 Months from the Effective Acceptance Date. This subscription will automatically renew at the end of the subscription term for an additional 12-month term unless Preferred is given written notice of termination at least 90 days prior to the renewal date. Preferred may elect to modify the terms or fees prior to any renewal period, but it will provide the client with at least ninety (90) days' notice prior to the start of a renewal term. If the client does not agree to the modified terms or fees, the client may terminate the Service and this Agreement at any time prior to the end of the then-current term per a 90-day written notice. If the client does not cancel before the renewal term, then such modified terms and/or fees will be incorporated into this Agreement. The contract value and/or monthly fees under this agreement and any subsequent renewals thereof shall be increased by 8% annually to reflect inflationary costs.
- 14. Termination.** Either party may terminate this Agreement for cause if the other party commits a material breach of this Agreement, provided that such terminating party has given the other party ten (10) days advance notice to try and remediate the breach. If Preferred reasonably determines that the Client is using the service for an illegal purpose and the Client does not cease such use immediately upon written notice, Preferred shall have the right to terminate this agreement. If Preferred, in its reasonable discretion, determines that your use of the Services imposes an unreasonable or disproportionately large load on Preferred's infrastructure. Preferred may, after 10 day notice to Client, temporarily suspend your access to the Service until such activity is rectified or contractual arrangements are made to properly support the increase in volume. If the proposed agreement is not accepted by the client, Preferred can terminate your access to the Services and refund any unused fees that you have prepaid for the Services. Upon termination, you agree to cease all use of the Services and Documentation, installed or otherwise, and destroy all copies of any Software, deliverables and Documentation that are in your possession or under your control and promptly remove and return all Equipment to Preferred. Except as otherwise required by law, upon termination Preferred will remove, delete, or otherwise destroy all copies of Client Data in its possession. Preferred reserves the right to modify the Services or SLA at Preferred's sole discretion and without notice; provided that such changes shall not materially decrease the Service that you have subscribed to during the then current term.
- 15. Non-Solicitation of Employees.** Client acknowledges that Preferred has a substantial investment in its employees that provide Services to the Client under this Agreement and those employees are subject to Preferred's control and supervision. In consideration of this investment, Client agrees not to solicit, hire, employ, retain, or contract with any employee of the other, without first receiving Preferred's written consent.
- 16. Miscellaneous.** Notices to be given or submitted by either party to other pursuant to this Agreement shall be in writing and directed to the address in the preamble to this Agreement or otherwise provided to the other party in writing and shall be deemed to have been given (a) when delivered by hand (with written confirmation of receipt), (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested) or by certified or registered mail, return receipt requested, postage prepaid or (c) on the date sent by facsimile (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next business day if sent after normal business hours of the recipient. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Illinois without giving effect to any choice or conflict of law provision or rule (whether of the State of Illinois or any other jurisdiction) that would cause the application of laws of any jurisdiction other than those of the State of Illinois. Any legal claim, suit, action or proceeding arising out of this Agreement or the matters contemplated hereunder or the breach thereof, whether sounding in contract, tort or otherwise, shall likewise be governed by the internal laws of the State of Illinois without giving effect to any choice or conflict of law provision or rule and shall be instituted exclusively in the federal courts of the United States or the courts of the State of Illinois, Cook County. The parties acknowledge that they are acting as independent contractors and no joint venture, franchise, partnership, agency, or other relationship shall be created or implied by this Agreement. You acknowledge that any materials delivered under this Agreement are subject to U.S. export control laws and may be subject to export or import regulations in other countries. You agree to comply strictly with these laws and regulations, and you acknowledge that you have the responsibility to obtain any licenses to export, re-export, or import as may be required. Neither party may assign or otherwise transfer any of its rights, or delegate or otherwise transfer any of its obligations or performance, under this Agreement without the other party's prior written consent, which shall not be unreasonably withheld; provided, however, that either party may transfer its rights and obligations pursuant to a merger, consolidation or reorganization of its business so long as such acquirer has a greater or equal credit-worthiness compared to the acquired company. Upon receiving your prior written consent, which shall not be unreasonably withheld, Preferred may subcontract any provision of the Services to subcontractors. This Agreement is binding upon and inures to the benefit of the parties hereto and their respective permitted successors and assigns. If any court of competent jurisdiction adjudges any provision of this Agreement to be to be illegal, unenforceable or invalid, that provision shall be limited or eliminated to the minimum extent necessary so that this Agreement shall otherwise remain in full force and effect and enforceable but shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. You acknowledge and agree that there can be no adequate remedy at law for any material breach of this Agreement, which breach will result in irreparable harm to Preferred, and therefore, that upon any such breach or any threat thereof, Preferred is entitled to temporary, preliminary and permanent injunctive relief against you (and, if applicable, your officers or employees) without the requirement of posting a bond or proving actual damages, in addition to whatever remedies Preferred might have at law. This Agreement may only be amended, modified, or supplemented by an agreement in writing by non-preprinted agreements clearly understood by both parties to be an amendment or waiver and signed by each party hereto. No waiver by any party of any of the

provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. Except as otherwise set forth in this Agreement, no failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. This Agreement constitutes the sole and entire agreement between the parties with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, with respect to such subject matter.

#### SmartSecure Services Overview:

Please note: Not all services are included with every SmartSecure Agreement.

Only services reflected on the signed agreement will be included as part of the agreed upon services.

#### SmartSecure Service Level Agreement – Managed Detection and Response (MDR)

SmartSecure CyberSOC is a premium service that is provided 24 x 7 x 365 in part through our partnership with Arctic Wolf Networks and includes detecting breaches, vulnerabilities, misuse, misappropriation, and any threat or exposure to an organizations Network or Information Technology (IT) infrastructure. Specific services provided as part of SmartSecure CyberSOC include collecting data from on premise sensors and logs from Client's systems, analysis of both sensor and log data, correlation of Client data with threat and vulnerability information, analysis of data by Preferred Security Engineers, scanning of internal and external systems, escalation of security events that need attention by the Client, recommendations to improve security robustness, and regular summary reports.

Sensors and software agents are deployed to monitor system traffic. Sensor data is augmented with additional sources of log data as required to deliver the service to the SIEM. Collecting any log format is dependent on the then current support for that log format. Client must provide appropriate security credentials for the data sources collected as part of the service. The data is collected through a secure tunnel into the cloud service where the data is analyzed. The data is kept for 90 days (or longer) as required to perform its services. Client can pay additional fees for storing data longer than 90 days. This data is correlated, analyzed, and examined by our Security Engineers daily.

Cloud services are redundant with back-up services to minimize service interruptions. Hosting providers for the cloud services may experience service interruptions and service outages outside the control of Preferred. If hosting provider issues impact security-monitoring service, Arctic Wolf Networks will promptly notify Preferred or the client about outage and planned recovery time. Automated maintenance and update cycles do not require Client participation. Any replacement or upgrades of sensors are the responsibility of Preferred.

Security Engineers are available 8 AM to 5 PM ("Business Hours") Monday through Friday. Customers can schedule specific activities with their Security Engineer during those hours by contacting Preferred. Ad hoc request response will be as timely as possible given the scope and definition of the request and availability of data and tools.

External vulnerability assessment scans are run monthly if applicable to the services agreed upon. Vulnerability and exploit information is normalized and correlated with other data sources to determine security risk profiles and prioritization. Preferred will deliver an executive / summary security report including event and incident notification activity to Client monthly or quarterly as desired by Client.

Preferred will also provide a monthly or quarterly scheduled security check in call based on the level of service contracted, with the client to review the reports, provide recommendations and discuss upcoming client security initiatives or needs. SmartSecure CyberSOC also includes ad hoc requests for Information to Security Engineers. Ad hoc request response will be as timely as possible given the scope and definition of the request and availability of data and tools.

Incident Response - In the event of a security incident, Preferred will provide the appropriate level response based on the incident reported and the escalation schedules set forth in the cybersecurity playbook setup during the onboarding with our CyberSOC team. After hour incidents will also be handled based on the escalation schedules set forth in the playbook. The remediation of security events, issues arising from a security event, locking down systems remotely and or locking out users, disabling systems or accounts due to an incident, will be provided under this agreement. If there is a security breach where malicious activity, ransomware, or data exfiltration has taken place where a formal Incident Response Plan (IR Plan) and escalation is required, Preferred will notify the client along with a recommended plan of action according to the client's incident response plan. The creation and maintenance of an IR Plan along with ancillary IR services if needed are the client's responsibility. Services required or requested by the client, outside the scope of these service descriptions will be tracked, billed separately and will be due net 30 upon invoice.

Cisco Umbrella – or other DNS clients and tools may be included for some client agreements to provide additional attack surface data and security insights. These licenses are included and owned by Preferred as part of the MR services.

#### Managed Risk (MR) (Only if included in the signed agreement)

Preferred will provide regular scanning of systems that have our scanning agents deployed to discover known vulnerabilities within applications, operating systems, and browsers. These CVE's will be scanned for daily and continuously remediated using our tools, processes, and expertise. Remediation is prioritized based on the risk level of the CVE within the context of the systems that have the vulnerability. Lower priority CVE's will also be remediated but at a lower priority. Monthly or quarterly risk reports will be provided showing the number of CVE's, remediation efforts and any recommendations for the client to consider.

SmartSecure DarkWeb (Only if included in the signed agreement)

Preferred will perform monthly dark web searches on the number of contracted client domains specified within the agreement. The results of the searched will be compiled and presented as part of the monthly and quarterly SmartSecure reports. Dark web searches that result in a potential threat will be reviewed by the Security Engineers to validate the threat and create a recommended remediation action to be taken.

Security Awareness For Employees (SAFE) (Only if included in the signed agreement)

Preferred will provide the configuration, management and reporting for (4) 90-day drip learning campaigns. The campaigns created by Preferred will include the enrollment of each staff person, (1) video based training, spoof phishing emails (typically 2 – 4 per month), recommendations for problem users that are identified during the campaign and 90-day progress reports delivered quarterly. Requests for changes to upcoming campaigns can be discussed with your Preferred representative and implemented on the upcoming campaign to better tailor the training to your environment once approved.