

**HORIZON 3 AI, INC.**  
**Standard Terms of Service as a Subscription**

**“PENETRATION TESTING AS A SERVICE”**  
CONTINUOUS. AUTONOMOUS. SAAS. POWERED BY AI.

**WHAT WE DO.** *We provide continuous, autonomous Pen Test operations to enable Customers to understand whether critical systems and data are protected, what urgent issues must be immediately triaged or remediated, how to prioritize weaknesses and other defensive efforts, whether detection and remediation times are improving, and identify ineffective tools, controls, policies, processes, and training.*

**HOW WE DO IT.** *We identify your cybersecurity weaknesses by safely conducting offensive cyberoperations leveraging automation, machine learning, and artificial intelligence. The customer provides Horizon3 AI initial access for internal assets, which allows us to act as a supply chain threat, insider threat, advanced persistent threat (APT), or a compromised user. With that initial access, we automatically orchestrate the execution of cyber attack tools & techniques. We laterally move through the enterprise, chaining together harvested credentials, software misconfigurations, exploitable vulnerabilities, and dangerous software defaults just like a cyber threat actor. We leverage graph analytics techniques to efficiently and safely maneuver, identifying verified attack paths that could lead to sensitive data exposure or business systems disruption. We also conduct External Penetration Testing on Assets specifically authorized by Customer. For both internal and external penetration testing, we automatically orchestrate the execution of cyber-attack tools and techniques. We inform the Customer of these verified attack paths, prioritized by business impact, so they can remediate the threat vectors.*

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**I. BASIC APPLICABILITY.**

This document (the “Agreement”) contains Terms (“Terms”) for Horizon 3 AI, Inc. Services and Website at <https://www.Horizon3.ai/>. The Terms are binding between Horizon 3 AI, Inc. (“Horizon3.ai”, “we”, “us”, “Company” and “our”) and \_\_\_\_\_ (“Customer”, “you”, “your”, and “yours”). Horizon3.ai Services is subject to these Terms, which remain in effect at all times while Customer uses Horizon3.ai’s Services, Professional Services, or Website; Customer acknowledges that it has read, understood, and agree to comply with these Terms and has authority to agree to these Terms.

## II. HORIZON 3 AI, INC. SERVICES AND RESPONSIBILITIES

Scope Horizon3.ai services include scanning and related analysis for which we use various techniques and software tools. We strive to achieve excellence without negative impacts to Customer systems but can't guarantee we'll identify all security issues and vulnerabilities or correctly measure the overall security posture and quality of Customer IT Systems or that we won't damage systems. Our Services don't include a review to detect criminal activity, nor do we identify, address, or correct errors or defects in Customer's IT Systems. Subscribing to Horizon3.ai's Service does not mean Customer IT Systems are secure from every form of attack.

Commercially Reasonable Efforts We will make commercially reasonable efforts to ensure Services are accessible and functional on a continuous basis, with exception of scheduled maintenance periods, and in accordance with the Service Availability terms set forth below. Services may be inaccessible or inoperable due to equipment malfunctions, unscheduled maintenance or repairs, or causes beyond Horizon3.ai's reasonable control or not reasonably foreseeable, including interruption or failure of telecommunication or digital transmission links, hostile network attacks, network congestion or other failures.

Third-Party Services Features of our Services and Website may allow you to interface or interact with, access, and use compatible third-party services, products, technology, websites, and content. Horizon3.ai is not responsible for compatibility issues, errors, or bugs in our Services and Website or third-party services caused in whole or in part by third-party services or updates or upgrades thereto; Customers are responsible for maintaining third-party services and obtaining licenses and consent necessary for use of third-party Services in connection with the Services.

Service Availability If our Service availability falls below 99.95% in a given month, Customers may apply for a Service Credit within thirty (30) days following the calendar month in which the Service availability fell below the standard. To apply, Customer will provide a detailed description of the incident in a Customer Support case. This is the only remedy for our failure to meet our Service availability standard; credits are not available for amounts that exceed 100% of Customer's monthly Service fee. Once validated, Service Credit will be applied to Customer's next payment period.

<u>Service Availability Standard</u>	<u>Service Credit for the Month for Validated</u>
Incident 99.95% or above	None
99% to 99.94%	10%
95% to 98.99%	25%
Less than 95%	100%

Feedback and License We welcome suggestions, comments, and feedback regarding our Services and Website via email at [info@horizon3.ai](mailto:info@horizon3.ai). You grant to us a non-exclusive, perpetual, irrevocable, royalty-free license to post your company logo on our Website, and to use feedback from our Website or Services which shall be treated as Aggregate Data and therefore not attributed to Customer, for all purposes, including testing, development, maintenance, and Service improvement.

### III. CONTENT OWNERSHIP

Ours We own and reserve all right, title, and interest to our Services and Content, including our intellectual property rights. We also maintain the ability to use and disclose general know-how, experience, concepts, and ideas, including methodologies for discovering and identifying vulnerabilities or weaknesses that we obtain in connection performing our obligations.

Use of our Software and Content. Horizon3.ai hereby grants Customer a limited, nonexclusive, royalty-free, worldwide license to its Content for the sole purpose of using the Subscription-based software and Content and a perpetual, irrevocable license to use any data, reports, analysis or other Content that results from Customer's use of the software. Horizon3.ai represents that Customer's use of our software or Content will not violate the law or cause abreach of any agreement between us and a third party.

Yours You own your User and Customer Content and Materials. You represent that you have all applicable consent and permission for us to collect, store, disclose, process and use any third-party data, including personal data, and that Horizon3.ai's use, collection, storage, disclosure, and processing of third-party data, including personal data in connection with the Services and Website will not infringe any third-Party rights, or violate law, policy, rule or regulation (including privacy and cybersecurity).

Use of Customer Data and Materials Customer grants Horizon3.ai a limited, non-exclusive license to Customer Data and Materials to provide support to Customer under the Agreement. Customer Data and Materials will be segregated from all other Horizon3.ai customers and used solely to manage and improve the Service provided to Customer, in accordance with the limitations in this Agreement. Customer will provide notice and maintain rights for access to collection, processing, storage, disclosure and use of Customer Materials and represents that our use of Customer Materials will not violate the law or cause abreach of any agreement between Customer and a third party.

### IV. CUSTOMER AND INDIVIDUAL USER RESPONSIBILITIES

Backup Customer has responsibility for protection and backup of data and equipment used with its IT Systems and will respond as though a real security penetration has occurred if activity from the Service is detected in the Customer systems, or systems monitoring Customer systems.

Third Parties Customer is responsible for Customer Systems and third-party fees related to use of the Software and website. Each party represents that it has the lawful authorization required for the Services and Website.

Authority Each party warrants that it has the right to enter into this valid and binding Agreement and authorize performance of both internal penetration testing and external penetration testing on assets defined by Customer, and Customer warrants that you have the authority to permit the Service to be performed on the data, software, hardware, networks, and other systems to which Customer grants the Services access in connection with this Agreement. Customer is responsible for accurately defining the scope of the Services for both internal and external testing. Customer authorizes Horizon3.ai employees to conduct testing and provide customer support on behalf of the Customer, at Customer's request and direction, and in accordance with the scope of Service as defined by Customer. Customer's authorization to conduct external pen testament must be in accordance with the Terms and Conditions of applicable third parties.

False Information and Prohibited Uses You agree not to provide misleading information and to take reasonable means to secure your password and credentials and will notify us immediately, whenever

possible, of unauthorized Account use. You agree to use the Services, Website, and assistance of Horizon3.ai employees for lawful purposes only.

Unauthorized Account Use You shall not allow anyone to use your Account or our Services or Website to permit a third party to cause or permit the reverse engineering, disassembly, or any similar manipulation or attempt to discover source codes; bypass, alter, or tamper with security features or create any derivative work of our Services or Website or do anything else that might jeopardize Account security; If you become aware of or reasonably suspect any breach of security, immediately, where possible, notify Horizon3.ai and modify login Information. You shall not allow any third party to: give, sell, rent, lease, timeshare, sublicense, disclose, publish, assign, market, sell, display, transmit, broadcast, transfer or distribute any portion of the Services or Website to anyone; circumvent, disable or otherwise interfere with security-related features of the Website or Services Website or features that prevent or restrict use or copying of any content or that enforce limitations on use of the Service or Website; knowingly copy, modify, translate, patch, improve, alter, change or create any derivative works of the Services software and website or Website; use any means to access or monitor the Services or Website without prior authorization from Horizon3.ai; take action that may impose an unreasonably large load on Horizon3.ai's infrastructure; attempt to interfere with the integrity or proper working of our Service software or Website, or related activities; or use our Service or Website in an unlawful manner or for harmful, irresponsible or inappropriate purpose. You are liable for acts of your employees or anyone on your behalf using the Service or Website that would constitute a breach of these Terms if performed by you.

Exports Customer and Company will comply with all applicable laws, regulations and rules that prohibit or restrict the export of the Services or Customer Content and Materials outside the United States and will ensure completion of any necessary export license or other governmental approval.

## **V. SUBSCRIPTION AGREEMENT**

Term and Renewal The initial subscription term begins on the effective date and will automatically renew at the end of each term for a further term of one (1) year unless either party gives the other written notice of termination at least thirty (30) days written notice prior to the end of the relevant term.

Support Consistent with Para. II, we will use commercially reasonable efforts to ensure Services are available at all times except for planned downtime (with reasonable advance notice to Customer) emergency downtime; and unavailability of Services caused by circumstances beyond our reasonable control. We will use our best efforts to provide reasonable technical support.

Reservation of Rights Title and full, exclusive ownership rights in the Service and the Website and all reproductions, corrections, modifications, enhancements and improvements, and all related patent rights, copyrights, trade secrets, trademarks, service marks, related goodwill, including Horizon3.ai Company Intellectual Property incorporated in the Reports and data related to Website use and Service, (other than any deliverables where the intellectual property was developed in connection with Services to Customer), Customer and User Data and Customer Materials, are exclusive property of Horizon3.ai. Use of the Service or Website does not confer any rights in our technology or intellectual property, other than the limited right of use. Company names and customers mentioned on the Website are trademarks or commercial logos of their owners.

Monitoring/Law Enforcement We have the right to monitor access and use of our Service and Website and to edit, remove or disable access to Content with reasonable notice to Customer. We have the right to investigate violations of the Terms or conduct that affects our Services and to cooperate with law enforcement authorities. So long as we are not prohibited by law, we shall promptly notify you of any

law enforcement inquiry specific to your or your Users' use of our software or Website.

Fees Customer agrees to pay the non-refundable fees in your Order Form for an initial term of Service. At the end of the initial term or prior to renewal, we may change or add fees or charges provided we give you sixty days prior written notice. Except as provided in your Order Form, payment in full shall become due upon completion of the order and once Horizon3 delivers an Invoice by written or electronic notice to the Customer. Payment terms are net thirty (30) days from the date of Invoice unless a longer term is requested and approved on your Order Form. Customer agrees to pay interest at the rate of three percent (3%) per month on any outstanding monthly balance owed to Horizon3 pursuant to the terms of this Invoice. Interest will be charged on any balance posted for more than forty-five (45) days. If a balance remains outstanding for greater than ninety (90) days, Horizon3 will limit access to read-only, and any balances remaining outstanding greater than one-hundred and eighty (180) days, Horizon3 will terminate access to all Services without notice.

Survival Intellectual property, ownership, warranties, confidentiality obligations, liability limitations and any other terms, which by their nature are meant to survive, shall survive any termination or expiration of this Agreement.

Termination Either party may terminate the Agreement or an Order Form for the other party's material breach which is not cured within twenty (20) days. We shall not be liable to you or any third party for terminating Service or Website access so long as we are not a breaching party. Should you terminate for our breach or cancel in accordance with the following terms, we will return any previously paid fees under the Agreement on a pro-rata basis. The point of contact for termination is [billing@Horizon3.ai](mailto:billing@Horizon3.ai).

## **VI. MUTUAL CONFIDENTIALITY**

Except as otherwise provided in these Terms, Horizon3.ai and its Customers are subject to a duty of mutual confidentiality. Confidential information is information that one party provides to the other in connection with this Agreement, orally or in writing, that is designated as confidential or that reasonably should be considered confidential given its nature or the circumstances of disclosure; Confidential Information includes, without limitation, all confidential Customer Data and any other Customer information Horizon3.ai or its representatives receives or obtains through communication with Customer or its representatives, the performance of any Services or via the Website. It doesn't include information that: was, at the date of disclosure, or have subsequently become, (i) generally known or available to the public through no act or failure to act by the receiving party; (ii) was rightfully known by the receiving party prior to receiving such information; (iii) was rightfully acquired from a third party who has the right to disclose such information; (iv) was independently developed by or for the receiving party without use of or reference to any Confidential Information of the disclosing Party; or (v) required to be disclosed pursuant to a valid order by a court or other government entity with jurisdiction, provided that the receiving party provides the disclosing party with prompt written notice of such order in order to permit the disclosing party to challenge such disclosure.

Each party agrees to maintain the confidentiality of Confidential Information received during, or prior to entering into this Agreement using the degree of care that it uses to protect its own Confidential Information but in no event less than reasonable care, that the other party should know or have reason to know is confidential or proprietary based on the circumstances surrounding disclosure, including non-public technical and business information and information obtained as a result of this Agreement.

Agreement details and other Confidential Information may be disclosed confidentially to advisors, attorneys, bona fide potential acquirers, investors or other funding sources for due

diligence or by Customer to a government or regulatory authority with jurisdiction over the Customer or its affiliates or its or their representatives in connection with an examination in the course of such authority's regulatory oversight of Customer or its affiliates.

In the event of a Security Breach, Horizon3.ai will notify Customer without undue delay but no later than twenty-four (24) hours after Horizon3.ai becomes aware of it and will provide Customer with the name and contact information for a representative who shall serve as Customer's primary security contact and shall be available to assist Customer twenty-four (24) hours per day, seven (7) days per week as a contact in resolving obligations associated with the Security Breach.

Upon termination or expiration of this Agreement or any Order Form, the receiving party will return or destroy the disclosing party's Confidential Information in its possession or control, including permanent removal from any storage devices or other hosting environments in receiving party's possession or control, and at the request of the disclosing party, certify in writing that such Confidential Information has been returned, destroyed or deleted, except the receiving party shall not be required to destroy or deliver to the disclosing party Confidential Information to the extent required by law, regulation, rule, legal or judicial process or audit requirements, inquiries by a regulator, examiner or self-regulatory organization, document retention or other internal compliance policy, or automated backup or archiving procedures; provided that all such Confidential Information and related materials will be held subject to the terms of this Section VI.

## **VII. WARRANTY AND DISCLAIMER.**

Our Services and Website and Content are provided on an "AS IS" basis and Horizon3.ai makes no warranties to Customers, whether express or implied, including but not limited to, implied warranties of merchantability, fitness for a particular purpose, and warranties arising out of course of dealing or trade usage. Horizon3.ai does not warrant that our Services (including our Reports) are error-free, bug-free or uninterrupted. Since we don't guarantee that the Services will identify all vulnerabilities and weaknesses in Customer IT Systems, the Services should not replace your independent judgment regarding cyber security practices. Our reports are not legal advice or advice from a Certified Information Systems Security Professional.

To perform our Services, we must probe, test, scan, analyze, infiltrate, and intrude Customer IT Systems hosted in the Cloud or by a third party or within the Customer's IT environment. These intrusions may otherwise constitute a trespass or otherwise violate the law. Since you are consenting to the Services, you are waiving claims against Horizon3.ai for our Services.

We strive to provide Services without adverse effect Customer IT systems. Due to the nature of our Services, Horizon3.ai does not guarantee that Services will not adversely impact Customer IT systems. Except as provided herein, Horizon3.ai disclaims all liability and Customer agrees to hold harmless Horizon3.ai with respect to adverse impacts on Customer IT systems including loss of business, connectivity loss, degradation of bandwidth, system losses and crashes, loss of information or access and collection exposure, or other disclosure of User Content or other data or information, including any personal data. We recommend you determine whether to obtain independent legal or professional advice based upon the findings in our Reports.

## **VIII. LIMITATIONS ON LIABILITY**

Basis of the Bargain Limitations on liability are an essential part of the Agreement and apply if the remedies available hereunder are found to fail their essential purpose. Except for the case of a Security Breach, negligence, fraud or willful misconduct, Horizon3.ai is not liable for damages for

lost profits, revenues, savings, business opportunity, loss of data or goodwill, computer damage or system failure or the cost of substitute services of any kind arising out of or in connection with these Terms or from the use of or inability to use our Services or Content, whether based on warranty, contract, tort, product liability or another legal theory, and whether or not Horizon3.ai or any other party has been informed of the possibility of damage, even if a limited remedy set forth herein has failed. Other than for its or their representatives' breach of the confidentiality provisions in Section VI, indemnification obligations, or with respect to the software's damage to Customer's equipment, network, or systems, in no event will either party's total liability to in connection with this Agreement exceed the fees actually paid by Customer to Horizon3.ai in the twelve-month period preceding the event giving rise to the claim, regardless of the legal or equitable theory on which the claim or liability is based, and whether or not the other party was advised of the possibility of such loss or damage.

Waiver of Rights Either party's failure to enforce any right or provision of the Terms will not be considered a waiver of such right or provision.

Severability If any provision of this Agreement is held invalid, illegal, or unenforceable, the remaining provisions of this Agreement will remain in full force and effect.

Relationship of the Parties The parties are independent contractors; nothing in this Agreement establishes a partnership, joint venture or agency relationship between the Parties. Neither Party has authority to bind the other without the other party's prior written consent.

No Third-Party Beneficiaries This Agreement does not confer rights, benefits, remedies, obligations, or liabilities on any person other than the parties, their successors and assignees.

Force Majeure Neither Party will be responsible for any failure or delay in the performance of its obligations under this Agreement (except for any payment or service credit obligations) due to causes beyond its reasonable control, which may include, without limitation, labor disputes, strikes, lockouts, shortages of or inability to obtain energy, raw materials or supplies, denial of service or other malicious attacks, telecommunications failure or degradation, pandemics, epidemics, public health emergencies, governmental orders and acts (including government-imposed travel restrictions and quarantines), material changes in law, war, terrorism, riot, or acts of God, provided that (i) the delayed party provides reasonable notice of such delay and the cause thereof to the other party and (ii) such delay is remedied by the delayed party as soon as reasonably practical.

## **IX. MUTUAL INDEMNIFICATION**

Horizon3.ai Indemnification Responsibilities We will defend Customer and its representatives against any claim, suit or proceeding brought ("Claims") by a third-party alleging Customer's Use of Company Services, Website, Content or Materials infringe, misappropriate or otherwise violate any third party's Intellectual Property Rights or privacy or other rights; any Claim that the collection, use, provision, processing, transmission, disclosure, display or storage of Company Website or Materials (including personal data included therein) violates any applicable law, policy, rule, regulation, or third-party right, and will indemnify and hold harmless Customer and its representatives against damages and costs awarded against Customer or agreed in settlement with us (including reasonable attorneys' fees) resulting from such claim.

Exclusions Our indemnification obligations stated in the preceding paragraph will not apply if the underlying third-party claim arises solely from or solely as a result of: Customer breach of this Agreement, Customer's gross negligence, willful misconduct or fraud; Customer Materials;

Customer failure to use any enhancements, modifications, or updates to the Services that have reasonably been provided by us; modificationsto the Services by anyone other than Horizon3.ai, its representatives; or combinations of the Services with software, data or materials not provided nor approved by Horizon3.ai.

Customer Indemnification Responsibilities Customer will defend and hold harmless Horizon3.ai and its representatives against Claims arising from any Customer Materials, including: any Claim that the Customer Materials infringe, misappropriate or otherwise violate any third party's Intellectual Property Rights or privacy or other rights; any Claim that the collection, use, provision, processing, transmission, disclosure, display or storage of Customer Materials violates any applicable law, policy, rule, regulation or consumer right; or any Claim arising out of the collection, access, storage, processing, exposure, or disclosure of any Customer Materials (including personal data included therein) as a result of the Services; any of Customer's products or services; any state or federal laws, rules, or regulations; and use of software by Customer in violation of these Terms, and in each case, will indemnify and hold harmless Horizon3.ai against any damages and costs awarded against us or agreed in settlement by Customer (including reasonable attorneys' fees) resulting from such claim.

Exclusions Customer's indemnification obligations stated in the preceding paragraph will not apply if the underlying third-party claim arises solely from or solely as a result of: Company or its representatives breach of this Agreement, Company's or its representatives' gross negligence, willful misconduct or fraud; or Company software, Website Content or Materials.

Indemnification Procedures A party seeking defense and indemnity will promptly (and in any event nolater than thirty days after becoming aware of facts or circumstances that could reasonably give rise toany claim) notify the other party of the claim for which indemnity is being sought (unless failing to provide notice within 30 days would not prejudice the other party) and will reasonably cooperate with the indemnifying party in the defense and/or settlement. The indemnifying party will have the sole right to conduct the defense of any claim for which the indemnifying party is responsible hereunder (*provided* that the indemnifying party may not settle any claim without the indemnified party's prior written approval unless the settlement is for a monetary amount, unconditionally releases the indemnified party from all liability without prejudice, does not require any admission by the indemnified party, and does not place restrictions upon the indemnified party's business, products or services). The indemnified party may participate in the defense or settlement of any such claim at its own expense and with its own choice of counsel or, if the indemnifying party refuses to fulfill its obligation of defense, the indemnified party may defend itself and seek reimbursement from the indemnifying party.

## **X. GENERAL**

Publicly Company shall not use Customer's name, mark, or other likeness without Customer's express written consent and in strict accordance with any requirements provided by Customer.

Insurance Company represents and warrants that it has in place a general liability, excess liability/umbrella coverage and a cyber-liability insurance policy, each with limits of no less than \$2,000,000 per incident and \$5,000,000 in the aggregate. Company shall provide a certificate of insurance to Customer and shall provide thirty (30) days' written notice to Customer in the event of any cancellation or reduction of coverage under such policy.

Information Security At all times during the term of this Agreement, Company shall implement and maintain appropriate administrative, physical, technical, and organizational safeguards and security measures including policies, processes and controls designed to protect against anticipated threats to

the security, confidentiality or integrity of Customer Content, Customer Material and Confidential Information. At least annually, Company shall provide Customer with a copy of its SOC-2 report (or any successor report), within thirty (30) days of its receipt of the report. Company shall also accommodate any reasonable request by a regulator or self-regulatory organization with jurisdiction over Customer or Customer's affiliates to access Company's premises during regular business hours.

Equitable Relief If a party's breach or threatened breach would cause the other party irreparable harm and significant damages for which there may be no adequate remedy under law and that, in the event of such breach or threatened breach, the other party will have the right to seek immediate equitable relief, including a restraining order, an injunction, specific performance and any other relief that may be available from any court with competent jurisdiction under the laws of the State of Delaware, without regard to conflicts provisions and without any requirement to post a bond or other security, or to prove actual damages or that monetary damages are not an adequate remedy.

Governing Law These Terms and any Order Form will be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, excluding conflicts of law principles. Exclusive jurisdiction for any lawsuit in connection with these Terms and any Order Form shall be in the state or federal courts located in Kent County, Delaware.

Dispute Resolution Disputes will be resolved solely by binding, individual arbitration and not in a class, representative or consolidated action. The U.S. Federal Arbitration Act governs enforcement of the Terms, and both parties waive right to a trial by jury or participate in a class action. This arbitration provision shall survive termination of these Terms. As limited exceptions to the Arbitration requirement: any dispute involving the infringement or misappropriation of any party's intellectual property rights or confidentiality obligations may be resolved in court and not through arbitration; we each retain the right to seek injunctive or other equitable relief from a court with jurisdiction, to prevent or enjoin infringement of intellectual property rights or confidentiality obligations. In addition, you retain the right to opt out of arbitration entirely and litigate any dispute if you provide written notice by email to [billing@Horizon3.ai](mailto:billing@Horizon3.ai) within thirty days from the date you first agree to the Terms. Arbitration will be conducted in Kent County, Delaware, by the American Arbitration Association under its Consumer Arbitration Rules, except as modified by these Terms. The AAA Rules are available by calling 1-800-778-7879.

## **XI. COMPLETE AGREEMENT**

These Terms, including the Subscription Agreement, Data Protection Terms and Data Protection Addendum herein, and your Order Form constitute the entire Agreement between Horizon3.ai and you. This Agreement supersedes and replaces all prior oral or written agreements and any clickthrough terms. To the extent that this Agreement is inconsistent with any future clickthrough terms, the terms of this Agreement shall prevail. If any provision of the Agreement is held unenforceable by a court of competent jurisdiction, that provision will be enforced to the maximum extent permissible and other provisions will remain in full force and effect. Other than with respect to its affiliates, neither party may assign or transfer the Agreement without the other party's prior written consent.

## **XII. DEFINITIONS**

Account An identity created for a person or entity on our Website and Services.

Asset List List provided by Customer of systems, infrastructure, and internet or network connected devices or assets not-owned by Customer (including third-party hardware, software

and devices not provided by or on behalf of Horizon3.ai).

Aggregate Data Derived or aggregated data in non-attributable form from Customer, Customer Materials, or Customer's use of Services, including usage data or trends related to our Services.

Customer An eligible legal entity which has a signed agreement or binding purchase order with Horizon3.ai to provide Services. Customers are eligible if legally authorized to contract with us; and not otherwise barred.

Customer Data Personal Data or Non-Personal Data, as defined in our Privacy Policy available at <https://www.horizon3.ai/> and as defined in the attached Data Protection Terms or other information relating to the Customer or Customer's Systems which is collected, processed, accessed, or affected while providing our Service.

Customer Systems Systems, infrastructure, and internet or network connected devices or assets owned or operated by or for Customer (including third-party hardware, software and devices not provided by or on behalf of Horizon3.ai).

Customer Materials Information, content, and other materials, in any form or medium, accessed by the Customer or submitted, posted, collected, transmitted, or provided by or on behalf of Customer in connection with use of our Services, but excluding Aggregate Data and other information, data, data models, content or materials owned or controlled by Company.

Content Data and materials, including reports, analysis, software, or information regarding scans or functionality or activity (which are not part of any deliverables), and visual, audio, numeric, graphical, text or other data displayed or available through the Service software or Website.

Data Protection Terms Enclosure A to this Agreement which outlines Horizon3.ai's Standard Terms and Conditions related to Data Protection. Customer agrees that the Data Protection Agreement is a material part of this Agreement.

Data Processing Addendum Enclosure B to this Agreement which outlines roles and responsibilities to ensure Horizon3.ai and Customer are compliant with applicable privacy and security laws related to Customer Data. Customer agrees that the Data Processing Agreement is a material part of this Agreement.

External Penetration Testing Automated Penetration Testing conducted on external third-party platforms directly reachable from the internet, authorized by Customers on an Asset list.

Horizon3.ai Europe A subsidiary of Horizon3.ai which performs Services for Customer's outside of the United States of America.

Privacy Policy Describes collection, use, and data and information disclosure in connection with Services / Website. We will update it from time to time; it remains incorporated with the Terms.

Professional Services Our services to help Customer's implementation, deploy, onboard or other professional services, if any, as set forth in your Order Form.

Reports Output or results of the Service provided to the Customer or generated by the Customer.

Security Breach Means (i) any act or omission that actually results or is reasonably believed to have resulted in either the security, confidentiality, or integrity of Customer Data or Customer Materials to be compromised by a party who is a not a party to this Agreement, or (ii) a willful or negligent breach of this Agreement relating to such privacy and data security practices. Without limiting the foregoing, a compromise shall include any unauthorized access to or disclosure or acquisition of Customer Data or Materials.

Services Software-As-A-Service, Professional Services and other security services provided pursuant to the Subscription Agreement, such as education services.

Service Credit Percentage of the monthly fees paid for the Service that is provided to Customer as a credit for future renewals or purchases for a validated claim associated with Services related to breach of the applicable Service Level during that month.

Subscription Agreement Software-as-a-Service Agreement to subscribe to the Horizon3.ai Software-as-a-Service, as described in Section III and your order form.

System Availability Percentage of total time during which Services are available to Customer excluding scheduled maintenance or inaccessibility or inoperability due to equipment malfunctions, unscheduled maintenance or repairs, or causes beyond Horizon3.ai’s reasonable control or not reasonably foreseeable, including interruption or failure of telecommunication or digital transmission links, hostile network attacks, network congestion or other failures.

**HORIZON 3 AI, INC.:** \_\_\_\_\_

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: Jessica A. Halling

Name: \_\_\_\_\_

Title: General Counsel

Title: \_\_\_\_\_

Date:

Date:

## ENCLOSURE A - HORIZON3.AI DATA PROTECTION TERMS AND CONDITIONS

**1. DEFINITIONS.** Data Protection Terms shall have the meanings, for purposes of this Agreement either previously defined in the Agreement or defined.

(a) “Authorized Persons” means Horizon3.ai’s authorized processors, internet service providers, cloud storage providers, attorneys and auditors with need to access, use, and process Customer Data to enable Horizon3.ai to perform its business operations and to perform Services under this Agreement, and are bound by confidentiality, use, and security obligations to protect Customer Data pursuant to this Agreement.

(b) “Customer Data” means information provided by Customer to Horizon3.ai for business operations or identified by Horizon3.ai or any of its Authorized Persons, in connection with Horizon3.ai’s performance of its Services pursuant to this Agreement, that is accessible, received, transmitted, processed or stored on computers, electronic media, or cloud sites, remotely or locally, by Horizon3.ai or any of its Authorized Persons, and any information derived from such information. Customer Data includes: (a) information on paper or other non-electronic media provided to Horizon3.ai for computer processing or storage, or information formerly on electronic media; (b) information provided by Customer or other third parties on Customer’s behalf; (c) Confidential Information as defined in the Agreement; and (d) Personal Data, as defined below. Except for Customer Data required for the conduct business operations, Horizon3.ai does not as a practice collect, store, or process Customer Data except that which is identified during autonomous Pen Test operations when vulnerabilities in Customer’s critical systems expose Customer Data to Horizon3.ai during the course of Services.

(c) “Personal Data” means any information relating to an identified or identifiable natural person (“Data Subject”); an identifiable natural person is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person.

(d) “Security Breach” means any Event, act or omission that may reasonably compromise or materially compromises either the security, confidentiality, or integrity of Customer Data or the physical, technical, administrative or organizational safeguards put in place by Horizon3.ai that relate to the protection of the security, confidentiality, privacy or integrity of Customer Data or a breach or alleged breach of this Agreement relating to such data protection or privacy practices.

### **2. PROTECTION OF PERSONAL DATA**

(a) Horizon3.ai acknowledges and agrees that in the course of providing the Services, Horizon3.ai and its Authorized Users may access Customer Data. Horizon3.ai and its Authorized Users shall comply with this Agreement in its collection, receipt, transmission, processing, storage, disposal, use and disclosure of Customer Data and be responsible for the unauthorized collection, receipt, transmission, access, processing, storage, disposal, use and disclosure of Customer Data under its control or in its possession. In addition to complying with the Data Protection Terms, Horizon3.ai will also comply with the terms of the Data Protection Addendum (“DPA”) attached to the Agreement in the collection, receipt, transmission, processing, storage, disposal, use and disclosure of Personal Data.

(b) Customer Data is Confidential Information of Customer and is not Confidential Information of Horizon3.ai.

(c) Horizon3.ai agrees to:

- (i) keep and maintain all Customer Data in strict confidence, using such degree of care as is appropriate to avoid unauthorized access, use, or disclosure;
- (ii) use and disclose Customer Data solely and exclusively for the purposes for which the

Customer Data, or access to it, is provided pursuant to the terms and conditions of this Agreement, and not use, sell, rent, transfer, distribute, or otherwise disclose or make available Customer Data for Horizon3.ai's own purposes or for the benefit of anyone other than Customer, in each case, without Customer's prior written consent;

(iii) limit the collection, processing, use, storage and disclosure of Customer Data to that which is reasonably necessary to perform Horizon3.ai's obligations under the Agreement and to fulfill all applicable legal requirements; and

(iv) not, directly or indirectly, disclose Customer Data to any person other than to Authorized Persons without express written consent, unless and to the extent required by a lawfully issued Court Order or as otherwise required by applicable law, in which case Horizon3.ai shall notify Customer before such disclosure or as soon thereafter as reasonably possible.

### **3. DATA SECURITY COMPLIANCE**

(a) Horizon3.ai will ensure that any receipt, collection, access, use, processing, transmission, storage, disposal, and disclosure of Customer Data complies with all applicable international, federal, and state privacy and data protection laws, as well as all other applicable regulations and directives. Customer hereby authorizes Horizon3.ai to process Personal Data in accordance with this Agreement and as otherwise needed to fulfill Horizon3.ai's obligations to Customer. Customer warrants that the processing contemplated herein complies with applicable laws. In the event, that either Party becomes aware of any changes to applicable data protection laws, it shall promptly notify the other Party so that this Agreement can be amended to reflect the new requirements. Customer understands and agrees that Horizon3.ai has no obligation under this Agreement to process data in a way that does not comply with applicable data protection laws and, Horizon3.ai will take commercially reasonable steps to comply with such laws.

(b) Horizon3.ai has administrative, physical, and technical safeguards to protect Customer Data that are no less rigorous than accepted industry practices, and will ensure that all such safeguards, including the manner in which Customer Data is collected, accessed, used, stored, processed, disposed of and disclosed, comply with applicable international and United States federal and state data protection and privacy laws, as well as with this Agreement.

(c) Horizon3.ai's safeguards to protect Customer Data include commercially reasonable measures to:

(i) limit access of Customer Data to Authorized Persons who need the data to provide the Services;

(ii) ensure the physical security of and limited, secure access to business facilities, data centers, paper files, servers, back-up systems and computing equipment, including, but not limited to, all mobile devices and other equipment with information storage, receipt or transmission capabilities;

(iii) implement network, device application, database and platform security;

(iv) secure information transmission, storage and disposal;

(v) implement authentication and access controls within media, applications, operating systems and equipment;

(vi) encrypt Customer Data at any time it is stored anywhere other than on Customer servers;

(vii) encrypt Customer Data transmitted and received via the Internet, through wireless networks and through any system or network outside of Customer Data systems or networks;

(viii) pseudonymize Personal Data in as many stages of data processing as possible, so that if components of Personal Data are inadvertently lost or disclosed or otherwise breached, the Personal Data components cannot be identified or linked to a particular human being without a separately stored and/or transmitted code for the pseudonymized data component;

(ix) employ and regularly update anti-virus and anti-malware software for devices that store, receive or transmit Customer Data;

- (x) implement appropriate personnel security and integrity procedures and practices;
- (xi) provide appropriate privacy and information security training to Horizon3.ai's employees; and
- (xii) ensure that each of Horizon3.ai's Authorized Persons that may participate in the collection, access, use, storage, disposal and disclosure of Customer Data utilize, at a minimum, the same safeguards for the Protection of Customer Data described herein.

#### **4. COOPERATION WITH INDIVIDUAL RIGHTS AND REQUESTS**

Horizon3.ai shall provide all reasonable and timely assistance to enable Customer Data to respond to: (i) any request from an individual to exercise any of their rights related to their Personal Data under applicable international and United States federal and state data protection and privacy laws; and (ii) any other correspondence received from a government agency or regulator in connection with the processing of the Personal Data. In any case where, upon Customer's receipt of an authenticated person's request to access, amend or correct Personal Data stored or accessible by Horizon3.ai, Customer instructs Horizon3.ai to access, amend or correct Personal Data, Horizon3.ai shall promptly comply with Customer's request and keep a detailed record of such transaction. Horizon3.ai represents and warrants to Customer that it has the capability to permanently delete Personal Data in a timely manner upon receipt of a Customer request to do so, and that, if any such deletion is required by Customer, Horizon3.ai will fulfill the request and maintain the minimum records necessary to establish that such deletion has taken place for specified persons.

#### **5. SECURITY BREACH PROCEDURES**

- (a) In the event of a security breach, Horizon3.ai agrees to:
  - (i) provide Customer with contact info for an Horizon3.ai employee who is Customer's primary security contact to assist Customer in resolving obligations associated with a Security Breach;
  - (ii) notify Customer of a Security Breach as soon as practicable, but no later than twenty-four (24) hours after Horizon3.ai becomes aware of it; and
- (b) Immediately following Horizon3.ai's notification to Customer of a Security Breach, the parties shall coordinate with each other to investigate the Security Breach. Horizon3.ai agrees to:
  - (i) assist Customer with an investigation;
  - (ii) provide Customer with secure access to affected information; and
  - (iii) make available relevant records, logs, data reporting and other materials required to comply with applicable law.
- (c) Horizon3.ai agrees that, unless required by applicable law or regulation, it shall not inform any third party of any Security Breach without obtaining Customer's prior written consent.

#### **6. DATA PROTECTION IMPACT ASSESSMENTS AND AUDIT REPORTS**

Horizon3.ai will provide Customer with reasonable and timely assistance with any data protection impact assessments and, where necessary, in consultation with data protection authorities where required under applicable data protection laws. At its own expense and with reasonable notification time, Customer shall have the right to audit, no more than once per calendar year, Horizon3.ai's compliance with the Data Protection Terms and Horizon3.ai shall reasonably cooperate in any such audit and provide all data and information requested by Customer that is relevant to the audit. All such information provided by Horizon3.ai to Customer shall be deemed "Confidential Information" of Horizon3.ai and handled in accordance with the terms of the Agreement that govern Confidential Information.

## 7. DELETION OR RETURN OF DATA

Upon termination or expiration of the Agreement, Horizon3.ai shall, at Customer's election, delete or return all data related to the performance of the Services, including all Personal Data and Customer Data (including all copies and backups) in its possession or control. This requirement shall not apply to the extent that Horizon3.ai is required by applicable law to retain some or all of the data, in which event Horizon3.ai shall isolate and protect the data from any further processing except to the extent required by such law.

## ENCLOSURE B - HORIZON3.AI DATA PROCESSING AGREEMENT

These Data Processing Agreement ("DPA" is entered into by and between Customer and Horizon3.ai ("Horizon3.ai") (collectively, the "Parties") and is supplemental to the Standard Terms of Subscription as a Service Agreement and Data Protection Terms and Conditions entered into between the Parties which governs the provision of the Services by Horizon3.ai to Customer (the "Agreement"). To the extent of any conflict between the terms of the Agreement and the terms of this DPA shall control in relation to the subject matter of this Enclosure B.

### 1. DEFINITIONS

#### 1.1. Definitions:

- (a) "**Applicable Data Protection Law**" means all international, federal, national, and state privacy and data protection laws that apply to processing of Personal Data pursuant to the Agreement (including, where applicable, EU Data Protection Law as defined below).
- (b) "**Controller**" means Customer or the entity that determines the purposes and means of the processing of Personal Data;
- (c) "**Data Subject**" means a natural person whose Personal Data is processed in the context of this DPA and whose rights are protected by Applicable Data Protection Law.
- (d) "**Data Subject Rights**" means those rights identified in the GDPR and granted to Data Subjects.
- (e) "**EU Data Protection Law**" means the EU General Data Protection Regulation ("**GDPR**") and the laws implementing GDPR, as amended from time to time, and the GDPR as adopted by the United Kingdom.
- (f) "**Personal Data**" means any information which is provided by Customer to Horizon3.ai and Processed by Horizon3.ai as part of its business operations or found during execution of its Services and which either (i) is subject to EU Data Protection Law and defined as "personal data" under EU Data Protection Law; or (ii) relates to an identified or identifiable natural person; an identifiable natural person is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person.
- (g) "**Personal Data Breach**" means security breach leading to the accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to, Personal Data transmitted, stored or processed.
- (h) "**Processing**" shall have the meaning given in the GDPR.
- (i) "**Processor**" means an entity that processes Personal Data on behalf of the Controller.
- (j) "**Sub-Processor**" means an entity engaged by the Processor or any further sub-contractor to process Personal Data on behalf of and under the instructions of the Controller.

### 2. DATA PROTECTION

- 2.1. Relationship of the parties: As between the parties and for the purposes of this DPA, Customer is the Controller of Personal Data subject of the Agreement (the "**Data**") and appoints Horizon3.ai as a Processor to process Personal Data it receives during business operations and that it may encounter during Services. Customer shall comply with Applicable Data Protection Law, including providing notice to Data Subjects. Horizon3.ai shall comply with Applicable Data Protection Law.
- 2.2. Purpose and Processing limitation: Horizon3.ai shall process Data only as necessary to perform the Services for Customer under the Agreement and comply with Applicable Data Protection Law. Horizon3.ai will not process the Data for its own purposes or those of any third party. Customer agrees that it discloses

Personal Data subject to Applicable Data Protection Law to Horizon3.ai solely for a valid business purpose to perform the Services in the Agreement and this DPA. Horizon3.ai will not: (i) sell the Personal Data; (ii) retain, use, or disclose Personal Data for a commercial purpose other than providing the Services; or (iii) retain, use, or disclose Personal Data outside of the Agreement.

- 2.3. International transfers of Data: Horizon3.ai Europe, a subsidiary of Horizon3.ai is located in Frankfurt Germany and executes Services and processes data in Germany, and Horizon3.ai is located in the United States and Processes Data in the United States. Horizon3.ai will at all times act in accordance with the requirements of Applicable Data Protection Laws. To perform our Services, Customer consents to autonomous penetration testing services which may result in access or transfer of Personal Data to Horizon3.ai in the United States, which may be a country other than the country in which the Data was originally collected. Customer authorizes such cross-border Personal Data transfers and confirms and warrants that it will comply with any requirements under EU Data Protection Law with regard to such Personal Data transfers. For such cross-border Personal Data transfers, Horizon3.ai and Customer agree to be bound by the standard contractual clauses for Processors in GDPR and other international, federal, national or state law and regulations, as applicable to Horizon3.ai, Horizon3.ai Europe, and Customer.
- 2.4. Confidentiality of processing: Horizon3.ai shall ensure that any person that it authorizes to process the Data (including staff, agents and subcontractors) are subject to a duty of confidentiality (whether a contractual duty or a statutory duty), and shall not permit any person to process the Data who is not under such a duty of confidentiality.
- 2.5. Security: Horizon3.ai has implemented appropriate technical and organizational measures intended to protect Data from (i) accidental or unlawful destruction, and (ii) loss, alteration, unauthorized disclosure of, or access to Data. At a minimum, such measures shall include the security measures identified in the Data Protection Terms in the Standard Terms of Subscription as a Service Agreement of the Parties.
- 2.6. Cooperation and Data Subject Rights: Horizon3.ai agrees to provide all reasonable and timely assistance to enable Customer to respond to: (i) a request from an individual to exercise rights under Applicable Data Protection Laws; and (ii) other correspondence received from a legal authority in connection with Data processing. Horizon3.ai won't delete Personal Data upon the request of a legal authority without written authorization from Customer. Horizon3.ai has capability to permanently delete Personal Data in a timely manner upon request, and that, if deletion is required by Customer, Horizon3.ai will fulfil the request and maintain the minimum records necessary to establish that such deletion has taken place.
- 2.7. Data Protection Impact Assessment: Horizon3.ai, upon Customer request, will provide reasonable and timely assistance as required by GDPR with any data protection impact assessments and, where necessary, consultations with data protection authorities.
- 2.8. Personal Data Breach: Upon becoming aware of a Personal Data Breach of any Data, Horizon3.ai will inform and cooperate with Customer to fulfil its data breach reporting obligations under Applicable Data Protection Law within twenty-four (24) hours after discovery of a Personal Data Breach. Horizon3.ai will take measures to remedy and mitigate the effects of the Personal Data Breach and will keep Customer developments related to the Personal Data Breach. Horizon3.ai won't notify third parties of a Personal Data Breach affecting the Data unless and to the extent that: (a) Customer has agreed to the notification, and/or (b) Horizon3.ai notification is required Applicable Data Protection Laws.
- 2.9. Deletion or return of Data: Upon termination or expiration of the Agreement, Horizon3.ai will delete or return all Data, including copies, in its possession or control. This requirement won't apply to the extent that Horizon3.ai is required by Applicable Data Protection Laws to retain some or all of the Data, in which event Horizon3.ai will protect the Data from any further processing except as required by law.
- 2.10. Audit: Horizon3.ai uses an external auditor to verify the adequacy of its security measures and controls for Services. The audit is conducted annually by an independent third-party in accordance with AICPA SOC2 standards and results in the generation of a SOC2 report ("Audit Report"). Upon written request, Horizon3.ai will provide Customer with the Audit Report subject to the confidentiality obligations of the Agreement or a non-disclosure agreement covering the Audit Report. Customer shall give Horizon3.ai thirty (30) days prior written notice of its intention to audit, conduct its audit during normal business hours, and take all reasonable measures to prevent unnecessary disruption to Horizon3.ai. The Parties mutually agree in advance on the date, scope, duration, and security and confidentiality controls applicable to an audit. Customer agrees to reimburse Horizon3.ai for actual expenses and costs incurred to allow for and contribute to any audit.

**SIGNED by the parties or their duly authorized representatives:**

**Horizon 3.AI, INC.**

**Customer**

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Signature

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Signature

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Name

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Name

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Title

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Title

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Date

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Date