



SOFTWARE AS A SERVICE (SaaS) SUBSCRIPTION AGREEMENT

This Software as a Service (SaaS) Subscription Agreement is a binding agreement made between Telos® Corporation ("Telos") and you, the Licensee ("You", "Your", "Licensee" or "Customer"), and governs Your use, under license, of certain Telos software and access to certain Telos services according to the terms and conditions set forth below. All components, or terms and conditions, contained in this Agreement are integral to the Agreement and Licensee consents to all of these terms and conditions. All components of this Agreement collectively are referred to herein as the "Agreement". Licensee acknowledges it has had the opportunity both to review the Agreement and to consult with legal counsel prior to acceptance of this Agreement. By accessing or using the Software and Services, You acknowledge that You have read and understand this Agreement, that You accept all of the terms and conditions contained here in full, and that You agree that the terms and conditions shall be fully and legally binding upon the Parties, without the need for any further indication of acceptance on Your part (such as by signature, click through or other means of electronic acceptance). If You are acting on behalf of a Licensee, You represent that You have full legal authority to bind the Licensee. Telos recommends that Licensee print copies of the Agreement for Licensee's own records and future reference.

If You choose not to agree to all of these terms and conditions, do not access and/or use the Telos Software or Services. Your access and/or use of the Telos Software or Services shall constitute Your acceptance of all of the terms and conditions set forth in this Agreement.

This Agreement is effective immediately upon Your completion of the Product Registration Form ("Effective Date").

1. Definitions

"Affiliate" shall mean any entity that directly or indirectly controls, is controlled by, or is under common control with the entity named above. "Control" for the purposes of this definition, means direct or indirect ownership or control of more than 50% of the voting interests of the entity named above.

"Agreement" shall mean this Software as a Service (SaaS) Subscription Agreement and any exhibits, schedules, addenda and associated Product Registration Forms related hereto or otherwise submitted to Telos in connection with the Software or Services.

"Content Package" shall mean the template to be used for security assessment based on Customer's required or specific standards.

"Customer" shall mean the Licensee under this Agreement which has submitted a Product Registration Form in connection with the Software or Services.

"Customer Data" shall mean electronic data and information submitted by or for Customer for the Services.

"Data Schema" shall mean Telos' representation of relevant inventory information, vulnerability information, threat information, risk weighting factors, and all other data and its structure used by the Software.

"Documentation" shall mean the Xacta 360 Reference Manual; Xacta 360 Installation Guide (on-prem only); Xacta 360: Using XML and Velocity Scripts; RSR updates (on-prem only); Release Notes; Xacta 360 Private SaaS Provisioning (Private SaaS Only); Xacta Marketplace AMI Setup Guide (AMI only – will include upgrade instructions) or any other software or services support documentation supplied by Telos.

"Product Registration Form" shall mean an online order specifying the Software or Services to be provided hereunder that is entered into between Telos and Licensee or otherwise submitted by Licensee to Telos or the WSA Provider, including any addenda and supplements thereto. By submitting or entering into a Product Registration

Form, Customer agrees such Product Registration Form shall be considered part of this Agreement and further agrees to be bound by all the terms and conditions of this Agreement.

“Project” shall mean the security assessment of the Customer-defined system boundary. Each project requires valid access credentials, provided by Telos, that activate and enforce the functionality available in the Services.

“Services” shall mean the services which Telos agrees to provide under this Agreement that are ordered by Customer through an online Product Registration Form, namely access to the Software, any management services and any other services specified in this Agreement or made available online by Telos. Please visit <https://www.telos.com/it-risk-management/xacta/support/> for a complete description of those Services.

“Software” shall mean the Telos proprietary set of instructions that are executed by a machine, including (without limitation), subsequent updates, enhancements, modifications and releases of the same, as well as third party software added to or used in connection with the foregoing; and, all related components, templates, features, enhancements, modifications, data and related files that is used by Telos to perform the Services.

“Telos Materials” shall mean any software, programs, tools, systems, data or other materials made available by Telos to Customer in the course of the performance of the Services, including but not limited to, the Software, Documentation, as well as any information, materials or feedback provided by the Customer to Telos relating to the Software, Documentation, Data Schema and Content Package.

“Web Services Account” or “WSA” shall mean a cloud based account which Licensee maintains at one of the Telos authorized cloud computing platform web hosting service providers which hosts the Telos Software which Licensee accesses and uses under this Agreement.

“WSA Provider” shall mean the entity providing the WSA.

2. SaaS Services and Support

2.1 Subject to the terms of this Agreement, Telos will use commercially reasonable efforts to provide Customer the Services in accordance with the Product Registration Form. As part of the ordering process, Customer will identify an administrative user name and password for Customer’s account.

2.2 Subject to the terms of this Agreement, Telos will provide Customer with reasonable technical support and management services. Please visit <https://www.telos.com/it-risk-management/xacta/support/> for a complete description of those Services.

3. Restrictions and Responsibilities

3.1 Customer will not make any Service or Software available to, or use any Service or Software for the benefit of, anyone other than Customer, unless expressly stated otherwise in a Product Registration Form. Customer will not sell, resell, license, sublicense, distribute, make available, rent or lease any Service or Software, or use the Services or any Software for timesharing or service bureau purposes or otherwise for the benefit of a third party.

3.2 Customer will not directly or indirectly: reverse engineer, decompile, disassemble or otherwise attempt to discover the source code, object code or underlying structure, ideas, know-how or algorithms relevant to the Services or any Telos Materials; modify, translate, or create derivative works based on the Services or any Software (except to the extent expressly permitted by Telos or authorized within the Services); or remove any proprietary notices or labels.

3.3 Customer will not use a Service or Software to store or transmit infringing, libelous, or otherwise unlawful or tortious material, or to store or transmit material in violation of third-party privacy rights.

3.4 This Agreement is subject to and conditioned upon compliance with the U.S. Export Administration Regulations, the International Traffic of Arms Regulations, country specific economic sanctions programs implemented by the Office of Foreign Assets Control, and the applicable regulations thereunder (collectively, the “U.S. Export Laws”). Customer may not remove or export from the United States or allow the export or re-export of the Services, Software or anything

related thereto, or any direct product thereof in violation of any restrictions, laws or regulations of the United States Department of Commerce, the United States Department of Treasury Office of Foreign Assets Control or any other United States or foreign agency or authority. For clarity, the Customer shall be solely responsible for compliance related to the manner in or by which the Customer chooses to use the Services and Software, including the transfer and processing of any content, the provision of Customer's content to end users, and the on-line region in which any of the foregoing occurs.

3.5 Customer represents, covenants, and warrants that Customer will use the Services only in compliance both with Telos' SaaS Acceptable Use Policy (found at <https://www.telos.com/assets/telos-saas-acceptable-use-policy.pdf>) then in effect ("Policy") and with all applicable laws and regulations. Customer hereby agrees to indemnify and hold harmless Telos against any damages, losses, liabilities, settlements and expenses (including, without limitation, costs and attorneys' fees) in connection with any claim or action that arises from an alleged violation of the foregoing or otherwise from Customer's use of the Services. Although Telos has no obligation to monitor Customer's use of the Services, Telos may do so, and Customer hereby authorizes Telos to do so. Telos may prohibit any use of the Services it believes may be (or is alleged to be) in violation of the foregoing.

3.6 Customer shall be responsible for obtaining and maintaining any equipment and ancillary services needed to connect to, access or otherwise use the Services, including without limitation, hardware, software, networking, WSA and the like. Customer shall also be responsible for maintaining the security of Customer's account, passwords and files and for all uses of Customer's account with or without Customer's knowledge or consent, and Customer hereby acknowledges and agrees that Telos shall have no responsibility for such matters.

3.7 Customer owns and accepts all responsibility for any data, information or material that Customer and its users process or submit to the Service in the course of using the Service, including any personally identifiable information (Customer Data). Customer agrees to separately back up all Customer Data. Customer at all times retains ownership of all Customer Data. Customer, and not Telos, shall have sole responsibility for the accuracy, quality, security, integrity, legality, reliability, appropriateness, and intellectual property rights in all Customer Data. Customer is solely responsible for ensuring that any processing of Customer Data by Telos and Customer via the Service is in compliance with all applicable laws. Customer shall provide notices to, and obtain any consents from, third parties as required by applicable law, rule or regulation in connection with Telos' processing of Customer Data via the Service. Customer shall not process or submit to the Service any Customer Data that includes any "protected health information," as defined under the Health Insurance Portability and Accountability Act, or Sensitive Personal Data as defined under the EU Directive 95/46/EC as enacted in the member states of the European Union or any similar or subsequent regulation.

4. Confidentiality and Proprietary Rights

4.1 Each party (the "Receiving Party") understands that the other party (the "Disclosing Party") has or may disclose business, technical or financial information relating to the Disclosing Party's business (hereinafter referred to as "Proprietary Information" of the Disclosing Party). Proprietary Information of Telos includes non-public information regarding features, functionality and performance of the Services. Proprietary Information of Customer includes non-public data provided by Customer to Telos to enable the provision of the Services ("Customer Data"). The Receiving Party agrees: (i) to take reasonable precautions to protect such Proprietary Information, and (ii) not to use (except in performance of the Services or as otherwise permitted herein) or divulge to any third person any such Proprietary Information. Proprietary Information does not include any information after 3 years following disclosure thereof or any information that the Receiving Party can document (a) is or becomes generally available to the public, or (b) was in its possession or known by it prior to receipt from the Disclosing Party, or (c) was rightfully disclosed to it without restriction by a third party, or (d) was independently developed without use of any Proprietary Information of the Disclosing Party, or (e) is required to be disclosed by law.

4.2 Customer acknowledges and agrees that the Telos Materials are and shall at all times be and remain the sole and exclusive property of Telos and Telos' third party licensors, subject only to the ownership rights of such third parties in portions of the Software and the rights granted to Customer in this Agreement. Telos retains all right, title and

interest in and to the Telos Materials. Customer does not and will not be deemed to acquire any right, title or interest therein, except as expressly granted in this Agreement. Further, Customer does not and will not be deemed to acquire any right, title or interest in any patent(s), copyrighted material, or other intellectual property, or proprietary information or data, owned by Telos Corporation and /or any of its subsidiaries or affiliates.

4.3 Telos provides the Services, including related Software and technology, for ultimate federal government end use solely in accordance with the following: Government technical data and software rights related to the Services include only those rights customarily provided to the public as defined in this Agreement. This customary commercial license is provide in accordance with FAR 12.211 and FAR 12.212, and for Department of Defense transactions, DFAR 252.227-7015 and DFAR 227.7202-3.

4.4 Customer shall own all right, title and interest in and to the Customer Data as well as any data that is derived from the Customer Data and provided to Customer as part of the Services.

4.5 Notwithstanding anything to the contrary, Telos shall have the right to collect and analyze data and other information relating to the provision, use and performance of various aspects of the Services and related systems and technologies (including, without limitation, information concerning Customer Data and data derived therefrom), and Telos will be free (during and after the term hereof) to (i) use such information and data to improve and enhance the Services and for other development, diagnostic and corrective purposes in connection with the Services and other Telos offerings, and (ii) disclose such data solely in aggregate or other de-identified form in connection with its business. No rights or licenses are granted except as expressly set forth in this Agreement.

5. Payment of Fees

5.1 Customer and Telos acknowledge and agree that payment of fees or other sums due to Telos in connection with this Agreement will be handled or coordinated by or through the WSA Provider. Customer will pay WSA Provider the then applicable fees described in the Product Registration Form for the Services in accordance with the terms therein ("Fees"). If Customer's use of the Services exceeds the Service capacity selected by the Customer as set forth on the Product Registration Form or otherwise requires the payment of additional fees, Customer shall be notified and will have the opportunity to acknowledge the need for Service capacity to be increased. WSA Provider will bill for such increased usage and Customer agrees to pay the additional fees in the manner provided herein or as otherwise described to Customer. If Customer acknowledgement is not received within 72 hours of notification, Telos shall have the right to suspend Services. Telos reserves the right to change Fees or applicable charges and to institute new charges and Fees at the end of the initial service term or then-current renewal term, upon thirty (30) days prior notice to Customer, and Customer's continued use of Telos' Services shall be deemed acceptance of such changes to the charged Fees or applicable charges. If Customer believes that WSA Provider has billed Customer incorrectly, Customer must contact WSA Provider, as applicable, no later than 60 days after the closing date on the first invoice in which the error or problem appeared, in order to receive an adjustment or credit, and WSA Provider shall not be responsible for any errors in billing not brought to its attention in accordance with this provision. Inquiries should be directed to WSA Provider's customer support department.

5.2 WSA Provider will invoice Customer in accordance with this Agreement, the relevant Product Registration Form, and the Customer's WSA. Fees are due net 30 days from the invoice date. Unpaid amounts are subject to a finance charge of 1.5% per month on any outstanding balance, or the maximum permitted by law, whichever is lower, plus all expenses of collection. Failure of Customer to pay WSA Provider's invoices in accordance with this Agreement shall represent a breach of Customer's obligations under this Agreement and shall entitle Telos to immediately terminate Customer's access to the Services. Customer shall be responsible for all taxes associated with Services other than U.S. taxes based on Telos' net income.

6. Term and Termination

6.1 This Agreement commences on the Effective Date and continues until all Services hereunder have expired or have been terminated.

6.2 The term of this Agreement and each Service shall be as specified in the applicable Product Registration Form. Unless otherwise specified in the Product Registration Form, Services will be for an initial term of one year or two years, as selected by Customer. The Customer will be provided an opportunity on the Product Registration Form to automatically renew the Agreement for additional one year periods and, unless the Customer elects to opt out of such term auto-renewal function, this Agreement and the Services will automatically renew for additional one year periods on each anniversary of the Effective Date. If Customer opts out of the term auto-renewal function, Customer may renew the Service no later than 72 hours prior to the expiration of the initial or any later Service term.

6.3 Either party may also terminate this Agreement upon 30 days written notice if the other party materially breaches any of the terms or conditions of the Agreement and fails to correct the breach within the notice period. Customer will pay in full for the Services up to and including the last day on which the Services are performed.

6.4 Upon any termination and upon Customer request, Telos will make all Customer data available to Customer for electronic retrieval for a period of 30 days, but thereafter Telos may delete or destroy all copies of Customer data in its systems or otherwise in its possession or control.

6.5 The following sections will survive any termination or expiration of this agreement: 3.2, 3.7, 4, 5, 6, 7, 8 and 9.

7. Warranty and Disclaimer

7.1 Telos shall use reasonable efforts consistent with prevailing industry standards to provide and maintain the Services in a manner which minimizes errors and interruptions in the Services and shall perform the Services in a professional and workmanlike manner. Customer acknowledges that the Services may be temporarily unavailable due to scheduled maintenance or for unscheduled emergency maintenance, either by Telos or by third-party providers, or because of other causes beyond Telos' reasonable control. Where reasonably possible, Telos shall use reasonable efforts to provide advance notice in writing or by e-mail of any scheduled service disruption.

7.2 TELOS DOES NOT WARRANT THAT THE SERVICES WILL BE UNINTERRUPTED OR ERROR FREE; NOR DOES TELOS MAKE ANY WARRANTY AS TO THE RESULTS THAT MAY BE OBTAINED FROM USE OF THE SERVICES. THE SERVICES ARE PROVIDED "AS IS" AND TELOS DISCLAIMS ALL WARRANTIES OF ANY TYPE, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT.

8. Limitation of Liability and Limitation on Damages

IN NO EVENT SHALL TELOS, ITS SUPPLIERS, OR THE WSA PROVIDER BE LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES, INCLUDING WITHOUT LIMITATION DAMAGES FOR LOSS OF PROFITS, LOSS OF GOOD WILL, LOSS OF DATA OR USE, OR ANY BUSINESS INTERRUPTION OR DISRUPTION, INCURRED BY EITHER CUSTOMER OR ANY THIRD PARTY, WHETHER IN AN ACTION SOUNDING IN CONTRACT, TORT, WARRANTY, FIDUCIARY DUTY, STATUTORY CLAIM UNDER ANY FEDERAL, STATE, LOCAL LAW OF THE UNITED STATES OF AMERICA OR ANY OTHER JURISDICTION, OR ANY OTHER TYPE OF LEGAL CLAIM, EVEN IF THE OTHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

FURTHER, NEITHER TELOS NOR ANY OF ITS AFFILIATES OR LICENSORS WILL BE RESPONSIBLE FOR ANY COMPENSATION, REIMBURSEMENT, LOSSES, COSTS OR DAMAGES ARISING IN CONNECTION WITH: (A) CUSTOMER'S INABILITY TO USE THE SERVICES, INCLUDING AS A RESULT OF ANY (I) TERMINATION OR SUSPENSION OF THIS AGREEMENT OR CUSTOMER'S USE OF OR ACCESS TO THE SERVICES, (II) TELOS' DISCONTINUATION OF ANY OR ALL ACCESS TO THE SERVICES, OR (III) ANY UNANTICIPATED OR UNSCHEDULED DOWNTIME OF ALL OR A PORTION OF THE ACCESS TO THE SERVICES FOR ANY REASON WHATSOEVER, INCLUDING AS A RESULT OF POWER OUTAGES, SYSTEM FAILURES OR OTHER INTERRUPTIONS; (B) THE COST OF PROCUREMENT OF SUBSTITUTE GOODS OR SERVICES; (C) ANY INVESTMENTS, EXPENDITURES, OR COMMITMENTS BY CUSTOMER TO ANY THIRD PARTIES IN CONNECTION WITH THIS AGREEMENT OR CUSTOMER'S USE OF OR ACCESS TO THE SERVICES; OR (D) ANY UNAUTHORIZED ACCESS TO, ALTERATION OF, OR THE DELETION, DESTRUCTION, DAMAGE, LOSS, DENIAL OF ACCESS, OR FAILURE TO MAINTAIN OR STORE ANY OF CUSTOMER'S CONTENT OR OTHER DATA.

THE AGGREGATE AND CUMULATIVE TOTAL LIABILITY OF TELOS, ITS SUPPLIERS, AND/OR THE WSA PROVIDER FOR DAMAGES, INCLUDING FOR DIRECT DAMAGES, UNDER THIS AGREEMENT SHALL IN NO EVENT EXCEED THE AMOUNT OF FEES PAID BY CUSTOMER UNDER THIS AGREEMENT THAT GAVE RISE TO THE CLAIM DURING THE 12 MONTHS PRECEDING THE CLAIM, AND IF SUCH DAMAGES RELATE TO PARTICULAR SERVICES, SUCH LIABILITY SHALL BE LIMITED TO FEES PAID FOR THE SERVICES GIVING RISE OR RELATED TO THE ALLEGED LIABILITY AND DAMAGES UNDER THIS AGREEMENT DURING THE 12 MONTHS PRECEDING THE CLAIM.

LICENSEE ACKNOWLEDGES THAT THE FEES APPLICABLE FOR THE SERVICES REFLECT THE ALLOCATION OF RISK SET FORTH IN THIS AGREEMENT AND THAT TELOS WOULD NOT HAVE ENTERED INTO THIS AGREEMENT WITHOUT THE DISCLAIMERS OF WARRANTY AND LIMITATIONS OF BOTH LIABILITY AND DAMAGES SET FORTH IN THIS AGREEMENT (INCLUDING THOSE SET FORTH ABOVE IN THIS SECTION 8 AND IN SECTION 9.2 BELOW).

9. Miscellaneous

9.1 This Agreement and the associated Product Registration Forms shall not be assignable by Customer without the prior, written consent of Telos. Any assignment or transfer by Customer in violation of this Section will be void. This Agreement may be assigned or transferred by Telos.

9.2 No Liability for Certain Delays or Failures of Performance. Telos and its affiliates will not be liable for any delay or failure to perform any obligation under this Agreement where the delay or failure results from any cause beyond its reasonable control, including acts of God, labor disputes or other industrial disturbances, systemic electrical, telecommunications, or other utility failures, earthquake, storms, floods, or other elements of nature, blockages, embargoes, riots, cyber attacks (including without limitation distributed denial of service attacks, malware, ransomware, and any other cyber events), acts or orders of government, acts of terrorism, or war.

9.3 If any term or provision of this Agreement shall be determined by a court of competent jurisdiction to be invalid, the remaining terms and provisions shall remain in effect.

9.4 Telos may modify this Agreement at any time by posting a revised version on its website and/or the WSA Provider's website or by otherwise notifying the Customer in accordance with Section 9.5. The modified terms will become effective upon posting or, if Telos notifies the Customer by email, as stated in the email message. By continuing to use the Services after the effective date of any modifications to this Agreement, Customer agrees to be bound by the modified terms. It is the Customer's responsibility to check the referenced websites regularly for modifications to this Agreement. The current Agreement and Product Registration Form, with priority being given to the Product Registration Form, shall prevail over any additional, conflicting, or inconsistent terms and conditions which may appear on any purchase order or other document furnished by Customer to Telos.

9.5 Any notice, report or statement required to be given or made hereunder shall be considered properly given if sent by email, or registered or certified mail, return receipt requested, postage-paid to the respective address of each party as either of the parties shall have last furnished in writing to the other.

9.6 Customer will not, without Telos' express prior written permission, use any trade name, trademark or other identification (or any abbreviation, contraction or simulation thereof) owned or used by Telos in any advertising, publicity, or marketing.

9.7 This Agreement shall be construed in accordance with the laws of the Commonwealth of Virginia without reference to conflict of law rules. The United Nations Convention for the International Sale of Goods does not apply to this Agreement.

9.8 Binding Arbitration, Waiver of Right of Jury Trial, and Waiver of Rights of Class, Consolidated or Representative Actions. Any dispute or claim relating in any way to the Customer's use of the Services will be resolved by binding arbitration, rather than in court, except that Customer may assert claims in small claims court if the claims qualify. The Federal Arbitration Act and federal arbitration law apply to this Agreement. There is no judge or jury in arbitration, and court review of an arbitration award is limited. However, an arbitrator can award on an individual basis

the same damages and relief as a court (including injunctive and declaratory relief or statutory damages), and must follow the terms of this Agreement as a court would. To begin an arbitration proceeding, Customer must send a letter requesting arbitration with a description of the claim to the Telos registered agent: InCorp Services, Inc., 7288 Hanover Green Drive, Mechanicsville, VA. The arbitration will be conducted by the American Arbitration Association (AAA) under its rules, which are available at www.adr.org or by calling 1-800-778-7879, or such alternative arbitration rules to which the parties may agree. Payment of filing, administration and arbitrator fees will be governed by the AAA's rules or as the parties may agree. Telos will reimburse those fees for claims totaling less than \$10,000 unless the arbitrator determines the claims are frivolous. Telos will not seek attorneys' fees and costs in arbitration unless the arbitrator determines the claims are frivolous. The parties may agree to have the arbitration conducted by telephone, based on written submissions, or at a mutually agreed location. The parties agree that any dispute resolution proceedings will be conducted only on an individual basis and not in a class, consolidated or representative action. If for any reason a claim proceeds in court rather than in arbitration, the parties hereby waive any right to a jury trial and Customer hereby acknowledges that this waiver constitutes a relinquishment of an important right and that such waiver is provided freely, knowingly and voluntarily. Subject to Section 4, the parties agree that either may bring suit in court to enjoin infringement or other misuse of intellectual property rights.

9.9 This Agreement and any exhibits, attachments or other documents related thereto (including any related Product Registration Form) constitute the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all previous agreements whether written or oral.