Master Services Agreement

For professional services (synthetic contract)

This Master Services Agreement ("Agreement") is entered into as of 4 November 2021 (the "Effective Date") by and between Acme Ltd., a company registered in England and Wales with company number 111111 and registered office at 2 Green Park ("Acme"), and Widget Corp., a company registered in England and Wales with principal office at 456 Savile Row ("Widget").

WHEREAS, Acme desires to engage Widget to provide certain professional, consulting, and managed services as more particularly described in Statements of Work and governed by this Agreement;

AND WHEREAS, the Parties wish to set out the terms and conditions on which such services shall be provided, including each Party's rights and obligations in relation to service levels, intellectual property, data protection, liability, compliance, and risk allocation;

NOW, THEREFORE, in consideration of the mutual promises and undertakings herein contained, the Parties agree as follows:

## 1. Definitions and Interpretation

1.1 Defined Terms: In this Agreement and any Statement of Work incorporated by reference, the following words and expressions shall have the following meanings unless the context requires otherwise:

Affiliate: Any entity that directly or indirectly controls, is controlled by, or is under common control with a Party.

Agreement: This Master Services Agreement, including all Schedules, Statements of Work, and Change Orders.

Applicable Law: All laws, statutes, regulations, codes of conduct, and other requirements of any governmental or regulatory authority with jurisdiction over a Party or the Services.

Business Continuity Plan (BCP): The documented procedures and policies maintained by Widget for ensuring continuity of the Services in the event of a disruption.

Business Day: Any day other than a Saturday, Sunday, or public holiday in England and Wales.

Change in Law: Any change, enactment, repeal, or reinterpretation of any Applicable Law after the Effective Date affecting the provision or receipt of the Services.

Change Order: A written document executed by the Parties that amends, adds to, or otherwise alters the scope, fees, or terms of a SOW.

Claim: Any claim, demand, action, suit, or proceeding by any person or entity.

Clawback Event: Any event or circumstance entitling Acme to recover fees or service credits from Widget subject to the terms of this Agreement.

Consequential Loss: Any indirect, incidental, special, punitive, or consequential loss, including but not limited to loss of profits, revenue, business opportunity, reputation, or data except as expressly set out in this Agreement.

Confidential Information: Information of a confidential or proprietary nature, whether oral, written, or in other tangible or intangible form, disclosed by one Party to the other, including trade secrets, product information, customer data, financial data, Personal Data, and technical information, but excluding information that is (a) in the public domain otherwise than through breach of this Agreement, (b) lawfully acquired from third parties not under duty of confidentiality, or (c) independently developed by the receiving Party without use of the disclosing Party's Confidential Information.

Cross-Default Event: An event of default by Widget under any other agreement with Acme or an Acme Affiliate (as defined above), constituting a default under this Agreement.

Cross-Acceleration Event: The acceleration of any payment obligations of Widget under any other agreement with Acme or an Acme Affiliate, resulting in the acceleration of payment or other liabilities under this Agreement.

Data: All data, information, records, and content, in any form, including Personal Data, Processed by Widget on behalf of Acme in connection with the Services.

Data Processing Addendum (DPA): The document implementing and supplementing the Parties' obligations for the Processing of Personal Data.

Data Subject: An individual who is the subject of Personal Data as defined under Applicable Law.

Deliverables: All documents, materials, software, systems, reports, works, and other items created or developed by Widget for Acme under this Agreement.

Disaster Recovery Plan (DRP): The disaster recovery procedures maintained by Widget for the restoration of the Services following a Business Continuity Event.

Earnout: Any performance-based, contingent payment structure tied to achievement of agreed metrics as specified in a SOW or this Agreement.

Force Majeure Event: Any event beyond the reasonable control of a Party which prevents or materially hinders performance of its obligations under this Agreement, except for (a) failures to pay money, (b) labor disputes relating to Widget or its Subcontractors, or (c) foreseeable cybersecurity incidents.

Information Security Requirements: The security standards Widget must comply with, including but not limited to ISO 27001 (or equivalent).

Invention: Any innovation, improvement, design, technique, know-how, code, or process developed under this Agreement.

Key Personnel: The individuals nominated by Widget and approved by Acme as critical to delivery of the Services, whose identity may be specified in a SOW.

Liability Cap: The limitations and exclusions of liability as set forth in this Agreement.

Material Adverse Change (MAC) / Material Adverse Effect (MAE): Any fact, circumstance, change or event which, individually or in the aggregate, has or is reasonably likely to have a material adverse effect on Widget's financial condition, business, reputation, ability to perform its obligations, or on Acme's ability to receive the Services, as further defined in Clause [●].

Most Favored Customer (MFC) Clause: A clause entitling Acme to the most favorable terms and conditions available to any similar customer of Widget as set out in Clause 16.

Personal Data: Any information relating to an identified or identifiable individual as defined under Data Protection Laws.

Processing/Processed/Process: Any operation or set of operations performed on Data, including but not limited to collection, storage, use, disclosure, or deletion.

Regulatory Change Matrix: The structured allocation of compliance responsibility for industry-specific and jurisdiction-specific regulatory changes as set out in Clause 14.

Representations and Warranties Insurance (RWI): Liability insurance covering misrepresentations or breaches of warranty as further detailed in Clause 15.

Service Levels/SLAs: The performance metrics, targets, and service credits applicable to the Services as set out in each SOW or Schedule.

Services: The professional, consulting, implementation, managed, and other services provided by Widget to Acme under this Agreement and any SOW.

Statement of Work (SOW): A written document executed by both Parties, describing the specific services to be provided, deliverables, milestones, acceptance criteria, fees, and other commercial terms.

Subcontractor: Any third party engaged by Widget to perform any part of the Services.

Synthetic Risk: Any contractual risk arising indirectly from service failure or disruption, including derived and consequential losses as set out in Clause 4.

Third Party Claim: Any claim, suit, demand, or action brought against a Party by a person or entity not party to this Agreement.

Widget Background IP: Intellectual property owned or controlled by Widget prior to the Effective Date or developed outside the scope of this Agreement.

1.2 Interpretation:

Words importing the singular include the plural and vice versa; references to any gender include all genders; references to persons include natural persons, partnerships, companies, and all legal entities; and references to statutes or statutory provisions include any amendments, re-enactments, or extensions thereof.

The clause, section, and schedule headings are for convenience only and shall not affect interpretation.

In the event of conflict between this Agreement and any SOW, the provisions of this Agreement shall prevail unless expressly stated otherwise.

## 2. Services and Scope

2.1 Service Categories: Widget shall provide the following categories of professional services to Acme:(a) Strategic Consulting Services including business analysis, technology strategy, digital transformation planning, and advisory services;(b) Implementation Services including system design, configuration, customization, integration, testing, deployment, and go-live support;(c) Managed Services including ongoing system administration, monitoring, maintenance, support, and optimization;(d) Training and Knowledge Transfer Services including user training, documentation, and skills transfer programs; and(e) Emergency Response Services including incident response, crisis management, and business continuity support.

2.2 Statement of Work Framework: All Services shall be provided pursuant to one or more Statements of Work executed by both Parties. Each SOW shall specify:(a) detailed scope of Services and deliverables;(b) performance milestones and acceptance criteria;(c) service levels and performance metrics;(d) fees, expenses, and payment terms;(e) Key Personnel assignments;(f) project timelines and critical path dependencies;(g) any Service-specific terms that supplement this Agreement; and(h) earnout provisions where performance-based fees apply.

2.3 Change Control Process:(a) Either Party may request changes to a SOW by submitting a written change request describing the proposed modification, impact assessment, and cost implications.(b) Widget shall provide a detailed change impact assessment within ten (10) Business Days, including scope, timeline, resource, and fee implications.(c) Acme Approval Rights: No material changes to a SOW may be implemented without Acme's prior written approval. For the avoidance of doubt, "material changes" include any modification that: (i) increases fees by more than 10% of the original SOW value; (ii) extends delivery timelines by more than 15 Business Days; (iii) materially alters deliverable specifications; or (iv) requires changes to Key Personnel.(d) Approved changes shall be documented in a Change Order executed by both Parties before implementation.

2.4 Service Delivery Standards:(a) Widget shall perform all Services in accordance with Good Industry Practice, applicable professional standards, and the Service Levels set forth in each SOW.(b) All Services shall be performed by appropriately qualified and experienced personnel who meet the minimum qualifications specified in the applicable SOW.(c) Widget shall maintain appropriate project management methodologies and provide regular status reporting to Acme as specified in each SOW.(d) Performance Monitoring: Widget shall implement comprehensive monitoring and reporting systems to track Service delivery against agreed metrics and shall provide Acme with real-time access to performance dashboards.

2.5 Earnout and Performance-Based Fee Structures:(a) Where a SOW includes earnout provisions, payment of variable fees shall be contingent upon Widget's achievement of specified performance metrics, including but not limited to:(i) delivery milestones and timeline adherence;(ii) quality metrics and defect rates;(iii) user adoption and satisfaction scores;(iv) system performance and availability targets; and(v) cost savings or efficiency improvements delivered to Acme.(b) Measurement Methodology: Performance metrics shall be measured using methodologies agreed in the applicable SOW, with disputed measurements resolved through independent expert determination.(c) Market Adjustment Factors: Earnout calculations may include market adjustment factors to account for economic conditions, industry benchmarks, or regulatory changes that materially impact performance measurement.

2.6 Excluded Services: Unless expressly agreed in a SOW, the Services do not include:(a) services requiring regulatory licenses that Widget does not possess;(b) legal, accounting, or other professional services requiring specific professional qualifications;(c) services performed at locations not specified in the applicable SOW;(d) services requiring access to third-party systems or data not controlled by Acme; and(e) emergency services outside normal business hours unless specifically contracted.

2.7 Service Location and Delivery Model:(a) Services may be delivered on-site at Acme's facilities, remotely, or through a hybrid delivery model as specified in each SOW.(b) For on-site Services, Widget personnel shall comply with Acme's workplace policies, security requirements, and health and safety procedures.(c) For remote Services, Widget shall maintain secure connectivity and communication systems that meet Acme's Information Security Requirements.

2.8 Subcontracting:(a) Widget may engage Subcontractors to perform portions of the Services only with Acme's prior written consent, which shall not be unreasonably withheld.(b) Widget shall remain fully liable for all Subcontractor performance and shall ensure all Subcontractors are bound by obligations no less restrictive than those in this Agreement.(c) Key Subcontractor Approval: Where a Subcontractor is designated as critical to Service delivery, Acme shall have approval rights over any replacement or material changes to the Subcontractor relationship.

2.9 Service Dependencies and Critical Path Management:(a) Each SOW shall identify critical dependencies between Services, Acme obligations, and third-party deliverables.(b) Widget shall notify Acme immediately of any actual or anticipated delays or issues that may impact Service delivery or critical path milestones.(c) Dependency Risk Allocation: Where Service delays result from Acme's failure to meet agreed dependencies, Widget shall be entitled to extensions and additional fees as set forth in the applicable SOW, provided Widget has given reasonable advance notice of the dependency requirement.

## 3. Service Levels and Performance Standards

3.1 Service Level Framework: Widget shall provide all Services in accordance with the Service Levels specified in each SOW and the general performance standards set forth in this Section. Service Levels shall be measured, monitored, and reported in accordance with the methodologies and frequencies specified herein.

3.2 Core Service Level Categories:(a) Availability Metrics: System and service availability targets expressed as percentages of total time, calculated monthly and measured against agreed maintenance windows and scheduled downtime exclusions;(b) Response Time Metrics: Time from incident notification to initial response, categorized by severity levels (Critical, High, Medium, Low) with corresponding escalation procedures;(c) Resolution Time Metrics: Time from incident notification to complete resolution, with different targets based on incident severity and complexity classifications;(d) Quality Metrics: Defect rates, error frequencies, and rework requirements measured against industry benchmarks and historical performance baselines;(e) Performance Metrics: System performance indicators including transaction processing times, throughput capacity, and resource utilization thresholds; and(f) User Satisfaction Metrics: Regular satisfaction surveys, Net Promoter Scores, and feedback mechanisms with minimum acceptable satisfaction thresholds.

3.3 Service Level Targets and Measurement:(a) Availability Standards:(i) Critical Services: 99.9% availability during Business Hours, 99.5% availability during non-Business Hours;(ii) Standard Services: 99.5% availability during Business Hours, 99.0% availability during non-Business Hours;(iii) Planned maintenance windows shall not exceed four (4) hours per month and must be scheduled with five (5) Business Days' advance notice;(iv) Availability calculations shall exclude Force Majeure Events but include all other outages regardless of cause.

(b) Response Time Standards:(i) Critical Severity: Initial response within 15 minutes, on-site response (if required) within 2 hours;(ii) High Severity: Initial response within 1 hour, on-site response within 4 hours;(iii) Medium Severity: Initial response within 4 hours, on-site response within 1 Business Day;(iv) Low Severity: Initial response within 1 Business Day, resolution planning within 2 Business Days.

(c) Resolution Time Standards:(i) Critical Severity: Restoration of service within 4 hours, permanent resolution within 24 hours;(ii) High Severity: Resolution within 24 hours of initial response;(iii) Medium Severity: Resolution within 72 hours of initial response;(iv) Low Severity: Resolution within 5 Business Days of initial response.

3.4 Service Credit Framework:(a) Automatic Service Credits: Service credits shall be automatically applied for any failure to meet Service Levels without requirement for Acme to claim or request such credits.(b) Service Credit Calculations:(i) Availability Failures: For each 0.1% shortfall below target availability, Acme shall receive service credits equal to 2% of monthly fees for the affected Service category;(ii) Response Time Failures: For each incident where response times are missed, service credits of £500 (Critical), £250 (High), £100 (Medium), or £50 (Low) per incident;(iii) Resolution Time Failures: Additional service credits equal to 1% of monthly fees for each day beyond target resolution time;(iv) Quality Failures: Service credits equal to 5% of monthly fees for each percentage point of defect rate above agreed thresholds.

"Total service credits in any calendar month shall not exceed 15% of monthly fees for the affected Services, and minimum service credit thresholds of £100 per incident shall apply regardless of calculated amounts. Widget shall be provided with a ten (10) Business Day cure period to remedy any Service Level failure before service credits are applied, unless the failure is due to gross negligence or willful misconduct."

3.5 Performance Monitoring and Reporting:(a) Real-Time Monitoring: Widget shall implement comprehensive monitoring systems providing real-time visibility into Service performance, with dashboards accessible to Acme 24/7.(b) Automated Alerting: Immediate automated alerts to both Parties for any Service Level breaches or performance degradation approaching threshold limits.(c) Regular Reporting: Widget shall provide:(i) Daily performance summaries for Critical severity incidents;(ii) Weekly performance reports covering all Service Level metrics;(iii) Monthly comprehensive reports including trend analysis, root cause summaries, and improvement recommendations;(iv) Quarterly business reviews including performance benchmarking and Service Level optimization opportunities.

3.6 Root Cause Analysis and Continuous Improvement:(a) Mandatory Root Cause Analysis: Widget shall perform comprehensive root cause analysis for all Critical severity incidents and any incident causing Service Level breaches, with reports delivered within 5 Business Days of incident resolution.(b) Corrective Action Plans: Following root cause analysis, Widget shall develop and implement corrective action plans to prevent recurrence, with progress reporting to Acme until plan completion.(c) Performance Improvement Obligations: Widget shall implement continuous improvement processes targeting year-over-year improvement in Service Level achievement of at least 5% annually.

3.7 Service Level Governance and Escalation:(a) Service Level Review Board: The Parties shall establish a joint Service Level Review Board meeting monthly to review performance, discuss trends, and approve Service Level modifications.(b) Escalation Procedures: Repeated Service Level failures shall trigger escalation procedures:(i) Performance Warning: Three (3) Service Level breaches of the same type within any rolling 30-day period;(ii) Performance Improvement Plan: Five (5) Service Level breaches of the same type within any rolling 60-day period, requiring Widget to develop and implement improvement plans within 15 Business Days;(iii) Material Breach: Seven (7) Service Level breaches of the same type within any rolling 90-day period, constituting material breach entitling Acme to termination rights.

3.8 Service Level Adjustments and Modifications:(a) Annual Benchmarking: Service Levels shall be subject to annual benchmarking against industry standards and best practices, with adjustments to reflect evolving technology capabilities and market expectations.(b) Technology Refresh Impact: Implementation of technology upgrades or refresh activities may temporarily modify Service Level targets during transition periods, subject to mutual agreement on modified targets and timeline.(c) Regulatory Impact: Changes in regulatory requirements affecting Service delivery may necessitate Service Level modifications, with cost and timeline impacts allocated according to the Regulatory Change Matrix provisions.

3.9 Business Continuity and Service Restoration:(a) Business Continuity Requirements: Widget shall maintain Business Continuity Plans ensuring restoration of Critical Services within Recovery Time Objectives (RTOs) of 4 hours and Recovery Point Objectives (RPOs) of 1 hour.(b) Disaster Recovery Testing: Widget shall conduct disaster recovery testing annually, with results shared with Acme and any deficiencies remediated within 30 days.(c) Service Restoration Priorities: In the event of widespread service disruption, Widget shall restore Services in the following priority order: (i) Critical business processes; (ii) High-priority user groups; (iii) Standard Services; (iv) Non-essential Services.

## 4. Limitation of Liability and Indemnity

4.1 Liability Caps and Aggregation.Subject to the carve-outs set forth in Clause 4.2, Widget's aggregate liability to Acme under this Agreement, whether arising in contract, tort (including negligence), statute or otherwise, shall not exceed in any consecutive 12-month period the greater of:

(a) one hundred and fifty percent (150%) of the total fees paid or payable by Acme to Widget under all applicable Statements of Work during such 12-month period; or

(b) five million pounds sterling (£5,000,000). Liability for each individual claim shall not reduce the aggregate cap available for other claims. Acme's aggregate liability to Widget under this Agreement shall not exceed in any consecutive 12-month period two hundred percent (200%) of the total fees paid by Acme to Widget during the preceding 12-month period.

4.2 Unlimited Liability Carve-Outs.Nothing in this Agreement shall limit or exclude either Party's liability for:

(a) death or personal injury caused by its negligence;

(b) fraud, fraudulent misrepresentation, or willful misconduct;

(c) gross negligence or reckless acts or omissions;

(d) breach of confidentiality or data protection obligations as specified in Sections 5 and 10;

(e) infringement of Intellectual Property Rights as defined in Section 8, subject to the AI/ML carve-out provisions in Clause 4.5;

(f) regulatory penalties, fines, or sanctions imposed as a direct result of the breaching Party's acts or omissions under applicable law as governed by Section 14; or

(g) any amounts payable under the indemnity provisions set forth in Clause 4.4.

4.3 Exclusion of Consequential Loss.Neither Party shall be liable to the other for any indirect, incidental, punitive, special, exemplary, or consequential damages or losses, including without limitation loss of profits, revenue, business opportunities, reputation, or data, howsoever arising and whether foreseeable or not. Notwithstanding the foregoing, this exclusion shall not apply to:

(a) losses arising from Personal Data breaches as governed by Section 5;

(b) Synthetic Risk exposure as defined in the Synthetic Risk Matrix referenced in Clause 4.6 and Section 9;

(c) amounts recoverable under Clawback provisions as set forth in Section 19; or

(d) Service Credits payable under Section 3. The Parties acknowledge that these exceptions reflect the complex risk exposures inherent in data-intensive professional services engagements.

4.4 Indemnification Obligations.

Widget shall indemnify, defend, and hold harmless Acme and its Affiliates from and against any and all Third Party Claims, losses, damages, costs, and expenses (including reasonable legal fees) arising from or relating to:

(a) any actual or alleged infringement or misappropriation of Intellectual Property Rights by the Deliverables, Services, or Widget Background IP as defined in Section 8, excluding AI/ML-generated content except as provided in Clause 4.5;

(b) any breach or unauthorized disclosure of Personal Data or confidential information by Widget or its Subcontractors as governed by Sections 5 and 10;

(c) Widget's breach of any Regulatory Compliance obligations allocated to Widget under the Regulatory Change Matrix as specified in Section 14; or

(d) Widget's failure to maintain the insurance coverage required under Clause 7. Acme shall provide Widget with prompt written notice of any such claim, permit Widget to assume sole control of the defense thereof (subject to Acme's right to participate with counsel of its choice at its own expense), and provide reasonable cooperation in the defense of such claim.

4.5 AI/ML Intellectual Property Limitation.

Notwithstanding Clause 4.4(a), Widget's indemnification obligations shall not extend to Third Party Claims arising from or relating to AI/ML-generated content, algorithms, or outputs, except where such claims arise from:

(a) Widget's willful infringement of known Intellectual Property Rights;

(b) Widget's breach of Open Source Software license obligations; or

(c) Widget's gross negligence in the design, implementation, or deployment of AI/ML systems that directly causes third-party intellectual property violations.

Acme acknowledges its responsibility for monitoring and ensuring compliance of AI/ML-generated content with applicable legal requirements, while Widget remains liable for material failures in system design or implementation that proximately cause intellectual property infringement.

4.6 Synthetic Risk and Derivative Exposure Allocation.

"The Parties acknowledge that service failures under this Agreement may cause certain losses. Widget's liability for any losses, including those referenced in the Synthetic Risk Matrix, shall be limited to direct, actual, and reasonably foreseeable losses arising directly from Widget's material breach of this Agreement. Indirect, consequential, or speculative losses, including but not limited to business interruption, third-party mitigation, or downstream relationship damages, are expressly excluded." Where such Synthetic Risk losses are recoverable, damages shall be calculated with reference to documented business impact assessments and verified financial records. The liability cap set forth in Clause 4.1 shall apply to Synthetic Risk claims, except where such claims fall within the carve-outs specified in Clause 4.4.

4.7 Regulatory Change Liability Allocation.

Costs, damages, penalties, or other losses arising from Changes in Law occurring after the Effective Date shall be allocated between the Parties as follows: Widget shall bear all such costs where non-compliance results from Widget's acts, omissions, or failure to implement reasonable measures required by the changed regulatory requirements; Acme shall bear such costs where the Change in Law materially alters Acme's service requirements or specifications beyond Widget's reasonable control. The Parties shall cooperate in good faith to implement necessary compliance measures and allocate associated costs in accordance with the Regulatory Change Matrix provisions set forth in Section 14.

4.8 Survival and Claims Aggregation.

All liability, limitation, and indemnification provisions set forth in this Section 4 shall survive expiration or termination of this Agreement for a period of six (6) years. Multiple claims arising from the same facts, circumstances, or series of related events may be aggregated for purposes of applying the liability caps set forth in Clause 4.1, except where such claims fall within the unlimited liability carve-outs specified in Clause 4.2.

## 5. Data Protection and Privacy

5.1 Compliance with Data Protection Laws:(a) Widget shall comply with all applicable Data Protection Laws, including UK GDPR and EU GDPR, for any Processing of Personal Data under this Agreement.(b) Widget shall only Process Personal Data based on Acme's documented instructions unless Widget is required by Applicable Law to do otherwise, in which case Widget shall inform Acme.

5.2 Data Processing Addendum ("DPA"):(a) A Data Processing Addendum (DPA) shall be executed with this Agreement, forming a binding part of all contractual obligations.(b) The DPA will set out (i) categories of Personal Data, (ii) Data Subjects, (iii) Processing purposes, (iv) duration, (v) security measures, and (vi) use of Subprocessors.

5.3 Security Requirements and Data Incident Response:(a) Widget must implement and maintain technical and organizational measures meeting or exceeding ISO 27001 (or equivalent) to ensure security and confidentiality of Personal Data, as further detailed in Information Security Requirements (Section 10).(b) Widget must promptly notify Acme within four (4) hours of discovery of any actual or suspected security incident or Personal Data breach.(c) Widget must cooperate in all investigations and notify Data Subjects and regulators as required by law.

5.4 Subprocessors:(a) Widget must obtain Acme's prior written consent before engaging any Subprocessor to Process Personal Data.(b) Widget shall flow down all Data Protection obligations to any authorized Subprocessor and maintain a current list of such Subprocessors, providing Acme with reasonable advance notice prior to changes.

5.5 Cross-Border Transfers:(a) Widget must ensure all transfers of Personal Data outside the UK/EEA comply with Data Protection Laws by using mechanisms such as adequacy decisions or standard contractual clauses.(b) Widget shall promptly notify Acme of any changes affecting the legality of transfer mechanisms.

5.6 Data Subject Rights:(a) Widget shall promptly assist Acme in responding to any Data Subject access request, rectification, erasure, restriction, objection, or portability exercise in accordance with Data Protection Laws.

5.7 Data Retention and Deletion:(a) Upon expiry or termination of the Agreement or upon Acme's written request, Widget will securely delete or return all Acme Personal Data, unless required by law to retain it, and certify compliance to Acme.

5.8 Audit and Cooperation:(a) Widget will promptly cooperate with all reasonable Acme instructions and requests for information to demonstrate compliance with this section.(b) Acme, or a nominated auditor, may conduct data protection compliance audits upon 15 Business Days' notice, during normal business hours.

"Widget will indemnify and hold harmless Acme for all direct losses, costs, and damages arising from any Personal Data breach caused by Widget or its Subprocessors, subject to the liability cap set forth in Section 4.1."

5.10 Regulatory Change and Cross-References:(a) Widget will promptly implement any compliance changes mandated by changes in Data Protection Laws and cooperate with Acme as outlined in the Regulatory Change Matrix (Section 14).(b) All requirements here operate in conjunction with the Confidentiality obligations (Section 10) and follow the liability and indemnity allocations in Section 4.

## 6. Indemnification Procedures and Insurance

6.1 Indemnification Procedures.The indemnified Party ("Indemnitee") shall promptly notify the indemnifying Party ("Indemnitor") of any claim, loss, damage, or liability for which indemnification is sought, provided that failure to promptly notify shall not relieve the Indemnitor of its obligations except to the extent materially prejudiced. The Indemnitor shall assume sole control and conduct of the defense or settlement of any such claim, provided it shall not settle or compromise any claim without the Indemnitee's prior written consent, which shall not be unreasonably withheld or delayed. The Indemnitee shall provide reasonable cooperation, information, and assistance to the Indemnitor in defense of the claim at the Indemnitor's expense. The Parties shall cooperate in good faith to avoid or mitigate any loss or damage.

6.2 Insurance Requirements.Widget shall, at its sole cost and expense, procure and maintain during the term of this Agreement the following insurance coverages with insurers of recognized financial standing: Professional Indemnity Insurance with minimum coverage of £5,000,000 per claim; Public and Product Liability Insurance with minimum coverage of £2,000,000 per occurrence; Cyber Liability Insurance with minimum coverage of £10,000,000 aggregate to cover data breach and network security risks. Widget shall provide Acme with certificates of insurance evidencing such coverages upon commencement of the Agreement and upon request thereafter. "Widget must notify Acme as soon as reasonably practicable, and in any event within twenty-four (24) hours of discovery of any actual or suspected security incident or Personal Data breach."

6.3 Additional Insured.Acme and its Affiliates shall be named as additional insureds on all applicable liability policies, with coverage at least as broad as that afforded to Widget.

6.4 Subrogation Waiver.Each Party waives any rights of recovery against the other Party to the extent such rights are covered by insurance.

6.5 Coordination with Liability and Indemnity Clauses.The insurance requirements set forth herein are intended to support Widget's indemnity and liability obligations under Section 4 and shall not limit or substitute such obligations.

6.6 Audit and Review.Acme reserves the right to audit Widget's insurance coverage upon reasonable prior notice no more than once per contract year.

## 7. Intellectual Property Rights

7.1 Intellectual Property Ownership.All Intellectual Property Rights in Deliverables and Work Product created by Widget for Acme under this Agreement shall vest absolutely in Acme upon creation, payment of applicable fees, or delivery, whichever occurs first. Widget hereby assigns to Acme with full title guarantee all such Intellectual Property Rights and agrees to execute all documents and do all acts reasonably required to perfect Acme's title thereto. Where any Intellectual Property Rights are incapable of assignment by operation of law, Widget grants to Acme an exclusive, perpetual, irrevocable, royalty-free licence to use, modify, distribute, and sublicense such rights for any purpose.

7.2 Widget Background IP.Widget retains all Intellectual Property Rights in Widget Background IP. Widget grants to Acme a non-exclusive, non-transferable licence to use Widget Background IP solely to the extent necessary to receive the benefit of the Services and use the Deliverables. Such licence shall continue for the duration of this Agreement and, with respect to Deliverables delivered hereunder, shall survive termination of this Agreement. Widget warrants that it has the right to grant such licence and that the exercise thereof shall not infringe any third party rights.

7.3 Third Party Intellectual Property.Where the Services or Deliverables incorporate third party Intellectual Property Rights, Widget shall procure appropriate licences from such third parties sufficient to enable Acme's intended use. The cost of such licences shall be borne by Widget unless otherwise specified in the relevant Statement of Work. Widget shall ensure that any such third party licences are transferable to Acme's Affiliates and permitted successors where commercially reasonable.

7.4 Open Source Software.Widget shall not incorporate any Open Source Software into any Deliverable without Acme's prior written consent. Where Open Source Software is used with consent, Widget shall: ensure compliance with all applicable licence terms; provide full details of all Open Source Software components and their respective licences; and indemnify Acme against any claims arising from Widget's breach of Open Source Software licence obligations. Widget shall implement appropriate controls to prevent inadvertent inclusion of Open Source Software that would require disclosure or licensing of Acme's proprietary software.

7.5 AI/ML-Generated Content and Limitations.Where Deliverables include content generated by artificial intelligence or machine learning systems, Widget shall: clearly identify such content; ensure appropriate disclaimers regarding accuracy and suitability; implement reasonable measures to avoid infringement of third party Intellectual Property Rights; and comply with all applicable laws regarding AI-generated content. Notwithstanding the general assignment provisions in Clause 7.1, Widget's liability for third party Intellectual Property Rights infringement claims relating to AI/ML-generated content shall be limited as set forth in Section 4.5.

7.6 Moral Rights.To the fullest extent permitted by law, Widget waives all moral rights in relation to Deliverables and Work Product created under this Agreement. Where such waiver is not effective, Widget consents to any treatment of such works that would otherwise constitute an infringement of moral rights.

7.7 Inventions and Improvements.Widget shall promptly disclose to Acme all Inventions conceived or reduced to practice in the course of providing the Services. All such Inventions shall be deemed Work Product owned by Acme pursuant to Clause 7.1. Where an Invention cannot be assigned to Acme by operation of law, Widget shall grant Acme an exclusive, perpetual, irrevocable, royalty-free licence to use, manufacture, and commercialise such Invention.

7.8 Intellectual Property Infringement Procedures.If any Deliverable or Service becomes, or in Widget's reasonable opinion is likely to become, the subject of an Intellectual Property Rights infringement claim, Widget may at its option: procure the right for Acme to continue using the affected item; replace or modify the affected item to make it non-infringing while maintaining substantially equivalent functionality; or remove the affected item and refund fees paid therefor. These remedies are in addition to Widget's indemnification obligations under Section 4.4.

7.9 Residual Knowledge.Nothing in this Agreement shall prevent Widget from using general skills, knowledge, and experience gained in providing the Services, provided that Widget does not thereby breach its confidentiality obligations under Section 10 or use any of Acme's Confidential Information.

## 8. Fees and Payment

8.1 Fee Structures and Invoicing.All Services provided by Widget under this Agreement shall be subject to the fees and charging arrangements set out in each applicable Statement of Work or Order Form. Fees may be structured on a fixed price, time and materials, milestone-linked, or performance-based (including earnout) basis, as specified in the relevant Statement of Work. Where performance-linked or earnout provisions apply, the specifics of the applicable measures, benchmarks, and timelines will be set out in the Statement of Work, with calculations made in accordance with the methodologies described therein. In the event that a Statement of Work is silent, the default charging basis shall be Widget's standard time and materials rates as notified to Acme.

8.2 Invoicing and Payment Terms.Widget shall submit invoices to Acme in accordance with the schedule and requirements set out in each Statement of Work. Each invoice shall be accompanied by a detailed breakdown of Services, hours spent, expenses incurred, and reference to the relevant milestones, if applicable. All undisputed amounts shall be payable by Acme within thirty (30) days of the date of receipt of a valid and undisputed invoice. Any disputed amounts shall be notified in writing, with the undisputed portion to be paid on time and the disputed portion resolved in accordance with the dispute resolution procedure in Section 21.

8.3 Expenses.Acme shall reimburse Widget for reasonable, properly incurred out-of-pocket expenses where expressly pre-approved in writing in accordance with the policies set forth in the applicable Statement of Work. All expenses must be supported by documentary evidence and must not exceed agreed caps (if any).

8.4 Taxes.All fees and other amounts payable are exclusive of value added tax (VAT), goods and services tax (GST), or other similar taxes, which shall be payable at the rate and in the manner prescribed by law. Each Party shall be responsible for its own income taxes. If any withholding tax is required by Applicable Law, Acme shall pay an additional amount so that the net amount received by Widget is not less than the amount specified in the relevant Statement of Work.

8.5 Set-Off and Suspension Rights.Acme shall be entitled to deduct or set-off any amounts due or to become due to Widget under this Agreement against any amounts owing by Widget to Acme under any clause of this Agreement or any breach, including but not limited to Service Credits (Section 3.4), Clawbacks (Section 19), or refunds under a Statement of Work. Acme may withhold or suspend payment of any fees in the event of a breach by Widget of any material obligation until such breach is remedied.

8.6 Fee Adjustments and Benchmarking.Fees agreed in any Statement of Work may be subject to adjustment in accordance with benchmarking provisions, if stated in the Statement of Work or mutually agreed in writing. Where permitted, benchmarking shall compare relevant fees and commercial terms to those available to similar clients for services of similar scope, complexity, and geography, with reference to Most Favoured Customer provisions in Section 18 and periodic review intervals. In the event that regulatory changes (as referenced in Section 14) have a cost or pricing impact, the Parties shall cooperate in good faith to amend the relevant Statement of Work to equitably reflect justified cost increases or savings.

8.7 Late Payment.Without prejudice to any other rights or remedies, interest shall accrue on any overdue amounts at a rate of four percent (4%) per annum above the Bank of England base rate from the due date until payment in full, whether before or after judgment. Acme's rights under this clause are without prejudice to any entitlement to recover Service Credits (Section 3.4), Clawbacks (Section 19), or other remedies.

8.8 Audit of Fee and Payment Records.Acme shall have the right to audit or appoint an independent auditor to review Widget's fee and expense records relating to this Agreement or any Statement of Work, on at least fifteen (15) Business Days' prior written notice during normal business hours, no more than once in any twelve (12) month period, save where fraud or material error is suspected. Widget shall promptly reimburse any overpayments or improper charges identified by the audit, together with reasonable audit costs.

## 9. Synthetic Risk Matrix and Data Processing Framework

9.1 Synthetic Risk Definition and Scope.The Parties acknowledge that failures in Widget's performance under this Agreement may cause cascading effects resulting in indirect losses to Acme's business operations, customer relationships, and third party obligations. "Synthetic Risk" means quantifiable indirect losses arising from Widget's breach or service failure that: (a) cause disruption to Acme's downstream business processes or customer deliverables; (b) require Acme to engage alternative service providers or incur mitigation costs; (c) result in regulatory penalties or compliance failures affecting Acme; or (d) damage Acme's business relationships with identifiable third parties. Synthetic Risk excludes general market losses, speculative damages, and losses not directly traceable to Widget's specific breach or service failure.

9.2 Synthetic Risk Categories and Calculation Methodology.Synthetic Risk losses shall be categorised and calculated as follows: Business Interruption Costs including documented expenses for temporary staffing, expedited delivery charges, and system restoration costs directly attributable to Widget's service failure; Third Party Mitigation Expenses including reasonable costs of engaging replacement service providers, system recovery specialists, or emergency consulting support; Regulatory Compliance Costs including fines, penalties, and remediation expenses arising from Widget's failure to meet regulatory obligations allocated under Section 14; Customer Relationship Damages including documented compensation paid to Acme's customers, contract penalties, or lost revenue from identified customer departures directly caused by Widget's breach. All Synthetic Risk calculations must be supported by verifiable financial records and contemporaneous documentation establishing causation.

9.3 Data Processing and Cross-Border Transfer Compliance.Widget shall process all Data in accordance with the Data Processing Addendum and applicable Data Protection Laws. For cross-border transfers of Personal Data, Widget shall implement appropriate transfer mechanisms including adequacy decisions, standard contractual clauses, binding corporate rules, or other legally compliant transfer solutions. Widget maintains a current Data Processing Impact Assessment covering all processing activities and shall update such assessment when processing purposes, data categories, or transfer destinations change materially.

9.4 Data Localisation and Residency Requirements.Unless otherwise specified in a Statement of Work, all Data processing shall occur within the United Kingdom or European Economic Area. Where Data processing outside these jurisdictions is required for service delivery, Widget shall: obtain Acme's prior written consent specifying the destination country and duration; implement additional safeguards including encryption in transit and at rest; maintain detailed logs of all cross-border Data movements; and ensure immediate repatriation of Data upon request or in the event of legal or regulatory changes affecting transfer validity.

9.5 Security Incident Classification and Response Framework.Security incidents shall be classified according to severity levels with corresponding response obligations: Critical Incidents involving unauthorised access to Personal Data, system compromises affecting service availability, or potential regulatory notification requirements trigger immediate notification within two (2) hours and full incident response mobilisation; High Severity Incidents involving security control failures, attempted breaches, or service degradation require notification within four (4) hours and formal incident investigation; Medium and Low Severity Incidents require notification within twenty-four (24) hours and documentation in quarterly security reports. All incident classifications and response procedures must align with Information Security Requirements detailed in Section 10.

9.6 Data Subject Rights and Processing Transparency.Widget shall maintain comprehensive records of all processing activities to enable Acme to respond to Data Subject requests for access, rectification, erasure, portability, and restriction of processing. Widget shall implement automated systems to facilitate Data Subject rights fulfilment within statutory timeframes and shall provide Acme with monthly reports detailing processing activities, Data Subject requests received, and compliance measures implemented.

9.7 Subprocessor Management and Due Diligence.Widget shall maintain a register of all Subprocessors engaged in Data processing activities, including their location, processing purposes, and security certifications. Changes to approved Subprocessors require thirty (30) days advance notice to Acme, accompanied by due diligence documentation demonstrating equivalent data protection standards. Widget shall conduct annual audits of material Subprocessors and provide Acme with executive summaries of audit findings and remediation plans.

9.8 Data Breach Notification and Regulatory Cooperation.Upon discovery of any Personal Data breach, Widget shall: notify Acme within four (4) hours providing preliminary impact assessment; assist Acme in determining regulatory notification requirements under applicable Data Protection Laws; cooperate fully with regulatory investigations including providing witness statements, documentation, and technical expertise; and implement immediate containment measures to prevent further unauthorised access or data loss. Widget's notification obligations extend to near-miss incidents and security vulnerabilities that could reasonably lead to future breaches.

9.9 Performance Monitoring and Synthetic Risk Mitigation.Widget shall implement comprehensive monitoring systems to identify potential Synthetic Risk scenarios before they materialise into actual losses. Early warning indicators include service performance degradation approaching critical thresholds, resource capacity constraints affecting delivery timelines, key personnel departures impacting service continuity, and external factors such as Subcontractor failures or technology platform instabilities. Widget shall provide Acme with monthly Synthetic Risk assessments identifying potential exposure areas and proposed mitigation strategies.

## 10. Confidentiality and Information Security

10.1 Obligations of ConfidentialityEach Party undertakes to keep strictly confidential all Confidential Information received from or on behalf of the other Party in connection with this Agreement, whether disclosed orally, in writing, or by any other means, and whether marked as confidential or not. Confidential Information shall not be disclosed to any third party except as expressly permitted under this Agreement or required by law.

10.2 Permitted DisclosuresA Party may disclose Confidential Information to its Affiliates, officers, employees, professional advisers, and permitted Subcontractors or Subprocessors on a need-to-know basis, provided that each recipient is bound by confidentiality obligations no less onerous than those set out in this Agreement. The disclosing Party remains responsible for any breach by its recipients.

10.3 ExclusionsConfidential Information shall not include information which:(a) at the time of disclosure is, or subsequently becomes, generally available to the public other than by reason of a breach of this Agreement;(b) was lawfully in the receiving Party's possession prior to disclosure;(c) is lawfully obtained from a third party free of any confidentiality obligation; or(d) is independently developed by the receiving Party without reference to or reliance on the disclosing Party's Confidential Information.

10.4 Security Standards and Information Security RequirementsWidget shall implement and maintain appropriate technical and organisational measures to protect Confidential Information and Data against unauthorised access, use or disclosure, loss, damage, alteration, or destruction, in accordance with Good Industry Practice and at least to the standard of ISO 27001 or equivalent. These measures shall cover physical, network, system, personnel, and operational security aspects. Widget shall provide Acme with full details of its information security policy upon request and shall annually certify compliance with such standards.

10.5 Security Audits and InspectionsAcme, or its nominated representatives, may at any time upon fifteen (15) Business Days' advance notice, audit and inspect Widget's facilities, systems, and processes to assess compliance with the information security and confidentiality requirements of this Agreement. Widget shall provide full cooperation, access to relevant records and personnel, and immediate remediation of any material deficiencies identified. Where a security breach or near-miss is discovered, Acme may require urgent follow-up auditing at Widget's cost.

10.6 Data Handling and Return/DestructionUpon expiry or termination of this Agreement for any reason, or upon written request, Widget shall promptly return all Confidential Information and Data to Acme, or at Acme's option, securely destroy all such materials and certify destruction in writing. This clause operates without prejudice to Widget's obligations under Section 5 (Data Protection) and any continuing regulatory compliance requirements under Section 14 (Regulatory Change Matrix).

10.7 Security Incident Notification and ResponseWidget shall notify Acme within two (2) hours of becoming aware of any unauthorised access, use or disclosure of Confidential Information, or any material security incident affecting systems or Data. Widget shall provide regular updates, cooperate in any investigation, and implement all remediation and containment measures required by Acme or appropriate regulators. This notification obligation applies in addition to, and not in place of, the obligations set out in Section 5 (Data Protection) and Section 9 (Synthetic Risk Matrix).

10.8 Legal and Regulatory DisclosureIf a Party is required by law, court order, or a competent regulatory authority to disclose any Confidential Information, it shall (to the extent legally permitted) promptly inform the other Party and cooperate with it to seek confidential treatment, protective orders, or other reasonable means to protect the information.

10.9 Injunctive ReliefEach Party acknowledges that unauthorised disclosure or use of Confidential Information may cause irreparable harm for which damages may not be an adequate remedy. Accordingly, either Party may seek injunctive or equitable relief in any court of competent jurisdiction to prevent or remedy any actual or threatened unauthorised disclosure or use.

10.10 Continued Obligations and SurvivalThe confidentiality and information security obligations set out in this Section 10 shall remain in full force and effect for a period of six (6) years following expiration or termination of this Agreement, or such longer period as may be required by applicable law.

## 11. Term and Termination

11.1 TermThis Agreement shall commence on the Effective Date and shall continue in force for an initial period of three (3) years ("Initial Term") unless terminated earlier in accordance with this Section 11. Following the Initial Term, the Agreement shall automatically renew for successive one (1) year periods (each a "Renewal Term") unless and until terminated by either Party on no less than ninety (90) days' prior written notice to the other Party, such notice to expire at the end of the Initial Term or a Renewal Term, as applicable.

"Either Party may terminate this Agreement or any Statement of Work, in whole or in part, for convenience upon ninety (90) days' prior written notice to the other Party."

11.3 Termination for CauseEither Party may terminate this Agreement or any affected Statement of Work immediately by written notice if:(a) the other Party commits a material breach of this Agreement (or any Statement of Work) which is not capable of remedy, or (if capable of remedy) fails to remedy such breach within thirty (30) days after receiving written notice specifying the breach and requiring its remedy;(b) the other Party becomes insolvent, enters into liquidation, or has an administrator, receiver, or similar officer appointed;(c) there is a persistent or repeated failure to meet Service Levels as defined in Section 3, including but not limited to seven (7) or more material SLA breaches of the same type in any rolling ninety (90) day period; or(d) required by law, regulation, or a binding order of a competent authority.

11.4 Partial TerminationAny right of termination in this Agreement applies not only to the Agreement as a whole but also to individual Statements of Work or specific Services, at Acme's sole discretion. Termination of a Statement of Work or Service shall not terminate the balance of the Agreement unless expressly stated in the termination notice.

11.5 Accrued Rights and SurvivalTermination or expiration of this Agreement (or any Statement of Work) shall be without prejudice to the accrued rights, remedies, obligations, or liabilities of the Parties as at termination, including the right to claim damages for any breach which existed at or before the termination date. Clauses intended by their nature to survive termination, including but not limited to those relating to confidentiality (Section 10), data protection (Section 5), limitation of liability and indemnity (Section 4), intellectual property (Section 7), regulatory change (Section 14), payment (Section 8, to the extent of amounts outstanding), audit, and dispute resolution (Section 21), shall continue in full force and effect post-termination.

11.6 Consequences of TerminationUpon termination or expiry of this Agreement (or any Statement of Work):(a) Widget shall immediately cease provision of the relevant Services;(b) Widget shall return or securely destroy all Acme Data and Confidential Information as specified in Sections 5 and 10, providing certification as required;(c) Acme shall pay Widget all undisputed fees due for Services properly provided up to the date of termination, subject to set-off and deduction per Section 8.5 and Clawbacks (Section 19);(d) Widget shall promptly provide reasonable transition assistance, including provision of transition services for up to six (6) months on terms not less favourable than those prevailing under the Agreement, to facilitate transfer of Services to Acme or its nominee.

11.7 Termination Assistance and TransitionWidget shall co-operate in good faith with Acme and any successor service provider during any transition period, including the orderly transfer of all relevant records, access credentials, documentation, and knowledge. Widget shall ensure that any residual Subcontractor or Subprocessor involvement is wound down properly and that all regulatory and data transfer requirements are met without disruption.

## 12. Force Majeure and Business Continuity

12.1 Force Majeure Definition."Force Majeure Event" means any event or circumstance beyond the reasonable control of the affected Party that prevents or materially hinders the performance of its obligations under this Agreement, including acts of God, natural disasters, war, terrorism, civil unrest, government action, epidemic or pandemic, and failure of public utilities or telecommunications networks. Notwithstanding the foregoing, Force Majeure Events shall not include: (a) any failure to pay money when due; (b) labour disputes, strikes, or industrial action affecting the affected Party or its Subcontractors; (c) cybersecurity incidents that could have been prevented by implementation of reasonable security measures; (d) failure of the affected Party's technology systems or infrastructure, unless caused by a qualifying Force Majeure Event; or (e) economic hardship, market conditions, or changes in the affected Party's financial circumstances.

12.2 Mitigation Obligations.Upon becoming aware of a Force Majeure Event, the affected Party shall: (a) immediately notify the other Party in writing, providing details of the nature, likely duration, and expected impact of the Force Majeure Event; (b) use all reasonable endeavours to mitigate the effects of the Force Majeure Event and resume performance of its obligations as soon as reasonably practicable; (c) implement alternative performance arrangements where commercially feasible; and (d) provide regular updates on mitigation efforts and expected resolution timelines. The affected Party's obligations to mitigate shall include engaging alternative suppliers, relocating operations, or implementing backup systems where reasonable and proportionate.

12.3 Consequences and Performance Adjustments.During a Force Majeure Event, the affected Party's performance obligations shall be suspended to the extent prevented by such event, provided that: (a) payment obligations and accrued liabilities remain unaffected; (b) the affected Party continues to perform all obligations not prevented by the Force Majeure Event; (c) Service Level requirements may be adjusted proportionally to account for reduced capacity, subject to mutual agreement; and (d) the non-affected Party may implement contingency arrangements and alternative service provision at the affected Party's cost where the Force Majeure Event extends beyond thirty (30) days.

12.4 Termination Rights.If a Force Majeure Event prevents or materially hinders performance for a continuous period exceeding sixty (60) days, or for aggregate periods exceeding ninety (90) days in any twelve (12) month period, either Party may terminate the affected Statement of Work or the Agreement (where the Force Majeure Event affects the Agreement generally) by giving thirty (30) days' written notice. Such termination shall be without penalty to either Party, save that all accrued obligations and liabilities shall remain in effect.

12.5 Business Continuity Planning.Widget shall maintain and regularly test comprehensive Business Continuity Plans covering all critical Services provided under this Agreement. Such plans shall include: (a) alternative service delivery locations and backup facilities; (b) data backup and recovery procedures with defined Recovery Time Objectives (RTOs) and Recovery Point Objectives (RPOs); (c) communication protocols and escalation procedures; (d) alternative supplier arrangements and contingency resources; and (e) regular testing schedules with annual full-scale exercises. Widget shall provide Acme with executive summaries of Business Continuity Plans and testing results annually.

12.6 Disaster Recovery Requirements.Widget shall implement and maintain disaster recovery capabilities ensuring that: (a) critical Services can be restored within four (4) hours of a disruptive event (RTO); (b) data loss is limited to no more than one (1) hour of processing time (RPO); (c) alternative processing facilities are geographically separated from primary facilities by no less than fifty (50) miles; (d) disaster recovery testing occurs annually with results shared with Acme; and (e) any disaster recovery invocation is communicated to Acme within thirty (30) minutes. These requirements supplement but do not replace the Service Level obligations in Section 3.

12.7 Supply Chain Resilience.Widget shall maintain appropriate resilience in its supply chain and Subcontractor arrangements to minimise the impact of Force Majeure Events, including: (a) diversified supplier relationships for critical components; (b) alternative sourcing arrangements for key materials or services; (c) contractual flow-down of business continuity obligations to material Subcontractors; and (d) regular assessment of supply chain vulnerabilities and mitigation strategies. Widget shall notify Acme promptly of any supply chain disruption that may affect Service delivery.

12.8 Regulatory and Compliance Considerations.Force Majeure Events shall not excuse compliance with regulatory obligations allocated to Widget under Section 14, except where such compliance is physically impossible. Widget shall work with Acme and relevant regulators to ensure continuity of compliance monitoring and reporting, implement emergency compliance procedures where necessary, and maintain all required records and documentation throughout any Force Majeure Event.

12.9 Integration with Other Remedies.The Force Majeure provisions in this Section 12 operate without prejudice to other remedies available under this Agreement, including Service Credits under Section 3, Synthetic Risk recovery under Section 9, and limitation of liability provisions under Section 4. Where a Force Majeure Event contributes to but does not wholly cause service failures, liability and remedies shall be apportioned accordingly.

## 13. Audit Rights and Compliance Monitoring

"Acme shall have the right, exercisable no more than once per twelve (12) month period during the term of this Agreement and for a period of twelve (12) months thereafter, to conduct audits and inspections of Widget's performance, compliance, financial records, and operational procedures relating to this Agreement. Audits shall be limited to material issues and require at least thirty (30) days' prior written notice, except in cases of suspected fraud or material security breach."

13.2 Audit Procedures and Access Rights.Acme shall provide Widget with not less than fifteen (15) Business Days' written notice of any proposed audit, specifying the scope, duration, and personnel involved, except in cases of suspected fraud, material security breaches, or regulatory investigations where immediate access may be required. Widget shall provide Acme and its representatives with full access to relevant premises, systems, records, documentation, and personnel during normal business hours. Where audit findings reveal material non-compliance, data security vulnerabilities, or billing irregularities, Acme may require additional follow-up audits at Widget's expense.

13.3 Audit Findings and Remediation.Widget shall promptly remediate any deficiencies, non-compliance issues, or security vulnerabilities identified during audits within timescales specified by Acme, which shall be reasonable having regard to the nature and severity of the findings. Where audit findings reveal: (a) overcharging or billing errors, Widget shall immediately refund such amounts with interest at the rate specified in Section 8.7; (b) Service Level failures not previously identified, appropriate Service Credits shall be applied retroactively; (c) data protection or security breaches, Widget shall implement immediate containment measures and comply with notification obligations under Sections 5 and 9; and (d) regulatory non-compliance, Widget shall cooperate with any necessary regulatory reporting and remediation as required under Section 14.

13.4 Third Party and Regulatory Audits.Widget shall permit and facilitate audits by Acme's customers, regulators, and other third parties where Acme is subject to audit requirements or regulatory oversight relating to the Services. Widget shall provide reasonable advance notice to Acme of any regulatory audits or investigations affecting the Services and shall coordinate with Acme to ensure consistent responses and compliance strategies. Where third party audit requirements necessitate changes to Service delivery or additional compliance measures, the costs and implementation approach shall be addressed through the regulatory change procedures in Section 14.

13.5 Audit Costs and Record Retention.Acme shall bear the costs of routine audits conducted in accordance with this Section 13, except where such audits reveal material non-compliance, billing irregularities exceeding two percent (2%) of audited amounts, or security breaches, in which case Widget shall reimburse Acme's reasonable audit costs. Widget shall maintain complete and accurate records of all activities relating to this Agreement for a period of seven (7) years from the date of creation, or such longer period as may be required by applicable law or regulatory requirements under Section 14.

13.6 Confidentiality and Data Protection in Audits.All audit activities shall be conducted in accordance with the confidentiality obligations in Section 10 and data protection requirements in Section 5. Acme and its audit representatives shall execute appropriate confidentiality undertakings before accessing Widget's systems or confidential information. Where audits involve access to Personal Data or systems containing Personal Data, additional safeguards shall be implemented including data minimisation, purpose limitation, and secure disposal of any audit materials containing Personal Data.

13.7 Audit Rights Integration.The audit rights specified in this Section 13 are in addition to, and do not limit, any other inspection, monitoring, or compliance verification rights specified elsewhere in this Agreement, including those relating to insurance coverage under Section 6, intellectual property compliance under Section 7, and Synthetic Risk monitoring under Section 9. Audit findings may trigger other contractual remedies including Service Credits, Clawbacks under Section 19, or termination rights under Section 11.

## 14. Regulatory Change Matrix and Compliance Allocation

14.1 Regulatory Change Framework.The Parties acknowledge that the Services may be subject to various regulatory requirements that may change during the term of this Agreement. "Regulatory Change" means any change in Applicable Law, including new legislation, regulations, regulatory guidance, court decisions, or regulatory interpretations that materially affect the provision or receipt of the Services. The Parties shall cooperate in good faith to ensure continued compliance with all Applicable Law and to allocate the responsibilities and costs associated with Regulatory Changes in accordance with the matrix set forth in this Section 14.

14.2 Regulatory Change Categories and Allocation Matrix.Regulatory Changes shall be categorised and responsibility allocated as follows:

Category A - Widget Primary Responsibility: Changes affecting data protection, cybersecurity standards, professional services regulations, or industry-specific compliance requirements directly applicable to Widget's service delivery methods, where Widget shall bear implementation costs and compliance obligations;

Category B - Acme Primary Responsibility: Changes affecting Acme's business sector, customer obligations, or end-user regulatory requirements not directly related to service delivery methods, where Acme shall bear implementation costs and provide necessary compliance guidance to Widget;

Category C - Shared Responsibility: Changes affecting cross-border operations, data transfer mechanisms, or joint processing activities, where costs and obligations shall be allocated proportionally based on benefit received and control exercised;

Category D - Force Majeure Regulatory Changes: Fundamental legal or regulatory changes that make continued service provision illegal, impracticable, or commercially unviable, triggering the procedures in Section 12.4.

14.3 Notification and Assessment Procedures.Upon becoming aware of any Regulatory Change, the Party first identifying such change shall notify the other Party within ten (10) Business Days, providing details of the change, expected implementation timeline, and preliminary impact assessment. Within thirty (30) days of notification, the Parties shall jointly assess the Regulatory Change to determine its categorisation under Clause 14.2, implementation requirements, cost implications, and any necessary modifications to Service delivery or contractual obligations. Where the Parties cannot agree on categorisation or allocation, the matter shall be resolved through expert determination as provided in Section 21.

14.4 Implementation and Compliance Obligations.Following categorisation of a Regulatory Change, the responsible Party shall: (a) develop and implement necessary compliance measures within regulatory deadlines; (b) provide regular progress updates to the other Party; (c) ensure all relevant personnel receive appropriate training on new requirements; (d) update relevant policies, procedures, and documentation; and (e) cooperate with any regulatory inspections or inquiries. Where implementation requires modification of Service delivery methods, such changes shall be documented through formal Change Orders under Section 2.3.

"Costs associated with Regulatory Changes shall be allocated according to the categorisation in Clause 14.2. Where Widget bears primary responsibility (Category A), no additional fees shall be payable unless the Regulatory Change requires fundamental re-engineering of Service delivery methods, in which case reasonable additional costs may be charged with Acme's prior consent. If the aggregate cost of compliance with Regulatory Changes in any twelve (12) month period exceeds five percent (5%) of the total annual fees payable under this Agreement, Widget shall have the right to renegotiate the affected terms and, if no agreement is reached within thirty (30) days, to terminate the affected Services on ninety (90) days' written notice." Where Acme bears primary responsibility (Category B), Widget shall be entitled to additional fees for implementation work at its standard rates. For Shared Responsibility changes (Category C), costs shall be allocated based on detailed impact assessment and mutual agreement.

14.6 Data Protection and Cross-Border Regulatory Compliance.Specific provisions apply to Regulatory Changes affecting data protection and cross-border data transfers: (a) changes to Data Protection Laws shall generally be Category A (Widget responsibility) where they affect processing methods, security standards, or technical compliance measures; (b) changes affecting adequacy decisions, transfer mechanisms, or data localisation requirements shall be Category C (shared responsibility); (c) changes to Acme's sector-specific data obligations shall be Category B (Acme responsibility); and (d) Widget shall maintain current compliance with UK GDPR, EU GDPR, and other applicable data protection regimes as specified in Section 5.

14.7 Financial Services and Sector-Specific Regulations.Where Acme operates in regulated sectors (financial services, healthcare, telecommunications), Regulatory Changes affecting such sectors shall be allocated as follows: changes to prudential requirements, capital adequacy, or customer protection regimes shall generally be Category B (Acme responsibility); changes to operational risk management, technology risk, or service provider oversight requirements shall generally be Category A (Widget responsibility); changes to regulatory reporting or data governance requirements shall be assessed on a case-by-case basis under Category C (shared responsibility).

14.8 Compliance Monitoring and Reporting.Widget shall maintain comprehensive compliance monitoring systems covering all applicable regulatory requirements and shall provide Acme with: (a) quarterly compliance reports summarising regulatory developments, implementation status, and compliance metrics; (b) annual compliance certifications confirming adherence to all applicable requirements; (c) immediate notification of any actual or suspected regulatory breaches or non-compliance issues; and (d) full cooperation with any regulatory inspections or investigations affecting Acme. Such monitoring and reporting obligations supplement the audit rights specified in Section 13.

## 15. Warranties and Representations

15.1 Mutual Warranties.Each Party warrants and represents to the other as at the Effective Date and on a continuing basis throughout the term of this Agreement that: (a) it has full corporate power and authority to enter into and perform its obligations under this Agreement; (b) the execution, delivery, and performance of this Agreement have been duly authorised by all necessary corporate action; (c) this Agreement constitutes a legal, valid, and binding obligation enforceable in accordance with its terms; (d) the execution and performance of this Agreement will not violate any law, regulation, or contractual obligation binding upon it; and (e) all information provided to the other Party in connection with this Agreement is true, accurate, and not misleading in any material respect.

15.2 Widget's Service Warranties.Widget warrants that: (a) all Services shall be performed with due care and skill, in accordance with Good Industry Practice, and in compliance with all applicable laws and professional standards; (b) all personnel assigned to perform Services shall be appropriately qualified, experienced, and trained for their respective roles; (c) the Services shall conform to the specifications, Service Levels, and acceptance criteria set out in each Statement of Work; (d) all Deliverables shall be free from material defects and shall perform substantially in accordance with their specifications for a period of twelve (12) months from delivery or acceptance; (e) it has and shall maintain all necessary licences, permits, and authorisations required to provide the Services; and (f) the provision of Services and use of Deliverables shall not infringe any third party Intellectual Property Rights, subject to the limitations set forth in Section 7.

15.3 Warranty Remedies and Procedures.In the event of any breach of the warranties in Clause 15.2, Acme may require Widget to: (a) re-perform any defective Services at no additional cost; (b) repair, replace, or modify any defective Deliverables to ensure compliance with specifications; (c) provide additional training or support to remedy performance deficiencies; or (d) refund fees paid for Services or Deliverables that cannot be remedied within a reasonable timeframe. Widget shall commence remedial action within five (5) Business Days of receiving notice of any warranty breach and shall complete such remediation within thirty (30) days unless a longer period is mutually agreed in writing.

15.4 Warranty Exclusions and Limitations.The warranties in this Section 15 shall not apply to: (a) defects or failures caused by Acme's misuse, modification, or failure to follow Widget's operating instructions; (b) normal wear and tear or degradation over time; (c) defects arising from Acme's specifications, requirements, or data where Widget has followed such specifications accurately; (d) third party software, hardware, or services not provided by Widget; (e) issues arising from changes in Applicable Law or regulatory requirements unless Widget had reasonable notice of such changes; or (f) Force Majeure Events as defined in Section 12. Widget's liability for warranty breaches shall be subject to the limitation of liability provisions in Section 4.

15.5 Representations and Warranties Insurance.Widget shall maintain Representations and Warranties Insurance covering its representations under this Agreement with minimum coverage of £2,000,000 per claim and £5,000,000 in the aggregate. Such insurance shall: (a) name Acme as an additional insured or loss payee; (b) include coverage for legal costs and expenses; (c) provide for direct claims by Acme against the insurer; (d) have a policy period extending at least eighteen (18) months beyond the expiry of this Agreement; and (e) be placed with insurers rated A- or better by A.M. Best or equivalent rating agency. Widget shall provide Acme with certificates of insurance and shall not materially modify coverage without Acme's prior written consent.

15.6 Insurance Claims Coordination.In the event of any warranty breach or representation dispute that may be covered by insurance, the Parties shall coordinate their response to ensure optimal recovery under available policies. Widget shall: (a) promptly notify its insurers of any potential claims; (b) cooperate fully with Acme in pursuing insurance claims; (c) not settle or compromise any claim without Acme's consent where such settlement might prejudice Acme's rights; and (d) provide Acme with copies of all material correspondence with insurers. Any insurance proceeds recovered shall first be applied to compensate Acme for its losses, with any surplus retained by Widget.

15.7 No Other Warranties.Except as expressly set forth in this Agreement, Widget makes no other warranties, representations, or guarantees, whether express, implied, statutory, or otherwise, including without limitation any warranties of merchantability, fitness for a particular purpose, or non-infringement. All such other warranties are hereby expressly disclaimed to the fullest extent permitted by law.

## 16. Most Favoured Customer and Benchmarking

16.1 Most Favoured Customer Status.Widget warrants that the fees, terms, and conditions provided to Acme under this Agreement are no less favourable than those provided by Widget to any other customer for services of substantially similar scope, complexity, volume, and geographic coverage. If Widget provides more favourable terms to any other customer during the term of this Agreement, Widget shall automatically extend such improved terms to Acme with immediate effect and provide retroactive adjustments where applicable.

16.2 Fee Benchmarking and Market Testing.No later than the second anniversary of the Effective Date, and annually thereafter, Acme may require Widget to participate in fee benchmarking exercises conducted by independent third parties to compare the fees charged under this Agreement with prevailing market rates for comparable services. If such benchmarking reveals that Widget's fees exceed market rates by more than ten percent (10%), Widget shall reduce its fees to match the benchmark median or risk termination of the affected Services upon sixty (60) days' notice.

16.3 Service Level Benchmarking.Widget agrees that Service Levels specified in Section 3 shall be subject to annual benchmarking against industry best practices and comparable service providers. Where benchmarking identifies opportunities for improvement exceeding five percent (5%) performance enhancement, Widget shall implement such improvements at no additional cost to Acme within six (6) months of the benchmarking results.

16.4 Benchmarking Methodology and Costs.All benchmarking exercises shall be conducted by reputable independent consultants with recognized expertise in the relevant service areas, selected by mutual agreement or failing agreement by Acme. The costs of benchmarking shall be borne equally by the Parties, except where benchmarking reveals that Widget's fees exceed market rates by more than fifteen percent (15%) or Service Levels fall short of market standards by more than ten percent (10%), in which case Widget shall bear the full cost of the benchmarking exercise.

16.5 Competitive Proposals and Right to Match.If Acme receives a bona fide competitive proposal for services substantially similar to those provided under this Agreement, Acme may provide Widget with details of such proposal (subject to appropriate confidentiality protections) and allow Widget thirty (30) days to match or better the competitive terms. If Widget elects not to match such terms, Acme may terminate the affected Services upon ninety (90) days' notice without penalty.

16.6 Innovation and Continuous Improvement.Widget shall continuously seek to improve the Services through innovation, technological advancement, and process optimization. Widget shall share the benefits of such improvements with Acme through enhanced Service Levels, reduced fees, or expanded service capabilities, demonstrating year-over-year improvement in value delivery. This obligation is in addition to the performance improvement requirements specified in Section 3.

## 17. Subcontracting and Assignment

17.1 Restrictions on Assignment.Neither Party may assign, transfer, or otherwise dispose of any of its rights or obligations under this Agreement (whether in whole or in part) without the prior written consent of the other Party, such consent not to be unreasonably withheld or delayed. Any attempted assignment in breach of this clause shall be void and of no effect. Notwithstanding the foregoing, Acme may assign this Agreement (without Widget's consent) to any Affiliate or in connection with a merger, reorganisation, change of control, or sale of substantially all of its business or assets, provided that notice is given to Widget as soon as reasonably practicable.

17.2 Permitted Subcontracting.Widget shall not subcontract any material part of the Services without Acme's prior written consent (such consent not to be unreasonably withheld or delayed). Where consent is given, Widget shall remain fully responsible and liable for all acts and omissions of its Subcontractors and for ensuring their ongoing compliance with the obligations of this Agreement (including Service Levels, data protection in Section 5, information security in Section 10, and regulatory and business continuity requirements in Sections 12 and 14). Widget shall provide details of all proposed Subcontractors, including their experience, jurisdiction, and the responsibilities they will undertake, and shall use commercially reasonable efforts to flow down all material obligations.

17.3 Subprocessor and Supplier Due Diligence.Prior to appointment of any Subcontractor or Subprocessor involved in Data processing, Widget shall conduct and document due diligence on the proposed entity's data protection, cybersecurity, financial stability, and regulatory compliance capabilities. Written due diligence summaries shall be made available to Acme upon request and updated annually for all material Subcontractors.

17.4 Change of Control Events.Each Party shall promptly notify the other in writing upon becoming aware of a change of control of its ultimate parent company. Acme may terminate this Agreement upon thirty (30) days' written notice if Widget undergoes a change of control to the benefit of a direct competitor of Acme, or where such change materially increases Acme's risk exposure under the Agreement.

17.5 Step-in and Novation Rights.Upon the occurrence of a Persistent Material Breach or Force Majeure Event exceeding sixty (60) days, Acme may, at its sole discretion, require the novation of Service delivery to an alternative supplier or direct step-in to manage the Services. Widget shall, at Acme's expense, give all reasonable assistance to effect any required novation and promptly transfer all relevant know-how, assets, contracts, and data as necessary for uninterrupted Service continuation.

17.6 No Third Party Beneficiaries.Except as expressly stated in this Agreement, a person who is not a Party to this Agreement shall have no right to enforce any term of this Agreement under the Contracts (Rights of Third Parties) Act 1999 or otherwise. This does not affect any right or remedy of a third party which exists or is available apart from that Act.

## 18. Dispute Resolution

18.1 Good Faith Negotiation.If any dispute, controversy, or claim arises out of or in connection with this Agreement or its performance (a "Dispute"), the Parties shall, in the first instance, attempt in good faith to resolve the Dispute promptly through negotiation between appointed representatives with authority to settle the matter. Either Party may initiate this process by written notice specifying the nature of the Dispute. The Parties shall meet (in person or virtually) within ten (10) Business Days of such notice to discuss and attempt to resolve the Dispute.

18.2 Escalation Procedure.If the Dispute is not resolved within fifteen (15) Business Days of commencement of negotiation, it shall be escalated to senior executives of each Party (at least at director level or equivalent), who shall meet within ten (10) Business Days to seek a resolution.

18.3 Mediation.If the Dispute remains unresolved after escalation, either Party may, at any time, submit the Dispute to mediation administered by the Centre for Effective Dispute Resolution (CEDR) in London, UK under its Mediation Rules then in force. The mediation shall commence within thirty (30) days of submission. The Parties shall bear the mediator's fees and all mediation costs equally, and participation in mediation shall not preclude recourse to legal proceedings.

18.4 Expert Determination.For Disputes relating exclusively to technical, regulatory, or benchmarking matters, either Party may request resolution by expert determination. The Parties shall agree on the identity and terms of appointment of a suitably qualified independent expert within ten (10) Business Days of notice. If agreement is not reached, the President of the Law Society of England and Wales shall appoint the expert. The expert's determination shall be final and binding, save in cases of manifest error or material breach of due process.

18.5 Court Proceedings and Jurisdiction.If the Dispute is not resolved through negotiation, escalation, mediation, or expert determination (where applicable) within sixty (60) days of initiation (or such longer period as mutually agreed), either Party may commence proceedings in the courts of England and Wales, which shall have exclusive jurisdiction. Notwithstanding this, either Party may seek interim or injunctive relief at any time from a court of competent jurisdiction to preserve confidentiality, protect Intellectual Property Rights, or prevent irreparable harm.

18.6 Confidentiality of Dispute Resolution.All communications, negotiations, and materials disclosed in connection with the Dispute resolution process are confidential, without prejudice, and inadmissible in court or arbitration, except as required to enforce a settlement or as otherwise required by law.

18.7 Continued Performance.Except in the case of non-payment or material breach that directly affects performance, the Parties shall continue to perform their obligations under this Agreement notwithstanding any pending Dispute.

## 19. Clawback and Earnout Adjustments

19.1 Clawback Triggers and Scope.Acme shall be entitled to claw back all or part of any performance-based payments, Service Credits, milestone payments, or earnouts made to Widget under this Agreement or any Statement of Work where: (a) subsequent audit, review, or regulatory investigation reveals material non-compliance by Widget with Service Levels, Deliverable specifications, or regulatory requirements; (b) fraud, willful misconduct, or gross negligence is established in Widget's performance; (c) performance metrics or financial benchmarks upon which payments were calculated are found to be misstated or artificially inflated; or (d) Widget fails to maintain eligibility for any incentive-based or outcome-dependent compensation over a relevant measurement period.

19.2 Calculation and Recovery of Clawback Amounts.The clawback amount shall be determined by reference to the overpaid, improperly credited, or ineligible sums, together with interest at the rate specified in Section 8.7, and any associated expenses or penalties incurred by Acme as a result of such overpayment or regulatory action. Clawback amounts may be recovered by set-off pursuant to Section 8.5, direct repayment by Widget within thirty (30) days of demand, or exercise of any other remedy available under this Agreement or at law.

19.3 Multi-Year and Compound Measurement.Where performance-based payments or earnouts are measured on a multi-year or cumulative basis, clawbacks may apply to incentives earned or paid in any prior period within the applicable measurement cycle. Adjustments to prior period payments may be made retrospectively where inaccurate reporting, audit findings, or regulatory determinations justify restatement of earlier outcomes.

19.4 Disputed Clawback Calculation and Resolution.If Widget disputes any proposed clawback, it shall notify Acme in writing within ten (10) Business Days of Acme's claim, setting out the grounds for dispute in reasonable detail. The Parties shall negotiate in good faith to resolve the dispute within twenty (20) Business Days. If unresolved, the matter shall be referred to binding expert determination as provided in Section 18.4 (Expert Determination). Pending resolution, Acme may withhold equivalent future payments.

19.5 Regulatory and Market Adjustments.Where a clawback is triggered by regulatory changes, market adjustments, or changes in generally accepted accounting practice that retrospectively affect the calculation of performance-based payments, the Parties shall co-operate in good faith to determine an equitable adjustment, with reference to the Regulatory Change Matrix in Section 14 and benchmarking requirements in Section 16.

19.6 No Double Recovery.In no event shall Acme be entitled to recover more than the actual losses or overpayments incurred, after accounting for Service Credits, refunds, or compensation already received in respect of the same underlying event or breach.

## 20. General Provisions

20.1 Entire Agreement.This Agreement (together with any Statements of Work executed pursuant hereto and the schedules hereto) constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior negotiations, representations, or agreements relating thereto, whether written or oral. No amendment or modification of this Agreement shall be effective unless in writing and signed by authorised representatives of both Parties.

20.2 Severability.If any provision of this Agreement is held to be invalid, illegal, or unenforceable by a court of competent jurisdiction, such provision shall be deemed severed from this Agreement and the remainder shall continue in full force and effect, provided that the fundamental commercial purpose of this Agreement is not thereby frustrated. The Parties shall negotiate in good faith to replace any severed provision with a valid provision that achieves the same commercial effect.

20.3 Waiver.No failure or delay by either Party in exercising any right, power, or remedy under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise preclude any other or further exercise thereof or the exercise of any other right, power, or remedy. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by law.

20.4 Notices.All notices, demands, or other communications required or permitted under this Agreement shall be in writing and shall be deemed to have been duly given: (a) when delivered personally; (b) one (1) Business Day after deposit with a recognised overnight courier service; (c) three (3) Business Days after deposit in the Royal Mail, first class post, postage prepaid; or (d) when transmitted by email during Business Hours (or the next Business Day if transmitted outside Business Hours), provided receipt is confirmed. Notices shall be addressed to the Parties at their respective addresses set forth in the preamble or such other address as either Party may designate by notice given in accordance with this clause.

20.5 Governing Law.This Agreement shall be governed by and construed in accordance with the laws of England and Wales, without regard to conflict of law principles. The Parties hereby irrevocably submit to the exclusive jurisdiction of the courts of England and Wales for the resolution of any disputes arising out of or in connection with this Agreement.

20.6 Counterparts and Electronic Execution.This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. Electronic signatures and electronically transmitted copies shall have the same legal effect as original signatures and documents.

20.7 Relationship of the Parties.Nothing in this Agreement shall be construed as creating a partnership, joint venture, agency, or employment relationship between the Parties. Each Party is an independent contractor with respect to the other Party and neither Party shall have authority to bind the other in any manner whatsoever.

20.8 Further Assurance.Each Party agrees to execute and deliver such additional documents and to take such additional actions as may be reasonably necessary or desirable to carry out the purposes and intent of this Agreement.

## IN WITNESS WHEREOF

The Parties have executed this Agreement on the date first written above.

ACME LIMITED

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Name: [Print Name]Title: [Title]Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

WIDGET CORPORATION LIMITED

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Name: [Print Name]Title: [Title]Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

WITNESSES:

Witness 1:

Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Name: [Print Name]Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Witness 2:

Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Name: [Print Name]Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_