Service Disruption Compensation Policy

Effective Date: January 1, 2024

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Version: 2.0

Supersedes: Version 1.2 (2022)

1. Purpose and Scope

- 1. This Service Disruption Compensation Policy ("Policy") establishes the framework and procedures for compensating customers of DeepShield Systems, Inc. ("DeepShield") in the event of service disruptions affecting the DeepShield Industrial Control System Security Platform and related services.
- 2. This Policy applies to all enterprise customers with active Service Agreements and covers disruptions to:
- Real-time OT network monitoring services
- SCADA security systems
- AI-driven threat detection platforms
- Maritime infrastructure protection modules
- Automated incident response systems

2. Definitions

- 1. "Service Disruption" means any unplanned interruption or degradation of DeepShield's services that results in:
- a) Complete system unavailability
- b) Critical function failure
- c) Severe performance degradation affecting operational capability
- d) Loss of monitoring or threat detection capabilities
- 2. "Service Level Agreement" or "SLA" refers to the service levels specified in the Master Service Agreement between DeepShield and the customer.
- 3. "Compensation Period" means the duration for which service credits or financial compensation

3. Service Disruption Classification

1. Level 1 (Critical) Disruption:

- Complete platform unavailability
- Duration exceeding 30 minutes
- Affecting multiple critical infrastructure customers

2. Level 2 (Severe) Disruption:

- Partial system failure affecting core security functions
- Duration exceeding 2 hours
- Impacting individual customer operations

3. Level 3 (Moderate) Disruption:

- Degraded performance or non-critical function failure
- Duration exceeding 4 hours
- Limited operational impact

4. Compensation Structure

1. Level 1 Disruption Compensation:

- 10% of monthly service fees for each hour of disruption
- Maximum compensation cap of 100% monthly service fees
- Additional remediation support at no cost

2. Level 2 Disruption Compensation:

- 5% of monthly service fees for each hour of disruption
- Maximum compensation cap of 50% monthly service fees
- Priority incident response support

3. Level 3 Disruption Compensation:

- 2% of monthly service fees for each hour of disruption
- Maximum compensation cap of 25% monthly service fees

5. Claim Procedures

- 1. Customers must submit compensation claims within 30 days of the disruption event through:
- DeepShield Customer Portal
- Written notice to designated account representative
- Email to claims@deepshield.com

2. Claims must include:

- Detailed description of the disruption
- Time and duration of impact
- Affected systems and operations
- Supporting documentation

6. Exclusions and Limitations

- 1. This Policy does not apply to:
- Scheduled maintenance windows
- Force majeure events
- Customer-caused disruptions
- Third-party network or infrastructure failures
- Disruptions during beta or trial services
- 2. DeepShield reserves the right to:
- Verify all claims before processing
- Request additional documentation
- Deny claims that do not meet Policy criteria

7. Payment and Credits

- 1. Approved compensation will be applied as:
- Service credits to future invoices
- Direct financial compensation (upon request)
- Additional service provisions
- 2. Processing Timeline:
- Initial claim review: 5 business days

- Final determination: 15 business days
- Credit/payment processing: Next billing cycle

8. Policy Modifications

- 1. DeepShield may modify this Policy with 30 days' written notice to customers.
- 2. Modifications will not affect claims in process or approved compensation.

9. Governing Law

1. This Policy shall be governed by and construed in accordance with the laws of the State of Delaware.

10. Contact Information

For questions or assistance regarding this Policy, contact:

DeepShield Systems, Inc.

Legal Department

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Document Control

Approved by: Robert Kessler, CFO

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