

SECURITY SERVICES AGREEMENT

THIS SECURITY SERVICES AGREEMENT (the "Agreement") is made and entered into as of March 1, 2024 (the "Effective Date"), by and between:

DEEPSHIELD SYSTEMS, INC., a Delaware corporation with its principal place of business at 2200 Technology Drive, Suite 400, Wilmington, Delaware 19801 ("Contractor")

and

SOUTH CAROLINA STATE PORTS AUTHORITY, a public agency of the State of South Carolina, with its principal place of business at 200 Ports Authority Drive, Charleston, South Carolina 29401 ("Authority")

RECITALS

WHEREAS, the Authority operates maritime port facilities in Charleston, South Carolina requiring advanced cybersecurity protection for its operational technology (OT) systems and critical infrastructure;

WHEREAS, Contractor specializes in industrial control system security solutions and maritime infrastructure protection; and

WHEREAS, the Authority desires to engage Contractor to provide comprehensive cybersecurity services for its port operations, and Contractor desires to provide such services under the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

1. SCOPE OF SERVICES

1 **Base Services.** Contractor shall provide the following security services:

- (a) Implementation of DeepShield Maritime Security Platform(TM)
- (b) 24/7 OT network monitoring and threat detection
- (c) Real-time anomaly detection and incident response
- (d) SCADA system protection and access control
- (e) Maritime-specific threat intelligence

(f) Quarterly security assessments and reporting

2 ****Additional Services.**** Upon written request, Contractor shall provide:

(a) Emergency incident response

(b) Security architecture consulting

(c) Personnel training and certification

(d) System upgrades and modifications

2. TERM AND TERMINATION

1 ****Initial Term.**** This Agreement shall commence on the Effective Date and continue for thirty-six (36) months.

2 ****Renewal.**** Agreement may be renewed for two (2) additional 24-month terms upon mutual written agreement.

3 ****Termination for Convenience.**** Authority may terminate upon 90 days' written notice.

4 ****Termination for Cause.**** Either party may terminate immediately upon material breach.

3. COMPENSATION

1 ****Base Fee.**** Authority shall pay Contractor \$875,000 annually, payable in monthly installments.

2 ****Additional Services.**** Billed at agreed rates in Exhibit A.

3 ****Expenses.**** Authority shall reimburse reasonable travel and materials costs.

4. PERFORMANCE STANDARDS

1 ****Service Levels.**** Contractor shall maintain:

(a) 99.99% system uptime

(b) 15-minute maximum incident response time

(c) 1-hour resolution time for critical incidents

(d) Monthly performance reporting

2 ****Compliance.**** Services shall comply with:

(a) MTSA requirements

- (b) NIST Cybersecurity Framework
- (c) ISO 27001 standards
- (d) US Coast Guard cybersecurity guidelines

5. CONFIDENTIALITY AND DATA PROTECTION

1 ****Confidential Information.**** Parties shall protect confidential information for 5 years post-termination.

2 ****Data Security.**** Contractor shall:

- (a) Encrypt all Authority data
- (b) Maintain SOC 2 Type II certification
- (c) Perform quarterly penetration testing
- (d) Provide breach notification within 4 hours

6. INTELLECTUAL PROPERTY

1 ****Ownership.**** Contractor retains all IP rights in its systems and software.

2 ****License.**** Authority receives non-exclusive license during term.

3 ****Authority Data.**** Authority retains all rights to its data.

7. INSURANCE AND INDEMNIFICATION

1 ****Required Coverage.**** Contractor shall maintain:

- (a) \$10M Cyber Liability
- (b) \$5M Professional Liability
- (c) \$2M General Liability
- (d) Workers' Compensation statutory coverage

2 ****Indemnification.**** Contractor shall indemnify Authority against third-party claims.

8. LIMITATION OF LIABILITY

1 ****Cap.**** Liability limited to 12 months' fees except for:

- (a) Gross negligence

- (b) Willful misconduct
- (c) Confidentiality breaches
- (d) IP infringement

9. GENERAL PROVISIONS

- 1 ****Assignment.**** No assignment without prior written consent.
- 2 ****Force Majeure.**** Standard exclusions for events beyond control.
- 3 ****Governing Law.**** South Carolina law governs.
- 4 ****Dispute Resolution.**** Mandatory mediation before litigation.
- 5 ****Entire Agreement.**** Complete understanding of parties.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

DEEPSHIELD SYSTEMS, INC.

By:

Name: Dr. Marcus Chen

Title: Chief Executive Officer

Date:

SOUTH CAROLINA STATE PORTS AUTHORITY

By:

Name:

Title:

Date:

[EXHIBITS TO FOLLOW]