

VIRGINIA PORTS SECURITY ENHANCEMENT CONTRACT

THIS SECURITY ENHANCEMENT CONTRACT (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

Virginia Port Authority, a political subdivision of the Commonwealth of Virginia, with its principal office at 600 World Trade Center, Norfolk, Virginia 23510 ("Authority")

RECITALS

WHEREAS, the Authority operates and maintains critical maritime infrastructure facilities across the Commonwealth of Virginia, including but not limited to Norfolk International Terminals, Newport News Marine Terminal, Portsmouth Marine Terminal, and Virginia International Gateway;

WHEREAS, the Authority seeks to enhance its cybersecurity infrastructure to protect operational technology (OT) environments and industrial control systems across its port facilities;

WHEREAS, Contractor specializes in advanced industrial cybersecurity solutions and has developed proprietary technology for protecting maritime and port infrastructure; and

WHEREAS, the Authority desires to engage Contractor to implement comprehensive cybersecurity enhancements across its facilities, and Contractor desires to provide such services.

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

1. DEFINITIONS

1 "Confidential Information" means all non-public information disclosed by either party to the other party, including but not limited to technical specifications, security protocols, network architecture, and operational procedures.

2 "Deliverables" means all work products, software implementations, documentation, and materials to be provided by Contractor as specified in Exhibit A.

3 "Port Facilities" means all maritime terminals, cargo handling facilities, and related infrastructure operated by the Authority within the Commonwealth of Virginia.

4 "Services" means the security enhancement services described in Section 2 and detailed in Exhibit A.

2. SCOPE OF SERVICES

1 Contractor shall provide the following security enhancement services:

- a) Implementation of DeepShield's Maritime-Shield(TM) platform across all Port Facilities
- b) Real-time monitoring and threat detection for OT networks and industrial control systems
- c) Integration with existing SCADA systems and operational infrastructure
- d) Custom security modules for cargo handling systems and terminal automation
- e) 24/7 security operations center (SOC) support
- f) Regular vulnerability assessments and penetration testing
- g) Employee cybersecurity training and awareness programs

2 Detailed specifications and implementation schedules are set forth in Exhibit A.

3. TERM AND TERMINATION

1 This Agreement shall commence on the Effective Date and continue for a period of five (5) years, unless earlier terminated as provided herein.

2 Either party may terminate this Agreement upon ninety (90) days' written notice for material breach that remains uncured after thirty (30) days' written notice.

4. COMPENSATION

1 The Authority shall pay Contractor the following fees:

- a) Initial implementation fee: \$4,750,000
- b) Annual maintenance and support: \$975,000
- c) Additional services as specified in Exhibit B

2 Payment terms and schedules are detailed in Exhibit C.

5. SECURITY REQUIREMENTS

1 Contractor shall comply with:

- a) NIST Cybersecurity Framework
- b) Maritime Transportation Security Act (MTSA) requirements
- c) International Ship and Port Facility Security (ISPS) Code
- d) Authority's Information Security Policy (Policy #2024-03)

2 All Contractor personnel requiring facility access shall undergo background checks and security clearance procedures.

6. WARRANTIES AND REPRESENTATIONS

1 Contractor warrants that:

- a) Services will be performed in a professional manner
- b) Deliverables will conform to specifications in Exhibit A
- c) Implementation will not disrupt port operations
- d) Solutions will maintain compatibility with existing systems

7. LIMITATION OF LIABILITY

1 Neither party's liability shall exceed the total fees paid under this Agreement.

2 Neither party shall be liable for consequential, indirect, or punitive damages.

8. INTELLECTUAL PROPERTY

1 Contractor retains all rights to its pre-existing intellectual property.

2 Custom developments specifically for Authority shall be jointly owned.

9. CONFIDENTIALITY

1 Each party shall protect Confidential Information using the same degree of care as its own confidential information.

2 Confidentiality obligations survive termination for five (5) years.

10. FORCE MAJEURE

1 Neither party shall be liable for delays due to circumstances beyond reasonable control.

11. GOVERNING LAW

1 This Agreement shall be governed by Virginia law.

2 Exclusive jurisdiction in Norfolk, Virginia.

12. MISCELLANEOUS

1 This Agreement constitutes the entire agreement between the parties.

2 Modifications require written agreement of both parties.

3 If any provision is held invalid, remaining provisions remain in effect.

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:

VIRGINIA PORT AUTHORITY

By:

Name:

Title:

Date:

[Exhibits A, B, and C to be attached]