

# Master Services Agreement

This Master Services Agreement, dated as of February 26, 2024, ("Effective Date") is between Core Specialty Insurance Services, Inc. ("**Client**"), and 3Cloud, LLC ("**3Cloud**").

3Cloud is in the business of providing cloud computing solutions and related technical services to clients. Client desires to obtain such services from 3Cloud as described in this agreement and in one or more Statements of Work or Services Delivery Agreements ("**SOW/SDA**") which are hereby incorporated into this agreement (collectively, the "**Agreement**"). Therefore, Client and 3Cloud hereby agree as follows:

## 1. Definitions

- 1.1 Capitalized terms used in this Agreement have the meanings set forth in Schedule 1 (Definitions) or as otherwise set forth through this Agreement.

## 2. Term and Termination

- 2.1 Term. The term of this Agreement shall be for one (1) year (the "**Term**"), becoming effective immediately upon execution. . This Agreement, and any related SOW/SDA may be renewed annually upon mutual written agreement between the Parties unless or until terminated pursuant to the provisions of this Section 2 or as otherwise set forth through this Agreement or any applicable SOW/SDA.
- 2.2 Termination for Convenience. Either Party may terminate this Agreement without cause and without penalty by providing the other Party forty-five (45) days' advance written notice of termination..
- 2.3 Termination for Cause. Either Party may terminate this Agreement if at any time the other Party materially breaches this Agreement and the breaching party fails to cure such breach within thirty (30) days following receipt of written notice describing the breach. Further, either Party may terminate this Agreement if the other Party becomes insolvent, makes a general assignment for the benefit of creditors, suffers or permits the appointment of a receiver for its business or assets, or avails itself or becomes subject to any proceeding under any applicable bankruptcy Laws or any other country, federal, state or local Laws relating to insolvency or the protection of rights of creditors. In addition, Client may terminate this Agreement, as well as any and all SOW/SDAs, order forms, or other work orders, immediately upon notice to 3Cloud (i) if Client has reason to believe that 3Cloud or any Project Staff failed to comply with any notice provided pursuant to Clause 12.12(C) or any other provision of Section 12.12; or (ii) if overall the Project Staff involved with the Services have five (5) incidents of failing phishing tests or falling victim to actual incidents of phishing.
- 2.4 Events on Termination.

Upon any termination or expiration of this Agreement or any SOW/SDA Client shall be responsible for Fees incurred prior to the date of termination and no further Fees shall accrue once notice of termination has been received by 3Cloud. 3Cloud will refund to Client all pre-paid unearned fees

Upon any termination or expiration of a SOW/SDA, provided that Client has paid all undisputed Fees, 3Cloud will reasonably assist Client with the transition of the Services to Client ("**Transition Assistance**")

**Services**”). 3Cloud will bill Transition Assistance Services to Client on a time and materials basis at 3Cloud’s rates for such Services in effect at such time.

Except as otherwise expressly provided in this Agreement, all rights, licenses and authorizations granted by either Party to the other hereunder will immediately terminate.

### 3. Services

#### 3.1 Statements of Work or Services Delivery Agreements.

3Cloud will provide the Services in accordance with this Agreement and one or more SOW/SDA entered into by the Parties.

An authorized officer of each Party must sign each SOW/SDA. Once executed by both Parties, the new SOW/SDA will be effective (unless a different SOW/SDA Effective Date is specified in the SOW/SDA) and the Services thereunder will form part of the Services governed by this Agreement.

All SOW/SDAS incorporate by reference, and are subject to, the terms and conditions of this Agreement. Upon execution, each SOW/SDA will become a part of Schedule 2 (Executed Statements of Work and Services Delivery Agreements). The SOW/SDA will be serially numbered (i.e., the first being Schedule 2-1, the second being Schedule 2-2, the third being Schedule 2-3, etc.).

Notwithstanding that each SOW/SDA is a Schedule to this Agreement, this Agreement together with each SOW/SDA is to be interpreted as a single agreement so that all of the provisions are given as full effect as possible. Any term of this Master Services Agreement which directly conflicts with those of an addendum or amendment to this Master Services Agreement, any Schedule to this Agreement or those of any SOW/SDA, the order of precedence is as follows (items with a lower number having priority over, and controlling in the event of a conflict with, items having a higher number): (i) SOW/SDA, including the Exhibits and other attachments incorporated therein (but only with respect to Services to be performed under such SOW/SDA); (ii) any addendum or amendment to this Master Services Agreement; (iii) this Master Services Agreement; and (iv) any Schedules or other attachments incorporated in this Master Services Agreement.

Change Orders. The Parties will memorialize any modifications or changes to the Services following execution of a SOW/SDA in a mutually agreed upon change order (a “**Change Order**”) signed by both Parties.

#### 3.2 Governmental Approvals.

Each Party will cooperate with the other Party, as reasonably requested by the other Party, in the other Party’s obtaining the Governmental Approvals that such other Party is required to obtain pursuant to an applicable SOW/SDA.

#### 3.3 Representatives. Each Party will designate, for each SOW/SDA, an individual to whom all communications may be addressed, and who has the authority to act for the Party in connection with all aspects of such SOW/SDA (the “**Representative**”), but any written notice, demand or other communication in respect of matters other than the day-to-day provision of the Services under such SOW/SDA shall be addressed to the person or persons

specified in Section 14.2 (Notice). Each Representative may designate, via electronic communications, an alternate or deputy to act in his or her place in case of illness, vacation, or other absence.

- 3.4 Qualifications and Training of Project Staff. 3Cloud will assign an adequate number of Project Staff to perform the Services. 3Cloud will ensure the Project Staff are appropriately educated, trained, and qualified for the Services they are to perform.
- 3.5 Subcontractors. 3Cloud may not engage subcontractors to directly perform the Services or any part thereof without the prior written consent of the Client. 3Cloud will exercise reasonable care in the selection of any approved third party to which it subcontracts its responsibilities hereunder, or any portion thereof, provided, however, that 3Cloud shall at all times remain responsible for all of its obligations under this Agreement irrespective of any consent of Client to such subcontracting. Notwithstanding any consent of Client, 3Cloud (i) shall be solely liable for any payment due to any subcontractor by 3Cloud, (ii) shall ensure all subcontractors be subject to the applicable terms and provisions of this Agreement, (iii) shall be liable to the Client for the acts and omissions of such subcontractors, and (iv) acknowledges and agrees that no engagement of any subcontractors shall relieve 3Cloud of its obligations, duties and responsibilities under this Agreement. Additionally, any subcontractor who performs Services on behalf of 3Cloud shall be bound by confidentiality obligations at least as restrictive as described in Section 7 to which 3Cloud is bound.
- 3.6 Removal of Resources. At any time and for any reason, Client may require 3Cloud to remove any 3Cloud Resource from Client account, facilities and systems. Notwithstanding anything contrary in this Agreement or any applicable SOW/SDA notice of such removal shall be deemed sufficient if provided by Client to 3Cloud via electronic means. Any such removal shall not constitute a termination of the Services.
- 3.7 Resources Location. All 3Cloud Resources to provide the Services for Client hereunder or under any SOW/SDA shall be located in the US or Canada. 3Cloud may not use any resources outside of the US or Canada without the express written consent of Client.

## 4. Client Resources and Responsibilities

- 4.1 Client Resources. Client will make available to 3Cloud the necessary system access ("**Client Resources**") set forth in each SOW/SDA in accordance with the following provisions:

3Cloud will use the Client Resources for the sole and exclusive purpose of providing the Services under that SOW/SDA to Client;

3Cloud's use of the Client Resources does not constitute a leasehold interest or any intellectual property rights in favor of 3Cloud;

3Cloud will use the Client Resources in a reasonably efficient manner;

3Cloud will comply with all Client policies and requirements, keep the Client Resources in good order, not commit or permit waste or damage to Client Resources, and not use the Client Resources for any unlawful purpose;

3Cloud will not make any improvements or changes or alterations to any Client Resources without Client's express written approval; and

When a Client Resource is no longer needed to perform the Services, 3Cloud will return such resource to Client in substantially the same condition as when 3Cloud began using such resource, except for ordinary wear and tear. 3Cloud shall be responsible for ensuring the proper and timely return of all Client Resources,

will assist Client in any attempts to recover any Client Resources immediately upon request from Client for any or no reason, and be liable for any damage to or unrecovered Client Resources caused by 3Cloud.

3Cloud shall not download, copy, take notes of or in any manner remove from Client Resources any information or documents, in whole, in part, in summary, abstract or otherwise.

Delays, increased costs and other charges, to the extent attributable to (i) 3Cloud's own resources (including, without limitations, 3Cloud's subcontractors) not completing tasks assigned to them accurately or in a timely fashion; and/or (ii) events within the control of 3Cloud, are the responsibility of 3Cloud and shall not entitle 3Cloud to any adjustment of the applicable SOW/SDA, whether through Change Order, amendment or otherwise. The failure or delay of 3Cloud in the performance of its obligations under this Agreement or any SOW/SDA is excused if such failure is a result of: (x) any act or omission of Client or any entity or individual acting on Client's behalf (other than 3Cloud, 3Cloud Resources, its Affiliates and their respective employees and subcontractors), including Client's failure to perform (or cause to be performed) its obligations under this Agreement or any SOW/SDA, but only to the extent such failure results directly from the actions or inactions of Client; (y) the reasonable reliance of 3Cloud on written instructions, authorizations, approvals or other information from Client's designated Representative; or (z) any act or omission of a third party engaged or directed by the Client but (other than 3Cloud's subcontractors) not under the control of 3Cloud ("**Excused Performance**"). 3Cloud will use commercially reasonable efforts to perform the Services notwithstanding such circumstances. If an Excused Performance causes 3Cloud to incur any delay in performance or to incur additional expenses or charges, the Parties will negotiate a Change Order to reflect the impact of such delay or additional charges. Change Orders are not required for circumstances giving rise to an Excused Performance to the extent affected Services are billed on a time and materials basis, in which event 3Cloud will provide Client with notice of the impact on its performance and invoice Client for the increased effort required by 3Cloud. Any increased charges resulting from an Excused Performance must be raised by 3Cloud immediately upon 3Cloud becoming aware that such increased charges may result.

#### 4.2 Client Responsibilities.

Client will perform its obligations set forth in this Agreement and, for each SOW/SDA, the responsibilities set forth in that SOW/SDA (collectively, the "**Client Responsibilities**").

Client is responsible for providing, in a timely manner, all reasonable data, information and assistance that 3Cloud requires to provide the Services. To the extent possible, Client shall ensure that all provided data and information is true, complete and not misleading. Client acknowledges that the ability of 3Cloud to provide the Services in accordance with the terms of the Agreement and the associated SOW/SDA, including the agreed pricing and delivery models, are contingent upon the accuracy and completeness of information and data provided by Client, as well as Client's reasonable cooperation and timely performance of its obligations. In the event any such data or information is found to be inaccurate or incomplete, and such inaccurate or incomplete information is a direct cause of an impact of 3Cloud that would necessitate increased charges, the Parties agree to negotiate in good faith equitable changes to the impacted SOW/SDA, which may include, without limitation, changes to the Fees to Client, except that where Services may be billed on a time and materials basis, 3Cloud will provide Client with notice of the impact on its performance and invoice Client for the increased effort required by 3Cloud. In addition,

except as provided in the applicable SOW/SDA, Client agrees to timely furnish or make available, at its own expense, all personnel, and system access necessary for 3Cloud to perform the Services.

## 5. Fees, Payment Terms, and Taxes

- 5.1 General. In consideration of the Services under each SOW/SDA, Client will pay 3Cloud the undisputed Fees set forth in the applicable SOW/SDA and in accordance with payment-related terms in that SOW/SDA ("**Fee Terms**"). 3Cloud will invoice the Fees under each SOW/SDA as set forth in the Fee Terms, including such detail as reasonably requested by Client but no less than accurate and detailed records of each Project Staff time worked in relation to the Services of each SOW/SDA and the tasks performed during such time with separate entry for each person and each task. If a SOW/SDA does not specify Fee Terms, Client will pay any undisputed Fees thirty (30) days after receipt of invoice from 3Cloud.
- 5.2 Travel Expenses. Client will reimburse 3Cloud for the reasonable, actual travel and living expenses pre-approved by Client in writing and incurred by Project Staff who are required by Client to travel. 3Cloud will submit monthly travel expense reports to Client, including receipts or other reasonable evidence of such travel expenses,. Air travel will be coach class on scheduled commercial flights.
- 5.3 Disputed Fees. Client may dispute Fees, provided that such dispute is in good faith and received by 3Cloud within 10 (10) business days following Client's receipt of the invoice. Client will provide 3Cloud a written statement providing reasonable detail describing what fees are disputed and the basis for the dispute. Client will pay any undisputed amounts by the invoice due date. The Parties will meet (which may be via phone call or other electronic means) within five (5) business days of Client's notification of the dispute to resolve the dispute. The Parties agree to use good faith efforts to resolve the dispute quickly and promptly. Should the Parties be unable to resolve the dispute by these means, either Party may bring a legal action pursuant to the terms of this Agreement.
- 5.4 Late Payment. If any undisputed (in accordance with Section 5.3 (Disputed Fees)) Fees or expenses remain unpaid by Client for more than thirty (30) days after the receipt of an invoice and a court of competent jurisdiction has entered a finding that the disputed Fees were due and owing by Client to 3Cloud, Client will pay interest on such unpaid amounts at a rate equal to the lower of one and one half (1.5%) per month or the highest rate permitted by applicable law.
- 5.5 Suspension. Without limiting its termination rights herein, either Party may suspend the Services if the suspending Party suspects that the Services are being provided by 3Cloud or used by Client for any illegal purpose or effect or in breach of this Agreement and the Parties are unable to resolve such suspected illegality or breach. Additionally, 3 Cloud may suspend its provision of the Services if any undisputed Fees are past due for more than 30 days after 3Cloud provides Client written notice of such amounts being past due.
- 5.6 Client's Tax Responsibility. Client is liable for any sales tax, use tax, service tax, value added tax, transfer tax, excise tax, tariff, duty, or any other similar tax imposed by any Governmental Authority arising from the performance or furnishing by 3Cloud of Services or 3Cloud's Fees to Client under this Agreement. Such taxes will be invoiced by 3Cloud to Client for all taxing jurisdictions where 3Cloud is permitted or required by law to collect such taxes unless Client provides a valid resale certificate or other documentation required under applicable law to evidence tax exemption. 3Cloud invoices will separately state any Fees that are subject to taxation and separately identify the tax jurisdiction and the amount of taxes invoiced therein.
- 5.7 3Cloud Tax Responsibility. 3Cloud is responsible for any sales tax, use tax, service tax, value added tax, transfer tax, excise tax, tariff, duty or any other similar tax imposed on 3Cloud with respect to any labor, equipment,

materials, goods or services acquired, used or consumed by 3Cloud in providing the Services to Client under this Agreement.

- 5.8 Excluded Tax Responsibilities. Neither Party is responsible for any franchise, privilege, income, gross receipts or business activity taxes based on the other Party's gross or net income, net worth or business activities. Neither Party is responsible for any real or personal property taxes assessed on tangible or intangible property owned or leased by the other Party.
- 5.9 Tax Cooperation. Client and 3Cloud will cooperate to segregate the Fees into the following separate payment streams: (1) those for taxable Services; (2) those for nontaxable Services; (3) those for which a sales, use or other similar tax has already been paid; and (4) those for which 3Cloud functions merely as a paying agent for Client in receiving goods, supplies or services (including leasing and licensing arrangements) that otherwise are nontaxable or have previously been subject to tax. In addition, each Party will cooperate as reasonably requested by the other Party to more accurately determine the requesting Party's tax liability and to minimize such liability, to the extent legally permissible. Each Party will provide and make available to the other Party any resale certificates, information regarding out-of-state sales or use of equipment, materials or services, and any other exemption certificates or information requested by the other Party.

6. Work for Hire 3Cloud agrees that all Work Product and work performed under this Agreement and any SOW/SDA shall be deemed "work for hire" and that any Work Product, invention, idea or report that is produced or that results from or is suggested by the work of 3Cloud or a 3Cloud Resource is "work for hire" (hereinafter referred to as "Work") and will be the sole property of the Company. 3Cloud agrees, during or after the termination of this Agreement, the Services or any SOW/SDA, to sign (or ensure that any 3Cloud Resource will sign) any documents that Client deems necessary to confirm its ownership of the Work, and 3Cloud agrees to cooperate (and ensure the cooperation of any or subcontractor 3Cloud Resource) with Client to allow the Client to take advantage of its ownership of such Work. Client will exclusively own all right, title, and interest in and to all Work Product (including all Intellectual Property Rights therein).

## 6.

3Cloud agrees that all Work Product and work performed under this Agreement and any SOW/SDA shall be deemed "work for hire" and that any Work Product, invention, idea or report that is produced or that results from or is suggested by the work of 3Cloud or a 3Cloud Resource is "work for hire" (hereinafter referred to as "Work") and will be the sole property of the Company. 3Cloud agrees, during or after the termination of this Agreement, the Services or any SOW/SDA, to sign (or ensure that any 3Cloud Resource will sign) any documents that Client deems necessary to confirm its ownership of the Work, and 3Cloud agrees to cooperate (and ensure the cooperation of any or subcontractor 3Cloud Resource) with Client to allow the Client to take advantage of its ownership of such Work. Client will exclusively own all right, title, and interest in and to all Work t (including all Intellectual Property Rights therein).

## 7. Confidentiality

- 7.1 Use and Disclosure. Neither Party will disclose the other Party's Confidential Information to, or use the other Party's Confidential Information, for its own benefit or for the benefit of, any third party without the other Party's prior written consent. All Confidential Information, disclosed by a Party will be protected against unauthorized use or disclosure by the other Party to the same extent and with at least the same degree of care as such Party protects its own confidential or proprietary information of like kind and import, but in no event using less than a reasonable degree of care. Each Party may disclose the other Party's Confidential Information to its officers,

agents, subcontractors and employees (including 3Cloud Resources) only to the extent not prohibited by Law and only as strictly necessary to perform or receive the Services..

- 7.2 Required Disclosure. If a Party (a “**Receiving Party**”) is requested or required by any Governmental Authority to disclose any of the other Party’s Confidential Information (the “**Disclosing Party**”), the Receiving Party shall, if legally permissible, provide the Disclosing Party with prompt notice prior to its response to such Proceedings so that the Disclosing Party may, at its own expense, seek a protective order or other appropriate remedy that precludes the disclosure of such information. The Receiving Party shall also cooperate with the Disclosing Party, at the Disclosing Party’s expense, in resisting such disclosure. In the event that such protective order or other remedy is not obtained, the receiving party shall furnish only that portion of the Confidential Information that it is legally required in the opinion of its counsel to disclose and will exercise reasonable efforts to obtain assurance that confidential treatment will be accorded the Confidential Information. Notwithstanding anything to the contrary, all Confidential Information disclosed pursuant to this paragraph shall still be deemed Confidential Information for all purposes under this Agreement and shall not fall within the listed exceptions to the definition of Confidential Information..
- 7.3 Right to Injunctive Relief. Each Party acknowledges that, due to the unique nature of the other Party’s Confidential Information, the Disclosing Party will not have an adequate remedy in money or damages in the event of any unauthorized use or disclosure of its Confidential Information. In addition to any other remedies that may be available in law, equity, or otherwise, the Disclosing Party will be entitled to seek injunctive relief to prevent the unauthorized use or disclosure of its Confidential Information.
- 7.4 Unauthorized Acts. Without limiting either Party’s rights in respect of a breach of this Article 7.4, each party, in its capacity as a Receiving Party, will: (i) refrain from removing or altering any proprietary markings (e.g., copyright or trademark notices) on the Disclosing Party’s Confidential Information; (ii) promptly notify the Disclosing Party of any unauthorized possession, use or knowledge of the Disclosing Party’s Confidential Information of which it becomes aware; (iii) promptly furnish to the Disclosing Party known details of the unauthorized possession, use or knowledge, and reasonably assist the Disclosing Party in investigating or preventing the recurrence of any unauthorized possession, use or knowledge of the Disclosing Party’s Confidential Information in the Receiving Party’s possession; (iv) reasonably cooperate, at the Disclosing Party’s expense, with the Disclosing Party in any litigation and investigation against third parties deemed necessary by the Disclosing Party to protect its rights in Confidential Information to the extent such litigation or investigation relates to the Services; and (v) use diligent efforts to prevent a recurrence of any such unauthorized possession, use or knowledge of the Disclosing Party’s Confidential Information.
- 7.5 Rights in Confidential Information. Nothing contained in the Parties’ obligations with respect to Confidential Information will be construed as obligating a Party to disclose its Confidential Information to the other Party, or as granting to or conferring on a Receiving Party, expressly or impliedly, any rights or license to the Confidential Information of the Disclosing Party, and any such obligation or grant will only be as provided by the other provisions of this Agreement.
- 7.6 Rights in Client Data. 3Cloud acknowledges and agrees that, as between 3Cloud and Client, Client owns all right, title, and interest in and to the Client Data. 3Cloud hereby irrevocably assigns, and will cause 3Cloud Resources to assign, to Client without further consideration any right, title, and interest in and to Client Data that is obtained by 3Cloud or the 3Cloud Resources. Under no circumstances shall 3Cloud modify or create copies or derivative



works of or from any part of Client Data, Client Software, Client IP, or any other systems, documents or information 3Cloud accesses while performing the Services for Client.

- 7.7 Return of Confidential Information. Upon request by a Party the other shall promptly return to the Disclosing Party all copies of the Disclosing Party's Confidential Information in its possession or control; or (permanently erase or destroy copies of the Disclosing Party's Confidential Information in its possession or control, and certify in writing to same. Notwithstanding the foregoing, the Receiving Party may keep one (1) copy of the Confidential Information as may be required by applicable law, rule, regulation or record retention policy if such information is maintained in accordance with the provisions hereof and to the extent that the Disclosing Party's Confidential Information is stored in backup storage media (e.g., data tapes), the Receiving Party is permitted to destroy such Confidential Information in the ordinary course of the destruction or reuse of such storage media if it is treated as Confidential Information until such destruction.

## 8. Representations, Warranties and Disclaimers

- 8.1 Representations and Warranties by Client. Client represents and warrants that as of the Effective Date and during the Term: (i) Client is duly incorporated or organized, validly existing and in good standing in the state of its incorporation and authorized to conduct business in which Services are being delivered; (ii) Client has all requisite corporate power and authority to execute, deliver and perform its obligations under this Agreement; and (iii) the execution, delivery and performance of this Agreement by Client (1) has been duly authorized by Client and (2) will not conflict with, result in a breach of or constitute a default under any other agreement to which Client is a party or by which Client is bound.
- 8.2 Representations and Warranties by 3Cloud. 3Cloud represents and warrants that as of the Effective Date and during the Term: (i) 3Cloud is a limited liability company duly organized, validly existing and in good standing under the Laws of Delaware and authorized to do business in every jurisdiction it provides Services; (ii) 3Cloud has all requisite power and authority to execute, deliver and perform its obligations under this Agreement; (iii) the execution, delivery and performance of this Agreement by 3Cloud (1) has been duly authorized by 3Cloud and (2) will not conflict with, result in a breach of or constitute a default under any other agreement to which 3Cloud is a party or by which 3Cloud is bound.
- 8.3 Non-Conforming Deliverables. Subject to the terms and conditions of the Agreement, 3Cloud warrants that it will perform the Services substantially in accordance with the applicable SOW/SDA and in a competent and workmanlike manner. For any breach of the foregoing warranty, 3Cloud will, as Client's sole and exclusive remedy, exercise commercially reasonable efforts to re-perform any non-conforming Services of which it is notified that were performed within the ten (10)-business day period immediately preceding the date of Client's written notice to 3Cloud specifying in reasonable detail such non-conformance. If 3Cloud or Client conclude that conformance is impracticable or that 3Cloud cannot timely and adequately achieve conformance, then 3Cloud will refund Fees paid by Client to 3Cloud under the applicable SOW/SDA, if any, attributable to such nonconforming Services.
- 8.4 DISCLAIMER OF OTHER WARRANTIES. EXCEPT FOR THE WARRANTIES EXPRESSED IN SECTIONS 8.3 AND 12.2, OR EXPRESSLY PROVIDED IN A SOW/SDA, 3CLOUD DISCLAIMS ANY AND ALL OTHER WARRANTIES, WHETHER ORAL, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, INCLUDING ALL IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT, AND ALL WARRANTIES ARISING FROM COURSE OF DEALING, USAGE, OR TRADE PRACTICE. WITHOUT LIMITING THE FOREGOING, 3CLOUD MAKES NO ADDITIONAL WARRANTY OF ANY KIND THAT THE SERVICES OR RELATED THIRD PARTY SERVICES, OR RESULTS OF THE USE THEREOF, WILL, OPERATE WITHOUT INTERRUPTION, , BE



COMPATIBLE OR WORK WITH ANY SOFTWARE, SYSTEM, OR OTHER SERVICES, OR BE SECURE, ACCURATE, COMPLETE, FREE OF HARMFUL CODE, OR ERROR FREE.

## 9. Indemnification

- 9.1 Indemnities by Client. Client will defend and indemnify 3Cloud and its Project Staff, against any Losses resulting from, arising out of or relating to, any third-party claim: (i) relating to any amounts assessed against 3Cloud that are the obligation of Client pursuant to Article 5 (Fees, Payment Terms and Taxes); (ii) relating to a breach by Client of Article 7 (Confidentiality) or 11 (Compliance with Laws); (iii) relating to Client's use of the Services in violation of this Agreement; (iv) relating to a claim that the Client Software, any services or Software provided by a third party, or the Services (to the extent based on the Processing of Client Data or the use of other items, information, specifications, requirements, or materials supplied by Client) infringes any Intellectual Property Right of such third party. Client will indemnify 3Cloud against any Losses incurred in connection with the enforcement of this Section 9.1.
- 9.2 Indemnities by 3Cloud. 3Cloud will defend and indemnify Client and its Affiliates, and their officers, directors, representatives, and employees against any Losses resulting from, arising out of or relating to, any third-party claim: (i) relating to any amounts assessed against Client that are the obligation of 3Cloud pursuant to Article 5 (Fees, Payments and Taxes); (ii) relating to a breach by 3Cloud of Article 7 (Confidentiality); (iii) relating to a claim that the Work Product, infringes any Intellectual Property Right of such third party; (iv) relating to any negligent act or omission or breach of this agreement due to 3Cloud's or its Project Staff's willful misconduct or gross negligence. 3Cloud shall have no indemnification obligation that results from the use of the Work Product, that are: (1) in excess of the rights granted in this Agreement; (2) in conjunction with any other software or equipment not provided by 3Cloud; or (3) due to the Client's failure to implement an update or enhancement to such materials that would have reduced or prevented the infringement. 3Cloud will indemnify Client against any Losses incurred in connection with the enforcement of this Section 9.2.
- 9.3 Indemnification Procedures. If any third-party claim is commenced against a Party entitled to indemnification under this Agreement (the "**Indemnified Party**"), notice thereof will be given to the Party that is obligated to provide indemnification (the "**Indemnifying Party**") as promptly as practicable. However, the Indemnified Party's failure to provide prompt notice will not affect the Indemnifying Party's obligation to indemnify, unless and only to such extent that such failure materially prejudices that Party's indemnification obligations. The Indemnifying Party will promptly, and in no event, not less than ten (10) days before the date on which a response to such claim is due, assume and diligently pursue the defense and settlement of such claim, engaging attorneys with appropriate expertise to handle and defend the same, at the Indemnifying Party's sole cost and expense. The Indemnified Party will cooperate, at the cost of the Indemnifying Party, in all reasonable respects with the Indemnifying Party and its attorneys in the investigation and defense of such claim and any appeal arising therefrom; provided that the Indemnified Party may, at its own cost and expense, participate, through its attorneys or otherwise, in such investigation and defense of such claim and any appeal arising therefrom. The Indemnifying Party may only settle a claim against the Indemnified Party if the settlement is reasonable, made in accordance with qualified legal advice and does not in any manner prejudice the goodwill or reputation of the Indemnified Party and fully and finally settles all claims and related potential claims against the Indemnified Party. The Indemnifying Party will not settle a claim that involves a remedy other than the payment of money by the Indemnifying Party without the consent of the Indemnified Party. So long as Indemnifying Party timely assumes, and diligently pursues, the defense of any such claim, the Indemnifying Party will not be liable to the Indemnified Party for any legal expenses incurred thereafter by such Indemnified Party in connection with the defense of that claim. If the Indemnifying Party fails to timely assume, or ceases to diligently pursue, such

defense, the Indemnified Party may defend or settle the claim in such manner as it may deem appropriate at the cost of the Indemnifying Party.

## 10. Limitation of Liability

- 10.1 Damages Cap. The aggregate liability of a Party to the other Party for all claims and damages related to this Agreement, whether based on an action in contract, equity, tort, indemnification or other theory, will not exceed the greater of one million dollars (\$1,000,000) or the total Fees incurred by Client to 3Cloud under the applicable SOW/SDA giving rise to the liability during the twelve (12) months preceding the initial event giving rise to such liability. Notwithstanding this provision or any provision herein, no limit of liability will be applicable to the commission of fraud, gross negligence, breach of Confidentiality pursuant to Section 7 herein..
- 10.2 Consequential Damages. IN NO EVENT WILL EITHER PARTY OR ITS DIRECTORS, OFFICERS, SHAREHOLDERS, MEMBERS, EMPLOYEES, ATTORNEYS, AGENTS, ASSIGNS OR SUCCESSORS-IN-INTEREST BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, AGGRAVATED, EXEMPLARY OR CONSEQUENTIAL DAMAGE, LOSS, COST OR EXPENSE OF ANY KIND WHATSOEVER (INCLUDING, WITHOUT LIMITATION, LOSS OF USE, LOSS OF BUSINESS, LOSS OF PROFITS OR REVENUE, ) WHETHER ARISING IN CONTRACT, TORT, WARRANTY, OR OTHERWISE, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THIS SECTION 10.2 SHALL NOT APPLY TO THE OCCURRENCE OF A SECURITY EVENT PURSUANT TO SECTION 13, HEREIN.

## 11. Compliance with Laws

- 11.1 Client Compliance. Client will perform its obligations under this Agreement and use the Services in a manner that complies with all applicable Laws.
- 11.2 3Cloud Compliance. 3Cloud will perform the Services in compliance with all Laws applicable to 3Cloud in its performance and delivery of the Services, including any applicable Laws Client is required to comply with during the course of Services. However, Client shall provide 3Cloud notice of any Laws that Client is required to comply with pursuant to this provision.
- 11.3 Export. This Agreement is expressly made subject to any United States and other applicable Laws or other restrictions regarding export from the United States or another country, and import into any country, of computer hardware, software, technical data or other items, or derivatives of such hardware, Software, technical data or other items. Except as otherwise provided in this Agreement or a SOW/SDA, neither Party will directly or indirectly export (or re-export) any computer hardware, Software, technical data or any other item provided to or by it for purposes of this Agreement, or any derivative of the same, or permit the shipment of the same: (a) into (or to a national or resident of) Cuba, Burma, North Korea, Iran, Sudan, Syria or any other country with respect to which the United States has imposed sanctions; (b) to anyone on the U.S. Treasury Department's List of Specially Designated Nationals, List of Specially Designated Terrorists or List of Specially Designated Narcotics Traffickers, or the U.S. Commerce Department's Denied Parties List; or (c) to any person, country or destination for which the United States or another country with jurisdiction, or any agency of the same, requires an export license or other authorization for export, without first having obtained any such license or other authorization required. Client will provide to 3Cloud not less than ten (10) days' prior written notice in the event that any of technical data, hardware, Software or other items provided by Client that will be used or accessed by 3Cloud in providing the Services is controlled for export under the International Traffic in Arms Regulations or other applicable Laws (unless such items are controlled for export under United States law only as ECCN EAR99) and, if requested by 3Cloud, will provide the ECCN classification of any such item, or the similar classification as appropriate under other applicable Law. Unless otherwise expressly agreed, Client will be the importer of record

of any items for which import is required for delivery of any portion of the Services outside the United States. Each Party will reasonably cooperate with the other and will provide to the other promptly upon request any end-user certificates, affidavits regarding re-export or other certificates or documents as are reasonably requested to obtain authorizations, consents, licenses and/or permits required for any payment or any export or import of items or Services under this Agreement. The provisions of this Section will survive the expiration or termination of this Agreement or any SOW/SDA for any reason. 3Cloud may suspend performance under this Agreement: (i) if the Client is in violation of applicable Laws; or (ii) to the extent necessary to assure compliance under U.S. or other applicable export or similar regulations.

- 11.4 Changes in Law. 3Cloud and Client will work together to identify the effect of changes in Laws on the provision and receipt of the Services and will promptly discuss the changes to the Services, if any, required to comply with all Laws. If a change to the Services is required for 3Cloud to comply with a change in any Laws and 3Cloud can reasonably demonstrate that the change will materially increase 3Cloud's costs, Client will by notice to 3Cloud either: (i) direct 3Cloud to implement the required change to the Services, in which case Client will pay any additional Fees that may be determined to be payable as a result of the change in Law, or (ii) terminate this Agreement or the portion of the Services affected by the change in Law, in which event 3Cloud will refund to Client any pre-paid unearned fees.
- 11.5 Notice of Non-Compliance. If a Governmental Authority notifies either Party that either Party is not in compliance with any applicable Laws, the Party will promptly notify the other Party of the same in writing.

## 12. Data Protections and Security

- 12.1 3CLOUD SHALL COMPLY WITH CLIENT'S CURRENT STANDARDS AND POLICIES RELATING TO CLIENT RESOURCES, INFORMATION TECHNOLOGY AND SECURITY AND THE REQUIREMENTS OF SCHEDULE 3 (CLIENT'S SECURITY STANDARDS AND POLICIES) ATTACHED TO THIS AGREEMENT. THE STANDARDS AND POLICIES AND / OR SCHEDULE 3 MAY BE AMENDED FROM TIME TO TIME AT CLIENT'S DISCRETION. CLIENT WILL NOTIFY 3CLOUD OF ANY SUCH AMENDMENTS AND 3CLOUD WILL PROMPTLY REVIEW SUCH AMENDMENTS AND NOTIFY CLIENT OF ANY IMPLICATIONS TO THIS AGREEMENT OR SOW/SDA. ANY CHANGES TO THIS AGREEMENT OR SOW/SDA REQUIRED AS A DIRECT RESULT OF AN AMENDMENT TO THE STANDARDS AND POLICIES AND/OR THE REQUIREMENTS OF SCHEDULE 3 WILL BE AGREED BETWEEN THE PARTIES, SAVE THAT THE FEES SHALL ONLY BE INCREASED WHERE THE AMENDMENTS MATERIALLY INCREASE OBLIGATIONS OR COSTS TO 3CLOUD.
- 12.2 3Cloud Warranty Regarding Schedule 3. 3Cloud warrants that all 3Cloud Resources who will perform the obligations set forth in this Agreement or any SOW/SDA, are properly trained and shall be provided ongoing training to ensure compliance with the Standards and Policies and Schedule 3.
- 12.3 3Cloud Compliance with Certain Practices and Standards. 3Cloud shall, when implementing vetting policies and performing vetting procedures in relation to 3Cloud Resources who will perform the obligations set forth in this Agreement or any SOW/SDA, comply with industry practices utilizing that degree of skill, care, prudence, foresight and practice which would ordinarily be expected of a skilled, experienced and leading supplier of services of the same or a similar nature to the services contemplated hereunder and which, for the avoidance of

doubt, includes compliance with standards akin to laws and regulations of the United States of America and the States thereof as applicable to 3Cloud.

- 12.4 3Cloud ISO Compliance. 3Cloud shall ensure that principles aligned to ISO 27001 and ISO 9001 are reflected in its performance of the Services.
- 12.5 Ownership and Use of Client Data. Client shall retain exclusive rights and ownership of all Client Data and the Client Data shall not be: (i) used by 3Cloud for any purpose other than as required under this Agreement or any SOW/SDA; (ii) disclosed, sold, assigned, leased or otherwise provided to any third party; or (iii) commercially exploited or otherwise used by or on behalf of 3Cloud, its affiliates, officers, directors, employees, representatives or agents, other than in accordance with this Agreement or any SOW/SDA.
- 12.6 Protection of Client Data. 3Cloud shall protect the Client Data in its possession, power or control so as not to lose, damage, destroy or corrupt the Client Data.
- 12.7 Restrictions on Access to Client Data. While Client shall, to the extent reasonable in consideration of the Services, restrict access to Client Data on a need-to-know basis, solely to enable 3Cloud to perform its obligations under this Agreement and any SOW/SDA, 3Cloud Resources and subcontractors must not attempt to access, or allow access to, Client Data that is not required for 3Cloud's performance.
- 12.8 Application of Data Security Requirements to Confidential Information. 3Cloud acknowledges that its obligations with respect to data security set out in the foregoing Sections 12.6 through 12.8 herein apply to the same extent to any of the Client's Confidential Information that is received by 3Cloud. Similarly, the Client shall ensure that any of 3Cloud's Confidential Information is kept securely in a manner consistent with the data security requirements imposed on 3Cloud.
- 12.9 Compliance with Data Privacy and Security Laws. 3Cloud acknowledges that Client is subject to the California Consumer Privacy Act, New York State Department of Financial Services Regulation 500, and such other, similar laws or regulations, and applicable data protection or data privacy laws or regulations. 3Cloud's compliance with Section 7, this Section, 12 and Schedule 3 in relation to Client's Confidential Information and Client Data is required for the Client to comply with such regulations and laws. 3Cloud will assist Client in complying with any additional requirements of such laws and regulations as necessary.
- 12.10 Client's Proprietary Cloud and Systems. 3Cloud acknowledges that it will receive access to Client Data and Client's Confidential Information through Client provided system access which will provide access to Client's proprietary cloud and systems. 3Cloud warrants that all 3Cloud Resources shall not be permitted to transfer any Client Data or Client's Confidential Information from the Client proprietary cloud or systems for any reason and shall not allow access to such Client provided proprietary cloud and systems, and Client Data by any other person or entity. 3Cloud shall ensure that any Project Staff accessing Client systems, Client Data and/or proprietary cloud will do so only through properly secured and maintained 3Cloud issued laptops.
- 12.11 Insurance, Risk Management and Security Protocols. It is agreed and understood that the Parties agree to maintain substantial risk management policies, insurance, and adequate security protocols.

Insurance. 3Cloud maintains and shall during the Term maintain the following insurance with a carrier (not affiliated with Client) with an AM Best rating of A- or better (i) commercial general liability insurance coverage, with minimum limits of at least Two Million Dollars (\$2,000,000) per occurrence and Four Million Dollars (\$4,000,000) in the aggregate; (ii) professional liability (errors and omissions) insurance coverage of at least Two Million Dollars (\$2,000,000) per occurrence and Two Million Dollars (\$2,000,000) in the aggregate to cover claims arising from acts or omissions of the 3Cloud and a deductible or self-insured

retention not to exceed \$100,000 per claim; and (iii) professional and technology/cyber insurance coverage of at least Five Million Dollars (\$5,000,000) in the aggregate and a deductible or self-insured retention not to exceed \$100,000 per claim, in connection with this Agreement. Upon request, 3Cloud shall provide Client with evidence of insurance acceptable to Client for such coverages. 3Cloud shall also maintain workers' compensation insurance, and such other insurance as required by Law.

Risk Management Policies and Security Protocols. 3Cloud maintains a formal, documented risk management plan that a third-party firm reviews and audits no less than annually.

(1) Organizational Security Policy

- (a) 3Cloud maintains a documented information security policy that is approved by 3Cloud management and reviewed no less than annually. All 3Cloud Resources acknowledge and agree to comply with the policy as a matter of the course of their employment.
- (b) 3Cloud maintains a code of conduct, privacy policy, and non-disclosure policy, all of which are documented in its corporate handbook. 3Cloud requires all Project Staff to sign their acknowledgement and agreement to comply with these policies upon hire, and on an annual basis thereafter.

(2) Asset Management

- (a) 3Cloud maintains a formal asset management policy and associated procedures for ensuring that 3Cloud can track its technology hardware and software assets.
- (b) 3Cloud maintains a formal records management policy that defines the classification of information and the retention periods and data controls for each.

(3) Personnel Security & Training

- (a) 3Cloud performs background screening on all Project Staff as a condition to employment.
- (b) 3Cloud conducts information security training for Project Staff no less than annually, and ongoing weekly anti-phishing training and drills.
- (c) 3Cloud conducts HIPAA training and testing for all Project Staff no less than annually, whether or not those individuals will be handling PHI.
- (d) 3Cloud maintains an auditable onboarding and offboarding process for all Project Staff to ensure proper access to assets, systems, and data.

(4) Physical & Environmental Security

- (a) 3Cloud controls its offices with auditable, physical security. Only regular employees at those offices are granted access, and management of that access is governed by standard onboarding and offboarding procedures.
- (b) 3Cloud does not store Client data or information in any 3Cloud facility. All 3Cloud software systems are SaaS-based with physical security governed by the respective third-party cloud vendor.

(5) Communications & Operations Management

- (a) All 3Cloud Project Staff are issued 3Cloud-owned laptops, and 3Cloud uses remote management and policies to ensure the use of updated antivirus software, device encryption, and password policy adherence.

- (b) 3Cloud Project Staff participate in a BYOD (bring your own device) program for mobile devices, but organizational data access is only permitted through specific controlled apps that allow remote management, including remote data wipe. This data is remotely wiped for departing Project Staff as part of the documented offboarding procedure.
  - (c) 3Cloud monitors all its office networks and controls them with dedicated firewall devices.
  - (d) All 3Cloud user and administrative accounts require the use of multi-factor authentication (MFA).
  - (e) 3Cloud uses Microsoft Active Directory Advanced Threat Protection to detect, log, and conditionally block suspicious access attempts by 3Cloud accounts.
- (6) Access Control
- (a) 3Cloud retains a documented access control and access management policy that it reviews no less than annually.
  - (b) 3Cloud performs a monthly audit of all user permissions to ensure proper assignment.
  - (c) 3Cloud has a documented password policy that requires complex passwords and password changes both regularly and as needed.
- (7) Information Security Incident Management. 3Cloud maintains a detailed incident response plan that is reviewed and approved no less than annually.
- (8) Business Continuity Management. 3Cloud maintains a detailed disaster recovery and business continuity plan that is reviewed, tested, and approved no less than annually.
- (9) Information Systems Management. 3Cloud uses only Software as a Service (SaaS) applications to run its business and does not maintain on-premises servers in the normal course of business.

3Cloud has disclosed to Client, of which Client acknowledges, access to 3Cloud insurance policies and its compliance with the SOC II Type 2 audit. Client represents to 3Cloud that it has reviewed the risk management and security protocols and deems such security as proper and adequate for the performance of the Services. 3Cloud represents to Client that the foregoing risk management and security protocols shall be in place and observed by 3Cloud during the Term of this Agreement.

#### 12.12 Phishing and Phishing Attacks.

- (A) 3Cloud shall properly train all Project Staff involved in performing Services on phishing awareness and risk avoidance.
- (B) 3Cloud understands that from time-to-time Client will perform routine phishing tests on 3Cloud Project Staff who have access to Client's, information and data systems, and security systems.
- (C) Should any Project Staff involved in the provision of the Services fail any phishing test performed by Client or fail to avoid an actual attack on Client's data, information systems, or security systems, Client shall have the right to require removal of such Project Staff from continued access to Client's systems upon written notice to 3Cloud. 3Cloud will ensure that the Project Staff subject to such notice will no longer have any access to Client's data, information systems, or security systems, nor will such Project Staff be permitted to perform or be involved with any of the Services.
- (D) For purposes of this provision, phishing tests and phishing attacks shall have that meaning set forth through the Microsoft Security Best Practices published June 8, 2020, namely, the following incidents: (i)



spear phishing whereby the phishing attempt is crafted to trick a specific person rather than a group of people; (ii) whaling which may be considered a sub-type of spear phishing, in which the targeted individual(s) hold high-level positions within the organization that is being attacked; (iii) smishing whereby the phishing attack is deployed via SMS messaging; and (iv) vishing whereby the phishing attack is carried out via phone call.

(E) This Section shall control regardless of any provision in any SOW/SDA or to the contrary.

## 13. SECURITY EVENT

13.1 3Cloud Duties upon Security Event. Upon any Security Event, 3Cloud will:

- (i) Notify Client in writing as soon as it has reason to believe a Security Event has or may have occurred;
- (ii) Promptly perform an investigation, which shall, at a minimum: determine the nature and scope of the Security Event, identify all Information Systems that may have been involved or compromised, if any, and perform or oversee necessary measures to restore the security to prevent further or additional events;
- (iii) Promptly provide written confirmation and documentation detailing the foregoing investigation, and providing any other information the Client so requests, including but not limited to, performing follow-up or subsequent investigations and documentation thereof;
- (iv) Promptly provide, or assist and cooperate with the Client's provision of notices to any government agency or regulatory body required to be notified of such Security Event or compromise pursuant to applicable Law, including any continual obligation to update and supplement initial and subsequent notifications of previously-provided information; and
- (v) Any other further and additional disclosures or cooperation as otherwise required by this Agreement or requested by Client in connection with this Agreement and any SOW/SDA, including but not limited to, notices to affected consumers or individuals resulting from a Security Event involving Personal Information including but not limited to, assisting, causing, or implementing further remedial or protective measures which may be required of the Client (such as providing one year of credit monitoring services to any individual whose social security number may have been compromised, and payment for any associated costs thereof) as required by applicable Law. FOR PURPOSES HEREOF, IN THE EVENT THAT 3CLOUD HAS BREACHED ITS SECURITY OBLIGATIONS ANY COSTS, FEES, ASSESSMENTS, OR LEGAL LIABILITY ASSOCIATED WITH A BREACH HEREOF SHALL BE EXPRESSLY BORNE BY 3CLOUD NOTWITHSTANDING ANY LIMITATIONS OR RESTRICTIONS ON DAMAGES SET FORTH OTHERWISE THROUGH THIS AGREEMENT OR ANY SOW/SDA.

13.2 If 3Cloud fails to perform an investigation and/or subsequent investigation, Client or Client's designee may perform the investigation (and/or subsequent investigation) described in (ii) and (iii) above, for which 3Cloud shall provide full access, that Client, in its sole discretion, may determine is warranted to ensure Client's compliance with any applicable Laws, or shall be otherwise directed by any governing body or law enforcement. Nothing herein shall excuse, obviate, or abrogate any of 3Cloud's obligations herein or modify or adjust any legal duty applicable to 3Cloud, for which each Party remains independently responsible. The duties and obligations of this paragraph expressly survive the termination of this Agreement.

13.3 Additional Provisions regarding Personal Information. Any Personal Information in connection with this Agreement which 3Cloud holds or has access to shall be held and protected in strict confidence, in accordance

with the minimum privacy and security standards set forth above and pursuant to the additional and further requirements set forth in this Section.

## 14. Miscellaneous Provisions

- 14.1 Assignment. Neither Party will, without the express written consent of the other Party, assign this Agreement or otherwise transfer its rights or obligations under this Agreement,. The consent of a Party to any assignment of this Agreement does not constitute such Party's consent to further assignment. This Agreement is binding on the Parties and their successors and permitted assigns. Any assignment in contravention of this subsection is void and shall at the option of the non-assigning Party be a cause for termination for breach.
- 14.2 Notices. Except as otherwise specified in this Agreement, all notices, requests, consents, approvals, agreements, authorizations, acknowledgements, waivers, and other communications required under this Agreement will be in writing and will be deemed given when delivered to the physical or electronic address specified below, which is the respective Party's address for legal notices.

In the case of Client:

**Core Specialty Insurance Services, Inc.**  
ATTENTION: Jess Schaeffer  
412 Mt. Kemble Avenue Unit G-60  
Morristown, NY 07960  
EMAIL: jess.schaeffer@corespecialty.com

With a copy (which shall not constitute notice) via email to: legalnotices@corespecialty.com

In the case of 3Cloud:

**3Cloud, LLC**  
Attention: Michelangelo Rocco, Chief Executive Officer  
3025 Highland Parkway, Suite 525  
Downers Grove, IL 60515  
notices@3Cloudsolutions.com

Either Party may change its address for notification purposes by giving the other Party written notice of the new address and the date on which it will become effective.

- 14.3 Counterparts. This Agreement may be executed in any number of counterparts, each of which is deemed an original, but all of which taken together constitute one single agreement between the Parties.
- 14.4 Relationship. The Parties intend to create an independent contractor relationship, and nothing contained in this Agreement will be construed to make the Parties partners or joint venturers, or principals, agents, or employees of each other. Neither Party has any right, power, or authority, express or implied, to bind the other. Actual direction and control of the personnel actions and the terms and conditions of employment between 3Cloud and its employees or agents will at all times be 3Cloud's responsibility.
- 14.5 Consents, Approvals and Requests. Except consents, approvals or requests that this Agreement expressly provides are in a Party's sole discretion, (A) all consents and approvals to be given by either Party under this Agreement will be in writing and (B) each Party will make only reasonable requests under this Agreement.

However, where this Agreement does not expressly require a Party's consent or approval (e.g., a right to terminate), this provision will not be construed as requiring such consent or approval, or as limiting a Party's discretion to exercise any right under this Agreement or applicable Law.

- 14.6 Waivers. No delay or omission by either Party to exercise any right or power it has under this Agreement will impair or be construed as a waiver of such right or power. A waiver by any Party of any breach or covenant will not be construed to be a waiver of any succeeding breach or any other covenant. All waivers must be signed by the Party waiving its rights.
- 14.7 Force Majeure. If and to the extent that a Party's performance is prevented or delayed by fire, flood, earthquake, riot, war, terrorism, malicious acts of nation states, pandemic, acts of God, strikes, foreign enemies, or other events beyond such Party's reasonable control (a "**Force Majeure Event**"), then the affected performance will be excused for so long as the Force Majeure Event continues to prevent or delay performance and the Party continues efforts to recommence performance to the extent possible without delay. The affected Party will promptly notify the other Party, describing the Force Majeure Event in reasonable detail. If any Force Majeure Event delays performance of the Services for more than twenty (20) days, either Party may terminate this Agreement or the applicable SOW/SDA as of a date specified by the Party in a termination notice to the other Party.
- 14.8 Survival. The following Sections of this Agreement will survive the termination or expiration of this Agreement: (excluding non-perpetual or revocable licenses): Fees, Payment Terms, and Taxes; Work for Hire; Confidentiality; Limitation of Liability; Indemnification; Compliance with Laws; Data Protection and Security (to the extent of information maintained or accessed by 3Cloud post-termination); Security Event and Miscellaneous Provisions.
- 14.9 Remedies Cumulative. Except as provided in Section 8.3 (Non-Conforming Deliverables), no right or remedy herein conferred on or reserved to either Party is intended to be exclusive of any other right or remedy, and each and every right and remedy is cumulative and in addition to any other right or remedy under this Agreement, or under applicable law, whether now or hereafter existing.
- 14.10 Amendments. No amendment, or waiver of any provision of this Agreement, and no addition of provisions to this Agreement, is valid unless executed by the duly authorized representatives of both Parties. Neither the course of dealings between the Parties nor any trade practices will act to modify, vary, supplement, explain or amend this Agreement.
- 14.11 Third-Party Beneficiaries. Neither Party intends this Agreement to benefit or create any right or cause of action in or on behalf of, any person or entity other than the Parties.
- 14.12 Non-Solicitation. During the Term of this Agreement neither Party will solicit or hire any individual while that individual is engaged in the employ of the other Party. Neither Client nor Client Affiliates shall hire any Project Staff for a period commencing on the Effective Date and ending one (1) year after the date that such Project Staff stops providing Services to Client under this Agreement.
- 14.13 Publicity, Branding and Co-Branding. Neither Party will use the other Party's name or mark or use language from which the connection of such name or mark may be inferred, without that Party's prior written consent in each instance.
- 14.14 Incorporation and References. In this Agreement and the Schedules to this Agreement: (i) the Schedules to this Agreement are hereby incorporated into and deemed part of this Agreement and all references to this Agreement include the Schedules to this Agreement; (ii) references to a Schedule, Section or Article are to such Schedule, Section or Article of this Agreement unless otherwise specified; (iii) references to any Law means such Law as

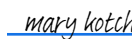
in force at the time in question, including any changes, supplements or replacements of such Law enacted after the Effective Date; and (iv) references to and mentions of the word “including” or the phrase “e.g.” means “including, without limitation.”

- 14.15 Headings. The Article and Section headings and Table of Schedules are for reference and convenience only and will not be considered in the interpretation of this Agreement.
- 14.16 Severability. If a court of competent jurisdiction holds any provision of this Agreement to be contrary to Law, then the remaining provisions of this Agreement, if capable of substantial performance, will remain in full force and effect.
- 14.17 Governing Law. This Agreement and the rights and obligations of the Parties under this Agreement are governed by and will be construed in accordance with the laws of the State of Illinois, without giving effect to the principles thereof relating to the conflicts of laws. Except to the extent expressly required by Law, neither the United Nations Convention on Contracts for the International Sale of Goods 1980, nor any international and domestic legislation implementing such Convention, applies to this Agreement. The Parties’ rights and obligations under this Agreement are solely and exclusively as set forth in this Agreement and the Uniform Computer Information Transactions Act (“**UCITA**”), whether enacted in whole or in part by any state or applicable jurisdiction, regardless of how codified, does not apply to this Agreement and is hereby disclaimed. The Parties will amend this Agreement as may be necessary to comply with any mandatory disclaimer language required by UCITA in any applicable jurisdiction.
- 14.18 Venue. Any legal suit, action or proceeding arising out of or related to this Agreement or the Services provided hereunder must be instituted exclusively in the federal courts of the United States or the state courts of Illinois and each Party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, or proceeding. Service of process, summons, notice, or other document by mail to such Party’s address set forth herein will be effective service of process for any suit, action, or other proceeding brought in any such court.
- 14.19 Entire Agreement. This Agreement sets forth the complete and final expression of the Parties’ agreement and understanding and supersedes all prior agreements and understandings, whether oral or written, relating to the subject matter hereof. The Parties acknowledge that neither of them, nor any agents or attorneys of the Parties, has made any promise, representation, or warranty whatsoever, and that the Parties have not executed or authorized the execution of this Agreement in reliance upon any promise, representation, or warranty, that is not expressly contained.

**SIGNATURE PAGE FOLLOWS**

Each of Client and 3Cloud has caused this Agreement to be signed and delivered by its duly authorized representative.


**Core Specialty Insurance Services, Inc.**

By:   
mary kotch (Feb 29, 2024 13:57 EST)

Name: Mary Kotch

Title: EVP CIO

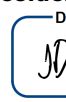
**3Cloud, LLC Signatory**

By:   
AB11C0E342F3499...

Name: Jim Tatro

Title: VP, Professional Services

**3Cloud, LLC President & Chief Revenue Officer**

Initials: 

## Schedule 1 – Definitions

**“3Cloud Equipment”** means any Equipment leased or owned by 3Cloud that is used by 3Cloud to provide the Services.

**“Affiliate”** means, for any entity, any other entity that, directly or indirectly, Controls, is Controlled by, or is under common Control with such entity.

**“Agreement”** means this Master Services Agreement between Client and 3Cloud, including the Schedules hereto and their Exhibits.

**“Business Associate”** has the meaning defined by HIPAA.

**“Confidential Information”** of a Party means all information and documentation of that Party, whether disclosed to or accessed by the other Party in connection with this Agreement both before and after the Effective Date, including (A) with respect to Client, all Client Data and the Client Software; (B) with respect to 3Cloud, the 3Cloud Software and the 3Cloud-Branded Materials; and (C) with respect to Client or 3Cloud, the terms of this Agreement, the Background IP, and any other non-public information or materials relating to a Party’s or its Affiliate’s products, business, Intellectual Property Rights, personnel, clients, suppliers, business partners, marketing, trade secrets, or other information that, based on the circumstances, context, or any related communications, would lead a reasonable person to understand that the information or material is confidential; provided that, except to the extent otherwise provided by Law, the term “Confidential Information” does not include information that (1) is independently developed by the recipient without using the disclosing Party’s Confidential Information, as demonstrated by the recipient’s written records, (2) is or becomes publicly known (other than through unauthorized disclosure), (3) is disclosed by the owner of such information to a third party free of any obligation of confidentiality, (4) is already known by the recipient at the time of disclosure, as demonstrated by the recipient’s written records, and the recipient has no obligation of confidentiality other than pursuant to this Agreement or any confidentiality agreements between Client and 3Cloud entered into before the Effective Date or (5) is rightfully received by a Party free of any obligation of confidentiality, provided that (a) such recipient has no knowledge that such information is subject to a confidentiality agreement and (b) such information is not of a type or character that a reasonable person would have regarded it as confidential.

**“Control”** means, with respect to any entity, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such entity, whether through the ownership of voting securities (or other ownership interest), by contract or otherwise.

**“Client Data”** means all data and information that are submitted, directly or indirectly, to 3Cloud by Client or obtained or learned by 3Cloud in connection with the Services provided by 3Cloud under this Agreement and any SOW/SDA.

**“Data Subject”** means individuals to whom Personally Identifiable Information relate.

**“Deliverable”** means the completion of a defined portion of the Services, such as the provision of materials embodying an agreed solution, process, report or other document, or the delivery of Equipment or other tangible items.

**“Equipment”** means tangible mechanical and electronic equipment intended for the processing, input, output, storage, manipulation, communication, transmission and retrieval of information and data.

**“Fees”** means all amounts payable by Client to 3Cloud pursuant to this Agreement.

**“Governmental Approvals”** means all licenses, consents, permits, approvals and authorizations from any Governmental Authority, or any notice to any Governmental Authority, that is required by Law, including any regulatory schemes to



which Client is required to submit or voluntarily submits from time to time, for the consummation of the transactions contemplated by this Agreement.

**"Governmental Authority"** means any federal, state, municipal, local, territorial or other governmental department, regulatory authority, judicial or administrative body, whether domestic, foreign or international and includes each state Department of Insurance.

**"HIPAA"** means the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act provisions of the American Recovery and Reinvestment Act of 2009, and as otherwise may be amended from time to time, and any and all implementing regulations, as in effect from time to time, including, the Privacy Standards (45 C.F.R. Parts 160 and 164), the Electronic Transactions Standards (45 C.F.R. Parts 160 and 162), and the Security Standards (45 C.F.R. Parts 160, 162 and 164) promulgated under the Administrative Simplifications subtitle of the Health Insurance Portability and Accountability Act of 1996, as amended.

**"Intellectual Property Right(s)"** means any and all intellectual property rights existing from time to time under any Law including patent law, copyright law, semiconductor chip protection law, moral rights law, trade secret law, trademark law (together with all of the goodwill associated therewith), unfair competition law, publicity rights law, or privacy rights law, and any and all other proprietary rights, and any and all applications, renewals, extensions and restorations of any of the foregoing, now or hereafter in force and effect worldwide. For purposes of this definition, rights under patent law shall include rights under any and all patent applications and patents (including letters patent and inventor's certificates) anywhere in the world, including, without limitation, any provisionals, substitutions, extensions, supplementary patent certificates, reissues, renewals, divisions, continuations in part (or in whole), continued prosecution applications, requests for continued examination, and other similar filings or stages thereof provided for under any applicable Laws.

**"Law"** means all applicable laws, statutes, codes, rules, regulations, and other pronouncement having the effect of law of the United States, any foreign country or any domestic or foreign state, county, city or other political subdivision, including those promulgated, interpreted or enforced by any governmental or regulatory authority, and any order of a court or governmental agency of competent jurisdiction in effect as of the Effective Date and as they may be amended, changed or modified from time to time.

**"Losses"** means any and all damages, fines, penalties, deficiencies, losses, liabilities (including settlements and judgments) and expenses (including interest, court costs, reasonable fees and expenses of attorneys, accountants and other experts and professionals or other reasonable fees and expenses of litigation or other proceedings or of any claim, default or assessment).

**"Parties"** means Client and 3Cloud.

**"Party"** means either Client or 3Cloud.

**"Personal Data"** means any information relating to an identified or identifiable natural person; an identifiable natural person is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person. Personal Data provided by Client is Client Data.

**"PHI" or "Protected Health Information"** has the meaning defined by HIPAA.

**"Process"** means any operation or set of operations which is performed upon data, whether or not by automatic means, such as viewing, hosting, printing, backing up, collection, recording, organization, storage, adaptation or alteration,

retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, blocking, erasure, disposal or destruction.

**"Project Staff" or "3Cloud Resources"** means the personnel, employees, resources (and if approved, subcontractors) of 3Cloud who provide the Services.

**"Software"** means any computer programming code consisting of instructions or statements in a form readable by individuals (source code) or machines (object code), and related documentation and supporting materials therefore, in any form or medium, including electronic media.

**"SOW/SDA Effective Date"** is defined separately in and for each SOW/SDA.

**"Services"** means any and all services to be performed by 3Cloud under this Agreement, including the Schedules and other attachments to this Agreement, and the SOW/SDA, including the Exhibits and other attachments to such SOW/SDA.

**"Work Product"** means the specifications, design documents, flow charts, software programs, documentation, reports and other similar work product that 3Cloud develops specifically for Client pursuant to this Agreement or any SOW/SDA; provided, however, that except as expressly provided herein or in a SOW/SDA, Work Product does not include any intellectual property, software of third-party intellectual property used for the provisions of Services under a SOW/SDA at Client's express request.

## **Schedule 3 – Core Specialty Insurance Services, Inc. Security Requirements**

**CORE SPECIALTY INSURANCE SERVICES, INC.**  
**IT SECURITY STANDARDS AND POLICIES**

Notwithstanding any other statements elsewhere in this Schedule, where Client Standards and Policies and/or Client location policies impose obligations, requirements or restrictions on Client, 3Cloud shall comply as though 3Cloud were referred to under the relevant Standards and Policies and location policies rather than Client, to the extent applicable to 3Cloud's obligations under the agreement to which this Schedule is attached. 3Cloud should contact Client to review applicable Standards and Policies.

**1. LIST OF STANDARDS & POLICIES.**

<b>Reference</b>	<b>Document Title</b>	<b>Scope</b>	<b>Date</b>
1.	Information Security Policy	All Core Specialty employees, contract and temporary users, hired consultants, and interns, and contracted third-party vendors who may have access to Core Specialty's hardware, information systems, data, or information.	2022
2.	Information Protection Policy	All Core Specialty computer systems and facilities, including those managed for Core Specialty customers, and all employees, partners and third parties with access to Core Specialty information assets in digital or hardcopy form.	2022
3.	Change Management Policy	Core Specialty employees, contractors responsible for change management functions, and maintenance of Core Specialty systems, production and disaster recovery environments, and non-production environments where production data is residing.	2022
4.	PMLC Policy & Control	IT projects, new application development, 3 <sup>rd</sup> party application purchases and modifications.	2022
5.	Acceptable Use Policy	Any Core Specialty employee, contractor, temporary worker, consultants, interns and any vendors, service providers and other third-partied permitted access to any Core Specialty application, network or system, hardware, data, or verbal, digital, hardcopy, individually controlled or shared, stand-alone or networked, information, data or documentation whether used for administration, research, business or other purposes, whether created by Core Specialty, a user, or a third party.	2022

**2. HEALTH AND SAFETY STANDARDS.**

3Cloud shall strive to continuously improve its health and safety performance by implementing appropriate measures to promote health and safety in the workplace and reduce the risk of accidents, including identifying and assessing emergency situations in the workplace and implementing appropriate plans and response procedures to minimise their impact.

**3. ENVIRONMENTAL STANDARDS.**

3Cloud shall strive to continuously improve its environmental performance and reduce its negative environmental impact, including:

- i) minimizing the consumption of energy and natural resources;
- ii) reducing waste and promoting recycling and the use of recycled materials;
- iii) avoiding the use of hazardous materials where possible;
- iv) putting in place systems to ensure the safe handling, movement, storage, recycling, reuse or management of waste, air emissions and wastewater discharges; and
- v) putting in place systems to prevent and mitigate accidental spills and releases to the environment.

**4. SUPPORT FOR COMPANY CORPORATE RESPONSIBILITY POLICIES.**

3Cloud shall take such reasonable measures designed to support 3Cloud's corporate responsibility objectives.

# Schedule Index

## **Master Schedule Index**

Schedule 1 (Definitions)

Schedule 2 (Executed Statements of Work or Services Delivery Agreement)



# CORE SPECIALTY-3Cloud-MSA[19]

Final Audit Report

2024-02-29

Created:	2024-02-29
By:	Cindy Lilly (Cindy.Lilly@corespecialty.com)
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