

SOFTWARE LICENSE AGREEMENT

This Software License Agreement (the “Agreement”) is made as of (“Execution Date”), by and between FlowCrypt a. s., incorporated under the laws of the Czech Republic, registered at the Municipal Court in Prague under file number B 24863 as company number the Companies Registry as company number 2534051 with registered office at Londynska 7, 120 00 Prague 2, Czech Republic, represented by Tomas Holub, CEO (“Licensor”), and incorporated under the laws of, registered with the under number, with registered office is located at, represented by, (“Customer”).

WHEREAS, Licensor owns or has the right to license certain computer software (as further described in the Definitions section under “Licensed Software”) and is willing to grant Customer a license to use such Licensed Software; and,

WHEREAS, Licensor has developed and will continue to develop the required resources in order to maintain the effective operation of the Licensed Software throughout at least the Initial Period of the Agreement; and,

WHEREAS, Customer has expressed an interest to acquire a license to use such Licensed Software and to benefit from the related support and maintenance services for the purpose of both its own and its Affiliates’ ordinary business activities; and,

THEREFORE, in consideration of the mutual promises contained in this Agreement, Licensor and Customer agree as follows:

1 DEFINITIONS

1.1 “Affiliate” shall mean, with respect to any entity, any other entity which, directly or indirectly, controls or is controlled by or is under common control with Customer, now or in the future. For this purpose, “control” shall mean a) the ability, whether directly or indirectly, to direct the management and action of an entity by means of ownership, voting securities, contract or otherwise and/or with respect to Customer (b) the ownership of 50% or more of the outstanding voting securities or other ownership interest of such entity. Such corporation, company or other entity shall be deemed to be an Affiliate only as long as such ownership or control exists.

1.2 “Agreement” shall mean this Software License Agreement including the following exhibits that are an integral part hereof:

- 1.2.1 Exhibit “A” – Software Specifications
- 1.2.2 Exhibit “B” – Commercial Terms
- 1.2.3 Exhibit “C” – Service Level Agreement for Support & Maintenance
- 1.2.4 Exhibit “D” – N/A (Data Processing Agreement not applicable on-prem)

1.3 “Effective Date” shall mean the date of signature of this Agreement by both parties.

1.4 “Initial Period” shall mean a fixed period of year(s) following the Effective Date of the Agreement.

1.5 “License” shall mean the scope of the licensed rights that Customer will acquire with respect to the Licensed Software and the Licensed Documentation as specified in Exhibit “A” and Exhibit “B”.

1.6 “Licensed Software” shall mean the software program created by Licensor including the Specifications as described more fully in Exhibit “A” hereto.

1.7 “Licensed Documentation” shall mean the user manuals, training materials, operational guides, and other materials issued by Licensor for use in conjunction with the Licensed Software.

1.8 “Order” shall mean the purchase order that Customer will issue following the Effective Date enumerating the number of Licenses that Customer orders from Licensor.

1.9 “Renewal Period” shall mean an undetermined period of time following expiry of the Initial Date until either Party has terminated the Agreement in accordance with the provisions of section 5.

1.10 “Security Breach” shall mean any of the following: (i) any unauthorized intrusion into systems containing Customer Data resulting in access to or acquisition of Customer Data that compromises the security, confidentiality, availability, traceability or integrity of such Customer Data, (ii) any unauthorized disclosure of, access to or use (including processing) of any Customer Data, whether in violation of the provisions of this Agreement or any applicable law, including, without limitation, the personal data legislation.

1.11 “Specifications” shall mean the functional and technical properties of the Licensed Software as described in Exhibit “A” hereof.

1.12 “Updates” shall mean any revisions, corrections, upgrades, enhancements, or patches/fixes that enhance the existing functionalities of the Licensed Software, including those that eliminate any Bugs to the Licensed Software.

1.13 “Customer Data” shall mean the data and/or information created, collected, acquired, gathered, generated or archived by or on behalf of Customer in the course of its activity and through the use of the Licensed Software and that are passed on to or otherwise processed by the Licensor in the course of performing services for the account of Customer under this Agreement, including as a result of the processing of personal data under section 9 of this Agreement.

1.14 “Customer Systems” shall mean any software and/or any hardware and/or related infrastructure owned or used by Customer (as such may be updated and upgraded during the term of this Agreement).

2 GRANT OF LICENSE

2.1 Upon issuance of an Order by Customer, Licensor grants to Customer, and Customer acquires from Licensor a non-exclusive and non-transferable (except as set forth in section 10.6), worldwide license to install, execute and use the Licensed Software and Licensed Documentation, both in direct relation with its own business and in connection with the businesses of its Affiliates, in accordance with the number of Licenses mentioned in the Order(s). Licensor represents that the Licensed Software that it will supply under each Order includes the most current commercial stable version of the Licensed Software developed by Licensor.

2.2 For any Licensed Software ordered through authorized resellers of Licensor, it is understood that Licensor remains responsible for the performance of the obligations contracted hereunder and the exercise of the rights maintained hereunder. The authorized reseller will only administer the payment obligations under this Agreement on behalf and for account of the Licensor.

2.3 Any Order is subject to the terms of this Agreement, whether or not a reference to this Agreement is made. Any terms and conditions contained or incorporated by reference in the Order shall be of no force or effect whatsoever.

2.4 The Licensed Software includes Updates that the Licensor will issue from time to time as part of the support services.

2.5 Customer may copy the Licensed Software for back-up and disaster recovery purposes. Customer may also copy the Licensed Documentation to the extent reasonably required for the use of the Licensed Software under this Agreement.

2.6 Customer recognizes that it shall be responsible, at its expense, to have available, at the time of installation of the Licensed Software, the required hardware, system software and other components in accordance with the required configuration set forth in Exhibit “A” hereof.

2.7 Customer may not: (a) create, use or distribute any derivative works of this Licensed Software except as described in Section 10 herein, or (b) rent, lease, transfer (except as provided in Section 10.6), resell, sublicense, or otherwise provide means to use the Licensed Software to any third party other than its Affiliates, its subcontractors or consultants that may assist Customer with the installation, execution and use of the Licensed Software in accordance with Section 2.1, or (c) subject to Section 2.8 hereunder, reverse-engineer Licensed Software for the purpose of building a competitive product or service or copying its features or user interface, or (d) break or circumvent any security measures, rate limits, or usage tracking.

2.8 Reverse engineering of the Licensed Software shall not require the authorization of the Licensor where such reverse engineering, whether through reproduction, translation or otherwise, is indispensable for obtaining the information necessary to achieve the interoperability of software products used within Customer with the Licensed Software, provided that these acts are confined to the parts of the Licensed Software which are necessary to achieve interoperability.

3 SUPPORT SERVICES

3.1 During the term of this Agreement, the Licensor shall provide, as part of the license grant hereunder, the support services in accordance with the provisions of Exhibit “C” hereof.

3.2 The Licensor recognizes that quality, timeliness, confidentiality and security are of the essence in the performance of the support services. The Licensor shall perform its obligations using the uttermost skill and care of a diligent experienced and professional services provider, taking into account generally recognized best practices of the IT industry. In particular but without limitation, the Licensor undertakes to adopt a proactive attitude and to notify Customer in writing as soon as reasonably possible of any security incident or events or Defects that may have an adverse effect on the operation of Licensed Software.

3.3 Customer will provide the Licensor with reasonable collaboration during the term of this Agreement and in particular provide access to the relevant Customer Systems to the extent necessary for the Licensor to perform the support services and provided that the Licensor shall always comply with any relevant Customer’s protocols, rules, codes of conduct and/or policies in relation to data and IT security.

4 LICENSE FEES

4.1 The license fees applicable for each Order are set out in Exhibit “B”.

4.2 Payment terms are net thirty (30) days from receipt of the invoice.

4.3 Provided that a correct invoice has been issued by the Licensor, Customer shall be liable to pay the Licensor a penalty for late payment, calculated by applying (i) an interest rate equal to 20% (twenty percent) per annum on outstanding sums payable that have not been paid in accordance with the contractual payment terms hereof, and (ii) a sum of 500 (five hundred) EUR as a lump sum compensation for collection costs.

4.4 Licensor may suspend service provided under this Agreement if any invoice is overdue for over 90 (ninety) days, and must renew service as soon as all unpaid balance has been duly paid by Customer and received by the Licensor. Suspending service this way does not in any way affect amounts due to the Licensor.

4.5 The minimum purchase commitment for the duration of this Agreement consists of packages as per listed in the Commercial Terms.

5 DURATION

5.1 This Agreement shall come into force at the Effective Date and shall remain effective for an Initial Period of as described in *Section 1.4 "Initial Period"*. The Agreement shall then be tacitly renewed for an unlimited period, unless either Party has notified the other Party with at least 90 (ninety) days prior written notice of its decision to terminate the Agreement at the date of expiry thereof.

5.2 During the Renewal Period, either party may terminate this Agreement at any time for convenience by providing at least 90 (ninety) calendar days prior written notice to the other party. In the event of such termination notice, the Agreement will terminate at the last calendar day of the month corresponding to the date of lapse of the termination notice.

5.3 Either Party may terminate this Agreement at any time for cause with immediate effect if the other Party has breached any of the terms of this Agreement and has failed to cure such breach within a period of 30 (thirty) days following notification of such breach. Termination shall be automatic without requirement of a preceding judicial decision.

5.4 [reserved]

5.5 Upon termination, Licensor shall refund on a pro rata temporis basis the Licensed Software fees in order to account for the time during which Customer has been deprived of the use of the Licensed Software.

6 TITLE

All right, title and interest in and to the Licensed Software and the Licensed Documentation are and shall remain with Licensor. Customer acknowledges that, except for the licenses granted hereunder, no right, title, or interest in or to the Licensed Software and the Licensed Documentation is granted under this Agreement. In particular, Customer shall not transfer or otherwise dispose of the Licensed Software and the Licensed Documentation without the prior written consent of Licensor, except as provided under section 10.6 hereof.

7 REPRESENTATIONS AND WARRANTIES

7.1 [reserved]

7.2 [reserved]

7.3 The Licensor warrants that the Licensed Software shall be delivered free and immune from any virus, worm, malware, Trojan horse or other malicious software programs that are intended to alter, destroy or inhibit the Licensed Software and/or Customer's Systems, including but not limited to other computer programs, data storage and computer libraries of Customer that may be connected to the Licensed Software.

7.4 The Licensor and its licensors affirms that it own all rights in the Licensed Software and Licensed Documentation, including the right to grant to Customer the rights to the Licensed Software and the Licensed Documentation set forth in this Agreement. Licensor warrants that the Licensed Software and Licensed Documentation will not infringe any third party's copyright or other intellectual or industrial property rights. Licensor warrants that there is currently no actual or threatened suit by any such third party based on an alleged violation of any such right by Licensor. Licensor will defend, indemnify and hold harmless Customer for third party intellectual property

infringement by Licensed Software. Licensor's obligations for indemnification are conditioned on the following: (a) Customer notifying Licensor promptly in writing of such action, (b) Customer giving Licensor sole control of the defense or settlement thereof, (c) Customer cooperating with Licensor in such defense. If the use of the Licensed Software by Customer is held to constitute an infringement and such use is enjoined temporarily or permanently, Licensor, in addition to indemnifying Customer for any damages for infringement as stated herein shall, at Licensor's option and at Licensor's expense:

- a. modify the Licensed Software so it becomes non-infringing without materially altering its functions or performances; or
- b. replace the Licensed Software with other software which is substantially equivalent in functions and performances but is non-infringing; or
- c. secure for Customer the right to continue using the Licensed Software without additional cost.

7.5 [reserved]

7.6 In the case of any breach of representation or warranty listed in section 7 that cannot be adequately remedied by Licensor within a period of 30 (thirty) calendar days following notification, Customer shall be entitled to terminate the Agreement with immediate effect.

7.7 Licensor will have no liability under this section if the infringement is a direct result of any of the following: (a) any use of the Licensed Software by Customer or its Affiliates not in accordance with the Agreement, or (b) any modification of the Licensed Software made by any person other than Licensor and its affiliates.

8 CONFIDENTIALITY OF THE LICENSED SOFTWARE AND LICENSED DOCUMENTATION

8.1 Customer acknowledges that the Licensed Software and Licensed Documentation contain confidential and proprietary information of the Licensor. Therefore, Customer shall, both during the term of the Agreement and a period of 5 (five) years following its termination, hold such Licensed Software and Licensed Documentation in confidence and shall not use, copy, or disclose, nor permit any of its personnel to use, copy, or disclose the same for any purpose that is not specifically authorized under this Agreement.

8.2 Without prejudice to the aforementioned obligations, Customer undertakes to use at the very least the same degree of care (but no less than a reasonable degree of care) as it applies with respect to the protection of its own confidential information.

8.3 Customer shall not permit any personnel of Customer to remove any proprietary or other legend or restrictive notice contained or included in any material provided by Licensor.

8.4 The provisions of this section 8 will not apply to information which Customer can establish: (i) was already in the public domain at the time of disclosure or afterwards becomes part of the public domain or otherwise through no fault of Customer; or (ii) was in Customer's possession before disclosure - whether under this Agreement or otherwise -- by the disclosing party.

9 [RESERVED]

10 MISCELLANEOUS

10.1 Modifications. This Agreement may not be amended or modified except by written instrument and signed by the parties.

10.2 Choice of Law. Licensor agrees that any and all disputes, claims or litigation arising from or related in any way to this Agreement shall be resolved exclusively by the commercial courts of the Czech Republic. Licensor waives any objections or defenses it may have based upon an inconvenient forum. This Agreement will be governed by and construed in accordance with the laws of the Czech Republic.

10.3 Severability. If any provision of this Agreement is held by a court of competent jurisdiction to be contrary to law, the remaining provisions of this Agreement shall remain in full force and effect.

10.4 Entire Agreement. This Agreement constitutes the entire contract between the parties hereto pertaining to the subject matter hereof and supersedes all prior proposals, agreements, understandings, negotiations, and discussions, whether written or oral, of the parties in connection with the subject matter hereof.

10.5 Statute of Limitations. An action for breach of this Agreement or any other action otherwise arising out of this Agreement, must be commenced within two years from the date the right, claim, demand or cause of action is discovered, or be forever barred.

10.6 Transfer and assignment. Either Party may assign this Agreement, in whole, to any successor in interest by operation of law, or pursuant to a merger, an acquisition or corporate reorganization, provided that such Party gives the other Party at least thirty (30) days prior notice of such assignment. Likewise, either Party may transfer any Licenses to any successor in interest as a result of a sale of a substantial part of its business activities or Affiliates to a third party recipient, provided that the Party gives the other Party at least thirty (30) days prior notice of such transfer, and provided that the third party recipient certifies to the other Party that such Licenses remain subject to the terms of this Agreement, unless otherwise agreed.

11 LIMITATION OF LIABILITY.

To the fullest extent permitted by law, the total liability, per event, of each Party to the other Party for any claims, losses, costs, or damages whatsoever arising out of, resulting from or in any way related to this Agreement from any cause or causes, except liabilities arising out of Section 8 ("*Confidentiality of the licensed software and licensed documentation*") , including but not limited to negligence, professional errors and omissions, strict liability, breach of contract, or breach of warranty, shall not exceed the equivalent of the annual amount of monies paid by Customer to Licensor prior to the occurrence of the said event; provided that, in the aggregate, the total liability of each Party under this Agreement shall not exceed the aggregate amount of monies paid by Customer to Licensor in the last three years or EUR 200 000, whichever is lower.

Neither party shall be liable under this Agreement for any loss of profit, loss of revenue, loss of opportunity arising out of or in connection with this Agreement.

12 INSURANCE

Within 30 (thirty) days of receiving the first Order from Customer, Licensor shall obtain and at all times during the term of this Agreement maintain at its own expense, the required insurance coverage in full accordance with the limitations of liability agreed between the Parties under Section 11 hereof.

The existence of insurance does not release the Licensor of its obligations or liabilities under this Agreement.

IN WITNESS THEREOF, the parties hereto have executed this Agreement as of the day, month, and year written above.

Licensor, FlowCrypt a.s.

Customer,

Signed:

Signed:

Name:

Name: _____

Title:

Title: _____

Date:

Date: _____

EXHIBITS

Exhibit “A” – Software Specifications

Licensed Software Specifications

The Licensed Software under this Agreement is “FlowCrypt Workspace KM”

Purpose: Key Management for Google Workspace CSE
Programming languages: Kotlin on JVM
Version: 2021-08 (and higher)
Release Channel: Enterprise-Stable (Production ready)
Deployment: On-prem by customer

Functionality:

1. Provide key management for encryption of objects in Google Drive
2. Provide key management for encryption of objects in Google Docs
3. Derivation of individual DEKs with KEKs derived from a Master Key
4. option to load Master Key from a local file
5. option to load Master Key from stdin
6. option to load Master Key from KMS (KMIP)
7. option to load Master Key from HSM (PKCS#11)
8. integration with your own OIDC IdP for SSO
9. option to configure several IdPs
10. option to stream service logs to stdout
11. option to stream service logs to file
12. option to stream service logs to Splunk
13. option to stream service logs to Stackdriver

Known limitations:

1. User-facing functionality, client-side functionality is provided by Google, and availability thereof per platform depends on Google roadmap

Licensed documentation:

1. Public documentation available at <https://flowcrypt.com/docs/>
2. Confidential documentation will be shared separately as required

Required system configuration:

OS Ubuntu 18.04, RedHat, CentOS
SSL Certs Either a set of valid SSL certs, or SSL-terminating reverse proxy
Runtime OpenJDK 11+
Hardware minimum 4GB RAM and one full CPU core per instance
Cluster deployment When deploying more than one instance as a cluster, an off-the-shelf load balancer is needed to distribute the load evenly among running instances
License Active software licensing subscription for any production use

Exhibit “B” – Commercial Terms

PACKAGE	LICENSE SEATS	PRICE PER YEAR IN EUR
WKM-1000	1 000	€ 10 000
WKM-5000	5 000	€ 40 000

Packages may be ordered in multiple quantity or combined to reach the desired amount of users.

Payment terms are NET-30, pay by wire transfer.

Service paid per year. Mid-year tier upgrades are possible – in such cases the price of remainder of current billing year is prorated. Tier downgrades are possible at the end of billing year.

Prices exclude any fees of software resellers when such resellers are required by Customer.

Prices are only binding once Agreement has been signed, and are guaranteed for the duration of this Agreement.

Exhibit “C” – Service Level Agreement for Support & Maintenance

FlowCrypt Service Level Agreement

This FlowCrypt Service Level Agreement (“SLA”) between FlowCrypt a. s. (“FlowCrypt”, “us” or “we”) and corporate customers of the FlowCrypt Services (“you”) governs the use of the FlowCrypt Software under the provisions of the Software License Agreement (the “Agreement”) between you and us.

This SLA only applies to customers with whom we have mutually signed the Agreement.

Further, this SLA only applies to production-ready versions of our software.

1. Service Commitment

FlowCrypt on-prem Software: **3 business days Critical Flaw Turnaround**

FlowCrypt will provide a software update within 3 business days of receiving a qualified Critical Flaw Alert. Subject to the SLA Exclusions, if we do not meet the Service Commitment, you will be eligible to receive a Service Credit.

2. Definitions

“Critical Flaw Alert” is an email sent from you to human@flowcrypt.com informing us of a Critical Flaw with subject that includes the words “Critical Flaw Alert”, and text describing which functionality does not work and steps to reproduce the issue.

“Critical Flaw Turnaround” is the amount of time it takes us to produce an updated version of FlowCrypt Software addressing a Critical Flaw.

“Monthly Spend” is one-twelfth of the total yearly license fees based on your pricing tier on the last day of the calendar month in question.

“Degraded Service” is longer than agreed Critical Flaw Turnaround.

“Critical Flaw” is: (1) a newly discovered critical security flaw, or (2) FlowCrypt Software flaw that affects core functionality except as defined in SLA Exclusions, further excluding flaws related to (a) a change of environment that FlowCrypt Software runs in, without giving us a reasonable amount of time to test FlowCrypt Software in the new environment, and (b) flaws related to compatibility and interoperability with software produced by other vendors.

“Service Credit” means a credit denominated the primary billing currency as defined in Agreement, calculated as set forth below, that we may credit back to an eligible account.

3. Service Commitments and Service Credits

Service Credits are calculated as a percentage of Monthly Spend for the calendar month in which the Degraded Service occurred, applied proportionally to the Service that was Degraded, in accordance with the schedule below:

- If Critical Flaw Turnaround exceeded 3 business days but did not exceed 5 business days, you will be eligible for a Service Credit of 10% of the Monthly Spend.
- If Critical Flaw Turnaround exceeded 5 business days, you will be eligible for a Service Credit of 20% of the Monthly Spend.

We will apply any Service Credits only against future payments for the Services otherwise due from you. At our discretion, we may issue the Service Credit to the account we received your payment from. Service Credits will not entitle you to any refund or other payment from FlowCrypt.

4. Credit Request and Payment Procedures

To receive a Service Credit, you must submit a claim by emailing human@flowcrypt.com. To be eligible, all of your invoices with us must be duly paid, the credit request must be received by the end of the calendar month following the calendar month in which the incident occurred and must include:

- the words “SLA Credit Request” in the subject line;
- the dates and times of each incident that you are claiming;
- logs that document the incident and corroborate your claimed flaw (any confidential or sensitive information in this documentation should be removed or replaced with asterisks).

If such request is confirmed by us and is less than the Service Commitment, then we will issue the Service Credit to you within one calendar month following the month in which your request is confirmed by us. Your failure to provide the request and other information as required above will disqualify you from receiving a Service Credit.

5. SLA Exclusions

The Service Commitment does not apply to any Unavailability:

- That results from suspension of service due to non-payment; or
- Caused by factors outside of our reasonable control, including any force majeure event; or
- That results from any actions or inactions of you or any third party; or
- That results from the equipment, software or other technology of you or any third party (other than third party equipment within our direct control); or
- That results from interacting with FlowCrypt Software through means it was not designed for.