

PROFESSIONAL SERVICES AGREEMENT

1 Parties

- 1.1. The “Customer”
The partner company, commissioner or consumer of the goods and services provided by the Supplier.
- 1.2. The “Supplier”: YGHT Ltd. Registered address: 112-114 Witton Street, Northwich, Cheshire, CW9 5NW

2 Background

- 2.1 The Customer has agreed to engage the Supplier to provide specific professional services according to the terms and conditions of this Agreement.
- 2.2 Typically the Services include, but are not limited to: Information Security Consultancy; Penetration Testing; Social Engineering Testing; Cyber Security Audits and Reviews; and Vulnerability Assessments.

3 Definitions

- 3.1 In this Agreement:
 - 3.1.1 The “Agreement” means this agreement inclusive of any Statement of Work.
 - 3.1.2 The “Customer” means the party listed in this document at 1.1.
 - 3.1.3 The “Supplier” means the party listed in this document at 1.2.
 - 3.1.4 The “Parties” means one or both of The Customer and The Supplier, defined in 3.1.2 and 3.1.3.
 - 3.1.5 The “Disclosing Party” means the member of The Parties providing information to another member of The Parties.
 - 3.1.6 The “Receiving Party” means the member of The Parties receiving information from another member of The Parties.
 - 3.1.7 “Change Request” has the meaning set out in Clause 8.
 - 3.1.8 “Commencement Date” means the date for the commencement of the Services, as set out in the Statement of Work.
 - 3.1.9 “Customer Responsibilities” means the obligations on the Customer as set out in Clause 7.
 - 3.1.10 “Deliverables” means the listed deliverables to be supplied by the Supplier to the Customer as part of the Services as set out in Statement of Work, but excluding Proprietary Materials.
 - 3.1.11 “Fees” means the fees payable by the Customer to the Supplier for the performance of the Services, as set out in Clause 9.
 - 3.1.12 “Intellectual Property Rights” (IPR) means: copyright; patents; know-how; confidential information; database rights; rights in trade marks and designs (whether registered or unregistered); applications for registration of any of the

above; or all other intellectual property rights and equivalent or similar forms of protection existing anywhere in the world.

- 3.1.13 “Statement of Work” means the agreed Services, including Milestones where appropriate.
- 3.1.14 “Proprietary Materials” means any materials of the Supplier including, without limitation, all software, methodologies, software development tools, libraries, ideas, methods, processes, reports, concepts and techniques and other materials owned by or licensed to the Supplier and used in the provision of the Services.
- 3.1.15 “Confidential Material” means information given between The Parties which is not in the public domain. This excludes information that enters the public domain other than by breach of Clause 12, or is received from a third party which is not under any confidentiality obligation of which the Recipient is aware or ought to be reasonably aware, or is independently developed by one party without use of the other party's Confidential Information.
- 3.1.16 “Services” means the professional services to be provided by the Supplier under this Agreement as specified in the Statement of Work, including the creation, development and delivery of the Deliverables.
- 3.1.17 “Personal Data” is information defined by Regulation 2016/679 of the European Parliament, better known as the General Data Protection Regulation (GDPR) and the Data Protection Act 2018. This excludes information that is in, or enters the public domain other than by breach of Clause 12.
- 3.1.18 “Scope” is the geographical areas, targets, systems, people, physical and digital (or logical) addresses, to which the services apply and against which the acts to provide the services are considered as permitted.

4 Services

- 4.1 The Supplier shall, from the Commencement Date, provide the Services and any associated Deliverables to the Customer in accordance with this Agreement.
- 4.2 The Supplier shall use all reasonable endeavours to meet any Milestones set out in Statement of Work. The Supplier shall not be responsible for any failure or delay caused by events beyond the Supplier's reasonable control, including without limitation, any failure by the Customer to perform the Customer Responsibilities or where any of the circumstances in Clause 14 occur.
- 4.3 Both parties shall use all reasonable endeavours to meet their respective obligations as set out in the Statement of Work.
- 4.4 The Customer acknowledges that the Supplier is not guaranteeing that the target system will be a completely secure system. Security is not considered to be absolute, and no test, product or service can assess for, or offer cover for, all possible security vulnerabilities, breaches or security incidents.
- 4.5 The Customer acknowledges that computer systems are subject to continual development of new risks, weaknesses and vulnerabilities. The Services are completed at a point-in-time and do not offer any assurance, warranty or guarantee of the future status of the target system's security.

- 4.6 The Customer acknowledges that the Services are designed to contribute towards the target system's overall information security strategy and does not replace, re-assign or reduce any of the Customer's responsibilities for maintaining secure systems.
- 4.7 With respect to Clause 4, the customer agrees to indemnify the Supplier and hold the Supplier harmless for any information security failure of the Customer's systems.

5 Term

- 5.1 This Agreement shall commence on the date of this Agreement and shall continue until the final Milestone.
- 5.2 The Services shall commence on the Commencement Date and subject to Clause 13 (Termination) shall continue until the final Milestone.

6 The Supplier's Commitments

- 6.1 The Supplier warrants to the Customer that the Supplier will perform the Services in a professional manner and with all reasonable skill and care and in accordance with recognised industry practice for such Services.
- 6.2 The Supplier warrants that the personnel used by the Supplier in the performance of those Services will be appropriately skilled, trained and qualified.
- 6.3 The Supplier shall have the right to determine which of its personnel or contractors shall be assigned to perform the Services, and to replace or reassign such personnel during the term of this Agreement. Any re-assignment of personnel shall be done wherever reasonably possible after notification to the Customer.
- 6.4 The Supplier will maintain the relevant insurance, including but not limited to: Professional Indemnity (250 thousand GBP); Employers Liability (at a minimum of 5 million GBP); and Public Liability (at a minimum of 5 million GBP),
- 6.5 All other warranties whether statutory or implied are hereby expressly excluded to the fullest extent permitted by law, including fitness for purpose and satisfactory quality.

7 The Customer's Responsibilities

- 7.1 The Customer shall provide the Supplier with reasonable and safe access to its premises and facilities as necessary for the Services to be performed.
- 7.2 The Customer shall make available to the Supplier the normal office facilities as necessary for the proper performance of its obligations under this Agreement (including, but not limited to: workspace; display equipment; network connectivity; Internet connectivity; telephone services; and printing facilities).
- 7.3 The Customer shall at all times provide reasonable co-operation with the Supplier in relation to the performance of the Services.
- 7.4 The Customer shall provide the Supplier with all necessary equipment, hardware and software, including but not limited to: third party software; databases; operating systems; and technical documentation (including any applicable license to use them), in order for the Supplier to perform the Services, should these items be related to the specialist activities of the Customer or otherwise bespoke to the Customer.
- 7.5 The Customer shall pay the Supplier the Fees as set out in Clause 9.

- 7.6 The Customer shall maintain an appropriate level of security and safety for all Deliverables once received. Storage, transmission and communication of the Deliverables shall be at the sole risk and responsibility of the Customer from the time of its delivery to the Customer from the Supplier.
- 7.7 The Customer shall fairly and accurately present the results of the Services to appropriate third-parties where such a presentation is required. Such third-parties include auditors, accreditors, certification-bodies, and customers.
- 7.8 The Customer shall seek written permission from the Supplier before reproducing the Deliverables in any publicly accessible format.
- 7.9 The Customer shall gain the proper authorisations from any third-party services, vendors, or upstream providers for performing security testing.
- 7.10 The Customer shall perform any other Customer Responsibilities or obligations specified in the Statement of Work.
- 7.11 The Customer shall return any equipment provided, including the Smuggle Box, unless prior arrangements have been made with The Supplier for the purchase of such equipment. Any equipment not returned will incur a charge covering the replacement of the equipment.

8 Changes to Statements of Work

- 8.1 Either party may request a change to the Services by submitting a written request to the other party (the "Change Request").
- 8.2 If a written request is submitted to the Supplier by the Customer, the Supplier shall respond within a reasonable time of receiving the Change Request, setting out whether the Change Request may be implemented and the effect the Change Request will have on the Supplier's activities, milestones and fees under this Agreement, including any variation of the Fees.
- 8.3 If a Change Request is accepted, the parties shall amend the Statement of Work to reflect the Change Request including any variation to the Fees.
- 8.4 The Supplier shall not be liable for delays in the provision of the Services caused by a Change Request, and neither party shall have any obligation to commence work in connection with any Change Request until that Change Request is agreed.

9 Fees and Payment

- 9.1 The Customer shall pay the Supplier the Fees in the manner set out in the Statement of Work.
- 9.2 All amounts payable under this Agreement shall be exclusive of value added tax or other tax or duty (whether UK or foreign) payable by the Supplier in respect of this Agreement, which shall be paid in addition, at the rate and in the manner for the time being prescribed by law as indicated on supplied invoices.
- 9.3 The Supplier reserves the right to review and amend rates of pay at the turn of the tax year. Any increase in fees will not exceed the Consumer Price Index + 1%.
- 9.4 Unless otherwise specified in the Statement of Work, the Customer shall pay for all expenses properly and reasonably incurred by the Supplier in the performance of the Services.

- 9.5 Expenses may include, but are not limited to:
- 9.5.1 The purchasing of equipment, software, software licenses, or domain names;
 - 9.5.2 The hire of equipment or processing time;
 - 9.5.3 Accommodation. Accommodation will be used where travel time exceeds 60 minutes from the Suppliers home address. UK accommodation will be the cheapest three-star or above hotel located within 1 (one) mile of the Customer. Should there be no such option available, the nearest hotel of four-star and above will be used. International accommodation will be the highest local rating and chosen at the sole discretion of the Supplier;
 - 9.5.4 Subsistence. Subsistence expenses will be covered whilst working away from the Suppliers work address. For the duration of the Services set out in Statement of Work, the average daily cost of subsistence will not exceed the average price of the chosen accommodations restaurant menu for three meals per day where accommodation is used. Where no accommodation is used, local good-quality food sources will be used for midday / lunch meal; and
 - 9.5.5 Travel. Travel arrangements will be: business class flights (for flights over two hours duration); first class rail rates (for rail journeys over one hour duration); car hire; or the current maximum authorised mileage rates set down by HM Revenue & Customs for car travel.
 - 9.5.6 Postage or carriage of equipment. Carriage of equipment will be completed using an appropriately insured provider that provides tracking facilities and timely delivery.
- 9.6 Unless otherwise specified in the Statement of Work, the Supplier shall invoice the Customer monthly in arrears.
- 9.7 The Customer shall pay the amounts invoiced by the Supplier within 30 days from receipt of the relevant invoice.
- 9.8 If the Customer fails to pay any or all of its invoice pursuant to the terms of Clause 9, the Supplier may charge the Customer interest, accruing daily from the due date, on any overdue amounts under this Agreement. In accordance with the Late Payment of Commercial Debts (Interest) Act 1998, interest will be charged at the rate of 8% per annum above the base rate of the Bank of England in force at the due date.
- 9.9 If the Customer wishes to change or cancel the Commencement Date then it must notify the Supplier in writing. Cancellation or changing the date for the services within 30 days of the due Commencement Date will incur a charge. The amount of the charge incurred under this clause will depend on the date on which the Supplier received notification of the change or cancellation from the Customer:
- 9.9.1 If notification is received less than 30 days (but more than 14 days) before the Commencement Date the charge to the Customer will be 20% of the total charges for the services to be delivered.
 - 9.9.2 If the notification is received 14 days or less (but more than 7 days) before the Commencement Date the charge will be 40% of the total charges for the Services to be delivered; and
 - 9.9.3 If the notification is received 7 days or fewer prior to the Commencement Date, the charge will be 80% of the total charges for the services to be delivered.

- 9.9.4 If no proper notification is received by the Supplier of a change of date or a cancellation prior to the Commencement Date then the charges for the services due to be delivered, shall be payable by the Customer in full.
- 9.9.5 If the Supplier is able to deliver services to alternative clients on the Commencement Date which is subject to the change or cancellation charges set out in clause 9.9 above, then the Supplier shall reduce the amount of the charges to the Customer under clause 9.9 pro-rata by the relevant percentage of the amount it receives from the alternative client for the same time period.
- 9.9.6 Changes to the Commencement Date will be agreed and rescheduled where possible around other pre-existing commitments.

10 Proprietary Rights

- 10.1 The Customer acknowledges that any Proprietary Materials used by the Supplier in the provision of the Services are and shall remain the property of the Supplier and that the Customer shall not acquire any Intellectual Property Rights in the Proprietary Materials under this Agreement.
- 10.2 The Supplier acknowledges that in the course of providing the Services, the Supplier may use products, materials and methodologies proprietary to the Customer or to third parties. The Supplier agrees that it shall not acquire any rights in those proprietary products, materials and methodologies whether under this Agreement or otherwise.

11 Intellectual Property

- 11.1 Upon receipt of payment of the Fees in full, the Supplier grants to the Customer a perpetual, non-transferable and non-exclusive licence to use, reproduce and modify any Deliverable specifically developed for the Customer by the Supplier in performing the Services. The Customer's right to use those Deliverables is restricted to use for its own internal purposes and is subject to the confidentiality provisions in Clause 12 below. All other Intellectual Property Rights in the Deliverables remain in and/or are assigned to the Supplier. The parties agree to co-operate with each other and execute such other documents as may be necessary to achieve these objectives.
- 11.2 Subject to Clause 12 below, nothing in this Agreement shall preclude the Supplier from developing for itself, or for third parties, materials which are competitive with the Deliverables or the Services, irrespective of their similarity to materials or services which may be delivered to the Customer under this Agreement. The parties agree that subject to Clause 12 below, the Supplier shall be free to use its general knowledge, skills and experience and any ideas, concepts, know-how, methodologies and techniques related to the Scope of the Services.
- 11.3 The Customer warrants that any Proprietary Materials and its use by the Supplier for the purpose of providing the Services will not infringe the copyright or other intellectual property rights of any third party, and the Customer shall indemnify the Supplier against any loss, damages, costs, expenses or other claims arising from any such infringement.

12 Confidential Information

- 12.1 All information relating to the business operations of The Disclosing Party given in respect of this Agreement to The Receiving Party or otherwise obtained by The Receiving Party shall be treated by The Receiving Party as Confidential Material.
- 12.2 Confidential Information shall not be used other than for the benefit of the Disclosing Party nor disclosed to third parties without the prior written consent of the Disclosing Party.
- 12.3 The Confidential Information of the Disclosing Party may be disclosed by the Recipient to the extent required by law or any regulatory authority. Unless prohibited by law, the Recipient will give the Disclosing Party prompt written notice of the requirement to disclose.

13 Termination

- 13.1 Each party shall have the right, without prejudice to its other rights or remedies, to terminate this Agreement immediately by written notice to the other party if the other party is:
- 13.1.1 in material or persistent breach of any of its obligations under this Agreement and either that breach is incapable of remedy or the other party shall have failed to remedy that breach within 30 days after receiving written notice requiring it to remedy that breach; or
- 13.1.2 unable to pay its debts (within the meaning of section 123 of the Insolvency Act 1986) or becomes insolvent or an order is made or a resolution passed for the liquidation, administration, winding-up or the dissolution of the other party (other than for the purposes of a solvent amalgamation or reconstruction) or an administrative or other receiver, manager, liquidator, administrator, trustee or similar officer is appointed over all or any substantial part of the assets of the other party or the other party enters into or proposes a composition or arrangement with its creditors generally or anything similar to the foregoing occurs.
- 13.2 Any termination of this Agreement shall not affect any accrued rights or liabilities of either party.

14 Force Majeure

- 14.1 Neither party shall be liable to the other for any delay or non-performance of its obligations under this Agreement arising from any cause or causes beyond its reasonable control including, without limitation, any of the following: act of God, governmental act, acts of terrorism, war, fire, flood, explosion, civil commotion or industrial dispute of a third party. Subject to the party so delaying promptly notifying the other party in writing of the reason for the delay and the likely duration of the delay, the performance of the delaying party's obligations, to the extent affected by the delay, shall be suspended during the period that the cause persists provided that if performance is not resumed within 30 days after that notice the non-delaying party may by notice in writing terminate this Agreement.

15 Warranty and Liability

- 15.1 Each party warrants that it will perform its obligations under this Agreement in a professional manner and with all reasonable skill and care and in accordance with recognised industry practice.
- 15.2 Subject to Clause 15.1, all other warranties whether statutory or implied are hereby expressly excluded to the fullest extent permitted by law, including fitness for purpose and satisfactory quality.
- 15.3 The Supplier's entire liability arising out of or in connection with this Agreement, including the Services, whether in contract, tort or otherwise, will not exceed in aggregate over the term of this Agreement, an amount equal to the sums paid by the Customer for those Services specified in the Statement of Work in the period up to 6 months immediately preceding the event giving rise to the liability (less all sums already paid by the Supplier for any previous claims arising in respect of those Services during that period).
- 15.4 Nothing in this Agreement shall exclude or restrict either party's liability for death or personal injury resulting from its negligence or that of its employees while acting in the course of their employment.
- 15.5 Notwithstanding anything else in this Agreement, the Supplier shall not be liable to the Customer under, or in connection with, this Agreement in contract, tort or otherwise for loss of profits, business or anticipated savings, loss or damage to data, or for any indirect, direct or consequential loss, economic loss or damage whatsoever, whether sustained by the Customer or any other person.
- 15.6 The parties expressly agree that if any limitation or provision referred to in this Agreement is held to be invalid under any applicable statute or rule of law it shall to the extent be deemed omitted, but if any party becomes liable for loss or damage which would otherwise have been excluded that liability shall be subject to the other limitations and provisions set out in this Agreement.
- 15.7 The Supplier shall not be liable for any loss or damage to the Customer's computer equipment and systems which is caused by any existing weakness (or defect) in the Customer's equipment and systems that is discovered or initiated by the supply of any services from the Supplier.

16 Non-solicitation

- 16.1 For a period of 12 months following the termination of the Agreement or the Services for any reason, the Customer shall not offer employment to any employee of the Supplier involved in performing the Services or induce or encourage the employee to leave the Supplier's employment without written consent from the Supplier.

17 Penetration testing notice

- 17.1 The laws of England and Wales apply to the delivery of the Services. Some of these laws have particular relevance to technical testing engagements, particularly: the Computer Misuse Act; the Police and Justice Act (section 35 to 38); the Serious Crime act (part 2 section 41 to 44, 47, and 86); Human Rights Act (in particular, Article 8); the General Data Protection Regulation; and Data Protection Act. As covered in this Agreement, by engaging the Supplier in the Services, the Customer confirms that they

are the owner of the systems being tested, or have the permission and delegated authority of the owner(s) to engage the Supplier in the Services.

- 17.2 Where the Supplier knowingly collects evidence that contains Personal Data, the Supplier will destroy the collected Personal Data wherever possible at the final Milestone. Where the evidence is required for reporting purposes, the Personal Data will be anonymised.
- 17.3 The Supplier shall make reasonable endeavours to not exceed the Scope. Where the Customer solely represents a business or other corporate entity, the Scope shall not intrude into the private or family lives of members of staff. Where the Customer represents a family or individual, the Customer understands that they are commissioning a breach of the Human Rights Act and as such indemnifies and holds the Supplier harmless with respect to all such breaches.
- 17.4 The Customer indemnifies the Supplier against prosecution for conducting testing activities and agrees to hold the Supplier harmless in respect of the laws specified in this section 17.

18 Notices

- 18.1 Any notice or other document to be served under this Agreement may be delivered or sent by email, post or fax to the party to be served at its address stated in this Agreement, or the last notified email address, postal address or fax number.
- 18.2 In proving service of a notice or document it shall be sufficient to prove that delivery was made or that the envelope containing the notice or document was properly addressed and posted as a prepaid first class or equivalent recorded delivery letter or that the facsimile message was properly addressed and despatched, as the case may be.

19 General Provisions

- 19.1 **Assignment and Subcontracting:** Neither party may assign, sub-license, transfer or otherwise dispose of any of its rights, transfer or otherwise dispose of any of its obligations under this Agreement without the prior written consent of the other. Notwithstanding the above, the Supplier shall be free to subcontract its obligations under this Agreement.
- 19.2 **Amendments:** Any amendment or waiver of this Agreement shall not be binding on the parties unless set out in writing, expressed to amend or waive this Agreement and signed by each of the parties.
- 19.3 **Severability:** If a provision of this Agreement is or becomes illegal, invalid or unenforceable, that shall not affect the legality, validity or enforceability of any other provision of this Agreement.
- 19.4 **No partnership or agency:** Nothing in this Agreement shall be deemed to constitute a partnership between the parties, nor constitute either party the agent of the other for any purpose.
- 19.5 **Third Party Rights:** No third party or other person who is not a party to this Agreement may enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999.

- 19.6 Waivers: A waiver (whether express or implied) by one of the parties of any of the provisions of this Agreement or of any breach of or default by the other party in performing any of those provisions shall not constitute a continuing waiver and that waiver shall not prevent the waiving party from subsequently enforcing any of the provisions of this Agreement not waived or from acting on any subsequent breach of or default by the other party under any of the provisions of this Agreement.
- 19.7 Further Assurance: Each party shall, at the request and cost of the other, execute all documents and do all other acts, which may be necessary to give full effect to this Agreement.
- 19.8 Costs: Each party shall pay its costs and expenses incurred by it in connection with the entering into and completion of this Agreement.
- 19.9 Authority: Neither party shall have any authority to act or make representations on behalf of the other party and nothing shall impose any liability on either party in respect of any liability incurred by the other party.
- 19.10 Each person signing this Agreement represents and warrants that he or she is duly authorized and has legal capacity to execute and deliver this Agreement. Each party represents and warrants to the other that the execution and delivery of the Agreement and the performance of such party's obligations hereunder have been duly authorized and that the Agreement is a valid and legal agreement binding on such party and enforceable in accordance with its terms.
- 19.11 Whole Agreement: This Agreement and the documents referred to in it contain the whole agreement between the parties relating to the Services contemplated by this Agreement and supersede all previous agreements between the parties relating to these Services. Each of the parties acknowledges that, in agreeing to enter into this Agreement, it has not relied on any representation, warranty, collateral contract or other assurance (except those set out in this Agreement and the documents referred to in it) made by or on behalf of any other party before the signature of this Agreement. Each of the parties waives all rights and remedies which, but for this subclause, might otherwise be available to it in respect of any such representation, warranty, collateral contract or other assurance, provided that nothing in this subclause shall limit or exclude any liability for fraud.

20 Jurisdiction

- 20.1 This Agreement is governed by English law and each party irrevocably submits to the jurisdiction of the English courts for all purposes relating to this Agreement.