MASTER SERVICES AGREEMENT

This Master Services Agreement (the "Agreement"), dated January 28, 2021 (the "Effective Date"), is between Washington State Employment Security Department with offices at 212 Maple Park Ave SE, Olympia, WA 98507 (hereafter "Client") and Palo Alto Networks, Inc. with offices at 3000 Tannery Way, Santa Clara, California, 95054 (hereafter "Palo Alto Networks" or "Crypsis"). Client and Crypsis will each be referred to as a "Party" and, collectively, as the "Parties".

1. DEFINITIONS

1.1. **"Crypsis Hardware"** means any computer, device or other hardware used by Crypsis to provide the Services, and includes any firmware or other intellectual property copied to or installed on the Crypsis Hardware.

1.2. **"Crypsis IP"** means all Crypsis proprietary materials, including without limitation the Crypsis Hardware, the Crypsis Software, Indicators of Compromise, and associated data and documentation.

1.3. **"Crypsis Software"** means any computer software used by Crypsis to provide the Services, and includes all updates, patches and fixes to such software.

1.4. **"Deliverables"** means any and all goods and services to be delivered to Client as set forth in an agreed upon Statement of Work issued under this Agreement.

1.5. **"Indicators of Compromise" or "Indicators"** means a set of data provided by Crypsis for use with the Crypsis Hardware and Crypsis Software. Indicators are configurations and specifications of anomalies, configurations, or other conditions that the Crypsis Hardware and/or Crypsis Software are capable of identifying within an information technology infrastructure.

1.6. **"Service" or "Services"** means the professional services described in a SOW issued under this Agreement.

1.7. **"Statement of Work" or "SOW"** means a document duly executed by both Parties, pursuant to which Client may order specific Services.

2. DESCRIPTION/CONDITIONS OF SERVICE

2.1. **Services and Deliverables.** SOWs will be used to process Client's purchase of Services and Deliverables. Each SOW incorporates the terms and conditions of this Agreement and will be attached to and incorporated into this Agreement.

2.2. **Modifications.** The Parties may elect at any time to modify a SOW by written amendment or change order. Any such modification must be signed by each Party's duly authorized representative.

2.3. **Hardware and Software Deployment.** If the Services require the installation and use of Crypsis Hardware and/or Crypsis Software, Client shall facilitate the installation and maintenance thereof and shall provide physical space, electrical power, Internet connectivity and physical access as reasonably determined and communicated to Client by Crypsis.

3. PAYMENT AND EXPENSES

3.1. **Payment Terms.** Client agrees to pay Crypsis in accordance with the fee schedule set forth in each SOW. In the absence of a fee schedule, Client agrees to pay Crypsis' then-current hourly rates for the Services.

3.2. **Invoicing.** Crypsis shall invoice Client as set forth in each SOW or, in the absence of an invoice schedule, shall invoice Client monthly. All invoices will be in U.S. Dollars unless otherwise agreed. Client shall be responsible for all applicable taxes, including without limitation state and local sales taxes, Value

Added Taxes, excise taxes based on gross revenue, and any other taxes or amount in lieu thereof paid or payable by Crypsis in connection with this Agreement.

3.3. **Payment.** Client shall pay Crypsis within thirty (30) calendar days after receipt of each invoice. Client agrees to pay interest on all delinquent amounts at the lesser of 1.5% per month or the maximum rate permitted by applicable law. Client's failure to pay Crypsis in a timely manner will be considered a material breach of this Agreement.

3.4. **Expenses.** Unless otherwise specified in the applicable SOW, Client shall reimburse Crypsis for all actual and reasonable expenses that are attributable to work performed under this Agreement and incurred by Crypsis while performing Services under a SOW.

4. INTELLECTUAL PROPERTY

4.1. **Grant of License.** Upon full payment by Client, Crypsis shall grant to Client a perpetual, non-revocable license to all copyrights in and to the Deliverable(s) developed for and delivered to Client. Such license expressly excludes all Crypsis IP included in the Deliverable(s).

4.2. **Intellectual Property Rights.** Client acknowledges that Crypsis may use Crypsis IP to provide the Services, and that Client may obtain access to certain Crypsis IP as a result of Crypsis' performance of its obligations under this Agreement. Crypsis IP is and shall remain the sole and exclusive property of Crypsis and Crypsis shall retain all right, title and interest in and to the Crypsis IP and all derivative works thereof, including any Indicators of Compromise developed by Crypsis during the term of this Agreement.

4.3. **Restrictions.** Subject to the exceptions set forth below, Client agrees not to reproduce or modify any portion of the Crypsis IP, and will not disclose, sell, sublicense or otherwise transfer or make available all or any portion of the Crypsis IP to any third party without the prior written consent of Crypsis; provided, however, that Client may share Deliverables with U.S. federal law enforcement agencies on prior notice to Crypsis to the extent that such notice is not prohibited by applicable law or valid order of a court of competent jurisdiction or law enforcement agency.

Nothing contained in this Agreement shall directly or indirectly be construed to assign or grant to Client any right, title or interest in or to the trademarks, copyrights, patents or trade secrets of Crypsis or any ownership rights in or to the Crypsis IP. Client shall not cause or permit the reverse engineering, reverse assembly, or reverse compilation of, or otherwise attempt to derive source code from the Crypsis IP. Client shall not create derivative works based upon all or part of the Crypsis IP.

Notwithstanding the foregoing, Client may disclose Indicators to its third party infrastructure provider(s) (each an "Infrastructure Vendor") to the extent such disclosure is necessary for the Infrastructure Vendor to provide services to Client. Prior to any such disclosure, Client shall ensure that Vendor has signed a nondisclosure agreement with confidentiality and intellectual property protection obligations no less restrictive than the obligations in this Agreement and shall make such nondisclosure agreement available to Crypsis at Crypsis' request.

4.4. **No Resale, Third Party Services.** Except as otherwise provided in this Agreement, Client shall not resell, redistribute or make available Crypsis IP, the Services or the Deliverables to any third party and shall not use the Crypsis IP or the Deliverables to provide services to any third party.

4.5. **Forensics.** To the extent the Services include forensics services, Client acknowledges that digital/computer equipment, drives, data and media may be damaged, infected, or corrupted prior to forensic analysis being performed, and Crypsis does not assume responsibility or liability for pre-existing damage or further damage resulting from the Services. Any data, especially data restored from unknown sources, may contain viruses or other malware; therefore, Client assumes responsibility to protect itself with respect to the receipt of data and shall advise its agents and third-party recipients to take similar precautions. Client represents and warrants that (i) it has the right to be in possession of, or is the owner of, all equipment/data/media furnished to Crypsis hereunder, (ii) such equipment/data/media is furnished for a lawful purpose, and (iii) where applicable, Client's collection, possession, processing, and transfer of such equipment/data/media is in compliance with any and all applicable laws, regulations and Client policies.

4.6. **Illegal Content.** If in the course of examination of computers, telephones, or other electronic devices, or in the examination of electronic media, software content or materials in hard copy form, Crypsis observes or otherwise encounters what may be considered illegal contraband, such as images the mere possession of which Crypsis reasonably believes to be unlawful, Crypsis reserves the right to make disclosure to law enforcement. In such an event, and to the extent Crypsis reasonably believes it is permitted by applicable law, Crypsis will notify Client of its intention to disclose the existence and/or content to the appropriate authorities.

4.7. **Penetration Testing.** Client acknowledges that penetration testing services are intended to probe and exploit system weaknesses which can cause damage to vulnerable systems. Client agrees that Crypsis shall not be liable for any resulting damage and Client is advised to fully back up systems and data and take other measures it deems appropriate given the volatile nature of penetration testing.

5. TERM AND TERMINATION

5.1. **Term.** The initial term of this Agreement is one (1) year (the "Initial Term") from the Effective Date and shall continue thereafter unless terminated by either Party pursuant to the termination provisions of Section 5.2 below.

5.2. **Termination.**

5.2.1. Termination for Convenience. Either Party shall have the right to terminate this Agreement and any SOWs issued hereunder upon thirty (30) days written notice for any reason.

5.2.2. Termination for Cause. Either Party shall have the right to terminate this Agreement, and any SOWs issued hereunder, for cause in the event that the other Party, its officers, employees, or agents, breaches any material provision of this Agreement and fails to cure such breach within fifteen (15) days' (or other such period as agreed upon between the Parties) of receipt of written notice from the terminating Party.

5.2.3. Termination for Business Impact. Either Party shall have the right to immediately terminate this Agreement, and any SOWs issued hereunder, if the other Party (i) terminates or suspends its business; (ii) becomes subject to any bankruptcy or insolvency proceeding under Federal or state statute; or (iii) becomes insolvent or becomes subject to control by a trustee, receiver or similar authority.

5.3. **Effect of Termination.** Unless otherwise specified in the notice of termination, termination of this Agreement shall not affect any SOW(s) then in effect, and this Agreement shall continue in full force and effect solely with respect to such SOW(s) until the termination or expiration of each SOW.

Upon termination of this Agreement for any reason, Crypsis shall have the right to immediate possession of the Crypsis IP and all documentation (including all copies thereof) wherever located, without demand or notice. Within five (5) days after termination of the Agreement, Client will return to Crypsis the Crypsis IP or, upon request by Crypsis, destroy the Crypsis IP (with the exception of the Crypsis Hardware) and all copies thereof.

5.4. **Survival.** All Sections of this Agreement that by their nature should survive termination or expiration will survive, including without limitation Sections 3, 4.2, 4.3, 4.4, 5.3, 5.4 and 6 through 9. Without limiting the foregoing, termination of this Agreement shall not relieve Client of the obligation to pay for Services rendered or goods provided prior to the effective termination date.

5.5. **Stop Work.** Crypsis will stop all work on a project within twenty-four (24) hours after receiving a written stop work order from Client. Work on a project suspended by a stop work order will not resume until Client provides Crypsis with a written request to resume work. If Client's stop work order adversely affects Crypsis' estimate price, performance schedule, or any other terms of this Agreement or any SOW issued hereunder, Crypsis shall inform Client in writing and the Parties agree to negotiate in good faith regarding any equitable adjustment to this Agreement or affected SOW resulting from the work stoppage or delay.

6. CONFIDENTIALITY

6.1. **Confidential Information.** "Confidential Information" is defined as information that is proprietary or confidential to a Party. Such information includes, but is not limited to, a Party's state and federal tax information, personnel social security numbers, company financial data, intellectual property, and other

non-public information owned, generated, or stored by a Party. Any non-public information of any form obtained by either Party or its employees while performing this Agreement shall be deemed Confidential Information. Confidential Information shall not include information that is (a) part of or becomes part of the public domain (other than by disclosure by the receiving Party in violation of this Agreement); (b) previously known to the receiving Party without an obligation of confidentiality; (c) independently developed by the receiving Party outside this Agreement; or (d) rightfully obtained by the receiving Party from third parties without an obligation of confidentiality.

During the term of this Agreement, each Party, its employees, consultants, or agents, may be exposed to the other Party's Confidential Information. Each Party agrees to hold the Confidential Information of the other Party in confidence and not to disclose such information to any third parties or to use the information for purposes outside the scope of this Agreement. At the end of this Agreement, or earlier if requested by the disclosing Party, the receiving Party shall promptly return or destroy all Confidential Information unless such copies are retained by such Party to comply with their respective internal compliance policies only, or in accordance with applicable law or regulation in which case such Party shall hold any such Confidential Information in accordance with the terms of this Agreement.

6.2. **Exceptions.** Notwithstanding Section 6.1, a Party may disclose the Confidential Information of the other Party to the extent such disclosure is required to comply with applicable law or the valid order of a court of competent jurisdiction, provided that: (a) the disclosing Party restricts such disclosure to the maximum extent legally permissible; (b) the disclosing Party notifies the Party to whom the Confidential Information belongs as soon as practicable of any such requirement; and (c) subject to such disclosure, such disclosed materials shall in all respects remain subject to the restrictions set forth in this Agreement. In addition, if Counsel and/or Client has hired Crypsis to perform a PCI DSS Compliance Audit, or a PCI investigation, Crypsis may provide The Payment Card Industry Security Standards Council, LLC (PCI SSC), card companies and the relevant merchant bank with all Reports of Compliance (ROC) and all related assessment and investigative report documents generated in connection with such work. Client shall reimburse Crypsis at its then current time materials rates and pay its reasonable attorney's fees and costs in responding to subpoenas and other legal requests relating to Client's operations and the results of the Services.

7. WARRANTIES, LIABILITY

7.1. **Limited Warranty.** Crypsis warrants that the Services will be provided in a professional manner pursuant to industry standards for the same or similar services. THE ABOVE-STATED LIMITED WARRANTY REPLACES ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF CONDITION, UNINTERRUPTED USE, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NONINFRINGEMENT. CRYPSIS EXPRESSLY DISCLAIMS ANY WARRANTY THAT THE SERVICES WILL BE UNINTERRUPTED OR ERROR-FREE.

7.2. **Exclusive Remedy.** In the event of a breach of the warranty set forth in Section 8.1, Crypsis' sole obligation is to re-perform that portion of the Services that did not comply with the warranty; provided, however, that Client notifies Crypsis of any such breach within thirty (30) days of delivery of the Services at issue. If after using commercially reasonable efforts Crypsis is unable to furnish Services that comply with the above warranty, Client will be entitled to a refund of the fees paid to Crypsis for that portion of the Services that did not comply with the warranty. The foregoing represents Client's sole and exclusive remedy for any breach of warranty under this Agreement.

7.3. **Indemnification.** Crypsis agrees to defend Client from and against any third party claim that Crypsis' provision of the Services infringes any copyright, trade secret, or U.S. patent issued as of the Effective Date. Crypsis agrees to indemnify Client from any finally awarded costs and/or damages against Client in any such infringement claim or action or settlement thereof, provided that: (i) Crypsis is promptly notified in writing of such claim; (ii) Client grants Crypsis sole control of the defense and any related settlement negotiations; and (iii) Client cooperates with Crypsis in defense of such claim.

Crypsis shall have no obligation for any alleged infringement that arises from: (a) the combination, operation, or use of the Deliverables or Crypsis IP with products, services, information, technologies, or processes not furnished or approved by Crypsis; (b) modifications to the Deliverables or Crypsis IP not made or authorized by Crypsis; (c) failure to permit Crypsis to update the Deliverables or Crypsis IP; or (d) use of the Deliverables or the Crypsis IP except in accordance with the express terms of this

Agreement or Crypsis' written instructions. Upon the occurrence of a claim for which indemnity is or may be due under this Section, or in the event that Crypsis believes that such a claim is likely, Crypsis may, at its sole option (i) appropriately modify the Services, the Deliverables, and/or the Crypsis IP so that it becomes non-infringing, or substitute functionally equivalent hardware, software, or services; (ii) obtain a license to the applicable third-party intellectual property rights; or (iii) terminate this Agreement on written notice to Client and refund to Client a portion of the fees paid by Client hereunder; prorated on a five (5)-year straight-line basis. The foregoing states the entire liability of Crypsis and Client's sole remedy for any actual or alleged infringement or misappropriation with respect to infringement of any patents, copyrights, trade secrets, or other proprietary rights by the Deliverables, Crypsis IP, or any part thereof.

Except as specifically set forth in this Section 8.3, Client agrees to hold Crypsis harmless and indemnify Crypsis against all claims, damages and costs (including reasonable attorneys' fees and disbursements) arising out of the Services or this Agreement.

7.4. **Limitation of Liability.** THE CUMULATIVE LIABILITY OF CRYPSIS TO CLIENT FOR ALL CLAIMS ARISING FROM OR RELATING TO THIS AGREEMENT, INCLUDING WITHOUT LIMITATION ANY CAUSE OF ACTION SOUNDING IN CONTRACT, TORT, OR STRICT LIABILITY, SHALL NOT EXCEED THE TOTAL AMOUNT OF ALL AMOUNTS PAID TO CRYPSIS BY CLIENT UNDER THIS AGREEMENT IN THE SIX (6) MONTHS IMMEDIATELY PRIOR TO THE FIRST EVENT GIVING RISE TO SUCH LIABILITY. THIS LIMITATION OF LIABILITY IS INTENDED TO APPLY WITHOUT REGARD TO WHETHER OTHER PROVISIONS OF THIS AGREEMENT HAVE BEEN BREACHED OR HAVE PROVEN INEFFECTIVE. IN NO EVENT SHALL CRYPSIS BE LIABLE FOR ANY LOST REVENUES OR PROFITS, OR OTHER INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE SERVICES PERFORMED UNDER THIS AGREEMENT, EVEN IF CRYPSIS HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. The disclaimers, exclusions and limitations of liability set forth in this Agreement form an essential basis of the bargain between the Parties and, absent any of such disclaimers, exclusions or limitations of liability, the provisions of this Agreement, including without limitation the economic terms, would be substantially different.

8. GENERAL

8.1. **Governing Law.** This Agreement is made under and shall be governed by and construed in accordance with the laws of the state of California, U.S.A., without reference to conflict of laws principles. The Parties agree that any lawsuit arising under the terms of this Agreement shall be brought exclusively in state or federal courts of the County of Santa Clara, California. Client agrees to abide by the intellectual property laws and all other applicable laws (including export laws) of the United States.

8.2. **Local Law.** if any part of the Services requires the installation and use of any Crypsis Hardware and/or Crypsis Software on any system or network located in a jurisdiction outside the U.S.A. ("local jurisdiction") or involves the collection or monitoring of data traffic on a network located in a local jurisdiction, by Crypsis in the provision of the Services, Client shall remain solely responsible for compliance, with its obligations under the law of such local jurisdiction relating to access granted to a. third party to any network or data within the control of Client, including without limitation, any laws relating to network integrity or security or to data privacy (where Client shall remain the data controller and Crypsis will have obligations only as applicable to a data processor). If the law of the local jurisdiction places obligations on Client to obtain from any third party granted access to the network or such data, undertakings in connection with the integrity or security of such network or the processing of such data, Crypsis will not unreasonably withhold or delay its execution of such agreement(s) as may reasonably be required by Client in connection with such obligations in the local jurisdiction.

8.3. **Assignment.** Any assignment of this Agreement by Client to another party, including any transfer by operation of law or otherwise, without Crypsis' prior written consent, shall be null and void.

8.4. **Severability.** Any provision of this Agreement that is held to be invalid by a court of competent jurisdiction shall be severed from this Agreement, and the remaining provisions shall remain in full force and effect.

8.5. **Force Majeure.** Neither Party shall be liable for damages or have the right to terminate this Agreement for any delay or default in performing hereunder (with the sole exception of payment obligations) if such

delay or default is caused by conditions beyond its reasonable control including without limitation acts of God, government restrictions (including the denial or cancellation of any export or other necessary license), acts of terrorism, wars or insurrections.

8.6. **Waiver.** Failure or delay by either Party to enforce compliance with any term or condition of this Agreement shall not constitute a waiver of such term or condition.

8.7. **Independent Parties.** Crypsis and any third party providing software, equipment or services in conjunction with this Agreement, if applicable, are independent parties; neither Crypsis nor such third party shall be liable for the performance or failure to perform of the other.

8.8. **Independent Contractor.** For purposes of this Agreement, Crypsis is an independent contractor. Nothing contained herein shall be construed to create an employment, principal-agent relationship, or joint venture between Crypsis and Client, and neither Party shall have the right, power or authority to obligate the other to any third party.

8.9. **Cumulative Remedies.** The remedies set forth in this Agreement are cumulative and are in addition to any other remedies allowed at law or in equity. Resort to one form of remedy shall not constitute a waiver of alternate remedies.

8.10. **Entire Agreement.** This Agreement and any SOWs attached hereto set forth the entire understanding and agreement of the Parties and supersede any and all oral or written agreements or understandings between the Parties as to the subject matter of this Agreement. This Agreement shall control over any conflicting provisions of any purchase order or other business form, and such conflicting provisions are expressly rejected. This Agreement may be amended or changed only by a writing signed by both Parties.

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement under seal as of the date above first written.
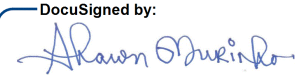
Palo Alto Networks   **Client**

By: _____   By: _____

Print Name: Billy M. Evans Jr.   Print Name: Shawn Murinko

Print Title: Senior Director   Print Title: Administrative Services Director