



This CloudBackup by ALCiT Sub-Agreement (“Sub-Agreement”) is governed by the Master Service Agreement between ALCiT and CUSTOMER. This Sub-Agreement supersedes all prior discussions, communications, representations or agreements, including any digital, electronic or Internet-based agreements, between them, oral or written, between ALCiT and CUSTOMER concerning cloud backups.

This Sub-Agreement shall consist of these terms and conditions and the following one (1) schedule:

(a) Schedule 1 – Roles and Responsibilities

2. CloudBackup by ALCiT provides backup of User Devices and Servers. Backups and Restores are performed over the Internet and/or to a Local Vault. There is no limit to the size of the backups, but prior notice may be required for large changes in volumes and may necessitate a “Local Seed”. Backups are charged by the largest size (in GB, the Resource Unit) of the compressed data in the Cloud Vault (including all versions) as reported by the backup tool for any of the day in that month. Restores performed by CUSTOMER over the Internet or from the Local Vault are free. Restores performed by ALCiT are charged according to this schedule. The service is governed by the rules laid out in this Sub-Agreement. Prices are per month and are due on the first of the month.

(a) Restores:

- i. Performed by CUSTOMER over the Internet or from Local Vault: no charge
- ii. Performed remotely by ALCiT over the Internet or from Local Vault: \$250/hour (based on actual time used to directly setup, supervise, verify and close the restore session) (service outside of business hours will carry a 50% surcharge on the labour costs).
- iii. Performed by ALCiT to a USB type drive within ALCiT’s facility and delivered to CUSTOMER via express courier for volumes up to 12TB (service outside of Business Hours will carry a 50% surcharge on the labour costs).
 1. \$750 for the setup fee, displacement fee and the permanent use of a USB device of sufficient capacity to handle the restore
 2. \$250/hour (based on actual time directly used to supervise, verify and close the restore session).
 3. \$100 Shipping and handling fee to overnight the USB device to CUSTOMER.

(b) Local Seed:

- i. Performed remotely by ALCiT to a USB type drive within CUSTOMER’s facility for volumes up to 12TB (service outside of business hours will carry a 50% surcharge on the labour costs).



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1. \$150 for the setup fee (includes the cost to ship a USB device of sufficient capacity to CUSTOMER and the temporary usage of the drive)
 2. \$250/hour (based on actual time directly used to supervise, verify and close the backup session)
 3. Shipping and handling fee to courier the USB device back to ALCiT is at CUSTOMER's expense
3. Exceptions: ALCiT makes no covenant regarding the timing of backup or restores of data being processed over the Internet.
4. Protection Against Viruses: ALCiT cannot provide anti-malware scanning for data under this backup offer since it is in encrypted form. ALCiT makes no guarantees against these types of threats.
5. Security and Privacy: Access to ALCiT operations center and systems is restricted to authorized personnel. ALCiT ensures that its employees and contractors are familiar with and understand its policies; ALCiT takes all possible security measures to protect the security and privacy of CUSTOMER's data. ALCiT will make all reasonable commercial to protect the security and privacy of its systems and services, and the data that resides therein.
6. Data Retention: the default retention of the backup is a "30 days rollover": all data over 30 days is discarded, but data is available for each successful backup within the 30 days period. Additional copies of data may exist for maintenance purposes. CUSTOMER may also elect to keep additional copies of data to increase the retention period.
7. In-transit Encryption: ALCiT's encryption protects backup in transit using the National Institute of Standards and Technology (NIST) 128-bit or 256-bit Advanced Encryption Standard (AES). There are no "back door" decryption keys; only CUSTOMER's key can decrypt the backups.
8. At-Rest Encryption: Data is encrypted in SOC 2 Type II or equivalent certified data centers using the National Institute of Standards and Technology (NIST) 128-bit or 256-bit Advanced Encryption Standard (AES). There are no "back door" decryption keys; only CUSTOMER's key can decrypt the backups.
9. Certain Operational Customer Responsibilities: To access and use the Services, CUSTOMER must provide at the very minimum and without limitation:
- (a) an Internet connection with sufficient bandwidth and quality to allow trouble-free data uploading and downloading in line with the existing backup volume and change rate; initial backup and large restores may require a Local Seed
 - (b) a fully functional Internet browser.
10. CloudBackup Service Availability: ALCiT covenants to a 99.9% Monthly Average Scheduled Availability for the CloudBackup Service. Availability is defined as the ability of a user within an



organization to initiate a backup or a restore. In addition to the defined Excusable Outages, the following conditions are specifically excluded from the calculation of availability

- (a) A problem with CUSTOMER network, Internet connection, or a private network connection to the Service, which prevents CUSTOMER from reaching a backup server or the Cloud Vault.
- (b) A problem connecting to the Service due to any action on CUSTOMER's part that triggers a security response, e.g., scanning the ports on a ALCiT router triggers a shut-down of the ports used by CUSTOMER.
- (c) Problems connecting to the Service due to the addition of software or devices installed on CUSTOMER Device or network.

11. Penalty for Non-compliance/Application Service Availability: On a Per-Service basis, for each month in which the Monthly Average Scheduled Availability for the CloudBackup by ALCiT service is below an average of 99.9% as calculated above, ALCiT will reduce the amounts due and payable to it relating to such Service for such month by 5%. In addition, for every 1% loss of availability below the 99.9% targeted average availability during the same calendar month, ALCiT will further reduce the amounts due and payable to it relating to such Service for such month by another 5%; provided that the maximum credit for non-compliance is 25% per month. Note: Because of the architecture that ALCiT has created to provide the Service, devices within an organization may be spread across separate and distinct servers. In the case where one server suffers downtime exceeding the service level guarantees, CUSTOMER organization will be compensated only for those devices on the non-complying server, on a pro-rated basis.



Schedule 1

Roles and Responsibilities



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The respective roles and responsibilities of the personnel of ALCiT and CUSTOMER with respect to this service are set out in this Section. The following table provides the key values associated with each of the roles and responsibilities within the matrices set out in this Section:

Key	Label	Definition
H	Help or Assist	The designated party (ALCiT / MICROSOFT / CUSTOMER) will provide assistance to enable the identified performing party (ALCiT / CUSTOMER) to complete the designated service.
P	Perform	The designated party (ALCiT / MICROSOFT / CUSTOMER) has the obligation and responsibility for performing the designated service.
A	Approve	The performance of the service is subject to the designated party's (ALCiT / CUSTOMER) written approval
V	Review	The designated party (ALCiT / MICROSOFT / CUSTOMER) will review the designated documents and provide feedback to the other party.
M	Make Available	Make the service or platform available to the designated party (ALCiT / MICROSOFT / CUSTOMER)
U	Use	The designated party (ALCiT / MICROSOFT / CUSTOMER) uses or leverage the service or platform.
ON	Ongoing	Service will be performed as required
W	Weekly	Service will be performed once a week
M	Monthly	Service will be performed once a month
Q	Quarterly	Service will be performed once a quarter
AN	Annually	Service will be performed once a year
AD	Ad Hoc	Service will be performed as requested
S	Semi-Annual	Service will be performed twice a year
I	Included	Included in unit price
TI	Ticket/IMAC	Work will be billed according to the Ticket and IMAC Rate Card
TR	Time and Material Regular	Work will be billed according to the Rate Card using the Regular rates.
TU	Time and Material Urgent	Work will be billed according to the Rate Card using the Urgent rates.
TC	Time and Material Critical	Work will be billed according to the Rate Card using the Critical rates.
TR/TU/TC	Time and Material	Regular work will be billed according to the Rate Card using the Regular Rates, Urgent work will be billed according to the Rate Card using the Urgent Rates and Critical work will be billed according to the Rate Card using the Critical Rates
OP	Optional	Additional cost as per Rate Card



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ID	Description	ALCiT	CUSTOMER	FREQUENCY	CHARGE
Cloud Vault for Veeam					
1	Configure, Maintain, and Upgrade ALCiT's Veeam Cloud Infrastructure to receive CUSTOMER backups	P		AD	I
2	Configure, Maintain, and Upgrade CUSTOMER's Veeam Infrastructure to perform and copy backups		P	AD	N/A
3	Troubleshoot ALCiT's Veeam Cloud Infrastructure for any issues preventing CUSTOMER's copy jobs	P	A	AD	I
4	Troubleshoot CUSTOMER's Veeam Infrastructure for any issues with CUSTOMER's backup or copy jobs	A	P	AD	TR/TU/TC
Managed Cloud Backups					
1	Configure, Maintain, and Upgrade ALCiT's Veeam Cloud Infrastructure to receive CUSTOMER backups	P		AD	I
2	Configure, Maintain, and Upgrade CUSTOMER's Veeam Infrastructure to perform and copy backups	P		AD	I
3	Troubleshoot ALCiT's Veeam Cloud Infrastructure for any issues preventing CUSTOMER's copy jobs	P		AD	I
4	Troubleshoot CUSTOMER's Veeam Infrastructure for any issues with CUSTOMER's backup or copy jobs	P		AD	I
Cyber Incident Response Team (CIRT)					
1	Investigates and resolves computer security incidents	P		AD	TC