

Terms of Service

Zephyr Cloud Corporation | zephyrcloud

Effective October 18, 2026 | Last updated October 18, 2026

These Terms do not automatically amend an existing signed agreement; applicable acceptance and amendment requirements govern. These Terms of Service (Agreement) apply to offers, service order forms, orders, statements of work, and other arrangements between Zephyr Cloud Corporation, using the brand zephyrcloud (Zephyr), and the business customer (Customer), unless governed by a separately signed master services or framework agreement. The Agreement becomes effective for an accepted Order Form or SOW when accepted in the manner stated below. The AUP is incorporated into the Agreement. The Privacy Policy explains personal-information practices and does not expand permitted uses of confidential Customer Data.

These Terms govern Zephyr's managed Microsoft 365 (including Office 365) and Azure services, hosted cloud, PBX and voice, applications and AI, security and compliance support, fully managed IT, and professional services, only as purchased in an accepted Order Form or SOW. Proprietary-software provisions apply only where Zephyr supplies its own Software, not merely because it administers a customer's systems. Applicable mandatory law controls over any inconsistent exclusion, restriction, or remedy. No marketing statement creates a service commitment beyond an accepted Order Form, SOW, or express written agreement.

1. Services, access, and software rights

1.1 General

Zephyr will provide only the Services, capacity, deliverables, and support expressly identified in an accepted Order Form, service schedule, or statement of work (SOW). Recurring management, hosting, voice, and application-care services may be purchased month to month or for a one-year term under Section 5. One-time onboarding, migrations, integrations, and development projects are separately scoped unless expressly included. A subscription to one service does not include all Zephyr offerings or future Marketplace products.

Where an Order includes Zephyr-owned Software, effective upon Customer's payment of the applicable Software Subscription Fees, Zephyr grants Customer a non-exclusive, non-transferable license to access and use that Software and its Documentation for the applicable Subscription Term, subject to this Agreement. Zephyr reserves all rights not expressly granted. Sections 1.2-1.7, 1.10-1.11, 7.1, and 9.1 apply to such Software or related proprietary materials as stated, and do not confer ownership of or replace independent vendor licenses for Microsoft, carrier, open-source, or other third-party products. Customer Data and confidentiality protections apply across all purchased Services.

1.2 License Quantities

The use of the Software is limited to the quantities specified in each applicable Order Form. Zephyr may monitor the number of Software licenses purchased by the Customer, and if the actual number of Software licenses exceeds the number specified in the applicable Order Form, Customer shall (a) immediately cease such excess usage; or (b) purchase additional Software licenses to cover the excess usage. Fees for excess Software licenses shall be based on Zephyr's then-current price list.

1.3 Internal Use Limitation

Customer may solely access and use the Software via the Software Subscription Services through its Users and only for Customer's own internal business purposes. Customer shall not permit any third party to access or use the Software in any way whatsoever, and Customer shall not, and shall not permit any User to, offer or use the Software for the benefit of any affiliated or unaffiliated third parties, including in any computer service business, service bureau arrangement, outsourcing or subscription service, time sharing or other participation arrangement. An Order Form or SOW may expressly permit a customer-facing application, external users, or another identified use; no broader service-bureau or resale right is implied.

1.4 Not for Resale

Software identified as Not for Resale may not be sold or otherwise transferred for value or used beyond the evaluation, demonstration, or other purpose expressly authorized by Zephyr.

1.5 Software Subscription Services Hosting

Customer shall provide, at Customer's own expense, all necessary hardware, software applications and internet connectivity, as referenced in the Documentation or an Order Form, necessary to access, download, install, and use the Software.

1.6 Ownership of Software

Customer acknowledges that Zephyr is and will remain the sole and exclusive owner of all Intellectual Property Rights in and to the Software. Customer shall have no right, title or interest therein or thereto, other than the limited license expressly set forth in this Agreement.

1.7 Permitted Copies

Customer may make one copy of the Software for archival purposes only. The copy shall: (a) be kept within Customer's possession or control; (b) include all titles, trademarks, and copyright and restricted rights notices in the original; and (c) be subject to this Agreement. Customer may not otherwise copy the Software without Zephyr's prior written consent.

1.8 Customer Data

Customer is responsible for its Users, instructions, and the legality, accuracy, and rights to data, content, prompts, recordings, and other materials that Customer or its Users submit, make available, or direct Zephyr to process through the Services (Customer Data). Customer shall defend, indemnify, and hold Zephyr and its Affiliates harmless from third-party claims, damages, judgments, and reasonable costs, including attorney's fees, arising from Customer's lack of required rights or consent, unlawful content or instructions, or Zephyr's authorized custody, storage, transmission, or management of Customer Data in accordance with this Agreement. This indemnity does not apply to the extent caused by Zephyr's breach of its confidentiality or data-processing obligations, fraud, willful misconduct, or conduct for which indemnification is prohibited. Section 9.1(e)'s defense, notice, cooperation, and settlement procedures apply with the parties' roles appropriately reversed. Section 15 governs Zephyr's permitted processing and retained obligations.

1.9 Ownership of Customer Data

Nothing in this Agreement shall be construed as granting Zephyr any right, title or interest in or to any Customer Data or other content or information input into or processed through the Services or Software, other than the limited processing rights expressly stated in this Agreement.

1.10 Ownership of Other Materials

Zephyr shall be the exclusive owner of all right, title and interest, including all Intellectual Property Rights, in and to (a) the Software; (b) any and all translations, adaptations, developments, enhancements, improvements, Updates, Versions, customizations or other modifications or derivations of or to the Software, whether or not developed by or for the Customer; and (c) any suggestions, ideas, enhancement requests, feedback, or recommendations provided by or on behalf of Customer relating to the Software. For a separately commissioned custom application, the SOW may expressly allocate ownership or license rights differently; absent such an express allocation, Zephyr retains its rights in the deliverables and reusable technology. Customer Data remains Customer-owned.

1.11 No Modification or Reverse Engineering

Except as permitted by law, Customer shall not, and shall not allow any User, Service Provider or any third party to, (a) modify, port, adapt or translate or create any derivative works from or based on the Software, in whole or in part; (b) reverse engineer, decompile, disassemble or otherwise attempt to reduce the object code to or discover the source code of the Software; or (c) combine or merge the Software with, or incorporate it into, any other software. This restriction applies to Zephyr Software and does not override rights granted by an applicable open-source license or restrict use of documented integration interfaces as expressly authorized.

2. Order, Fees, and Payment

2.1 Ordering

Customer may purchase recurring Services, Software Subscription Services, or project work by submitting an Order Form or SOW, subject to Zephyr's acceptance. No Order is binding on Zephyr until accepted. Customer authorization must be evidenced by signature, authenticated electronic acceptance, or another agreed written record; Zephyr may accept by countersigning, documented written acceptance, or provisioning in response to that authorization. Silence or an unsolicited invoice does not create an annual commitment or consent to automatic renewal.

Each recurring Order must identify the purchased service and scope, service commencement date, monthly or one-year commitment, recurring fees and billing frequency, quantities and any minimums, included support, usage or overage charges, and renewal and cancellation terms. An annual commitment must be expressly selected. Each project SOW must identify deliverables, assumptions, pricing basis, payment milestones, acceptance criteria where applicable, and change control. Agreed service-specific commercial choices control as provided in Section 11.11; final prices are established in the accepted Order, not these Terms or a working proposal.

2.2 Provisioning

Zephyr will provision or begin the purchased Services after acceptance of the Order and satisfaction of stated prerequisites, including required advance payments, licenses, access permissions, information, and onboarding steps. Recurring charges begin on the service commencement date stated in the Order, separately from any project or onboarding fee. Customer-caused delays and any reservation-of-capacity charges must be addressed in the Order; these Terms do not authorize charging before the agreed commencement date. Custom configurations, migrations, and integrations require the agreed project scope.

2.3 Fees

Customer shall pay the recurring management, hosting, voice, application-care, and Software Subscription Fees, project fees, and authorized usage or other charges specified in the applicable Order Form or SOW. Monthly invoicing describes payment frequency; it does not convert a one-year commitment into a month-to-month service. Unless the Order states otherwise, recurring fixed fees are invoiced monthly in advance and metered usage and approved expenses in arrears. Annual prepayment, deposits, setup fees, bundled quantities, and minimum commitments apply only where disclosed and accepted.

Seat, user, extension, resource, or other quantity additions and reductions follow the Order's metering, proration, and minimum-quantity rules. No undisclosed minimum or new annual term arises from an additional unit. Co-termination or a separate commitment for an addition must be disclosed and accepted. Unused included quantities do not carry forward unless the Order provides otherwise. Separately scoped project fees are not an unlimited support allowance.

Zephyr's fixed recurring rates for an existing scope are held during an agreed one-year term unless the Order expressly provides otherwise. For month-to-month rates and renewal rates, Zephyr will give at least

sixty (60) days' written notice of a change, allowing Customer to cancel before the change takes effect without a new commitment. Variable usage, taxes, and expressly disclosed pass-through provider charges may change under the accepted Order and applicable law, with required notice; this does not authorize unilateral expansion of scope. No website edit alone changes an accepted price or term.

2.4 Payment

Fees and expenses are quoted and invoiced in the currency specified in the Order Form or SOW. Unless that document expressly establishes advance payment or another due date, invoiced amounts are due within thirty (30) days after the invoice date. Recurring electronic payments require the applicable authorization. An invoice or payment method does not itself change the service commitment, and disputed amounts are handled under Section 2.6.

2.5 Failure of payment

Continued provision of Zephyr's Services is contingent upon timely payment of undisputed amounts. Zephyr may suspend the affected Zephyr-provided Services for nonpayment after written notice and a reasonable opportunity to pay, subject to Section 5.6, any applicable cure period, and mandatory law. Restoration may be conditioned on payment of properly due amounts and reasonable, previously disclosed and agreed restoration charges. To the extent permitted by law, Zephyr is not liable for loss caused solely by a lawful suspension for Customer's nonpayment; this does not excuse Zephyr's separate breach or eliminate nonwaivable rights.

Zephyr's right to stop its management or support does not authorize seizure, disabling, or deletion of a customer-owned Microsoft tenant, Azure subscription, domain, or Customer Data as leverage for an invoice. Customer remains responsible for direct vendor payments. Hosted voice, emergency calling, lawful number porting, required data access, and transition rights remain subject to Sections 13-15 and mandatory obligations.

2.6 Disputes

Customer shall pay the undisputed part of the invoice. If Customer has a reasonable and bona fide dispute in respect of the whole or any part of an invoice then Customer shall promptly notify Zephyr of the nature of such dispute in writing within fourteen (14) days of the invoice date, with Customer providing all relevant details (including detailed reasons and any supporting evidence) of the disputed amount. If Customer does not notify Zephyr within 14 days, Customer will be deemed to have approved the full amount of the invoice. On resolution of any dispute, Customer shall make the appropriate payment (if any) within five (5) business days of such resolution.

2.7 Taxes

Fees and other charges described in the applicable Order Form and/or SOW do not include federal, state or local sales, foreign withholding, use, property, excise, service, value added or similar taxes ("Tax(es)") now or hereafter levied, all of which shall be for Customer's account. With respect to state/local sales tax, direct pay permits or valid tax-exempt certificates must be provided to Zephyr prior to the execution of the applicable Order Form. If Zephyr is required to collect or pay Taxes on Software Subscription Fees or other fees, Customer shall reimburse Zephyr for all such amounts. Customer hereby agrees to indemnify Zephyr for any such Taxes and related costs, interest and penalties paid or payable by Zephyr.

3. Support

3.1 Zephyr Support Obligations

During the applicable Service Term, Zephyr will provide the management, administration, maintenance, support, and vendor escalation expressly included in the Order or service schedule for the purchased Microsoft 365, Azure, hosted cloud, voice, application, or AI service. Coverage hours, channels, covered users and systems, response targets, included tasks, and any SLA or service credits must be stated there. Acknowledgment or response targets are not guaranteed resolution times. No general description promises unlimited support, 24/7 live response, a fully outsourced IT department, or management of systems outside the agreed scope.

For Zephyr-owned Software subscriptions, support includes an English-language error-reporting channel and Updates generally made available to similarly situated customers without separate charge. New products, substantial new functionality, Versions, integrations, and customization may require separate fees or an Order. Third-party products and fixes remain subject to their suppliers' terms and availability. Zephyr may coordinate vendor escalation within the purchased scope but does not control a supplier's response or remediation.

3.2 Exclusions

Unless expressly included, recurring fees do not cover new implementations, migrations, custom development, major redesign, training, onsite work, public-cloud-to-on-premises integration, unrelated endpoints or networks, or remediation of unsupported or unauthorized configurations. Out-of-scope work requires an accepted SOW or other documented approval of scope and charges. Customer must maintain required licenses, supported configurations, connectivity, access, and cooperation. Customer error or a third-party issue does not automatically remove an incident from included support; the contracted task and scope determine coverage. Suspension for payment or misuse follows Section 5.6 rather than an unstated support exclusion.

4. Professional services and projects

4.1 General

Professional Services include technology assessments, Microsoft 365 and Azure onboarding and migration, architecture, public-cloud-to-on-premises integration, voice deployment, application and AI development, configuration, training, and other separately scoped projects. Zephyr will provide only the work in an accepted SOW or expressly defined project Order. A project may be fixed-fee, milestone-based, or time and materials as expressly agreed. Project completion does not include perpetual hosting, maintenance, enhancements, or support; those require a recurring service or explicit ongoing scope.

4.2 Services Performance

In performing Services, Zephyr may assign Zephyr personnel, authorized agents or qualified third-party contractors who are proficient in the provision of the contracted Services ("Consultants"). Zephyr will be responsible for the observance by such Consultants of Zephyr's obligations hereunder, including the confidentiality obligations in Section 6 herein. Customer agrees to provide the information, facilities, personnel and equipment, including if applicable suitably configured computers, reasonably identified by Zephyr as essential to the performance of any Services. Customer may require Zephyr's personnel in performing any Services to observe at all times the safety and security policies of Customer. Prior to being provided with Services to be performed at Customer's premises, Customer shall advise Zephyr of any hazards to the health and safety of Zephyr's personnel on the Customer's premises and provide Zephyr's personnel with appropriate written information regarding applicable safety and security procedures.

4.3 Services Pricing

This Section applies to separately scoped Professional Services, not to recurring services sold for an agreed fixed fee. Unless a project SOW specifies a fixed fee or milestone price, project work is billed on a time-and-materials basis at the rates stated in that SOW. Estimates are not guaranteed caps unless expressly identified as a fixed price or not-to-exceed amount. Premium after-hours rates and material travel or other expenses must be disclosed and approved before they are incurred. Changes to deliverables, assumptions, dependencies, or scope require documented approval of the resulting fees and schedule before additional billable work proceeds. No project rates are established by these Terms alone.

5. Term, Termination, and Suspension of Services

5.1 Term

This Agreement is effective as of the Effective Date, and will remain in force while any Order Form or SOW hereunder remains in effect. If no Order Form or SOW is in effect hereunder, either party may terminate this Agreement upon thirty (30) days' written notice to the other.

5.2 Subscription Term

The Service Term for each recurring management, hosted cloud, voice, application-care, AI, or Software Subscription Service begins on its stated commencement date and is either month to month or one (1) year, as selected in its accepted Order. Subscription Term means the Service Term applicable to Zephyr-owned Software. Different services may have different terms; buying one service does not automatically extend another. If a recurring Order omits a term, the default is month to month, not an implied annual commitment. One-time projects run for their SOW scope and schedule.

Month-to-month services. Service continues monthly until either party cancels on thirty (30) days' notice, unless the Order provides a shorter customer cancellation period or mandatory law requires one. Cancellation takes effect thirty days after receipt or on a later date requested by Customer. Fixed recurring fees are prorated for any final partial monthly period; incurred usage, accepted project work, and lawfully recoverable preapproved noncancelable provider commitments remain payable. An Order may expressly use end-of-billing-period cancellation instead, but must state the timing and any final-period charge clearly before acceptance.

One-year services. Customer commits to twelve (12) months of the purchased recurring service and any stated minimum quantities. Fees may be paid monthly or annually as the Order specifies. Monthly billing is an installment arrangement, not a right to cancel the annual commitment each month. Unless Customer has a right to terminate for Zephyr's uncured material breach, applicable law, or an express Order provision, discontinuing use or requesting early cancellation does not relieve Customer of the agreed fees for the remainder of the committed term. Payments remain due on the original schedule unless a separately disclosed and accepted lawful early-termination arrangement provides otherwise; these Terms do not automatically accelerate the balance or impose an additional cancellation penalty. Any avoided costs, credits, or mitigation required by applicable law apply, and no duplicate recovery is permitted.

Renewal. An annual Order renews for another one-year term only if the renewal feature, price or price-change method, notice deadline, and cancellation method were clearly disclosed and affirmatively accepted. Where such renewal is selected, either party may prevent renewal by giving notice at least thirty (30) days before the term ends, subject to any shorter customer deadline required by law or expressly offered. Zephyr will send a renewal reminder at least sixty (60) days before the end date identifying the new term, charges, deadline, and cancellation method, and will give all additional notices required by law. Without an accepted automatic-renewal arrangement or a newly accepted renewal Order, the annual service expires at the end of the term; a move to month-to-month service requires agreement rather than an implied new annual commitment.

Cancellation channels and vendor terms. Customer may cancel or request nonrenewal by emailing legal@zephyrcloud.com or support@zephyrcloud.com, or through an applicable cancellation mechanism identified in the Order. No certified letter, live-agent conversation, or retention call is required for a routine cancellation. Where required, Zephyr will also offer cancellation through the method used to enroll and a mechanism at least as easy to use. An automated acknowledgment is useful evidence but is not a condition of timely notice. Disclosed renewal terms, required affirmative consent, retainable acknowledgment, notices, and mandatory cancellation rights cannot be waived by these Terms. Cancellation of Zephyr management is separate from cancellation of a direct Microsoft, Azure, or other vendor subscription; those vendor commitments and charges remain governed by the Customer-vendor

agreement. Zephyr will act on separately authorized vendor-cancellation instructions within its agreed role and applicable provider rules.

5.3 Termination

Either party may terminate the affected Order or SOW for the other's material breach if the breach remains uncured thirty (30) days after written notice describing it. Zephyr may terminate immediately for a material violation of Software ownership or license restrictions, confidentiality obligations, or serious unlawful or abusive use where immediate action is reasonably necessary, subject to mandatory law. Nonpayment is addressed under Section 2.5 and the applicable notice and cure process; urgent protective suspension is governed by Section 5.6. A breach affecting one service does not automatically terminate every unrelated Order. Customer may cancel a monthly service or give annual nonrenewal notice under Section 5.2 without alleging breach.

5.4 Termination for Insolvency

Zephyr may terminate this Agreement and all Licenses granted hereunder in its entirety effective immediately upon written notice to Customer if Customer: (a) terminates or suspends business operations; (b) becomes insolvent, admits in writing the inability to pay debts as they mature, make an assignment for the benefit of creditors; or become subject to control of a trustee, receiver or similar authority; or (c) become subject to any bankruptcy or insolvency proceeding. This right applies only to the extent permitted by bankruptcy, insolvency, and other mandatory law.

5.5 Effects of Termination

At termination or expiration of an affected service, Zephyr's obligation to provide that service ends and its related Software license ends, subject to agreed transition arrangements and mandatory law. Unaffected Orders remain in force. Customer shall pay properly accrued charges, usage, accepted project work, and any remaining annual commitment lawfully due under Section 5.2. Project cancellation and deposits follow the SOW; ending a recurring service does not silently cancel a separate development or migration project.

If Customer terminates an affected service for Zephyr's uncured material breach, or Zephyr ends it for convenience before an agreed annual term expires without Customer's breach, Customer owes no future recurring fees for the period after termination and Zephyr will refund prepaid fixed recurring fees for that unused period. This does not erase properly due usage or completed authorized work. Except for these circumstances, express refund rights, or mandatory law, annual fees are not refundable merely because Customer stops using the service. Monthly final-period proration is addressed in Section 5.2.

Zephyr will remove or transfer its delegated access and complete the agreed handover without converting Customer-owned accounts, domains, data, or lawful number-porting rights into Zephyr property. Sections 13-15 govern access, data, transition assistance, required retention/deletion, and provider dependencies. Any continuing application license or source-code access depends on the SOW; proprietary license expiration is separate from Customer's right to its own data.

5.6 Suspension of Subscriptions

Zephyr may immediately restrict or suspend affected Zephyr-provided Services or Software access when reasonably necessary to address credible unlawful or abusive use, a material security threat, damage or misuse of systems, a legal requirement or order, a carrier restriction, or material legal exposure. Zephyr may suspend for nonpayment under Section 2.5 after the required notice and opportunity to pay. Zephyr will use lawful authority, target affected activity where reasonably feasible, provide notice when lawful and practicable, and identify reasonable restoration requirements. Zephyr is not required to restore unsafe or unlawful use. Suspension does not automatically extend a commitment or end properly due charges; billing and any credits remain governed by the Order, Section 5, the SLA if any, and applicable law. To the extent permitted by law, Zephyr is not liable for loss caused solely by a lawful protective suspension, without excusing a separate Zephyr breach or nonwaivable obligation. Customer-owned accounts, privacy duties, emergency calling, number porting, and required data access remain subject to Sections 13-15.

5.7 Survival

Sections 1.8-1.10, 2.7, 6-10, 11 as applicable, and the data, payment, ownership, transition, and other provisions of Sections 13-19 that by their nature should survive shall survive termination.

6. Confidential Information

6.1 Nature and Scope

As used herein, "Confidential Information" means any non-public, confidential information either marked as such or, in the relevant circumstances, should be understood to be confidential information and includes all internal policies, procedures or third party audit or attestation reports, whether furnished or made available before or after the date of this Agreement, and regardless of its form, format, media or mode of disclosure (written, visual, electronic or other). Customer's Confidential Information also includes (i) Customer Data; and (ii) financial and audit working papers and related documentation. Zephyr Confidential Information includes (i) the terms of this Agreement; and (ii) the Software.

6.2 Obligations

Each party will keep all Confidential Information of the other party strictly confidential. Each party agrees to use the same care to protect the Confidential Information of the other as it employs with similar information of its own (but in no event less than reasonable care). Neither party will disclose any Confidential Information of the other party, except that each party may disclose Confidential Information of the other to its employees, contractors or agents who have a need to know such information, provided that, prior to such disclosure, each such employee, contractor or agent is bound by obligations to comply with the restrictions on use and disclosure of Confidential Information set forth in this Agreement. The parties further agree that they will use Confidential Information solely for the purposes for which such information, or access to it, is provided pursuant to the terms of this Agreement. In addition, Customer shall be responsible for its Service Providers' and Users' full compliance with the confidentiality obligations hereunder. These confidentiality obligations shall survive for the longer of (i) a period of five (5) years after termination of this Agreement; or (ii) the longest period permitted by law.

6.3 Exceptions

Confidential Information shall not include information which is independently developed by the party without the benefit of the other's disclosure or is already known by the party at the time of disclosure; approved for release by the other's written authorization or is rightfully received by the party from a third party without any obligation of confidentiality; public knowledge without the wrongful act or breach of this Agreement by either party; or disclosed pursuant to the requirements of a governmental agency or court order. Where disclosure is legally compelled, the receiving party will give notice when lawful and reasonably practicable and limit the disclosure to what is required.

7. Limited Warranties and Disclaimers

7.1 Software

Zephyr warrants to Customer that, for a period of ninety (90) days from the commencement of the initial Subscription Term, the Software will perform substantially in accordance with the Documentation in effect at the time of delivery to Customer. Zephyr's entire liability and the Customer's sole and exclusive remedy for breach of this Section 7.1 will be limited to either, at Zephyr's option, replacement of the Software at no charge to Customer or refund of the fees paid for the affected Software subscription and termination of that subscription, without terminating unrelated managed Services. The warranties in this Section 7.1 shall not apply if, and during the period that, any access to Software is provided to Customer for evaluation or trial use.

7.2 Services

Zephyr warrants to Customer that all Services provided under this Agreement will be performed by competent personnel with appropriate experience in providing such Services.

7.3 Warranty Limitations

The preceding Zephyr warranties do not apply to and, to the fullest extent permitted by law, Zephyr shall have no responsibility for breaches of warranty to the extent arising from: (i) Customer operator errors; (ii) Customer hardware or operating system failures; (iii) the modification of the Software by any person other than Zephyr (except as directed or authorized by Zephyr); (iv) the combination of the Software with products or services not provided by Zephyr (except as directed or authorized by Zephyr); (v) use of any portion of the Software in a manner not permitted or contemplated by this Agreement or the Documentation; or (vi) use of an earlier Version of some or all of the Software other than the current Version or use of Software without all Updates installed if so directed by Customer.

7.4 Disclaimer of Warranties

EXCEPT FOR THE WARRANTIES EXPRESSLY STATED IN THIS SECTION 7 OR AN ACCEPTED ORDER OR SOW, THE SOFTWARE, SERVICES, AND DELIVERABLES PROVIDED HEREUNDER ARE PROVIDED "AS IS" AND "AS AVAILABLE", WITH ALL FAULTS, AND WITHOUT WARRANTIES OF ANY KIND. ZEPHYR AND ITS AFFILIATES, AGENTS, SUBCONTRACTORS AND SUPPLIERS EXPRESSLY DISCLAIM AND EXCLUDE ANY AND ALL OTHER WARRANTIES, REPRESENTATIONS AND CONDITIONS, WHETHER EXPRESS OR IMPLIED, WHETHER ARISING BY OR UNDER STATUTE, COMMON LAW, CUSTOM, USAGE, COURSE OF PERFORMANCE OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE OR NON-INFRINGEMENT. WITHOUT LIMITING THE FOREGOING, ZEPHYR AND ITS AFFILIATES, AGENTS, SUBCONTRACTORS AND SUPPLIERS DO NOT WARRANT OR REPRESENT THAT THE SOFTWARE, SERVICES OR OTHER DELIVERABLES WILL SATISFY CUSTOMER'S REQUIREMENTS OR THAT THEIR USE OR OPERATION WILL BE ERROR OR DEFECT FREE OR UNINTERRUPTED, OR THAT ALL SOFTWARE DEFECTS WILL BE CORRECTED. CUSTOMER ACCEPTS NO ORAL OR WRITTEN INFORMATION OR ADVICE GIVEN BY ZEPHYR, ANY OF ITS AFFILIATES, DISTRIBUTORS, AGENTS, SUBCONTRACTORS OR SUPPLIERS OR THEIR RESPECTIVE EMPLOYEES, OFFICERS OR DIRECTORS WILL INCREASE THE SCOPE OR OTHERWISE ALTER THE TERMS OF ANY WARRANTY EXPRESSLY STATED IN THIS AGREEMENT OR CREATE ANY NEW REPRESENTATIONS, WARRANTIES OR CONDITIONS.

7.5 Warranty Term

TO THE EXTENT THAT ANY WARRANTIES, REPRESENTATIONS OR CONDITIONS CANNOT BE FULLY DISCLAIMED AND EXCLUDED UNDER APPLICABLE LAW AS CONTEMPLATED BY SECTION 7.4, THEN ANY DIFFERENT OR ADDITIONAL LEGALLY REQUIRED WARRANTIES, REPRESENTATIONS OR CONDITIONS, SHALL BE LIMITED IN DURATION TO NINETY (90) DAYS FROM THE DATE OF SOFTWARE DELIVERY OR SERVICES PERFORMANCE, AS APPLICABLE, ONLY TO THE EXTENT SUCH LIMITATION IS PERMITTED BY LAW.

7.6 Discontinuation

Zephyr may update or replace service components within the purchased scope, provided it does not materially reduce an express commitment during its agreed term without Customer's agreement or a contractual or mandatory legal basis. Zephyr may discontinue a month-to-month service on at least thirty (30) days' notice under Section 5.2, subject to longer mandatory notice requirements. For an annual service or Zephyr-owned Software subscription, Zephyr will honor the accepted term, obtain Customer's agreement to a substantially equivalent replacement, or, if Zephyr ends the service early, release future recurring fees and refund prepaid fixed fees for the unused period under Section 5.5. Independent suppliers control their products and availability; Zephyr will communicate material provider changes and assist within scope, but does not promise that Microsoft, carriers, or AI suppliers will maintain a product or give a particular notice period. Mandatory voice, privacy, and transition duties continue to apply.

8. Limitations of Liability

8.1 Damages Exclusion

SUBJECT ONLY TO SECTION 8.4 AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, ZEPHYR AND ITS AFFILIATES, OFFICERS, EMPLOYEES, AGENTS, DISTRIBUTORS, SUBCONTRACTORS, AND SUPPLIERS WILL NOT BE LIABLE TO CUSTOMER FOR LOSS OF REVENUE, SALES, PROFITS, BUSINESS OPPORTUNITY, GOODWILL, ANTICIPATED SAVINGS, OR DATA; BUSINESS INTERRUPTION; COST OF SUBSTITUTE SERVICES; OR INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES, WHETHER OR NOT FORESEEABLE OR ADVISED OF THEIR POSSIBILITY. THESE EXCLUSIONS APPLY REGARDLESS OF THE LEGAL THEORY, INCLUDING CONTRACT, WARRANTY, INDEMNITY, ORDINARY NEGLIGENCE OR OTHER TORT, STRICT LIABILITY, OR STATUTE, TO THE EXTENT LAWFULLY LIMITABLE. NO INDEMNITY OR SECURITY, CONFIDENTIALITY, PRIVACY, COMPLIANCE, OR FULLY MANAGED SERVICE DESCRIPTION CREATES AN EXCEPTION TO THIS SECTION. Any recoverable direct damages or contractual cost reimbursements remain subject to the shared aggregate cap in Section 8.2.

8.2 Limitations of Liability

ONE SHARED AGGREGATE CAP. Subject only to Section 8.4, the total aggregate monetary liability of Zephyr and all persons and entities protected under Section 8.1, collectively, for all claims arising out of or relating to this Agreement and the Services will not exceed the Eligible Zephyr Fees actually paid by Customer for the affected Services during the twelve (12) months immediately preceding the earliest event giving rise to the claims. If fewer than twelve months of affected Services have been provided, only the applicable fees actually paid for that shorter period count; there is no annualization, minimum recovery, or inclusion of unpaid future installments. This cap is a ceiling, not a promise of payment or an agreed measure of damages. Customer must establish liability and a legally recoverable loss.

Eligible Zephyr Fees means amounts paid for Zephyr's own affected management, support, security, application, development, professional, hosting, PBX, or other purchased Services. It excludes taxes, duties, regulatory assessments, interest, hardware purchases, third-party licenses or subscriptions, cloud consumption, carrier usage, model/API charges, and other amounts separately identified as third-party or pass-through charges, whether paid directly to the provider or collected through Zephyr. Unrelated service fees, unpaid invoices, and fees allocated to service periods after the event do not increase the cap. A Zephyr-operated hosted service does not become a pass-through charge merely because Zephyr uses third-party infrastructure to deliver it. Where affected Services form a bundle without separately stated component prices, use the bundle's Eligible Zephyr Fees rather than an undisclosed after-the-fact allocation.

The cap is shared across claims, causes of action, claimants claiming through Customer, affected Orders, and protected Zephyr parties; it is not a separate limit for each claim, incident, account, service label, or defendant. A series of related acts, omissions, failures, or incidents is treated as a single event occurring when the earliest related event occurred. Fees may be counted only once, and neither parallel claims nor renewal of a service creates an additional recovery for the same loss.

The same cap applies to damages, settlements, judgments, legally indemnifiable assessments, contractual reimbursements, and Zephyr's express defense and indemnity obligations, including Section 9. Reasonable external defense costs and attorney's fees Zephyr incurs to perform an express duty to defend Customer count against, and reduce, the available cap. No separate or unlimited cap applies to intellectual-property, security, confidentiality, privacy, data-processing, compliance-support, AI, or fully managed service claims. Refunds, service credits, and other monetary remedies paid for the same failure reduce remaining recovery under the cap; Customer may not recover twice for the same loss. This accounting does not eliminate any refund or return of Customer funds that applicable law requires independently of damages.

These exclusions and the cap are independent of any limited warranty, repair, replacement, re-performance, refund, credit, or other remedy and apply, to the extent permitted by law, even if another agreed remedy fails of its essential purpose. Prices reflect this allocation of risk; a higher negotiated limit requires a written amendment that expressly identifies Section 8 and is accepted by an authorized Zephyr representative. Insurance coverage or a policy limit does not enlarge Zephyr's contractual liability.

8.3 Limitations Period

To the extent permitted by applicable law, any claim arising out of or relating to this Agreement, an Order, SOW, Software, or Services must be commenced within one (1) year after the cause of action accrues. A mandatory longer period or a restriction on shortening the period controls where applicable. This provision does not shorten a regulator's enforcement period or a right that cannot lawfully be limited by agreement.

8.4 Nonwaivable obligations and third-party rights

Nothing in this Agreement excludes or limits liability to the extent such exclusion or limitation is prohibited by applicable law, including liability for fraud, willful misconduct, gross negligence, death or personal injury, or another category only to the extent it cannot lawfully be excluded or limited. Where an exclusion or cap cannot lawfully apply to a particular claim, only the prohibited part is inapplicable and all remaining lawful limitations continue to apply.

This Agreement allocates contractual financial risk between Customer and Zephyr. It does not bind a regulator or an independent third-party claimant, waive statutory privacy rights, remove mandatory notification, security, emergency-service, or data-return duties, or cap a penalty, cost, or obligation that law imposes directly on Zephyr and does not permit it to limit by contract. A contractual cap is not authority to stop required lawful conduct or retain funds that must be returned.

8.5 Customer obligations and mitigation

The limitations protecting Zephyr do not cap Customer's properly due fees, accepted minimum or annual commitments, authorized vendor or usage charges, or express Customer defense and indemnity obligations, except to the extent mandatory law requires otherwise. Customer must take reasonable steps to mitigate a loss, promptly report an issue through the agreed channel, preserve reasonably available evidence, and cooperate with investigation. These duties do not eliminate Zephyr's express responsibilities or nonwaivable duties. Neither a vendor refund nor insurance proceeds permit duplicate recovery for the same loss.

9. Indemnification

9.1 Infringement Indemnity

9.1(a) General

Subject to the exclusions, shared aggregate cap, and mandatory-law limits in Section 8, Zephyr agrees to (i) defend Customer against or, at Zephyr's option, settle any unaffiliated third party claim or action brought against Customer asserting that Customer's access or use of all or part of the Software through the Software Subscription Services in conformity with this Agreement infringes such third party's copyrights, registered trademarks, or patents; and (ii) indemnify Customer against actual damages and reasonable costs and expenses assessed against or recovered from Customer as a result of any such claim or action. For this indemnity, Software means Zephyr-owned Software identified in an Order, not independent vendor services, customer-supplied specifications or content, or every third-party component incorporated into an application. Defense spending, settlement payments, judgments, and other amounts paid to satisfy this indemnity share and erode the Section 8.2 cap; the indemnity does not create uncapped liability.

9.1(b) Exclusions

Section 9.1(a) does not cover claims or actions to the extent based upon or arising out of: (i) access to or use of the Software in combination with other non-Zephyr-provided products or programs with which the Software are not authorized or intended to be used; (ii) modification or alteration of the Software by Customer or for Customer by any person other than Zephyr or its authorized agent; (iii) access or use of the Software in breach of this Agreement or in a manner not consistent with or contemplated by the Documentation; or (iv) use of a superseded or altered Version of some or all of the Software if infringement would have been avoided or mitigated by the use of a subsequent Version of (or with any applicable Updates to) the Software (if Customer has instructed Zephyr not to install any such Version or Update).

9.1(c) Zephyr Cure

If any of the Software becomes, or in Zephyr's opinion, is likely to become, the subject of a third party claim of infringement or violation of such third party's intellectual property rights, Zephyr may, at its option: (i) procure for Customer the right to continue using the affected Software; (ii) replace the same with substantially equivalent, non-infringing materials; or (iii) modify the affected Software so that they become non-infringing without materially changing their functionality. If, in Zephyr's opinion, none of the foregoing alternatives are feasible or commercially reasonable, Zephyr may terminate Customer's rights to access and use the affected Software and refund to Customer the unamortized portion of the allocable Software Subscription Fees paid by Customer with respect thereto.

9.1(d) Exclusive Remedy

To the maximum extent permitted by applicable law, the provisions of this Section 9 state the sole, exclusive and entire liability of Zephyr and its affiliates, distributors, agents, subcontractors and suppliers, and Customer's sole remedy, with respect to any actual or claimed infringement or other violation of any third party's intellectual property rights.

9.1(e) Indemnification Procedures

The indemnity in this Section 9 is contingent upon: (i) Customer promptly notifying Zephyr in writing of any claim which may give rise to a claim for indemnification; (ii) Zephyr being allowed to control the defense and settlement of such claim; and (iii) Customer cooperating with all reasonable requests of Zephyr (at Zephyr's expense) in defending or settling a claim. Customer shall have the right, at its option and expense, to participate in the defense of any suit or proceeding through a counsel of its own choosing. Zephyr may settle any such claim, provided that no settlement of any claim admitting liability of, or imposing duties or restrictions upon, Customer, other than for payment of monetary amounts for which Zephyr agrees to be responsible or for termination of Customer's use of the Software in accordance with Section 9.1, may be effected without the prior written consent of the Customer, which shall not be unreasonably withheld or delayed. The indemnities in this Section 9 shall not apply if, and during the period that, any access to or use of the Software is provided to Customer for evaluation or trial use. Before the contractual cap is exhausted, Zephyr will give reasonably practicable notice of the remaining limit and coordinate an orderly transfer of any defense it is no longer contractually required to fund, subject to court rules, counsel obligations, and mandatory law. Exhaustion of the cap does not authorize abandonment contrary to those duties.

10. Compliance

10.1 Compliance with Laws

Each party shall comply with all laws applicable to the actions contemplated by this Agreement.

10.2 Export Controls

Customer acknowledges that the Software is of United States origin, is provided subject to the U.S. Export Administration Regulations, may be subject to the export control laws of the applicable territory, and that diversion contrary to applicable export control laws is prohibited. Customer acknowledges that the Software may be subject to export controls under United States laws and regulations, including the Export Administration Regulations, 15 C.F.R. Parts 730-774, and may be subject to other applicable laws and regulations in other jurisdictions relating to export, re-export, import, transfer or other disposition of software and other technology (collectively, "Export Control Laws"). From and after access and use of the Software through the Software Subscription Services, Customer shall comply with any and all applicable Export Control Laws applicable to the Software.

10.3 Governmental Prohibitions

Customer represents that (1) Customer is not, and are not acting on behalf of, (a) any person who is a citizen, national, or resident of, or who is controlled by the government of any country to which the United States has prohibited export transactions; or (b) any person or entity listed on the U.S. Treasury Department list of Specially Designated Nationals and Blocked Persons, or the U.S. Commerce Department Denied Persons List or Entity List; and (2) Customer will not permit the Software to be used for, any purposes prohibited by law, including, any prohibited development, design, manufacture or production of missiles or nuclear, chemical or biological weapons. The Software and accompanying documentation are deemed to be "commercial computer software" and "commercial computer software documentation", respectively, pursuant to DFAR Section 227.7202 and FAR Section 12.212(b), as applicable. Any use, modification, reproduction, release, performing, displaying or disclosing of the Software and documentation by the U.S. Government shall be governed solely by the terms and conditions of this Agreement. Mandatory government procurement rules and nonwaivable restrictions prevail where applicable; no government certification or approval is represented.

11. Miscellaneous

11.1 Amendment; Waiver

Except for commercial selections and changes expressly permitted under these Terms or an accepted Order, an amendment requires a writing expressly identified as an amendment and signed or authentically accepted by authorized representatives of both parties. Permitted renewal pricing, scope changes, and urgent AUP restrictions follow their stated processes and required notices; a website update alone does not amend an existing agreement. A failure or delay in enforcing a provision is not a waiver of that provision or any later breach.

11.2 Assignment

Customer may not assign or transfer this Agreement or any rights or obligations hereunder, without the prior written consent of Zephyr, except that, after reasonable prior notice thereof to Zephyr, Customer may assign or transfer its rights and obligations under this Agreement to an Affiliate of Customer or to a successor to its business to which this Agreement relates. However, any such assignment or transfer of rights hereunder shall not release Customer of its obligations under this Agreement without Zephyr's prior written consent.

11.3 Entire Agreement

This Agreement, including its schedules and any exhibits, together with all Order Forms and SOWs, (i) collectively constitute the entire agreement between the parties, and (ii) supersede all prior agreements, understandings, proposals and communications, oral or written, relating to the subject matter of this Agreement. Any purchase order, requisition, work order, request for proposal or other document or record prepared, issued or provided by or on behalf of Customer (including without limitation terms or certifications required by any Customer vendor management system) relating to the subject matter of, or otherwise in connection with, this Agreement is for administrative convenience only and will have no effect in supplementing, varying or superseding any provisions of this Agreement, regardless of any acknowledgement thereof by Zephyr.

11.4 Force Majeure

Except for payment obligations, neither party will be liable to the other for any failure or delay in performing its obligations under this Agreement due to any cause beyond its reasonable control, including, without limitation, fire, flood, earthquake or other natural catastrophes, acts of war, terrorism or civil disobedience, governmental acts, laws or regulations, embargoes, labor strikes or difficulties, failures of third party suppliers, acts or omissions of carriers, transmitters, providers of telecommunications or internet services, vandals, hackers, transportation stoppages or slowdowns or the inability to procure parts or materials. Each party will use reasonable efforts to give written notice to the other promptly after becoming aware of any condition or event causing any such excusable performance failure or delay. This clause does not waive nonwaivable statutory duties or excuse a separate failure to meet an express security or data-processing obligation merely because a third-party event also occurred.

11.5 Governing Law

This Agreement will be governed by, and construed and interpreted according to, the substantive laws of the Commonwealth of Virginia, without giving effect to any law, provision or rule of such state or any other jurisdiction that would cause the application of the laws of any jurisdiction other than the Commonwealth of Virginia. The parties agree that all actions or proceedings arising in connection with this Agreement shall be tried and litigated exclusively in the state or federal courts (if permitted by law and a party elects to file an action in federal court) located in Fairfax County, Virginia. This choice of venue is intended by the parties to be mandatory and not permissive in nature, and to preclude the possibility of litigation between the parties with respect to, or arising out of, this Agreement in any jurisdiction other than that specified in this Section. Each party waives any right it may have to assert the doctrine of forum non conveniens or similar doctrine or theory or to object to venue with respect to any proceeding brought in accordance with this Section. EACH PARTY HEREBY WAIVES ITS RIGHT TO A JURY TRIAL IN CONNECTION WITH ANY DISPUTE OR LEGAL PROCEEDING ARISING OUT OF THIS AGREEMENT OR THE SUBJECT MATTER HEREOF.

11.6 Government Use

In the event that Customer is an agency of the United States Government or that a license granted hereunder is pursuant to a contract with either a defense or civilian agency of the United States Government, Customer acknowledges that the Software and Documentation, respectively, provided to Customer hereunder constitute commercial computer software and commercial computer software documentation developed at private expense and are subject to the terms and restrictions of this Agreement pursuant to FAR 27.405-3 and DFARS 227.7202. The contractor/manufacturer is Zephyr, with an address set forth on the applicable Order Form. Mandatory government procurement rules and nonwaivable restrictions prevail where applicable; no government certification or approval is represented.

11.7 Independent Contractor

Each party's relationship to the other is that of an independent contractor. Nothing in this Agreement, and no course of dealing between the parties, shall be construed to create a partnership, joint venture or employment or agency relationship between the parties or between Customer and any Zephyr employee, agent or contractor. Neither party has any authority to bind, incur liability for or otherwise act on behalf of the other party, and neither party will represent or imply that it has any such authority.

11.8 Insurance

During any period in which it is performing Services for Customer on Customer's premises, Zephyr will maintain (a) workers' compensation with such coverage amounts at least equal to that legally required in jurisdictions in which such Services are being performed, and (b) general liability insurance in commercially reasonable amounts covering liability for bodily injury, death and property damage. Upon written request, Zephyr shall promptly provide written confirmation of such insurance coverage.

11.9 No Third-Party Beneficiary

No third party is intended to be or shall be a third-party beneficiary of any provision under this Agreement. Zephyr and Customer shall be the only parties entitled to enforce the rights set out in this Agreement.

11.10 Notices

Formal notices of material breach, indemnity claims, or legal proceedings shall be in writing and delivered personally, by commercial overnight courier, or by certified or registered mail to the party's address in this Agreement or its latest Order, unless the parties expressly agree to electronic formal notice. Delivery is effective upon receipt, or five (5) business days after certified or registered mailing, subject to mandatory law. Zephyr's address is Zephyr Cloud Corporation, 934 Harriman St, Great Falls, Virginia 22066, United States; a copy should be emailed to legal@zephyrcloud.com. Routine service, pricing, renewal, cancellation, and nonrenewal notices may be sent by email to the designated contact; Customer cancellation and nonrenewal follow Section 5.2 and do not require postal delivery. Zephyr will retain evidence of required notices and use any additional notice method required by law.

11.11 Precedence

Mandatory law and a separately signed master agreement control. A signed DPA controls conflicts specifically about personal-data processing. An exception to the monetary limitations in Section 8 requires an express written amendment identifying Section 8 and accepted by an authorized Zephyr representative; a general data-processing, confidentiality, insurance, security, or compliance obligation does not itself create a different monetary cap. Mandatory law and an already signed agreement remain controlling. Subject to those rules, the accepted Order Form, SOW, or service schedule controls its expressly stated scope, term, renewal, prices, payment schedule, quantities, support coverage, service levels, project acceptance, and custom-application ownership or license allocation where these Terms leave that choice to the Order. The parties do not need to describe each such permitted selection as an amendment. Other provisions of these Terms, including liability limits, indemnities, confidentiality, and reserved IP protections, prevail over a conflicting attachment unless a writing accepted by both parties expressly identifies the provision it overrides. A customer purchase order alone does not amend these Terms. AUP restrictions and mandatory privacy or telecom duties cannot be displaced by a conflicting operational instruction.

11.12 Severability

If any provision of this Agreement is held to be invalid, illegal or unenforceable, such provision shall be, to the maximum extent permitted by applicable law, construed or limited, and/or deemed replaced by a revised provision, to the extent (and only to the extent) necessary to render it valid, legal and enforceable and, as nearly as possible, to reflect and achieve the parties' intentions in agreeing to the original provision. If it is not possible to so construe, limit or reform any such provision, then the invalid, illegal or unenforceable provision shall be severed from this Agreement. The remaining provisions of this Agreement shall be unaffected thereby and shall continue in full force and effect.

11.13 Affiliates

Zephyr's Affiliates may enter into Order Forms and SOWs with Customer hereunder. Each such Order Form and SOW shall reference, and be subject to the terms and conditions of, this Agreement, provided further, that if an Order Form or SOW is executed by an Affiliate, (i) such Affiliate shall take the place of Zephyr, as applicable, for purposes of this Agreement, but solely with respect to such Order Form or SOW, (ii) such Affiliate will be solely liable with respect to such Order Form or SOW and this Agreement (as it relates to such Order Form or SOW). The precedence rules in Section 11.11 apply to each such Order and SOW.

12. Definitions

"Affiliate" means with respect to any party, any corporation, partnership, firm, joint venture, limited liability company, association, joint-stock company, trust, unincorporated organization, governmental organization or body that, directly or indirectly through one or more intermediaries, controls, is controlled by or is under common control with such party, and the term "control" (including the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such entity, organization or body, whether through ownership of voting securities or otherwise.

"Agreement" means these Terms of Service and the incorporated AUP, as applied with the accepted Order Forms, SOWs, and applicable service or data-processing schedules.

"Customer Data" is defined in Section 1.8.

"Software Subscription Fees" means the applicable fees set forth in an Order Form to be paid by Customer for the Software Subscription Services for the applicable Subscription Term.

"Software Subscription Services" means Zephyr's service to provide continued access to the Software.

"Documentation" means the standard operating manuals, user instructions and technical specifications for the Software and supplied by Zephyr to Customer, as may be updated by Zephyr from time to time.

"Effective Date" means the effective date of the applicable accepted Order Form or SOW, subject to a separately signed master agreement.

"Software" means Zephyr-owned software modules expressly identified in an Order Form, including Updates and Versions made available under the Agreement. It does not mean Microsoft software, carrier

platforms, open-source components, customer-owned software, or all software accessible through administrative permissions.

"Intellectual Property Rights" means all copyright, patent, trade secret, trademark and other intellectual property and proprietary and moral rights related thereto.

"Order Form" means an order identifying purchased recurring Services, Software Subscription Services, or other agreed work pursuant to these Terms and which has been accepted by Customer and Zephyr, including an authenticated electronic acceptance or other documented acceptance permitted by Section 2.1.

"Service Provider" means a third-party service provider or consultant, including any third-party providing Customer with outsourcing, data center management.

"Services" means managed Microsoft 365 and Azure services, hosted cloud, PBX and voice, applications and AI services, security and compliance support, fully managed IT services, professional services, and other work expressly requested by Customer and accepted by Zephyr in an Order Form or SOW. Software Subscription Services are separately defined where applicable.

"SOW" means a statement of work for Services which includes a reference to this Agreement and is entered into pursuant to the terms of this Agreement and which has been accepted by Customer and Zephyr, including an authenticated electronic acceptance or other documented acceptance permitted by Section 2.1.

"Service Term" and "Subscription Term" are defined in Section 5.2.

"Update" means any updates, enhancements, improvements, corrections, service packs or other modifications of or to the Software that are generally released by Zephyr.

"User" means each individual employee of Customer or its authorized agents, contractors, or service providers who accesses or uses the Services or Software by or through Customer, regardless of whether such individual is actively accessing or using the Software at any given time.

"Version" means any new version or upgrade of the software that contains substantial and significant enhancements, or other substantial changes in functionality or performance as compared to the previous version (if any) and which is designated by a numeric change to left of the decimal (e.g., Version 8.0 and 9.0).

13. Managed Microsoft and infrastructure services

13.1 Customer ownership and billing

Customer retains ownership and control of its Microsoft 365 tenants, Azure subscriptions, domains, and other customer-owned vendor accounts. Under the direct-billing model, Customer contracts with and pays the vendor directly and Zephyr charges for its management and support layer. Existing resale arrangements change only through a documented transition. Microsoft products and independent vendor services are subject to their own licenses and terms, not Zephyr's proprietary-software ownership clause.

13.2 Delegated authority and boundaries

Customer shall grant the permissions and cooperation necessary for the purchased scope, designate authorized requesters and approvers, and maintain security of Customer-controlled users and devices. Zephyr may rely on authenticated instructions within documented authority and may decline unsafe, unlawful, unlicensed, or out-of-scope instructions. Customer is responsible for instructions from its authorized users and for their compliance with the Agreement and AUP.

Tenant administration does not include desktop, printer, local-network, or unrelated application support unless expressly purchased. Platform management of Azure infrastructure does not automatically include guest systems, applications, or databases. Fully managed IT can include those layers when they are expressly listed in the supported estate under Section 19. Local devices, local networks, and after-hours support are outside the current managed offering. Projects that create, migrate, redesign, integrate, develop, or materially expand an environment require a SOW or expressly productized service. Public-cloud-to-on-premises integration is separately scoped Professional Services; ongoing local-device or local-network operations are not included in the current managed offering.

13.3 Security and cost management

Security is part of Zephyr's delivery approach across the purchased Services. Implementation, monitoring sources, alert review, remediation authority, escalation, human coverage, and recovery activities are those expressly identified in the Order and supported by the required licenses, access, configuration, and customer cooperation. Automated collection or alerting does not imply continuous human review, guaranteed detection, staffed 24/7 security operations, or after-hours response. Security and compliance support is further defined in Section 18. Zephyr remains responsible for its express obligations and mandatory duties, with contractual monetary liability governed by Section 8.

Budgets, alerts, estimates, usage thresholds, and optimization recommendations do not guarantee a hard spending cap, prevent every unauthorized charge, or insure Customer against third-party costs. Customer-approved purchases, reservations, scaling, and other changes may create vendor commitments. Zephyr is not required to finance Customer's vendor charges or absorb third-party usage. The Order must state purchasing authority, approvals, any automated-action limits, and the behavior when a threshold is reached. Customer is responsible for approved spending and its direct vendor commitments. Any recoverable claim that Zephyr failed to follow agreed purchasing authority remains subject to Section 8; this does not authorize an unapproved purchase or waive a mandatory remedy.

13.4 Zephyr-hosted cloud services

Where Customer purchases infrastructure or hosting operated or supplied by Zephyr, the Order must identify the hosted resources, capacity, included infrastructure or guest-system management, backup and recovery scope, availability commitments if any, recurring term, usage metering, and any third-party charges. Such hosting may be sold month to month or for one year under Section 5. Customer-direct Microsoft billing under Section 13.1 does not imply that all Zephyr-hosted infrastructure is vendor-direct. No capacity, backup, disaster recovery, or on-premises support is included merely because a service is described as cloud hosting. Hybrid public-cloud-to-on-premises integration remains separately scoped Professional Services, with ongoing management expressly assigned.

14. Hosted voice and messaging

14.1 Capacity, usage, and carrier dependencies

Zephyr operates hosted PBX services and integrates carrier services through multiple partners. Recurring PBX and voice charges use the monthly or one-year Service Term selected under Section 5, separate from metered calling, messaging, number, setup, or other disclosed charges. Customer shall comply with the AUP and the service-specific carrier, registration, and use restrictions communicated for the purchased service. The Order defines extensions, numbers, concurrent calls, destinations, usage pools, metering/rounding, fraud controls, deposits if any, and additional charges. Messaging, recording, transcription, international calling, and AI voice are not included merely because voice is purchased.

Zephyr does not guarantee delivery, uninterrupted routing, number-porting dates, campaign registration, continued carrier acceptance, or a particular throughput except as expressly agreed. Customer shall maintain required connectivity and equipment, accurate service-location and registration information, lawful number rights, and a reasonable alternative for business continuity. Customer shall not cancel an existing service before a port is confirmed complete. Zephyr will cooperate with lawful porting and transition requests.

14.2 Customer compliance and cost responsibility

Customer is responsible for its campaigns, content, consent evidence, recordings, callers, recipients, suppression lists, and compliance with applicable communications laws and disclosed provider requirements. Assistance with registration, configuration, templates, or AI drafting does not transfer that responsibility or constitute legal approval. Customer shall review and approve its submissions and instructions. Zephyr retains obligations applicable to its own provider conduct.

Subject to applicable law and the Agreement, Customer shall reimburse documented carrier or registry charges, reasonable investigation/remediation costs, and third-party assessments caused by Customer's breach, unlawful traffic, or inaccurate registration, where lawfully recoverable. No discretionary fine or undisclosed penalty is created by this clause. Customer-requested usage remains payable under the Order even if an independent carrier blocks prohibited traffic; credits for lawful service failures remain governed by the SLA and applicable law.

14.3 Emergency calling and restrictions

IMPORTANT: Internet-based voice may have emergency-calling limitations compared with traditional telephone service. Power loss, broadband failure, equipment relocation, incorrect location records, and service disruption may affect routing or availability. Customer shall keep location information current, communicate relevant user instructions, and maintain an appropriate alternative means of emergency contact.

Before activating covered interconnected VoIP service, Zephyr must provide the service-specific disclosures and obtain and retain required affirmative acknowledgments. The voice schedule must establish fixed/non-fixed location handling and other applicable emergency-service requirements. A public Terms page does not replace that process. Suspension, usage limits, payment controls, and

discontinuance remain subject to mandatory telecom duties. The AUP's high-risk-use restriction does not prohibit ordinary lawful emergency dialing.

15. Customer data, confidentiality, and transition

Customer Data remains Customer-owned and confidential. Customer grants Zephyr only the processing rights necessary to deliver, secure, support, bill for, and lawfully administer the purchased services and follow documented instructions. This does not authorize unrelated marketing or general-purpose AI training. A DPA or other required processing agreement must identify roles, purposes, data categories, confidentiality, safeguards, subprocessors, rights assistance, incidents, return/deletion, and lawful transfers. Public policies are not a substitute for a required DPA or BAA.

Backups, monitoring, recovery objectives, restoration testing, export access, retention, deletion, and transition assistance apply as assigned in the Order or relevant schedule. Customer shall maintain the independent copies assigned to it. A successful backup job does not guarantee recovery. Zephyr must perform the backup duties it expressly accepts. After termination, Customer-owned accounts remain Customer-owned; proprietary Software licenses end as provided in Section 5, subject to agreed transition rights. Reasonable transition fees must be agreed, and mandatory return/deletion, number-porting, and access rights remain protected.

For a confirmed personal-data incident affecting Customer Data in Zephyr's processing, Zephyr will notify Customer without undue delay as required by law and the DPA and provide reasonably available information and cooperation within its responsibilities. Security qualifications and indemnities do not eliminate nonwaivable duties.

16. Applications and AI

Custom development and implementation are project work under a SOW. Application hosting, maintenance, support, AI workflow operation, and enhancements are included only where expressly purchased; ongoing care or operation may be month to month or one year under Section 5. Model, API, compute, and other usage charges must be disclosed in the Order, including whether billed directly to Customer or through Zephyr and any agreed limits or approvals. No recurring app fee implies unlimited development or AI consumption. Custom application ownership, source-code access, repositories, third-party/open-source components, hosting, acceptance, and ongoing care must be set out in the SOW. The Zephyr ownership protections in Section 1 apply absent an express written allocation to Customer; Customer Data ownership does not convey Software ownership. Customer-facing use must be expressly licensed. New functionality, integrations, maintenance, and enhancements are separately chargeable unless expressly included.

AI-assisted development and operational automation may be used within approved confidentiality and processing boundaries. A workflow specification must define approved data, tools, providers, permitted actions, review, approval, and consumption. Generated outputs may be incorrect, incomplete, or non-unique. No AI workflow may expand its own permissions, approve its own purchases, or replace required human judgment. Software and service disclaimers apply to AI-enabled functionality to the extent lawful, without displacing express obligations.

Customer shall not submit sensitive or restricted material to an unapproved AI tool. Zephyr will not use Customer Data to train its own general-purpose models, or authorize provider general-purpose training, without a separate explicit written agreement. No claim that all providers offer zero retention, exclusive output ownership, or regulatory compliance is made.

17. Acceptable use, enforcement, and contact

Customer shall comply with the AUP and is responsible for its Users and authorized campaigns. In addition to Section 1.8, Customer shall defend, indemnify, and hold Zephyr and its Affiliates, agents, subcontractors, and suppliers harmless from third-party claims, damages, lawfully indemnifiable assessments, and reasonable defense costs arising from Customer's unlawful communications, infringement, lack of required consent, material AUP breach, or unauthorized use that Customer causes or permits. This added indemnity does not apply to the extent caused by Zephyr's own fraud, willful misconduct, or other conduct for which indemnity is prohibited. Section 9.1(e)'s notice, control, cooperation, and settlement protections apply with the parties' roles appropriately reversed.

Zephyr may investigate credible abuse and require prompt supporting records; restrict, quarantine, block, suspend, or terminate affected use immediately when reasonably necessary for security, law, carrier obligations, or protection from material liability; and require remediation and verification before restoration. The Agreement and mandatory law govern refunds, charges, data handling, and remaining service obligations. Ordinary policy updates follow the agreed change process; urgent restrictions may apply where necessary and lawful, with notice when practicable.

Legal and privacy: legal@zephyrcloud.com. Routine support: support@zephyrcloud.com. General inquiries: info@zephyrcloud.com. Formal notice requirements and the mailing address are in Section 11.

18. Security and compliance support

18.1 Scope and NIST framework alignment

Security and compliance support may include assessments, control implementation, secure configuration, logging and alert setup, review of supported findings, approved remediation, documentation, and technical evidence assistance, only as stated in the Order or SOW. Security is part of the approach to collaboration, cloud, voice, applications, AI, Professional Services, and fully managed operations; it is not an assurance that every possible security function is included in every package. The agreed scope identifies systems, controls, tools, review frequency, service hours, decision-makers, and customer responsibilities.

NIST Cybersecurity Framework 2.0 alignment describes an approach for organizing risk management and improvement. It does not represent a NIST certification, complete implementation of every NIST outcome, compliance with every law or industry requirement, an independent audit or attestation, or a promise that an auditor, insurer, regulator, or other third party will accept the environment. Legal advice, formal certification, independent penetration testing, and third-party audits require a separately identified engagement or qualified provider.

18.2 Security outcomes and incident costs

Security work reduces risk but cannot guarantee prevention, detection, containment, or recovery of every attack, vulnerability, compromise, fraud event, data loss, or unauthorized access. Monitoring depends on the supported data sources, available telemetry, permissions, licenses, configuration, and agreed coverage. A dashboard, alert, or use of AI does not itself promise human response or remediation by a particular time. Zephyr will perform the security and response duties it expressly accepts and retain its mandatory legal duties.

Forensic investigation, specialist incident response, legal or regulatory advice, notification services, credit monitoring, ransom or extortion payments, data reconstruction, restoration outside the agreed recovery scope, and third-party assessments are not included merely because a security service is purchased. Additional work and external spending require the agreed authority, except where law independently requires action. No guarantee of insurance coverage or reimbursement is made. If Customer has a legally recoverable contractual claim for such costs against Zephyr, the exclusions and shared aggregate cap in Section 8 apply, subject to Section 8.4. An incident does not create a new, separate, or uncapped indemnity.

18.3 Customer decisions and cooperation

Customer retains responsibility for identifying its business, legal, regulatory, and contractual requirements; making business and risk-acceptance decisions; procuring required licenses and tools; and performing assigned controls. Customer shall maintain the access, information, approvals, and cooperation needed for the agreed work and notify Zephyr of material changes. Zephyr may document exceptions, unsupported systems, declined recommendations, and unresolved risks. Customer's decision to decline or delay an agreed recommendation does not expand Zephyr's scope or transfer the resulting risk to Zephyr; responsibility for a loss remains subject to causation, the Agreement, and mandatory law.

19. Fully managed IT services

19.1 Defined operational responsibility

Fully managed IT means Zephyr performs the day-to-day administration, maintenance, monitoring, coordination, and support expressly assigned to it for the supported Microsoft 365, Azure or hosted-cloud deployment, applications, databases, PBX or voice, and AI workflows listed in the Order. The term fully managed, concierge, or remote IT partner does not mean unlimited services, responsibility for every business system, a guarantee of business continuity, insurance against loss, or acceptance of Customer's business or regulatory responsibilities. Work remains within the supported inventory, authority, service hours, and service levels expressly agreed.

The current offering excludes local employee devices, local networks, onsite operations, and after-hours support. Dependencies on Customer's internet connections, devices, networks, vendors, or other providers are coordinated only within the agreed role. Future partner-delivered coverage is not included unless separately documented. Major migrations, new applications, redesign, integrations, and substantial expansion require separately approved project scope; routine recurring care does not include unlimited development or consumption.

19.2 Human support, automation, and approvals

Fully managed service provides human-led support through the agreed channels during the contracted service hours. Automation and AI may assist delivery within approved permissions. Self-directed services instead leave routine direction and activity with Customer, with AI-assisted support where available and human email or chat escalation for unresolved, sensitive, or approval-dependent issues. Neither model implies after-hours service or a guaranteed resolution time. Portal and AI support capabilities are only those made available and expressly included; roadmap statements are not contractual delivery commitments.

The parties shall identify authorized contacts, material-change approvals, purchasing limits, routine actions Zephyr may perform without individual approval, escalation, and emergency authority. Zephyr may rely on authenticated instructions within that authority and may decline unsafe, unlawful, or out-of-scope instructions. Concierge support does not grant unlimited authority to make purchases, accept contracts, or take materially disruptive action.

19.3 Fees, risk allocation, and continuity

Recurring fully managed services may be month to month or one year under Section 5. Zephyr's management fees are distinct from Customer's direct Microsoft or Azure commitments and any separately disclosed usage or third-party charges. Backup coverage, recovery objectives, retention, recovery testing, transition assistance, and service credits apply only as expressly agreed and as required by law. A successful backup or monitoring job does not guarantee recovery or availability.

All recoverable contractual monetary claims concerning fully managed Services, including security, data, application operation, vendor coordination, negligence, or support, are subject to the same exclusions and shared aggregate cap in Section 8, subject to Section 8.4. The fully managed description does not create an enhanced liability limit, an uncapped duty to defend or reimburse, or a duty to pay Customer's vendor bills, regulatory penalties, lost revenue, or costs outside the agreed scope. Zephyr remains accountable for the work it expressly accepts and the duties it cannot lawfully exclude.