

BASWARE CLOUD SERVICES TERMS

These Basware Cloud Services Terms apply to the Cloud Service and related Professional Services specified in the Agreement.

1. CLOUD SERVICES

- 1.1. **Right to Use.** Basware grants Customer and its Affiliates the right to access and use the Cloud Service and related documentation for their internal business purposes in accordance with the Agreement. Additionally, an Authorized Third Party may use the Cloud Service solely for the benefit and on behalf of Customer and/or its Affiliate. Customer is solely liable towards Basware for its own, its Affiliates' and Authorized Third Parties' access and use of the Cloud Service in accordance with the Agreement.
- 1.2. **Acceptable Use.** Customer, its Affiliates and Authorized Third Parties shall not i) gain, or attempt to gain, unauthorized access to the Cloud Service, ii) permit, or attempt to permit, unauthorized third parties to access the Cloud Service, iii) use the Cloud Service to send or store infringing or unlawful material, or iv) interfere with, disrupt or compromise the integrity, performance or security of the Cloud Service (including data contained therein).
- 1.3. **Customer's Responsibilities.** Customer is responsible for i) evaluating and ensuring suitability of the Cloud Service for its business purposes and needs, ii) providing Basware with reasonable cooperation and access to all relevant information and data necessary for providing the Cloud Service and performing Professional Services, iii) ensuring its systems and networks comply with the agreed technical requirements, iv) notifying Basware promptly of security incidents or misuse related to the Cloud Service that the Customer becomes aware of, v) ensuring the confidentiality of authentication credentials associated with the use of the Cloud Service is adequately maintained, and vi) all activity occurring under its own, its Affiliates' and Authorized Third Parties' user accounts.
- 1.4. **Customer Data.** Basware may use Customer Data solely for the purpose of providing the Cloud Service under the Agreement. All rights, title, and interest to Customer Data is owned by the Customer. Customer is responsible for the content of Customer Data and for securing and maintaining all rights and authorizations in Customer Data necessary for Basware to provide the Cloud Service without violating applicable laws or rights of third parties. Terms governing the processing of personal data contained in Customer Data are specified in the DPA.
- 1.5. **Cloud Service Changes.** Basware strives to continuously improve the Cloud Service and may update the Cloud Service from time to time at its discretion. Basware shall not make any changes that adversely impact the functionality of the Cloud Service for Customer. Basware shall make available information regarding the changes made to the Cloud Service as soon as reasonably possible in accordance with its standard practices described in the Service Documentation.
- 1.6. **Subcontractors.** Basware may involve Subcontractors for the performance of Professional Services and provision of the Cloud Service and shall be fully liable for their work. Terms related to the use of Subcontractors that process personal data are specified in the DPA.

2. PROFESSIONAL SERVICES

- 2.1. **General.** Basware may perform Professional Services related to the Cloud Service that may be specified in more detail in the Scope Statement. Terms of this section 2 apply unless otherwise specifically agreed in the Scope Statement, or in case the Professional Services are performed without a separate Scope Statement.
- 2.2. **Testing and Acceptance.** Basware shall test the results of Professional Services in accordance with its standard practices. Customer is responsible for functional testing of the results of Professional Services. Results of Professional Services are deemed accepted if Customer i) accepts the results in writing, ii) does not present Basware with a written complaint describing defects, which preclude acceptance, within 15 days from the date of completion of the results, or iii) takes the Cloud Service into production use. Defects in the results of Professional Services which do not substantially interfere with Customer's use of the Cloud Service shall not preclude acceptance of the results.
- 2.3. **Delays.** Basware shall use reasonable efforts to meet any specific time schedules mutually agreed by the parties in writing. Basware is not responsible for any delays that are not solely attributable to Basware or its Subcontractors.
- 2.4. **Expenses.** Customer shall reimburse Basware for reasonable travel time and expenses incurred in connection with performing the Professional Services as agreed by the parties in advance.

3. CONFIDENTIALITY

- 3.1. **Definition.** In connection with the Agreement, the parties and their respective Affiliates may disclose to each other non-public information relating to their business, including Customer Data, implementation plans, product roadmaps, technical, financial or pricing information, and information which is marked as confidential or that reasonably should be considered as confidential ("**Confidential Information**"). Confidential Information does not include any information that i) is or becomes generally known to the public without breach of any obligation owed to the discloser, ii) was known to the recipient prior to its disclosure by the discloser without breach of any obligation owed to the discloser, iii) is received from a third party without breach of any obligation owed to the discloser, or iv) was independently developed by the recipient.
- 3.2. **Use and Disclosure.** Recipient agrees to hold discloser's Confidential Information in confidence, to use it only for purposes consistent with the Agreement, and not to disclose it to any third party. Recipient may disclose Confidential Information only to its, its Affiliates', and its Subcontractors' directors, employees and advisors who need that access for purposes consistent with the Agreement, including Authorized Third Parties, and who are required to protect it against unauthorized disclosure in a manner no less protective than under this section 3. Recipient may also disclose discloser's Confidential Information in any legal proceeding or to a governmental entity as required by law. If recipient is compelled by law to disclose discloser's Confidential Information, it shall provide discloser with reasonable prior notice of such compelled disclosure, to the extent legally permitted.

BASWARE CLOUD SERVICES TERMS

4. WARRANTIES

- 4.1. **General.** Each party warrants its current and continuing compliance with all laws and regulations applicable to it in connection with i) in the case of Basware, the operation of Basware's business as it relates to the Cloud Service and Professional Services, and ii) in the case of Customer, Customer Data and Customer's, its Affiliates' and Authorized Third Parties' use of the Cloud Service. Basware undertakes to comply with the Basware [Code of Conduct](#) in its business operations. Customer represents that it, and its Affiliates and Authorized Third Parties, are not named on any EU or U.S. government list of persons or entities prohibited from receiving exports. Customer shall not permit its, its Affiliates' or Authorized Third Parties', users to access or use the Cloud Service in any EU or U.S. embargoed country or in violation of any EU or U.S. export law or regulation.
- 4.2. **Cloud Service.** Basware warrants that from the acceptance date and during the term of the Agreement it shall provide the Cloud Service in material conformance with the Service Documentation. If a Cloud Service does not materially conform to the Service Documentation, Customer must promptly report and describe the non-conformity in writing, as may be specified in more detail in the Service Documentation. If the reported non-conformity adversely impacts Customer's use of the Cloud Service, Basware shall bring the affected Cloud Service into material conformance with the Service Documentation within timeframes specified in the Service Documentation (or within reasonable timeframe if not specified).
- 4.3. **Professional Services.** Basware warrants that i) during the term of the Agreement it shall perform Professional Services in accordance with good industry practice and high professional standards and shall assign an adequate number of properly educated, trained and qualified personnel to perform the Professional Services and ii) for a period of 30 days from the acceptance date the result of Professional Services shall materially conform to the Scope Statement. If the result of Professional Services does not materially conform to the Scope Statement, Customer must report and describe the non-conformity in writing during the warranty period. If the reported non-conformity adversely impacts Customer's use of the Cloud Service, Basware shall bring the result into material conformance with the Scope Statement within a reasonable timeframe.
- 4.4. **Exclusions.** Warranties provided in this section 4 do not apply if Customer is in material breach of the Agreement, and do not cover any non-conformities or defects that are not attributable to Basware or its Subcontractors.
- 4.5. **Disclaimer.** Other than the warranties provided in this section 4, Basware provides no warranties, whether express, implied, statutory, or otherwise, including warranties of merchantability or fitness for a particular purpose. These disclaimers will apply to the fullest extent permitted under applicable law.

5. INDEMNITY

- 5.1. **Basware Indemnity.** Basware will defend Customer, at Basware's own cost, against any claims made by a third party that a Cloud Service used by Customer in accordance with the Agreement infringes that third party's IPR.
- 5.2. **Customer Indemnity.** Customer will defend Basware, at Customer's own cost, against any claims made by a third party that arises from Customer Data.
- 5.3. **Process.** Customer or Basware (Indemnitee) must notify the other party (Indemnifier) promptly of any such claims, give the Indemnifier sole control over the defense and settlement of the claim, and provide reasonable help in defending the claim. Subject to the foregoing, the Indemnifier will indemnify the Indemnitee for i) the amount paid by the Indemnitee to the third party based on a settlement (agreed by the Indemnifier) or final court judgment, and ii) reasonable legal and other out-of-pocket expenses that the Indemnitee incurs in giving the aforementioned help to the Indemnifier.
- 5.4. **Remedies.** If Basware reasonably believes that a claim under clause 5.1 may bar Customer's use of the Cloud Service, Basware will either obtain the right for Customer to keep using the Cloud Service or modify or replace the Cloud Service with a functional equivalent. If either of these options would cause unreasonable costs to Basware, Basware may terminate Customer's right to use the infringing Cloud Service and shall reimburse the corresponding proportion of prepaid fees for the terminated Cloud Service.
- 5.5. **Limitations.** Basware is not liable if the claim under clause 5.1 results from i) use of the Cloud Service in violation of the Agreement or against Basware's written instructions, ii) alteration of the Cloud Service by Customer not authorized by Basware, iii) Basware's compliance with Customer's express written instructions, or iv) use of the Cloud Service in combination with any product or service not provided by Basware if the Cloud Service would not infringe without such combination. Customer is not liable if the claim under clause 5.2 arises from use of Customer Data by Basware in violation of the Agreement.
- 5.6. **Exclusive Remedy.** This section 5 sets forth the Indemnifier's sole liability and the Indemnitee's exclusive remedy with respect to any third party claims under clauses 5.1 and 5.2.

6. LIMITATION OF LIABILITY

- 6.1. **Cap.** The aggregate liability of each party arising out of or related to the Agreement shall not exceed the total amount paid by Customer hereunder for the Cloud Service that gave rise to liability during the 12-month period preceding the event out of which the liability arose. "Event" means any single event or a series of connected events giving rise to liability and arising from the same cause.
- 6.2. **Exclusions.** Neither party will be liable for i) any loss of profits, revenues, anticipated savings, business, business opportunity, goodwill, any business interruption, or any interest payable to third parties (whether any such damage is direct or indirect), or for ii) any indirect, special, incidental, consequential or punitive damages, regardless of the form of action or theory of liability, even if the party knew or should have known that such damages were possible.
- 6.3. **Exceptions to Limitations.** The liability limitations in this section 6 do not apply to the indemnification obligation under section 5 or Customer's payment obligation under the Agreement.
- 6.4. **Other.** All claims under the Agreement must be made within 12 months from the event out of which the liability arose. The limitations of liability in this section 6 apply to the fullest extent permitted by applicable law.

BASWARE CLOUD SERVICES TERMS

7. TERM, TERMINATION AND SUSPENSION

- 7.1. **Term.** The effective date and term of the Agreement are specified in the Sales Agreement. The Agreement can be terminated according to the Sales Agreement or clause 7.2 below.
- 7.2. **Termination.** Either party may terminate the Agreement for cause if the other party i) is in material breach of the Agreement and fails to cure that breach within 30 days after receipt of written notice of such breach, ii) ceases its business operations or becomes subject to insolvency or bankruptcy proceedings, or iii) is unable to perform a material obligation under the Agreement for more than 30 consecutive days as a result of a force majeure event (defined in clause 8.4).
- 7.3. **Suspension.** Basware may temporarily suspend Customer's, its Affiliate's and/or Authorized Third Party's access to the Cloud Service if i) their actions pose a material security risk to, or may otherwise materially damage or harm the Cloud Service or the underlying infrastructure, ii) an undisputed invoice is more than 30 days overdue after Basware's written notice of the delay, or iii) Customer is in material breach of the terms of the Agreement. Suspension will be limited to the corresponding part of the Cloud Service and will be in effect only while the circumstances giving rise to suspension exist. When reasonably practicable and lawfully permitted, Basware will provide Customer with a prior notice of any such suspension.
- 7.4. **Return of Customer Data.** Basware shall make Customer Data available to Customer at a minimum for a period of 90 days from the effective date of termination of the respective Cloud Service. After such 90-day period, Basware shall have no obligation to maintain or provide any Customer Data. Specific practices regarding return of Customer Data may vary depending on the Cloud Service and may be specified in more detail in the Service Documentation.

8. MISCELLANEOUS

- 8.1. **Analyses.** Basware may create analyses utilizing, in part, Customer Data (excluding personal data) and information derived from Customer's use of the Cloud Service. Such analyses will aggregate information and will not identify Customer, its Affiliates, business partners, or any individual to any third party. Examples of how analyses may be used include: optimizing service performance, research and development, and data products such as industry trends and developments.
- 8.2. **Assignment.** Either party may assign the Agreement to its Affiliate, subject to prior written notification to the other party. Any other assignment by Customer of its rights and obligations under the Agreement is subject to Basware's prior consent (not to be unreasonably withheld). Basware may assign the Agreement in connection with a merger, acquisition, corporate reorganization, or sale of all or substantially all of its assets. The Agreement shall bind and inure to the benefit of parties' respective successors and permitted assigns.
- 8.3. **Conflicts.** In case of conflict, Sales Agreement terms prevail over these Cloud Services Terms and other appendices which apply in their numbering order specified in the Sales Agreement, except where an appendix specifically refers to and amends a specified section of a higher priority document, in which case such specific provisions in the lower priority document shall take precedence to the extent of the contradiction.
- 8.4. **Force Majeure.** Neither party will be liable for any delay or failure to perform any obligation under the Agreement due to any cause beyond party's reasonable control, including telecommunications failure, cyber-attack, act or order of government body or change of regulation, fires, floods, storms, earthquakes, war, terrorism, epidemics or similar events, natural disasters or extreme adverse weather conditions. Force majeure impacting Customer shall not release Customer from its payment obligations under the Agreement.
- 8.5. **Insurances.** During the term of the Agreement, Basware shall maintain in force an appropriate insurance program which reasonably covers anticipated liabilities arising under the Agreement. Upon Customer's written request, Basware shall provide a copy of the relevant insurance certificates.
- 8.6. **Law and Disputes.** The Agreement is governed by the laws of the country, or where applicable the state, in which Basware is incorporated, excluding its conflict of laws principles. All disputes arising out of or in connection with the Agreement that cannot be settled by negotiations between the parties shall be finally settled by the courts of the country, or where applicable the state, in which Basware is incorporated.
- 8.7. **Notices.** All notices under the Agreement including claims, disputes, terminations and assignments, must be in writing and addressed to the contact person specified in the Sales Agreement or to such other person indicated by the party in writing. Notice will be treated as given on the date of receipt, as verified by written notice of receipt. If a notice was sent via email and no such notice of receipt was received, notice must be provided by a registered or certified mail.
- 8.8. **Payments.** Customer shall pay all fees specified in the Agreement to Basware without any set-off, deduction or withholding. Should Customer in good faith believe its invoice is incorrect, Customer must provide Basware with a written notice within 90 days from the invoice date or otherwise such claim is waived. Annual interest rate for delayed payments is the maximum rate allowed by applicable law. Subject to prior notice, Basware may assign delayed payments to a third party for collection and charge the incurred reasonable expenses to Customer.
- 8.9. **Reservation of Rights.** Except for Customer Data, all rights, title, and interest in and to all IPR related to the Cloud Service and results of Professional Services are exclusively owned by Basware. Rights not expressly granted to Customer under the Agreement are reserved by Basware. In case of customer-specific documentation related to the Cloud Service, Basware grants to Customer a non-exclusive, non-transferable, limited license to use such documentation during the term of and for the purposes of the Agreement. Basware alone shall own all rights, title, and interest in and to any feedback, suggestions and enhancement requests related to the Cloud Service provided by Customer.
- 8.10. **Survival.** Terms of section 3 (confidentiality), section 6 (limitation of liability), clause 7.4 (return of customer data), and section 8 (miscellaneous) will survive the termination of the Agreement.
- 8.11. **Taxes.** Fees imposed under the Agreement are exclusive of all taxes, levies, and duties. Customer is responsible for all taxes other than Basware's income and payroll taxes. If any deduction or withholding is required by law, Basware shall pay the taxes and add the amount to the fees invoiced to and paid by Customer, so that the net amount Basware receives remains unchanged, unless Customer provides Basware with a valid tax exemption certificate.
- 8.12. **Other.** The Agreement constitutes the parties' entire agreement regarding its subject matter, superseding all prior oral or written communications. If any part of the Agreement is held unenforceable, the rest remains in full force and effect. Failure to enforce any provision of the Agreement will not constitute a waiver. The Agreement does not create an agency, partnership, or joint venture.

BASWARE CLOUD SERVICES TERMS

There are no third-party beneficiaries to the Agreement. The Agreement may not be amended, superseded nor any obligation waived, except in writing and signed by authorized representatives of both parties.

9. DEFINITIONS

Affiliate means any legal entity that a party owns, that owns a party, or that is under common ownership with a party, ownership meaning holding 50% or more of the shares or voting rights of an entity.

Agreement means collectively the Sales Agreement, these Cloud Services Terms, and other appendices referenced to in the Sales Agreement.

Authorized Third Party means a third party that Customer has authorized to use or access the Cloud Service solely for the benefit and on behalf of Customer or its Affiliate.

Basware means the Basware legal entity specified in the Sales Agreement.

Cloud Service means each Basware service ordered by the Customer under the Agreement and made available online by Basware, including the applicable level of support specified in the Sales Agreement.

Customer means the customer legal entity specified in the Sales Agreement.

Customer Data means any data or material related to Customer's business submitted by Customer or its Affiliate, or on behalf of Customer or its Affiliate, to the Cloud Service.

DPA means the personal data processing appendix, which contains the terms governing the processing of personal data, referenced to in the Sales Agreement.

IPR means all present and future intellectual property rights including copyrights, trademarks and patents.

Professional Services mean consulting services, such as implementation, configuration, operational analysis, training and design performed by Basware or its Subcontractor in connection with the provision of the Cloud Service, as may be specified in more detail in the Scope Statement.

Sales Agreement means the Basware sales agreement, order form or similar document signed between Basware and Customer that references these cloud services terms.

Service Documentation means Basware's standard solution/service description, service level agreement and technical requirements appendices referenced to in the Sales Agreement.

Scope Statement means a scope statement, statement of work or other similar document describing the Professional Services.

Subcontractor means Basware Affiliates and other subcontractors who fulfill and/or assist with the performance of the Agreement.