# Contract Analysis Report

Generated: 2025-09-10 11:49
**Total Contracts Analyzed: 3**

## Classification Summary

|  |  |  |
| --- | --- | --- |
| Category | Present | Absent |
| Acceptable Clauses | 8 | 24 |
| Unacceptable Clauses | 4 | 9 |
| Neutral Clauses | 57 | - |
| Total | 69 | 33 |

## Detailed Contract Review

### Final\_clean\_MSA\_Verterim-\_Borg\_Warner\_-\_12052018\_-\_Verterim\_Executed.pdf

**Key Sections:** 3. Term; Termination

**Clause Status:** Unacceptable *(Present)*

**Clause Text:** This Agreement and any disputes arising out of or relating to this Agreement will be governed by, construed and interpreted in accordance with the internal laws of the Commonwealth of Massachusetts, without regard to any choice of law principle that would require the application of the law of another jurisdiction. The Parties expressly reject any application to this Agreement of (a) the United Nations Convention on Contracts for the International Sale of Goods; and (b) the 1974 Convention on the Limitation Period in the International Sale of Goods, as amended by that certain Protocol, done at Vienna on April 11, 1980.

**Document Location:** 12. General

**Classification Logic:** *Unacceptable clause remains unacceptable as it was found in the document.*

**Recommendation:** *"The governing law clause specifies New York instead of Massachusetts, which is not beneficial to Verterim as per the provided guidelines. It is recommended to renegotiate this clause to change the governing law to Massachusetts. Additionally, the exclusion of the United Nations Convention on Contracts for the International Sale of Goods is present, which aligns with the guidelines. However, ensure that the 1974 Convention on the Limitation Period in the International Sale of Goods is also addressed, as it is not explicitly mentioned in the current clause. Consider consulting with senior management for explicit approval or further negotiation strategies."*

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**Clause Status:** Acceptable *(Present)*

**Clause Text:** This Agreement will remain in full force and effect until

**Document Location:** 3. Term; Termination

**Classification Logic:** *Acceptable clause remains acceptable as it was found in the document.*

**Recommendation:** *"The clause effectively defines the duration of the agreement and the conditions for its renewal and termination. To enhance contract management, it is recommended to implement an aging function that alerts the parties when the contract is within six months of expiration. This will allow for timely decisions regarding termination or renewal. Additionally, establishing a workflow for both actions will ensure that the necessary steps are taken efficiently and in compliance with the contract terms."*

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**Clause Status:** Acceptable *(Absent)*

**Clause Text:** With <client's> prior written consent, Service Provider may subcontract the performance of specific obligations of Service Provider under a Statement of Work to a qualified Affiliate of Service Provider or to a qualified non-Affiliate third party including, but not limited to, consultants; provided, that (a) such Affiliate or third party performs those Services in a manner consistent with the terms and conditions of this Agreement; (b) Service Provider notifies <client> of the specific Services to be performed by the subcontractor and (c) Service Provider remains liable for the performance of such Affiliate or third party.

**Classification Logic:** *Originally unacceptable clause marked acceptable due to absence.*

**Recommendation:** *"The specific clause regarding subcontracting with prior written consent from the client is not present in the provided contract text. It is advisable to include such a clause to ensure clarity and mutual understanding regarding subcontracting arrangements. This would involve specifying the conditions under which subcontracting is permissible, including the requirement for client notification and the service provider's continued liability for subcontractor performance. Additionally, defining a workflow or alert system for the notification process would enhance operational efficiency and compliance."*

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**Clause Status:** Acceptable *(Absent)*

**Clause Text:** Any Service Provider Personnel (as defined in Section 3.4) identified in a Statement of Work as “Key Service Provider Personnel” will remain assigned to perform Services covered by the applicable Statement of Work as long as such individuals remain employed by or under contract with Service Provider, unless (a) an individual is unavailable for reasons of disability, illness or promotion; or (b) <client> has requested the replacement of any individual who is not performing to <client>’s reasonable satisfaction. Service Provider will cooperate with <client> in periodically reviewing the performance of the Key Service Provider Personnel and will promptly remedy any concerns to <client>’s reasonable satisfaction. Service Provider will promptly select a qualified replacement should any Key Service Provider Personnel resign or become otherwise unavailable as specified above or if <client> requests the replacement of any such Key Service Provider Personnel. <client> will have the right to approve any such replacement, which approval will not be unreasonably withheld.

**Classification Logic:** *Originally unacceptable clause marked acceptable due to absence.*

**Recommendation:** *"The specified clause regarding 'Key Service Provider Personnel' is not present in the provided contract text. It is recommended to include a clause that addresses the assignment and replacement of key personnel to ensure clarity and mutual understanding between the parties. This clause should outline the conditions under which personnel can be replaced, the client's right to approve replacements, and any associated costs for onboarding new personnel. Additionally, ensure that the client is notified of any changes in personnel and has the opportunity to approve replacements to maintain compliance and satisfaction."*

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**Clause Status:** Acceptable *(Present)*

**Clause Text:** Service Provider may terminate this Agreement or any Statement of Work if <client> fails to cure a material breach of this Agreement or of a Statement of Work within thirty (30) days after receiving written notice from Service Provider of such breach.

**Document Location:** 3. Term; Termination

**Classification Logic:** *Acceptable clause remains acceptable as it was found in the document.*

**Recommendation:** *"The clause is present and categorized as acceptable, as it provides the Service Provider with the right to terminate the agreement if the client fails to cure a material breach within the specified timeframe. It is recommended to ensure that the triggers for a breach are clearly defined and communicated to the client, such as late payments or failure to review and approve work products within defined timeframes. Additionally, implementing an alert system for potential breaches could help in managing compliance and avoiding disputes."*

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**Clause Status:** Acceptable *(Absent)*

**Clause Text:** Provided that Supplier has provided to <client> (i) the Services and/or Deliverables in accordance with this Agreement (including, the applicable Statement of Work) and (ii) all the information required by Section 14, <client> shall pay all undisputed Fees on an invoice within thirty (30) days of receipt of the invoice. The obligations set forth in this Section 3 are in addition to Supplier’s other obligations with respect to Fees and is not meant limit any other restrictions on the Fees that Supplier may charge <client> set forth in this Agreement. Payment for the Services and/or Deliverables shall not constitute Customer’s approval or acceptance of such Services and/or Deliverables.

**Classification Logic:** *Originally unacceptable clause marked acceptable due to absence.*

**Recommendation:** *"The specific payment term requiring payment within thirty (30) days of receipt of the invoice, as described in the prompt, is not present in the provided contract text. The current contract specifies a payment term of forty-five (45) days after receipt of the invoice. It is recommended to review the payment terms with the client to ensure alignment with the desired 30-day payment window, if that is a priority. Additionally, it is advisable to communicate this payment information to the Accounts Receivable department to ensure proper tracking and compliance with the agreed terms. Consider negotiating with the client to amend the contract to reflect the preferred 30-day payment term, if feasible."*

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**Clause Status:** Unacceptable *(Absent)*

**Clause Text:** Service Provider agrees that pricing for any particular type of Services is firm for the period of twenty four (24) months from the date on which a Statement of Work is agreed to by the Parties and following such 24-month period, prices for similar Services (whether or not performed pursuant to the same Statement of Work) may be increased in any calendar year no more than the lesser of (a) the change in the Consumer Price Index (CPI), published by the United States Bureau of Labor Statistics from the previous calendar year and (b) three percent (5%).

**Classification Logic:** *Originally acceptable clause marked unacceptable due to absence.*

**Recommendation:** *"Since the specified term is not present in the contract, there is no immediate action required regarding the pricing clause. However, it is advisable to ensure that any future contracts or amendments include provisions that allow for price adjustments in response to market conditions, particularly if the contract involves long-term commitments. This can help mitigate potential financial risks associated with fixed pricing over extended periods. Additionally, consider implementing a clause that allows for renegotiation or requires explicit approval from senior management for long-term pricing commitments, especially when such commitments are tied to strategic agreements like software licensing."*

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**Clause Status:** Unacceptable *(Absent)*

**Clause Text:** If at any time Supplier fails to obtain insurance (or provide proof of insurance) in accordance with this Agreement, or as otherwise required by Customer, Customer may obtain the coverage specified in this Agreement and charge all associated premiums and costs to Supplier. Supplier will reimburse Customer the cost thereof within fifteen (15) days of receipt of an invoice therefor from Customer.

**Classification Logic:** *Originally acceptable clause marked unacceptable due to absence.*

**Recommendation:** *"The specified term regarding insurance obligations and cost reimbursement is not present in the provided contract text. Therefore, the contract is categorized as 'acceptable' in this context. However, it is advisable to review the contract thoroughly to ensure all insurance-related obligations are clearly defined and agreed upon by both parties. If such a clause is deemed necessary for the agreement, consider negotiating its inclusion with explicit approval from senior management to mitigate potential risks associated with insurance coverage lapses."*

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**Clause Status:** Unacceptable *(Absent)*

**Clause Text:** In the event that any Services do not meet the specifications or other performance criteria agreed to by Service Provider and <client> in writing, then Service Provider will, at <client>’s option, promptly (a) re-perform such Services at Service Provider’s cost; or (b) refund to <client> all amounts paid by <client> to Service Provider in connection with such Services. The provisions of this Section 7.5 are not exclusive, and <client> may seek any other right or remedy that it may have under this Agreement or otherwise.

**Classification Logic:** *Originally acceptable clause marked unacceptable due to absence.*

**Recommendation:** *"The specific clause described in the prompt, which allows the client to seek remediation for non-conforming services and potentially refund payments, is not present in the provided contract text. Therefore, the contract is categorized as 'acceptable' in this context. However, it is advisable to ensure that the contract includes clear terms regarding service performance standards and remedies for non-compliance to protect both parties' interests. If such a clause is deemed necessary, consider drafting a balanced provision that outlines specific remedies while maintaining fairness to the service provider. Additionally, alerting the Service Delivery team to review and ensure compliance with all statement of work (SOW) requirements is recommended to prevent potential disputes."*

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**Clause Status:** Unacceptable *(Absent)*

**Clause Text:** Failure to Cure. If Supplier fails to make such changes or, notwithstanding such changes, the Services or Deliverables still contain deficiencies, then Customer may, in its sole discretion and in addition to any other remedies it may have: (i) provide, in writing, additional time for Supplier to make changes; or, (ii) terminate all or part of this Agreement or a Statement of Work pursuant to Section 8 upon written notice to Supplier. Upon Customer’s election to terminate, Customer will have no further obligation to make payments to Supplier and Supplier will refund to Customer all of the Fees paid to Supplier for the non-conforming Services and/or Deliverables.

**Classification Logic:** *Originally acceptable clause marked unacceptable due to absence.*

**Recommendation:** *"The specific term 'Failure to Cure' as described in the prompt is not present in the provided contract text. Therefore, the clause does not pose any immediate concerns regarding overreaching refund obligations for non-conforming services or deliverables. However, it is advisable to review the contract thoroughly to ensure that all terms related to termination and refunds are compliant with applicable laws, especially concerning Time and Material work in Massachusetts. If similar clauses are found elsewhere, they should be assessed for compliance with local regulations and adjusted accordingly to avoid potential disputes."*

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**Clause Status:** Unacceptable *(Absent)*

**Clause Text:** Minor Deficiency Correction. Notwithstanding Acceptance of any Services and/or Deliverables, Supplier, at no additional charge to Customer, will correct or develop a work around for any minor deficiencies identified by Customer. Supplier will correct or develop a work around for each minor deficiency within thirty (30) days after Customer provides notice to Supplier of the minor deficiency.

**Classification Logic:** *Originally acceptable clause marked unacceptable due to absence.*

**Recommendation:** *"The specific clause regarding 'Minor Deficiency Correction' is not present in the provided contract text. To protect Verterim from incurring costs due to vendor platform limitations, it is recommended to include language that explicitly addresses platform limitations and delineates responsibility for costs associated with workarounds. This addition would clarify expectations and protect Verterim from unforeseen expenses."*

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**Clause Status:** Unacceptable *(Absent)*

**Clause Text:** the Fees payable by <client> hereunder are as low or lower than amounts charged by Supplier to any other customer purchasing the same type and quantity of services and/or deliverables provided by Supplier hereunder;

**Classification Logic:** *Originally acceptable clause marked unacceptable due to absence.*

**Recommendation:** *"The specific clause stating that the fees payable by the client are as low or lower than amounts charged to any other customer is not present in the provided contract text. Therefore, the contract does not currently impose the risk of guaranteeing the lowest fees across all engagements, which is beneficial for the Provider. However, it is advisable to review the contract for any related clauses that might indirectly impose similar obligations or restrictions on pricing. Additionally, ensure that any clauses related to price increase restrictions are clear and do not conflict with other terms. If future negotiations introduce such a clause, consider the potential impact on pricing flexibility and the need for renegotiation if the relationship evolves."*

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**Clause Status:** Unacceptable *(Absent)*

**Clause Text:** To the extent any Supplier Existing IP is included in, or is otherwise necessary for the use of, the Work Product, Supplier hereby grants to Customer and each of its Affiliates a perpetual, irrevocable, transferable, non-exclusive, royalty-free, fully paid up, world-wide license to (a) use, reproduce, distribute, display, prepare derivative works, modify and develop the Work Product, and (b) make, have made, import, and sell and offer to sell and otherwise distribute or exploit the Supplier-Existing IP and/or Third Party IP, as applicable, to the extent either is embodied in any Work Product, or necessary to use any portion(s) of any Work Product, in each case without any accounting or additional consideration to Supplier or any third party. Supplier shall not include any Supplier Existing IP in any Work Product without the express prior written consent of Customer, which prior written consent may be given by Customer in a Statement of Work. For the avoidance of doubt, Supplier Existing IP alone shall not be deemed Work Product; however, any derivative works of Supplier Existing IP that are contained in and/or comprise the Work Product shall be deemed part of the Work Product and owned solely and exclusively by Customer.

**Classification Logic:** *Originally acceptable clause marked unacceptable due to absence.*

**Recommendation:** *"The specific term regarding the use of Supplier Existing IP and the requirement for express written consent from the Customer is not present in the provided contract text. As such, the contract does not impose the restriction that Verterim must seek express written consent to use its existing IP in the delivery of services. This absence aligns with the recommendation that the contract should allow Verterim to leverage its existing IP without needing explicit consent for each use. It is advisable to ensure that any future contracts explicitly include language that allows for the use of existing IP as part of the service delivery, with the client's agreement to such usage being implicit in the acceptance of the contract. This will streamline operations and reduce administrative burdens."*

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**Clause Status:** Unacceptable *(Absent)*

**Clause Text:** • reimburse <client> for the reasonable expenses that <client> may incur as a result of such Data Breach caused by their acts or omissions or those of any of their authorized subcontractors, including but not limited to, the expenses incurred in investigating the Data Security Breach and notifying affected individuals, and providing these individuals with the support necessary under the circumstances, such as credit monitoring.

**Classification Logic:** *Originally acceptable clause marked unacceptable due to absence.*

**Recommendation:** *"The specific clause regarding reimbursement for reasonable expenses due to a data breach caused by acts or omissions of Verterim or its subcontractors is not present in the provided contract text. As such, the contract does not currently obligate Verterim to reimburse the customer for such expenses. It is recommended to consider whether such a clause should be negotiated and included to protect the customer's interests in the event of a data breach. Additionally, it would be prudent to implement a method to inform Service Delivery of potential liabilities and incorporate this into Security Awareness Training for all employees and contractors to mitigate risks associated with data breaches."*

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**Clause Status:** Unacceptable *(Absent)*

**Clause Text:** Rejection and Cure. If Customer determines that any portion of the Services or Deliverables fails to meet the Acceptance Criteria, Customer will notify Supplier in writing with a description of deficiencies. Without limiting Customer’s other remedies, in such event, Supplier will, at no additional charge to Customer, make any necessary changes to the Services or Deliverables to correct any deficiencies. Supplier will resubmit the corrected Services or Deliverables within the timeframe requested by Customer or if no timeframe is requested, within fifteen (15) days after Customer notifies Supplier of the deficiencies of the Services or Deliverables. The Acceptance process in this Section 5(a) will apply to any resubmitted Services, including a new Acceptance Period.

**Classification Logic:** *Originally acceptable clause marked unacceptable due to absence.*

**Recommendation:** *"Since the specific 'Rejection and Cure' clause is not present in the provided contract text, it is categorized as 'acceptable' under the assumption that the absence of an 'unacceptable' clause is favorable. However, it is advisable to review the contract thoroughly to ensure that any similar provisions are adequately addressed. If the clause is critical to the agreement, consider negotiating its inclusion with terms that are mutually agreeable, such as a reasonable cure period and clear acceptance criteria."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** Service Provider will send all invoices, which will reference this Agreement and the relevant Purchase Order (PO) number, to the attention of “Accounts Payable” at the following address:

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The contract does not contain a specific clause detailing the invoicing process, including referencing the Agreement and Purchase Order (PO) number to the attention of 'Accounts Payable' at a designated address. It is recommended to include such a clause to ensure clarity in the invoicing process. Additionally, a notification system to Accounts Receivable should be implemented to verify that all invoices contain the appropriate references and are sent to the correct address. This will help in maintaining proper accounting records and facilitate timely payments."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** Service Provider will maintain all materials, data and documentation obtained or generated by Service Provider in the course of preparing for and providing Services, including computerized records and files (collectively, the “Records”) in a secure area reasonably protected from fire, theft and destruction, and <client> shall have reasonable access to such Records and the right to obtain photocopies of such Records. All Records will be the property of <client>. Service Provider will not transfer, deliver or otherwise provide any Records to any party other than <client> or its Affiliates, without the prior written approval of <client>.

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The specific term regarding the secure storage and protection of client data, as well as the provision for client access to records, is not present in the provided contract text. It is advisable to include such a clause to ensure that the client's data is adequately protected and accessible as needed. This would align with best practices for data management and client rights. Consider drafting and negotiating a clause that clearly outlines the responsibilities of the Service Provider regarding data security, client access, and ownership of records. This will help mitigate potential risks associated with data management and ensure compliance with applicable data protection laws."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** All Records will be retained by Service Provider for a minimum period of two (2) years following completion of the applicable Statement of Work, or longer if required by applicable law or regulation. Service Provider will, at the direction and written request of <client>, promptly deliver Records to <client> or its designee, or dispose of the Records, unless the Records are required to be retained by Service Provider by applicable law or regulation or for insurance purposes. In no event will Service Provider dispose of any Records without first giving <client> sixty (60) days’ prior written notice of its intent to do so.

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The specific clause regarding record retention and destruction notification is not present in the provided contract text. It is recommended to include a clause that clearly outlines the retention period for records, the conditions under which records can be delivered or disposed of, and the requirement for prior notice before disposal. This will ensure compliance with data retention policies and provide clarity on the responsibilities of the Service Provider. Additionally, implementing a data retention flag and alert mechanism for each client contract, as noted, would help manage compliance with data retention and destruction timelines effectively."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** Service Provider will carry, with financially sound and reputable insurers, insurance coverage (including worker’s compensation at or above the applicable statutory limits, comprehensive liability and professional liability/errors and omissions coverage) with respect to the conduct of its business against loss from such risks and in such amounts as is customary for well-insured companies engaged in similar businesses and sufficient to support its obligations under this Agreement. Upon the request of <client>, Service Provider will provide <client> with a Certificate of Insurance evidencing such coverage and providing that thirty (30) days advance written notice will be given to <client> of any material change or cancellation in coverage or limits.

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The specific insurance clause requiring the Service Provider to carry insurance coverage and provide a Certificate of Insurance upon request is not present in the provided contract text. It is recommended to ensure that such a clause is included to protect the interests of both parties and to comply with industry standards. The clause should specify the types of insurance required, the limits, and the process for providing proof of insurance. Additionally, establishing a workflow for requesting and verifying Certificates of Insurance would be prudent. If the client's requirements exceed the current coverage, a redline and renegotiation process should be in place."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** Supplier agrees to maintain the following minimum limits of insurance with respect to, but not limited to, the coverages required hereunder:

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The specific clause requiring the supplier to maintain minimum limits of insurance is not present in the provided contract text. It is advisable to review the contract to ensure that the insurance requirements are clearly outlined and to consider including a clause that specifies the need for a Certificate of Insurance (COI) to verify compliance. If the insurance requirements are critical, a renegotiation or redline of the contract may be necessary to incorporate these terms."*

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**Clause Status:** Neutral *(Present)*

**Clause Text:** In the event of a breach of this Agreement by Service Provider which cannot be cured (e.g., breach of confidentiality obligations under Section 6), <client> may terminate this Agreement or any Statement of Work with immediate effect, at any time upon written notice to Service Provider. Further, <client>a may terminate this Agreement or a Statement of Work at any time upon thirty (30) days’ prior written notice to Service Provider.

**Document Location:** Section 3: Term; Termination

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The clause is present and categorized as neutral, as it provides both parties the right to terminate the agreement under specific conditions. It is recommended to implement a system to track and confirm receipt of termination notices, such as an acknowledgment checkbox for emails or a log for mailed notices, to ensure compliance and avoid disputes over notice delivery."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** Service Provider will perform all Services in accordance with the applicable Statement of Work, (b) with requisite care, skill and diligence and (c) in accordance with all applicable laws, rules, regulations, orders and industry standards. If specified in a Statement of Work, Services will be rendered in accordance with

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The specified clause is not present in the provided contract text. It is advisable to ensure that the contract includes a clause that clearly outlines the service provider's obligations to perform services with requisite care, skill, and diligence, and in accordance with all applicable laws and industry standards. This would align with best practices and provide clarity on performance expectations. Additionally, any specific frameworks or processes that the services should adhere to should be explicitly mentioned to avoid ambiguity."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** Without limiting any existing confidentiality obligations between the Parties as of the Effective Date, this Agreement, together with the attached Appendix A and any fully-signed Statements of Work, each of which are incorporated into this Agreement by reference, constitute the entire agreement between the Parties with respect to the specific subject matter of this Agreement, and all prior agreements, oral or written, with respect to such subject matter are superseded. If there is any conflict, discrepancy or inconsistency between the terms contained in the body of this Agreement and any Statement of Work, the terms set forth in the body of this Agreement will govern, control, and take precedence. No provision included in any purchase order, quotation, invoice or other communication between the Parties that is different than, in conflict with or in addition to any provision of this Agreement (including any Statement of Work) shall have any force or effect and each Party hereby gives notice of its objection to any such proposed additional, different or conflicting provision.

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The specific term in question is not present in the provided contract text. However, it is important to ensure that any references to external documents, such as Appendix A or Statements of Work, are clearly identified and reviewed for consistency with the main agreement. It is recommended to verify that all referenced documents are attached and incorporated properly to avoid any potential conflicts or ambiguities. Additionally, ensure that the precedence of terms is clearly established to prevent disputes over conflicting provisions."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** All invoices submitted by Supplier must identify the Purchase Order number of the Purchase Order under which <client> authorized the applicable Fees. If the Statement of Work expressly states that the Fees will be calculated on a time and materials basis, the invoice must also set forth the following information: (i) the names of Supplier’s Personnel who performed work under the Statement of Work; (ii) documentation of the expenses of each of its Personnel, with receipts; (iii) for each of its Personnel, the number of hours worked (which for the avoidance of doubt, excludes time for lunch) and a description of the work performed; (iv) the hourly rate of each individual; and (v) any other information reasonably requested by <client> or as may be requested in the Purchase Order. <client> shall be responsible for the payment of all taxes in connection with this Agreement that are legally required to be paid by <client>, and not for any taxes based on Supplier’s income or taxes that are not legally required to be paid by <client>. If <client> is required to withhold taxes from any payments due to Supplier, then <client> will forward any withholding receipts to Supplier at [address/email address]. <client> shall be entitled to return incomplete invoices unpaid.

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The specific invoicing requirements clause as described is not present in the provided contract text. It is recommended to ensure that such a clause is included in the contract to clearly outline the invoicing process and requirements, particularly for time and materials billing. This will help in maintaining clarity and avoiding disputes related to invoicing. Additionally, it is advisable to establish a workflow for processing invoices in accordance with the agreed terms to ensure compliance and efficiency in accounts receivable management."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** If <client> wishes to dispute any of the Fees invoiced by Supplier, no later than thirty (30) days from receipt of the invoice in question, <client> shall notify Supplier of the amount in dispute and the basis of such dispute. Upon receipt of notice from <client>, Supplier shall work with <client> in good faith to promptly resolve the dispute on Fees. With respect to disputed Fees, <client> shall pay the resolved amount within thirty (30) days following mutual written resolution of the dispute by the Parties. <client> shall not be in default of its obligation to pay the invoice while the dispute remains unresolved.

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The specific term regarding the dispute of fees within thirty (30) days and the subsequent payment terms after resolution is not present in the provided contract text. It is recommended to include a clear clause addressing the procedure for disputing fees, the timeline for resolution, and the adjusted payment terms post-resolution to ensure both parties have a mutual understanding and to prevent potential disputes. This will also align with the note that emphasizes the need to reset the clock for payment terms upon dispute resolution."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** Acceptance Testing. Customer has the right to inspect, review, test and otherwise evaluate the Services or Deliverables after delivery for compliance with the applicable Acceptance Criteria. Such inspection and testing will be performed within the Acceptance Period in order to identify and resolve all errors, defects, and nonconformities with the Services or Deliverables. Upon completion of such evaluation, Customer will issue to Supplier a notice of Acceptance or rejection of the Services or Deliverables. Customer’s failure to reject the Services and/or Deliverables within the Acceptance Period will constitute Customer’s rejection of the applicable Services and/or Deliverables. The Acceptance Criteria and the Acceptance Period may be defined within each Statement of Work. In the event no Acceptance Criteria and/or Acceptance Period is defined in the Statement of Work, this MSA shall prevail.

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The contract text does not contain the specified 'Acceptance Testing' clause. It is recommended to include an Acceptance Testing clause that clearly defines the Acceptance Criteria and Acceptance Period within the Statement of Work or the Master Services Agreement (MSA) to avoid ambiguity. This will ensure that both parties have a mutual understanding of the evaluation process for the deliverables. Additionally, specifying a timeframe for the Acceptance Period is crucial to prevent disputes regarding the acceptance or rejection of services or deliverables."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** it shall comply with all descriptions and specifications set forth in each Statement of Work (including performance capabilities, accuracy, completeness, uniformity, characteristics, configurations, standards, functions and requirements) and will use individuals with suitable training, education, experience, and skill to fulfill its obligations under a Statement of Work;

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The specified term is not present in the provided contract text. Since the term is categorized as 'neutral', its absence does not impact the overall acceptability of the contract. No immediate action is required. However, it is advisable to ensure that all Statements of Work (SOW) clearly outline the performance capabilities, accuracy, completeness, and other relevant specifications to avoid any ambiguity in the execution of services. Additionally, consider including a clause that mandates the use of qualified individuals to fulfill obligations under each SOW to ensure quality and compliance with industry standards."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** it has the skills, qualifications and experience necessary to perform its obligations under this Agreement and Supplier shall devote all the necessary time and attention for the proper performance of its obligations set out in a Statement of Work;

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The clause in question, which places responsibility on Verterim for skill and diligence in work product/resources, is not explicitly present in the contract text provided. However, similar responsibilities are generally implied under standard representations and warranties clauses. It is advisable to ensure that the contract explicitly includes a clause that requires the Provider to have the necessary skills, qualifications, and experience to perform its obligations, as well as to devote the necessary time and attention for proper performance. This can help mitigate risks related to performance inadequacies. Consider reviewing the contract to ensure such provisions are clearly articulated, potentially under the Warranties section or a specific section dedicated to performance standards."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** it shall comply with all Applicable Law in the performance of its obligations under this Agreement (including, but not limited to, all applicable anti-corruption and discrimination in employment laws, rules, regulations, legislation or conventions and in connection with its sole obligation to withhold and report taxes on payments made to its Personnel, and make payments into pension schemes, social security plans, or similar arrangements for the benefit of its employees);

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The clause regarding compliance with all applicable laws, including anti-corruption and discrimination laws, is not explicitly present in the provided contract text. It is advisable to include such a clause to ensure that both parties are legally obligated to adhere to relevant laws and regulations. This is a common practice in contracts to mitigate legal risks and ensure compliance. Consider adding a clause that explicitly states the obligation of both parties to comply with all applicable laws, including but not limited to anti-corruption and discrimination laws, as well as obligations related to tax reporting and employee benefits. This addition would enhance the contract's comprehensiveness and enforceability."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** it has obtained, or will obtain, any and all permits, licenses and/or governmental or third party consents, approvals or assignments in a timely manner which are required in connection with the performance of this Agreement by Supplier or in order to enable Supplier to provide and Customer to use any Services and/or Deliverables performed or delivered, as the case may be, under this Agreement;

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The clause regarding the obtaining of necessary permits, licenses, and consents is common and advisable to include in contracts to ensure compliance with legal and regulatory requirements. It is recommended to review the contract to ensure such a provision is included to mitigate risks related to non-compliance. If absent, consider adding a clause that explicitly requires the Supplier to obtain all necessary permits, licenses, and consents in a timely manner to facilitate the performance of the agreement."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** Suppliers must immediately notify <client> (security.response@<client security email address>.com / privacy@<client security email address>.com) if they know, discover or reasonably believe that there has been a Data Security Breach. In the event of a Data Security Breach, Suppliers will:

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The specific clause requiring suppliers to notify the client in the event of a Data Security Breach is not present in the provided contract text. It is recommended to include a detailed data breach notification clause to ensure compliance with data protection regulations and to establish clear communication protocols in the event of a security incident. This clause should specify the notification timeline, responsible contacts, and any required actions following a breach. Additionally, documenting unique requirements and contact details for each client, as well as establishing a method for incident response notification, would enhance the contract's effectiveness in managing data security events."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** • immediately investigate, correct, mitigate, remediate and otherwise handle the Data Security

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The specified term related to data security handling is not present in the provided contract text. As the term is categorized as 'neutral,' its absence does not necessitate immediate concern. However, it is advisable to review the contract to ensure that adequate data security measures and protocols are explicitly addressed elsewhere. This will help mitigate potential risks associated with data breaches or security incidents. Consider incorporating a clause that outlines specific data security obligations and response procedures to enhance the contract's comprehensiveness and protect both parties' interests."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** Breach, including without limitation, by identifying Personal Data affected by the Data Security Breach and taking sufficient steps to prevent the continuation and recurrence of the Data Security Breach;

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"Since the specific term related to data security breach identification and prevention is not present in the contract, it is advisable to consider including a clause that explicitly addresses the identification of personal data affected by any data security breach and outlines steps to prevent its recurrence. This addition would enhance the contract's comprehensiveness in addressing data security concerns, aligning with best practices and potentially mitigating risks associated with data breaches."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** • provide information and assistance needed to enable <client> to evaluate the Data Security Breach and, as applicable, provide timely notices disclosing a Data Security Breach and comply with any obligations to provide information on the Data Security Breach to relevant regulators; and

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The specific term regarding the provision of information and assistance for evaluating a Data Security Breach and providing timely notices is not present in the provided contract text. It is recommended to review the contract to ensure that such a clause is included if it is necessary for compliance with data protection regulations and to clearly delineate the responsibilities of the parties in the event of a data breach. Consider drafting separate clauses to address client assistance for validation and timely notification to ensure clarity and enforceability."*

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### MASTER\_SERVICES\_AGREEMENT\_excluding\_Travel\_2018\_update-\_Verterim\_FINAL\_Fully\_Executed\_12102020.pdf

**Key Sections:** TERM/TERMINATION, Not explicitly found in the provided text

**Clause Status:** Acceptable *(Absent)*

**Clause Text:** This Agreement and any disputes arising out of or relating to this Agreement will be governed by, construed and interpreted in accordance with the internal laws of the Commonwealth of Massachusetts, without regard to any choice of law principle that would require the application of the law of another jurisdiction. The Parties expressly reject any application to this Agreement of (a) the United Nations Convention on Contracts for the International Sale of Goods; and (b) the 1974 Convention on the Limitation Period in the International Sale of Goods, as amended by that certain Protocol, done at Vienna on April 11, 1980.

**Classification Logic:** *Originally unacceptable clause marked acceptable due to absence.*

**Recommendation:** *"The contract does not contain the specified governing law clause that references the Commonwealth of Massachusetts and the rejection of the United Nations Convention on Contracts for the International Sale of Goods and the 1974 Convention on the Limitation Period in the International Sale of Goods. It currently states that the agreement is governed by the laws of the Commonwealth of Pennsylvania. If Massachusetts law is beneficial to Verterim, it is recommended to renegotiate the governing law clause to reflect Massachusetts as the governing jurisdiction. Additionally, ensure that the rejection of the aforementioned international conventions is explicitly included if it aligns with Verterim's interests."*

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**Clause Status:** Acceptable *(Absent)*

**Clause Text:** This Agreement will remain in full force and effect until

**Classification Logic:** *Originally unacceptable clause marked acceptable due to absence.*

**Recommendation:** *"The term specifying the contract's duration is not explicitly present in the contract text. It is recommended to include a clear clause that defines the timeframe the contract remains in effect. This will provide clarity on the contract's duration and ensure both parties are aware of the contract's validity period. Additionally, implementing an aging function to alert when contracts are within 6 months of expiration could help in managing contract renewals or terminations effectively. Establishing a workflow for these actions will ensure timely and organized contract management."*

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**Clause Status:** Acceptable *(Absent)*

**Clause Text:** With <client's> prior written consent, Service Provider may subcontract the performance of specific obligations of Service Provider under a Statement of Work to a qualified Affiliate of Service Provider or to a qualified non-Affiliate third party including, but not limited to, consultants; provided, that (a) such Affiliate or third party performs those Services in a manner consistent with the terms and conditions of this Agreement; (b) Service Provider notifies <client> of the specific Services to be performed by the subcontractor and (c) Service Provider remains liable for the performance of such Affiliate or third party.

**Classification Logic:** *Originally unacceptable clause marked acceptable due to absence.*

**Recommendation:** *"The contract does not contain the specified clause allowing subcontracting with the conditions outlined. If subcontracting is intended to be part of the agreement, it is recommended to include a clause similar to the one provided to ensure clarity and protect the client's interests. Additionally, defining a workflow or alert system for notifying the client about subcontracting activities would be beneficial. This will help maintain transparency and ensure compliance with the client's expectations."*

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**Clause Status:** Acceptable *(Present)*

**Clause Text:** Any Service Provider Personnel (as defined in Section 3.4) identified in a Statement of Work as “Key Service Provider Personnel” will remain assigned to perform Services covered by the applicable Statement of Work as long as such individuals remain employed by or under contract with Service Provider, unless (a) an individual is unavailable for reasons of disability, illness or promotion; or (b) <client> has requested the replacement of any individual who is not performing to <client>’s reasonable satisfaction. Service Provider will cooperate with <client> in periodically reviewing the performance of the Key Service Provider Personnel and will promptly remedy any concerns to <client>’s reasonable satisfaction. Service Provider will promptly select a qualified replacement should any Key Service Provider Personnel resign or become otherwise unavailable as specified above or if <client> requests the replacement of any such Key Service Provider Personnel. <client> will have the right to approve any such replacement, which approval will not be unreasonably withheld.

**Document Location:** Not explicitly found in the provided text

**Classification Logic:** *Acceptable clause remains acceptable as it was found in the document.*

**Recommendation:** *"The clause described in the prompt is beneficial as it allows for the replacement of non-performing personnel and ensures that the client has the right to approve replacements. However, it is recommended to include a condition where the client is notified of a new resource and asked if he/she is a satisfactory replacement to ensure compliance with the clause. Additionally, consider defining the costs associated with bringing a new resource up to speed to avoid potential disputes."*

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**Clause Status:** Acceptable *(Present)*

**Clause Text:** Service Provider may terminate this Agreement or any Statement of Work if <client> fails to cure a material breach of this Agreement or of a Statement of Work within thirty (30) days after receiving written notice from Service Provider of such breach.

**Document Location:** TERM/TERMINATION

**Classification Logic:** *Acceptable clause remains acceptable as it was found in the document.*

**Recommendation:** *"The clause provides a clear mechanism for termination upon a material breach, which is beneficial for the Service Provider. However, it is advisable to ensure that the triggers for a material breach are clearly defined within the contract to avoid any ambiguity. This may include specifying conditions such as late payments or failure to approve work products within defined timeframes. Additionally, implementing a system to alert the Service Provider of potential breaches, such as delayed payments, would be prudent to ensure timely action can be taken."*

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**Clause Status:** Acceptable *(Absent)*

**Clause Text:** Provided that Supplier has provided to <client> (i) the Services and/or Deliverables in accordance with this Agreement (including, the applicable Statement of Work) and (ii) all the information required by Section 14, <client> shall pay all undisputed Fees on an invoice within thirty (30) days of receipt of the invoice. The obligations set forth in this Section 3 are in addition to Supplier’s other obligations with respect to Fees and is not meant limit any other restrictions on the Fees that Supplier may charge <client> set forth in this Agreement. Payment for the Services and/or Deliverables shall not constitute Customer’s approval or acceptance of such Services and/or Deliverables.

**Classification Logic:** *Originally unacceptable clause marked acceptable due to absence.*

**Recommendation:** *"The contract does not contain the specific payment term clause that mandates payment within thirty (30) days as described in the prompt. The existing payment terms in the contract specify a sixty (60) day period for payment of undisputed charges. It is recommended to negotiate and amend the contract to include a clause that aligns with the desired thirty (30) day payment term if this is a critical requirement. Additionally, ensure that any changes in payment terms are communicated to the Accounts Receivable department to facilitate proper financial management."*

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**Clause Status:** Unacceptable *(Absent)*

**Clause Text:** Service Provider agrees that pricing for any particular type of Services is firm for the period of twenty four (24) months from the date on which a Statement of Work is agreed to by the Parties and following such 24-month period, prices for similar Services (whether or not performed pursuant to the same Statement of Work) may be increased in any calendar year no more than the lesser of (a) the change in the Consumer Price Index (CPI), published by the United States Bureau of Labor Statistics from the previous calendar year and (b) three percent (5%).

**Classification Logic:** *Originally acceptable clause marked unacceptable due to absence.*

**Recommendation:** *"The clause in question is not present in the provided contract text. Therefore, the contract is categorized as 'acceptable' in terms of pricing flexibility. It is recommended to continue monitoring for any future amendments or Statements of Work that may introduce similar terms, ensuring they align with Verterim's strategic and financial interests. If such a clause is proposed in the future, it should either require renegotiation or have explicit approval from Senior Management, considering potential long-term commitments such as licensed software use."*

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**Clause Status:** Unacceptable *(Present)*

**Clause Text:** If at any time Supplier fails to obtain insurance (or provide proof of insurance) in accordance with this Agreement, or as otherwise required by Customer, Customer may obtain the coverage specified in this Agreement and charge all associated premiums and costs to Supplier. Supplier will reimburse Customer the cost thereof within fifteen (15) days of receipt of an invoice therefor from Customer.

**Document Location:** INSURANCE

**Classification Logic:** *Unacceptable clause remains unacceptable as it was found in the document.*

**Recommendation:** *"The clause is categorized as 'unacceptable' due to its potential financial implications on the Supplier. It allows the Customer to unilaterally obtain insurance and charge the Supplier if the Supplier fails to meet the insurance requirements. This could lead to unexpected costs for the Supplier. It is recommended to renegotiate this clause to include a provision for mutual agreement on obtaining insurance or to require explicit approval from Senior Management before any such charges can be imposed. Additionally, consider setting a cap on the costs that can be charged to the Supplier to limit financial exposure."*

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**Clause Status:** Unacceptable *(Absent)*

**Clause Text:** In the event that any Services do not meet the specifications or other performance criteria agreed to by Service Provider and <client> in writing, then Service Provider will, at <client>’s option, promptly (a) re-perform such Services at Service Provider’s cost; or (b) refund to <client> all amounts paid by <client> to Service Provider in connection with such Services. The provisions of this Section 7.5 are not exclusive, and <client> may seek any other right or remedy that it may have under this Agreement or otherwise.

**Classification Logic:** *Originally acceptable clause marked unacceptable due to absence.*

**Recommendation:** *"The clause in question is not present in the provided contract text. As such, there is no immediate action required regarding this specific clause. However, it is advisable to ensure that all service delivery teams are aware of and comply with the specifications and performance criteria outlined in the Statements of Work (SOW) attached to the Master Services Agreement. Regular audits and reviews of service performance against the SOW requirements can help mitigate risks of non-compliance and ensure accountability. Additionally, consider implementing a monitoring system to alert service delivery teams of any clauses in future contracts that may impose significant obligations or liabilities."*

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**Clause Status:** Unacceptable *(Absent)*

**Clause Text:** Failure to Cure. If Supplier fails to make such changes or, notwithstanding such changes, the Services or Deliverables still contain deficiencies, then Customer may, in its sole discretion and in addition to any other remedies it may have: (i) provide, in writing, additional time for Supplier to make changes; or, (ii) terminate all or part of this Agreement or a Statement of Work pursuant to Section 8 upon written notice to Supplier. Upon Customer’s election to terminate, Customer will have no further obligation to make payments to Supplier and Supplier will refund to Customer all of the Fees paid to Supplier for the non-conforming Services and/or Deliverables.

**Classification Logic:** *Originally acceptable clause marked unacceptable due to absence.*

**Recommendation:** *"Since the specific 'Failure to Cure' clause is not present in the provided contract, the contract is categorized as 'acceptable' in this context. However, it is advisable to review the contract for any similar clauses that might impose undue refund obligations on the Service Provider, particularly in relation to Time and Material work. Ensure that any termination or refund clauses are compliant with Massachusetts law, which requires payment for Time and Material work irrespective of deliverable acceptance. Consider consulting with legal counsel to confirm that all terms align with applicable state laws and industry standards."*

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**Clause Status:** Unacceptable *(Absent)*

**Clause Text:** Minor Deficiency Correction. Notwithstanding Acceptance of any Services and/or Deliverables, Supplier, at no additional charge to Customer, will correct or develop a work around for any minor deficiencies identified by Customer. Supplier will correct or develop a work around for each minor deficiency within thirty (30) days after Customer provides notice to Supplier of the minor deficiency.

**Classification Logic:** *Originally acceptable clause marked unacceptable due to absence.*

**Recommendation:** *"The specific clause regarding 'Minor Deficiency Correction' is not present in the provided contract text. Therefore, the contract is categorized as 'acceptable' in this context. However, it is advisable for Verterim to ensure that any future contracts include language that addresses platform limitations to avoid incurring costs for workarounds due to vendor platform limitations. This can be achieved by negotiating terms that clearly delineate responsibilities and costs associated with such deficiencies."*

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**Clause Status:** Unacceptable *(Absent)*

**Clause Text:** the Fees payable by <client> hereunder are as low or lower than amounts charged by Supplier to any other customer purchasing the same type and quantity of services and/or deliverables provided by Supplier hereunder;

**Classification Logic:** *Originally acceptable clause marked unacceptable due to absence.*

**Recommendation:** *"The specific clause stating that 'the Fees payable by <client> hereunder are as low or lower than amounts charged by Supplier to any other customer purchasing the same type and quantity of services and/or deliverables provided by Supplier hereunder' is not present in the provided contract text. Therefore, the contract does not currently impose the risk associated with guaranteeing the lowest fees across all customer engagements. It is advisable to maintain vigilance for any similar clauses in future contract drafts to ensure they do not inadvertently introduce unfavorable pricing commitments. Additionally, review any existing clauses related to price increase restrictions to ensure they do not conflict with other pricing terms."*

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**Clause Status:** Unacceptable *(Present)*

**Clause Text:** To the extent any Supplier Existing IP is included in, or is otherwise necessary for the use of, the Work Product, Supplier hereby grants to Customer and each of its Affiliates a perpetual, irrevocable, transferable, non-exclusive, royalty-free, fully paid up, world-wide license to (a) use, reproduce, distribute, display, prepare derivative works, modify and develop the Work Product, and (b) make, have made, import, and sell and offer to sell and otherwise distribute or exploit the Supplier-Existing IP and/or Third Party IP, as applicable, to the extent either is embodied in any Work Product, or necessary to use any portion(s) of any Work Product, in each case without any accounting or additional consideration to Supplier or any third party. Supplier shall not include any Supplier Existing IP in any Work Product without the express prior written consent of Customer, which prior written consent may be given by Customer in a Statement of Work. For the avoidance of doubt, Supplier Existing IP alone shall not be deemed Work Product; however, any derivative works of Supplier Existing IP that are contained in and/or comprise the Work Product shall be deemed part of the Work Product and owned solely and exclusively by Customer.

**Document Location:** OWNERSHIP OF INTELLECTUAL PROPERTY

**Classification Logic:** *Unacceptable clause remains unacceptable as it was found in the document.*

**Recommendation:** *"It is recommended to revise the clause to allow Verterim to leverage its existing IP without requiring express written consent for each instance, provided that the use of such IP is within the scope of the agreed services. This could be achieved by including a provision that acknowledges the benefit of using existing IP in delivering services and pre-approves its use, subject to any specific exceptions that may be outlined in a Statement of Work. This adjustment would streamline the process and reduce administrative burdens while ensuring that the client's interests are protected."*

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**Clause Status:** Unacceptable *(Absent)*

**Clause Text:** • reimburse <client> for the reasonable expenses that <client> may incur as a result of such Data Breach caused by their acts or omissions or those of any of their authorized subcontractors, including but not limited to, the expenses incurred in investigating the Data Security Breach and notifying affected individuals, and providing these individuals with the support necessary under the circumstances, such as credit monitoring.

**Classification Logic:** *Originally acceptable clause marked unacceptable due to absence.*

**Recommendation:** *"The specific clause regarding reimbursement for reasonable expenses due to a data breach caused by acts or omissions of Verterim or its subcontractors is not present in the provided contract text. As such, the contract is categorized as 'acceptable' in this context. However, it is recommended to consider the inclusion of a clause that addresses data breach liabilities and reimbursement explicitly. This would provide clarity and protection for both parties in the event of a data breach. Additionally, it would be prudent to ensure that all relevant personnel are informed of potential liabilities through Security Awareness Training, as suggested in the notes."*

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**Clause Status:** Unacceptable *(Absent)*

**Clause Text:** Rejection and Cure. If Customer determines that any portion of the Services or Deliverables fails to meet the Acceptance Criteria, Customer will notify Supplier in writing with a description of deficiencies. Without limiting Customer’s other remedies, in such event, Supplier will, at no additional charge to Customer, make any necessary changes to the Services or Deliverables to correct any deficiencies. Supplier will resubmit the corrected Services or Deliverables within the timeframe requested by Customer or if no timeframe is requested, within fifteen (15) days after Customer notifies Supplier of the deficiencies of the Services or Deliverables. The Acceptance process in this Section 5(a) will apply to any resubmitted Services, including a new Acceptance Period.

**Classification Logic:** *Originally acceptable clause marked unacceptable due to absence.*

**Recommendation:** *"Since the specific 'Rejection and Cure' clause is not present in the provided contract text, the term is categorized as 'acceptable'. It is advisable to review the contract for any similar clauses that might impose obligations on the Service Provider regarding the correction of deficiencies in services or deliverables. If such clauses are found, ensure they align with the Service Provider's operational capabilities and timelines. Additionally, consider negotiating any terms that may impose undue burdens or unrealistic timeframes for corrections."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** Service Provider will send all invoices, which will reference this Agreement and the relevant Purchase Order (PO) number, to the attention of “Accounts Payable” at the following address:

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The contract does not explicitly contain the clause requiring the Service Provider to send all invoices referencing the Agreement and the relevant Purchase Order (PO) number to the attention of 'Accounts Payable' at a specified address. It is advisable to include such a clause to ensure clarity in the invoicing process and to prevent any potential disputes regarding payment. Additionally, consider adding a notification mechanism for Accounts Receivable to verify that invoices are correctly referenced and addressed. This will enhance the efficiency and accuracy of financial transactions between the parties."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** Service Provider will maintain all materials, data and documentation obtained or generated by Service Provider in the course of preparing for and providing Services, including computerized records and files (collectively, the “Records”) in a secure area reasonably protected from fire, theft and destruction, and <client> shall have reasonable access to such Records and the right to obtain photocopies of such Records. All Records will be the property of <client>. Service Provider will not transfer, deliver or otherwise provide any Records to any party other than <client> or its Affiliates, without the prior written approval of <client>.

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The specific clause regarding the secure maintenance and protection of records, as described in the prompt, is not present in the provided contract text. Given that the clause is categorized as 'neutral', its absence does not necessitate immediate concern. However, it is advisable to ensure that the contract includes clear provisions regarding data security and client access to records, as these are critical for protecting client interests and ensuring compliance with data protection standards. Consider reviewing the contract to incorporate similar language if data security and client access are relevant to the services being provided."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** All Records will be retained by Service Provider for a minimum period of two (2) years following completion of the applicable Statement of Work, or longer if required by applicable law or regulation. Service Provider will, at the direction and written request of <client>, promptly deliver Records to <client> or its designee, or dispose of the Records, unless the Records are required to be retained by Service Provider by applicable law or regulation or for insurance purposes. In no event will Service Provider dispose of any Records without first giving <client> sixty (60) days’ prior written notice of its intent to do so.

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The specific clause regarding data retention and destruction notification is not present in the provided contract text. It is recommended to include a detailed data retention and destruction clause to ensure compliance with applicable laws and regulations, and to protect both parties' interests. This clause should specify the retention period, conditions for data delivery or destruction, and notification requirements. Additionally, implementing a data retention flag and alert mechanism for each client contract, as noted, would enhance compliance and operational efficiency."*

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**Clause Status:** Neutral *(Present)*

**Clause Text:** Service Provider will carry, with financially sound and reputable insurers, insurance coverage (including worker’s compensation at or above the applicable statutory limits, comprehensive liability and professional liability/errors and omissions coverage) with respect to the conduct of its business against loss from such risks and in such amounts as is customary for well-insured companies engaged in similar businesses and sufficient to support its obligations under this Agreement. Upon the request of <client>, Service Provider will provide <client> with a Certificate of Insurance evidencing such coverage and providing that thirty (30) days advance written notice will be given to <client> of any material change or cancellation in coverage or limits.

**Document Location:** INSURANCE

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The clause is neutral and outlines standard insurance requirements. It is advisable to establish a Certificate of Insurance (COI) request process to ensure compliance with the clause. Additionally, maintain a profile of existing insurance coverages to compare with client requirements. If discrepancies arise, initiate a redline and renegotiate coverage terms as necessary. Implement a workflow or alert system to manage these processes effectively."*

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**Clause Status:** Neutral *(Present)*

**Clause Text:** Supplier agrees to maintain the following minimum limits of insurance with respect to, but not limited to, the coverages required hereunder:

**Document Location:** INSURANCE

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The insurance clause is present and outlines specific insurance requirements, which are standard for such agreements. It is recommended to ensure that Verterim, Inc. meets these insurance requirements and provides the necessary Certificate of Insurance to ERIE. If there are any discrepancies or unmet requirements, consider renegotiation or redlining the contract to address these issues. Additionally, it may be beneficial to consolidate this clause with similar clauses from other agreements to streamline compliance checks."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** In the event of a breach of this Agreement by Service Provider which cannot be cured (e.g., breach of confidentiality obligations under Section 6), <client> may terminate this Agreement or any Statement of Work with immediate effect, at any time upon written notice to Service Provider. Further, <client>a may terminate this Agreement or a Statement of Work at any time upon thirty (30) days’ prior written notice to Service Provider.

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The specific termination clause described in the prompt is not present in the provided contract text. The existing termination clause in the contract allows either party to terminate the agreement with a 30-day written notice, which is a standard provision. It is recommended to ensure that there is a clear process for acknowledging receipt of termination notices, such as implementing a system to confirm receipt of emails or mailed notices, as suggested in the notes. This will help prevent any disputes regarding the timing and acknowledgment of termination notices."*

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**Clause Status:** Neutral *(Present)*

**Clause Text:** Service Provider will perform all Services in accordance with the applicable Statement of Work, (b) with requisite care, skill and diligence and (c) in accordance with all applicable laws, rules, regulations, orders and industry standards. If specified in a Statement of Work, Services will be rendered in accordance with

**Document Location:** SERVICES

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The clause is categorized as neutral, as it outlines the Service Provider's obligation to perform services with care, skill, and diligence, which is a standard practice in service agreements. However, the clause should be reviewed to ensure it aligns with any specific frameworks or processes that may be relevant to the industry standards mentioned. This will enhance clarity and ensure that both parties have a mutual understanding of the expectations. Additionally, consider completing any incomplete sentences to avoid ambiguities."*

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**Clause Status:** Neutral *(Present)*

**Clause Text:** Without limiting any existing confidentiality obligations between the Parties as of the Effective Date, this Agreement, together with the attached Appendix A and any fully-signed Statements of Work, each of which are incorporated into this Agreement by reference, constitute the entire agreement between the Parties with respect to the specific subject matter of this Agreement, and all prior agreements, oral or written, with respect to such subject matter are superseded. If there is any conflict, discrepancy or inconsistency between the terms contained in the body of this Agreement and any Statement of Work, the terms set forth in the body of this Agreement will govern, control, and take precedence. No provision included in any purchase order, quotation, invoice or other communication between the Parties that is different than, in conflict with or in addition to any provision of this Agreement (including any Statement of Work) shall have any force or effect and each Party hereby gives notice of its objection to any such proposed additional, different or conflicting provision.

**Document Location:** ENTIRE AGREEMENT

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The clause is neutral and serves to clarify the precedence of the agreement over any conflicting terms in Statements of Work or other communications. It is recommended to ensure that Appendix A and any referenced Statements of Work are reviewed for consistency and completeness as they are integral parts of the agreement. Additionally, consider implementing a review alert system for any referenced documents to ensure they are included in the contract review process."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** All invoices submitted by Supplier must identify the Purchase Order number of the Purchase Order under which <client> authorized the applicable Fees. If the Statement of Work expressly states that the Fees will be calculated on a time and materials basis, the invoice must also set forth the following information: (i) the names of Supplier’s Personnel who performed work under the Statement of Work; (ii) documentation of the expenses of each of its Personnel, with receipts; (iii) for each of its Personnel, the number of hours worked (which for the avoidance of doubt, excludes time for lunch) and a description of the work performed; (iv) the hourly rate of each individual; and (v) any other information reasonably requested by <client> or as may be requested in the Purchase Order. <client> shall be responsible for the payment of all taxes in connection with this Agreement that are legally required to be paid by <client>, and not for any taxes based on Supplier’s income or taxes that are not legally required to be paid by <client>. If <client> is required to withhold taxes from any payments due to Supplier, then <client> will forward any withholding receipts to Supplier at [address/email address]. <client> shall be entitled to return incomplete invoices unpaid.

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The specific invoicing clause as described in the prompt is not present in the provided contract text. It is advisable to ensure that the invoicing requirements, especially those related to time and materials basis, are clearly outlined in the contract to avoid any ambiguities or disputes. Consider adding a detailed invoicing clause that specifies the necessary details such as Purchase Order numbers, personnel details, hours worked, and any tax-related responsibilities. This will facilitate smoother processing of invoices and compliance with agreed terms. Additionally, establish a workflow for invoicing to ensure adherence to these requirements."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** If <client> wishes to dispute any of the Fees invoiced by Supplier, no later than thirty (30) days from receipt of the invoice in question, <client> shall notify Supplier of the amount in dispute and the basis of such dispute. Upon receipt of notice from <client>, Supplier shall work with <client> in good faith to promptly resolve the dispute on Fees. With respect to disputed Fees, <client> shall pay the resolved amount within thirty (30) days following mutual written resolution of the dispute by the Parties. <client> shall not be in default of its obligation to pay the invoice while the dispute remains unresolved.

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The specific clause regarding the dispute of fees and resetting the payment terms is not present in the provided contract text. It is recommended to include such a clause to clearly outline the process for disputing fees and adjusting payment terms accordingly. This would ensure both parties have a mutual understanding and agreement on how disputes are handled, reducing potential conflicts. Additionally, ensure that any clause added aligns with the overall terms of the Master Services Agreement and complies with applicable laws and industry standards."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** Acceptance Testing. Customer has the right to inspect, review, test and otherwise evaluate the Services or Deliverables after delivery for compliance with the applicable Acceptance Criteria. Such inspection and testing will be performed within the Acceptance Period in order to identify and resolve all errors, defects, and nonconformities with the Services or Deliverables. Upon completion of such evaluation, Customer will issue to Supplier a notice of Acceptance or rejection of the Services or Deliverables. Customer’s failure to reject the Services and/or Deliverables within the Acceptance Period will constitute Customer’s rejection of the applicable Services and/or Deliverables. The Acceptance Criteria and the Acceptance Period may be defined within each Statement of Work. In the event no Acceptance Criteria and/or Acceptance Period is defined in the Statement of Work, this MSA shall prevail.

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The term 'Acceptance Testing' as described is not present in the provided contract text. Given the neutral categorization, there is no immediate concern regarding the absence of this specific clause. However, it is advisable to ensure that any acceptance testing procedures, if relevant to the services being provided, are clearly defined in the contract or any associated Statements of Work (SOW). This includes specifying the timeframe for the Acceptance Period and any applicable Acceptance Criteria to avoid potential disputes or ambiguities in the future. If acceptance testing is a critical component of the deliverables, consider drafting a detailed clause to be included in the SOWs."*

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**Clause Status:** Neutral *(Present)*

**Clause Text:** it shall comply with all descriptions and specifications set forth in each Statement of Work (including performance capabilities, accuracy, completeness, uniformity, characteristics, configurations, standards, functions and requirements) and will use individuals with suitable training, education, experience, and skill to fulfill its obligations under a Statement of Work;

**Document Location:** SERVICES

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The clause is neutral as it outlines the Service Provider's obligation to perform services with skill and diligence, which is a standard expectation in service agreements. No immediate changes are necessary. However, it may be beneficial to specify any particular frameworks or standards that the Service Provider should adhere to, to avoid ambiguity and ensure alignment with industry best practices."*

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**Clause Status:** Neutral *(Present)*

**Clause Text:** it has the skills, qualifications and experience necessary to perform its obligations under this Agreement and Supplier shall devote all the necessary time and attention for the proper performance of its obligations set out in a Statement of Work;

**Document Location:** SERVICES

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The clause is neutral and places responsibility on Verterim for ensuring they have the necessary skills and resources to perform their obligations. It is advisable to ensure that the clause is clear and unambiguous regarding the expectations of the Service Provider's performance. No immediate changes are necessary, but it may be beneficial to periodically review the Service Provider's performance to ensure compliance with this clause."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** it shall comply with all Applicable Law in the performance of its obligations under this Agreement (including, but not limited to, all applicable anti-corruption and discrimination in employment laws, rules, regulations, legislation or conventions and in connection with its sole obligation to withhold and report taxes on payments made to its Personnel, and make payments into pension schemes, social security plans, or similar arrangements for the benefit of its employees);

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The clause regarding compliance with all applicable laws, including anti-corruption and discrimination in employment laws, is not explicitly present in the provided contract text. It is advisable to include such a clause to ensure comprehensive legal compliance and to mitigate risks associated with non-compliance. This clause is common and should be reviewed and included in all contracts to ensure adherence to relevant legal standards and obligations. Consider adding a specific section that outlines these compliance obligations to enhance clarity and enforceability."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** it has obtained, or will obtain, any and all permits, licenses and/or governmental or third party consents, approvals or assignments in a timely manner which are required in connection with the performance of this Agreement by Supplier or in order to enable Supplier to provide and Customer to use any Services and/or Deliverables performed or delivered, as the case may be, under this Agreement;

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The clause regarding obtaining necessary permits, licenses, and consents is not explicitly present in the provided contract text. It is advisable to include such a clause to ensure that the Service Provider is obligated to secure all required authorizations for the performance of the agreement. This is a common practice to mitigate risks related to non-compliance with regulatory requirements. Consider reviewing the contract to incorporate this clause for clarity and to safeguard both parties' interests."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** Suppliers must immediately notify <client> (security.response@<client security email address>.com / privacy@<client security email address>.com) if they know, discover or reasonably believe that there has been a Data Security Breach. In the event of a Data Security Breach, Suppliers will:

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The contract does not contain the specified clause regarding immediate notification of a Data Security Breach. It is advisable to include such a clause to ensure clear communication protocols in the event of a data breach. This would enhance the contract's clarity and enforceability regarding data security incidents. Additionally, ensure that the contract includes specific contact details for incident response to facilitate prompt and effective communication."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** • immediately investigate, correct, mitigate, remediate and otherwise handle the Data Security

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The specific term regarding immediate investigation, correction, mitigation, remediation, and handling of Data Security is not present in the contract text. Given the neutral categorization, no immediate action is required. However, it is advisable to review the contract's data security provisions to ensure they are comprehensive and align with industry best practices. Consider incorporating specific language that addresses the prompt handling of data security incidents to enhance clarity and responsiveness."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** Breach, including without limitation, by identifying Personal Data affected by the Data Security Breach and taking sufficient steps to prevent the continuation and recurrence of the Data Security Breach;

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The term related to data security breach is not explicitly present in the provided contract text. It is advisable to include a specific clause addressing data security breaches, particularly focusing on identifying affected personal data and implementing measures to prevent recurrence. This will enhance the contract's comprehensiveness in addressing potential data security issues. Additionally, ensure that any data protection clauses comply with relevant data protection laws and regulations, such as GDPR or CCPA, depending on the jurisdiction."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** • provide information and assistance needed to enable <client> to evaluate the Data Security Breach and, as applicable, provide timely notices disclosing a Data Security Breach and comply with any obligations to provide information on the Data Security Breach to relevant regulators; and

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"Since the specific clause regarding data security breach assistance and notification is not present in the provided contract text, it is recommended to review the contract for any sections related to data security and breach notification obligations. If such obligations are necessary for the agreement, consider drafting a clause that clearly delineates the responsibilities of the Service Provider in assisting with breach evaluation and notification. This should include distinct requirements for client assistance in breach validation and timely notification to relevant parties, ensuring compliance with applicable data protection regulations."*

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### Hanover\_MSA\_-\_Fully\_executed\_01162019.pdf

**Key Sections:** TERM AND TERMINATION, DELEGATION AND/OR SUBCONTRACTING, Section 3: Payments and Expenses, GOVERNING LAW

**Clause Status:** Acceptable *(Present)*

**Clause Text:** This Agreement and any disputes arising out of or relating to this Agreement will be governed by, construed and interpreted in accordance with the internal laws of the Commonwealth of Massachusetts, without regard to any choice of law principle that would require the application of the law of another jurisdiction. The Parties expressly reject any application to this Agreement of (a) the United Nations Convention on Contracts for the International Sale of Goods; and (b) the 1974 Convention on the Limitation Period in the International Sale of Goods, as amended by that certain Protocol, done at Vienna on April 11, 1980.

**Document Location:** GOVERNING LAW

**Classification Logic:** *Acceptable clause remains acceptable as it was found in the document.*

**Recommendation:** *"The governing law clause is beneficial as it specifies Massachusetts law, which aligns with Verterim's preference. The clause also appropriately excludes the application of the United Nations Convention on Contracts for the International Sale of Goods and the 1974 Convention on the Limitation Period in the International Sale of Goods, which is advantageous. No further action is necessary unless there are specific concerns about other jurisdictions or international sales that need to be addressed."*

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**Clause Status:** Acceptable *(Present)*

**Clause Text:** This Agreement will remain in full force and effect until

**Document Location:** TERM AND TERMINATION

**Classification Logic:** *Acceptable clause remains acceptable as it was found in the document.*

**Recommendation:** *"The term is present and categorized as acceptable. It is recommended to implement an aging function to alert when the contract is within 6 months of expiration. This will allow for timely decisions regarding termination or renewal. Establish a workflow to manage these actions efficiently."*

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**Clause Status:** Acceptable *(Present)*

**Clause Text:** With <client's> prior written consent, Service Provider may subcontract the performance of specific obligations of Service Provider under a Statement of Work to a qualified Affiliate of Service Provider or to a qualified non-Affiliate third party including, but not limited to, consultants; provided, that (a) such Affiliate or third party performs those Services in a manner consistent with the terms and conditions of this Agreement; (b) Service Provider notifies <client> of the specific Services to be performed by the subcontractor and (c) Service Provider remains liable for the performance of such Affiliate or third party.

**Document Location:** DELEGATION AND/OR SUBCONTRACTING

**Classification Logic:** *Acceptable clause remains acceptable as it was found in the document.*

**Recommendation:** *"The clause is acceptable as it ensures that any subcontracting is subject to the client's prior written consent, maintaining control over the subcontracting process. It is recommended to establish a clear workflow or alert system for notifying the client about subcontracting activities, as mentioned in the notes. This will ensure timely communication and adherence to the clause's requirements."*

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**Clause Status:** Acceptable *(Absent)*

**Clause Text:** Any Service Provider Personnel (as defined in Section 3.4) identified in a Statement of Work as “Key Service Provider Personnel” will remain assigned to perform Services covered by the applicable Statement of Work as long as such individuals remain employed by or under contract with Service Provider, unless (a) an individual is unavailable for reasons of disability, illness or promotion; or (b) <client> has requested the replacement of any individual who is not performing to <client>’s reasonable satisfaction. Service Provider will cooperate with <client> in periodically reviewing the performance of the Key Service Provider Personnel and will promptly remedy any concerns to <client>’s reasonable satisfaction. Service Provider will promptly select a qualified replacement should any Key Service Provider Personnel resign or become otherwise unavailable as specified above or if <client> requests the replacement of any such Key Service Provider Personnel. <client> will have the right to approve any such replacement, which approval will not be unreasonably withheld.

**Classification Logic:** *Originally unacceptable clause marked acceptable due to absence.*

**Recommendation:** *"The specified clause regarding 'Key Service Provider Personnel' is not present in the contract text. It is recommended to include a clause that addresses the assignment and replacement of key personnel to ensure clarity and compliance with expectations. This clause should specify the conditions under which personnel can be replaced, the client's right to approve replacements, and any associated costs for onboarding new personnel. Additionally, the clause should include a provision for notifying the client of any personnel changes and obtaining their approval to ensure satisfaction with the replacement."*

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**Clause Status:** Acceptable *(Absent)*

**Clause Text:** Service Provider may terminate this Agreement or any Statement of Work if <client> fails to cure a material breach of this Agreement or of a Statement of Work within thirty (30) days after receiving written notice from Service Provider of such breach.

**Classification Logic:** *Originally unacceptable clause marked acceptable due to absence.*

**Recommendation:** *"The contract does not contain the specified termination clause that allows the Service Provider to terminate the Agreement or any Statement of Work if the client fails to cure a material breach within thirty (30) days after receiving written notice. It is recommended to include such a clause to protect the Service Provider's interests in the event of a breach by the client. This clause should clearly define what constitutes a material breach and outline the process for providing notice and the opportunity to cure. Additionally, consider implementing mechanisms to monitor client compliance with payment terms and other obligations to promptly identify potential breaches."*

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**Clause Status:** Acceptable *(Present)*

**Clause Text:** Provided that Supplier has provided to <client> (i) the Services and/or Deliverables in accordance with this Agreement (including, the applicable Statement of Work) and (ii) all the information required by Section 14, <client> shall pay all undisputed Fees on an invoice within thirty (30) days of receipt of the invoice. The obligations set forth in this Section 3 are in addition to Supplier’s other obligations with respect to Fees and is not meant limit any other restrictions on the Fees that Supplier may charge <client> set forth in this Agreement. Payment for the Services and/or Deliverables shall not constitute Customer’s approval or acceptance of such Services and/or Deliverables.

**Document Location:** Section 3: Payments and Expenses

**Classification Logic:** *Acceptable clause remains acceptable as it was found in the document.*

**Recommendation:** *"The payment terms are clearly set at 30 days, which is standard and beneficial for maintaining cash flow. It is recommended to ensure that this clause is highlighted to the Accounts Receivable department to facilitate timely processing. Additionally, consider implementing a system to flag any payment terms that deviate from this standard to ensure consistency and avoid potential disputes."*

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**Clause Status:** Unacceptable *(Absent)*

**Clause Text:** Service Provider agrees that pricing for any particular type of Services is firm for the period of twenty four (24) months from the date on which a Statement of Work is agreed to by the Parties and following such 24-month period, prices for similar Services (whether or not performed pursuant to the same Statement of Work) may be increased in any calendar year no more than the lesser of (a) the change in the Consumer Price Index (CPI), published by the United States Bureau of Labor Statistics from the previous calendar year and (b) three percent (5%).

**Classification Logic:** *Originally acceptable clause marked unacceptable due to absence.*

**Recommendation:** *"The specific pricing clause described is not present in the provided contract text. Therefore, the contract is categorized as 'acceptable' in this context. It is recommended to review the contract for any other clauses that may impact pricing or financial terms and ensure they align with the company's strategic objectives. If the clause is intended to be included, consider renegotiating the terms to allow for flexibility in pricing adjustments based on market conditions, or seek explicit approval from Senior Management for long-term rate commitments."*

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**Clause Status:** Unacceptable *(Absent)*

**Clause Text:** If at any time Supplier fails to obtain insurance (or provide proof of insurance) in accordance with this Agreement, or as otherwise required by Customer, Customer may obtain the coverage specified in this Agreement and charge all associated premiums and costs to Supplier. Supplier will reimburse Customer the cost thereof within fifteen (15) days of receipt of an invoice therefor from Customer.

**Classification Logic:** *Originally acceptable clause marked unacceptable due to absence.*

**Recommendation:** *"The specified term regarding insurance obligations and cost reimbursement by the Supplier is not present in the provided contract text. Therefore, the contract is categorized as 'acceptable' in this context. It is recommended to review the contract for any other potentially harmful clauses and ensure that all insurance requirements are clearly defined and agreed upon by both parties. If any concerns arise regarding insurance obligations, consider renegotiating terms or seeking explicit approval from Senior Management to ensure alignment with organizational risk management policies."*

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**Clause Status:** Unacceptable *(Absent)*

**Clause Text:** In the event that any Services do not meet the specifications or other performance criteria agreed to by Service Provider and <client> in writing, then Service Provider will, at <client>’s option, promptly (a) re-perform such Services at Service Provider’s cost; or (b) refund to <client> all amounts paid by <client> to Service Provider in connection with such Services. The provisions of this Section 7.5 are not exclusive, and <client> may seek any other right or remedy that it may have under this Agreement or otherwise.

**Classification Logic:** *Originally acceptable clause marked unacceptable due to absence.*

**Recommendation:** *"The specific clause in question is not present in the provided contract text. However, it is advisable for Verterim to ensure that any similar clauses in future agreements are carefully reviewed. Such clauses, which allow for re-performance or refunds at the client's discretion, can impose significant obligations on the service provider. It is recommended that Verterim's legal and service delivery teams work closely to identify and negotiate the terms of service agreements to ensure they align with Verterim's operational capabilities and risk management strategies. Additionally, implementing a robust contract management process to flag and address potentially onerous clauses before contract execution would be beneficial."*

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**Clause Status:** Unacceptable *(Absent)*

**Clause Text:** Failure to Cure. If Supplier fails to make such changes or, notwithstanding such changes, the Services or Deliverables still contain deficiencies, then Customer may, in its sole discretion and in addition to any other remedies it may have: (i) provide, in writing, additional time for Supplier to make changes; or, (ii) terminate all or part of this Agreement or a Statement of Work pursuant to Section 8 upon written notice to Supplier. Upon Customer’s election to terminate, Customer will have no further obligation to make payments to Supplier and Supplier will refund to Customer all of the Fees paid to Supplier for the non-conforming Services and/or Deliverables.

**Classification Logic:** *Originally acceptable clause marked unacceptable due to absence.*

**Recommendation:** *"The specific clause regarding 'Failure to Cure' is not present in the provided contract text. Therefore, the contract does not currently contain the unacceptable term as described. It is recommended to review the contract for any similar clauses that might impose overly broad refund obligations or other terms that could be deemed overreaching. Additionally, ensure that any termination or refund clauses comply with Massachusetts law regarding Time and Material work, which requires payment for work performed regardless of deliverable acceptance. If such clauses are found, consider negotiating amendments to align with legal requirements and industry standards."*

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**Clause Status:** Unacceptable *(Absent)*

**Clause Text:** Minor Deficiency Correction. Notwithstanding Acceptance of any Services and/or Deliverables, Supplier, at no additional charge to Customer, will correct or develop a work around for any minor deficiencies identified by Customer. Supplier will correct or develop a work around for each minor deficiency within thirty (30) days after Customer provides notice to Supplier of the minor deficiency.

**Classification Logic:** *Originally acceptable clause marked unacceptable due to absence.*

**Recommendation:** *"The contract does not contain the specified 'Minor Deficiency Correction' clause, which is deemed unacceptable. Since the clause is not present, the contract is categorized as 'acceptable'. However, it is recommended to include language that addresses platform limitations to protect Verterim from incurring costs due to vendor platform limitations. This will ensure that Verterim is not unfairly burdened with the responsibility of correcting deficiencies that arise due to inherent limitations of the vendor's platform."*

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**Clause Status:** Unacceptable *(Absent)*

**Clause Text:** the Fees payable by <client> hereunder are as low or lower than amounts charged by Supplier to any other customer purchasing the same type and quantity of services and/or deliverables provided by Supplier hereunder;

**Classification Logic:** *Originally acceptable clause marked unacceptable due to absence.*

**Recommendation:** *"The clause in question, which guarantees the client the lowest fees compared to other customers, is not present in the provided contract text. Therefore, the contract does not currently pose the risk associated with such a clause. However, it is advisable to ensure that any future amendments or statements of work do not introduce similar clauses without careful consideration of their implications on pricing flexibility and potential conflicts with other pricing terms. Additionally, it would be prudent to review the contract for any existing clauses related to price increase restrictions to ensure they align with the company's pricing strategy and do not inadvertently create conflicts."*

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**Clause Status:** Unacceptable *(Present)*

**Clause Text:** To the extent any Supplier Existing IP is included in, or is otherwise necessary for the use of, the Work Product, Supplier hereby grants to Customer and each of its Affiliates a perpetual, irrevocable, transferable, non-exclusive, royalty-free, fully paid up, world-wide license to (a) use, reproduce, distribute, display, prepare derivative works, modify and develop the Work Product, and (b) make, have made, import, and sell and offer to sell and otherwise distribute or exploit the Supplier-Existing IP and/or Third Party IP, as applicable, to the extent either is embodied in any Work Product, or necessary to use any portion(s) of any Work Product, in each case without any accounting or additional consideration to Supplier or any third party. Supplier shall not include any Supplier Existing IP in any Work Product without the express prior written consent of Customer, which prior written consent may be given by Customer in a Statement of Work. For the avoidance of doubt, Supplier Existing IP alone shall not be deemed Work Product; however, any derivative works of Supplier Existing IP that are contained in and/or comprise the Work Product shall be deemed part of the Work Product and owned solely and exclusively by Customer.

**Document Location:** Property Rights and Work Product

**Classification Logic:** *Unacceptable clause remains unacceptable as it was found in the document.*

**Recommendation:** *"The clause is categorized as 'unacceptable' because it requires Verterim to seek express written consent from the client to use its existing IP, which could hinder the efficiency of service delivery. It is recommended to revise the clause to automatically include the use of Verterim's existing IP in the delivery of services, with the client's agreement to such use being implicit upon entering the contract. This would streamline operations and avoid the need for repeated consent."*

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**Clause Status:** Unacceptable *(Absent)*

**Clause Text:** • reimburse <client> for the reasonable expenses that <client> may incur as a result of such Data Breach caused by their acts or omissions or those of any of their authorized subcontractors, including but not limited to, the expenses incurred in investigating the Data Security Breach and notifying affected individuals, and providing these individuals with the support necessary under the circumstances, such as credit monitoring.

**Classification Logic:** *Originally acceptable clause marked unacceptable due to absence.*

**Recommendation:** *"The specific clause regarding reimbursement for reasonable expenses due to a data breach caused by acts or omissions of Verterim or its subcontractors is not present in the contract text. As such, the contract is categorized as acceptable in this context. It is recommended to ensure that any potential liabilities related to data breaches are clearly addressed in future agreements. Additionally, it would be prudent to incorporate a mechanism to inform Service Delivery of potential liabilities and to enhance Security Awareness Training for all employees and contractors to mitigate risks associated with data breaches."*

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**Clause Status:** Unacceptable *(Absent)*

**Clause Text:** Rejection and Cure. If Customer determines that any portion of the Services or Deliverables fails to meet the Acceptance Criteria, Customer will notify Supplier in writing with a description of deficiencies. Without limiting Customer’s other remedies, in such event, Supplier will, at no additional charge to Customer, make any necessary changes to the Services or Deliverables to correct any deficiencies. Supplier will resubmit the corrected Services or Deliverables within the timeframe requested by Customer or if no timeframe is requested, within fifteen (15) days after Customer notifies Supplier of the deficiencies of the Services or Deliverables. The Acceptance process in this Section 5(a) will apply to any resubmitted Services, including a new Acceptance Period.

**Classification Logic:** *Originally acceptable clause marked unacceptable due to absence.*

**Recommendation:** *"The specific 'Rejection and Cure' clause described in the prompt is not present in the provided contract text. Therefore, the term is categorized as 'acceptable' since the unacceptable term is not found. It is recommended to ensure that any similar clauses in future agreements are reviewed for clarity on the cure period and acceptance criteria to avoid potential disputes. Additionally, if a similar clause is to be negotiated, consider specifying a mutually agreeable timeframe for corrections and resubmissions to ensure both parties are aligned."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** Service Provider will send all invoices, which will reference this Agreement and the relevant Purchase Order (PO) number, to the attention of “Accounts Payable” at the following address:

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The specified term regarding invoicing is not present in the contract text. It is recommended to include a clause that clearly outlines the invoicing procedure, specifying that all invoices should reference the Agreement and the relevant Purchase Order (PO) number, and be directed to the attention of 'Accounts Payable' at the designated address. Additionally, ensure that there is a notification process for Accounts Receivable to verify that invoices contain the appropriate references and are sent to the correct address. This will enhance clarity and streamline the invoicing process."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** Service Provider will maintain all materials, data and documentation obtained or generated by Service Provider in the course of preparing for and providing Services, including computerized records and files (collectively, the “Records”) in a secure area reasonably protected from fire, theft and destruction, and <client> shall have reasonable access to such Records and the right to obtain photocopies of such Records. All Records will be the property of <client>. Service Provider will not transfer, deliver or otherwise provide any Records to any party other than <client> or its Affiliates, without the prior written approval of <client>.

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The clause regarding the secure maintenance and protection of records, as well as the client's access to such records, is not explicitly present in the provided contract text. It is advisable to ensure that such a clause is included to protect the client's interests and ensure compliance with data protection standards. Consider adding a clause that specifies the Service Provider's obligations regarding data security, client access to records, and restrictions on transferring records to third parties without prior approval. This will enhance the contract's clarity and enforceability regarding data management responsibilities."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** All Records will be retained by Service Provider for a minimum period of two (2) years following completion of the applicable Statement of Work, or longer if required by applicable law or regulation. Service Provider will, at the direction and written request of <client>, promptly deliver Records to <client> or its designee, or dispose of the Records, unless the Records are required to be retained by Service Provider by applicable law or regulation or for insurance purposes. In no event will Service Provider dispose of any Records without first giving <client> sixty (60) days’ prior written notice of its intent to do so.

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The specified clause regarding record retention and destruction is not present in the provided contract text. As the clause is categorized as 'neutral,' its absence does not necessitate immediate concern. However, it is advisable to ensure that the contract includes a clear data retention and destruction policy to protect both parties' interests and ensure compliance with applicable laws and regulations. Consider adding a mechanism to flag data retention requirements and alert when data can be destroyed, as suggested in the notes."*

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**Clause Status:** Neutral *(Present)*

**Clause Text:** Service Provider will carry, with financially sound and reputable insurers, insurance coverage (including worker’s compensation at or above the applicable statutory limits, comprehensive liability and professional liability/errors and omissions coverage) with respect to the conduct of its business against loss from such risks and in such amounts as is customary for well-insured companies engaged in similar businesses and sufficient to support its obligations under this Agreement. Upon the request of <client>, Service Provider will provide <client> with a Certificate of Insurance evidencing such coverage and providing that thirty (30) days advance written notice will be given to <client> of any material change or cancellation in coverage or limits.

**Document Location:** 4. CONDITIONS

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The clause is neutral and standard in requiring the Vendor to maintain specific insurance coverages. It is advisable to establish a Certificate of Insurance (COI) request process to ensure compliance with the clause. Additionally, maintaining a profile of existing insurance coverages to compare with client requirements is recommended. If discrepancies arise, initiate a redline and renegotiate as necessary. Implementing a workflow or alert system for these processes would enhance compliance and efficiency."*

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**Clause Status:** Neutral *(Present)*

**Clause Text:** Supplier agrees to maintain the following minimum limits of insurance with respect to, but not limited to, the coverages required hereunder:

**Document Location:** 4. CONDITIONS

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The clause is present and categorized as neutral, as it outlines the insurance requirements without requesting a Certificate of Insurance (COI). It is advisable to ensure that the specific insurance requirements are met. If there are discrepancies, consider renegotiating or redlining the contract. Additionally, consolidating the matching for this clause with similar clauses could streamline contract management."*

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**Clause Status:** Neutral *(Present)*

**Clause Text:** In the event of a breach of this Agreement by Service Provider which cannot be cured (e.g., breach of confidentiality obligations under Section 6), <client> may terminate this Agreement or any Statement of Work with immediate effect, at any time upon written notice to Service Provider. Further, <client>a may terminate this Agreement or a Statement of Work at any time upon thirty (30) days’ prior written notice to Service Provider.

**Document Location:** TERM AND TERMINATION

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The clause is present and categorized as neutral, as it allows for termination with a 30-day notice period. It is advisable to implement a system for tracking termination notices, such as an acknowledgment checkbox upon receipt of an email or mailed notice, to ensure timely awareness and response to contract terminations. Additionally, ensure that all parties are aware of the termination procedures and any potential implications on ongoing Statements of Work."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** Service Provider will perform all Services in accordance with the applicable Statement of Work, (b) with requisite care, skill and diligence and (c) in accordance with all applicable laws, rules, regulations, orders and industry standards. If specified in a Statement of Work, Services will be rendered in accordance with

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The specific clause regarding the performance of services with requisite care, skill, and diligence, and in accordance with applicable laws and standards, is not explicitly found in the provided contract text. It is recommended to ensure that such a clause is included to clearly define the expectations for service performance. This would align the contract with best practices by explicitly stating the standards and diligence required in service delivery. Additionally, addressing any incomplete sentences or clauses in the contract will enhance clarity and enforceability."*

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**Clause Status:** Neutral *(Present)*

**Clause Text:** Without limiting any existing confidentiality obligations between the Parties as of the Effective Date, this Agreement, together with the attached Appendix A and any fully-signed Statements of Work, each of which are incorporated into this Agreement by reference, constitute the entire agreement between the Parties with respect to the specific subject matter of this Agreement, and all prior agreements, oral or written, with respect to such subject matter are superseded. If there is any conflict, discrepancy or inconsistency between the terms contained in the body of this Agreement and any Statement of Work, the terms set forth in the body of this Agreement will govern, control, and take precedence. No provision included in any purchase order, quotation, invoice or other communication between the Parties that is different than, in conflict with or in addition to any provision of this Agreement (including any Statement of Work) shall have any force or effect and each Party hereby gives notice of its objection to any such proposed additional, different or conflicting provision.

**Document Location:** 23.1 Entire Agreement

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The clause is neutral and standard for ensuring that the agreement, along with its appendices and statements of work, constitutes the entire agreement between the parties, superseding prior agreements. It also establishes the precedence of the agreement's terms over any conflicting terms in statements of work or other communications. It is recommended to review Appendix A and any statements of work to ensure they align with the main agreement and do not contain conflicting terms. Additionally, ensure that all referenced documents are included and reviewed as part of the contract to avoid any potential disputes."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** All invoices submitted by Supplier must identify the Purchase Order number of the Purchase Order under which <client> authorized the applicable Fees. If the Statement of Work expressly states that the Fees will be calculated on a time and materials basis, the invoice must also set forth the following information: (i) the names of Supplier’s Personnel who performed work under the Statement of Work; (ii) documentation of the expenses of each of its Personnel, with receipts; (iii) for each of its Personnel, the number of hours worked (which for the avoidance of doubt, excludes time for lunch) and a description of the work performed; (iv) the hourly rate of each individual; and (v) any other information reasonably requested by <client> or as may be requested in the Purchase Order. <client> shall be responsible for the payment of all taxes in connection with this Agreement that are legally required to be paid by <client>, and not for any taxes based on Supplier’s income or taxes that are not legally required to be paid by <client>. If <client> is required to withhold taxes from any payments due to Supplier, then <client> will forward any withholding receipts to Supplier at [address/email address]. <client> shall be entitled to return incomplete invoices unpaid.

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The specific invoicing clause as described in the prompt is not present in the provided contract text. It is recommended to ensure that all invoicing requirements, including the identification of the Purchase Order number and detailed time and materials invoicing information, are explicitly included in the contract. This will facilitate compliance with invoicing procedures and ensure clarity for both parties. Additionally, establishing a workflow for invoice processing as noted in the prompt would be beneficial to ensure adherence to agreed terms."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** If <client> wishes to dispute any of the Fees invoiced by Supplier, no later than thirty (30) days from receipt of the invoice in question, <client> shall notify Supplier of the amount in dispute and the basis of such dispute. Upon receipt of notice from <client>, Supplier shall work with <client> in good faith to promptly resolve the dispute on Fees. With respect to disputed Fees, <client> shall pay the resolved amount within thirty (30) days following mutual written resolution of the dispute by the Parties. <client> shall not be in default of its obligation to pay the invoice while the dispute remains unresolved.

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The specific clause regarding the dispute of fees within thirty (30) days and the subsequent payment terms is not present in the provided contract text. It is recommended to include such a clause to clearly define the process and timeline for disputing invoices, which can help in managing expectations and reducing potential conflicts. This clause should specify the procedure for notifying the supplier of any disputes, the timeframe for resolution, and the adjusted payment terms post-resolution. Additionally, ensure that the clause aligns with the overall payment terms and conditions outlined in the contract to maintain consistency and enforceability."*

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**Clause Status:** Neutral *(Present)*

**Clause Text:** Acceptance Testing. Customer has the right to inspect, review, test and otherwise evaluate the Services or Deliverables after delivery for compliance with the applicable Acceptance Criteria. Such inspection and testing will be performed within the Acceptance Period in order to identify and resolve all errors, defects, and nonconformities with the Services or Deliverables. Upon completion of such evaluation, Customer will issue to Supplier a notice of Acceptance or rejection of the Services or Deliverables. Customer’s failure to reject the Services and/or Deliverables within the Acceptance Period will constitute Customer’s rejection of the applicable Services and/or Deliverables. The Acceptance Criteria and the Acceptance Period may be defined within each Statement of Work. In the event no Acceptance Criteria and/or Acceptance Period is defined in the Statement of Work, this MSA shall prevail.

**Document Location:** ACCEPTANCE OF SERVICES

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The clause regarding Acceptance Testing is present and categorized as neutral. However, it lacks a specific timeframe for the Acceptance Period, which can lead to ambiguities and potential disputes. It is recommended to define a clear timeframe for the Acceptance Period within the Statement of Work or the Master Services Agreement to ensure clarity and enforceability. Additionally, ensure that the Acceptance Criteria are explicitly stated to avoid any misunderstandings between the parties."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** it shall comply with all descriptions and specifications set forth in each Statement of Work (including performance capabilities, accuracy, completeness, uniformity, characteristics, configurations, standards, functions and requirements) and will use individuals with suitable training, education, experience, and skill to fulfill its obligations under a Statement of Work;

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The term in question, which outlines compliance with descriptions and specifications in each Statement of Work and the use of suitably trained individuals, is not explicitly present in the provided contract text. However, the contract does contain provisions related to the performance of services and the qualifications of personnel in Section 5 (Vendor’s Personnel) and Section 1 (Scope of Work). It is advisable to ensure that these sections adequately cover the responsibilities and expectations for compliance with specifications and personnel qualifications. If not, consider adding a clause similar to the one described to explicitly state these requirements. Additionally, ensure that any Statements of Work attached to this Master Services Agreement clearly outline the necessary specifications and qualifications required for the services to be performed."*

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**Clause Status:** Neutral *(Present)*

**Clause Text:** it has the skills, qualifications and experience necessary to perform its obligations under this Agreement and Supplier shall devote all the necessary time and attention for the proper performance of its obligations set out in a Statement of Work;

**Document Location:** 5. VENDOR’S PERSONNEL

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The clause is categorized as neutral, indicating that it is neither particularly beneficial nor harmful to the parties involved. It places responsibility on the Vendor to ensure that its personnel are adequately skilled and capable of performing the services required under the agreement. No immediate changes are necessary, but it is advisable to ensure that the Vendor maintains documentation of the qualifications and training of its personnel to support compliance with this clause. Additionally, regular performance reviews could be implemented to ensure ongoing adherence to this requirement."*

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**Clause Status:** Neutral *(Present)*

**Clause Text:** it shall comply with all Applicable Law in the performance of its obligations under this Agreement (including, but not limited to, all applicable anti-corruption and discrimination in employment laws, rules, regulations, legislation or conventions and in connection with its sole obligation to withhold and report taxes on payments made to its Personnel, and make payments into pension schemes, social security plans, or similar arrangements for the benefit of its employees);

**Document Location:** Compliance with Law

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The clause is standard and ensures compliance with applicable laws, which is essential for legal and operational integrity. It is advisable to regularly review and update this clause to ensure it reflects current legal standards and practices. No immediate changes are necessary unless there are specific legal updates or changes in the business environment that require attention."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** it has obtained, or will obtain, any and all permits, licenses and/or governmental or third party consents, approvals or assignments in a timely manner which are required in connection with the performance of this Agreement by Supplier or in order to enable Supplier to provide and Customer to use any Services and/or Deliverables performed or delivered, as the case may be, under this Agreement;

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The clause regarding obtaining necessary permits, licenses, and consents is not explicitly present in the provided contract text. It is advisable to include such a clause to ensure that the Supplier is obligated to secure all necessary legal and regulatory approvals required for the performance of the agreement. This is a common and prudent practice to mitigate risks associated with non-compliance. Consider reviewing the contract to include this clause to safeguard the interests of all parties involved."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** Suppliers must immediately notify <client> (security.response@<client security email address>.com / privacy@<client security email address>.com) if they know, discover or reasonably believe that there has been a Data Security Breach. In the event of a Data Security Breach, Suppliers will:

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The specific clause regarding immediate notification of a Data Security Breach by suppliers is not present in the provided contract text. It is recommended to include such a clause to ensure clear communication and timely response in the event of a data security incident. This will help in mitigating risks associated with data breaches and ensure compliance with data protection standards. Additionally, documenting unique requirements and contact details for each client and establishing a method for incident response notification is advisable to streamline the process and enhance security measures."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** • immediately investigate, correct, mitigate, remediate and otherwise handle the Data Security

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The specified term regarding immediate action on data security is not present in the contract. Given the neutral categorization, there is no immediate concern regarding compliance or risk. However, it is advisable to consider including a clause that explicitly addresses the immediate investigation, correction, mitigation, and remediation of data security incidents to ensure clarity and preparedness in handling potential security events. This addition could enhance the contract's robustness in addressing data security concerns."*

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**Clause Status:** Neutral *(Present)*

**Clause Text:** Breach, including without limitation, by identifying Personal Data affected by the Data Security Breach and taking sufficient steps to prevent the continuation and recurrence of the Data Security Breach;

**Document Location:** CONFIDENTIALITY

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The clause is present and categorized as neutral, as it outlines the necessary steps to address and prevent data security breaches. It is recommended to ensure that the procedures for breach notification and remediation are clearly communicated to all relevant parties and that Vendor maintains a robust data security policy to prevent future breaches. Additionally, regular audits and updates to security measures should be conducted to align with evolving industry standards and legal requirements."*

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**Clause Status:** Neutral *(Absent)*

**Clause Text:** • provide information and assistance needed to enable <client> to evaluate the Data Security Breach and, as applicable, provide timely notices disclosing a Data Security Breach and comply with any obligations to provide information on the Data Security Breach to relevant regulators; and

**Classification Logic:** *Neutral classification maintained based on analysis.*

**Recommendation:** *"The specific clause regarding the provision of information and assistance for evaluating a Data Security Breach and providing timely notices is not explicitly present in the provided contract text. It is recommended to ensure that the contract includes clear and distinct requirements for client assistance in breach validation and timely notification to relevant regulators. This can be achieved by drafting a specific clause that addresses these obligations separately to avoid any ambiguity and ensure compliance with data protection regulations."*

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