

Data Processing Addendum

This Data Processing Addendum ("**DPA**") is incorporated into and forms an integral part of the Terms of Use (the "**Terms**" or "**Main Agreement**") entered into between:

1. **Customer** (acting as a "Data Controller" or "Controller"); and
2. **Hedy AI LLC**, a limited liability company with its principal place of business at 5331 S Macadam Ave, Ste 258 PMB 1137, Portland, OR 97239-3871 ("**Hedy**," "**Processor**," or "**we**").

(each a "**Party**" and together the "**Parties**").

This DPA shall be effective for the term of the Main Agreement. In the event of any conflict between the terms of the Main Agreement and this DPA, the terms of this DPA shall prevail with regard to the subject matter of data processing.

1. Definitions

1.1. Terms such as "**Personal Data**," "**Processing**," "**Data Subject**," "**Data Controller**," and "**Data Processor**" shall have the meanings ascribed to them in the GDPR.

1.2. "**Customer Data**" means any Personal Data that Processor processes on behalf of the Controller in the course of providing the Services under the Main Agreement.

1.3. "**Data Protection Laws**" means all applicable data protection and privacy laws, including the GDPR, the UK GDPR, and the Swiss FADP.

1.4. "**GDPR**" means the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data.

1.5. "**Swiss FADP**" means the Federal Act on Data Protection of 19 June 1992, and as revised.

1.6. "**UK GDPR**" means the GDPR as it forms part of the law of England and Wales, Scotland and Northern Ireland by virtue of section 3 of the European Union (Withdrawal) Act 2018.

1.7. "**Security Incident**" means a breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to, Customer Data transmitted, stored, or otherwise processed.

1.8. "**Standard Contractual Clauses**" or "**SCCs**" means the standard contractual clauses for the transfer of personal data to third countries pursuant to Regulation (EU) 2016/679 of the

European Parliament and of the Council, as adopted by the European Commission Implementing Decision (EU) 2021/914 of 4 June 2021.

1.9. **"Sub-processor"** means any third-party processor engaged by Hedy to process Customer Data.

1.10. **"UK Addendum"** means the International Data Transfer Addendum to the EU Commission Standard Contractual Clauses, issued by the UK Information Commissioner's Office, Version B1.0, in force 21 March 2022.

2. Processing of Personal Data

2.1. **Roles of the Parties.** The Parties acknowledge and agree that for the purposes of this DPA, the Customer is the Data Controller and Hedy is the Data Processor of Customer Data.

2.2. **Processor's Obligations.** Hedy shall process Customer Data only in accordance with the Controller's documented instructions. The Controller's instructions are documented in the Main Agreement, this DPA, and any lawful instructions given by the Controller through the use and configuration of the Services.

2.3. **Details of Processing.** The subject matter, duration, nature, and purpose of the Processing, as well as the categories of Data Subjects and types of Personal Data processed under this DPA, are specified in **Annex I** (Details of Processing) hereto.

2.4. **Bring Your Own Key (BYOK) Services.** Where the Customer configures the Services to use their own API keys for third-party speech-to-text providers (e.g., Deepgram, OpenAI), the Customer acknowledges that: (a) The Customer acts as the Data Controller for such processing; (b) The third-party provider acts as the Customer's Data Processor; Hedy merely facilitates the technical connection and does not process such data; and (d) This DPA does not govern such BYOK processing activities. The Customer is solely responsible for ensuring appropriate data processing agreements are in place with BYOK providers.

3. Confidentiality and Security

3.1. **Confidentiality.** Hedy shall ensure that its personnel authorized to process Customer Data have committed themselves to confidentiality or are under an appropriate statutory obligation of confidentiality.

3.2. **Security Measures.** Hedy shall implement and maintain appropriate technical and organizational measures ("**TOMs**") to protect Customer Data, as described in **Annex II** (Technical and Organisational Measures).

3.3. **Personnel Training.** Hedy commits to annually train its employees with access to

Customer Data in the areas of data protection, confidentiality, and GDPR compliance.

4. Sub-processing

4.1. Authorization. The Controller provides a general written authorization for Hedy to engage Sub-processors, provided that Hedy meets the conditions of this Section 4.

4.2. Sub-processor List and Transparency. Hedy shall maintain a list of its current Sub-processors at <https://trust.hedy.ai/subprocessors>. The list will include the name, service provided, and country of each Sub-processor, as well as links to their relevant data protection terms or certifications (e.g., DPA, SOC 2 reports) where available.

4.3. Change Notification and Right to Object. Hedy shall inform the Controller of any intended changes to the Sub-processor list at least 30 days in advance via: Email to the customer's registered email address for material changes affecting data processing. The Controller may object to the appointment of a new Sub-processor by providing written notice to Hedy within 30 days of being informed of the change. If the Controller objects, the Parties will work together in good faith to find a mutually acceptable resolution.

4.4. Downstream Obligations. Pursuant to Article 28(4) of the GDPR, Hedy shall enter into a written agreement with each Sub-processor which imposes on the Sub-processor the same data protection obligations as are imposed on Hedy in this DPA.

4.5. Sub-processor Audits. Hedy shall be responsible for verifying and auditing the compliance of its Sub-processors with their data protection obligations. This is conducted through: Review of third-party certifications (e.g., SOC 2 Type II, ISO 27001), review of compliance reports provided by sub-processors, verification of DPF certification status (where applicable), review of sub-processor DPAs and SCCs and annual compliance verification process. Evidence of sub-processor compliance will be provided to the Controller upon request, subject to confidentiality obligations.

4.6. Liability. Where a Sub-processor fails to fulfill its data protection obligations, Hedy shall remain fully liable to the Controller for the performance of that Sub-processor's obligations.

5. Data Subject Rights

5.1. Assistance. Hedy shall provide reasonable assistance to the Controller for the fulfilment of the Controller's obligation to respond to requests from Data Subjects seeking to exercise their rights under the GDPR.

5.2. Direction. Hedy shall promptly notify the Controller if it receives a request from a Data Subject and shall not respond to any such request itself, except on the documented instructions of the Controller.

6. Data Protection Impact Assessments and Prior Consultation

6.1. Hedy shall provide reasonable assistance to the Controller with any data protection impact assessments and prior consultations with supervising authorities.

7. Security Incidents

7.1. Hedy shall notify the Controller without undue delay after becoming aware of a Security Incident. Hedy shall provide timely information relating to the Security Incident as it becomes known and shall provide reasonable assistance to the Controller in any communication with supervisory authorities related to the Security Incident.

8. International Data Transfers

8.1. **Transfer Mechanisms.** The Parties agree that when the transfer of Customer Data from the Controller to the Processor is a restricted transfer under Data Protection Laws to a third country, such transfers shall be governed by the following mechanisms, which are hereby incorporated by reference:

(a) **Transfers from the European Economic Area (EEA):** The Standard Contractual Clauses (SCCs).

(b) **Transfers from the United Kingdom:** The UK Addendum, with the Standard Contractual Clauses incorporated therein by reference.

(c) **Transfers from Switzerland:** The Standard Contractual Clauses (SCCs), as modified by the Swiss-specific provisions in Section 8.4 of this DPA.

8.2. **Transfer Impact Assessments and Supplementary Measures.** Hedy commits to conducting Transfer Impact Assessments (TIAs) to evaluate whether the laws and practices of the recipient country (USA) ensure a level of data protection essentially equivalent to that guaranteed in the EU. Upon request, Hedy will provide the Controller with a summary of its TIA. Furthermore, Hedy implements supplementary technical measures, as described in Annex II, and contractual guarantees to minimize risks associated with data access by public authorities in third countries.

8.3. **Specifications for the SCCs and UK Addendum.** For the purposes of the Standard Contractual Clauses (Module Two: Controller to Processor) and, where applicable, the UK Addendum incorporating them, the Parties agree that:

(a) The optional docking clause in Clause 7 shall not apply.

(b) For Clause 9(a), Option 2 ("General written authorisation") shall apply, and the time period

for prior notice of Sub-processor changes is defined in Section 4.3 of this DPA.

(c) The optional language in Clause 11(a) regarding independent dispute resolution shall not apply.

(d) For Clause 17, Option 1 shall apply, and the SCCs shall be governed by the law of the EU Member State in which the data exporter is established. *(Note: This will be overridden by the UK Addendum and Section 8.4(d) for UK/Swiss transfers, which is the correct behavior).*

(e) For Clause 18(b), disputes shall be resolved before the courts of that same EU Member State. *(Note: This will also be overridden by the UK Addendum and Section 8.4(e) for UK/Swiss transfers).*

(f) The Annexes of this DPA (Annex I, II, and III) shall serve as the Annexes of the SCCs and, where applicable, shall populate the Tables in the UK Addendum.

8.4. Swiss-Specific Modifications. For transfers from Switzerland, the Standard Contractual Clauses as specified in Section 8.3 shall be modified as follows:

(a) References to "Regulation (EU) 2016/679" or "GDPR" shall be interpreted as references to the Swiss FADP.

(b) References to "EU," "Union," and "Member State" shall be interpreted as references to "Switzerland."

(c) References to the "competent supervisory authority" shall be interpreted as references to the "Swiss Federal Data Protection and Information Commissioner (FDPIC)."

(d) In Clause 17 (Governing Law), Option 1 is selected, and the governing law shall be the law of Switzerland.

(e) In Clause 18(b) (Choice of forum), disputes shall be resolved before the competent courts of Switzerland.

8.5 Data Access by Public Authorities. Hedy as a processor commits to:

(a) Challenge any government data access request that appears overbroad, disproportionate, or inconsistent with fundamental rights;

(b) Notify the Controller within 48 hours of receiving any government request, unless legally prohibited;

(c) Provide Controller with copies of any legal process received;

(d) Seek to narrow the scope of requests before compliance;

(e) Publish annual transparency reports (unless legally prohibited).

8.6 Hedy commits to implementing and maintaining the **supplementary measures described in Annex II** to this DPA to ensure essential equivalence with EU data protection standards.

8.7 Failure to Comply with Data Protection Laws. If Hedy determines it can no longer comply with its obligations under this DPA due to changes in US law or governmental orders, it shall:

(a) Immediately notify the Controller;

(b) Cooperate with the Controller to implement additional safeguards or migrate data to alternative processors;

(c) If compliance cannot be restored, permit the Controller to suspend or terminate services without penalty.

9. Audits

9.1. Hedy shall make available to the Controller information necessary to demonstrate compliance with this DPA, including current third-party audit reports and certifications (such as SOC 2 Type II), subject to confidentiality obligations.

9.2. Should such reports not be sufficient, the Controller may request to conduct an audit. Such audit shall be: (i) conducted during Hedy's regular business hours; (ii) with reasonable advance notice; (iii) scoped to what is necessary to verify compliance with this DPA; and (iv) conducted in a manner that does not unreasonably interfere with Hedy's business operations. The Controller shall be responsible for all costs associated with such an audit. Such audits shall be limited to once per calendar year, unless there has been a Security Incident as defined in Section 7.

10. Deletion or Return of Data

10.1. Upon termination of the Main Agreement, Hedy shall, at the choice of the Controller, delete or return all Customer Data. If the Controller chooses data return, Hedy will provide the Customer Data in a standard, machine-readable format (e.g., JSON or CSV). Hedy shall delete existing copies unless Union or Member State law requires storage of the Personal Data.

11. Hedy's Role as a Controller

11.1. The Parties acknowledge that for the processing of Personal Data related to the Customer's account and billing management, Hedy acts as an independent Data Controller. Such processing is not governed by this DPA, but by Hedy's Privacy Policy.

12. Contacts and Notices

12.1. The Controller shall direct communications regarding data protection to Hedy's data protection contact at privacy@hedy.bot.

12.2. Notices regarding Security Incidents shall be sent to security@hedy.bot.

13. Liability

13.1. The total liability of each party arising out of or related to this DPA shall be subject to the limitations of liability set forth in the Main Agreement.

Please refer to the following Annexes in separate documents:

DPA - ANNEX I: DETAILS OF PROCESSING

DPA - ANNEX II: TECHNICAL AND ORGANISATIONAL MEASURES

DPA - ANNEX III: LIST OF SUB-PROCESSORS