



Archer Statement on Digital Operational Resilience Act ("DORA")

DORA¹ is an EU regulation which entered into force in January 2023, and will become mandatory to comply with by January 2025, the purpose of which is to strengthen the operational resilience of the EU's financial services, insurance, and other similar sectors.

While DORA is primarily applicable to companies in the financial services and insurance industry ("**Regulated Entity(ies)**"), Archer, as a service provider into this industry, has a role to play in ensuring Regulated Entities can meet their obligations under DORA. Archer understands the importance of ensuring a secure and reliable supply chain for an industry that is becoming increasingly reliant on outsourcing to IT service providers. While the majority of obligations under DORA relate to financial entities, DORA also specifically addresses the use of ICT third party service providers.

Archer already has mechanisms, and a business model, in place to ensure the provision of Archer products and services to Regulated Entities can allow those Regulated Entities to remain in compliance with their regulatory obligations. Many of the same principles in the European Banking Authority Guidelines on outsourcing arrangements will satisfy the requirements of DORA. A Financial Services Addendum to the Archer SaaS Master Subscription Agreement can be provided, on request, which will provision for the requirements arising from both DORA and the EBA Guidelines, many of which are substantially similar, in terms of requirements for service providers like Archer.

The Financial Services Addendum includes provisions relating to:

- Business Continuity
- Audit and Testing
- Right to be informed of, and object to, engagement with Subcontractors.
- Transition / Exit assistance on termination of the Agreement.
- Termination Rights.
- Cooperation with competent supervisory authorities.
- Powers of Resolution Authority.
- Customer Divestment provision.

As to the requirements of DORA, which relate directly to how our customers contract with Archer, Archer notes that it is not a critical ICT third-party service provider.

As to the requirements under DORA applicable to Archer as a third-party service provider, please note the following:

<u>DORA Requirement</u>	<u>Archer's position</u>	<u>Contractual provision incorporating Archer's position</u>
ICT third-party risk strategy	This requirement relates to the financial entities obligation to maintain an internal policy on ICT third-party risk, and as such is a customer, not Archer, consideration.	N/A
Maintenance of register and Reporting	Financial entities are required to maintain a register of all third party-service providers and to provide certain information to regulators in terms of informing of new arrangements with third party ICT providers.	N/A

¹ REGULATION (EU) 2022/2554 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 14 December 2022 on digital operational resilience for the financial sector and amending Regulations (EC) No 1060/2009, (EU) No 648/2012, (EU) No 600/2014, (EU) No 909/2014 and (EU) 2016/1011



	This is a customer consideration, not capable of being addressed in the contractual relationship with Archer.	
Pre-contract due diligence	Archer will make available any information customer requests, in connection with its pre-contract due diligence, including applicable audit reports, contract terms, and material relating to the specifications of the product being purchased. The audit reports shall include SOC2 Type 2 reports and executive summaries of the latest penetration tests.	Refer to Section 1 C to the Archer Information Security Provisions, located here .
Engagement with Subcontractors	<p>Archer may engage subcontractors to assist in the delivery of the Service Offering to its customers; however, will only do so after a robust due diligence vendor onboarding process, and by way of a written agreement with those subcontractors, flowing down obligations which ensures that Archer can continue to meet its contractual obligations to its customers.</p> <p>Archer remains fully responsible and liable for all acts and omissions of its Subcontractors.</p> <p>Customer retains the right to object to the engagement of a new Subcontractor</p>	Refer to Section 7 of Archer's Financial Services Schedule
Audit and Inspection rights	As a provider of a SaaS solution in a shared multi-tenanted environment, Archer cannot typically entertain customer by customer audit rights, and as a result engages independent third-party auditors to conduct audits and produce reports detailing the results of those audits, including penetration tests. Archer can also offer enhanced audit rights to financial services customers, where such enhanced audit rights are required by applicable laws and regulations. Such enhanced audit rights are detailed in Archer's Financial Services Schedule.	<p>Refer to Section 1 C to the Archer Information Security Provisions, located here.</p> <p>For the referenced enhanced audit rights, refer to Sections 3 and 4 to the Archer Financial Services Schedule.</p>
Termination Rights	<p>Regulated entities must ensure that there are appropriate termination rights in place, in the following circumstances:</p> <ul style="list-style-type: none"> - Termination for breach of contract; - Termination for circumstances deemed capable of altering the performance of the functions provided through the contractual arrangement, 	Archer has included these termination rights in Section 8 to the Financial Services Schedule



	<p>including for material adverse changes to the Service Offering;</p> <ul style="list-style-type: none"> - Termination for service provider's evidenced weaknesses pertaining to its overall ICT risk management and in particular in the way it ensures the availability, authenticity, integrity and, confidentiality, of data, whether personal or otherwise sensitive data, or non-personal data; - Termination where the competent authority can no longer effectively supervise the financial entity as a result of the conditions of, or circumstances related to, the respective contractual arrangement. 	
Exit / Transition Assistance	<p>Regulated entities must ensure that, in the event of termination of the service, exiting the relationship and transitioning to an alternative supplier, or moving the solution in house, must take place with limited interruption to business activities, and ensuring continuity of service to the Regulated Entity's services provided to your end users. Furthermore, any transition must occur in a manner which ensures continued compliance with regulatory requirements.</p> <p>Archer's Service Offering ensures customers retain full ability to always access and download data from the SaaS solution. Typically, the extent of transition assistance a customer of Archer SaaS requires is the provision of the latest copy of its data which Archer provides free of charge on termination of the Agreement.</p> <p>In the event that Customer requires further assistance in transitioning away from the Archer Service Offering, then Archer will enter into a Statement of Work scoping the services to be delivered, and at charges to be agreed.</p>	<ul style="list-style-type: none"> - Refer to Section 7.3.1 to Archer's Master Subscription Agreement for Archer's obligation to provide customer data upon termination. - Refer to Section 9 of the Archer Financial Services Schedule for obligations relating to further transition assistance.
Contractual requirements	<p>Article 30 of DORA requires the regulated entity's contract with Archer, as the ICT third-party provider, to contain certain provisions, including the following:</p> <ol style="list-style-type: none"> 1. Rights and obligations of each Party 	<p>Archer contractually captures each of the numbered requirements in the previous column, and the applicable contractual provision is identified in the corresponding number below:</p>



	<ol style="list-style-type: none"> 2. Full Contract including Service Level Agreement 3. a clear and complete description of all functions and ICT services to be provided 4. the locations, namely the regions or countries, where the contracted or subcontracted functions and ICT services are to be provided and where data is to be processed, including the storage location, and the requirement for the ICT third-party service provider to notify the financial entity in advance if it envisages changing such locations 5. provisions on availability, authenticity, integrity and confidentiality in relation to the protection of data, including personal data 6. provisions on ensuring access, recovery and return in an easily accessible format of personal and non-personal data processed by the financial entity in the event of the insolvency, resolution or discontinuation of the business operations of the ICT third-party service provider, or in the event of the termination of the contractual arrangements 7. service level descriptions, including updates and revisions thereof 8. the obligation of the ICT third-party service provider to provide assistance to the financial entity at no additional cost, or at a cost that is determined ex-ante, when an ICT incident that is related to the ICT service provided to the financial entity occurs 9. the obligation of the ICT third-party service provider to fully cooperate with the competent authorities and the resolution authorities of the financial entity, including persons appointed by them 10. termination rights and related minimum notice periods for the termination of the contractual 	<ol style="list-style-type: none"> 1. This is contained in the Master Subscription Agreement, in conjunction with the Information Security Provisions, SLAs, Product Documentation, and Financial Services Schedule. 2. This is contained in the Master Subscription Agreement, in conjunction with the Information Security Provisions, SLAs, Product Documentation, and Financial Services Schedule. 3. This is contained in the Master Subscription Agreement, in conjunction with the Information Security Provisions, SLAs, Product Documentation, and Financial Services Schedule. 4. The locations of processing are contained at the Subprocessors List. In accordance with Section 7 to the Financial Services Schedule, Customer will be notified of change of Subcontractor, including identifying if there is an update to the location of processing. 5. Refer to Archer's Information Security Provisions. 6. Refer to Section 7 of the Master Subscription Agreement which provides that Archer is obligated to return the most recent copy of Customer Content in its possession, and this is
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	<p>arrangements, in accordance with the expectations of competent authorities and resolution authorities; and</p> <p>11. the conditions for the participation of ICT third-party service providers in the financial entities' ICT security awareness programmes and digital operational resilience training</p>	<p>provided free of charge.</p> <p>7. This is contained in the Agreement.</p> <p>8. Refer to the Information Security Provisions as well as Section 9 to the Financial Services Schedule.</p> <p>9. Refer to Section 13 of the Financial Services Schedule.</p> <p>10. Refer to Section 7 of the Master Subscription Agreement, as well as Section 8 to the Financial Services Schedule.</p> <p>11. Customer can engage Archer for a scope of work that can be provisioned for in a Statement of Work for such activities.</p>
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