



Schrems II and Cloud Software Group Services

At Cloud Software Group, we understand the uncertainty caused by the decisions of the Court of Justice of the European Union in Schrems II and the Swiss Federal Data Protection and Information Commission (FDPIC) prohibiting the use of the US-EU Privacy Shield as a valid legal basis for international transfers and raising questions about the use of other cross border mechanisms such as the Standard Contractual Clauses. Cloud Software Group has a robust global data protection program, and we take the privacy and security of our customers' data very seriously. For general information about the privacy and security controls Cloud Software Group implements to protect the data of our customers, please consult the information available on our Trust Center.

As you may be aware, several European Data Protection Authorities responded to the CJEU's decision by emphasizing the need to review its practical implications. The U.S. Department of Justice and Commerce in conjunction with the Office of the Director of National Intelligence issued [a white paper](#) emphasizing as one of its key points that "most U.S. companies do not deal in data that is of any interest to U.S. intelligence agencies...." And the European Commissioner for Justice and the U.S. Secretary of Commerce issued a [joint statement in response to the decision](#) confirming that they initiated discussions related to an enhanced EU-US Privacy Shield framework designed to comply with the Schrems II decision. Those discussions have borne fruit, resulting in the proposed new EU-US Data Privacy Framework which specifically addresses the issues raised in the Schrems II and FDPIC's decisions. In December 2022, the European Commission issued a draft adequacy decision concluding that Data Privacy Framework provides an adequate level of protection for EU personal data transferred to the United States. The Data Privacy Framework is now going through the multi-step approval process required for adoption.

With respect to the issues raised in the CJEU and FDPIC decisions and their impact on Cloud Software Group, we would like to provide some information regarding the issue of how 50 U.S.C. § 1881a (FISA 702) and EO 12.333 apply to Cloud Software Group. Cloud Software Group does not provide electronic communication services to the public. Rather, Cloud Software Group provides cloud services for workspace, networking and analytics as well as technical support and consulting services to customers as part of its business-to-business model. In addition, Cloud Software Group cloud services encrypt all data in transit. Cloud Software Group has also deployed secure transmission protocols for transmission of information over public networks that are part of our technical support and consulting services. These services are protected by encryption and access via the internet is protected by TLS connections. For more detail on the security measures Cloud Software Group has in place when providing services to our customers, please see the [Cloud Software Group Services Security Exhibit](#) available on the Trust Center.

Generally, we receive far fewer government requests for information of any kind than the large electronic communication providers, and those requests we have received are generally related to suspected criminal activity. When Cloud Software Group does receive a subpoena, judicial or administrative order, or other request ("Demand") from a law enforcement or other governmental authority ("Authority"), Cloud Software Group will:

- Review each Demand in light of the legal and regulatory obligations of Cloud Software Group and its affiliates, including data privacy statutes and regulations, and analyze it to determine if it complies with the applicable legal requirements and is not overly broad, vague, or otherwise problematic. We will challenge any request that we believe is unlawful or invalid.
- Determine if we have any information that is responsive to the Demand and whether it is associated with a Cloud Software Group customer.
- Notify an affected customer that a request for information has been made and provide them a copy of the legal process

This information is not intended as and shall not be construed as legal advice. Cloud Software Group does not provide legal, accounting, or auditing advice or represent or warrant that its services or products will ensure that customers or channel partners are in compliance with any law or regulation.

underlying the request. Notification allows our customers to challenge the request for information in court or with the

requesting Authority if necessary. Where possible, we strive to give customers 7 days between the time of notification and production of the requested information.

- The foregoing is subject to exception (i) when prevented by a court order, statute, or other legal limitation; (ii) in rare cases involving the danger of death or serious physical injury to any person; (iii) when we have reason to believe that the customer may not get the notification (such as if we have reason to believe the account has been compromised); or (iv) when we have a clear indication of illegal conduct in connection with the use of Cloud Software Group products and services.

For more information on how Cloud Software Group handles requests for information from law enforcement agencies, please see [Law Enforcement Guidelines](#).

Again, we take privacy and security very seriously at Cloud Software Group, and we hope this helps you perform your data protection analyses in light of *Schrems II* and applicable regulatory guidance.

The Cloud Software Group Privacy Team

Last Updated: February 24, 2023

