



## PTC SOFTWARE PRODUCTS LICENSING BASIS FOR SERVICE LIFECYCLE MANAGEMENT PRODUCTS

### Scope of this Document

This document sets out the licensing basis and restrictions for each of PTC's Service Lifecycle Management Licensed Products. In most cases, this document is incorporated into the legal documents governing the Customer's use of software licensed from PTC (collectively the "License Agreement"). In the event of inconsistency between this document and the PTC quote pursuant to which the Customer purchased the licenses (the "Quote"), the Quote shall govern. For example, this document may identify that a product is licensed in a particular way, but if the product name on the Quote specifies a different licensing basis, the Quote shall govern. PTC may update this document from time to time, but each purchase made by the Customer will be governed by the most current version of this document in effect at the time of the purchase.

### DESCRIPTION OF COMMON LICENSING BASES

**"Concurrent User" (CU):** Each Concurrent User product license may be used by one individual person at any given time. An individual using multiple instances of Concurrent User products at a particular time will in most cases consume that number of licenses. That is, for example, if a user opens two instances of Creo Elements/Direct, that user will be consuming two licenses, not one.

**"Concurrent Request Limited"** means that the product is limited in how many requests can be generated at a given time. Thus, for example, if Customer purchases the "100 Concurrent Requests" of this product, only one hundred requests can be generated at any given time.

**"Designated Computer" (DC):** Where the product name contains the words "fixed," "locked," or "node locked," such products are licensed to operate solely on the designated computer on which they are installed. It is not permitted to move Designated Computer licenses from one computer to another by means of installing such products on an external, portable or removable device (e.g., USB dongle, NAS, Router, memory stick, USB drive, external hard drive) or through other means.

**"Designated Server" (DS):** Each Designated Server product may only be used on the computer server that is designated by the Customer in connection with the initial installation of the product and that has one unique instance of the applicable installed product application. In the event a computer server is partitioned in any manner (physically, logically or otherwise), the reference in the preceding sentence to "computer server" shall mean each partition of such server, and such Designated Server product may only be used on one of such partitions.

There is a variation of the Designated Server model referred to as "Designated Server (per CPU)". For these products, the license is limited to a server with only one central processing unit (CPU); an additional license is required for each additional CPU.

**"Registered User" (RU):** Registered User products may only be used by a single individual without regard to how often the person uses the license. A license is required for every such individual, regardless of whether the individual is accessing the Licensed Product directly or via an intermediate application. Shared passwords or log-in accounts are not permitted unless the licensing basis for the particular product below specifies to the contrary. The Customer may add and/or substitute from time to time new Registered Users as long as the aggregate number of Registered Users does not exceed at any point in time the number of licenses in effect at such time for that particular product and, provided further, that if a person who was previously a Registered User returns to Registered User status, a new license fee must be paid to PTC at PTC's then current rates unless the licensing basis for the particular product below specifies to the contrary.

**"Site License" (S):** Products licensed on a "Site License" basis require a license for each Customer location at which such product will be used.

**"Demo and Test":** Products licensed on a "demo and test" or "non-production" basis (or similar designation), such Licensed Software may not be used in a production environment.

**Packages (P):** The licensing basis for each component of a PTC product package shall be the same as if such component were being licensed separately, except that the components of each package may only be used with the base seat in the package. For example, the



Windchill PDMLink and Windchill ProjectLink Registered User Licenses bundled with the Creo Enterprise XE Package are Licensed on a Registered User basis and must be assigned in combination to a single Creo user.

**Bundles (B):** Each PTC Bundle contains several different PTC Licensed Products and the licensing basis for each such Licensed Product may differ from the other Licensed Products included in that Bundle.

## LICENSE RESTRICTIONS COMMON TO MULTIPLE PRODUCTS

Subscriptions. A “Subscription” is a on-premise License type that includes a License for a term as specified in the product name, Quote, order agreement or other order documentation, and/or the invoice, and such License includes Support Services during such License Term at no additional fee.

Perpetual Licenses. PTC does not have perpetual license models for most products. Where PTC does sell perpetual licenses, however, and such product includes components that are provided by PTC on a hosted or SaaS basis (e.g., Creo AR Design Share), PTC may discontinue providing such hosted components at any time.

Virtualization Technologies. Although in some cases it may be possible through the use of virtualization technologies to circumvent the license control mechanisms that PTC employs in order to enforce the above licensing schemes, or to circumvent the intent of such licensing schemes, such practices violate the Customer’s License Agreement with PTC. Without limiting the foregoing, Customers may not install or access Designated Computer licenses (also sometimes referred to as “node locked licenses”) on or through virtualization technologies.

Upgrades. For PTC software licensed as an upgrade from a previous version, the Customer must first be licensed for the software identified by PTC as eligible for the upgrade and Customer must be active on Support Services for such software at the time Customer purchases the relevant upgrade. After installing the upgrade, the software licensed as an upgrade replaces and/or supplements the product that formed the basis of the Customer’s eligibility for the upgrade and the Customer may no longer use the original software that formed the basis for the Customer’s upgrade eligibility.

Interoperability Tools/Toolkits. PTC interoperability tools (e.g., Pro/TOOLKIT, or J-Link, Pro/Web.Link and application programming interfaces) are provided solely for purposes of enabling the Customer (itself or with the assistance of a third party) to cause the Licensed Products to interoperate with the Customer’s other computer systems and programs. Customer shall not distribute to any third party all or any part of any such interoperability tool or use such interoperability tools to develop an integration for distribution to third parties.

Batching. For license types based on numbers of users (e.g., Registered User, Concurrent User, etc.), a License is required for each individual who accesses such Licensed Product or the functionality or data contained therein, whether directly or through a web portal or other mechanism for “batching” or otherwise achieving indirect access to the Licensed Product or such functionality or data. Generic or shared log-ins are not permitted.

## GEOGRAPHICAL RESTRICTIONS ON INSTALLATION AND/OR USE OF PTC PRODUCTS

Restriction on Installation Location. Except for “Global” licenses (as specified in the product name), all of PTC’s products are restricted such that they may only be installed in the country of purchase (referred to in the License Agreement as the “Designated Country”). Where Customer desires to change the country of installation, Customer is required to notify PTC and, where the list prices for such licenses are higher in the proposed new country of installation, uplift fees are required based on the difference.

Restrictions on User Location (Concurrent User Products). Except for “Global” and “Restricted Global” licenses, PTC products that are licensed on a Concurrent User basis may only be used by persons physically located in the country where the products are installed, and all of the software components shipped as part of that product (for example, client code and license server) may only be installed in the Designated Country. However, where a person who is normally located in that country is traveling abroad, that person can “borrow” the license for a limited period of time (for most products two weeks), during which time period such license is not available on Customer’s network. Users who are not employees of the Customer may use PTC products licensed on a Concurrent User basis only while physically



located at a Customer site. **THE RESTRICTIONS IN THIS PARAGRAPH APPLY ONLY TO CONCURRENT USER PRODUCTS, NOT TO PTC PRODUCTS THAT ARE LICENSED ON A DIFFERENT BASIS THAN CONCURRENT USER.**

#### Global/Restricted Global Licenses.

Global Licenses. A “Global” License allows the Customer to install, operate and use such Licensed Product at any of the Customer’s site(s) throughout the world, notwithstanding any restrictions in the License Agreement in relation to limiting use of Licensed Products to the country of installation, but subject to compliance with all applicable export laws and regulations.

Restricted Global Licenses. A “Restricted Global” License allows the Customer to install, operate and use such Licensed Product at any of the Customer’s site(s) located in the Designated Country and/or in any Permitted Country, notwithstanding any restrictions in the License Agreement in relation to limiting use of Licensed Products to the country of installation. “Permitted Countries” means China, India, the Czech Republic, Poland, Hungary, Malaysia, South Africa, Israel, Mexico, Brazil, Argentina, and Romania.

### **Servigistics Products**

The Service Parts Management family of products are licensed based on the following two models:

1. If the Quote specifies “PMI” as the licensing basis for this product, in such case the license is limited by the value of inventory that is included in the software (using the values assigned by the Customer as specified in the software and consistent with the procurement cost of such inventory) as of the date the software is first implemented for or by Customer (the “Baseline Value”). It is sold in blocks of US\$1 million (or such other currency as may be specified in the Quote), with each quantity unit ordered representing US\$1 million of Customer inventory. Additional restrictions (e.g., geographic, divisional, etc.) may be specified in the order documents. Customer will be required from time to time upon request to inform PTC of the value of the inventory included in the software. All parts, at all locations (parts times locations) input to the SPM system is considered inventory (e.g., forecasted, optimized, supply/demand planned, repaired, balanced, etc) regardless of the condition of the inventory (e.g., on hand new, on hand fixed, on hand bad, on order, in return, in repair). If the value of the inventory managed in the software drops below the Baseline Value, Customer shall nonetheless be required to license at least the Baseline Value. If the value of the inventory managed increases above the Baseline Value, Customer shall be required to license the excess amount. In the event Customer acquires other businesses and desires to manage the inventory of such other businesses using the software, Customer shall notify PTC of such fact and the parties shall negotiate in good faith an increase to the Baseline Value (and corresponding fees).
2. If the Quote refers to “PXL” as the licensing basis for a product, the calculation of the number of PXLs required shall be determined by multiplying the number of part numbers in the software times the number of locations in the software as of the date the software is first implemented for or by Customer (the “Baseline Value”). For example, without limiting the foregoing, if Customer includes in the software 10,000 part numbers and 4 locations, Customer will be managing 40,000 “PXLs” and would need to purchase a quantity of at least 40,000 PXLs. If the number of PXLs in the software drops below the Baseline Value, Customer shall nonetheless be required to license at least the Baseline Value. If the number of PXLs in the software increases above the Baseline Value, Customer shall be required to license the excess amount. In the event Customer acquires other businesses and desires to manage the inventory of such other businesses using the software, Customer shall notify PTC of such fact and the parties shall negotiate in good faith an increase to the Baseline Value (and corresponding fees).

Service Parts Pricing is licensed based on the annual Customer revenue from the sale of service parts that are being managed by the software. It is sold in blocks of US\$1 million (or such other currency as may be specified in the Quote), with each quantity unit representing US\$1 million of annual Customer revenue. Additional restrictions (e.g., geographic, divisional, etc.) may be specified in the order documents. Customer will be required from time to time upon request to inform PTC of the annual revenue from the inventory included in the software. Additional restrictions (e.g., geographic, divisional, etc.) may be specified in the order documents.

Intellificus is licensed as either Designated Server or Concurrent Request Limited.



### Arbortext Products

Licensed Product Name	Licensing Basis	Licensed Product Name	Licensing Basis
Arbortext Family of Products	Concurrent User (except as noted below)	Arbortext Publishing Engine	Designated Server
Arbortext Content Delivery (a/k/a InService)	(1)	Arbortext Publishing Engine for APP (3)	
Any Arbortext Product that includes in the product description the word "Locked" (2)	Designated Computer	Arbortext IsoDraw Foundation	Designated Computer
Arbortext Layout Developer (f/k/a Advanced Print Publisher Desktop)	Registered User or Concurrent User	Arbortext IsoDraw CADprocess	Designated Computer
Arbortext Print Service	Concurrent Instance (4)	Any Creo Illustrate Product that includes in the product description the word "Locked" (2)	Designated Computer

- (1) A base license is required on a Designated Server basis (which includes one production server and an additional server for each of development and QA purposes). In addition:
- A Viewer license is also required for each session in which a user accesses content published from the associated base license. As an example of how sessions are calculated, a user who accesses Arbortext Content Delivery in one web browser but on multiple tabs will count as one session. However, a user who accesses Arbortext Content Delivery in two web browsers will count as two session. In each case, when a session times out, a new session must be started.
  - Alternatively, Customer may purchase a Site Access Viewer license instead of the Viewer licenses. A Site Access Viewer license allows for unlimited number of Concurrent Users accessing content published from the associated base license.
- (2) Note that this may include the words "Locked License," "Node-Locked License", "Locked Per User" or just "Locked".
- (3) Users of the Arbortext Publishing Engine for APP offering may only use the offering to make F=APP requests. Without limiting the foregoing, Users may not make F=Convert requests or use any other functionality of the offering.
- (4) The Arbortext Print Service (APS) is licensed on the basis of the number of "Concurrent Instances," which means the number of instances of the APS that Customer initiates. Initiation of an APS instance is caused by Customer making a request for a document or template, and once initiated the instance will stay live until it times out. If Customer makes another request either after the first instance times out or for a different document/template, that will initiate an instance. Multiple instances can be initiated at the same time based on the number of documents/templates required to be active. At no time may Customer have more instances of APS live than Customer has purchased.

### Other Service Lifecycle Management Products

Licensed Product Name	Licensing Basis	Licensed Product Name	Licensing Basis
Warranty & Contract Management	Designated Server	iService	Concurrent User
Warranty Analytics (1)	Registered User	iSupport	Concurrent User
Warranty products	Concurrent User	iParts	Concurrent User
Warranty Web Access	Designated Server		



<p><u>Service Knowledge and Diagnostics</u></p> <ul style="list-style-type: none"> <li>• SKD Service Knowledge and Diagnostics - includes 5 Advisor Studio and 5 Advisor for Analytics*</li> <li>• SKD Advisor for Self Service - B2C</li> <li>• SKD Advisor for Contact Center</li> <li>• SKD Advisor for Field Service</li> <li>• SKD Advisor Offline</li> <li>• SKD Advisor for Analytics - 5 Pack</li> <li>• SKD Advisor Studio</li> <li>• SKD Advisor Service Session for Call Center</li> <li>• SKD Advisor Service Session for Field Service</li> </ul> <p>* For Subscription offerings, Advisor Studio and Advisor for Analytics are included in the Site License</p>	<p>Package</p> <p>Site License</p> <p>Registered User</p>
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**(1)** The Warranty Analytics (formerly Service Intelligence) bundle includes 1 Administrator, 2 Advanced Business Authors and 1 Professional Author. Note that additional Advanced Business Authors can also be purchased under this product name. The following use restrictions apply to the Business Reporting functionality in the Service Intelligence functionality in PTC’s Warranty products, depending on the license type:

- (i) Each license of Service Intelligence includes a license to use the base Business Reporting functionality to: (a) select reports, view reports and set personal preferences (for languages, time zones etc.); and (b) run and schedule reports created by a person using Service Intelligence Professional Author or Service Intelligence Advanced Business Author, or created by any of the means of report generation which are consistent with these use restrictions, interact with prompts, output the reports to other formats such as PDF and CSV, subscribe to a scheduled report, create and manage report folders and portal pages, personalize standard reports, and receive notifications, and (c) use the Business Insight to create interactive dashboards. One of these licenses may also be used for administration of the Business Reporting Software, with the additional permission to setup, deploy, configure and manage the Business Reporting software and components within the Customer’s environment, use the Framework Manager to define and publish metadata, and in the case of Service Intelligence Administrators, to use Portal, Query Studio, Report Studio, Analysis Studio, Business Insight and Business Insight Advanced to author, publish, generate and view sophisticated and interactive reports, analysis, queries and dashboards.
- (ii) A “Service Intelligence Professional Author” license allows for the same functionality as clause (i) above, except that, in addition, the Customer may permit the specified number of Registered Users to use the Business Insight Advanced, Query Studio and Report Studio module and functionality and to model metadata via the Framework Manager.
- (iii) A “Service Intelligence Advanced Business Author” license allows for the same functionality as clause (i) above, except that, in addition, the Customer may permit the specified number of Registered Users to use the Business Insight Advanced, Query Studio and Analysis Studio module and functionality and to model metadata via the Framework Manager.
- (iv) The Customer is required to configure the Business Reporting functionality to ensure that each user will be restricted from using any reporting functionality other than that licensed, as specified above. The Business Reporting functionality is only permitted to be used only with PTC products and not independent thereof.