Servigistics SaaS Service Description

Your use of PTC's Servigistics SaaS offering is subject to the terms of the PTC Master SaaS Agreement (the **"Agreement"**) as well as the following additional terms. Any capitalized terms used but not defined below have the meanings in the Agreement.

Introduction

Servigistics SaaS is offered as several packages that address different market segments, as specified below. A Customer is required to license only one package as the functionality is cumulative (e.g., Advanced includes all Foundation features plus more).

Offering Basis

A brief description of each package/add on is provided below.

- **Servigistics SaaS SPM Commercial Foundation** – Base SPM package for non-Federal, Aerospace and Defense (FA&D) Customers including high tech, medical, auto, heavy equipment, etc.

- **Servigistics SaaS SPM Commercial Foundation+** – Mid-level SPM package for non-Federal, Aerospace and Defense (FA&D) Customers including high tech, medical, auto, heavy equipment, etc.

- **Servigistics SaaS SPM Commercial Advanced** – Advanced package for non-FA&D Customers including high tech, medical, auto, heavy equipment, etc. Includes SPM PAI Advanced and annual usage hours based on PMI (**see table below). Includes Snowflake credits based on PMI (*see table below).

- **Servigistics SaaS SPM Commercial Aviation Foundation** – Base SPM package for commercial aviation Customers

- **Servigistics SaaS SPM Defense Foundation** – Base SPM package for defense Customers including government and other PBL based businesses

- **Servigistics SaaS SPM FA&D Advanced** – Advanced package for all FA&D Customers (commercial airlines and defense). Includes SPM PAI Advanced and annual usage hours based on PMI (**see table below). Includes Snowflake credits based on PMI (*see table below).

- **Servigistics SaaS SPM Premium** - Premium SPM Package for Customers in all industries. Includes SPM PAI Advanced and annual usage hours based on PMI (**see table below). Includes Snowflake credits based on PMI (*see table below).

- **SaaS SPM PAI Advanced** – Add on to Foundation or Foundation+ Packages for FA&D and non-FA&D customers when Advanced PAI functionality is needed but not the entire Advanced Package. Includes annual usage hours based on PMI (**see table below). Includes Snowflake credits based on PMI (*see table below).

- **SaaS Servigistics Data Science/ML Usage (1,200/600)**– 1,200 additional Standard Performance or 600 additional High Performance annual usage hours for Data Science/Machine Learning capabilities.

- **SaaS Servigistics PAI Snowflake Usage (200 credits)** – 200 additional Snowflake credits for PAI Advanced.

The SPM Solution is delivered as Software as a Service, each package provides specific product feature sets as specified below.

Commercial Foundation	Commercial Foundation+	Commercial Advanced	Premium
Includes full breadth of the following SPM features: - Forecasting - Optimization (MEO) - Order Planning - Last Time Buy (LTB) - PAI Foundation - Global Part Chains - Enhanced Supply Chain Modeling	Commercial Foundation PLUS: - Advanced Forecasting - Advanced MEO - Advanced Order Planning - History Based Simulation	Commercial Foundation+ PLUS: - Cluster Based LTB - Local Part Chains - Network Optimization - Service Parts Pricing - Connected SPM - PAI Advanced - Data Science/ML annual usage hours** - Snowflake Credits*	Commercial Advanced PLUS: - AUO - K-Curve

Commercial Aviation Foundation	Defense Foundation	FA&D Advanced
Includes full breadth of following SPM features: • Forecasting and Advanced Forecasting • Optimization (MEO) • Order Planning • Last Time Buy (LTB) • PAI Foundation • Global Part Chains • Enhanced Supply Chain Modeling • History Based Simulation	Includes full breadth of following SPM features: • Forecasting and Advanced Forecasting • Optimization (MEO and AUO) • Order Planning • PAI Foundation • Global Part Chains • Enhanced Supply Chain Modeling • History Based Simulation	Commercial Aviation Foundation PLUS: • Advanced Forecasting • Advanced Optimization (MEO and AUO) • Advanced Order Planning • Cluster Based LTB • Local Part Chains • Network Optimization • Connected SPM • PAI Advanced • Data Science/ML annual usage hours** • Snowflake credits*

License Profile

SPM SaaS is licensed based on one of three variables: PMI, PXL or DAL.

For the PMI-based offering, 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).

For the PXL-based offering, 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).

For the DAL-based offering (called Servigistics SaaS Retail Inventory Management (RIM) for OEM), the license is based on the number of Dealer Assigned Locations (DAL) to which the Customer provides a log-in to the Servigistics offering. A Dealer Assigned Location is a unique retail location where an authorized dealer sells the Customer's products and where the Customer's services parts inventory is being managed. DALs are identifiable by street address (i.e., each different street address is a different DAL). Access to the Servigistics offering by a dealer must be limited by Customer so that such dealer can only use the Servigistics offering to manage Customer's service parts, and not the service parts of any other OEM. Sales of this offering are based on PTC's approval, and are not available to customers who do not sell through dealers or who sell through only a small number of dealers, in PTC's sole discretion.

There is a fourth variable applicable to all of the above licensing models that is not directly used to price the offering but can act as a constraint/limit to the pricing. This variable is Part/Location pairs (PLP).

"PLP" is defined the quantity of Part/Location Pairs (part at a location) planned in the system. Each part has the potential to be planned at one or more locations in the network/hierarchy. In SPM forecasting and planning are done for each part at each location where it has been used in the past (demand) or is anticipated to be used in the future (forecast). The total number of PLPs is a factor in system processing and environment sizing.

Allowable Configurations

The SPM SaaS offering supports additional configuration, customization, and integration capabilities. In case of customizations and integrations, the Customer will be required to pay to PTC additional Extended SaaS Service (ESS) fees for run-time support, maintenance and upgrade of such customizations and integrations.

PLP/Data Entitlements

For PMI based pricing, regardless of package purchased, there is a recommended limit to the number of PLPs that can be managed in the system based on the inventory tier. There is also a storage allocation for each of the PMI tiers. The details are set forth in the table below:

Storage is defined as the total amount of data stored in all databases for the Servigistics solution, including SPM, SPP, PAI, and PAI Machine Learning.

	PMI (USD)				
Millions of dollars of inventory under management	$24 - $49	$50 – $99	$100 – $199	$200 - $499	$500+
PLP Limit	100K	500K	4M	8M	25M
Storage Limit	900GB	1.5TB	1.5TB	4.5TB	7.5TB
**ML Usage Hours	1200/600	1200/600	1200/600	1200/600	2400/1200
*Snowflake Credits	200	200	400	400	600

Version Support

The Service will include installation of new releases and update releases that PTC elects to apply to the Service. Customer will be responsible for updating customizations and/or integrations in order to ensure compatibility with the new release/update release.

PTC reserves the right to keep the Customer in a supported software release across the entire platform, and PTC reserves the right to install updates and perform general maintenance on the platform. Where Customer is not on a currently-released version of the software, PTC may terminate the Service or may impose additional fees (up to 30% of the annual contracted value on a per month basis) for each month of Services delivered by PTC.

For managed services customers, Customer is required to have a current and valid GOLDplus or higher support contract. Managed services support shall only apply if and for so long as Customer's underlying licenses of the software are current on PTC Support.

Extended SaaS Support Services

Extended SaaS Support Services may be purchased for customizations that Customer desires PTC to host for Customer, pursuant to the terms set forth on **Exhibit A**.

Regulated Industries

Regulated industries such as medical device manufacturing and military defense product manufacturing may have unique requirements for defining, tracking and managing access, security and changes to solution environments, and/or for FDA validation. For some offerings, PTC can support customers who must adhere to these requirements, but entitlement to this type of support must be explicitly purchased and is otherwise excluded. Additional terms applicable to PTC's Federal and Defense Add On Offering are as set forth on **Exhibit B**.

Data Export

Once the Service End Date is known, Customer can request up to two data exports: (1) prior to Service End Date an export for purposes of testing the input of that data into Customer's new system, and (2) final export at Service End Date. The Customer shall coordinate such requests with PTC. The data export includes the information required to redeploy the as-is software configuration in another environment. The file format(s) that are available for each offering are as set forth in the offering-specific sections below.

Other than as set forth above, export and snapshot of Data (e.g., for Customer's long-term retention needs) are not offered as part of the standard PTC offering. Customer may, however, contract with PTC for additional non-standard data export for additional fees.

PTC will retain Customer's Data for approximately 30 days following the last extraction after which time it will be destroyed. One copy of archived data can be provided during this 30-day period upon customer request.

Depending on the solution purchased, this may include: Database schema export, Directory LDIF export or similar user list export, Enterprise LDAP LDIF export contents.

Back Ups and Disaster Recovery

PTC maintains a comprehensive data backup policy to support Business Continuity and Disaster Recovery best practices. Full system backups are taken on a daily basis, and stored in geo-redundant locations. Production system backups are maintained for 30 days. Non-production backups are maintained for 7 days.

In the event of a wide-scale service outage, PTC will work with impacted Customers to determine if the Disaster Recovery protocol should be implemented. If needed, the Recovery Point Objective (RPO) for production systems is 24 hours, and the Recovery Time Objective (RTO) for production systems is 5 days. Non-production systems will be restored as quickly as possible after all production systems are fully restored.

Security and Data Privacy

Information about the security program for this Service is located at PTC's [Trust Center](#).

Information about data that is collected as part of the Service is located at www.ptc.com/en/documents/policies.

Exhibit A   Extended SaaS Support Services Terms

Introduction

The ESS Service provides for the deployment of a Customer's customizations and custom-developed integrations that communicate with the Service (collectively, "Customizations"). ESS does not include validation, modification, enhancement or repair of these Customizations.

Solution Scope

As part of ESS, PTC will provide:
- Application Customization installation
- verification that Customizations have installed

ESS does not provide for business use case verification or feature specific verification. Nor does it include troubleshooting or debugging of Customizations. PTC is not responsible for connectivity issues or downtime related to or caused by any Customizations.

Offering Basis

- ESS is contracted on a per Customization basis.
- PTC has the right to refuse any Customization. If PTC refuses a Customization, PTC will inform the Customer of the reason(s) to enable the Customer an opportunity to provide an updated release.
- It is important to note that the following items are not included as part of ESS:
  - Code changes required to resolve an issue or introduce new functionality
  - Customization changes following upgrades or maintenance releases or standard service enhancements
  - Data modifications
  - Customization development or consulting
  - Monitoring of Customizations
  - Services for Customizations not deployed within a PTC hosted application
- Upon Customer updating a Customization, PTC has the right to review the Customization to ensure it falls within the agreed scope of the existing Customization. If the Customization has expanded beyond the scope of the initial agreed upon baseline, PTC may require additional ESS fees to support the expanded scope.
- Upon upgrade of the PTC offering, Customer is responsible for upgrading any existing Customizations if there are any issues found during the upgrade process.

Solution Service Model

To utilize ESS, Customer is expected to provide the following components for each Customization.
- Source code
- Test plans, test cases and test results covering all use cases

PTC will analyze the documentation and source code for security and performance issues. PTC can refuse any Customization that is considered a risk in terms of performance, maintainability and sustainability of the solution, operation or security.

Exhibit B   Federal and Defense Add On Terms

Introduction

The PTC SaaS Federal and Defense offering is for those Customers who require their solution to adhere to US Federal requirements for ITAR, ITIL, DFARs, CMMC, FedRAMP or IL2/IL4/IL5 certified service. This offering is sold in some cases as an add-on to an underlying offering. Whether sold as an add-on or as a complete offering, the standard terms of the underlying offering apply in addition to those stated here. Where discrepancies exist, the terms in this Federal and Defense offering description will supersede. The availability of specific software product versions may vary from PTCs general software support version matrix.

Solution Scope:

The Federal and Defense offering is available as a standard service package.
- Solutions hosted as part of this service are managed in accordance with the required regulations and all required upgrades and modifications will be applied as needed to maintain certified status. Depending on the nature of any changes, Customer may be required to participate in testing, adjusting and accepting these changes on a planned maintenance schedule set by PTC. Such changes may include an upgrade of PTC software in order to maintain overall solution compliance and third-party compatibility.

The following items are included in the standard offering for FedRAMP / IL2:
- PTC provided certification for FedRAMP where PTC will maintain an active FedRAMP authorization per regulations listed herein:
  - Cybersecurity Maturity Model Certification (CMMC)
  - DFARS 252.204-7008: Compliance with safeguarding covered defense information controls
  - DFARS 252.204-7012: Safeguarding covered defense information and cyber incident reporting
  - DoD Cloud Computing Security Requirements Guide V1 R 3
  - FAR 52.204-21: Basic Safeguarding of Covered Contractor Information Systems
  - Federal Information Security Management Act (FISMA)
  - Federal Risk and Authorization Management Program (FedRAMP)
  - NIST SP 800-171: Protecting Controlled Unclassified Information in Nonfederal Information Systems and Organizations
  - NIST 800-53 r4: Security and Privacy Controls for Federal Information Systems and Organization

The following items are included in the standard offering for IL4 / IL5:
- For DoD SaaS customer environments, PTC will maintain an active Defense Information System Agency (DISA) authorization at the level appropriate to the requirement, to provide the relevant cloud computing services in accordance with the DISA Cloud Computing Security Requirements Guide (SRG) version in effect at the time and comply with the regulations listed herein:
  - DFARS 239.76: Cloud Computing
  - DODI 8510.01: Risk Management Framework (RMF) for DoD Information Technology
  - DoD Cloud Computing Security Requirements Guide V1 R 3
  - DoD Security Technical Implementation Guides (STIGs). In delivery of the service, PTC will comply with the following access restrictions:
    - Access to Controlled Unclassified Information (CUI) must be limited to U.S. Persons that have (1) a current U.S. security clearance (minimum interim SECRET clearance), or (2) have been the subject of a favorably completed National Agency Check with Inquiries (NACI), or (3) have been the subject of a favorably completed background check pursuant to a background check program submitted to Customer and approved by the Government.
    - Personnel with dual citizenship that have an active U.S. security clearance (interim Secret or higher) may be permitted access to Controlled Unclassified Information (CUI). Personnel with dual citizenship that do not have an active U.S. security clearance (interim Secret or higher) are not authorized access to CUI unless a request is submitted to Customer and approved in writing by Customer.

Offering Basis

The following terms describe PTCs commitment and governing practices for the Federal and Defense offering.

- PTC's SaaS Services business unit ("PTC SaaS Services") is a SaaS CSP and is FedRAMP Authorized at the Moderate Baseline. See FedRAMP.gov for more details about this.
- PTC SaaS Services meets all NIST 800-171 security control requirements required by DFAR 252.204-7012 and CMMC.
- PTC SaaS Services is audited annually by a FedRAMP and DoD approved third party assessment organization (3PAO) to ensure compliance with the FedRAMP Moderate Baseline and with the DISA SRG version in effect at the time.
- PTC SaaS Services will comply with the requirements of DFARS 252.204-7012(c)-(g) for cyber incident reporting, malicious software, media preservation and protection, access to additional information and equipment necessary for forensic analysis, and cyber incident damage assessment.
- PTC SaaS Services will ensure that all data hosted in the PTC FedRAMP and DoD Clouds remains in the United States, districts, territories, and outlying areas of the United States, and hence ensuring that the data remain under U.S. jurisdiction at all times.
- All PTC employees or authorized third parties in roles with access to DoD CUI categorized as critical sensitive will be U.S. Citizens and subject to a satisfactory Single Scope Background Investigation or other background investigation for high risk.
- All PTC employees or authorized third parties in roles with access to DoD CUI categorized as moderate risk positions or non-critical designations will be U.S. Citizens and subject to a National Agency Check with Law and Credit or equivalent.

The items below are responsibilities of the Customer:

- Customer is responsible for ensuring that only authorized personnel with current U.S. government security clearances or other authorizations, as required, are granted access to these Services.
- Customer is responsible for ensuring that any data held in these systems is appropriate given the nature of the Service, and PTC is not responsible for determining the appropriate access policies for Customer personnel or data. For example, without limitation, PTC's Services are not suitable for classified information or documents, and it is Customer's responsibility to ensure that such information/documents are not included in the Services.