



## Frequently Asked Questions concerning PROS Master Subscription and Professional Services Agreement

As you consider PROS as your partner in your digital transformation, it is natural to have questions about the contracting process. We want to address the most common questions our prospective customers ask about the PROS contract, or Master Subscription and Professional Services Agreement (“**MSA**”).

### **What is PROS providing to my company?**

PROS provides pricing, CPQ, revenue management and other AI and machine learning solutions (defined in the MSA as the “**Subscription Service**”) under a Software-as-a-Service (“**SaaS**”) delivery model. PROS leverages the same cloud infrastructure, security measures and support processes for all customers using the same Application(s). This allows PROS to offer cost-effective solutions to our customers, without sacrificing performance, security and the exceptional user experience that drives our 95% renewal rate.

PROS solutions are highly configurable to address each individual customer’s business needs. No customizations need to be performed on the software code itself. Every PROS customer uses the same version of any given Application.

Your pricing from PROS is based on agreed-upon business scope and use parameters for the Applications that address your business requirements delivered on the PROS cloud infrastructure with our standard support processes.

### **Why use the PROS MSA?**

We want to make the contracting process as frictionless for our customers as possible. So, we have crafted the terms of our MSA with the deliberate goal of ensuring, not only that the terms are on par with the best practices of other SaaS companies, but also that they address our customers’ common concerns.

Our MSA covers terms and conditions that are in our customers’ best interests. These terms and conditions are specific to cloud-based solutions that are not included in a typical vendor form your organization may have. For example, our MSA includes security provisions, Application availability commitments, and warranties that are all to your benefit.

### **How does PROS safeguard my data?**

Data security is a top priority for PROS. PROS maintains administrative, technical, and physical controls as part of a documented and certified information security program audited under SOC2 Type 2. We are happy to provide our most current SOC 2 audit report for your review upon request.

Also, as part of our GDPR compliance framework, we have implemented and maintain organizational and technical safeguards to track and secure all personal data.

Our ability to deliver consistently on our promise to secure customer data in the PROS cloud environment is predicated on the consistency of security practices across all customer environments. Therefore, it is not feasible to manage our operations in a manner which would meet the multiple, and even conflicting, customer security policies. The strict standards embodied in our security practices should accommodate, and even surpass, most customer requirements and expectations in that regard.

All customer data is treated as confidential, and PROS maintains policies and procedures to ensure the confidentiality, integrity, and availability of customer data. Specifically, customer data in the PROS cloud is firewalled on a secured network; safeguarded by industry standard SSL/TLS encryption both in transit and at rest; and fortified using industry standard network intrusion detection and prevention systems.

Because PROS security controls are audited by an independent source, you can rest assured that PROS consistently enforces these controls so that your data will be strictly safeguarded at all times.

### **Can customers audit PROS or conduct penetration testing of PROS systems?**

PROS takes security very seriously. There is no need for our customers to conduct time consuming and costly audits on our systems. We engage third party auditors who conduct a thorough review of our cloud operations as part of our periodic SOC 2 audit report or comparable industry-standard successor report.

PROS can provide you objective evidence that it is maintaining its controls by providing copies of its most current SOC 2 audit report or comparable industry-standard successor report. (Letters of attestation from an independent testing organization are available, upon request, as evidence of penetration testing results.)

### **Does PROS implement a GDPR compliance program as part of its cloud operations?**

GDPR imposes rules around how European personal data may be handled, including strict standards on consent, transparency, profiling, recordkeeping, data breach notification, and individual access rights. As a global company with customers and employees in many jurisdictions in Europe and around the globe, PROS occasionally processes limited personal data of persons in the EU and is subject to GDPR. With respect to customer data, PROS is a “processor” of personal data.

PROS only processes personal data as directed by our customers. To the extent PROS solutions and processing activities for a particular customer fall within GDPR, PROS will enter into a Data Processing Addendum specifying the terms and conditions applicable to such processing activities.

Protecting the personal data that we handle on behalf of our customers and employees is a top priority, and we welcomed GDPR as an opportunity to strengthen our commitment to personal data protection.

Further information regarding GDPR and PROS compliance efforts can be found at [www.pros.com/privacy/gdpr-faq/](http://www.pros.com/privacy/gdpr-faq/).

### **Will PROS take ownership of my data? What happens to my data if the contract is terminated?**

A customer always remains the owner of its data. You may request that we return your data within 30 days after the termination of a contract. After such 30-day period, we will purge all your data from our systems.

### **What level of Application availability can I expect from PROS solutions?**

PROS provides its solutions in accordance with the service level agreement (“*SLA*”) available at [www.pros.com/saas/sla/](http://www.pros.com/saas/sla/), and will provide financial relief in the form of service credits if we fail to deliver on that commitment.

Throughout the contract term, PROS will provide support to assist you with any issues you may encounter. The specific support level will be specified in each Order Form, and the terms governing each support level are discussed in the SLA document. PROS provides expert technical assistance worldwide, and understands that the solutions provided to its customers are critical to their operations.

Because service levels are strictly tailored to the software and cloud architecture of each of our solutions, and our support offerings are packaged as standardized products, we are unable to depart from the terms of the SLA.

### **Should I require acceptance testing?**

While PROS products require implementation, which will be documented in a Statement of Work or Work Order, they are not specially developed or customized (with custom programming code) for a particular customer. As a result, while the implementation services contemplate a user acceptance testing phase, the Application itself is a standard product and does not render itself to independent testing by each particular customer.

### **What is PROS liability exposure under the MSA?**

PROS understands your concern about the performance of our obligations under the MSA, specifically as that performance relates to the protection of your data.

Like other SaaS providers, PROS offers a reasonable yet meaningful cap on liability, which is rationally related to the subscription fees that you have paid. This liability structure demonstrates our commitment to provide you with recourse in the event of a breach. Similar to any other commercial contract, the MSA does not allow for unlimited liability. Unlimited liability would ultimately result in our charging you higher prices because we would have to incur additional expenses to offset the incremental risk through insurance. Our goal is to provide you with the protection you need, while being able to offer cost-effective solutions.

---

<sup>i</sup> This FAQ is for informational purposes only and does not constitute legal advice. The information provided is general in nature and does not form a part of a proposed contract.