

PRODUCT SPECIFIC TERMS

PLEASE READ THESE TERMS CAREFULLY.

PROS Product Specific Terms are intended to highlight some of the important things about using our different products. These Product Specific Terms form part of the PROS Master Subscription & Professional Services Agreement (the "MSPSA") and are hereby incorporated therein. Capitalized terms not otherwise defined here will have the meaning as set out in the MSPSA. The terms in **Section 2** and **Section 3** correspond to the specified product, while the terms in **Section 4** apply to both Smart Price Optimization and Management and Smart Configure, Price, Quote. We periodically update this page by posting a revised copy under the "Product Specific Terms" link at <https://pros.com/contracts-center/>, so please check back here for current information.

Last Updated: January 11, 2023

1. Definitions

"Monthly Price Evaluations" means during any calendar month, the aggregate number of Price Evaluations completed.

"Named Users" means designated individual users authorized by Customer to access or use Smart Configure, Price, Quote.

"Peak Price Evaluations per Minute" means during any one minute, the aggregate number of Price Evaluations completed during such minute.

"Performance Sandbox" is a non-production environment, with similar environment performance characteristics to the production environment, designed for performance tuning, configuration, user testing, system integration testing and training.

"Price Evaluation" means the evaluation of a Price Item requested via the PROS Pricing Evaluation API. The evaluation includes a set of prices, which is returned to the system of origin.

"Price Item" is any attribute combination that requires a price.

"Pricing Method" means a named set of calculations used in a Price Evaluation.

"Response Time" means the processing time to complete a Price Evaluation, excluding network latency outside of the Subscription Service, for up to (i) ten Price Items per request, (ii) 500 calculations per Price Item, and (iii) up to three (3) AI-optimized prices per Price Item.

"Revenue Under Management" is all revenue during any annual period before adjustments for expenses and taxes for the products and services for which the Subscription Service is used by Customer.

"Standard Sandbox" is a non-production environment with lower environment performance characteristics to be used for configuration, user testing, system integration testing and training before promoting changes to Customer's production environment.

2. Smart Price Optimization and Management

A. Add-Ons

Customer may choose to include additional Standard Sandbox(es), Performance Sandbox(es) and/or Monthly Price Evaluations as a paid add-on to Smart Price Optimization and Management when the applicable Order is signed and/or by giving written notice as described in 'Fee Adjustments' section below in consideration of the below annual fee for the applicable add-on.

Add-On	Quantity	Annual Fee - Edition		
		Essentials	Advantage	Ultimate
Additional Standard Sandbox	1	5% of the Annual Fee for Smart Price Optimization and Management	5% of the Annual Fee for Smart Price Optimization and Management	Custom

Additional Performance Sandbox	1	15% of the Annual Fee for Smart Price Optimization and Management	15% of the Annual Fee for Smart Price Optimization and Management	Custom
Additional Monthly Price Evaluations	2,000,000	US\$30,000	US\$30,000	US\$30,000

Please contact your PROS Customer Success Manager to purchase an add-on, as well as to inquire about pricing for purchasing more than 10,000,000 Monthly Price Evaluations.

B. Subscription Fees

The Subscription Fee for Smart Price Optimization and Management will remain fixed during the Subscription Term unless you:

- (i) exceed your in-Scope Revenue Under Management,
- (ii) give written notice for additional quantities of Standard Sandbox(es), Performance Sandbox(es) and/or Monthly Price Evaluations,
- (iii) upgrade to a higher Edition package,
- (iv) subscribe to additional features or products, or
- (v) unless otherwise agreed to in the Order.

You can learn more about how your fees may be otherwise adjusted in the 'Fees Adjustments' section below.

C. Fee Adjustments

If Customer gives written notice subscribing for additional Standard Sandbox(es), Performance Sandbox(es), and/or Monthly Price Evaluations, PROS will invoice a prorated portion of the applicable annual fee proportional to the remainder of the then-current year of the Initial Subscription Term. Thereafter, such additional annual fee will be added to the annual Subscription fees invoiced in advance of each subsequent year of the Subscription Term.

D. PROS Pricing Evaluation API

All Editions of Smart Price Optimization and Management include the capability of Real Time Price Delivery through the PROS Pricing Evaluation API. This Section D addresses terms that apply specifically to the PROS Pricing Evaluation API.

- **Supplemental Service Level**

PROS Subscription Service Availability commitment for the PROS Pricing Evaluation API for a given calendar month is 99.99% and includes Response Time for Price Evaluations of (i) not less than 75% of Price Evaluations within 700 milliseconds or less, and (ii) not more than 10% of Price Evaluations exceeding three seconds. PROS Subscription Service Availability for the PROS Pricing Evaluation API will be measured as specified in PROS Production Support and Service Level Agreement, *provided however that*, PROS Pricing Evaluation API requires no Planned Maintenance.

The Essentials and Advantage Editions of Smart Price Optimization and Management are designed to handle a maximum of 2,500 Peak Price Evaluations per Minute. The maximum number of Peak Price Evaluations per Minute for the Ultimate Edition will be agreed upon and specified in writing between PROS and Customer. If the Peak Price Evaluations exceed the limit, the Pricing Evaluation API may return a standard HTTP response code (429) to the calling application.

- **Service Credits for Supplemental Service Level**

In the event that either (i) the PROS Subscription Service Availability of the PROS Pricing Evaluation API is less than 99.99% but equal to or greater than 99.9%, or (ii) the Response Time described in this Section D is not met, Customer will be eligible to receive a Service Credit Percentage of 5% of the total charges paid by Customer for Smart Price Optimization and Management for the applicable month. If the PROS Subscription Service Availability for the PROS Pricing Evaluation API is less than 99.9%, Smart Price Optimization and Management will be deemed to not be available under the PROS Production Support and Service Level Agreement, and Section 3 in the PROS Production Support and Service Level Agreement will apply.

The terms and conditions in Section 4 of the PROS Production Support and Service Level Agreement apply to the service levels and Service Credits specified in this Section D. Capitalized terms in this Section D that are not defined in the MPSA or these Product Specific Terms have the meanings assigned to them in the PROS Production Support and Service Level Agreement.

3. Smart Configure, Price, Quote

A. Add-Ons

Customer may choose to include additional Standard Sandbox(es) and/or a Performance Sandbox(es) as a paid add-on to Smart Configure, Price, Quote when the applicable Order is signed and/or through the issuance of written notice as described in 'Fee Adjustments' section below in consideration of PROS' then-current price for the applicable paid-on.

Add-On	Quantity	Annual Fee - Edition		
		Essentials	Advantage	Ultimate
Additional Standard Sandbox	1	5% of the Annual Fee for Smart Configure, Price, Quote	5% of the Annual Fee for Smart Configure, Price, Quote	Custom
Additional Performance Sandbox	1	15% of the Annual Fee for Smart Configure, Price, Quote	15% of the Annual Fee for Smart Configure, Price, Quote	Custom

Please contact your PROS Customer Success Manager to purchase an add-on.

B. Subscription Fees

The Subscription Fee for Smart Configure, Price, Quote will remain fixed during the Subscription Term unless you:

- (i) exceed the Scope specified in the Order,
- (ii) give written notice for additional quantities of Standard Sandbox(es) and/or a Performance Sandbox(es),
- (iii) upgrade to a higher Edition package,
- (iv) subscribe to additional features or products, or
- (v) unless otherwise agreed to in the Order.

You can learn more about how your fees may be otherwise adjusted in the 'Fees Adjustments' section below.

C. Fee Adjustments

If Customer gives written notice subscribing for additional Standard Sandbox(es) and/or Performance Sandbox(es), PROS will invoice a prorated portion of the applicable annual fee proportional to the remainder of the then-current year of the Initial Subscription Term. Thereafter, such additional annual fee will be added to the annual Subscription fees invoiced in advance of each subsequent year of the Subscription Term.

D. CRM Dependencies

The Essentials and Advantage Editions of Smart Configure, Price, Quote are dependent upon certain minimum updates to Customer's CRM to ensure proper functionality. Customer is responsible for the setup and maintenance of Customer's CRM (a) objects (such as quotes, accounts, contacts, opportunities, sales hierarchies, etc.) and (b) approval workflows.

4. Other Product-Specific Terms

A. Entitlements

The Subscription Service includes one Production environment and two Standard Sandboxes. Customer may add additional sandbox environments as described herein.

By default, PROS will store up to 3 years of historical data for all Editions of Smart Price Optimization and Management and Smart Configure, Price, Quote. You can purge expired pricing records and reference data that you no longer require. For example, our Smart Price Optimization and Management customers find that 2 years is the optimal timeframe for maintaining analytics data in order to perform AI-based trend analysis; we recommend that you purge any data beyond the two-years timeframe.

PROS will monitor or audit remotely the Scope specified in the applicable Order and the parameters in these Product Specific Terms. If you exceed the applicable Scope or parameters in these Product Specific Terms, (a) the Service Level(s) (as defined in the PROS Production Support and Service Level Agreement and in these Product Specific Terms) will not apply, and (b) PROS Customer Success will contact you about upgrading to the Ultimate Edition tier or, if you already subscribe to an Ultimate Edition, about amending your agreement with PROS.

B. Downgrades

Customer may only downgrade the Scope/Edition set forth in the Order at the next renewal date upon signature of a new Order. In order to avoid additional charges, Customer should purchase the appropriate Scope/Edition of the Subscription Service(s) for your anticipated needs.

C. Modifications

We will not make changes to the Subscription Service and paid Add-Ons to these products that materially reduce the functionality provided to you during the Subscription Term.

D. Stress Testing

Customer may not perform stress testing on any production environments. If you want to perform stress testing on a Standard Sandbox or Performance Sandbox, please contact PROS' Support via PROS Connect.

E. Legacy Products

Once you've moved from a PROS legacy product and purchased Smart Price Optimization and Management or Smart Configure, Price, Quote, you cannot choose to re-purchase the legacy product with legacy pricing, which may bill differently. If you use one of our legacy products not listed in these Product Specific Terms, then the terms that apply to that legacy product with legacy pricing apply to your subscription.

PRODUCT AND SERVICES CATALOG

SMART PRICE OPTIMIZATION AND MANAGEMENT

Smart Price Optimization and Management is an omnichannel price management solution that defines pricing strategies, manages prices across multiple channels and geographies, governs pricing approval processes, provides analytics and insights to help manage revenue and profit, and delivers prices in real-time across multiple channels. Smart Price Optimization and Management is available for purchase in the three editions below:

Capabilities	Essentials	Advantage	Ultimate
Omnichannel Price List Management. View, define and manage price lists for one or more channels (direct sales, partners, eCommerce, etc.), regions, products, or customer segments, to operationalize pricing strategy execution and rationality across sales channels.	X	X	X
Price Strategy Management. Build and manage dynamic pricing strategies. Simulate various pricing inputs to help refine and adjust pricing strategies.	X	X	X
Leader-Follower Pricing. Define and manage price item relationships to maintain rationality when performing mass adjustment of prices.	X	X	X
On-Demand Currency Conversion. Define, manage and convert automatically price lists, charts, and price evaluations for ISO-supported currencies.	X	X	X
Standard Unit of Measure Conversions. Leverage standard conversion rates between different units of measure. Execute automatic conversions between units for charts and price lists.	X	X	X
Mass Price Change. Perform scheduled price updates based on updated pricing strategies, costs changes and competitive pricing. Review and approve latest pricing and publish to Customer's ERP.	X	X	X
Multi-tiered Pricing Approval Workflows. Price governance via multiple levels of approval workflows, including routing of price approvals based on pricing thresholds to specific roles.	X	X	X
Price Analytics (margin/revenue). Predictive pricing models, configurable charts, and dashboard views. Ability to choose different data display options, filters, groupings and to zoom in on data and comparison tools. Intuitive workflow navigation between charts and price lists.	X	X	X
Price List Scenario Analysis. Create and compare different pricing strategies. Analyze outcomes via aggregated summary metrics (KPIs) and inline analytics.	X	X	X
eCommerce Integration. eCommerce integration via standard APIs.	X	X	X
Real Time Price Delivery. PROS Pricing Evaluation API to power sales channels with real-time delivery of pricing information. Includes up to the specified number of price evaluations per month.	1M	3M	10M
Customer-Specific Unit of Measure Conversions. Define and manage the conversion rates between a default unit of measure and alternative units of measure for specific products and customers. Display all products in designated price lists for specific customers in predefined units of measure.	X	X	X

Tiered/Scaled Pricing. Manage volume discounting by defining price scales based on the volume / revenues of units sold. Ability to choose the calculation method and displayed offset type.	X	X	X
Commodity-Based Pricing. Manage pricing strategies based on commodity index feeds, including averaging index pricing by days or months and calendar management for holidays and exceptions.	X	X	X
Agreement Price Sync (Requires Advantage edition or higher of Smart Configure, Price, Quote). Automate multiple price changes as a set across existing customer agreements, with necessary reviews and approvals from Sales and Pricing stakeholders.	X	X	X
AI-Driven Price Optimization for Negotiated Prices. Deliver tailored price recommendations for sales negotiations, based on AI segmentation model(s) from supported metrics that considers historical transactions, customers' willingness to pay and third-party data.		X	X
AI-Driven Price Optimization for eCommerce. Deliver optimized dynamic prices for eCommerce and digital self-serve channels, based on AI segmentation model that considers historical transactions, customers' willingness to pay and third-party data.		X	X
Forecasting. AI-based forecasting and optimization in the transportation and logistics industry and commodity industry.			X
Capacity-aware Price Optimization. Deliver tailored prices based on AI segmentation models, taking available capacity into consideration through PROS' data-driven revenue management solution.			X
Extensible AI. Host customer-trained optimization models to tailor pricing and selling recommendations, and return results which can be orchestrated and integrated with other PROS' services and PROS' AI-driving price optimization models.			X

SMART CONFIGURE, PRICE, QUOTE

Smart Configure, Price, Quote automates the selling process by delivering performance quoting, a centralized product catalog with rich attributes, and approval workflows to power selling across all types of channels: direct, partner, and eCommerce. Certain editions of Smart Configure, Price, Quote also include a flexible configuration engine, customer-specific sales agreements, and subscription management. Smart Configure, Price, Quote is available for purchase in the three editions below:

Capabilities	Essentials	Advantage	Ultimate
Product Catalog. Common product repository supporting multiple attributes, rich content, and 2D/3D product visualizations for multi-channel use.	X	X	X
Product Comparison. Select multiple products from product catalog and visually compare their characteristics.	X	X	X
Advanced Search. Search product catalog, quotes, and quote line-item details using full-text search or multi-criteria filters.	X	X	X
Guided Selling. Tailored workflow to allow Users to navigate various selling choices within their product catalog.	X	X	X

Product and Solution Bundling. Pre-defined and dynamic product bundling to create personalized offers with negotiated prices.	X	X	X
Price List Management. Centralized price list management including: Price List Administration, Dimension Management, Lookups, Real-time pricing methods, Currency conversion, and Unit- of-Measure conversion.	X	X	X
Price-Discount Waterfall. Deal- and line-level waterfall analytics to view profitability metrics.	X	X	X
Performance Quoting. Performance quoting engine for a pre-set number of Lines.	Up to 1,000	Up to 5,000	10,000+
Multi-dimensional Quoting. Create structured quotes including hierarchy, segmentation and grouping of sellable items throughout the quoting process.	X	X	X
Multi-Level Quote Approval Workflows. Trigger native SFDC and MS Dynamics approval processes to enable multi-level approvals per quote.	X	X	X
Word-Based Document Generation. Design and generate quote proposal templates in Microsoft Word and PDF formats.	X	X	X
Microsoft Excel Import/Export. Export and import a quote with header and line-item detail.	X	X	X
CRM Integration. Native integration with Microsoft Dynamics and Salesforce CRMs - catalog, configuration and quoting.	X	X	X
Order Submission to ERP. Integrate orders with all ERP systems, including Microsoft, Oracle, and SAP.	X	X	X
Subscription Pricing & Selling. Additional pricing and quoting workflows to support recurring subscription products and services. Define and manage subscription pricing rate plans including one-time and recurring pricing models, fixed-rate, tiered, and usage-based. Includes support for subscription lifecycle management including create, upgrade/downgrade, renew and cancellation.		X	X
Product / Service Configuration. Utilize a configuration engine to define and price products for Assemble-to-Order, Configure-to-Order, and Engineer-to-Order quotes.		X	X
Fast Configuration. Optimize attributes to customize a specific bundled offering.		X	X
Parts Quoting. Manage parts information in a common catalog to automate the end-to-end quote-to-order process.		X	X
Manufacturing Bill of Materials. Optimize, streamline, and refine sales and manufacturing processes.		X	X
Rules-Driven Price Recommendations. Define and manage price recommendation envelopes per product/line-item.		X	X
Tiered/Scaled Pricing. Provide pricing within a quote based on volume of units sold.		X	X
Sales Agreement Terms/Prices. Define customer-specific terms, products and prices, inclusive of pricing scales/tiers, for repeatable orders.		X	X
Agreement Lifecycle Management. Create, amend, renew and terminate customer-specific sales agreements containing negotiated terms and conditions.		X	X

Quote Analytics. <i>Analyze and score quotes to review profitability, discounting, and cost-revenue metrics. Ability to incorporate 3rd-party data and insights to enrich the quoting experience.</i>		X	X
CPQ APIs for 3rd-Party Apps. <i>Extend and integrate product catalog, configuration and quoting services across multiple sales channels using standard APIs.</i>		X	X
AI-Driven Churn Detection. <i>AI-driven identification of declining buying patterns based on customer and segment-level analysis.</i>			X
AI-Driven Cross-Sell/Up-Sell Recommendations. <i>AI-driven identification of cross-sell and up-sell opportunities based on customer and segment-level buying patterns.</i>			X
Automated CRM Opportunity Creation. <i>Automatic creation of CRM Opportunities based on AI recommendations.</i>			X

Additional Features

All Editions of Smart Price Optimization and Management and Smart Configure, Price, Quote include data integration services, subject to additional professional services for configuration. Please contact your PROS representative to discuss.

The Ultimate Editions of Smart Price Optimization and Management and Smart Configure, Price, Quote include additional features and capabilities not listed here, including but not limited to, personalized integrations, reporting, and data science-based algorithms. Please contact your PROS representative to discuss additional features and capabilities available.

Smart Price Optimization and Management and Smart Configure, Price, Quote support various languages with system administration in English by default. Please contact your PROS representative for more information.

We strive to be transparent about our product packaging and the limits that apply and hope you find this catalog useful. Please note that the fees we list here are subject to applicable taxes and that all purchases are subject to the terms and conditions in the applicable Master Subscription & Professional Services Agreement located at <https://pros.com/contracts-center/>.

We periodically update this catalog by posting a revised copy at the "Product Specific Terms" link at <https://pros.com/contracts-center/>, so please check back there for current information. If you're looking for definitions of the terms used here, see the applicable Master Subscription & Professional Services Agreement located at <https://pros.com/contracts-center/>.

If you have any questions, please contact your PROS Customer Success representative.