

The following are the specific terms and conditions for the Software entitled “Varient Incentive Compensation Management” (“ICM”) ordered by Customer as a Cloud Service pursuant to the Varient Cloud Service Agreement (the “**Agreement**”) at https://www.varient.com/legal_documents. Capitalized terms shall have the meanings set forth in the Agreement or elsewhere herein. Unless otherwise indicated, references in this Schedule to Sections means the Sections of this Schedule.

1. **DESCRIPTION OF ICM**

1.1. Varient charges for use of ICM and each Add-on, as defined in Section 1.2 below, on a “per Entitlement” basis. What constitutes a single “**Entitlement**” for ICM’s components and each Add-On is described below. Customer shall purchase sufficient Entitlements for its intended and actual use of the Cloud Service. Additional Entitlements may be added at any time upon the Parties’ execution of an Order for such Entitlements.

1.2. ICM. ICM automates the process of calculating, reporting, and administering variable-based pay, such as sales commissions and bonus programs, in a SaaS environment. The base Fee for ICM includes: (a) one Production Instance, one Non-Production Instance, and retention of up to three (3) years of data history, managed on a rolling timeline (included in the initial Order at no additional Fee); (b) an administrative client that is used to build compensation plan logic, construct reports, and configure aspects of the Cloud Service; and (c) a web portal through which sales representatives, operations staff, and managers can view dashboards, obtain Documentation and Support Services, and perform certain functions through a web interface (for example, approving a compensation plan document before it is sent to an employee). A “**Production Instance**” means a configuration of the Cloud Service that provides full productive use of ICM and all Add-ons listed in any Orders. A “**Non-Production Instance**” means a configuration of the Cloud Service whose use is restricted to Customer’s non-production activities, including testing, performance tuning, fault diagnosis, benchmarking, staging, quality assurance, and developing internally used additions or extensions to the Cloud Service using published application programming interfaces. Customer, its Subsidiaries, and Authorized Users shall not, and shall not permit or authorize any Person, directly or indirectly, to use any Non-Production Instance for any production activities. Customer must obtain a sufficient number of each of the following Entitlements in order to use ICM:

1.2.1. Payees on Cloud. One Entitlement per Payee. A “**Payee**” is an Authorized User who is participating in one or more programs being managed or tracked by Customer or any of its Subsidiaries using the Cloud Service.

1.2.2. Administrative Users on Cloud. One Entitlement per Administrative User. An “**Administrative User**” is an Authorized User who partakes in the creation and/or ongoing administration of incentive compensation plans on Customer’s or any of its Subsidiaries’ behalf and accesses the Cloud Service through the administrative client.

1.2.3. Data Volume on Cloud. Customer must obtain sufficient Entitlements to cover the total number of Record Lines processed by the Cloud Service during each month. One “**Million Record Lines**” Entitlement represents one million (1,000,000) Record Lines. A “**Record Line**” is a line item (row) from an .xml, .csv, or like file record from a physical or electronic document newly loaded or processed by the Cloud Service. For clarity, a daily count of newly generated record lines is used and purged data that is then re-imported is considered a new record.

1.3. Optional Add-Ons and Premiums. The following offerings are optional add-ons and premiums (“**Add-ons**”), which may be added to Customer’s current or prior Orders of ICM for an additional Fee.

1.3.1. Single Tenant Premium on Cloud. This Add-on provides Customer with a dedicated physical database server instead of physically sharing a server with other Persons’ databases.

1.3.2. Additional Production Instance on Cloud. This Add-on provides an additional Production Instance of the Cloud Service. This is in addition to the one Production Instance included as part of ICM.

1.3.3. Additional Non-Production Instance on Cloud. This Add-on provides an additional Non-Production Instance of the Cloud Service. This is in addition to the one Non-Production Instance included as part of ICM.

1.3.4. Data History Premium on Cloud. This Add-on provides for the retention, on Customer’s behalf, of up to seven (7) years of data history, managed on a rolling timeline, rather than the three (3) years included as part of ICM.

1.3.5. Disaster Recovery Premium on Cloud. This Add-on provides a return to operation within five (5) days if a Force Majeure Event occurs, instead of the fourteen (14) days described in Section 6.2 (Disaster Recovery) of the Agreement.

1.3.6. Premium Performance on Cloud. This Add-on provides Customer with increased performance of the Cloud Service than the standard ICM offering. Varient provides this increased performance by using a performance-specific analytic environment with a five (5) node cluster that Varient optimizes for Customer’s compensation calculation.

1.3.7. Premium Performance Plus on Cloud. This Add-on provides Customer with increased performance of the Cloud Service that is enhanced over “Premium Performance” (Section 1.3.6 above), by using a performance-specific analytic environment with a seven (7) node cluster that Varient optimizes for Customer’s compensation calculation.

2. ADDITIONAL ACCESS AND USE OF THE CLOUD SERVICE TERMS

2.1. In addition to Section 2 (Access To and Use of the Cloud Service) of the Agreement, Varient shall provide Customer with a single administrator account for the Cloud Service (an “**Admin Account**”). Customer is responsible for: (a) creating accounts for Authorized Users; (b) all activities that occur under the Admin Account or Authorized Users’ accounts; (b) maintaining the security and confidentiality of all user names and passwords for the Admin Account and each Authorized User account; and (c) any loss or damage suffered by Customer or Varient as a result of Customer’s, any of its Subsidiaries’, or any Authorized User’s failure to adequately safeguard any such account information. Customer shall promptly notify Varient of any unauthorized use of any user name, password, or account or any other known or suspected breach of security.

3. ADDITIONAL DATA BACK-UP INFORMATION

3.1. In addition to Section 6.1 (Data Back-Up) of the Agreement, Varient shall retain backups on a rolling basis: every seven (7) days, a full database backup shall be taken and each subsequent day within the week, a comparative differential backup shall be taken. Varient shall retain the last seven (7) days of daily differential backups and the previous four (4) full backups (covering a span of twenty-eight (28) days of activity). As a new full backup is created, the oldest version shall be discarded.

4. VARIENT HOSTING AND PROCESSING LOCATIONS

4.1. The following Varient data hosting and processing locations are used for the Cloud Service. Customer may be able to request that Varient use a subset of these locations. Varient may add additional hosting and processing locations in accordance with the Data Security Standards.

- a. United States

5. THIRD PARTY SUB-PROCESSORS

5.1. ICM Third Party Subprocessors:

- a. Amazon Web Services

SUPPORT SERVICES ANNEX

Unless otherwise indicated, references in this Annex to Sections means the Sections of this Annex.

1. AVAILABILITY

1.1. Availability. With respect to each Production Instance, “**Available**” means that such Production Instance is available to Customer for use. Each Production Instance shall be Available 24 hours a day, 7 days a week, 365 days a year at least ninety-nine point nine percent (99.9%) of the time in any given calendar month. Availability shall be calculated as follows for each calendar month:

$$\frac{(\text{total \# of minutes in the month}) - (\text{total \# of minutes of Unexcused Downtime})}{(\text{total \# of minutes in the month})} \times 100 = \% \text{ Availability}$$

“**Downtime**” means any time period during which the Cloud Service is not Available.

Availability shall be expressed to one decimal point with the decimal place rounded up or down to the nearest one-tenth of a percentage point. Availability applies only to Production Instances. Downtime is measured from the time Customer opens a Support Ticket with Varient for such Downtime until the time the Availability of the affected Production Instance is restored. A “**Support Ticket**” means any request for Support Services or notification of Downtime submitted through Varient’s support ticketing system.

1.2. Scheduled Maintenance. “**Scheduled Maintenance**” means planned Downtime, including for server and network maintenance to replace or repair components and Software upgrades (such as, new Software releases, Software patches, bug fixes and upgrades). Unless otherwise notified by Varient, regularly Scheduled Maintenance shall occur only on the third (3rd) Saturday of each month, during the hours of 8:00am - 4:00pm, Eastern Time. Varient shall use commercially reasonable efforts to notify Customer in advance of any additional Scheduled Maintenance.

1.3. Excused Downtime. If unscheduled Downtime is due to: (a) a Force Majeure Event affecting Varient and Varient is in full compliance with its obligations under [Section 6](#) (Backup and Disaster Recovery) and [Section 7.1](#) (Data Security Standards) of the Agreement; (b) the performance of emergency maintenance; or (c) any of the circumstances described in [Section 4](#) (Exclusions) below, such Downtime shall be considered “**Excused Downtime**” and any Downtime that is not Excused Downtime shall be considered “**Unexcused Downtime**”.

1.4. Service Level Credits. If Varient fails to meet the Availability set forth in [Section 1.1](#) in any calendar month, Varient shall credit to Customer on its next invoice for ICM, a “**Service Level Credit**” in an amount equal to the applicable percentage set forth in the Table below of the total Fees for Entitlements payable by Customer for such month. In order to receive a Service Level Credit, Customer must submit a Support Ticket for failure to meet the Availability set forth in [Section 1.1](#) no later than three (3) Business Days after the end of the calendar month in which such failure occurred.

Availability	Service Level Credit
Less than 99.9%	2%
Less than 99%	5%
Less than 95%	10%

2. TECHNICAL SUPPORT

2.1. Scope of Support. Technical support is provided as part of the Fees for ICM and includes:

2.1.1. Self Help: Self Help Knowledge Base, Community Sharing, and other self-help options (e.g., help forums);

2.1.2. Support: Phone, chat, and Support Ticket support;

2.1.3. Ability to Set Ticket Severities: Customer may, acting reasonably, choose the Severity Level for each Support Ticket from the four (4) Severity Levels set forth in [Section 2.1.4](#) and [Section 2.2.3](#);

2.1.4. Service Level Objectives (“SLOs”): Varient shall use commercially reasonable efforts to provide Customer initial responses on all Support Tickets within the SLOs set forth in the table below. For the avoidance of doubt, the SLOs described below are targets and not a guarantee of performance. Response times commence as of the time that Varient receives the Support Ticket from Customer. “**Support Service Hours**” means Business Days, 9:00am-5:00pm in Customer’s time zone (based on Customer’s address in the relevant Order).

Severity Level	Severity Description	Response Time Objective	Response Time Coverage
1	Critical business impact/service down: ICM is not Available or all critical features and functionality of ICM are not functioning.	Within 1 hour	24x7x365

Severity Level	Severity Description	Response Time Objective	Response Time Coverage
2	<i>Significant business impact:</i> A feature or function of ICM is severely restricted in its use, resulting in a significant impact on Customer's business operations. Customer is in jeopardy of missing business deadlines.	Within 2 Support Service Hours	Support Service Hours
3	<i>Minor business impact:</i> A feature or function of ICM is not performing in accordance with the Documentation but does not result in a critical impact on Customer's business operations.	Within 4 Support Service Hours	Support Service Hours
4	<i>Minimal business impact:</i> An inquiry or non-technical request.	Within One Business Day	Support Service Hours

2.2. Premium Support. "Premium Support," available for an additional Fee, is for Customers who have a strategic dependence on ICM who require expedited SLOs and support from and access to named Varient Support Personnel. Premium Support includes:

2.2.1. Support: As set forth in [Section 2.1](#);

2.2.2. Direct Access to Premium Support Representatives: In-depth technical support provided directly by Varient subject matter experts on all Support Tickets;

2.2.3. Service Level Objectives: Varient shall use commercially reasonable efforts to provide Customer initial responses on all Support Tickets within the SLOs set forth in the table below. For the avoidance of doubt, the SLOs described below are targets and not a guarantee of performance. Response times commence as of the time that Varient receives the Support Ticket from Customer.

Severity Level	Severity Description	Response Time Objective	Response Time Coverage
1	<i>Critical business impact/service down:</i> ICM is not Available or all critical features and functionality of ICM are not functioning.	Within 15 Minutes	24x7x365
2	<i>Significant business impact:</i> A feature or function of ICM is severely restricted in its use, resulting in a significant impact on Customer business operations. Customer is in jeopardy of missing business deadlines.	Within 1 Support Service Hour	Support Service Hours
3	<i>Minor business impact:</i> A feature or function of ICM is not performing in accordance with the Documentation but does not result in a critical impact on Customer's business operations.	Within 2 Support Service Hours	Support Service Hours
4	<i>Minimal business impact:</i> An inquiry or non-technical request.	Within 4 Support Service Hours	Support Service Hours

2.2.4. Assigned Customer Success Manager ("CSM"): Up to eight (8) hours of an assigned CSM per week to assist Customer with ICM. Customer's CSM shall provide proactive, focused attention to help close issues impacting Customer's business. Customer's CSM shall also provide technical insights into new Varient product and service offerings and any new updates that may benefit Customer's business;

2.2.5. Business Reviews: Every quarter, Customer's CSM shall conduct comprehensive business reviews on Customer's account to review Customer's ICM use to verify the use and performance of Customer's infrastructure and platform services and provide recommendations to optimize Customer's business operations; and

2.2.6. Solution Architect Consultation: Varient's solution architects shall consult with Customer's TAM to assist Customer in the translation of requirements into a tangible solution and guide Customer in the selection of applicable products and services to solve Customer's technical and/or business problems.

3. SUPPORT PROCESS

3.1. Support Hours. Varient shall provide Support Services for Severity 1 Support Tickets twenty-four hours a day, seven days a week (24x7). Varient shall provide all other Support Services during the Support Service Hours.

3.2. Process.

3.2.1. All requests for Support Services shall be submitted by Customer through Varient's Support Ticket system. Each Support Ticket shall have a unique case number assigned to it which shall be referenced by both Parties in all correspondence regarding that Support Ticket. Varient shall use commercially reasonable efforts to reproduce and diagnose all Support Tickets and correct all issues that it is able to reproduce.

3.2.2. If Customer needs to open a Severity 1 Support Ticket, Customer shall (a) create a Support Ticket and set its Severity Level to "Sev 1 – Critical Impact/Service Down" or (b) email support@varient.com and put "Sev1" in the subject line, which shall generate an alert to the Varient Support Services team.

3.2.3. If Customer would like to speak directly to a Varient Support Services team member, Customer shall send an email to support@varient.com with "call me" in the subject line and a Varient Support Services team member shall call Customer.

3.3. Customer Assistance. Customer shall promptly provide Varient with reasonable assistance in determining the source of and resolving Support Tickets. Such assistance shall include, upon Varient's request, allowing Varient to remotely access the Customer's instances of the Cloud Service and sending information or system data to Varient.

4. EXCLUSIONS

Notwithstanding anything to the contrary in this Annex, Varient shall have no obligation to provide, and the Support Services expressly exclude, issues arising from: (a) Customer's, its Subsidiaries', or any Authorized User's use of any Customer Systems that do not comply with the System Requirements; (b) networks, systems, hardware, equipment, or software not provided by Varient that are installed on or used in connection with the Customer Systems; (c) Customer's, any of its Subsidiaries', or any Authorized User's negligence, operator error, or use of ICM other than in accordance with the Agreement and Documentation; (d) Customer's, any of its Subsidiaries', or any Authorized User's failure to secure login and password information or otherwise safeguard the Cloud Service against unauthorized access through Customer's or its Authorized Users' accounts; (e) Customer's system management or system administration duties, including connectivity issues caused by corporate networking (firewalls, proxies, etc.); or (f) Customer's failure to comply with Section 3.3.