



This Pega Master Agreement (this "**Agreement**") is effective \_\_\_\_\_, 202\_, between Pegasystems Inc., a Massachusetts corporation located at 225 Wyman Street, Waltham MA 02451 ("**Pegasystems**"), and \_\_\_\_\_, located at \_\_\_\_\_ ("**Client**").

Pegasystems' products are composed of RuleSets to develop specific Client Applications. Client Applications are described in a Schedule to this Agreement. Definitions are stated on Exhibit A or elsewhere in this Agreement.

## Subscription Services and License Terms

### 1. Subscription Services; Software License.

#### (a) Subscription Services Terms.

- i. If designated in an applicable Schedule, Pegasystems will provide Client with the Subscription Services in accordance with the Documentation to develop, test and/or deploy Client Applications within the Scope of Use. **The Subscription Services include the Service Level Agreement.** Client will be responsible for any Client managed or installed third-party products that are not included as part of the Subscription Services.
- ii. Client is responsible for the performance of any Client Application(s), for configuring Guardrail Compliant Client Application(s) in the Pega Cloud, and for complying with its obligations set forth in the Client Data Rights and Responsibilities, which is incorporated by reference.
- iii. Client acknowledges that in order for Pegasystems to provide the Subscription Services, Pegasystems may host, use, transmit and display Client Data, Client Applications and any third-party products, and may review Client's volume and type of usage of the Subscription Services. Pegasystems will not acquire any title or interest from Client in or to Client Data or third-party products.
- iv. Client will receive support, upgrades, and updates during the Term in accordance with the terms of the applicable Schedule and the Client Support Handbook.
- v. Pegasystems will email to Client a URL to allow Client access to the Software and/or Subscription Services. The Software and/or Subscription Services will be accepted upon delivery. This acceptance is not dependent on any other contingencies or agreements.
- vi. Client's use of Subscription Services will comply with the Acceptable Use Policy.

### 2. Restrictions.

- (a) Client's use of the Subscription Services will comply with the terms of this Agreement and the Documentation. Client agrees not to sell, resell, rent, outsource, timeshare, lease or sublicense the Subscription Services to any third party or otherwise use it except as permitted under this Agreement and the applicable Schedule. Client will not use shared User IDs to avoid or reduce the counting of individuals that use the Subscription Services .
- (b) Client's use of the Subscription Services will be in object code and/or RuleSet form. Unless specifically authorized by law, Client may not reverse engineer, decompile, disassemble or otherwise attempt to determine source code or protocols from the Subscription Services .
- (c) Pegasystems owns all right, title and interest to the Subscription Services, Software and Background Materials. The Software will contain Pegasystems' copyright notice and Client will reproduce such notice in any permitted copy made by Client.



### 3. Client Data and Security.

- (a) During the Term, Pegasystems will provide the Security Standards describing Pegasystems' information and physical security program (attached as Exhibit B to this Agreement).
- (b) Pegasystems and Client agree that each party may store, access, and process the other party's Business Contact Data for the purpose of performing any obligations under this Agreement. Each party may share the other party's Business Contact Data with its contractors, partners, assignees and others acting on such party's behalf under this Agreement.
- (c) Client represents and warrants that it has complied, and will throughout the Term comply, with all applicable data privacy laws and regulations in relation to Client Data, including, without limitation, that it has provided any necessary notices and obtained any necessary consents relating to Client's collection and use of such Client Data.
- (d) To the extent Pegasystems is processing any Client Data that includes PII, the DPA is incorporated by reference.

### Professional Services Terms

#### 4. Performance of Professional Services; Deliverables.

- (a) Pegasystems may provide Professional Services to Client under a Statement of Work.
- (b) All Deliverables that Pegasystems creates when providing Professional Services for Client under this Agreement will be a "work made for hire" and will become, effective upon payment by Client in full, the exclusive property of Client. Client will also retain all right, title and interest in any new RuleSets that Client develops for itself using the Software. So long as Pegasystems has not used any Client Confidential Information, Client agrees not to challenge or make claims against Pegasystems' ability to provide its products and services to other customers.
- (c) Pegasystems may use its Background Materials when providing Professional Services to the Client. Background Materials are the property of Pegasystems, and if Pegasystems incorporates any Background Materials in a Deliverable provided to Client under a Statement of Work, Client will receive a non-exclusive, non-transferable, fully paid-up license to use those Background Materials solely in connection with the Deliverables in which they were incorporated under the terms of the applicable Schedule.

### General Terms and Conditions

#### 5. Term.

- (a) This Agreement is binding upon signing and will continue through the Term of its Schedules.
- (b) In the event that either party commits a material breach of this Agreement or any Schedule, and such breach remains uncured for thirty (30) days following receipt of written notice from the non-breaching party, the non-breaching party may terminate this Agreement and/or such Schedule by providing written notice of the breaching party's failure to cure such breach. If such termination is due to Pegasystems' breach, Pegasystems will refund Client any unused, pre-paid fees for the Subscription Services. In the event of Client's breach, Pegasystems reserves the right to either suspend or terminate Client's use of the Subscription Services or Pegasystems' provision of other products or services.
- (c) Either party may, by written notice to the other party, terminate this Agreement or any Schedule in the event such other party terminates or suspends its business, admits in writing to its inability to pay its debts as they mature, makes an assignment for the benefit of creditors, becomes subject to direct control of a trustee, receiver or similar authority, or becomes subject to any other bankruptcy or insolvency proceedings not dismissed within sixty (60) days.
- (d) If the Agreement is terminated or expires, each party will return to the other, or certify in writing



the destruction of all Confidential Information (as defined below) or property of the other, provided, however, that neither party has to delete or erase any Confidential Information that has been saved to a back-up file or electronic archiving system in accordance with such party's ordinary back-up or document retention policies or that is required for litigation, regulatory or corporate records retention reasons. Upon termination of the Agreement or any Schedule (other than for termination due to Pegasystems' breach of the Agreement), the payment obligation for all fees for the full applicable term will be paid to Pegasystems at the time of termination of this Agreement or the Schedule. If a Schedule is terminated or expires, all rights granted under that Schedule will terminate.

- (e) Sections 2(b), 2(c), 4(b), 4(c), 6, 7(e), 8 through 11, and 13 and any outstanding payment obligations will survive the termination of this Agreement.

## **6. Fees and Taxes.**

- (a) All fees are non-cancelable and non-refundable, except to the extent expressly provided in this Agreement or such Schedule or under applicable law.
- (b) Client is responsible for any applicable taxes, including sales, use, GST, VAT, customs, or excise tax, excluding only those taxes based upon the net income of Pegasystems.

## **7. Representations and Warranties.**

- (a) Each party represents and warrants the following: (i) entering into and carrying out the terms and conditions of this Agreement will not violate any obligation binding upon it; (ii) each party will comply with all applicable laws in connection with its performance under this Agreement; and (iii) the executing persons have the authority to bind their respective parties.
- (b) Pegasystems warrants that:
  - i. The Subscription Services will operate substantially in accordance with the Subscription Documentation during the Term. If there is any failure of this warranty which can be replicated or verified, Pegasystems will, at its election, either promptly repair the Subscription Services to resolve such failure or terminate the Subscription Services and provide a refund for any pre-paid unused fees for the remaining portion of the then current term of any Schedule(s) to which the breach relates. These remedies will be Client's exclusive remedy for any failures of the warranty in this Section 7(b)(i).
  - ii. No disruptive or corrupting software that would damage, disable or compromise the security of a Client Application will be intentionally or knowingly introduced into the Subscription Services by Pegasystems or its employees; and
  - iii. All Professional Services provided under this Agreement will be performed in a good and workmanlike manner, consistent with applicable industry standards.
- (c) To invoke the remedies described in Section 7(b)(i) Client must provide written notice to Pegasystems within the applicable warranty period, expressly outlining the nature of the alleged failure or breach.
- (d) The foregoing warranties will be void to the extent that any failure of such warranties is caused by (i) anyone other than a Pegasystems employee modifying the Subscription Services or Software (unless Pegasystems authorizes the specific change in writing); or (ii) non-Pegasystems' service, software, or hardware; or (iii) Client Applications that are non-Guardrail Compliant.
- (e) EXCEPT AS EXPRESSLY STATED IN THIS SECTION 7, PEGASYSTEMS MAKES NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE OR NON-INFRINGEMENT.



## 8. Confidentiality.

- (a) **"Confidential Information"** means all non-public information provided by or on behalf of a party to the other party unique to the disclosing party's business, including but not limited to Subscription Services, Software, and Documentation.
- (b) Each party agrees that any Confidential Information is the exclusive proprietary property of the disclosing party or its licensors and may include trade secrets and other highly confidential information.
- (c) Each party agrees to receive and hold any Confidential Information supplied by the other party in confidence and agrees:
  - i. not to disclose or publish any such Confidential Information to third parties except as provided in Section (8)(c)(iii);
  - ii. not to use any such Confidential Information except for those purposes specifically authorized by the disclosing party;
  - iii. to disclose such Confidential Information only to those of its officers, directors, agents, subprocessors and employees who have a need to know, have been advised of the confidential nature of the Confidential Information, and who are under obligations of confidentiality to the receiving party; and
  - iv. to follow the other party's reasonable on-site security procedures.
- (d) The above confidentiality provisions will not apply to information that:
  - i. is in the public domain at the time of its disclosure;
  - ii. is disclosed with the prior written consent of the disclosing party;
  - iii. becomes known to the receiving party from a source other than the disclosing party, provided such source is legally entitled to have and disclose the information; or
  - iv. is independently developed by a receiving party without use of the Confidential Information of the disclosing party, as demonstrated by written records of such receiving party.
- (e) In the event that a receiving party is required by a court of law or by a governmental, regulatory or administrative agency, body or tribunal to disclose any of the Confidential Information of a disclosing party, the receiving party shall, to the extent legally permitted, (i) provide the disclosing party with prompt prior written notice of such requirement so that the disclosing party may seek appropriate relief to prevent or limit such disclosure, and (ii) furnish only that portion of the Confidential Information which is legally required to be furnished or disclosed.
- (f) If, in connection with the Subscription Services, Client communicates suggestions for improvements to the Subscription Services, Client assigns to Pegasystems all of its right, title and interest (including all intellectual property rights) in such suggestions for improvements and Pegasystems will own all right, title, and interest in and to the same and shall be entitled use the same without restriction.

## 9. Indemnification.

- (a) Pegasystems will indemnify and defend Client against any third-party claim that the Subscription Services, Software, or a Deliverable infringe upon a United States, Australian, Canadian or European Union trademark, copyright, trade secret or patent ("**IPR**"). If the Subscription Services, Software, or a Deliverable is found to be infringing or if Pegasystems deems it advisable as the result of a claim or threatened claim, Pegasystems will, in its reasonable discretion:
  - i. procure for Client the right to continue using the Subscription Services, Software, or applicable Deliverable;
  - ii. replace or modify the Subscription Services, Software or applicable Deliverable so that it becomes non-infringing; or
  - iii. if Pegasystems cannot reasonably do either of the foregoing in its discretion, terminate the



Schedule to which the IPR infringement claim relates.

These remedies will be Client's sole remedy for any IPR infringement claim.

- (b) Pegasystems will not indemnify Client when the alleged infringement results from (i) content provided by Client or developed for Client as a Deliverable pursuant to written specifications or instructions provided by Client; (ii) modifications made to the Subscription Services, Software, or applicable Deliverable by Client or a third party; or (iii) any Client Application (excluding unmodified Pegasystems provided RuleSets) or any other RuleSets created by Client or a third party.
- (c) Pegasystems shall indemnify and defend Client against any third-party claim to the extent that it is attributable to bodily injury or to death of any person or to damage to or destruction of any tangible property, resulting from the willful or grossly negligent acts of Pegasystems, its agents, or employees.
- (d) Client will indemnify and defend Pegasystems from and against any third-party claim that (i) arises from any use of the Software by Client that is not in compliance with the terms of this Agreement or the applicable Schedule (other than an IPR claim that is subject to indemnification by Pegasystems pursuant to clause (a) above), or (ii) alleges that any of the Client Applications (excluding unmodified Pegasystems provided RuleSets) or any Client RuleSets infringe or misappropriate any third-party intellectual property rights. During the term of this Agreement and for three (3) years thereafter, Client will not assert against Pegasystems or its affiliates any patent infringement claim relating to its use of the Software or Subscription Services.
- (e) In asserting any claim for indemnification, the relevant party must provide prompt written notice describing the claim and cooperate fully with the indemnifying party. The indemnifying party will be entitled to control any proceedings or litigation for which it is indemnifying the other party, except that the indemnifying party will not, without the other party's prior written consent (not to be unreasonably withheld), enter into any settlement that would require the other party to take any action, or refrain from taking any action, other than permitting the indemnifying party to pay money damages on its behalf.

## 10. Limitation of Liability.

- (a) Each party will have unlimited liability to the other party under this Agreement for actual, direct damages arising out of, or related to:
  - i. a party's obligation to indemnify the other party for third party claims under Section 9 of this Agreement (including related reasonable attorneys' fees and court costs); or
  - ii. a breach of a party's confidentiality obligations under Section 8 of this Agreement or a party's infringement or misappropriation of the other party's intellectual property rights.
- (b) Notwithstanding anything to the contrary in Section 10(a)(ii) or elsewhere in this Agreement, Pegasystems' liability for damages related to Client Data shall be limited to actual direct damages in the amount of up to two times the fees received by Pegasystems from Client in the prior twelve (12) months in connection with the Schedule(s) under which such damages arose, or to which such damages relate.
- (c) Each party's liability for all other claims or damages arising under, or related to, this Agreement (regardless of the type of damages, and whether for breach of contract, breach of warranty, tort or otherwise) will be limited to the amount of fees received by Pegasystems from Client in the prior twelve (12) months in connection with the Schedule(s) under which such damages arose, or to which such damages relate (except any claim by Pegasystems for payments owed by Client will be limited to the amount owed plus any additional amounts owed for use that exceeds the Scope of Use).



11. Notices.

Any notices under this Agreement will be in writing and sent by certified mail, return receipt requested, or by a nationally or internationally recognized overnight delivery service, to:

*Pegasystems:* Pegasystems Inc.  
225 Wyman St.  
Waltham, MA 02451 USA  
Attention: General Counsel

*Client:* \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attention:

12. Insurance.

During the Term of any applicable Schedule, Pegasystems will maintain insurance from a company rated at least A- by A.M. Best's Rating Service or equivalent with limits no less than those set forth in the Certificate of Insurance that Client may obtain directly from: <https://marshdigital.marsh.com/marshconnect/viewMOI.action?client=3536055>

13. Additional Terms and Conditions.

- (a) Cooperation. In the event of any dispute, which cannot be readily resolved within thirty (30) days, the parties will each escalate the matter to senior management who will meet in person or by telephone within fifteen (15) days of receipt of notice of the dispute, to attempt to resolve the open issues.
- (b) Assignment or Delegation. Neither party may assign any rights or obligations under this Agreement or any Schedule without the other party's prior written consent, except that, subject to Section 13(c), either party may assign the entirety of its rights and obligations under this Agreement (i) to its parent company or an Affiliate, or (ii) in connection with a merger or sale of a business unit or majority stock ownership provided that the successor party assumes the rights and obligations in writing and has adequate resources to meet its obligations and Client notifies Pegasystems in writing prior to the assignment. Client will not assign or delegate any rights or obligations under this Agreement or any Schedule to a Pegasystems competitor. Any assignment is subject to the terms and conditions of this Agreement.
- (c) Client Combinations. In the event that Client merges with, is acquired by, or acquires all or part of another entity (collectively, a "**Combination**"), the resulting combined entity may only use the Subscription Services and the Software within the scope of the Client's operations at the time immediately prior to the Combination. In addition, the parties will negotiate in good faith a proportionate adjustment to the fees due under the applicable Schedule for increased usage of the Software as a result of the Combination.
- (d) Compliance with Export Controls Laws. The export and re-export of Pegasystems Software, Subscription Services and/or Client Applications is subject to the export control and sanctions laws, regulations, and orders of the United States, including but not limited to the Export Administration Regulations ("**EAR**"), International Traffic in Arms Regulations ("**ITAR**"), and regulations and orders administered by the Treasury Department's Office of Foreign Assets Control ("**OFAC**") (collectively, "**Export Control Laws**"). Client agrees that it will not export, reexport, or transfer Pegasystems Software, Subscription Services and/or Client Applications to, allow access to Pegasystems Software, Subscription Services and/or Client Applications by, or use Pegasystems Software, Subscription Services and/or Client Applications in connection with transactions or dealings



involving, (a) parties (individuals or entities) on lists of sanctioned or restricted parties maintained by the U.S. government, including but not limited to OFAC, the Commerce Department, or the State Department or (b) operating, organized, or resident in countries or territories that are the target of U.S. sanctions (currently, Cuba, Iran, Syria, North Korea, the Crimea region of Ukraine, and the so-called Donetsk People's Republic and so-called Luhansk People's Republic regions of Ukraine) or (c) the government of a sanctioned country or the Government of Venezuela; (d) to or by parties 50% or more owned or controlled by, or acting for or on behalf of parties in (a)-(c); or (e) otherwise in violation of Export Control Laws. Further, Client agrees that it will not export, reexport, or transfer Pegasystems Software, Subscription Services and/or Client Applications to any party, allow a party to access Pegasystems Software, Subscription Services and/or Client Applications, or otherwise use Pegasystems Software, Subscription Services and/or Client Applications in violation of Export Control Laws. The export and re-export of Pegasystems Software, Subscription Services and/or Client Applications may also be subject to export and import controls under the laws and regulations of other countries. Client agrees, at all times, to comply fully with the Export Control Laws and the local export and import controls of other countries.

- (e) U.S. Government Contracts. This subsection applies when any Software is acquired directly or indirectly by or on behalf of the United States Government: The Software is a commercial product, licensed on the open market; developed entirely at private expense; and without the use of any U.S. Government funds. Use, duplication or disclosure by the U.S. Government is subject to restrictions as set forth in subparagraph (c) of the Commercial Computer Software Restricted Rights clause at FAR 52.227-19. Use, duplication and disclosure by DOD agencies is subject solely to the terms of this Agreement as stated in DFARS 227.7202.
- (f) Anti-Corruption. Pegasystems and Client each represent and warrant to the other: (i) that it is aware of all anti-corruption legislation that applies to this Agreement and in particular the US Foreign Corrupt Practices Act 1977 and the U.K. Bribery Act 2010; (ii) it has implemented rules and procedures that enable it to comply with this legislation and adapt to any future amendments thereto; (iii) it has implemented appropriate rules, systems, procedures and controls for preventing the commission of Corrupt Acts, either by itself or its staff, and for ensuring that any evidence or suspicion of the commission of a Corrupt Act will be thoroughly investigated and unless prohibited by confidentiality or law, reported to the other party; (iv) its records relating to its business, including accounting documents, are maintained and kept so as to ensure their accuracy and integrity; and (v) it has not made or offered or received or been offered any illegal or improper bribe, kickback, payment, gift, or thing of value from any of the other party's employees or agents in connection with this Agreement (reasonable gifts and entertainment provided in the ordinary course of business do not violate the above restriction). If a party learns of any violation of the above restriction, it will use reasonable efforts to promptly notify the other party at the address for notices above.
- (g) Publicity. Pegasystems may use Client's name, logo and type of licensed software in its marketing and advertising materials.
- (h) Cooperation; Usage Validation. Pegasystems and Client agree that each will execute and deliver documents, including confirmations to Pegasystems auditors, and take such other actions as may reasonably be requested to effect the transactions contemplated by this Agreement. Pegasystems reserves the right to validate Client's usage of the Software and/or Subscription Services and its compliance under this Agreement. If applicable, Client will use reporting functionality included in the Software and provide usage logs generated by the Software in connection with this usage validation.
- (i) Reports and Certifications. For Subscription Services, upon request and not more than once annually, Pegasystems will deliver, as applicable and in accordance with detail provided in the Pegasystems Trust Center ([www.pegasystems.com/trust](http://www.pegasystems.com/trust)), to Client (i) the current SSAE 18 SOC II Type 2 report or equivalent, (ii) the current HIPAA compliance opinion letter, (iii) the current PCI-DSS



Attestation of Compliance, (iv) a current penetration testing summary, (v) an executive summary of Pegasystems' Written Information Security Program and (vi) executive summaries of the security, data backup, and monitoring events for the Client's Environment(s) that are currently available.

- (j) Force Majeure. Neither party will be responsible for performance delays caused by circumstances outside its reasonable control.
- (k) No Waiver. Neither a failure of a party to exercise any power or right under this Agreement, nor a custom or practice of the parties with regard to the terms or performance under this Agreement, will constitute a waiver of the rights of such party to demand full compliance with the terms of the Agreement.
- (l) Counterparts. This Agreement may be signed in counterparts, including facsimile or PDF counterparts or electronic signatures, each of which will be a legally binding method of execution of the Agreement.
- (m) Entire Understanding. This Agreement and its Schedules constitute the entire understanding of the parties with respect to the Software and supersedes all previous agreements, statements and understandings from or between the parties regarding the subject matter of this Agreement. This Agreement also supersedes any conflicting language contained in any applicable past or future purchase order regarding the subject matter of this Agreement. In the event of any conflict between the terms of this Agreement and the terms of any Schedule, the terms of the applicable Schedule will control. This Agreement will not be modified except in a writing signed by an authorized representative of each party.
- (n) Enforceability. If any portion of this Agreement is declared by a court of competent jurisdiction to be overbroad or unenforceable, the remainder of this Agreement will be valid and enforceable to the fullest extent permitted.
- (o) Governing Law. This Agreement is governed by the laws of the Commonwealth of Massachusetts, excluding its conflicts of laws provisions.

**Agreed:**

**Pegasystems Inc.**

**Client**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_



## EXHIBIT A – DEFINITIONS

**“Acceptable Use Policy”** means the then current policy as published from time to time at <https://www.pega.com/acceptable-use>.

**“Affiliates”** are those entities that control, are controlled by, or are under common control with a party to the Agreement. Affiliates may be entitled, subject to the terms of this Agreement and the applicable Schedule, to use the Subscription Services, Software, or purchase maintenance services or Professional Services. For any Schedule to which an Affiliate is a party, the Affiliate will be additionally considered the Client for purposes of the Agreement and such Schedule.

**“Background Materials”** means processes, methods, software (including but not limited to the Software), related documentation, designs and know-how which Pegasystems creates independently of the services for Client. Background Materials also include all tangible and intangible materials created by Pegasystems that generally apply to other Pegasystems customers, products or services and which do not include any Client Confidential Information.

**“Business Contact Data”** means business contact information (the names, titles and roles, business phone and facsimile numbers, business office and email addresses) of Client’s or Pegasystems’ employees and contractors.

**“Client Application”** means a unique collection of rules and processes as part of one or more new RuleSets that are created using the Software and that provide specific business functionality for the Client.

**“Client Cloud”** means use of the Software in Client or third party owned and controlled environments that are run and managed within private clouds or on infrastructure-as-a-service (IaaS) offerings delivered by third party providers.

**“Client Data”** means any information received from or on behalf of Client that is stored, transferred, or processed by the Subscription Services.

**“Client Data Rights and Responsibilities”** means the additional rights and obligations related to Client Data as published at: [pega.com/client-responsibilities](https://www.pega.com/client-responsibilities)

**“Client Support Handbook”** means the terms for Pegasystems’ provided support, upgrades, and updates located at: [pega.com/support-handbook](https://www.pega.com/support-handbook), as may be periodically updated.

**“Cloud Data Storage”** means the storage location of business data and rules data in the Pegasystems database. For decisioning products (e.g., Pega Customer Decision Hub), this is the storage location for interaction history.

**“Cloud File Storage”** means the total aggregate storage location for files associated with features such as archive/purge, case attachments and file transfer services that is available across all provided Environments.

**“Corrupt Act”** means any act of seeking, authorizing, offering, promising or granting a financial or other benefit (including a payment, loan, gift or transfer of anything of value) for the purpose of inducing a private person or public official to perform his or her duties dishonestly or in breach of his or her professional, legal or contractual obligations and/or to obtain or retain business for Pegasystems and or Client in an undue or dishonest manner.

**“Deliverable”** means RuleSets, documents and other tangible work product that are produced by Pegasystems for Client during the course of the performance of Professional Services under a Statement of Work, excluding any Background Materials.

**“Documentation”** means, as applicable, the Subscription Documentation or Software Documentation.

**“DPA”** means the Data Processing Addendum, available at the following link: <https://www.pega.com/data-processing-addendum>.

**“Environment”** means one of the following Pega Cloud deployments provided by Pegasystems:

- **“Standard Sandbox”** means a service that is intended to be used for development, functional/unit testing, UAT testing of Client Applications and training. A Standard Sandbox is scaled to support up to fifteen (15) developers/users with a storage limit of 50GB of Cloud Data Storage.
- **“Large Sandbox”** means a service that is intended to support development, functional/unit testing, UAT testing, pre-production, staging, and/or training of the Client Applications. A Large Sandbox is



scaled to support up to forty-five (45) developers/users with a storage limit of 100GB of Cloud Data Storage.

- **"Production Environment"** means a service that is designed, built and scaled to accommodate Client Applications to process live and/or real-time data in connection with Client's ongoing business operations and is deployed within a single geographic region. The Production Environment is scaled to support up to the licensed metrics defined in the Schedule.
- **"Production Mirror Sandbox"** means a replica of the scaled Production Environment that can be used for staging, scaled benchmark testing, and/or load performance testing or as defined in the applicable Schedule.

**"Guardrail Compliant"** means a Client Application with no severe warnings flagged by the Software and with a guardrail weighted score generated by the Software of ninety (90) or above as specified in the Subscription Documentation.

**"Pega Cloud"** means Pegasystems' subscription-based offering of Pegasystems' software capabilities for Client to build and run their Client Application(s) on Pegasystems' operated environments.

**"Pega Cloud Connect"** means the connectivity options beyond public internet access between Client's users and/or systems and Pega Cloud, as described at the following link: <http://pega.com/secure-connect>.

**"Pega Cloud HIPAA Edition"** means Pega Cloud, managed and deployed with HIPAA-eligible controls. The Pega Cloud HIPAA Edition supports the Client in deploying a HIPAA-ready Client Application to store and process protected health information within their Production Environment. Under the Pega Cloud responsibility and security model, the Client is responsible for ensuring that the Client Application adheres to all HIPAA controls.

**"PII"** means any Client Data or other information relating to any identified or identifiable natural person, or otherwise regulated under data privacy laws applicable to Pegasystems, that is transferred, processed or stored by the Subscription Services by or on behalf of Client.

**"Professional Services"** means professional services provided by Pegasystems pursuant to a Statement of Work for consulting, installation support, and access to training courses.

**"RuleSet"** is a named collection of configuration records created using the Software. For Pegasystems' provided RuleSets, the RuleSet names usually begin with "Pega" or the "&," "@" or ")" symbol.

**"Scope of Use"** means the purpose, metric and volume of use for the Subscription Services and the Software, in each case, as specified in the applicable Schedule.

**"Service Level Agreement"** means the Pega Cloud Production Environment availability as described at the following link: [pega.com/pega-cloud-sla](http://pega.com/pega-cloud-sla).

**"Schedule"** or **"Statement of Work"** means, respectively, an agreement signed by both parties for Client to receive Subscription Services, Software, or purchase professional services from Pegasystems. Schedules and Statement of Works are referred to collectively as **"Schedules"**. Each Schedule will be non-cancelable and non-refundable, except to the extent expressly provided in this Agreement or such Schedule or under applicable law.

**"Software"** means the software listed in the applicable Schedule, including any enhancements, updates, upgrades, modifications or other releases provided to Client. Software may be managed by Pegasystems as part of the Subscription Services or deployed in a Client Cloud pursuant to the applicable Schedule. **The Software** includes Rulesets that Pegasystems provides with the Software.

**"Software Documentation"** consists of user manuals for the Software, which are provided to Client in electronic form at the time of delivery of the Software.

**"Subscription Documentation"** means the specifications and operating guides associated with the Pega Cloud as published from time to time on Pegasystems' web site at: [pega.com/subscription](http://pega.com/subscription).

**"Subscription Services"** means the Pegasystems Software which is made available to Client for use on the Pega Cloud within the Scope of Use, including technical support and any enhancements, updates,



upgrades, modifications, releases, Environments and data and file storage.  
"Term" is as defined in the applicable Schedule.



## EXHIBIT B - SECURITY STANDARDS

### 1. Security Practices & Review

- 1.1. Pegasystems shall maintain an information and physical security program for the protection of Client personal information and confidential information in environments and on equipment controlled by Pegasystems (the "**Pegasystems Security Program**").
- 1.2. As part of the Pegasystems Security Program, Pegasystems conducts periodic reviews of security practices against various leading industry standards, such as NIST, ISO 27001 and SSAE18 SOC2. Pegasystems regularly re-evaluates and updates the Pegasystems Security Program as the industry evolves, new technologies emerge, or new threats are identified. Upon request, Pega will maintain and make available on at least an annual basis, a reasonable information security questionnaire completed with answers concerning Pegasystems Security Program specific to the services provided under the applicable Schedule.
- 1.3. The Pegasystems Security Program consists of the following:

#### a. Physical Access

Pegasystems maintains physical security standards designed to prohibit unauthorized physical access to Pegasystems facilities and equipment. This is accomplished by the following practices:

- physical access to locations is limited to Pegasystems employees, subcontractors and authorized visitors;
- Pegasystems employees, subcontractors and authorized visitors are issued identification cards that must be worn while on premises;
- monitoring access to Pegasystems facilities, including restricted areas and equipment within Pegasystems facilities;
- all access to the data centers where client personal data is hosted is logged, monitored, and tracked; and
- data centers are secured with alarm systems and video cameras.

#### b. Access Control and Administration

Pegasystems maintains the following standards for access control and administration in environments and on equipment controlled by Pegasystems or Pegasystems contractors.

- administrator accounts are only be used for the purpose of performing administrative activities;
- each account with administrative privileges must be traceable to a uniquely-identifiable individual;
- all access to computers and servers must be authenticated and within the scope of an employee's job function;
- initial passwords must be changed by the user on first use;
- the display and printing of passwords must be masked, suppressed, or otherwise obscured such that unauthorized parties will not be able to observe or subsequently recover them;
- passwords must be uniquely identifiable to an individual;
- passwords must be encrypted when transmitted or stored;



- password complexity should never be less than three (3) out of four (4) character classes and must have character class choices such as upper-case letters, lower case letters, numeric digits, or special characters;
- passwords must not contain three (3) or more identical consecutive characters;
- password length must be configured to be at least twelve (12) characters;
- passwords shall expire between ninety (90) and one hundred eighty (180) days depending on its length; twelve (12) characters – ninety (90) days, sixteen (16) characters – one hundred thirty-five (135) days, twenty plus (20+) characters – one hundred eighty (180) days;
- automatic time-out of access to computers and servers if left idle with the requirement for password authentication for re-access; and
- per Pega policy, accounts must be set to lockout after six (6) erroneous failed login attempts.

c. **Virus Scanning and Logging**

- Computers and servers have commercially reasonable up-to-date versions of system security software which may include host firewall, anti-virus protection and up-to-date patches and virus definitions. Such software is configured to scan for and promptly remove or fix identified findings.
- Pegasystems maintains logs of various components of the infrastructure and an intrusion detection system to monitor, detect, and report misuse patterns, suspicious activities, unauthorized users, and other actual and threatened security risks.

d. **Encryption**

- Pega encrypts all data in transit over public networks.
- Data originating from or residing within Pega networks is encrypted at rest.

2. **Pegasystems Personnel**

- 2.1. Employees and contractors are required by policy to be trained on Pegasystems' privacy and security policies and made aware of their responsibilities regarding privacy and security practices.
- 2.2. Pegasystems employees and contractors are contractually bound to maintain the confidence of Client personal information or confidential information and comply with applicable Pegasystems policies, standards or requirements in relation to the processing of Client personal information. Failure to comply with those policies, standards or requirements will be subject to investigation which may result in disciplinary action up to and including termination of employment or engagement by Pegasystems and legal action as appropriate.

3. **Security Breach Notification and Security Incident Management**

- 3.1. Pegasystems will notify Client within twenty-four (24) hours of becoming aware of a Security Incident. A "**Security Incident**" means the unauthorized access to or use of Client information on environments or equipment controlled by Pegasystems affecting the confidentiality, availability and integrity of such Client confidential information. Pegasystems will provide Client with updates on the status of the Security Incident until the matter has been remediated. The reports will include, without limitation, a description of the Security Incident, actions taken and remediation plans.



- Notice of a Security Incident shall be sent via email to the security contacts that Client designates in its Pega Support Portal (found here: <https://msp.pega.com>).
  - Similarly, if Client becomes aware of a Security Incident that affects the Services, Client shall, without undue delay, notify Pegasystems of such and inform Pegasystems of the scope of the Security Incident in the Pega Support Portal (found here: <https://msp.pega.com>).
- 3.2 Proportionate to acts or omissions of Pegasystems resulting in a Security Incident, and subject to terms and limitations set forth in the Agreement, Pegasystems agrees to pay reasonable costs for: (i) required notice to individuals affected by the Security Incident; and (ii) credit monitoring service for twelve (12) months for affected data subjects, except to the extent applicable law specifies a longer period for applicable credit monitoring services, in which case such longer period shall then apply.
- 3.3 Pegasystems will, at the request and cost of the Client:
- Provide reasonable assistance to the Client in notifying a Security Incident to the supervisory authority competent under the privacy laws applicable to the Client; and
  - Provide reasonable assistance to the Client in communicating a Security Incident to data subjects in cases where the Security Incident is likely to result in a high risk to the rights and freedoms of individuals.

*[End of Document]*



### Pega Production Schedule

This Pega Production Schedule (the “**Schedule**”), dated \_\_\_\_\_, 20\_\_ (the “**Effective Date**”), is part of the Pega Master Agreement dated \_\_\_\_\_, 20\_\_ (the “**Agreement**”) by and between \_\_\_\_\_ (“**Client**”) and Pegasystems Inc. (“**Pegasystems**”). Where there is a conflict between this Schedule and any terms of the Agreement, this Schedule will govern. This Schedule and the Agreement constitute the entire understanding of the parties with respect to the Subscription Services to be provided under this Schedule. Definitions are included on Exhibit 1 or elsewhere on this Schedule.

Subscription Services and/or Software will be delivered electronically to the delivery of the user contact who initiated purchase through the AWS MP Listing.

**1. Introduction.** The parties are entering into a subscription arrangement under which the client is committed to a specified number of annual cases. Pega will meter usage. To the extent the actual usage exceeds the subscribed amount the Client will be billed for each additional unit of usage at the rate defined below.

**2. Subscription Services**

<b>Project Name:</b>	{provided through AWS MP Listing }
<b>Software</b>	<ul style="list-style-type: none"> <li>• Pega Platform</li> <li>• Pega GenAI For Workflow Automation</li> </ul>
<b>Pega Cloud HIPAA Edition</b>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
<b>Pega Cloud Secure Connect</b>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>Environments</b>	1 Production Environment 1 Large Sandbox 1 Standard Sandbox
<b>Deployment Region</b>	{provided through AWS MP Listing} and as further detailed in the Subscription Documentation
<b>Cloud Data Storage for Production Environment</b>	Up to 250 GB
<b>Cloud File Storage for all Environments</b>	Up to 500 GB
<b>Licensed Metric(s)</b>	The number of annual Cases specified in the tier chosen by Client through the AWS MP Listing
<b>Licensed Purpose</b>	Client may use the Software for internal business processes.

**3. Term, Payment and Delivery**

<b>Term</b>	The initial term of this Schedule is as set forth in the AWS MP Listing beginning on the Effective Date (the “ <b>Initial Term</b> ”).
<b>Fee</b>	Client will pay at rate and schedule defined by AWS MP Listing
<b>Delivery &amp; Acceptance</b>	The Subscription Service will be accepted upon delivery (“ <b>Acceptance</b> ”). This Acceptance is not dependent on any remaining services, conditions, or contingencies, and there are no other written or verbal agreements



	with respect to this acceptance.
<b>Support and Maintenance</b>	During the Term, for the fee specified in the AWS MP Listing, Client will receive premium support and maintenance in accordance with the Client Support Handbook.

**4. Reporting and Additional Purchases**

Client is licensed for the committed number of annual licenses chosen by Client in the AWS MP Listing for each Contract Year. For usage above such committed amount of annual licenses, the Client will be billed for each additional Case at the Case rate defined in the AWS MP Listing. The billing will commence in the month that the Client exceeds the annual Case license entitlement in the first column in the table in the AWS MP Listing, and the fee for additional Cases is based upon the corresponding additional Unit fee specified in the AWS MP Listing

During the Initial Term, Client may also purchase additional capacity via an AWS Marketplace Private Offer as follows:

<b>Subscription Services Usage</b>	<b>Fees</b>
Cloud Data Storage (100 GB)	\$250/month
Cloud File Storage (500 GB)	\$200/month
Standard Sandbox	\$3,000/month
Large Sandbox	\$6,000/month
Production Mirror Sandbox	+ 30% of current annual subscription fee, and as adjusted for additional purchases

If Client exceeds any of its usage rights, Client will be invoiced for all additional usage and/or capacity per the pricing set forth in the AWS MP Listing or in the table above, as applicable.

- 5. In accordance with the terms of the Agreement, if Client will include in Client Data any PII then Client will identify the categories of data subjects and the types of data to be processed and will send details in writing to Pegasystems to facilitate each party's compliance with its respective obligations under applicable laws. Client agrees to provide such information in writing to Pegasystems prior to using the Subscription Services to process such data. Client will update Pegasystems in writing if there are any changes to the categories of data subjects and the types of data to be processed during the Term.

**Agreed.**

**Pegasystems Inc.**

**Client**

By: \_\_\_\_\_

By: \_\_\_\_\_



Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_



## Exhibit 1 – Definitions

The following definitions apply to this Schedule:

- A **“Case”** or **“Unit”** means use of the Software for the creation, routing, updating, processing, tracking and/or resolution of a single unit of work in a production environment. A single unit of work is an individual instance of the execution of a business process (whether processed as a stand-alone case or a related case within a more extensive business process) evidenced by an assigned unique numerical identifier.
- Pega GenAI **Application Agent** will consume **Case** or **Unit** with each use of Pega GenAI **Application Agent** as measured by Agent Interaction Cases. Each Agent Interaction Case consumes ½ of a **Case** or **Unit**.
- Pega GenAI for Customer Service provides support for the following GenAI features or capabilities
  - Pega GenAI Coach
  - Pega GenAI Connect
  - Pega Agent Steps
  - GenAI ‘Talk to your Data’
  - GenAI ‘Ad-hoc Workflows’
  - GenAI CS Simulator
- Pega GenAI for Workflow Automation provides support for the following GenAI features or capabilities
  - Pega GenAI Coach
  - Pega GenAI Connect
  - Pega Agent Steps
  - GenAI ‘Talk to your Data’
  - GenAI ‘Ad-hoc Workflows’
- Pega GenAI for Sales Automation provides support for the following GenAI features or capabilities
  - Pega GenAI Coach
  - Pega GenAI Connect
  - Pega Agent Steps
  - GenAI ‘Talk to your Data’
  - GenAI ‘Ad-hoc Workflows’
  - GenAI SA Simulator
- **“Contract Year”** means each twelve month period during the Term, commencing on the Effective Date.
- **“AWS MP Listing”** means the Amazon Web Services offer of a Pega capability defined the purchased listing