

Acoustic Lifecycle Pricing

This Service Description describes the SaaS Product referred to as Acoustic Lifecycle Pricing. The applicable Order provides pricing and additional details. Terms not defined in this Service Description have the meaning given elsewhere in the Agreement.

1. Overview

1.1 Acoustic Lifecycle Pricing

Customer may select from the following available offerings of Acoustic Lifecycle Pricing:

1.1.1 Price Management

Price Management enables Customer to implement pricing strategies by determining prices for a given item and maintaining all prices over time through the enforcement of pricing rules. Customer can use Price Management to set up scenarios, customize pricing rules, have the system rules price all of their merchandise and react to data changes, such as vendor costs and competitor prices.

1.1.2 Price Optimization

Price Optimization enables Customer to create and run simulation and optimization scenarios in which Customer defines strategic objectives, such as increased revenues, profits, and sales volume and optimize prices to best achieve these objectives.

1.1.3 Dynamic Pricing

Dynamic Pricing enables Customer to define and implement pricing strategies for Customer's online channel. Dynamic Pricing determines prices for a given item and maintains the enforcement of pricing rules. Customer can use Dynamic Pricing to set up strategies, thresholds, custom pricing rules, and execute pricing on products. Additionally, Dynamic Pricing allows Customer to react to data changes, such as vendor costs and competitor prices (removed on a regular basis). Dynamic Pricing provides exception and trending visualizations, focusing Customer on only its defined exceptions and trends.

1.1.4 Markdown Optimization

Markdown Optimization enables Customer to plan and optimize pricing, profit and inventory levels for items leaving the assortment. Markdown Optimization supports a wide range of markdown types, including seasonal, short product lifecycle, event and holiday, category reset, cycle refresh, and standard discount markdowns. Customer can also create, forecast, compare, and evaluate multiple markdown pricing scenarios to fine-tune its markdown strategy.

1.1.5 Deal Management

Deal Management enables manufacturers and brokers to automate and streamline presentations, negotiations, invoicing and reconciliation of deals or trade promotions they send to participating retailers in a web-based environment.

1.1.6 Advanced Deal Management

Advanced Deal Management enables Customer to automate and streamline the presentation, negotiation, and reconciliation of deals or trade promotions it receives from its consumer product manufacturer trading partners in a web-based environment.

1.1.7 Deal Management Bill Distribution Module

Deal Management Bill Distribution Module enables Customer to reduce processing cycle time, account receivable turnover ratio and manual errors through automated generation and secure distribution of PDF invoices to consumer product manufacturer trading partners.

1.1.8 Promotion Planning

Promotion Planning provides a collaborative, web-based interface for setting up and managing item- and group-level promotions, including price, valid dates, performance details, and locations. Promotion Planning enables Customer to establish a single repository of promotional offers improving visibility and accountability, helps to reduce errors, and streamlining execution.

1.1.9 Promotion Optimization

Promotion Optimization helps Customer determine in real-time the optimal promotions that will accomplish its merchandising and marketing objectives. Customer may use Promotion Optimization to evaluate and forecast incoming vendor offers as well as to plan private label and other promotions. Promotion Optimization assists Customer to determine the discounted price for any item or promoted item group, the type of temporary price reduction (such as “buy one get one”, percent off, and multiples) and the use of merchandising support (such as ads and displays, as well as specific placement within an ad) to maximize the incremental lift and total store impact of every promotion.

1.1.10 Promotion Execution

Promotion Execution enables Customer to build a single repository for their information and content about promotional offers and events (ads, flyers, mobile, email, display, signage, etc.), including copy and images, and event level details.

1.1.11 Lifecycle Pricing Preview

Lifecycle Pricing Preview allows Customer to preview upcoming releases to help it prepare for new or updated capabilities.

1.2 Platform Enablement Services

Platform Enablement Services provides account and data management services for the following SaaS Products:

- Price Management
- Promotion Planning
- Price Optimization
- Promotion Optimization
- Markdown Optimization

Platform Enablement Services are available at 4 levels. Customer must purchase the appropriate level against the Customer’s Revenue as measured by Revenue Conversion Units (RCU). For the purposes of the Platform Enablement Services, Revenue means the Total Sales of the Included Business.

A RCU is a currency-independent measure of a Revenue relevant to the SaaS Product. Currency-specific Revenue amounts must be converted into BRCUs in accordance with the table located at acoustic.com/acoustic-terms/. The RCUs calculated must cover the amount of Revenue processed or managed by the SaaS Product during the measurement period.

- Level 1 = up to 3 RCU
- Level 2 = up to 8 RCU
- Level 3 = up to 15 RCU
- Level 4 = above 15 RCU

1.2.1 Platform Enablement Services for Price Management and Promotion Planning

Acoustic will:

- a. Work with Customer to obtain all required data fields as outlined in the relevant Import Data Specification Document for the applicable SaaS Product offering (for the purposes of this Service Description, "Customer Data").
- b. Receive and load Customer Data on a weekly or daily cadence and maintain the data translation interfaces (inbound and outbound) using standard tools. Additional fees may be required if Customer modifies the format of Customer Data following initial implementation, requests transmission of files back to Customer in a different format, or requests modified data maps and automation scripts to take advantage of new data.
- c. Provide standard on-going account management services, which ensure Customer is supported after the implementation team rolls off. This account management service will be provided remotely and will not exceed 4 hours per week

1.2.2 Platform Enablement Services for Price Optimization, Promotion Optimization, and Markdown Optimization

Acoustic will:

- a. Work with Customer to obtain all Customer Data.
- b. Receive and load Customer Data on a weekly or daily cadence and maintain the data translation interfaces (inbound and outbound) using standard tools. Additional fees may be required if Customer modifies the format of Customer Data following initial implementation, requests transmission of files back to Customer in a different format, or requests that Acoustic modify data maps and automation scripts to take advantage of new data.
- c. Perform its standard data validation for modeled product categories. Data validation consists of automated jobs running and checking Customer Data for potential errors and anomalies.
- d. Provide its standard econometric modeling services for each product category in accordance with the Project Plan, which services include creating modeling datasets, estimating models, assessing model quality, and troubleshooting models as needed. This includes initial modeling for each included product category and ongoing remodels on a reasonable cadence based on the dynamics of the category as reasonably assessed by Acoustic. In the case of a data restatement by Customer, Acoustic will work with Customer to determine whether a reload of the restated historical data and a remodel of the affected product categories is warranted, which may require additional fees to be agreed upon at that time.
- e. Provide standard on-going account management services, which ensure Customer is supported after the implementation team rolls off. This account management service will be provided remotely and will not exceed 6 hours per week.

1.3 Set Up Acceleration Services

1.3.1 Lifecycle Pricing Set Up

This service provides for the initial provisioning and configuration of the SaaS Product.

1.3.2 Lifecycle Pricing Additional Instance Set Up Charges

This service provides for the provisioning and configuration of each additional SaaS Product ordered.

1.3.3 Lifecycle Pricing Preview Instance Set Up Charges

This service provides for the provisioning and configuration of Lifecycle Pricing & Promotion Preview.

2. Service Levels

2.1 Service Level Agreement

The Customer is provided with the following availability service level agreement (SLA). The highest applicable compensation will be applied based on the cumulative availability of the SaaS Product as shown in the table below. The availability percentage is calculated as the total number of minutes in a contracted month, minus the total number of minutes of Service Down in the contracted month, divided by the total number of minutes in the contracted month. The Service Down definition, the claim process, and how to contact regarding service availability issues are in the SaaS support overview at acoustic.com/acoustic-terms/.

Availability	Credit (% of monthly subscription fee*)
Less than 99.9%	2%
Less than 99.0%	5%
Less than 95.0%	10%

* The subscription fee is the contracted price for the month which is subject to the claim.

3. Charges

3.1 Charge Metrics

The following Charge Metrics apply to this SaaS Product:

- Engagement consists of professional and/or training services related to the SaaS Product.
- Revenue Conversion Unit (RCU) means a currency-independent measure of a Revenue amount relevant to the SaaS Product. Currency-specific Revenue amounts must be converted into RCUs in accordance with the table located at acoustic.com/acoustic-terms/.

The definition/scope of Revenue differs by the particular SaaS Product offering as outlined below:

SaaS Product	Revenue Definition
Price Management Dynamic Pricing Deal Management Advanced Deal Management Deal Management Bill Distribution Module	Revenue is Total Sales of the Included Business that the Customer intends to use with the SaaS Product (a subscription could be limited to specific product categories of the Included Business).
Price Optimization	Revenue is the Total Sales that Customer intends to optimize (a subscription could be limited to a portion of the Included Business).
Promotion Optimization Promotion Planning	Revenue is the Total Sales of the Included Business that are generated by sales of Promoted Items. For purposes of this SaaS Product, Promoted Items are products that are temporarily featured and/or discounted or sold on any form of promotion, including without limitation, a temporary price reduction (TPR), mention in an advertisement or circular, display in a secondary location of physical stores or on the main page of a website and coupons. Promoted Items do not include Markdown Items.
Markdown Optimization	Revenue is the Total Sales of the Included Business that are generated by sales of Markdown Items. For purpose of this SaaS Product, Markdown Items are products sold on a permanent price reduction, generally aimed at clearing out excess supply, which includes clearance sales.

4. Additional Terms

4.1 Definitions

The following terms shall have the meanings set forth below:

- **Broker** means a Customer that represents one or more CP Companies as its sales agent handling headquarter and/or retail coverage. A Broker is authorized to access the SaaS Product with a specific Included Retailer, for specific Product Categories, and only on behalf of specific named Brokered CP Companies.
- **Brokered CP Company** means a CP Company that engages a Broker to handle its representation to retailers in connection with planning promotions, submitting offers and other transactions.
- **Consumer Products or CP** means any article or component thereof produced or distributed for direct sale to a consumer. By way of example, "Consumer Products" include apparel and footwear, food and beverage, home and personal care, consumer durables and home appliances, consumer non-durables, specialty, and pet care, but do not include automobiles, airplanes, financial instruments, services or houses.
- **CP Company** means a company engaged in the production or distribution of Consumer Products.
- **Included Business** means the division, business unit or channel (for example, physical stores versus on-line ecommerce) in connection with which Customer subscribes to use the SaaS Product.
- **Included Geography** means the geography in which Customer subscribes to use the SaaS Product.
- **Included Retailer** means the Retailer or Retailers with which the CP Company subscribes to use the relevant SaaS Product.
- **Product Categories** means grouping of products (also known as items or Stock Keeping Units (SKUs)) that meet a similar consumer need or that are inter-related or substitutable. Products

placed together in the same category should be logistically manageable in store. The final determination of what constitutes a "Product Category" shall be subject to reasonable discretion.

- **Retailer** means a Customer engaged in the sale of Consumer Products in small or individual lots for direct consumption by the consumer.
- **Revenue** means as Total Sales of the Included Business in the Included Geography.
- **Total Sales** means gross sales excluding applicable sales tax, of the legal entity subscribing to the SaaS Product that are derived from the sale of products sold by the Included Business based on the last reported full twelve month period prior to the initial term or renewal of the term. The Total Sales may be recalculated if there is non-organic business growth to the Included Business as a result of a merger or acquisition. Customer will promptly notify of mergers or acquisitions that affect Total Sales of the Included Business.

4.2 Customer Responsibilities for Platform Enablement Services

Customer is responsible for providing the following:

- a. Direct access for resources as necessary to complete assigned Platform Enablement Services activities.
- b. Appropriate level and number of Customer resources to work on the project including:
 - IT programmer(s) to work with the data integration team to create and maintain the appropriate data interfaces.
 - Representatives from the Customer to ensure application requirements are properly translated into the contents of the data extracts.
 - Strong project team for performing the following technical and business process work required:
 - Relevant data mapping documentation.
 - Transmission of Customer Data in accordance with agreed timelines.
 - Customer Data that matches the format as specified in the current Import Data Specification Document.
 - Resources to address any issues in a timely manner.
 - Customer's support for ensuring the information provided is correct.

Customer acknowledges that Customer's failure to perform the above obligations may affect Acoustic's ability to provide the Platform Enablement Services. If Platform Enablement Services are delayed or if Acoustic's cost of providing Platform Enablement Services is increased as a result of Customer's failure to perform the above tasks or because of any other circumstances outside of Acoustic's control, Customer may be required to pay additional fees to Acoustic. Additional fees and billing terms for such services will be ordered separately and specified in a Statement of Work.

4.3 Verification

Customer will (a) maintain, and provide upon request, records, and system tools output, as reasonably necessary for Acoustic and its independent auditor to verify Customer's compliance with the Agreement, and (b) promptly order and pay for required entitlements at Acoustic's then-current rates and for other charges and liabilities determined as a result of such verification, as Acoustic specifies in an invoice. These compliance verification obligations remain in effect during the term of the SaaS Product and for 2 years thereafter.

4.4 Hub and Spoke Programs

Customer acknowledges that Acoustic Deal Management and Acoustic Advanced Deal Management SaaS Products are offered as part of a "Hub and Spoke" program for use by Customer solely with a specific retailer. This means that the participating retailer has granted to Acoustic a limited, non-exclusive license to use that retailer's data as required to provide these SaaS Products to its CP trading partners. Use of the SaaS Product or the participating retailer's sales and product data for any other purpose is not permitted. In the case of Brokers, usage is further restricted for use with specific named Brokered CP Companies.

4.5 Data and Minimum Equipment Requirements

In order to use the SaaS Products, Customer will have to provide Acoustic with the product, financial and other data described in the Acoustic Import Data Specification Document in effect on the date on which the data is provided ("Import Data"). A copy of the current Acoustic Import Data Specification Document will be provided upon signed agreement and is subject to modification by Acoustic from time to time, in its sole discretion. Further, each SaaS Product has minimum equipment requirements to access the service, which are described in the service specifications and available upon request.

4.6 Use of Import Data By Retailer's Trading Partners

If Customer subscribed to Deal Management or Deal Management: Bill Distribution Module during the subscription period, Customer authorizes Acoustic to use your Import Data to provide SaaS Products to Customer's consumer product trading partners who have also subscribed to a SaaS Product and require access to your Import Data.

4.7 Preview Limitation

If the SaaS Product is designated as "Preview", the SaaS Product can be used by Customer only for internal non-production or preview activities, including testing, performance tuning, fault diagnosis, internal benchmarking, staging, quality assurance activity and/or developing internally-used additions or extensions to the SaaS Product using published application programming interfaces. Customer is not authorized to use any part of the SaaS Product for any other purpose without acquiring the appropriate production entitlements.