



ESS-05 — Software Maintenance and Support (SMS)

POLICY: The NCR support policy provides Solution Providers with software maintenance as well as a range of support services in conjunction with becoming qualified to sell and support NCR products. Software Maintenance and Support (“SMS”) is billed quarterly on a product-by-product basis to fund these services.

SCOPE: The Covered Offerings for NCR Solution Providers

UPDATED: 28-Mar-2016

PROCEDURES:

1. Software covered by this Policy:
 - a. ISS45 applications and options
 - b. ISS45 Fuel Option
 - c. ISS45 Loyalty Option (LPe and DRe only)
 - d. ScanMaster applications and options
 - e. All self-checkout interfaces to ISS45 and ScanMaster
 - f. PocketOffice (RPO) applications and options
 - g. Pricer Electronic Shelf Label (“ESL”) software applications and options
 - h. LaneHawk applications and options
 - i. WinEPS software and options
 - j. OpenEPS electronic payments interfaces
2. NCR Solution Providers normally contact NCR technical support via the 24-hour Support System 800 number (see Policy [ESS-03 — Telephone Support](#)). This line is staffed 24/7 by live operators who will route you to the appropriate technical service group. The support services included as part of this Agreement are the following:
 - a. Unlimited telephone support for queries in scope (outside of abuse calls, which will be billed on a time and materials basis) via an 800 number into the NCR Technical Support organization. The Summit support option is available for Solution Providers who want to broaden the scope of available telephone support. See Policy [ESS-03 — Telephone Support](#) and Policy [ESS-14 — Summit Support](#) for more information about telephone support and Summit support respectively.
 - b. NCR Technical Support is available 24/7/365. Solution Providers may call NCR for critical incidents during off-business-hours. Non-critical queries are only appropriate during normal business hours (8:00-5:00 Central Time).
 - i. Solution Providers can call 800-533-0855 for a variety of software support services. This line is staffed 24/7 by live operators who will route the call to the appropriate services or have the proper agent return the call:
 1. Give the customer service agent your site ID. A call will be opened with your information and the appropriate support organization for Retail Back Office (“RBO”), PocketOffice etc. will be paged.
 - c. When calling the 800 number for product support, NCR’s support staff attempts to maintain a service level whereby the maximum response time is no more than one hour during the business day.



- d. When calling the 800 number for product support, NCR’s support staff attempts to maintain a service level whereby the maximum response time is no more than one hour during the business day with a typical response of 30 minutes or less.
 - e. Critical incidents will be given priority, while other incidents will be treated on a first-come-first-served basis. NCR will likely decline calls that are out of scope for telephone support, or abuse calls.
 - f. The fact that an incident has not yet been reproduced does not reduce its importance. NCR will escalate serious incidents directly to development (4th Line Support) if they cannot be reproduced quickly.
 - g. See Policy [ESS-06 — Software Maintenance and Release Process](#) for the Software Maintenance and Fault Handling Processes on software products and [ESS-10 — RBO Support Policies](#) on Retalix Back Office (“RBO”) Support respectively.
3. One copy of applicable software releases will be made generally available at no additional cost to the Solution Provider for NCR software applications and associated device drivers, development and test tools and so forth. This will be done so long as the Solution Provider partner is current with NCR SMS in accordance with this Policy and with the product qualifications and this Software Maintenance and Support Policy.
- a. THE PAYMENT OF SMS CHARGES EFFECTIVELY LICENSES, VIA THE SOLUTION PROVIDER, TECHNICAL SUPPORT, UPDATES AND MODIFICATIONS TO THE APPLICABLE NCR SOFTWARE PRODUCTS. SOFTWARE SUPPORT AND SOFTWARE MAINTENANCE, SPECIFICALLY INCLUDING THE RIGHTS TO USE UPDATED SOFTWARE, ARE NOT LICENSED OR AVAILABLE TO SOLUTION PROVIDERS OR THEIR USERS IF SMS CHARGES ARE NOT PAID. SOLUTION PROVIDERS THAT INSTALL SUCH UPDATES AND MODIFICATIONS WITHOUT PAYING FOR THEM VIA SMS, HOWEVER ACQUIRED, HAVE NO LICENSE RIGHTS TO THESE SOFTWARE MODIFICATIONS AND MAY BE PURSUED BY NCR UNDER LAWS PROHIBITING UNLICENSED USE OF INTELLECTUAL PROPERTY.
 - i. Example 1: Solution Provider “A” has remained current with NCR SMS charges. This Solution Provider installed ISS45 Version A.B.C.D-050, and has acquired Version A.B.C.D-060 from the Solution Provider Support Web site.
 1. Resolution: the upgrade is licensed to Solution Provider A and sublicensed to Solution Provider A’s users under SMS Support, and Solution Provider A may install the upgrade.
 - ii. Example 2: Solution Provider “B” had remained current with ScanMaster SMS charges up to the point ScanMaster Version A.B.C.D-050 became available. But after that point, Solution Provider B no longer paid ScanMaster SMS, and was removed from support. Solution Provider B then acquired Version A.B.C.D-060 from a friend at Solution Provider A.
 1. Resolution: this upgrade is not licensed to Solution Provider B or to Solution Provider B’s users, and Solution Provider B may not install the upgrade without breaching intellectual property law.
4. The “Insurance Model” applies to all stores under a Solution Provider’s care: NCR is providing software maintenance and support to the Solution Provider for all such stores regardless of actual use of the software updates in those stores or use of NCR technical support to enable the Solution Provider to support those stores and end users, AND IN ALL CASES REGARDLESS OF THE SOLUTION PROVIDER’S SOFTWARE MAINTENANCE AGREEMENTS WITH SUCH END USERS.
- a. The definition of being under a “Solution Provider’s care” follows the standard industry model of the Solution Provider having either the RESPONSIBILITY or the OPPORTUNITY to provide support to these stores, and these terms apply to the installed base of all stores in the Solution Provider’s agreed territory. In the Solution Provider’s territory, the Solution Provider typically has both the responsibility and the opportunity to support these stores, and SMS is mandatory for this number of stores.



- b. SOLUTION PROVIDERS ARE RESPONSIBLE TO PAY SMS ON ALL STORES FOR WHICH THEY PROVIDE REGULAR, OCCASIONAL, TIME-AND-MATERIALS OR COULD PROVIDE SUCH CARE, INCLUDING STORES INITIALLY INSTALLED BY OTHER SOLUTION PROVIDERS.
 - i. NCR will naturally accept bona fide reasons (e.g. the store is confirmed as being maintained by a different currently authorized Solution Provider, or the Solution Provider can demonstrate that they have no possibility of providing software support to this store) that cause a store or product to be excepted from the store count in the Solution Provider's territory.
 - ii. Solution Providers who take over a previous Solution Provider's territory are immediately and automatically responsible for the SMS for the previous Solution Provider's installed base unless expressly agreed in writing by an officer of NCR. For example, the previous Solution Provider may have retained support rights for a specified time period. Any such exceptions will be considered and resolved on a case-by-case basis.
 - iii. Software Maintenance and Support is valid and provided for a Solution Provider's contracted and agreed territory only, plus any exceptions agreed by NCR. Software maintenance and software support may not be extended outside the agreed territory. A Solution Provider expressly may not use software maintenance and/or support services — that have been provided by NCR for that Solution Provider's agreed territory — in other areas or in relationship with other Solution Providers, or claim to be authorized by NCR to carry out sales, support or other business operations outside the agreed territory.
 - iv. For additions or subtractions to the SMS store count for any product, Solution Providers must notify NCR via the "Request for SMS Site Adjustment" form, available from the Support Page of the Solution Provider Support Web site.
 - v. Under-counting stores is regarded as fraud under intellectual property law and NCR reserves the right to pursue all legal means including court-ordered redress and the termination of Solution Providers and/or their support rights.
 - c. NCR reserves the right to audit a Solution Provider or area, or the stores in that area, for proper software licensing or counting for SMS.
5. For ISS45, ScanMaster, RBO, self-checkout interfaces, ISS45 Fuel, U-Scan, Pricer, PocketOffice, LaneHawk, Retailix Store and/or other future products, NCR Field Consultant support may be provided at NCR's sole discretion for the Solution Provider's initial installation and thereafter, on a limited, as needed basis. NCR Field Consultants can be used for product knowledge transfer, professional services assistance, field sales or technical support, and implementation assistance.
 - a. All such support will be fully chargeable at the then-current day rate plus expenses if the Solution Provider has not attended the applicable Service and Support courses.
 6. Access to currently-available fault listings, roadmap information and any other applicable technical information will be made available to Solution Providers that are current with SMS at no additional cost.
 7. Electronic versions of NCR User and Technical manuals and most other documentation will be provided to the Solution Provider at no additional charge. This may exclude certain types of electronic documentation, which may be available on a chargeable basis only. Electronic documentation only may be provided in lieu of hard copy.
 8. NCR will provide customization, integration and porting services, as available, on a quoted, not-to-exceed fee basis.
 9. NCR Technical Support and responses to Solution Provider inquiries and on-site visits will take place during the normal business hours of 8:00 a.m. to 5:00 p.m. (CST) Monday through Friday excluding holidays.



- a. NCR reserves the right to charge the Solution Provider for the service on a time-and-materials basis in the event that an inquiry, relating to a NCR product, cannot be satisfactorily resolved via telephone support and a site visit is agreed with the Solution Provider. A Solution Provider purchase order will be required for this service in accordance with NCR commercial policies.
10. Software Support Prerequisites: the NCR Solution Provider must:
- a. Provide at least one fully trained and certified support person per location, or more persons as may be required per any offering's Product Qualification Guidelines published in the RS (Solution Provider Sales) section of this Appendix, for contact by the NCR staff providing this service. This person will become the "primary contact" for NCR Solution Provider support on that specific product. It is recommended that each Solution Provider have at least two people who have been identified and trained as primary contacts.
 - b. Ensure that the most current level of all NCR software and documentation, pertaining to the product solution, is made available at each Solution Provider location (normally via connection to the Solution Provider Support Web site).
 - c. Ensure that all the Solution Provider's NCR contacts have access to the Solution Provider Support Web Site, where all NCR product information and technical support documents and tools are provided.
 - d. Ensure that all NCR product contacts have access to the fault listings or other system as appropriate for problem reporting and receiving information on problem resolution and other technical support information.
 - e. Provide on-site assistance and access to user data to the NCR technical staff for the resolution of problems.
 - f. Provide electronic access to stores wherever possible to enable NCR support personnel to access the stores directly via remote access tools.
 - g. Keep NCR informed as to the success or failure of any resolution or circumvention provided.
 - h. Maintain and provide access to NCR validated system configurations for problem resolution and testing.
11. NCR shall not be responsible for any problem relating to NCR products if, in NCR's reasonable opinion, the problem results from other equipment or software not certified for use in conjunction with the subject NCR products. In determining the cause of any problem, the Solution Provider shall be responsible to gather all documentation, logs, and files necessary to analyze the problem. If NCR determines that a site visit or is required, the Solution Provider shall ensure that NCR is granted full access to all the equipment. If NCR confirms that the problem is a result of uncertified product combinations, the Solution Provider shall pay NCR's standard time-and-materials fees for any support services in the review, subsequent correction or avoidance of the problem.
12. Help Desk: If the Solution Provider has multiple selling and support locations, the Solution Provider has the option to provide a Help Desk at a central location that will become the primary contact with NCR staff. The Help Desk would take all first-line inquiries from the Solution Providers other selling locations. If the inquiry cannot be resolved by the Help Desk, the Solution Provider's primary contact will place an inquiry into the NCR Technical Support 800 number. No contact would normally be made by the other Solution Provider locations into NCR unless generated by the NCR Technical Support group or Systems Engineer.
13. Software Maintenance and Support Charges
- a. The table in this Section 13 below provides the current quarterly SMS fees at Solution Provider net prices. These are invoiced during the quarter in which the services are provided, and these invoices are payable immediately.
 - b. NCR will invoice SMS based upon all shipments made as of the end of the previous quarter.

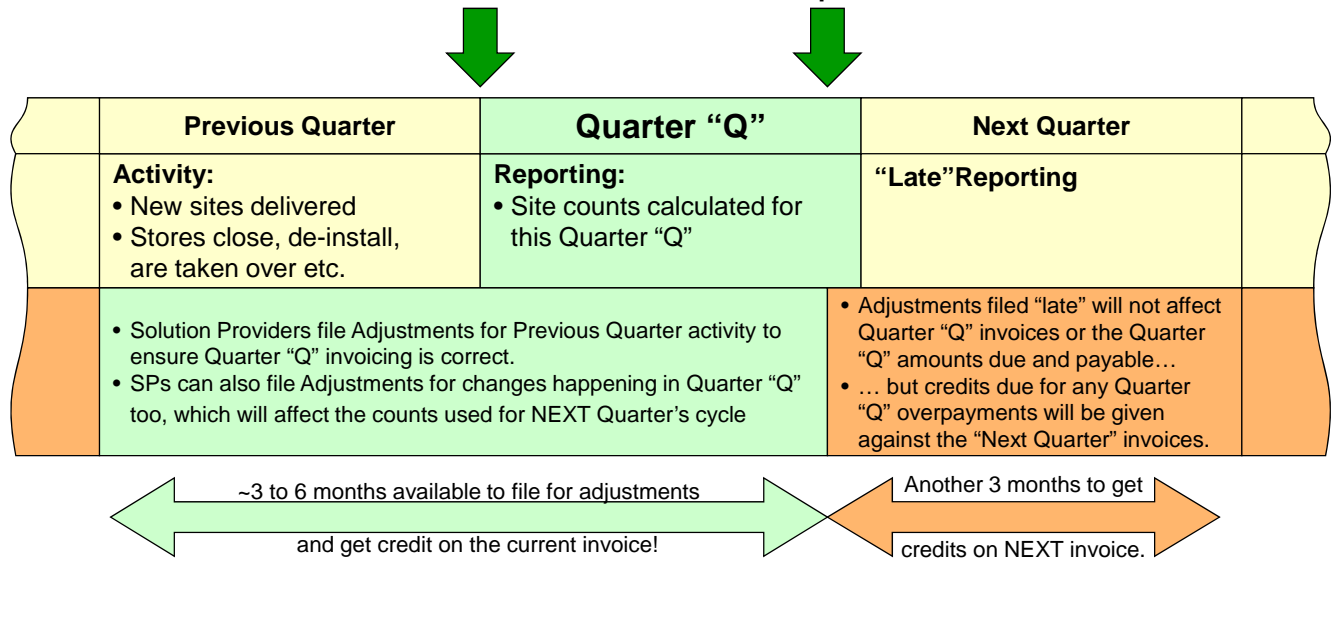


- i. For example, if a Solution Provider has 40 stores installed as of June 30 (the end of Q2) the SMS invoice sent and payable in Q3 will charge SMS for 40 stores for services provided in Q3.
 - ii. A Solution Provider therefore has a period of 90-180 days between the original shipment of a product and the remittance of SMS payments for that shipment.
 - iii. The actual invoicing date may be at any time during – or even after – the service quarter as determined exclusively by NCR.
 - iv. Where volume licenses (e.g. a chain rollout) are purchased in advance of a scheduled installation, NCR will work with the Solution Provider to ascertain the actual installation schedule and will hold SMS charges until the appropriate time (as if the software licenses had been shipped upon the install date). It is the responsibility of the Solution Provider to notify NCR of any such rollouts and request any modified SMS treatment or scheduling.
- c. Adjustments:
- i. A quarter's store counts are based on shipments through the previous quarter together with any Adjustment Requests approved by NCR. Since a quarter's invoices normally go out late in that quarter, this means Solution Providers have at least three - and as long as six months - to report any store closings etc. If the Adjustments are filed on time, the Solution Provider's invoice for the quarter will reflect them.
 - ii. For example, Solution Providers normally have up until the first week in December to report any closures etc. from July, August and September, and these will be counted in the Q4 invoice.
 - iii. NCR will credit Solution Providers for adjustments filed up to nine (9) months after an event.
 1. If, for example, a July closure is not reported in time for the Q4 invoicing in December, NCR will still credit against the NEXT (Q1) invoice.
 2. All invoices are still payable in full however. Solution Providers who haven't filed for old adjustments should file for them late. If these adjustments would have affected the previous quarter's invoice, the Solution Provider will still receive a credit, which will be given against the following quarter's invoice.
 3. If a count is off because NCR made an error by double-counting etc., NCR will credit the Solution Provider immediately against the CURRENT (not next) invoice.
 4. Solution Providers have up to nine (9) months to inform NCR about closures, take-overs, de-installs and other adjustments and still receive full credit. After that point, the SMS books are closed on that quarter and no credits will be given for prior periods.
 5. The diagram below charts the adjustment calendar:

SMS Calendar

Start of Quarter
 SMS for Quarter "Q"
 is based on store
 counts as of this date

Invoicing Date
 Dealers are billed for
 Quarter "Q" based on
 store counts at start of
 this quarter



- d. The installed period prior to SMS billings for that software license referenced immediately above shall in no way be considered a commitment or requirement of any kind for NCR to provide system enhancements, changes or updates to address any particular request or software fault.
- e. SMS prices are as follows:



| SMS Prices for 2016 (Q2-Q4 Only) | | | | | | | |
|----------------------------------|------------------------------|---|----------------------------|-----------------------------|--|-----------------------------|---|
| Number of Stores | ISS45 ScanMaster per Quarter | Self-Checkout | Pocket Office | Pricer ESL Software | ISS45 Fuel and Loyalty | WinEPS | Lane-Hawk |
| 1 | \$1,150 | All ISS45 or ScanMaster Self-Checkout Interfaces: \$114 per store per quarter Fujitsu U-Scan software: \$355 per store per quarter | \$20 per store per quarter | \$238 per store per quarter | Fuel: \$114 per store per quarter Loyalty: \$114 per store per quarter for LPe/DRe store-level items only | \$230 per store per quarter | Back-Office Software ("BOS") and Modelset: \$65 per store per quarter See table below for iCLU hardware and software support |
| 2 - 5 | \$2,230 | | | | | | |
| 6 - 10 | \$3,733 | | | | | | |
| 11 - 20 | \$5,236 | | | | | | |
| 21 - 30 | \$6,740 | | | | | | |
| 31 - 50 | \$8,243 | | | | | | |
| 51 - 75 | \$9,746 | | | | | | |
| 76 - 100 | \$11,414 | | | | | | |
| 101 + | \$114 per Store/Qtr | | | | | | |

| LaneHawk iLCU Hardware Warranty and Software Support | | |
|--|--|------------------------------------|
| Intelligent Lighting and Camera Unit ("iLCU") Version | Hardware Depot Warranty | Software Maintenance and Support |
| iLCU Models 3 and 3.5: (all iLCUs sold through July 2013) | Required: \$16 per quarter per iLCU | Required: \$8 per quarter per iLCU |
| LH4000 iLCU: (iLCUs sold after in July 2013) | Optional: available only via extended warranty plan at time of purchase. | Required: \$5 per quarter per iLCU |

14. Notes, special conditions and exceptions:

- a. ScanMaster and ISS45 sites will have their numbers combined for billing purposes. For example, if a Solution Provider has 80 ISS45 sites and 40 ScanMaster sites they will be charged the same rate as if they had 120 sites of one product or the other. This minimizes incremental SMS costs in the early stages for established NCR Solution Providers taking over ScanMaster support, or Solution Providers with large ScanMaster bases installing their first ISS45 systems.
 - i. NCR ACS and ACS-IR site counts will also be factored into a Solution Provider's total count to minimize ISS45 and ScanMaster prices. ACS SWM will not be modified by the ISS45 and ScanMaster site counts.
- b. All ScanMaster stores under a NCR Solution Provider's care, expressly including stores that were installed prior to the Solution Provider's NCR Channel Solution Provider Program Agreement, are



considered to have SMS provided by NCR and to fall under these NCR SMS conditions as a primary and material consequence of the Solution Provider's decision to enter into a NCR Channel Solution Provider Program Agreement. Such Solution Providers must declare the accurate number of such ScanMaster stores to NCR upon executing the NCR Channel Solution Provider Program Agreement or contract.

- c. Solution Providers must file the SMS Adjustment Form immediately when taking over support of additional stores. The Solution Provider will be responsible for SMS for the applicable products in those stores regardless of the software status, installation of upgrades and so forth. As described above, the "insurance" model applies to all stores under the Solution Provider's care regardless of the Solution Provider's own contracts or agreements with such stores.
- d. If a store is closed permanently or a NCR system is replaced, or the store has a new owner, the software license is considered null and void under the conditions described in Policy [CO-07 — Software License Transfer Policy](#).
 - i. The Solution Provider must make all reasonable efforts to recover the software control keys for that store and return them to NCR. NCR will at that point remove the store count from the list of active stores under the Solution Provider's care, and that site will not be charged SMS for subsequent quarters. Solution Providers inform NCR via the SMS Site Adjustment form.
 - ii. NCR has no obligation to remove stores from the SMS rolls until the software keys are returned.
 - iii. At NCR's sole option, NCR may remove stores from the Solution Provider's count upon the Solution Provider applying for such adjustments and providing adequate documentation of the reasons. In any such cases, the minimum of store location and key number information from the most recent Software Key Information Form ("SKIF") must be provided via the SMS Site Adjustment Form, available from the Support Page of the Solution Provider Support website.
- e. The Solution Provider is responsible the timeliness of key returns or other requests to remove stores from SMS counts via the SMS Site Adjustment Form.
- f. SMS is not pro-rated over a quarter: SMS will be due for the full quarter in which a store is removed.

15. Termination:

- a. Solution Providers that no longer have a current full selling Solution Provider relationship with NCR ("Support-Only Solution Providers") may extend support and service rights for a limited time ("Support Extension") only to their installed base of NCR products if that Solution Provider continues to pay applicable SMS charges to NCR for all such products.
- b. Such Support Extensions do not apply to any stores or products beyond the Solution Provider's installed base at time of NCR's notification or acceptance of termination.
- c. Support Extensions do not permit a Support-Only Solution Provider to sell any new NCR software products, features or options. Any sales by Support-Only Solution Providers must be executed by a current full-service NCR Solution Provider except by agreement with NCR at NCR's sole option.
- d. SMS for support-only Solution Providers is payable in advance of the period in which the SMS will be provided. NCR will typically invoice the Solution Provider in advance for the full year or any remaining portion of the extended service period of software maintenance.
- e. The length of time for Support Extensions, if not otherwise expressly called out in the Solution Provider's NCR Channel Solution Provider Program Agreement, will not exceed one (1) year unless extended further in writing at NCR's sole option.
- f. The per-site SMS charge for support-only Solution Providers during the support extension period will be calculated to be the average store price for ten systems of the type of software product in question. For example, if the current SMS price for 10 stores is \$1,000, the SMS price per store is \$100.



- g. If a Solution Provider fails to stay current with SMS invoices, NCR may at its sole option terminate the balance of any extended service options here offered and further maintenance options may be terminated.
- h. If a full-service Solution Provider chooses to forego support on any of the products, then that Solution Provider may no longer be in accord with their Channel Solution Provider Program Agreement and may be no longer qualified to market that product.
- i. If a Solution Provider fails to pay or stay current on SMS charges, the Solution Provider's access to Software Maintenance and Support may be withdrawn at NCR's sole option until these support charges are brought up to current. However, failure to pay support charges expressly does not constitute termination of support, and such failure to pay does it waive applicable support charges for the subject period. Support charges will continue to be billed and all unpaid support charges will continue to accrue.
- j. If a NCR Solution Provider wishes to terminate support, a principal of that Solution Provider must notify NCR via a notarized letter giving sixty (60) days' notice for billing purposes and stating the following:
 - i. That the Solution Provider no longer wishes to receive any manner of support from NCR for the referenced product.
 - ii. This letter must further state that the Solution Provider understands that as of NCR's receipt of such a letter, all support from NCR including sales support, technical support, documentation support or any other kind of support will no longer be provided.
 - iii. The letter must further list any sites and current contacts that the Solution Provider currently supports of the said product, and in what manner each one will be supported in the future.
- k. Upon receipt of this letter, NCR will take the following actions:
 - i. The Solution Provider will be judged out of accordance with the Channel Solution Provider Program Agreement as it relates to the subject product, and NCR may choose at its sole discretion to accept or not accept any future orders from the Solution Provider for the product.
 - ii. NCR will no longer provide support on the subject product to the Solution Provider.
 - iii. NCR will cease to bill the Solution Provider for SMS charges on the product for any quarters begun after 60 days from receipt of the letter. Letters must therefore be received in the first month of a quarter to avoid support payments due in the subsequent quarter.

16. Reversing termination:

- a. A Solution Provider may reverse termination of support on a product by providing a notarized letter requesting that support be reinstated and attaching a copy of the letter that terminated support.
- b. Support will be reinstated upon receipt of this letter, plus the remittance of all SMS charges that would have been due had the Solution Provider not terminated support.

17. Reactivation

- a. An ISS45 or ScanMaster store that purchased this POS software from NCR, but whose license has lapsed due to non-payment of SMS fees (i.e. the Solution Provider removed the site from the Solution Provider's SMS rolls with NCR) may "reactivate" their lapsed license.
- b. A "Reactivation Fee" covers the value of software updates and enhancements on the POS system during the period in which SMS was not paid.
- c. The Reactivation Fee is currently \$300 per lane (Solution Provider net) covering all cases, without discrimination of the time period since the lapse of the license/SMS.
- d. The Reactivation Fee covers all options and functions that can be clearly established from prior documentation (e.g. SKIF) regarding the original license.