



## Flexera One Contract Documents Frequently Asked Questions

Thank you for reviewing Flexera's contract documents. We recognize that sometimes attorneys and contract professionals are asked to redline an agreement without being given a complete understanding of what is being purchased and how Flexera's enterprise cloud service model works. We hope that this FAQ will be useful as you review the Flexera documents. This FAQ does not form part of the contract but is intended to provide an overview of the agreement that will be in place between you and Flexera.

### **What is my company purchasing?**

Flexera offers software applications using a genuine one-to-many cloud delivery model. Flexera provides fully functional enterprise cloud applications through the web. Customers access Flexera One as Software as a Service, hosted by AWS. Flexera One is updated and the data backed up by Flexera. All customers are on the same version of Flexera One.

### **How is Flexera One different from installed, on premise software?**

Flexera One is a true one-to-many business model. Application service providers may offer a more customizable model, where each customer is treated differently, essentially an outsourced hosting of installed software. Flexera's one-to-many business model allows for a more cost-effective delivery of solutions by ensuring that all customers are always on the same release. Customers avoid costly and disruptive upgrades. As Flexera rolls out new versions, customers can adopt the new features on their own time which makes Flexera's cloud applications highly configurable by each customer. Flexera provides Flexera One on the same operational infrastructure and using the same security and support operations for all customers. We deliver our products following the same [Support](#) terms and [Service Levels](#) for all customers, and provide a dashboard to review historical application availability to ensure transparency.

### **What is Flexera's pricing methodology?**

Flexera's business model is structured on a subscription price based on a few factors found in the Flexera One Product Specific terms. During the contractually agreed upon term, the subscription fee may not be reduced. Thus, Flexera cannot accommodate a customer's request to decrease their payments to Flexera based upon a reduction in volume regardless of the reason for such reduction (customer downsizing, customer acquired by another entity, etc.).

### **Does Flexera offer termination for convenience?**

Flexera does not agree with the concept of "termination for convenience." A fundamental element of Flexera's business model is that the parties enter into a multi-year agreement which both parties are committed to during the specified term.

### **Does Flexera offer an acceptance test period?**

Flexera's cloud-based business delivery model is fundamentally different than other business delivery models. Since Flexera runs the service for all customers on a single code base, the viability of Flexera One has already been demonstrated by the existing customers who run their businesses on the same single code base. Thus, the concept of an acceptance test is made obsolete and therefore does not exist in Flexera's business model. With that said, Flexera does stand behind our products and we offer a standard product warranty that affords our customers a termination right in the event that we are not able to meet the product warranty, and encourage our customers to speak with existing Flexera customers to alleviate any concerns about our ability to deliver value.

### **Does Flexera offer unlimited liability?**

Flexera understands that our customers are concerned about risk, including the protection of their data and the remedies available in the event of a data breach. Thus, Flexera has developed a structure to demonstrate to our customers that we understand these concerns. A fundamental principle of Flexera's business model is that any damages for either party are subject to a limitation of liability, except when a party is grossly negligent or there is willful misconduct or fraud, or there is a personal injury or death resulting from a party's negligence or willful misconduct.

### **How does Flexera protect our customer data?**

Protecting the security and privacy of our customers' data is a priority for Flexera. Flexera regards all customer data as confidential and does not distinguish in its treatment of personally identifiable information or other customer data. Customer Data is encrypted in the database within the secured data center. Our customers remain in control of their own data and are responsible for determining appropriate data access and use for the parties they authorize. Flexera One operates on a unified security model. Customer Data is stored on AWS servers in secure, state-of-the-art data centers with fully redundant backup systems. Since Flexera runs Flexera One for all customers on a "single code line" with a single back-end support and hosting organization, we have a standard security and data privacy methodology that protects all customers. Flexera's ability to provide a consistently high level of service relies on the standardization of our operations and processes, including security and data privacy methodologies. Flexera's formal and comprehensive security program is detailed in its independent third party SOC-1 and SOC-2 audit reports, our [Security Terms](#), and [Data Processing Agreement](#). Flexera does not agree to individual customer security policies because this is not practical in light of the single back-end support model.

### **Data Security:**

- **Types of Data:** Flexera's products do host customer information, including personal data, but that information does not include the type of information that most organizations are most concerned about. We do not require access to health information, financial information, or consumer information of your customers. Instead, the types of information that are stored in our application is general business persona information, such as a name, work email address, telephone number, IP address, and other similar contact information. Our sales teams can work with you to provide a complete list on request.
- **Controls:** Flexera's security program uses controls described in Flexera's Security Terms and Flexera's most recent Service Organization Control 1 Report (SOC-1) and SOC-2 Report (or industry successor report). During the term of the Flexera One Subscription Agreement, Flexera's security program will not materially diminish the protections provided by the controls set forth in Flexera's Security Terms as well as Flexera's SOC-1 and SOC-2 audit reports most recently completed. Thus, our customers always know the security protecting their data and such controls may not be materially diminished. Since the



SOC-1 and SOC-2 are audited by an independent source, Flexera provides customers with objective evidence that Flexera is maintaining its security controls.

- **Background Screening:** Flexera's SOC-1 report evidences that Flexera does background screen our employees.
- **Employee Training:** Flexera's Security Terms and SOC-1 report evidences that Flexera provides employee training.

**Data Privacy:**

- **Data Processing Agreement:** The Flexera One Subscription Agreement includes a reference to a Data Processing Agreement that details the terms and conditions applicable to the Processing by Flexera of the Personal Data belonging to Customer and its Affiliates. This Data Processing Agreement is provided so that our customers have contractual protections relating to global privacy protections.
- **Schrems II Statement:** Flexera has conducted a review of its systems, processes, and operations and has assessed the level of risk involved in transferring customer Personal Data outside of the European Economic Area (EEA), specifically transfers to the United States of America. At this time Flexera has taken the view, having regard to the very limited categories of personal data that it processes on behalf of its customers, the total absence of sensitive/special category personal data, the fact that it has not to date received any request for information from any government body or agency within the USA, and having regard to the very limited circumstances in which such personal data is accessed outside of the EEA, that the measures currently in place are both appropriate and adequate.

**How do we get our data back when the relationship ends?**

Flexera's customers always own their data. Customers may download copies of their data stored in Flexera One at any time during the term.

**Can we attach our own security / privacy exhibits to the Flexera One Subscription Agreement?**

No, Flexera's ability to provide a consistently high level of service relies on the standardization of our processes, including security / data privacy methodologies. Thus, our customers adopt Flexera's description of our security / privacy controls. Since Flexera is transparent with our controls (which are in Flexera's Security Terms, Data Processing Agreement, SOC-1 and SOC 2 audit reports) and contractually commits that in no event during the term shall Flexera materially diminish the protections provided by Flexera's controls, our customers feel comfortable sharing their Customer Data with Flexera because our customers know the controls protecting Flexera One.

**Compliance with Laws:**

Flexera warrants that in connection with its performance of the Flexera One Subscription Agreement, Flexera shall comply with all Laws applicable to it related to data privacy, international communications and the transmission of technical or personal data. "Law" means any local, state, national and/or foreign law, treaties, and/or regulations applicable to a respective party.

**Does Flexera offer an SLA?**

Yes, Flexera has a service level agreement so customers always know Flexera's commitments regarding service levels. Since Flexera has the same operational business model for our entire customer base, the SLA cannot be modified on a customer-by-customer basis. The success of Flexera's cloud delivery business model is predicated upon a "one to many" infrastructure efficiency. Flexera provides service credits in the event of certain SLA failures; these can be found in the Flexera One Service Levels.

**Will Flexera permit customers to audit Flexera?**

In order to maintain the security of Flexera's products, customer information, and facilities, Flexera does not allow on-premise audits. In order to provide Customer with objective evidence that Flexera is maintaining its security controls, Flexera engages a third party to produce SOC-1 and SOC-2 audit reports that should satisfy all customer internal and regulatory requirements.