FAQs for the new PaperCut MF pricing model – Global

Everything you need to know about our revised pricing model for PaperCut MF

Contents

General

Q: So, what is the new pricing model exactly?

A: We'll get into more detail in the following questions, but in a nutshell, rather than being built around the number of users, it focuses on:

1. The number/brand of MFDs
2. The number/brand of SFPs (HP, Lexmark, Ricoh and Toshiba printers <u>only</u>)
3. A simpler licensing model for optional items

Q: Why did we introduce it?

A: We created the new pricing model to:

- simplify all aspects of licensing for you and your customers
- align with your sales cycle by adapting our licensing to how you do business
- stay competitive and target growth for Education, Government and Commercial customers

Q: How is this new device-based licensing different?

A: Every standard device-based PaperCut MF license will now come with <u>unlimited users</u>

There are a couple of exceptions:
- The SMB Bundle, which has a maximum of 100 users and up to 5 embedded licenses
- A user-based license also known as a Software license, will still exist for customers who don't need embedded licenses

Q: Any other benefits?

A: You betcha. You can now:

- Position PaperCut MF convincingly for all organisation types (regardless of size) thanks to the new pricing tiers
- Align PaperCut MF licenses with your hardware sales model and key contract dates
- Calculate/order PaperCut Maintenance & Support (M&S is the new PUA – more details below) quicker and easier
- Calculate the PaperCut costs of a hardware deal quicker and easier

Q: How will current users learn they have access to the benefits of the new pricing model, e.g. unlimited users?
A: ASCs and resellers are expected to communicate this to their customers. Depending on the strategy of the reseller, this should be done at the time of renewal or change order. The new benefits are a great opportunity to contact customers whose licenses are about to/have expired.

Q: How does an existing customer upgrade to unlimited users?
A: For an existing customer, their license will be automatically upgraded to unlimited users when they make their next M&S or embedded device purchase.

If your customer is only in need of additional users, and still has active M&S, there will be a nominal charge to upgrade to the unlimited user license. Your ASC will be able to provide you with more information.

Q: What's the plan for updating PaperCut's website to align with the new pricing model and positioning, e.g. terminology?
A: We plan to update the Reseller Portal as part of the new pricing model, which will also include any external-facing web pages mentioning pricing. The other key change will be explaining the changes of name moving from PUA to M&S.

Q: Do hospitals qualify for Government/Education pricing?
A: If the customer has educational facilities and/or nonprofit status, then yep, they qualify for Government/Education pricing.

Q: How will the new pricing model impact Library pricing?
A:We've simplified the way library pricing works. Libraries are now priced per branch, with the option of adding embeddeds and relevant ancillaries if required.

All library purchases will not have a limit on users.

Q: Is PaperCut NG still available?
A: It is, and it'll continue on a user-based model ideal for when embedded devices aren't needed. At this time, there are no changes to the PaperCut NG pricing model.

Q: And the SMB Bundle?
A: It's also still available – and it's a great cost-effective option if a maximum of 5 embedded devices and 100 users is enough for your setup.

Q: Will ASCs/PaperCut know if a customer exceeds the SMB Bundle's user limit?
A: Yes. If a customer exceeds the 100-user limit, they'll be alerted and have 40 days to place an order for any additional users with their reseller. When the order is placed, the order system will also alert the ASC/PaperCut that this is an SMB License.

Q: Are user-based licenses available for purchase?
A: Sure, user-based licenses are now called Software licenses. This only applies to licenses that do not currently require embeddeds. These are available for small, medium and large organisations. If you require an unlimited Software license, get in touch with your ASC and they'll help you out.

For more details please refer to our Policies and Procedures section in the Portal, and specifically to our Fair Use Policy. That's where you'll find the terms and conditions for Ordering & Licensing.

New pricing details

Q: How does the new pricing model compare to the existing one?
A: There are now only <u>two</u> license types:

1. Commercial
2. Education/Government (including nonprofit organizations)

And each license has <u>three</u> billable components:

1. Embedded devices (based on brand and quantity)
2. Optional items (e.g. payment gateways, connectors etc.)
3. Maintenance and Support (M&S)

Every license also has a bunch of included goodies, including unlimited users, site servers, advanced clients and desktop widgets.

Q: How does the new pricing model calculate the cost of a license?
A: The new model uses seven-tier bulk pricing structure based on the number and brand of embedded devices. The seven tiers are: 1+, 10+, 25+, 50+, 100+, 200+.and 500+

Bulk Pricing Tier	Number of Embedded Devices
1+	1 to 9
10+	10 to 24
25+	25 to 49
50+	50 to 99
100+	100 to 199
200+	200 to 499
500+	500 and over

For example, if a license has 12 devices of one MFP brand and 64 devices of another MFD brand, the 12 devices will be priced at tier two (10+), and the 64 devices at tier four (50+).
Tiering changes the cost per device, and works on the idea of increasing returns, i.e. the higher the tier (or the more devices on a license), the less each device costs.

PUA and Maintenance & Support

Q: What's the deal with Maintenance & Support?

A: Thanks for reminding us! PUA is now PaperCut Maintenance & Support (M&S), so we'll refer to it as that from here on out (unless we need to travel back to the PUA past).

We've simplified the way M&S is priced:
- For purchases including 1 to 2 years of M&S, it is calculated at 20% per year.
- For purchases including 3+ years of M&S, it is calculated at 15% per year.

Q: How does M&S work for new orders now?

A: M&S is still based on a one, two, three, four, and five-year term, but now we've added SKUs for each yearly term to make it easier to quote and order. The required minimum term for a new order is one year.

We've also introduced a monthly alignment SKU if you want to align to a specific contract date – and customers who renew can order a combination of yearly and monthly SKUs.

Q: What about renewal/change orders?

A: M&S for existing licenses will be based on the yearly and monthly SKUs, rather than the value of the license.

Q. Is there a minimum term for M&S purchase?

A: The required minimum term for a renewal order is one year.

Q: When do M&S licenses begin? Is there a grace period for installation?

A: For new customers there's a grace period. While M&S starts on the day the order is placed, it will expire on the last day of the following month at the end of the M&S period. Example: 15-April-2019 order date with a 1 year M&S. Start date = 15-April-2019; End date = 30-May-2020

Q: What about if I am an existing PaperCut customer?

For existing customers who have active M&S and are extending the end date, the extended period will start from the current expiration date. If their M&S is already expired, their start/end dates will reset to the new order date. There's no grace period for renewals.

Q: Can you purchase Maintenance & Support for more than five years?

A: Our SKUs have M&S contracts for up to five years. If a customer absolutely needs a longer contract, let your local ASC know, and we'll do our best to be flexible on our end.

Q: Can you have different M&S end dates for different devices?

A: Negative. Your PaperCut MF license will continue to have <u>one</u> M&S end date that applies to every component – embeddeds, payment gateways, connectors, etc.

Q: Will users get notified when M&S is about to expire? How do they renew?

A: Yep! When a license is about to/has expired, the administrator will be notified next time they log in to PaperCut. They can then get in touch with their reseller to kick off the same renewal process in place today.

Q: Is there still a 10% penalty for not renewing, or a minimum purchase?

A: Nope! Both of these are gone with M&S (yay). Just price up the license, and away you go.

Ordering and quoting

Q: Does the new pricing model change how you purchase from PaperCut?

A: It doesn't. The PaperCut Portal is still your go-to for ordering/quoting licenses. And of course, if you're looking to change the number of users on a license, get in touch with your ASC – they'll help you out.

Q: Will there be a new quote tool in the portal?

A: We're looking to create a new price calculator, quoting tool, and ordering tool. Stay tuned for timing.

Q: How can my existing customers benefit from the new pricing model?

A: Existing customers will stay on their current license until they place a change order or renew M&S. Through these orders, customers will get moved across to the new pricing model and reap all the benefits! The current ordering system will be switched off on 30th April, 2019. Remember as always, quotes will be honoured for 40 days after the completed date.

Optional items

Q: Has ordering optional items changed at all?
A: Slightly! We've consolidated payment gateways into three separate groups with their own pricing tier and SKU code.

All kiosk connectors have been grouped into a single SKU and price; and connectors have been grouped into 'standard' or 'advanced' SKUs, with a price for each SKU.

Payment gateways:

- Group 1
    - Authorize.Net
    - My Student Account
    - PayPal Website Payments Standard (WPS)
    - PayPal Payflow Link
    - RBS WorldPay
    - Transaction File

- Group 2
    - Barclaycard
    - CASHNet
    - Commonwealth Bank CommWeb
    - CyberSource Secure Acceptance
    - Moneris
    - Nelnet
    - Nuvision
    - Official Payments (OPC
    - Realex Realauth Redirect
    - TouchNet

- Group 3
    - CardSmith
    - CBORD CS Gold version 5+
    - CBORD Odyssey version 5.2+
    - Blackboard
    - Heartland OneCard

Kiosk Connectors:

- 10 Squared GTS Kiosk Pay Station
- Cartadis cPad Value Loader
- Cartadis CopiCode-IP Cash Loader
- Intercard load.UP Value Loader
- ITC Systems Value Loader (Netlink)
- Jamex Netpad Value Loader
- MonWA Kiosk Pay Station
- PaperCut Pay Station (includes release station license)
- Virtual Cash Acceptor (VCA)

Standards connectors:

- Network Card Reader Fast Release
- BioStore IDPoint release connection

Advanced connectors:

- Cartadis cPad connection
- Cartadis CopiCode-IP connection
- Boscop VCC/Alpha Controller connection
- Jamex Netpad connection
- ITC Systems NetZTouch connection
- selectec m3i connection

Key dates and contacts

Q: When does the new pricing model go live?
A: We'll be ready to receive orders based on the new pricing model from April 1, 2019. This means our partner network should have ample time to incorporate the new pricing model.

Q: When will the old pricing model be discontinued?
A: It'll be discontinued by April 30, 2019.

Q: Will quotes be honored after the current pricing model is discontinued?
A: Yep, for 40 days. So if you get a quote on or before March 31st, 2019, you then have 40 days to act on that quote and purchase PaperCut MF.

If you have any queries or concerns around contractual obligations, please reach out to your PaperCut channel manager – they'll be more than happy to work something out in light of the new pricing model.

Q: Who can you get in touch with for more info?
A: Please contact your awesome ASC or send an email to sales@papercut.com.