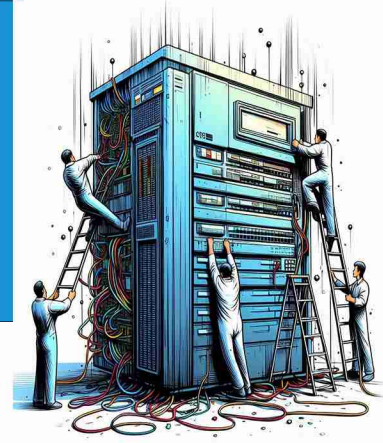**CRITICAL PATH SOFTWARE**

2025

MSU-Based Performance Pricing

CPS performance-based pricing aligns perfectly with your savings goals —rewarding measurable efficiency, not promises.

CPS Performance-Based Pricing Overview

Critical Path Software (CPS) offers a performance-based pricing model designed to directly align with your cost reduction goals. Rather than charge entirely upfront for theoretical savings, we tie our compensation to actual performance improvements—making this a low-risk, high-impact engagement model.

How It Works:

Optimization Fee: A fixed base engagement fee is established for the optimization process, which includes:
- o Full environment analysis
- o Recommendations for CPU, I/O, and DASD reduction
- o Forecasting and performance modeling
- o Implementation advisory and support
- o TurboTuneSQL annual licensing for contract term

Performance Residual Fee: After implementation, CPS charges a MSU usage-based fee tied to verified reductions in CPU and I/O consumption. This fee is:
- o Calculated using the customer's MSU (Million Service Units) usage
- o Billed only after savings targets are confirmed to have been achieved
- o Capped annually to ensure predictability

Reconciliation: system usage is reviewed quarterly using standard reports (e.g., SCRT, RMF) to verify that milestone targets are being met. Annual consumption is tracked to ensure accurate and fair adjustments to performance-based fees.

Conversion Option: At the end of any annual contract period, clients have the option to convert from performance-based pricing to a fixed annual license. This allows for budget predictability while continuing to receive the benefits of ongoing optimization and support.

Why It Works:
- o Aligned Incentives: CPS is paid when you save.
- o Low Risk: Minimal upfront cost with a clear path to ROI.
- o Transparent and Measurable:
    - o All calculations are based on actual MSU consumption.

TurboTune
Performance is Profit®

- ▪ Introductory assessments (e.g., CPU/I/O Forecast, Jumpstart Optimization) are fully deductible from the base optimization engagement if pursued within 90 days.
- ▪ Performance-based fees are invoiced upon confirmation of verified savings or milestone delivery, as mutually agreed.
- ▪ Fixed license fees are billed annually in advance unless otherwise specified.
- ▪ Pricing assumes analysis of a single mainframe environment (or LPAR) unless otherwise specified. Additional LPARs or subsystems may be subject to incremental fee
- ▪ Customer must provide non-sensitive Db2 cache extracts and/or VSAM metadata in standard format. CPS does not require APF, Key 0 access, or any system hooks.
- ▪ Performance pricing may be converted to a fixed annual license with updated terms based on realized savings, usage volume, or MSU capacity.
- ▪ Prices subject to change without notice. All quotes good for thirty (30) days from quote date.