

Enterprise Program

(For Hardware Support)

1. Description

This Enterprise Program (for Hardware Support) supplements the [End User Agreement](#) including the support offerings set forth in the [End User Support Agreement](#) (or equivalent agreement) (collectively, the “**Agreement**”) which governs Customer’s use of Palo Alto Networks’ products, including any associated provision of maintenance and support services. By purchasing an ESA, Customer agrees that the terms and conditions set forth in the Agreement and those contained in this document shall apply. Capitalized terms used but otherwise not defined herein will have the meaning assigned to them in the Agreement.

Palo Alto Networks has developed this ESA, a volume pricing arrangement which is valid for a specific period during which organizations may have access to support and maintenance for hardware firewalls purchased from Palo Alto Networks along with related subscriptions specified herein. The features and benefits associated with an ESA are detailed below. Each customer may select one support option—Platinum, Premium, or USG—but cannot combine them.

2. Term

When purchased, the term of this ESA shall be effective for the term duration specified on the quote (“**Term**”). Note that 5 year Term is only available to select customer accounts, whose qualifications will be determined on a case-by-case basis by Palo Alto Networks.

3. Features and Benefits of an ESA

- a. When purchased, the ESA entitles Customer to support and maintenance for its entire estate of Palo Alto Networks hardware firewall products during the Term.
- b. Customers may select either Platinum-level support and maintenance or a Premium-level support and maintenance, but not a combination of both and whichever is purchased will cover all hardware, including M-Series and WF-XXX appliances.
- c. U.S. Government-level support program (“**USG**”) is available for customers that qualify as U.S. Government entities, but only for Premium-level support. USG is not available at the Platinum level.
- d. At purchase, Customer shall provide Palo Alto Networks with a forecast of any additional hardware firewalls it expects to add to its current hardware estate (“**Current Hardware Estate**”), if any, during the Term (such additional hardware growth forecasted to Customer’s Current Hardware Estate shall be referred to herein as the “**Forecasted Hardware Estate**”). Customer’s support and maintenance is subject to the Total Hardware Cap (defined below) that is based on the “Current Hardware Estate” and “Forecasted Hardware Estate” calculated based on the current hardware list price.
- e. If Customer purchases additional hardware firewalls during the Term, Customer must pay for additional support and maintenance; provided that: (i) in the case of a 1-year term, Palo Alto Networks shall provide Customer with support and maintenance for such additional firewalls at no additional charge; and (ii) in the case of terms greater than 1 year, Palo Alto Networks shall provide Customer support and maintenance subject to the applicable term’s Total Hardware Cap described in the table below:
- f. SCM Pro Inclusion in this ESA (not available for Public Sector customers or certain other customers)
 - i. Purchase of ESA includes access to Palo Alto Networks’ Strata Cloud Manager Pro product (“**SCM Pro**”), which is an enhanced tier of the Strata Cloud Manager platform that provides advanced cloud-based network security management capabilities. Customer’s use of SCM Pro, as part of this ESA, shall be governed by the terms of the Agreement (e.g., the license grant set forth therein).

<u>Term</u>	<u>Limit</u>
1-year Term	Customer shall have support and maintenance on an unlimited number of hardware firewall devices, as long as the new devices are: (a) purchased during the Term; and (b) registered to Customer's account within the Palo Alto Networks support portal.
Term greater than 1 year	Customer shall have support and maintenance on its total Current Hardware Estate and utilize up to the Total Hardware Cap (defined below), so long as the new devices are: (a) purchased during the Term; and (b) registered to Customer's account within the Palo Alto Networks support portal. The " Total Hardware Cap " shall mean the Current Hardware Estate plus twenty percent (20%) above a net positive Forecasted Hardware Estate.

4. Re-purchases

Upon the expiration or early renewal of an ESA, as applicable, the Parties shall negotiate a new ESA taking into account:

- a. Customer's existing deployment of hardware firewalls designated by Customer under the then-current ESA; and
- b. Customer's projection of its future needs for the new and/or subsequent term.
- c. Any early renewal or recast of the ESA prior to the expiration of the Term ("**Repurchase**") is subject to the then-current ESA terms. If applicable, Customer will be given pro-rata credit for any prepaid unused Term of the existing ESA in the early Repurchase quote. For clarity, in the event the existing ESA has not been paid in full, then such pro-rated credits will only be given if the remaining payment obligations have been met.

5. Over-Consumptions

- a. Customer is responsible for managing the hardware associated with the support and maintenance by monitoring the consumption via the Customer Support Portal using the consumption dashboard. Customer's support and maintenance is capped at the Total Hardware Cap. Fees for any over-consumption beyond the Total Hardware Cap must be reconciled with Customer's actual usage at the end of each month, to the extent permitted by law. In the event Customer's actual usage exceeds the Total Hardware Cap ("**Over-consumption**"), Customer will no longer be entitled to any additional ESA entitlements during the Term unless Customer exercises one of the following options:

- i. True-Forward Add-on SKU - Customer may request a quote from Palo Alto Networks or its authorized reseller increase the Forecasted Hardware Estate ("**Add-on SKU**") to enable Customer to increase its ESA entitlements during the remainder of the Term. Upon placing a non-cancellable, non-refundable purchase order for such Add-on SKU(s), Customer may add the ESA entitlements to additional hardware devices subject to the revised Total Hardware Cap based upon the updated Forecasted Hardware Estate.
- ii. Decommission - Customer may elect to remove a specific list of Palo Alto Networks' hardware devices from its Forecasted Hardware Estate in order to ensure compliance with the Total Hardware Cap. Customer shall remove such devices promptly, but in no event more than sixty (60) days after Over-consumption. Upon Palo Alto Networks' validation that any devices marked as "decommissioned" have actually been decommissioned and removed from Customer's consumption dashboard so that Customer is within the Total Hardware Cap, Customer may add the ESA entitlements for additional hardware devices.
- iii. Early Renew - This subsection (iii) applies to a Term that is a minimum of three (3) years. Upon prior

approval by Palo Alto Networks, Customer may request to renew early and recalculate the Forecasted Hardware Estate for a new Term to start at the time of Over-consumption (“**Early Renewal**”). Customer shall have sixty (60) business days to notify Palo Alto Networks, initiate the Early Renewal process and request a quote from Palo Alto Networks or its authorized reseller. For the avoidance of doubt, the then-current ESA terms shall apply for Customer’s Early Renewal.

- b. In the event Customer does not exercise one of the options set forth above, Palo Alto Networks shall have the right, but not the obligation, to terminate or suspend Customer’s use of the support and maintenance entitlements under this ESA in accordance with the EULA and as permitted by applicable law.

6. End of Life Devices

Palo Alto Networks strongly recommends that Customer decommission hardware devices that have been announced as End of Life (“**EOL**”). In the event Customer elects to continue using any EOL hardware devices, Customer acknowledges that: (i) Customer will be using hardware at its own risk beyond the date defined in the EOL announcement; and (ii) any EOL hardware devices in Customer’s Current Hardware Estate beyond the EOL date will count towards Customer’s Total Hardware Cap; provided that in no event shall any EOL devices receive support or be counted towards this ESA beyond the timeframe set forth in Palo Alto Networks’ end of life policy, which can be found here: <https://www.paloaltonetworks.com/services/support/end-of-life-announcements/end-of-life-policy>.

7. IMPORTANT: PALO ALTO NETWORKS 4-HOUR REPLACEMENT SERVICE (aka “4-HR RMA”) IS NOT INCLUDED IN THE ESA PROGRAM BUT CAN BE PURCHASED A LA CARTE (for qualified hardware only). 4-HR RMA is an optional service that Palo Alto Networks makes available to eligible customers with qualified hardware. Qualifications and eligibility depends upon whether the hardware firewall located at the Customer site sits within a specified range of a Palo Alto Networks service location. Eligibility must be determined, and the service sold, on a per-device basis. When covered, Palo Alto Networks will use commercially reasonable efforts to have replacement hardware delivered to Customer within four hours of issuance of an RMA. 4-HR RMA is not included in the ESA program, but if Customers require 4-HR RMA on eligible devices, then customers must purchase and pay for the service separately. For more information, please refer to the RMA process found here: https://www.paloaltonetworks.com/content/dam/pan/en_US/assets/pdf/datasheets/support/rma-process-policy.pdf. For clarity and the avoidance of doubt, if the 4-HR RMA is purchased as a separate offering, such offering will not be included under this ESA.

8. Prisma Access and/or FW Flex Credits Purchase

This Section 8 only applies to Terms of 3 years or greater. This option is not available for Public Sector customers.

Palo Alto Networks may provide an option to Customer, upon Customer’s request, every 12 months to receive pro-rated credits in accordance with the process set forth below.

- a. Eligibility and Calculation of Pro-rated Credits. During the Term, if Customer is not expecting to use the Total Hardware Cap for the remaining Term to its full capacity—either due to hardware decommissioning, plans to move to the cloud, or any other business reasons—then Customer can receive hundred percent (100%) of the value of the ESA associated with the decommissioned hardware as pro-rated credits (“**Pro-rated Credits**”) for the remainder of the Term. Such Pro-rated Credits may be applied solely towards the purchase of Palo Alto Networks’ Prisma Access Product (only applicable for the mobile users and remote networks SKUs), cloud next generation firewalls (“**Cloud NGFW**”), and firewall flex credits (“**FW Flex**”). For clarity and the avoidance of doubt, only the ESA value shall be considered to establish the Pro-rated Credit amount, and the value of Customer’s hardware firewalls is expressly excluded. Pro-rated Credits are only available if and at the time that Customer makes a new or extended purchase of either Prisma Access, Cloud NGFW, or FW Flex up to or exceeding the amount of the Pro-rated Credits.

- b. Use of Pro-rated Credits. Pro-rated Credits may be used solely towards the purchase of Prisma Access, Cloud NGFW and/or FW Flex and, upon Customer's request of such Pro-rated Credits, will be available no earlier than twelve (12) months after the commencement of the Term and Customer may use Pro-rated Credits once every twelve (12) months thereafter. Any Pro-rated Credits granted to Customer under this ESA must be used in full at time of purchase of Prisma Access, Cloud NGFW and/or FW Flex and can only be applied towards a single transaction during the Term. There shall be no cash or other reimbursement for any Prorated Credits.
- c. How to Request Pro-rated Credits. In order to receive the benefit of the Prorated Credits, Customer must submit a valid, non-cancellable purchase order for Prisma Access, Cloud NGFW, or FW Flex to Palo Alto Networks or its authorized reseller. Customer shall be invoiced and responsible for all applicable taxes associated with the purchase of Prisma Access, Cloud NGFW or FW Flex, excluding income or property imposed on Palo Alto Networks.
- d. Customer's ESA coverage shall be reduced accordingly for the remaining Term once Pro-rated Credits are issued.
- e. In the event an existing ESA has not been paid in full, then the Pro-rated Credits will only be given if the remaining payment obligations have been met.

9. Limitations

- a. This ESA does not apply to:
 - i. any divestiture of assets will not result in any credits or refunds to Customer, and the ESA shall not transfer with any hardware assets transferred as a result of a divestiture of assets;
 - ii. hardware managed by a third party outside of Customer's account within the Palo Alto Networks support portal;
 - iii. hardware that Customer has designated to be supported by a third party; except where that third party is a Palo Alto Networks Authorized Support Center partner (ASC) and the customer is utilizing a partner-enabled support.
 - iv. inactive hardware that Customer has intentionally let lapse from support and chosen not to renew; provided that in the event Customer desires to include lapsed hardware under this ESA, additional support cost may apply;
 - v. software licenses and subscriptions including, but not limited to Cortex, Panorama central management software, Prisma, Threat Prevention, Advanced URL Filtering (this subscription replaces PANDB URL Filtering in ELAs), VM-Series, FW-Flex, and WildFire.
- b. Note that the purchase of this ESA does not modify any obligation pursuant to the [Palo Alto Networks End-of-Life Policy](#)
- c. Once a purchase order is accepted by Palo Alto Networks it is non-cancellable and non-refundable and in no event, to the greatest extent allowable by applicable law, can this ESA be terminated for convenience.

10. Compliance with Laws

There may be specific rules and regulations governing the use of hardware support in certain jurisdictions. Both Parties must abide by applicable laws. Customer shall be responsible for all costs resulting from the application of such laws which apply to Customer's use of this ESA including, but not limited to, taxes, fees, penalties, or fines. Palo Alto Networks shall not be liable for such costs.

11. Conflict

This ESA supplements the terms of the Agreement between Customer and Palo Alto Networks that governs Customer's use of Palo Alto Networks' products, including any associated provision of maintenance and support services. In the event of a conflict, this ESA shall take precedence, but only with respect to Customer's purchase of this ESA.