

## Update Policy for Installed Versions of PCRecruiter

Dear PCRecruiter Licensee,

Main Sequence has been phasing-in **optional** update charges for various classes of Licensees over recent quarters. This communication, in the form of an FAQ, is designed to provide detailed information to our valued customers regarding this change.

### **Q. What is changing?**

A. Main Sequence has for a number of years waived update fees and provided software updates for many customers, without any charge to receive them. Due to the current and ongoing investments needed to bring PCRecruiter 9 to market, Main Sequence is exercising our option to charge update fees for version 9 for customers subject to optional update charges. As the solution lifecycle unfolds, we may again waive update fees at some point in the future.

### **Q. How do I know if my organization is affected by this change?**

A. Contractual relationships between Main Sequence and our customers may vary based on mutual business needs at the time business is conducted. The Software License Agreement in force between Main Sequence and your organization details the amount and timing of any payments required to obtain updates. Some Licensees will receive enclosures with this communication detailing their update status. If you recently licensed PCRecruiter, you may be excluded from paying update charges for an initial period beyond the effective date of your agreement. If your Software License Agreement is not readily available, please contact Patsy Lombardo, Contracts Administrator, at 440.946.5214 or [plombardo@mainsequence.net](mailto:plombardo@mainsequence.net)

### **Q. When does this change take effect?**

A. PCRecruiter version 9.0 and above will only be available to Licensees who opt-in to the paid update program, unless your initial update exemption period is still in force. Your current update status is based on your agreement date and the terms and conditions within.

### **Q. What if my organization does not wish to pay for updates?**

A. You may continue to use your current versions without restriction. If you later decide to seek updates, your organization will be responsible for the cumulative update charges that would have been due from the date your organization's initial update exemption period expired and the date of your request for an update. Main Sequence cannot guarantee the absence of, nor warrant the remedying of any changes in functionality or additional technical requirements that may arise from the application of non-sequential updates.



**Q. How much do updates cost?**

A. Update charges are most often calculated as a percentage of the cumulative license fees your organization paid to license PCRecruiter. If you are part of a franchise system, affiliate group, or other collective buying group, your terms may vary.

**Q. Does this change apply to all Installed Web versions of PCRecruiter?**

A. No, only for updates to version 9.0 and above

**Q. When are updates released and how will my organization know about them?**

A. Updates are released as PCRecruiter software code is improved, defects are corrected; software code is made compatible with supporting technologies (such as MS Windows Server and MS SQL Server) and as legal or administrative requirements dictate. Historically, between two and six updates per year have been released. Your organization's record in Main Sequence's customer database includes an associated primary contact name. The primary contact will receive update notifications by email.

If you contact Main Sequence for technical support service, your update status will be noted on your service ticket if it is pertinent to the presenting issue. Version information can be found online at PCRecruiter support resource pages.

**Q. What if I want to talk to someone in person about this change?**

A. Please contact your sales representative or:

*Patsy Lombardo, Contracts Administrator  
440.946.5214 Ext. 5411 [plombardo@mainsequence.net](mailto:plombardo@mainsequence.net)*

*Liz Annable, Manager of Professional Services  
440.946.5214 Ext. 5467 [liz@mainsequence.net](mailto:liz@mainsequence.net)*

**Q. Are update charges single payments, or is there a spread-payment option?**

A. There is a spread payment option, supplemented by a *substantial* discount for single payments completed annually by March 1.



**Q. Why now?**

A. Over the years, Main Sequence's sales mix has evolved from 100% licensed and 0% SaaS to approx 85% SaaS and 15% licensed. This change in sales mix has changed our business model, because our SaaS revenue (i.e. pricing) is automatically apportioned to include funding for R&D and the production of updated versions. Main Sequence remains committed to the self-hosted market because for certain customers, it's simply a better choice. Because of this sales mix, the investments needed to make PCRecruiter version 9 suitable for self-host were not benefiting the large majority of our customers. We recognized that the economics pointed to securing update revenues as the best way to maintain the R&D and administrative overhead required to continue to provide world-class recruitment software that operates behind customer firewalls, in private clouds.

Main Sequence is in sound financial and competitive condition. Fiscal performance for 2014 was at record levels, and 2015 is off to a very fast start. PCRecruiter 9 has been well-received, and new sales and retention reflect this success. Our core positioning of offering high value/high touch service and horizontal recruitment software appears to continue as a sustainable strategy in a very dynamic marketplace. We have dozens of new features in the pipeline in order to make each update a real value-add for our customers.

**Q. Is there any way to avoid update charges while still using the latest PCRecruiter?**

A. Yes, by using our SaaS service. If your number of active users is low (or has declined), SaaS can be a great choice. At higher user-counts and longer lifecycles, self-hosting can provide a superior value inclusive of update charges, and of course, you have complete control of update cycles and security/availability provisions when self-hosting. Organizations may move freely between SaaS and self-hosted as conditions indicate. To be sure, some organizations are self-hosting without the levels of security and availability that our SaaS service can provide. We always urge self-hosted customers to review your database administration, backup, and security arrangements very regularly, including testing/validating data restoration at set intervals, assuring system patches, and keeping hosting infrastructure firmware and operating systems as current as possible.

**Q. What if my organization has changed quite a bit since the time of our initial license (e.g. dramatically reduced or increased headcount or usage)**

A. As always, Main Sequence is vitally interested in your success and your individual needs and situation. Please contact your sales consultant or one of our company principals directly.

**Q. Will I be getting anything of value by updating?**

A. PCRecruiter 9 is the best version ever, completely refactored in both user interface and underlying application framework. Virtually all new product development will occur in version 9 and above. Version 8.xx is still maintained to operate on the Microsoft Technology stack and any serious new defects identified will be mitigated in-line with our mitigation practices for versions 9 and above.



**Q. But wasn't my organization promised free updates and/or support for life?**

A. No.

**Q. What is the difference between update charges and tech support charges?**

A. Technical support charges are applicable to organizations that work with our live operators for technical support services. Charges are billed hourly at minimum increments of ¼ hour. Charges are billed at two levels: Level 1 and Level 2. Level 1 work involves standard procedures and day to day types of professional judgment for providers. Level 2 work involves consulting and skilled professional judgment to accomplish customer objectives. Technical support charges are always representative of those prevailing among similar vendors of similar services at similar times. Current base charges are \$95/hour for Level 1 service and \$125 for Level 2 Service. Certain work may be classified beyond Level 2 or involve creation of new Intellectual Property, for which Main Sequence will issue a quote and a proposed Supplemental Agreement for your review.

Update charges apply to the licensure of software updates only.

Regardless of participation, all PCRecruiter Licensees are valued customers, and your ultimate success is the reason that our company exists. We hope that this communication is clear and comprehensive, and as always, we strive to remain open and responsive to the great ideas that our customers share as they conduct recruiting operations: day in and day out, the highest level of sales work on the planet.

