

**Unica Outsourcing Technology
Services Booklet**



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FFIEC Area	FFIEC Reference (https://ithandbook.ffiec.gov/media/274841/ffiec_itbooklet_outsourcingtechnologyservices.pdf)	Comments	HCL Technologies Applicable References
Risk Assessment and Requirements	<p>Quantity of Risk Considerations: The quantity of risk associated with an outsourced IT service is subject to the function outsourced, the service provider, and the technology used by the service provider. Management must consider the following factors in evaluating the quantity of risk at the inception of an outsourcing decision.</p> <ul style="list-style-type: none"> • Risks pertaining to the function outsourced include. <ul style="list-style-type: none"> ○ Sensitivity of data accessed, protected, or controlled by the service provider; ○ Volume of transactions; and ○ Criticality to the financial institution's business. • Risks pertaining to the service provider include: <ul style="list-style-type: none"> ○ Strength of financial condition; ○ Turnover of management and employees; ○ Ability to maintain business continuity; ○ Ability to provide accurate, relevant, and timely Management Information Systems (MIS); ○ Experience with the function outsourced; ○ Reliance on subcontractors; ○ Location, particularly if cross-border (See Appendix C, Foreign-Based Third Party Service Providers); and ○ Redundancy and reliability of communication lines. • Risks pertaining to the technology used include: <ul style="list-style-type: none"> ○ Reliability; ○ Security; and ○ Scalability to accommodate growth. 	<p><u>Risks pertaining to the function outsourced and technology used:</u> HCL Software provides development and maintenance services for Unica Campaign software. HCL Software is committed to the safety and security of HCL Software offerings. The HCL Software Product Security Incident Response Team (PSIRT) manages the receipt, analysis, and remediation of validated security vulnerabilities related to HCL products and services. Please visit HCL Software PSIRT site for information on policy and process for handling security vulnerabilities.</p> <p><u>Risks pertaining to the service provider:</u> As HCL is operating in various countries, HCL established a comprehensive framework to track regulatory compliances globally for risks related to information security, privacy, business continuity, third party engagements and operational activities. It is designed to avoid violation of laws and regulations, and also to protect the Company's reputation, employees and clients. Assessments are carried out and detailed checklists are maintained to ensure compliance. In addition to this, quarterly compliance certificates are presented to the Board of Directors by the respective functions with responsibility for such compliances.</p>	<p>HCL Software PSIRT https://www.hcltechs.com/wps/portal/resources/psirt</p>

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	<p>Requirements Definition: The definition of business requirements sets the stage for all outsourcing actions and forms the basis for subsequent management of the outsourced activity. The requirements are developed through a process that identifies the functions or activities to be outsourced, assesses the risk of outsourcing those functions or activities, and establishes a baseline from which appropriate control measures can be identified. These requirements provide a basis for an understanding between the financial institution and the service provider as to what the risks are and how they will be managed and controlled.</p>	<p>HCL Software releases products with defined lifecycle policies for software support and servicing. Customers may effectively plan their software investment without any gaps in support. HCL Software customers can track how long their version and release of a particular HCL Software product will be supported on Product Lifecycle page.</p> <p>For a list of customer responsibilities, refer to HCL Support Guide.</p>	<p>Product Lifecycle https://www.hcltechsw.com/resources/product-release/search</p> <p>Customer Responsibilities https://support.hcltechsw.com/csm?id=kb_article&sysparm_article=KB0010420&sys_kb_id=0dd81ead1be0e014beab64e6ec4bcba3</p>

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Service Provider Selection	Request for Proposal: A financial institution must generate the RFP from the information developed during the requirements definition phase. While the level of detail may vary for any particular procurement, the RFP must describe the institution's objectives; the scope and nature of the work to be performed; the expected production service levels, delivery timelines, measurement requirements, and control measures; and the financial institution's policies for security, business continuity, and change control. It also requests responses addressing those requirements as well as the fees each service provider will charge.	<p>HCL has completed the acquisition of selected IBM software products including Unica Campaign. All customers with active IBM Enterprise License Agreement (ELA) contracts will be retained by IBM for the duration of the contract. Customers will contact HCL for support. HCL Software will work with customers to renew existing support in order to ensure there is no lapse in support.</p> <p>IBM will no longer be able to provide the product licenses or pricing quotes for these products. Connect with HCL through Customer Support Portal or write directly to software-info@hcl.com. Going forward, the acquired products will only be sold by HCL Software and authorized HCL Software resellers. New orders will be done by contacting HCL sales. You can get started as a customer with HCL Software through the Welcome Page.</p>	<p>Customer Support Portal https://support.hcltechsw.com/csm</p> <p>HCL Sales</p> <p>https://www.hcltechsw.com/wps/portal/about/faqs!/ut/p/z1/04_Sj9CPykssy0xPLMnMz0yMAfio8zi_QO8n_Q0Mn_Q0CDFwMLAwCHV2C_PV1dnA1dPM30w_Eq8_DbWyJJv4VikAtOgae7_ZbCvu5GBiSlx-g1wAEcDEu3HVBCF3_hw_Si8VoBCAFUBFi8Ss_gQgNzQ0NMlg09NRUR_EABOrbe g!!/?1dmv&ur ile=wcm%3apath%3a/wps/wcm/connect/hct+software+content/contentactus</p> <p>Welcome</p> <p>https://www.hcltechsw.com/wps/portal/about/faqs!/ut/p/z1/04_Sj9CPykssy0xPLMnMz0yMAfio8zi_QO8n_Q0Mn_Q0CDFwMLAwCHV2C_PV1dnA1dPM30w_Eq8_DbWyJJv4VikAtOgae7_ZbCvu5GBiSlx-g1wAEcDEu3HVBCF3_hw_Si8VoBCAFUBFi8Ss_gQgNzQ0NMlg09NRUR_EABOrbe g!!/?1dmv&ur ile=wcm%3apath%3a/wps/wcm/connect/hct+software+content/abouthcl/welcome</p>

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	<p>Due Diligence: A financial institution must perform due diligence on the service provider's response to an RFP as well as the service provider itself. Due diligence must serve as a verification and analysis tool, providing assurance that the service provider meets the institution's needs.</p>	<p><u>Existence and corporate history:</u> HCL Software is a division of HCL Technologies (HCL) that operates its primary software business. You can learn more about HCL Technologies on About Us page.</p>	<p>HCL History https://www.hcltech.com/about-us</p>
		<p><u>Qualifications, backgrounds, and reputations of company principals, including criminal background checks, where appropriate:</u> Refer to leadership team information on About Us page.</p>	<p>Leadership https://www.hcltech.com/about-us</p>
		<p><u>Other companies using similar services from the provider that may be contacted for reference:</u> To learn how HCL Software products have helped solve client challenges, you can visit Success Stories page. This page allows you to filter by products.</p>	<p>Success Stories https://www.hcltechsw.com/resources/stories/list</p>
		<p><u>Financial status, including reviews of audited financial statements:</u> You can monitor HCL Technologies' performance on a quarterly basis, including audited financial results.</p>	<p>HCL Strategy https://www.hcltech.com/investors/results-reports</p>
		<p><u>Strategy and reputation:</u> Learn more about HCL's Mode 1-2-3 Strategy and Achievements on About Us page.</p>	<p>https://www.hcltech.com/about-us</p>
		<p><u>Service delivery capability, status, and effectiveness:</u> Unica Campaign is the advanced campaign management solution that allows you to design and manage marketing campaigns. For information about initial and ongoing configuration and administration, see the Installation Guides and Administrator Guides.</p> <p>New features, changes, fixed defects, and known issues are included in Release Notes. To learn more, refer to the Unica Product Documentation.</p>	<p>Installation Guides and Administrator Guides https://help.hcltechsw.com/unica/Campaign/en/12.1.0/index.html</p> <p>Product Documentation http://doc.unica.com/products/index.php?s</p>

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		<p><u>Technology and systems architecture:</u> Unica Product Documentation includes Recommended Software Environments and Minimum System Requirements.</p>	<p>howFolder=RW50ZXJwcmIzZQ==</p>
		<p><u>Internal controls environment, security history, and audit coverage:</u> HCL is committed to delivering secure environments. One of the key external measures is the achievement of compliance certifications.</p>	<p>Compliance https://www.hcltechs.com/legal/compliance</p>
		<p><u>Legal and regulatory compliance including any complaints, litigation, or regulatory actions:</u> Latest details on legal and regulatory compliance can be obtained from Investor Relations page.</p>	<p>BCP https://www.hcltech.com/investors</p>
		<p><u>Ability to meet disaster recovery and business continuity requirements:</u> HCL Software has teams physically located around the world, making it a 24/7 organization designed to provide guidance for the continuity and/or rapid restoration of HCL Support processes in case of a disruptive event.</p>	

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Contract Issues	Service Level Agreements (SLAs): Financial institutions must link SLAs to provisions in the contract regarding incentives, penalties, and contract cancellation in order to protect themselves against service provider performance failures.	With regards to support of HCL Software Programs, refer to HCL Software Customer Support Guide for specifics on Priority Level Descriptions and efforts to meet the service level objectives.	https://support.hcltechsw.com/csm?id=kb_article&sysparm_article=KB0010420&sys_kb_id=0dd81ead1be0e014beab64e6ec4bcba3
	Pricing Methods: Financial institutions must have several choices when it comes to pricing an outsourcing venture. Management must consider all available pricing options and choose the most appropriate for the specific contract.	For pricing inquiries, please write directly to software-info@hcl.com.	-
	Bundling: The provider may entice the institution to purchase more than one system, process, or service for a single price - referred to as "bundling." This practice may result in the institution getting a single consolidated bill that may not provide information relating to pricing for each specific system, process, or service. Although, the bundled services may appear to be cheaper, the institution cannot analyze the costs of the individual services. Bundles may include processes and services that the institution does not want or need. It also may not allow the institution to discontinue a specific system, process, or service without having to renegotiate the contract for all remaining services.	Unica Campaign optionally integrates with a number of other products. Refer to Request for Proposal section above for additional details.	

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	<p>Contract Inducement Concerns: Financial institutions should not sign servicing contracts that contain provisions or inducements that may adversely affect the institution. Such contract provisions may include extended terms (up to 10 years), significant increases in costs after the first few years, and/or substantial cancellation penalties. In addition, some service contracts improperly offer inducements that allow an institution to retain or increase capital by deferring losses on the disposition of assets or avoiding expense recognition. These inducements may attract institutions wanting to mask capital problems.</p>	<p>The agreement by both parties governs the receipt and use of HCL programs and related support. Access Resources page to view HCL templates of Master Agreements and License Agreements.</p>	<p>Master Agreements https://www.hcltechsw.com/wps/portal/resources/master-agreements</p> <p>License Agreements https://www.hcltechsw.com/wps/portal/resources/license-agreements</p>

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Ongoing Monitoring	Key Service Level Agreements and Contract Provisions: Management must include SLAs in its outsourcing contracts to specify and clarify performance expectations, as well as establish accountability. These SLAs formalize the performance criteria against which the quantity and quality of service should be measured. Management must closely monitor the service provider's compliance with key service level agreements.	Refer to Service Level Agreements (SLAs) section above.	SLAs
	Financial Condition of Service Providers: Institutions must have on-going monitoring of the financial condition of their provider(s). To fulfill its fiduciary responsibility, an institution involved in an outsourcing arrangement must determine the financial viability of its provider(s) on an annual basis. However, if the financial condition of the provider is declining or unstable, more frequent financial reviews are warranted. Once the financial review is complete, management must report the results to the board of directors or to a designated committee. At a minimum, management's review must contain a careful analysis of the provider's annual financial statement. Institution management may also use other forms of information to determine a provider's condition, such as independent auditor reports. These reports may contain information that can be vital in determining a provider's financial condition. Managers can also use information provided by public media (trade magazines, newspapers, television, etc.).	You can monitor HCL Technologies' performance on a quarterly basis, including audited financial results.	Financial Performance https://www.hcltech.com/investors/results-reports

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	<p>General Control Environment of the Service Provider: To oversee the risks associated with the use of external providers effectively, the institution must evaluate the adequacy of a provider's internal and security controls. Management must ensure that the provider develops and adheres to the appropriate policies, procedures, and standards. While conducting its evaluation, the institution must consider the results of internal audits conducted by institution staff or a user group, as well as external audits and control reviews conducted by qualified sources.</p>	<p>HCL conducts audits, either internal or through external stakeholders. There is a centralized HCL Software Security and Compliance team that provides governance and oversight to the compliance program. This team constantly collaborates with multiple cross-functional teams to design and implement changes to ensure adherence to regulations relevant to its business.</p>	<p>Auditing</p> <p>https://www.hcltechs.com/legal/compliance</p>
	<p>Potential Changes due to the External Environment: The contract between the institution and the service provider must be written to encompass the institution's requirements at the time the contract is formed. Over time, the institution's requirements may change due to changes in regulation, the economic environment, competition, and other factors outside the contract. Although, the contract must provide the flexibility to meet those changing requirements, the institution must monitor the changes and update its contract accordingly.</p>	<p>Agreements may be modified or rescinded with written agreement of both parties.</p>	