Event Day Management (EDM) Services

SAP Ariba offers supplemental services that provide the operational infrastructure and expertise to reduce the risk of online project failure and the third-party neutrality to maximize Supplier participation.

Event Day Management (EDM) consists of multiple services including surrogate bidding and event coordination.

SAP Ariba monitors events and projects based on a set of best practices, procedures, and guidelines as established by SAP Ariba. This helps ensure consistency across all events for all Buyers and Suppliers.

While notifying SAP Ariba of a scheduled event is not necessary, we do recommend that events be published to Suppliers at least 24 hours before the bidding start date. When an event is published less than 24 hours before the scheduled start, the Buyer should contact SAP Ariba to guarantee that the project will be monitored.

<u>**SAP Ariba Sourcing Event Administration**</u>

SAP Ariba aids in ensuring a fair marketplace for all parties and adheres to established process, procedures, and guidelines. Please be aware of the following procedures regarding the administration of events.

Application Monitoring – SAP Ariba Market Integrity Specialists will monitor the application to ensure that it is performing to technical specifications and that the sites are accessible to both Buyers and Suppliers.

Event Monitoring – SAP Ariba Market Integrity Specialists will manage events and transfer reported Supplier or Buyer problems or misunderstandings to the appropriate team. The Market Coordination team will monitor events that meet the following conditions:

- Events that run less than 24 hours. Market Coordination may monitor an event that is longer than 24 hours for a limited amount of time by the Project Owner's request.
- Events that are "live" events. No test or mock events will be monitored.
- The Market Coordination team will begin monitoring each event 15 minutes before the start of bidding and will monitor up to 15 minutes after bidding has ended.
- Market Coordination will only monitor competitive events. Competitive events are those that contain a Bid Console such as an auction.
- Market Coordination will watch for any behavior that is considered erroneous, illegal, or improper. Some examples of this behavior include but is not limited to: erroneous bids, bids submitted by an invalid source, and improper manipulation of event timing.

Note: The daily Market Coordination calendar pulls events that are published 24 hours in advance. If an event is published and moves to open bidding in a timeframe less than 24 hours, the event may not be automatically monitored by the Market Coordination team. If your event is published and launched in less than 24 hours, you should contact the Market Coordination team to ensure that your event will be monitored.

Contacting the Market Coordination Team – SAP Ariba Market Coordination Team should be contacted via phone for time sensitive auctions in progress. For all other matters, such as events that are no longer in open status or events planned for the future, a Service Request (SR) should be submitted and will be directed to the responsible Market Integrity Specialist on duty.

Direct Lines – A Direct Line to the Market Coordination desk can be established for auctions running less than 24 hours. Events that run longer than 24 hours cannot have Direct Line support for the entirety of the auction but can have a Direct Line assigned for a limited amount of time (ex. the last 2 hours of the event). To set up a Direct Line to the Market Coordination desk contact the Market Integrity Specialist on duty and place the request. A Direct Line can be requested by the Project Owner or a Designated Support Contact and can only be assigned to events that are published and not test events.

- The Direct Line will be active 15 minutes before the start of bidding and will remain active until 15 minutes after bidding has ended (including overtime).
- The Direct Line is reserved only for the Project Owner and their team. The Direct Line should never be given out to suppliers.
- Market Integrity Specialists are only guaranteed to offer Direct Line support in English. A request for a Spanish Direct Line must be made at least 1 business day in advance. All other language requests must be made at least 3 business days in

advance. This is to ensure that Market Coordination can gather the proper resources to support the Direct Line in the desired language.

- Please note that language support availability for Direct Lines is subject to change and a Market Integrity Specialist will inform you of any restrictions regarding support for your selected language (if any).

Market Rules – SAP Ariba's Market Integrity Specialists will review event administration actions and the consistent application of Event Day Management policy. However, SAP Ariba has final responsibility for enforcing all legal market rules.

Prebids – If mandatory prebids are enabled and a Supplier does not submit a prebid, they will be locked out of the event. For a Supplier to regain the ability to bid, they must be unlocked. In this situation, the Market Integrity Specialist will instruct the Buyer of the necessary steps and will advise on the suitability of extending the time remaining.

Application Messaging – Market Integrity Specialists will not actively monitor inbound communication through the Event Message Board, nor should this forum be considered a viable form of communication to the Market Integrity Specialist. All communication to the Market Integrity Specialist will be filtered through the main Customer Support lines unless a Direct Line to the Market Coordination Team has been provided.

Pausing of Events – Although pausing an event is a rare occurrence, an event can be paused by the Market Integrity Specialist when necessary. Some examples of when an event will be paused include:

- When market integrity may be impacted by erroneous Supplier behavior.
- When there is confusion among all participating Suppliers.
- When the application is not accessible to users.
- When the Project Owner wishes to stop the event and resume it at a later time.

Though the above-mentioned situations are the most common reasons to pause an event, the Market Integrity Specialist will consider other valid reasons. SAP Ariba is conservative about using the pause feature in events due to the potential impact on the event. In the event that the buyer calls to request this action, the Market Integrity Specialist will first ask several validating questions, and then make some recommendations about alternative actions. The Market Integrity Specialist and the Buyer will evaluate each event situation individually to determine the best action.

When the Market Integrity Specialist initiates the decision to pause an event, SAP Ariba will immediately contact the Buyer to explain the situation and explain the next steps.

Before any event can be resumed, the Buyer or the Market Integrity Specialist, depending on the circumstances, must contact all Suppliers. Market Integrity Specialists will refrain from pausing events with less than two minutes remaining to ensure Suppliers have enough time to react to any market changes. See Outbound Call Support section for information regarding market outreach.

Extending/Reducing the Current Item Time – When an Auction has a status of "Open", the Buyer can request that the Market Integrity Specialist extend or reduce the closing time of an item/lot. The Buyer should only make these requests when the Suppliers need additional information about an item or the Buyer mistakenly created the event with too much or too little time. The Market Integrity Specialist will advise on the suitability of extending or reducing an item, as well as the duration of the extension or reduction.

Close Bidding – Buyers may wish to close an event if none or only one Supplier is interested in participating in the event. Buyers may also provide feedback that the RFQ is incomplete and must be updated before hosting a live Auction. It is also possible non-externally facing documentation was added to the event mistakenly. A Market Integrity Specialist may have to close bidding for the Buyer, unless the Buyer has the permissions to do so themselves. Depending on the circumstances, the Market Integrity Specialist will advise on the best course of action. Usually, it will be to either close the active item/lot or to close bidding for all items/lots.

Use of Review – During the review period, the Buyer and Specialist will consider any potential issues that require the lot to be paused in Review. The Buyer must decide whether to continue the lot or allow the lot to close.

- When continuing the item, the buyer must contact SAP Ariba within the Review period and request that the lot be continued. (Special exceptions may be taken into consideration.)
- SAP Ariba will advise the Buyer on the recommended timing of the continuation period.
- Lots or Items should only be continued for valid reasons. SAP Ariba will advise the Buyer of cases where the reason may not be valid.

Note: SAP Ariba recommends that Buyers do not request a continuation unless a Supplier(s) confirms that they will submit a valid bid.

- Market Integrity Specialists will also be able to advise on any change to the lot closing sequence.

Re-Opening of an Event – Upon the authorization from the Buyer, SAP Ariba may re-open specific items or an entire event. Most frequently this is due to a Supplier's inability to place a new bid in the final seconds of a lot due to technical or bid conflict reasons. Regardless of the reason, SAP Ariba must ensure that all Suppliers are aware of the re-opening and that market integrity is intact. This is primarily the responsibility of the Buyer however, exceptions can be taken into consideration. If there are any concerns that market integrity will be impacted, the Market Integrity Specialist will recommend copying the auction and having it re-run at a later time.

Bid Removal – There are certain situations in which it would be necessary for the Market Integrity Specialist to remove a bid from an event. When an extreme low market-leading bid in a reverse auction (or high market-leading bid in a forward auction) is placed in a in an event, it is the Market Integrity Specialist's responsibility to immediately remove the bid, pausing the event if necessary, while adhering to the following guidelines:

1. <u>Obviously Erroneous Bid (reverse auction)</u> – Example: If a Supplier submits $1, the historic price is $600,000, and all the other bidders are bidding relative to the historic; it's obvious the price of $1 is erroneous. In these situations, an SAP Market Integrity Specialist will make a Legal Exception and remove the bid. The Market Integrity Specialist will contact the Supplier to notify them of the bid removal and advise them not to resubmit the erroneous bid. The supplier should contact the buyer to clear any confusion regarding bidding.

2. <u>Questionable Erroneous Bid (reverse auction)</u> – Example: If a Supplier submits $250,000, the historic price is $600,000, and all other bidders are bidding relative to the historic; it's not obvious the price of $250,000 is erroneous. The Market Integrity Specialist will attempt to contact the supplier to confirm the validity of the bid. If the supplier confirms that the bid is invalid, then the bid will be deleted. If the supplier states that the bid is valid then the bid cannot be deleted. No questionable erroneous bid will be deleted without independent confirmation from the supplier.

3. <u>Obviously Erroneous Bid (forward auction)</u> – Example: If a Supplier submits $1,000,000, the historic price is $5,000, and all the other bidders are bidding relative to the historic; it's obvious the price of $1,000,000 is erroneous. In these situations, an SAP Market Integrity Specialist will make a Legal Exception and remove the bid. The Market Integrity Specialist will contact the Supplier to notify them of the bid removal and advise them not to resubmit the erroneous bid. The supplier should contact the buyer to clear any confusion regarding bidding.

4. <u>Questionable Erroneous Bid (forward auction)</u> - Example: If a Supplier submits $250,000, the historic price is $100,000, and all other bidders are bidding relative to the historic; it's not obvious the price of $250,000 is erroneous. The Market Integrity Specialist will attempt to contact the supplier to confirm the validity of the bid. If the supplier confirms that the bid is invalid, then the bid will be deleted. If the supplier states that the bid is valid then the bid cannot be deleted. No questionable erroneous bid will be deleted without independent confirmation from the supplier.

Note: Communication to the buying organization prior to bid removal is a courtesy. Market Integrity Specialists will use the above defined guidelines for potential bid removal situations and will use their discretion when prior communication may not be feasible.

The Supplier should always initiate the request for bid removal. Buyers should contact Suppliers and advise them to contact SAP Ariba to initiate this action.

Surrogate Bidding – SAP Ariba will provide surrogate support for a Supplier in emergency situations. Some acceptable reasons for surrogate bidding include but are not limited to:

- Sudden Power Outage
- Sudden Network Failure
- Unforeseen Medical Emergencies

Unacceptable reasons for surrogate bidding include but are not limited to:

- Scheduled Appointments that conflict with start time of the auction
- Inability to log in due to browser troubleshooting issues

- Not being present at a computer

Phone surrogate support will be the only means of surrogate support. Buyers must ensure that the Suppliers have accepted their intent to respond (if applicable) and all related agreements. During an event in progress, a Supplier should contact SAP Ariba directly by phone, not email, to initiate the request for surrogate support.

Note: In order to maintain a constant line of communication, Market Integrity Specialists may choose to extend a courtesy call or message to a Buyer upon performing an Auction surrogate bid.

Outbound Call Support – Outbound Supplier communication is primarily the responsibility of the Buyer. SAP Ariba will only make outbound calls that are required to handle designated circumstances such as cases that warrant a rapid deployment of information (e.g., network issues, application problems).

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