

KONG ENTERPRISE, KONG KONNECT AND KONG MESH

Introduction and FAQs For Kong's Offerings

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Purpose of this document

Kong's legal team has prepared this document for the procurement and legal teams of our customers to introduce Kong's products and to answer some frequently asked questions regarding them and Kong's business and legal terms.

We believe our products provide the most compelling combination of features, value and technology path in the market, and we're very pleased that your technical team agrees. Our goal with this document is to facilitate the subscription agreement process and address in advance questions which may come up in the contract cycle.

This document is for informational purposes only and does not modify or form part of the subscription agreement or any other agreement that may be concluded with Kong. This document is updated as of the above date and Kong does not undertake an obligation to update it.



Overview of Kong's products

Kong Enterprise

Kong Enterprise is Kong's customer self-hosted (on-premises) API gateway management software. It enables a customer's network engineering team to manage, connect and secure their application programming interfaces (APIs). Software engineers may refer to applications with APIs as "services."

At the core of Kong Enterprise is Kong's Enterprise API Gateway, a lightweight, fast, flexible and secure API gateway. An API gateway is a reverse proxy that is a middle layer between different software applications and network end points. An API gateway routes traffic requests to APIs and allows for the application of programmatic logic to the request. The Kong Enterprise API Gateway is built on top of the Kong open-source community API gateway.

Kong Enterprise also includes software modules and plugins to help configure, manage and secure the Enterprise API Gateway, and to expose the customer's APIs to third parties, if the customer chooses.

Kong Enterprise is hosted by the Kong customer in their own network environment. The customer's network environment may include the customer's own servers, servers of third-party cloud provider services (such as AWS, Microsoft Azure or Google Cloud) or some combination of on-premises and cloud provider deployment.

Kong Konnect

Kong Konnect is Kong's hybrid SaaS and software API lifecycle management platform.

The SaaS portion of Kong Konnect is hosted by Kong in AWS and the software portion is hosted by the customer in their own network environment. The customer uses the SaaS portion – also sometimes referred to as the "control plane" - to configure and monitor the Kong Enterprise API Gateway software instances – also sometimes referred to as the "data plane" - running in the customer's network environment. All customer payload data is hosted by the customer and not Kong.

Kong Mesh

Kong Mesh is Kong's customer self-hosted (on-premises) service mesh. Kong Mesh is a commercial version of the Kuma open-source service mesh principally maintained by Kong.

A service mesh is an architecture where each individual service has its own mini-API gateway or "sidecar proxy". This permits network governance, such as encryption, access administration, load balancing, and logging on a service-by-service basis. A service mesh is particularly useful within large organizations with many lines of business and complex network deployments.



FAQs regarding data processing

Kong Enterprise and Kong Mesh	
Does Kong collect, process or store customer data or network traffic that is processed through the Kong Enterprise or Kong Mesh software?	No. We do not want or need access to any data that you store and manage in your systems, including the data that you manage using Kong's products. In the Kong Customer Agreement (described below), this data is referred to as Customer Payload Data.
Does Kong Enterprise or Kong Mesh include telemetry?	Yes. Kong Enterprise and Kong Mesh include telemetry to collect and send technical usage data to Kong such as the software version, plugins deployed, and usage data. In the Kong Customer Agreement (described below) this data is referred to as Usage Data. The telemetry data does not include personal data or Customer Payload Data. Kong uses the telemetry data to improve its products and services, to help provide support, and to assist with monitoring license compliance. Although Kong recommends that the telemetry remain in place so that Kong and its technical support team is better able to support the customer, the telemetry can be turned off by the customer and is not required for Kong Enterprise or Kong Mesh to operate properly.
Does Kong process other data to provide Kong Enterprise and Kong Mesh?	Yes. Kong processes personal and other data in the ordinary course of business operations, such as business-card data type used for account administration, billing, and to provide technical support to Kong Enterprise and Kong Mesh customers.



Kong Konnect

Does Kong Inc. or the Kong-hosted SaaS component of Kong Konnect collect, process or store Customer Payload Data? **No.** Customer Payload Data is under the customer's control in the customer's own network environment. Customer Payload Data is not transferred to, processed or stored by the Kong-hosted SaaS component of Kong Konnect. As a result, Customer Payload Data is not processed by Kong Inc.

What data does Kong process to provide the Kong Konnect service?

To provide the Kong Konnect service, the software data plane component of Kong Konnect running in the customer's network environment sends telemetry and analytics data to the Kong-hosted SaaS control plane. This is necessary so that the customer's users can observe and manage the configuration of the software, as well as to observe the performance of their network traffic processed through the software.

Data traveling between the control plane and the data plane is encrypted through a mutual TLS handshake.

Kong also processes telemetry data and data about the Kong customer and the customer's authorized users to provide the service, including for account administration, billing, and other business operations in the ordinary course of business. This data does not contain Customer Payload Data.

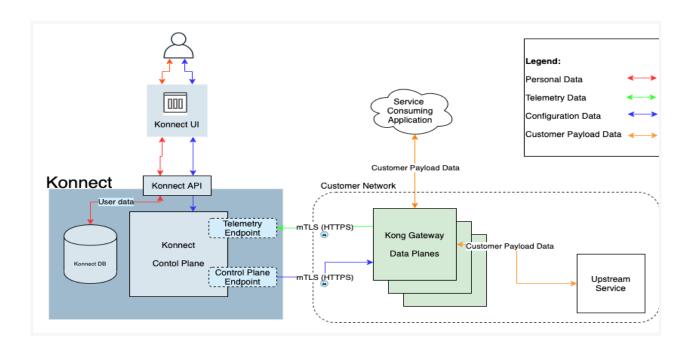
Does Kong offer geography-specific hosting of Kong Konnect?

Yes. Kong currently offers hosting of the Kong Konnect control plane in AWS regions in either the United States or Europe. The customer may elect the region in which they wish their content to be hosted. They may also limit access to users in the region. This will be at customer's discretion and will be selected by the customer in the Kong Konnect portal. Identity management and authentication to the Kong Konnect service is hosted in the United States.

The Kong software data plane component of Kong Konnect runs within the customer's network environment, and so in what regions, and in what third party cloud providers, the customer chooses to deploy Kong software is the customer's decision.

Kong Konnect Diagram of data flows:







FAQs regarding Kong's commercial and operational model

Do Kong subscriptions include support and maintenance services?	Yes. Kong provides technical support and maintenance during the subscription term. Support and maintenance are included as part of the subscription fee and are not offered separately. Kong's support policy is available at https://konghq.com/supportandmaintenancepolicy/ .
Can Kong agree to a customer's support and maintenance policy?	No. Kong has hundreds of customers, and its support organization and support tooling reflects Kong's standard operating procedures. It cannot accommodate customer-by-customer requirements.
Does Kong offer perpetual, irrevocable licenses?	No. Kong offers annualized fixed term subscriptions.
Are Kong subscriptions terminable for convenience?	No. Kong's offers fixed term subscriptions which are not terminable for convenience.
Are Kong subscriptions or services subject to acceptance?	No. Kong offers fixed term subscriptions that start on the order effective date. Kong offers professional services on a time and materials basis.
Does Kong provide Professional Services?	Yes. Kong offers an exceptional Professional Services team to assist customers. Our typical Professional Services engagement involves advisory services to help you implement Kong's offerings more effectively. If you purchase Professional Services with Kong, we will set out a summary of the anticipated work to be carried out in a Statement of Work.
Does Kong offer work-for-hire services or assign the intellectual property in Professional Services or other deliverables?	No. Kong is a product company and licenses, and does not sell, its intellectual property, including intellectual property it develops in providing professional services. We are not able to change this position for any customer.
What compliance standards does Kong offer?	Kong's offerings are currently GDPR and CCPA/CPRA ready and SOC 2 compliant. Kong Konnect is CSA STAR Level 1 attested. Kong also offers FIPS-compliant Kong Enterprise builds. Further details are available in Kong's documentation.



FAQs on the Kong Customer Agreement and Kong Konnect addendum

What is the Kong Customer Agreement and Kong Konnect Addendum? The Kong Customer Agreement is a master agreement that sets out general terms for Kong products that may be purchased under the agreement through one or more Order Forms. It contains terms and conditions for the license of Kong software.

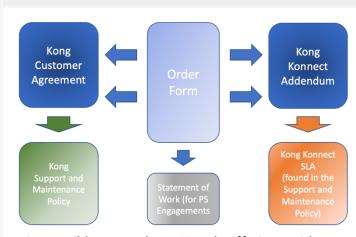
The Kong Konnect Addendum adds additional terms specific to the Kong Konnect product, which includes a Kong-hosted SaaS control plane as discussed above. If the Kong Konnect customer is an existing customer for the on-prem Kong Enterprise product and therefore has an existing Kong Customer Agreement or similar master agreement in place with Kong, generally the existing agreement can remain in place and the Kong Konnect Addendum is additionally signed to supplement it.

Why does Kong require use of the Kong Customer Agreement and Kong Konnect Addendum?

Because they are fit for purpose, and their use will greatly accelerate the contract cycle in Kong's experience. The pricing the Kong salesperson has provided to you also reflects Kong's expectations of its obligations and the overall allocation of risk reflected in Kong's form agreement.

We have collected extensive data which demonstrates that working with customer paper more than doubles the average contract negotiation cycle.

What is the structure of Kong's contract terms?



*It is possible to purchase Kong's offerings without an Order Form, either through a reseller or via the applicable cloud provider's marketplace. For further information please contact your account manager.



What issues may delay a transaction or lead to a lot of "redlining"?

Kong's form of agreement was developed to reflect its products and commercial licensing and operating model, and what it believes are customary terms in software and SaaS agreements.

Some agreements and terms that can significantly delay a transaction in Kong's experience are:

- Extremely one-sided agreements.
- Agreements that are not for fixed-term subscriptions (i.e. agreements with perpetual, unlimited license grant language).
- Work-for-hire intellectual property terms (terms that assign IP from Kong to the customer).
- Agreements with deliveries being subject to acceptance.
- Agreements without typical carve-outs for IP indemnities.
- Agreements with expansive general indemnities.
- Agreements without a limitation of liability, or agreements with non-market carve outs from the limitation of liability.
- Agreements which do not address third party, or open source, software which is leveraged and distributed by Kong.
- Agreements with expansive data security requirements for customer data.
- Agreements with termination for convenience rights with pro rata refund requirements.





Konghq.com

Kong Inc.

contact@konghq.com

150 Spear Street, Suite 1600 San Francisco, CA 94105 USA

