



Service Description

IBM Omni-Channel Merchandising for Manufacturers

This Service Description describes the Cloud Service. The applicable order documents provide pricing and additional details about Client's order.

1. Cloud Service

1.1 Offerings

The Client may select from the following available offerings.

1.1.1 IBM Deal Management for Manufacturers

IBM Deal Management for Manufacturers enables manufacturers and brokers to automate and streamline presentations, negotiations, invoicing and reconciliation of deals they send to participating retailers in a web-based environment.

1.1.2 IBM Advanced Deal Management for Manufacturers

IBM Advanced Deal Management for Manufacturers enables manufacturers and brokers to automate and streamline the entry, negotiation and reconciliation of trade promotions they send to participating retailers in a web-based environment. Advanced Deal Management incorporates manufacturer specified product views, as well as deal archives which allow access and reporting across items, deals, invoices, and billing. Advanced Deal Management incorporates additional capabilities to facilitate the deal process including deal replication, email alerts, extended visibility, fund tracking, and deal exports.

2. Data Processing and Protection Data Sheets

IBM's Data Processing Addendum at <http://ibm.com/dpa> (DPA) and the Data Processing and Protection Data Sheet(s) (referred to as data sheet(s) or DPA Exhibit(s)) in the links below provide additional data protection information for the Cloud Services and its options regarding the types of Content that may be processed, the processing activities involved, the data protection features, and specifics on retention and return of Content. The DPA applies if and to the extent the European General Data Protection Regulation (EU/2016/679) (GDPR) applies to personal data contained in Content.

Link(s) to the applicable Data Sheet(s):

<https://www.ibm.com/software/reports/compatibility/clarity-reports/report/html/softwareReqsForProduct?deliverableId=1413336128041>

3. Service Levels and Technical Support

3.1 Service Level Agreement

IBM provides the Client with the following availability service level agreement (SLA). IBM will apply the highest applicable compensation based on the cumulative availability of the Cloud Service as shown in the table below. The availability percentage is calculated as the total number of minutes in a contracted month, minus the total number of minutes of Service Down in the contracted month, divided by the total number of minutes in the contracted month. The Service Down definition, the claim process and how to contact IBM regarding service availability issues are in IBM's SaaS support overview at https://www.ibm.com/software/support/saas_support_overview.html.

Availability	Credit (% of monthly subscription fee*)
Less than 99.9%	2%
Less than 99.0%	5%
Less than 95.0%	10%

* The subscription fee is the contracted price for the month which is subject to the claim.

3.2 Technical Support

Technical support for the Cloud Service, including support contact details, severity levels, support hours of availability, response times, and other support information and processes, is found by selecting the Cloud Service in the IBM support guide available at <https://www.ibm.com/support/home/pages/support-guide/>.

4. Charges

4.1 Charge Metrics

The charge metric(s) for the Cloud Service are specified in the Transaction Document.

The following charge metrics apply to this Cloud Service:

- Billion Revenue Conversion Unit (BRCU) is a unit of measure by which the Cloud Service can be obtained. A Revenue Conversion Unit is a currency-independent measure of a Revenue amount relevant to the Cloud Service. Currency-specific Revenue amounts must be converted into RCUs in accordance with the table located at Conversion unit table (http://www-01.ibm.com/software/passportadvantage/conversion_unit_table.html). Each BRCU entitlement represents one Billion (10 to the 9th power) RCUs. Sufficient BRCU entitlements must be obtained to cover the amount of Revenue as defined below.
- Million Revenue Conversion Unit (MRCU) is a unit of measure by which the Cloud Service can be obtained. A Revenue Conversion Unit is a currency-independent measure of a Revenue amount relevant to the Cloud Service. Currency-specific Revenue amounts must be converted into RCUs in accordance with the table located at Conversion unit table (http://www-01.ibm.com/software/passportadvantage/conversion_unit_table.html). Each MRCU entitlement represents one Million RCUs. Sufficient MRCU entitlements must be obtained to cover the amount of Revenue as defined below.

5. Additional Terms

For Cloud Service Agreements (or equivalent base cloud agreements) executed prior to January 1, 2019, the terms available at <https://www.ibm.com/acs> apply.

5.1 Verification

Client will i) maintain, and provide upon request, records, and system tools output, as reasonably necessary for IBM and its independent auditor to verify Client's compliance with the Agreement, and ii) promptly order and pay for required entitlements at IBM's then current rates and for other charges and liabilities determined as a result of such verification, as IBM specifies in an invoice. These compliance verification obligations remain in effect during the term of the Cloud Service and for two years thereafter.

5.2 Hub and Spoke Programs

Client acknowledges that each of the Cloud Services is offered as part of a "Hub and Spoke" program for use by Client solely with a specific retailer. This means that the participating retailer has granted to IBM a limited, non-exclusive license to use that retailer's data as required to provide these Cloud Services to its CP trading partners. Use of the Cloud Service or the participating retailer's sales and product data for any other purpose is not permitted. In the case of Brokers, usage is further restricted for use with specific named Brokered CP Companies. In the event a participating retailer's agreement with IBM terminates for any reason, IBM will give Client a pro-rated refund of unused amounts prepaid by Client based on the number of whole months remaining in Client's term for the impacted Cloud Service, and Client's right to use the Cloud Service will terminate. There will be no refund for unused partial months.

5.3 Definitions

The following terms shall have the meanings set forth below:

- **Broker** – means a Client that represents one or more CP Companies as its sales agent handling headquarter and/or retail coverage. A Broker is authorized to access the Cloud Service with a specific Included Retailer, for specific Product Categories, and only on behalf of specific named Brokered CP Companies.

- **Brokered CP Company** – means a CP Company that engages a Broker to handle its representation to retailers in connection with planning promotions, submitting offers and other transactions.
- **Consumer Products or CP** – means any article or component thereof produced or distributed for direct sale to a consumer. By way of example, "Consumer Products" include apparel and footwear, food and beverage, home and personal care, consumer durables & home appliances, consumer non-durables, specialty, and pet care, but do not include automobiles, airplanes, financial instruments, services or houses.
- **CP Company** – means a Client who produces Consumer Products.
- **Included Business** – means the division, business unit or channel (for example, physical stores versus on-line ecommerce) in connection with which Client subscribes to use the Cloud Service.
- **Included Geography** – means the geography in which Client subscribes to use the Cloud Service.
- **Included Retailer** – means the Retailer or Retailers with which the CP Company subscribes to use the relevant Cloud Service.
- **Product Categories** – means grouping of products (also known as items or Stock Keeping Units (SKUs)) that meet a similar consumer need or that are inter-related or substitutable. Products placed together in the same category should be logistically manageable in store. The final determination of what constitutes a "Product Category" shall be subject to IBM's reasonable discretion.
- **Retailer** – means a Client engaged in the sale of Consumer Products in small or individual lots for direct consumption by the consumer.
- **Revenue** – is defined as Total Sales of the Included Business in the Included Geography.
- **Total Sales** – means gross sales excluding applicable sales tax, of the legal entity subscribing to the Cloud Service that are derived from the sale of products sold by the Included Business based on the last reported full twelve month period prior to the initial term or renewal of the term. IBM may recalculate Total Sales if there is non-organic business growth to the Included Business as a result of a merger or acquisition. Client will promptly notify IBM of mergers or acquisitions that affect Total Sales of the Included Business.

Capitalized terms not defined herein are defined in the Cloud Service Agreement.