

IBM Cloud Service Description: Watson Analytics

The following is the Service Description for your Order:

1. Cloud Service

The Cloud Service offering is described below, portions of which are specified in an Order Document for the selected entitled offerings. The Order Document will consist of the provided Quotation and the Proof of Entitlement (PoE) which confirms the start date and term of the Cloud Services. Invoicing will commence following provisioning of the Cloud Service.

1.1 IBM Watson Analytics

IBM Watson Analytics delivers a unified analytics experience on the cloud and helps users focus on the drivers that impact their business. By automating the steps of data access and predictive analysis, the IBM Cloud Service identifies and explains hidden patterns and relationships to accelerate understanding of why things happened.

The Cloud Service offering includes the following capabilities:

- Engaging User Experience – presentation of data and insights in a format which allows users to understand and interact with their data..
- Data Discovery–visually explore and interact with data to find patterns and derive insights.
- Guided Analytic Discovery– embedded predictive analytics that automatically performs statistical correlations and key driver analysis
- Natural Language Dialogue– Interact with data through a keyword-driven English language interface using familiar business terms
- Mobile First– optimized for tablet devices for analysis on-the-go.
- Data Access – automatically accesses and then uniquely scores the readiness of your data for analysis, highlighting potential data issues that could compromise results.

1.2 Freemium Tier Access

The Cloud Service allows users to access the service at no cost (“Freemium tier”) subject to the following use limitations:

- Single user environment
- Load and analyze individual .xls, xlsx or .csv files with fewer than 100,000 rows and 50 columns.
- Total storage of 500MB where storage includes source files loaded into the cloud environment and content created within the application.
- Export objects as PDF only.

Customers wishing to exceed these use limitations must subscribe to Watson Analytics Personal Edition.

1.3 IBM Watson Analytics Personal Edition

IBM Watson Analytics Personal Edition is a single-user environment that includes the following capabilities:

- Load .xls, xlsx or csv files containing no more than 1,000,000 rows and 256 columns.
- Total Storage of 2GB where data storage includes source files loaded into the cloud environment and content created within the application.
- Export to PPT file format

2. Security Description

2.1 Security Policies

IBM has an information security team and also maintains privacy and security policies that are communicated to IBM employees. IBM requires privacy and security training to personnel who support IBM data centers. IBM security policies and standards are reviewed and re-evaluated annually. IBM security incidents are handled in accordance with a comprehensive incident response procedure.

2.2 Access Control

Access to client data, if required, is allowed only by authorized IBM support representatives according to principles of segregation of duties. All connections are encrypted channels when accessing client data. All access to client data and transfer of data into or out of the hosting environment is logged. WIFI use is prohibited within the IBM data centers that support this Cloud Service.

2.3 Service Integrity and Availability

Modifications to operating systems and application software are governed by IBM's change management process. IBM monitors the data center 24x7. Internal and external vulnerability scanning is regularly conducted by authorized administrators and third party vendors to help detect and resolve potential system security exposures. IBM's data center services support a variety of information delivery protocols for transmission of data over public networks. Examples include HTTPS/SFTP/FTPS/S/MIME and site-to-site VPN. Backup data intended for off-site storage is encrypted prior to transport.

2.4 Activity Logging

IBM maintains logs of its activity for systems, applications, data repositories, middleware and network infrastructure devices that are capable of and configured for logging activity. To minimize the possibility of tampering and to enable central analysis, alerting and reporting, activity logging is done in real-time to central log repositories. Logs are analyzed in real-time and via periodic analysis reports to detect anomalous behavior. Operations staff is alerted to anomalies and contacts a 24x7 on-call security specialist when needed.

2.5 Physical Security

IBM maintains physical security standards designed to restrict unauthorized physical access to IBM data centers. Only limited access points exist into the data centers, which are controlled by two-factor authentication and monitored by surveillance cameras. Access is allowed only to authorized staff that have approved access. Operations staff verifies the approval and issues an access badge granting the necessary access. Employees issued such badges must surrender other access badges and can only possess the data center access badge for the duration of their activity. Usage of badges is logged. Non-IBM visitors are registered upon entering on premises and are escorted when they are on the premises. Delivery areas and loading docks and other points where unauthorized persons may enter the premises are controlled and isolated.

2.6 Compliance

IBM certifies its privacy practices annually as consistent with the U.S. Department of Commerce's Safe Harbor Principles: Notice, Choice, Onward Transfer, Access and Accuracy, Security, and Oversight/Enforcement. IBM performs industry standard SSAE 16 audits (or their equivalent) annually in production data centers. IBM reviews security and privacy-related activities for compliance with IBM's business requirements. Assessments and audits are conducted regularly by IBM to confirm compliance with its information security policies. IBM employees and vendor employees complete workforce security and awareness training annually. Personnel are reminded of their job objectives and their responsibility to meet ethical business conduct, confidentiality, and IBM's security obligations annually.

3. Service Level Commitment

IBM provides the following availability service level agreement ("SLA") for the Cloud Service. You understand that the SLA does not constitute a warranty to you. This SLA does not apply to the Freemium tier of the Cloud Service.

3.1 Definitions

- a. "Availability Credit" means the remedy IBM will provide for a validated Claim. The Availability Credit will be applied in the form of a credit or discount against a future invoice of subscription charges for the Cloud Service.
- b. "Claim" means a claim you submit to IBM pursuant to the SLA that a Service Level has not been met during a Contracted Month.
- c. "Contracted Month" means each full month during the term measured from 12:00 a.m. Eastern US time on the first day of the month through 11:59 p.m. Eastern US time on the last day of the month.
- d. "Downtime" means a period of time during which production system processing for the Cloud Service has stopped and your users are unable to use all aspects of the Cloud Service for which they have permissions. Downtime does not include the period of time when the Cloud Service is not available because of:

- (1) a scheduled or announced maintenance outage;
 - (2) Events or causes beyond IBM's control (e.g., natural disaster, internet outages, emergency maintenance, etc.);
 - (3) problems with your applications, equipment or data, or a third party's applications, equipment or data;
 - (4) your failure to adhere to required system configurations and supported platforms for accessing the Cloud Service; or
 - (5) IBM's compliance with any designs, specifications, or instructions that you provide to IBM or a third party provides to IBM on your behalf.
- e. "Event" means a circumstance or set of circumstances taken together, resulting in a failure to meet a Service Level.
 - f. "Service Level" means the standard set forth below by which IBM measures the level of service it provides in this SLA.

3.2 Availability Credits

- a. To submit a Claim, you must log a Severity 1 support ticket (as defined below in the Technical Support section) for each Event with the IBM technical support help desk, within 24 hours of your first becoming aware that the Event has impacted your use of the Cloud Service. You must provide all necessary information about the Event and reasonably assist IBM with the diagnosis and resolution of the Event.
- b. You must submit your Claim for an Availability Credit no later than three business days after the end of the Contracted Month in which the Claim arose.
- c. Availability Credits are based on the duration of the Downtime measured from the time you report that you were first impacted by the Downtime. For each valid Claim, IBM will apply the highest applicable Availability Credit based on the achieved Service Level during each Contracted Month, as shown in the table below. IBM will not be liable for multiple Availability Credits for the same Event in the same Contracted Month.
- d. The total Availability Credits awarded with respect to any Contracted Month shall not, under any circumstance, exceed 10 percent (10%) of one twelfth (1/12th) of the annual charge paid by you to IBM for the Cloud Service.

3.3 Service Levels

Availability of the Cloud Service during a Contracted Month

Availability during a Contracted Month	Availability Credit (% of Monthly Subscription Fee for Contracted Month that is the subject of a Claim)
99.0 – 99.75%	2%
95.0 – 98.99%	5%
Less than 95.0%	10%

Availability, expressed as a percentage, is calculated as: (a) the total number of minutes in a Contracted Month minus (b) the total number of minutes of Downtime in a Contracted Month divided by (c) the total number of minutes in a Contracted Month.

43,200 total minutes in a 30 day Contracted Month – 500 minutes Downtime = 42,700 minutes	= 5% Availability Credit for
43,200 total minutes	98.8% Achieved Service Level

3.4 Other information about this SLA

This SLA is made available only to IBM's clients and does not apply to claims made by your users, guests, participants and permitted invitees of the Cloud Service or to any beta or trial services that IBM provides. The SLA only applies to the Cloud Services that are in production use. It does not apply to non-production environments, including but not limited to test, disaster recovery, quality assurance, or development.

4. Entitlement and Billing Information

4.1 Charge Metrics

The Cloud Services are made available under one of the following charge metrics as specified in the Order Document:

- a. Authorized User is a unit of measure by which the Cloud Service can be obtained. An Authorized User is a unique person who is given access to the Cloud Service. Client must obtain separate, dedicated entitlements for each Authorized User accessing the Cloud Service offering in any manner directly or indirectly through any means during the measurement period specified in the Order Document. An entitlement for an Authorized User is unique to that Authorized User and may not be shared, nor may it be reassigned other than for the permanent transfer of the Authorized User entitlement to another person. Any computing device that requests the execution of or receives for execution a set of commands, procedures, or applications from the Program or that is otherwise managed by the Program is considered a separate User of the Program and requires an entitlement as if that device were a person.
- b. Gigabyte is a unit of measure by which the Cloud Service can be obtained. A Gigabyte is defined as 2 to the 30th power bytes of data (1,073,741,824 bytes). Gigabytes are used to measure the uncompressed size of data sets loaded to the Cloud Service. Sufficient entitlements must be obtained to cover the number of Gigabytes hosted in the Cloud Service at any point during the measurement period.

4.2 Charges and Billing

The amount payable for the Cloud Service is specified in an Order Document.

4.3 Partial Month Charges

The partial month charge is a pro-rated daily rate. The partial month charges are calculated based on the remaining days of the partial month starting on the date you are notified by IBM that your access to the Cloud Service offering is available.

5. Term and Renewal Options

5.1 Term

The term of the Cloud Service begins on the date that IBM notifies you that you have access to the Cloud Service, as described in the Order Document. The PoE portion of the Order Document will confirm the exact date of the start and end of the term. Should IBM make additional tiers of the Cloud Service available, You are permitted to increase your level of use of the Cloud Service during the term by contacting IBM or your IBM Business Partner. We will confirm the increased level of usage in the Order Document.

5.2 Cloud Services Term Renewal Options

Your Order Document will set forth whether the Cloud Service will renew at the end of the term, by designating the term as one of the following:

5.2.1 Automatic Renewal

If your Order Document states that your renewal is automatic, you may terminate the expiring Cloud Service term by written request, at least 90 days prior to the expiration date of the term that is set forth in the Order Document. If IBM or your IBM Business Partner does not receive such termination notice by the expiration date, the expiring term will be automatically renewed for either a one year term or the same duration as the original term as set forth in the PoE.

5.2.2 Continuous Billing

When the Order Document states that your billing is continuous, you will continue to have access to the Cloud Service following the end of your term and will be billed for the usage of the Cloud Service on a continuous basis. To discontinue use of the Cloud Service and stop the continuous billing process, you must provide IBM or your IBM Business Partner with 90 days written notice requesting that your Cloud

Service be cancelled. Upon cancellation of your access, you will be billed for any outstanding access charges through the month in which the cancellation took effect.

5.2.3 Renewal Required

When the Order Document states that your renewal type is “terminate”, the Cloud Service will terminate at the end of the term and your access to the Cloud Service will be removed. To continue to use the Cloud Service beyond the end date, you must place an order with your IBM sales representative or IBM Business Partner to purchase a new subscription term.

6. Technical Support

Technical support is provided for the Cloud Service offering during the subscription period and is not available as a separate offering.

Technical Support information can be found in the IBM Software as a Service (SaaS) Support Handbook.

Severity	Severity Definition	Response Time Objectives	Response Time Coverage
1	Critical business impact/service down: Business critical functionality is inoperable or critical interface has failed. This usually applies to a production environment and indicates an inability to access services resulting in a critical impact on operations. This condition requires an immediate solution.	Within 1 hour	24x7
2	Significant business impact: A service business feature or function of the service is severely restricted in its use or you are in jeopardy of missing business deadlines.	Within 2 business hours	M-F business hours
3	Minor business impact: Indicates the service or functionality is usable and it is not a critical impact on operations.	Within 4 business hours	M-F business hours
4	Minimal business impact: An inquiry or non-technical request	Within 1 business day	M-F business hours

7. Safe Harbor Compliance

IBM has not determined compliance of this Cloud Service with the US-EU and US-Swiss Safe Harbor Frameworks.

8. Additional Information

8.1 Derived Benefit Locations

Where applicable, taxes are based upon the location(s) you identify as receiving benefit of the Cloud Services. IBM will apply taxes based upon the business address listed when ordering a Cloud Service as the primary benefit location unless you provide additional information to IBM. You are responsible for keeping such information current and providing any changes to IBM.

8.2 No Personal Health Information

The Cloud Service is not designed to comply with HIPAA and may not be used for the transmission or storage of any Personal Health Information.

8.3 Cookies

You are aware and agree that IBM may, as part of the normal operation and support of the Cloud Service, collect personal information from you (your employees and contractors) related to the use of the Cloud Service, through tracking and other technologies. IBM does so to gather usage statistics and information about effectiveness of our Cloud Service for the purpose of improving user experience and/or tailoring interactions with you. You confirm that you will obtain or have obtained consent to allow IBM to process the collected personal information for the above purpose within IBM, other IBM companies and their subcontractors, wherever we and our subcontractors do business, in compliance with applicable law. IBM will comply with requests from your employees and contractors to access, update, correct or delete their collected personal information.

8.4 Destruction of Content

IBM will destroy your data or content under the following conditions:

- a. For Freemium tier users, after 90 days of inactivity in the Freemium account
- b. For Personal Edition users, upon the expiration or cancellation of the Cloud Service, or earlier upon your request.