

Service Description

IBM Marketing Cloud

This Service Description describes the Cloud Service IBM provides to Client. Client means the company and its authorized users and recipients of the Cloud Service. The applicable Quotation and Proof of Entitlement (PoE) are provided as separate Transaction Documents

1. Cloud Service

IBM Marketing Cloud is a cloud-based digital marketing platform that leverages customer data, analytical insights, and automating relevant cross-channel interactions. IBM Marketing Cloud includes the following solution-based packages and services that map to marketer needs to simplify the buying process:

- IBM Marketing Cloud Standard – Helps marketers to better understand customer behavior and to deliver personalized interactions with higher conversion rates.
- IBM Marketing Cloud B2B Standard – Helps marketers capture, qualify, and nurture leads in order to better align marketing with sales to growth revenue.
- IBM Marketing Cloud Budget and Expense Planning – Helps marketers budget and plan with an application that connects to marketing, customer relationship management, and finance systems.

1.1 IBM Marketing Cloud Standard

An IBM Marketing Cloud Standard subscription provides the following capabilities:

- Marketing Database: Collect comprehensive customer data in a single source and leverage that data to drive automated campaigns and personalized communications.
- Segmentation: Use behavioral, profile, preference data, and more, to query and narrow down your target audience. Optionally, integrate these segmentation queries with your marketing strategies to deliver highly engaging, personalized content to your target audience.
- Content Builder: An intuitive, web-based editor enables you to create and edit content in the application, with point-and-click access to features, such as link tracking, personalization, dynamic content, and more.
- Dynamic Content: Create messages directly in the message body that are relevant and specific to each customer, using an intuitive point-and-click interface.
- A/B Testing: Send test emails to test subject line, from name or content elements; find out which element has the best response, and send the best performing emails to contacts.
- Email: Create and send emails with content that is relevant and engaging.
- Mobile Push: Deliver personalized messages by combining mobile app data with rich consumer profile information.
- Social Share: Share email marketing messages on social networking sites and produce detailed report results.
- Landing Page: Point-and-click access to create campaign-specific pages and custom web forms.
- Behavioral Analytics: Manipulate mailing results to identify trends and target customer segments; define customer segments and select metrics to create cross-tab and table reports, and then manipulate reports by adding or removing fields, changing metrics, and sorting and ordering columns.
- Campaign Reports: Create aggregate and detailed reporting information about emails sent to customers. Reporting metrics include opens, conversions, rich media, forwards, and click-stream data access.
- Email Insights: Enables users to preview the look and feel of mailings across multiple different email clients, track email client usage across mailing lists helping to optimize email programs based on the specific devices and email clients that customers use. Included in the subscription are 200,000 email opens. An 'email open' is registered each time an email recipient receives an email from Client and the email recipient opens the email. Included in the subscription are 50 email previews. An 'email preview' is registered each time Client submits an email template further to this feature for preview. Email Insights includes technology components provided by Litmus. Additionally, if Client's

needs exceed the number of email previews or email opens provided with the package purchased, Client can expand its entitled quantity by purchasing IBM Marketing Cloud Additional Email Insights Opens in increments of 100,000 on a per Event basis, as applicable.

- IBM Marketing Cloud Orientation: foundation, education package for IBM Marketing Cloud. It provides a high-level description of Marketing Cloud features and capabilities, along with an introduction to the Customer Engagement Model. The orientation package is included with an initial subscription to Marketing Cloud, and should be completed prior to starting the required, onboarding service. It is delivered as a self-service offering, and includes video and web-based recordings.

Included in the subscription fees for this Cloud Service offering are the following:

- a. Five (5) authorized users,
- b. Ten (10) active programs
- c. 250 thousand marketing interactions, which includes both email messages and mobile push messages. If additional Marketing Interactions are required, Client must purchase entitlements to IBM Marketing Cloud Standard Additional Marketing Interactions in increments of 1000 on a per Event basis,
- d. 200 thousand Email Insights Opens

1.2 IBM Marketing Cloud B2B Standard

An IBM Marketing Cloud B2B Standard subscription provides the following capabilities:

- All features within the IBM Marketing Cloud Standard offering
- Marketing Automation
- Lead nurturing: Create marketing campaigns through a visual campaign builder; send automated messages or drop into a nurture program when a lead routes or performs a certain action.
- Single scoring model: Score customers and prospects based on buying criteria, demographics, and behaviors such as website visits, form submissions, and message interaction, or on time-based components, including recency and frequency. Based on scores, marketing automation features route customers and prospects for appropriate follow-up.
- Progressive Forms: Reduce form abandonment and build a contact's profile, over time, with progressive web forms that show different questions each time a contact visits a website or landing page.
- Digital Behavior Tracking: Monitor how contacts interact with you online by using calculators, live chats, social buttons, and more. Use these custom web tracking event behaviors to move a contact to a marketing program or a behavior scoring model.
- Customer Relationship Management (CRM) Integration: Integration with third-party CRM systems, including Salesforce.com, Microsoft Dynamics CRM, NetSuite, and Sugar CRM.

Included in the subscription fees for this Cloud Service offering are the following:

- a. Five (5) authorized users
- b. Ten (10) active programs
- c. One (1) scoring model.
- d. 50,000 database records
- e. 200 thousand Email Insights Opens

1.3 IBM Marketing Cloud - Budget and Expense Planning

Marketing Cloud - Budget and Expense Planning is powered by Allocadia, a third party partner of IBM, and can be purchased for use with Marketing Cloud Standard, Marketing B2B Standard, IBM Silverpop Engage, or IBM Campaign. An IBM Marketing Cloud B2B Standard subscription provides the following capabilities:

- Planning: Create and share plans to align corporate strategy, forecast return on investment and predict revenue impact
- Budgeting: Create and manage global budgets in any currency without cumbersome, disconnected spreadsheets whether global, regional, or product centric

- Performance: Visualize, analyze, and optimize spend; make smarter decisions when connecting plans and budgets to CRM, finance, and marketing data

Included in the subscription fee for this Cloud Service offering are the following:

- Five (5) Authorized Users.
- One (1) Connector

IBM Marketing Cloud Budget and Expense Planning Additional Users may be purchased if Client requires additional Authorized Users beyond what is provided with the base service. IBM Marketing Cloud Budget and Expense Planning Additional Connector may be purchased if Client requires additional Connectors to be used with the base service.

1.4 Set-up Service Offerings

- IBM Marketing Cloud Standard Onboarding Services is a combination of provisioning and training that is designed to enable users to configure and utilize offerings in the Marketing Cloud Standard offering. This remotely delivered service is required with an initial subscription to Marketing Cloud. An onboarding consultant is assigned to guide Clients through the onboarding process which is delivered through a series of remote meetings and recorded, web-based learning sessions. Onboarding services include provisioning, configuration and setup, training, and Q & A.
- IBM Marketing Cloud B2B Standard Onboarding Services is a combination of provisioning and training that is designed to enable users to configure and utilize offerings in the Marketing Cloud B2B Standard offering. This remotely delivered service is required with an initial subscription to Marketing Cloud B2B Standard. An onboarding consultant is assigned to guide organizations through the onboarding process, which is delivered through a series of remote meetings and recorded, web-based learning sessions. Onboarding services include provisioning, configuration and setup, training, and Q & A.
- Marketing Cloud - Budget and Expense Planning Onboarding Services is a training service designed to enable users to configure and utilize offerings in the IBM Marketing Cloud - Budget and Expense Planning offering. This remotely delivered service is required with the purchase of the IBM Marketing Cloud - Budget and Expense Planning Additional Users offering. A training consultant is assigned to guide organizations in using enhanced report and dashboard customization through a series of remote meetings and recorded web-based learning sessions. Onboarding services include provisioning, configuration and setup, training and Q & A.

2. Security Description

This Cloud Service follows IBM's data security and privacy principles for IBM SaaS which are available at <https://www.ibm.com/cloud/resourcecenter/content/80> and any additional terms provided in this section. Any change to IBM's data security and privacy principals will not degrade the security of the Cloud Service.

3. Service Level Agreement

IBM provides the following availability service level agreement ("SLA") for the Cloud Service as specified in a PoE. The SLA is not a warranty. The SLA is available only to Client and applies only to use in production environments.

3.1 Availability Credits

Client must log a Severity 1 support ticket with the IBM technical support help desk within 24 hours of first becoming aware of an event that has impacted the Cloud Service availability. Client must reasonably assist IBM with any problem diagnosis and resolution.

A support ticket claim for failure to meet an SLA must be submitted within three business days after the end of the contracted month. Compensation for a valid SLA claim will be a credit against a future invoice for the Cloud Service based on the duration of time during which production system processing for the Cloud Service is not available ("Downtime"). Downtime is measured from the time Client reports the event until the time the Cloud Service is restored and does not include time related to a scheduled or announced maintenance outage; causes beyond IBM's control; problems with Client or third party content or technology, designs or instructions; unsupported system configurations and platforms or other Client errors; or Client-caused security incident or Client security testing. IBM will apply the highest applicable compensation based on the cumulative availability of the Cloud Service during each contracted month, as

shown in the table below. The total compensation with respect to any contracted month cannot exceed 20 percent of one twelfth (1/12th) of the annual charge for the Cloud Service.

3.2 Service Levels

Availability of the Cloud Service during a contracted month

Availability during a contracted month	Compensation (% of monthly subscription fee* for contracted month that is the subject of a claim)
99% - 99.949%	2%
98% - 98.999%	5%
97% - 97.999%	10%
Less than 97.000%	20%

* If the Cloud Service was acquired from an IBM Business Partner, the monthly subscription fee will be calculated on the then-current list price for the Cloud Service in effect for the contracted month which is the subject of a claim, discounted at a rate of 50%. IBM will make a rebate directly available to Client.

Availability, expressed as a percentage, is calculated as: the total number of minutes in a contracted month minus the total number of minutes of Downtime in a contracted month divided by the total number of minutes in the contracted month.

Example: 50 minutes total Downtime during contracted month.

43,200 total minutes in a 30 day contracted month – 50 minutes Downtime = 42,150 minutes	= 2% Availability credit for 99.884% availability during the contracted month
<hr style="width: 50%; margin: 0 auto;"/> 43,200 total minutes	

4. Technical Support

Technical support for the Cloud Service is provided via email, online support system, Live Chat and by phone. Technical support is offered with the Cloud Service and is not available as a separate offering.

Severity	Severity Definition	Response Time Objectives During Support Hours
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
2	Significant business impact: A service feature or function is severely restricted in its use or Client is in jeopardy of missing business deadlines.	Within 2 business hours
3	Minor business impact: Indicates the service or functionality is usable and it is not presenting a critical impact on operations.	Within 4 business hours
4	Minimal business impact: An inquiry or non-technical request.	Within 1 business day

5. Entitlement and Billing Information

5.1 Charge Metrics

The Cloud Service is available under the charge metric specified in the Transaction Document:

- a. Access is a unit of measure by which the Cloud Service may be obtained. An Access is the rights to use the Cloud Service. Client must obtain a single Access entitlement in order to use the Cloud Service during the measurement period specified in Client's Proof of Entitlement (PoE) or Transaction Document.
- b. Event is a unit of measure by which the IBM SaaS can be obtained. Event entitlements are based on the number of occurrences of a specific event related to the use of the Cloud Service. Event entitlements are specific to the Cloud Service and the type of event may not be exchanged, interchanged, or aggregated with other Event entitlements of another Cloud Service or type of event. Sufficient entitlements must be obtained to cover every event that occurs during the measurement period specified in a Proof of Entitlement (PoE) or Transaction Document.
- c. Authorized User is a unit of measure by which the Cloud Service can be obtained. Client must obtain separate, dedicated entitlements for each unique Authorized User given access to the Cloud Service in any manner directly or indirectly (for example: via a multiplexing program, device, or application server) through any means. Sufficient entitlements must be obtained to cover the number of Authorized Users given access to the Cloud Service during the measurement period specified in Client's Proof of Entitlement (PoE) or Transaction Document.
- d. Engagement is a unit of measure by which the services can be obtained. An Engagement consists of professional and/or training services related to the Cloud Service. Sufficient entitlements must be obtained to cover each Engagement.
- e. Connection is a unit of measure by which the Cloud Service can be obtained. A Connection is a link or association of a database, application, server, or any other type of device to the Cloud Service. Sufficient entitlements must be obtained to cover the total number of Connections which have been or are made to the Cloud Service during the measurement period specified in Client's Proof of Entitlement (PoE) or Transaction Document.
- f. Database Record is a unit of measure by which the Cloud Service can be obtained. A Database Record is the collection of fields in a database related to a single entity and accessible as a single unit. Each Thousand Database Record entitlement represents one Thousand Database Records. Sufficient Thousand Database Record entitlements must be obtained to cover the total number of Database Records available to be processed by the Cloud Service during the measurement period specified in Client's Proof of Entitlement (PoE) or Transaction Document.

5.2 Set-Up Charges

An initial one-time setup fee will be specified at the rate and billing term specified in the Transaction Document. Based on the Cloud Service base offering chosen, the corresponding mandatory setup service will provision Client for use of the selected Cloud Service offering. Setup services available are as follows:

- IBM Marketing Cloud Standard Onboarding Services Engagement One-Time Set Up
- IBM Marketing Cloud B2B Standard Onboarding Services Engagement One-Time Set Up

The following setup service will be charged at the rate and billing term specified in the Transaction Document when Authorized User entitlements to IBM Marketing Cloud – Budget and Expense Additional Users are ordered

- IBM Marketing Cloud Budget and Expense Planning Onboarding Services Engagement Set Up

5.3 Partial Month Charges

A partial month charge as specified in the Transaction Document may be assessed on a pro-rated basis.

5.4 Overage Charges

If actual usage of the Cloud Service during the measurement period exceeds the entitlement specified in the PoE, Client will be charged for the overage as specified in the Transaction Document.

Client will be invoiced in arrears for overage charges each month, at the overage rate specified in the PoE, once the total aggregate has been reached. Such overage charges are due in addition to the base monthly entitlement charge.

If the Subscription Period is greater than 12 months, the aggregate total number of entitlements will be based on 12 monthly measuring periods. The aggregate total will reset to zero after the 12th monthly measuring period. Overage charges for the next 12 monthly measuring periods will not be due until the actual interaction usage exceeds the total number of entitled interactions in aggregate for such 12 monthly measurement periods.

For Clients leveraging ramp periods, each period is treated in the same manner as the subscription period and the same principles apply.

If a Subscription Period is less than 12 months or less than 12 monthly periods remain in a Subscription Period, the number of monthly entitlements remaining in a subscription will be used for the total number of entitled interactions in aggregate.

- a. Example 1: Client has a 12 month Subscription Period and has acquired 10 additional Authorized Users under the IBM Marketing Cloud Additional User entitlement. If Client enables more than 10 Authorized Users before the end of the 12 month Subscription Period, Client will be invoiced the following month for the quantity in excess and all usage in the coming months will be billed in arrears till the end of the Subscription Period.
- b. Example 2: Client has a three year Subscription Period and has acquired 10 additional Authorized Users under the IBM Marketing Cloud Additional User entitlement. If Client enables more than 10 Authorized Users before the end of the first 12 months period, Client will be invoiced the following month for the quantity in excess and all usage until the end of the 12 months period. At the end of the each 12 months period, the usage count will reset. If Client enables more than 10 Authorized Users before the end of the next 12 months period, Client will be invoiced the following month for the quantity in excess and all usage in the coming months will be billed in arrears until either the usage count is reset or the end of the remaining Subscription Period.

5.5 Pay Per Use Charges

Client may use IBM Marketing Cloud Standard measured by 1,000 Events, IBM Marketing Cloud B2B Standard measured in increments of 10,000 Database Records, and IBM Marketing Cloud Additional Email Insights Opens measured in increments of 100,000 Events on a pay per use basis. Client will be charged for the amount of Events or Database Records, as applicable, used each month at the rate specified in the Transaction Document.

6. Term and Renewal Options

The term of the Cloud Service begins on the date IBM notifies Client of their access to the Cloud Service, as documented in the PoE. The PoE will specify whether the Cloud Service renews automatically, proceeds on a continuous use basis, or terminates at the end of the term.

For automatic renewal, unless Client provides written notice not to renew at least 90 days prior to the term expiration date, the Cloud Service will automatically renew for the term specified in the PoE.

7. Enabling Software

This Cloud Service includes enabling software, which may be used only in connection with Client's use of the Cloud Service and only for the Cloud Service term.

8. General

8.1 Distribution Lists

Client will not use any distribution lists with the Cloud Service that include persons who have not given permission to be included on such list for the purpose of receiving communications specifically from the Client, unless the Client has an existing business or personal relationship with such persons. Use of lists or data generated through affiliate marketing practices is expressly prohibited in all cases. Client is required to include a valid opt-out mechanism in each message.

8.2 No Resale

Client will not resell the Cloud Service or provide third parties (other than employees or contractors working on Client's behalf) with access to the Cloud Service without IBM's prior, written consent.

8.3 Data Retention

Specific data elements of the Cloud Services will be available within the Cloud Services as follows: email messages and content, unused or inactive databases and templates - 450 days; web tracking for known visitors - 180 days; web tracking for anonymous visitors - 30 days; and Universal Behaviors - 180 days

(the "Data Retention Period"). These data elements may be removed from IBM's network and systems after the Data Retention Period has expired, and in any event, IBM may destroy all copies of these data elements, and Client's other related data, 30 days following termination or expiration of the Term. Client will retain back-up copies of all content provided for use in connection with the Cloud Service.

8.4 Third Party Code Notices

This Cloud Service includes the following software which may not be used for Evil purposes: janrain4j_1.1.0, JSON, JSON-lib-2.3, JDK15, flexjson, and packtag.