

## Service Description

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### 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 Essentials - Provides marketers, with lower volume needs, the ability to deliver personalized digital interactions with higher conversion rates.
- IBM Marketing Cloud B2B Essentials - Provides marketers, with smaller databases, the ability to capture, qualify, and nurture leads.
- 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.
- IBM Marketing Cloud Enterprise – Builds on features of IBM Marketing Cloud Standard with increased subscription volumes.
- IBM Marketing Cloud B2B Enterprise – Builds on features of IBM Marketing Cloud B2B with increased subscription volumes.
- IBM Marketing Cloud Social Audiences – Provides marketers with the ability to target their customers using paid social media.

#### 1.1 IBM Marketing Cloud Essentials

An IBM Marketing Cloud Essentials 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.
- 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.
- 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. Email Insights includes technology components provided by Litmus.
- Journey Designer: Visual design tool that allows marketers to work together to map out a customer journey and share it across their team.
- Universal Behavior Exchange: Enabling technology that allows customers to publish data within IBM Marketing Cloud and subscribe to data from integrated third party applications.
- IBM Marketing Cloud Orientation is a 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. 50 thousand Marketing Interactions per month for a total of 600 thousand Marketing Interactions that can be consumed annually,
- d. Unlimited Database Records,
- e. One (1) organization,
- f. Ten (10) thousand Email Insights Opens monthly,
- g. Unlimited email previews. An 'email preview' is registered each time Client submits an email template to this feature for preview.

Clients may also purchase additional volumes of Users, Marketing Interactions, and Email Insights Opens

## 1.2 IBM Marketing Cloud B2B Essentials

IBM Marketing Cloud B2B Essentials provides marketers, with smaller databases, the ability to capture, qualify, and nurture leads. This offering is available on a subscription and pay per use basis. This Cloud Service offering includes the following features:

- All features within the IBM Marketing Cloud Essentials 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.
- Customer Relationship Management (CRM) Integration: Integration with third-party CRM systems, including Salesforce.com, Microsoft Dynamics CRM, 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. Unlimited Marketing Interactions,
- e. 10,000 Database Records,
- f. One (1) organization,
- g. Ten (10) thousand Email Insights Opens monthly,
- h. Unlimited email previews. An 'email preview' is registered each time Client submits an email template to this feature for preview.

Clients may also purchase additional volumes of Users, Database Records, and Email Insights Opens.

### 1.3 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.
- 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.
- 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. Email Insights includes technology components provided by Litmus.
- Journey Designer: Visual design tool that allows marketers to work together to map out a customer journey and share it across their team.

- Universal Behavior Exchange: Enabling technology that allows customers to publish data within IBM Marketing Cloud and subscribe to data from integrated third party applications.
- Social Audiences: Social media marketing application that allows customers to send specific audiences and related ads to social media networks for marketing to the specific audience or to like audiences.
- 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 are the following:

- Ten (10) Authorized Users per organization,
- Five (5) organizations,
- Twenty (20) active programs,
- One (1) scoring model,
- 250 thousand Marketing Interactions per month for a total of 3 million Marketing Interactions that can be consumed annually,
- Unlimited Database Records
- Five (5) thousand Social Audiences Contact Events monthly, and
- 200 thousand Email Insights Opens monthly.
- Unlimited email previews. An 'email preview' is registered each time Client submits an email template to this feature for preview.

Clients may also purchase additional volumes of Users, Marketing Interactions, and Email Insights Opens.

#### 1.4 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.
- Customer Relationship Management (CRM) Integration: Integration with third-party CRM systems, including Salesforce.com, Microsoft Dynamics CRM, and Sugar CRM.

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

- Ten (10) Authorized Users per organization,
- Five (5) organizations,
- Twenty (20) active programs,
- Five (5) scoring models,
- Unlimited Marketing Interactions,
- 50,000 Database Records,
- Five (5) thousand Social Audiences Contact Events monthly,
- 200 thousand Email Insights Opens monthly,
- Unlimited email previews. An 'email preview' is registered each time Client submits an email template to this feature for preview.

Clients may also purchase additional volumes of Users, Database Records, and Email Insights Opens.

## 1.5 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 as a standalone product or for use with Marketing Cloud Standard, Marketing B2B Standard, Marketing Cloud Enterprise, Marketing Cloud B2B Enterprise, IBM Silverpop Engage, or IBM Campaign. Features include:

- 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 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.

## 1.6 IBM Marketing Cloud Enterprise

This package builds on the capabilities offered in the Standard package. The Enterprise package includes entitlement to Allocadia-powered planning and budgeting capabilities. It also features customer relationship management (CRM) capabilities. Subscribers receive additional Authorized Users in the Enterprise package, as well as increased usage volumes for program automation, scoring, and Email Insights. Subscribers also receive more Marketing Interactions as part of the Enterprise package.

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

- a. Twenty (20) Authorized Users per organization,
- b. Ten (10) organizations
- c. Unlimited active programs,
- d. Unlimited Database Records
- e. 750 thousand Marketing Interactions per month for a total of 9 million Marketing Interactions that can be consumed annually,
- f. 25 thousand Social Audiences Contact Events monthly,
- g. Unlimited Scoring Models,
- h. 400 thousand Email Insights opens monthly,
- i. Unlimited email previews. An 'email preview' is registered each time Client submits an email template to this feature for preview.

Clients may also purchase additional volumes of Users, Marketing Interactions, and Email Insights Opens.

## 1.7 IBM Marketing Cloud B2B Enterprise

This package builds on the features offered in the B2B Standard package. The B2B Enterprise package includes entitlement to Allocadia-powered planning and budgeting capabilities. Subscribers receive additional Authorized Users in the B2B Enterprise package, as well as increased usage volumes for program automation, scoring, and Email Insights. Subscribers also receive more database records as part of the B2B Enterprise package.

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

- a. Twenty (20) Authorized Users,
- b. Ten (10) organizations,
- c. Unlimited active programs,
- d. Unlimited Marketing Interactions,

- e. 100,000 Database Records,
- f. 25 thousand Social Audiences Contact Events monthly,
- g. Unlimited Scoring Models,
- h. 400 thousand Email Insights Opens monthly.
- i. Unlimited email previews. An 'email preview' is registered each time Client submits an email template to this feature for preview.

Clients may also purchase additional volumes of Database Records and Email Insights Opens.

## 1.8 IBM Marketing Cloud Social Audiences

IBM Marketing Cloud Social Audiences provides marketers with the ability to target their customers using paid social media. Clients who purchase the Marketing Cloud packages – Standard, B2B Standard, Enterprise or B2B Enterprise, are entitled to usage volumes of Social Audiences. Social Audiences can also be purchased as a standalone product.

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

- For Clients who have purchased one of the IBM Marketing Cloud Standard packages: 5,000 Contact Events per month.
- For Clients who have purchased one of the IBM Marketing Cloud Enterprise packages: 25,000 Contact Events per month.
- Clients purchasing the Social Audiences offering independent of the IBM Marketing Cloud subscription offerings have the option of purchasing in tiers of Five (5) Thousand, 25 Thousand, 100 Thousand, 250 Thousand, 500 Thousand, One (1) Million, Two (2) Million, and Five (5) Million Contact Events.

## 1.9 Optional Features

- 1.9.1 **IBM Marketing Cloud Duplicate Message Send** offers the following capabilities to subscribers of IBM Marketing Cloud Essentials, IBM Marketing Cloud B2B Essentials, IBM Marketing Cloud Standard, IBM Marketing Cloud B2B Standard, IBM Marketing Cloud Enterprise, and IBM Marketing Cloud B2B Enterprise. Duplicate Message Send allows an IBM Marketing Cloud Client to receive exact copies of the personalized message sent to their customers for regulatory, compliance, audit, or other tracking purposes. Duplicate Message Send currently only applies to email. This offering is available as a subscription and provides unlimited duplicate message sends.
- 1.9.2. **IBM Marketing Cloud Unlimited Scoring** offers the following capabilities to subscribers of IBM Marketing Cloud Standard, IBM Marketing Cloud B2B Standard, IBM Marketing Cloud Essentials, and IBM Marketing Cloud B2B Essentials. Unlimited Scoring provides the capability to add additional scoring models beyond those included in the client's IBM Marketing Cloud package. Additional scoring models can be requested as needed through the IBM Marketing Cloud provisioning team. Additional models will be deployed in specific numbers based on the most efficient use of the scoring feature and as needed by the client.
- 1.9.3. **IBM Marketing Cloud Unlimited Programs** offers the following capabilities to subscribers of IBM Marketing Cloud Standard, IBM Marketing Cloud B2B Standard, IBM Marketing Cloud Essentials, and IBM Marketing Cloud B2B Essentials. Unlimited Programs provides the capability to add additional active programs beyond those included in the client's IBM Marketing Cloud package. Additional active programs can be requested as needed through the IBM Marketing Cloud provisioning team. Additional programs will be deployed in specific numbers based on efficient usage of the programs feature and as needed by the client.
- 1.9.4. **IBM Marketing Cloud Additional IP Address** is the yearly fee for an additional IP address.
- 1.9.5. **IBM Marketing Cloud Citrix Integration** provides IBM Marketing Cloud product functionality for use with one instance of the Citrix GoToWebinar, GoToMeeting, or GoToTraining products. This integration imports attendee session and profile data into a Engage Relational Table on a daily basis. The Client must purchase their Citrix license separately.
- 1.9.6. **IBM Marketing Cloud CRM Integration** enables Client to establish a synchronization of data between certain commercially available Client relationship management (CRM) systems, such as Salesforce.com, Microsoft Dynamics CRM, and IBM Marketing Cloud. Integration is limited to one CRM system instance and one IBM Marketing Cloud database. This offering does not include integration with Scribe. If that type of integration is needed, the IBM Marketing Cloud CRM Integration with Scribe offering should be used.

- 1.9.7. **IBM Marketing Cloud CRM Integration with Scribe** enables Client to establish a synchronization of data between certain commercially available relationship management (CRM) systems and IBM Marketing Cloud. Integration is limited to one CRM system instance and one IBM Marketing Cloud database. IBM Marketing Cloud CRM Integration with Scribe relies on or incorporates third party technology provided by Scribe.
- 1.9.8. **IBM Marketing Cloud Inbox Monitoring** allows Clients to measure general inbox delivery to large Internet Service Providers (ISPs) and Inbox Providers across multiple regions.
- 1.9.9. **IBM Marketing Cloud Multi-Factor Authentication** provides functionality to support the use of an authentication code as a secondary log-on requirement, in addition to a user's username/password combination, to grant access to an IBM Marketing Cloud account through a web browser.
- 1.9.10. **IBM Marketing Cloud Transact Magento Integration** enables the routing of relevant transactional emails generated by a Magento instance through the IBM Marketing Cloud Transact transactional email service. A license for Magento is also required, which the Client must purchase separately from the vendor.
- 1.9.11. **IBM Marketing Cloud Web Analytics Integrations** provides integration between IBM Marketing Cloud (one Org) and one of the following web analytics systems: IBM Digital Analytics or Adobe Omniture.
- 1.9.12. **IBM Marketing Cloud WebEx Integration** provides IBM Marketing Cloud product functionality for use with one instance of Cisco WebEx. This integration imports attendee session and profile data into an IBM Marketing Cloud Relational Table on a daily basis. The Client must purchase their WebEx license separately.
- 1.9.13. **IBM Marketing Cloud Transact - Database** provides the ability to deliver real-time, custom branded, one-to-one transactional messages generated by triggers in emails, web forms, landing pages or tele-sales. IBM Marketing Cloud Transact is a dedicated sending architecture specifically designed for the unique needs of transactional or triggered messages such as receipts, notifications, alerts, itineraries, etc. It can be connected to an in-house system currently triggering messages. Provided with the product are an IP address and custom domain, link and message delivery tracking, bounce and reply management and tracking on message distribution, activity, and delivery metrics.

## 1.10 Set-up Service Offerings

- IBM Marketing Cloud Basic 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 provides up to 15 hours and 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 - Budget and Expense Planning 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.
- IBM Marketing Cloud Onboarding Services is a combination of provisioning and training that is designed to enable users to configure and utilize offerings in the Marketing Cloud Enterprise package. This remotely delivered service package provides up to 30 hours and is required with an initial subscription to Marketing Cloud Enterprise. 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 Mobile Onboarding Services is an optional offering for IBM Marketing Cloud subscribers that choose to take advantage of the Mobile Push feature. This offering provides up to (35) hours of remote services that include activities such as setup, consulting, and initial push notification implementation and acceptance testing. This onboarding service is also available to Standard and B2B Standard subscribers.

- IBM Marketing Cloud Instructor Led Training (Webinar / IBM Facility) provides a single day of IBM Marketing Cloud training. Each day includes up to eight hours of instruction and practice (including multiple short breaks and an hour break for lunch). The agenda can be tailored to cover the topics the Client would like to learn. The training is delivered through a webinar environment or at an approved IBM facility.
- IBM Marketing Cloud Instructor Led Training (On Site) Setup provides one (1) 8 hour day of IBM Marketing Cloud training at a client's facility. Each day includes up to eight hours of instruction and practice (including multiple short breaks and an hour break for lunch). The agenda can be tailored to cover the topics the Client would like to learn. Travel expenses are not included and will be billed separately via statement of work (SOW).
- IBM Marketing Cloud Additional Domain service updates the Cloud Service environment to use an additional Reputation Identity beyond the amount provided with IBM Marketing Cloud.

## 2. Security Description

This Cloud Service follows IBM's data security and privacy principles for Cloud Services 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 PoE or Transaction Document.
- b. 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 PoE or Transaction Document.
- c. 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 PoE or Transaction Document.
- d. 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 PoE or Transaction Document.

- e. Digital Message is a unit of measure by which the Cloud Service can be obtained. A Digital Message is an electronic communication managed or processed by the Cloud Service. Sufficient entitlements must be obtained to cover the total number of Digital Messages managed or processed by the Cloud Service during the measurement period specified in Client's PoE or Transaction Document.
- f. 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.
- g. Event is a unit of measure by which the Cloud Service 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 PoE or Transaction Document.

When acquiring Event entitlements, the following are to be counted as an Event:

- (1) Marketing Interaction: A Marketing Interaction is an inbound or outbound touch point/communication. Examples of these communications are an email message, a mobile push, a device application message, content displayed in browsers, a social impression, and ad target. These can be related to anonymous or known visitors, or customers.
  - (2) Email Insights Opens: An Email Insights Opens is registered each time an email recipient receives an email from Client and the email recipient opens the email.
  - (3) Contact: Contact is the Event associated with sending a contact ID via Social Audiences feature to a corresponding social platform.
- g. Instance is a unit of measure by which the Cloud Service can be obtained. An Instance is access to a specific configuration of the Cloud Service. Sufficient entitlements must be obtained for each Instance of the Cloud Service made available to access and use during the measurement period specified in Client's 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 Basic Onboarding Services
- IBM Marketing Cloud Onboarding Services
- IBM Marketing Cloud Mobile Onboarding Services

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 Services

All setup services expire 90 days from the date Client is notified by IBM that access to the Cloud Service is available regardless of whether all hours have been used.

## 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 Essentials, IBM Marketing Cloud Standard, IBM Marketing Cloud Social Audiences, and IBM Marketing Cloud Enterprise measured by 1,000 Events, IBM Marketing Cloud B2B Essentials, IBM Marketing Cloud B2B Standard, and IBM Marketing Cloud B2B Enterprise 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.

For continuous use, the Cloud Service will continue to be available on a month to month basis until the Client provides 90 days written notice of termination. The Cloud Service will remain available to the end of the calendar month after such 90 day period.

## **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 Mobile Push Notifications**

Marketing Interactions Events related to mobile push notifications include simple push notifications, simple push in-app notifications, simple push data only notifications, and inbox notifications. Simple push notifications, simple push in-app notifications, and simple push only notifications are counted as one Marketing Interaction per device at the time of sending. Inbox notifications are counted as one Marketing Interaction for each appkey to which they are sent.

Calculation of Marketing Interactions related to mobile push notifications shall include the number of mobile push notifications sent to devices which have opted to suppress mobile push notifications and the number of mobile push notifications sent to devices after the application was uninstalled. IBM will regularly use Apple and Google feedback services and update push notifications sent based on uninstalls. Client is responsible for determining the subscription volume for Marketing Interactions, which includes push notifications.

## **8.4 Duplicate Message Send**

Duplicate Message Send is an additional subscription feature enabled at the organization level. A subscribing Client can toggle the feature on and off. The email addresses entered by the Client to receive the duplicate message will be entered as Bcc addresses and will not be visible to the customer recipients of the email. The Client recipients of the duplicate message are changeable.

If the duplicate email is unable to be delivered to the Bcc email address, IBM will not be able to resend the duplicate email.

## **8.5 Data Retention**

Specific data elements of the Cloud Service shall be available within the Cloud Service as follows: databases (contact lists) and templates - 450 days from last use (actively used databases and templates are retained indefinitely while the service is active); email messages, and content, and email click tracking data, unused or inactive databases and templates - 450 days from the date the message is sent; web tracking for known or authenticated visitors - 180 days; web tracking for anonymous visitors - 30 days (records may be converted to "known or authenticated" if the user's identity becomes known within the 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 any other related Client data, 30 days following termination or expiration of the Subscription Period. Client will retain back-up copies of all content provided for use in connection with the Cloud Service.

## **8.6 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.

## **8.7 Non-English Language Versions**

Client understands and agrees that access to and use of any non-English language version of the Cloud Service may rely on the functionality of a third party technology partner, translations.com, for purposes of translating the user interface. When using any non-English language version of the Cloud Service, the Cloud Service user interface may pass Client data and any content accessible through the Cloud Service user interface unencrypted through the translations.com systems dedicated to the Cloud Service for purposes of translating the user interface at Client's request.

## **8.8 Instructor Led Training Setup Services**

If the Instructor Led Training Setup Service is designed to be performed at Client's location, Client is responsible for providing a suitable training room for the number of students, including an adequate number of power sockets, an overhead projector and whiteboard and/or flipchart and connectivity to necessary systems and environments, including Internet connectivity if required.

If the Instructor Led Training Setup Service is performed at an IBM facility, Client understands and acknowledges that IBM is permitted to use global resources (non-permanent residents used locally and personnel in locations worldwide) for the delivery of Training Setup Service.

### **8.8.1 Client's Responsibilities**

IBM's performance is dependent upon Client's management and fulfillment of its responsibilities as specified below, at no charge to IBM. Any delay in performance of these responsibilities may impact IBM's ability to complete the Training Setup Services. Client will:

- a. unless provided by IBM, provide IBM with the address and room details of the training location;
- b. if applicable, provide safe access, suitable office space, supplies, furniture, high speed connectivity to the Internet, and other facilities for IBM's personnel while working at Client's location;
- c. unless facilities are provided by IBM, be responsible for the secure storage of all IBM-owned hardware and software while on Client's premises and ensure all classrooms are locked at all times.