

IBM Cloud Video Media

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

1.1 IBM Cloud Video Logistics Manager

IBM Cloud Video Logistics Manager is the core functionality that provides Clients with a cloud-based video platform to which Client can ingest and manage video Assets, including premium TV and movies, as well as Asset metadata and related image assets, intelligently process those assets and metadata for multiple platforms, and optionally transfer them to multiple destinations, with high visibility and tracking via Web-based dashboards and application programming interfaces ("API or APIs"). End destinations include video aggregators (both online and traditional PayTV). Each Instance of this Cloud Service includes an initial allocation of 1000 Assets.

With the core Video Logistics Manager, the Client can distribute content to one Client-owned/operated service, e.g., the Client's own OTT service or data center. Additional distribution services may be purchased separately.

1.1.1 Optional IBM Cloud Video Logistic Manager Features

a. IBM Cloud Video Logistics Manager Additional Asset Pack

If Client requires more Assets than included in the core functionality, additional Assets can be purchased in quantities of 100.

b. IBM Cloud Video Logistics Manager Premium Workflow

Includes a dedicated ingest server, functionality to import/ingest video on-demand (VOD) Assets, advanced metadata management, multi-destination distribution and toolset, additional processing services (incremental price per Asset will apply) for content measurement, ID3 support, watermarking for mobile measurement and forensic watermarking, and optional premium automated QC (incremental price per Asset will apply).

c. IBM Cloud Video Logistics Manager Premium for Hybrid Workflow

Includes IBM Cloud Video Logistics Manager Premium Workflow functionality with workflow API access to ingest, manage and distribute. Also gives access to staging environment for testing.

d. IBM Cloud Video Logistics Manager Premium Transcoding

IBM provides hosted encoding/transcoding/encryption in IBM Data Centers with encoders configured for pre-set IBM Cloud Video profiles for each selected platform and pre-set bitrates for adaptive bitrate streaming (ABS). This Cloud Service enables transcoding of ingested video file to all derivatives, processing of closed caption files for supported platforms, processing of subtitle files for supported platforms, and extraction of key-frame files during content processing to support trick-mode and key-frame preview scrubbing within video players on supported platforms. Standard transcoding of files to/from IBM-defined profiles for SD and HD formats is included. Premium transcoding including but not limited to 4K/8K/360-degree video is available for an additional charge.

e. IBM Cloud Video Logistics Manager VOD Transcoding Automated QC Baton

IBM provides automated quality control analysis of Assets to validate audio, video, and metadata for each Asset, including profile validation and closed captioning validation. IBM will provide automated services against a pre-defined percentage, typically 15 percent, of the Client's Assets.

f. IBM Cloud Video Logistics Manager Digital Asset Distribution

IBM will provide the Client with direct distribution to pre-defined third-party content destinations via pre-defined transfer methods, whether a digital aggregation/retail service or a Multichannel Video Programming Distributor (MVPD)/Multiple System Operator (MSO) service. This Cloud Service enables configuration of distribution rules for each destination, such as, licensing windows.

g. IBM Cloud Video Logistics Manager Comcast Unified Workflow Asset Distribution

In addition to offering the Client distribution to digital/MVPD third-party services, this Cloud Service enables delivery to Comcast services with certified adherence to Comcast Unified Workflow profile and metadata specifications.

1.2 IBM Cloud Video Catalog and Subscriber Manager

In order to provision IBM Cloud Video Catalog and Subscriber Manager, Client must acquire entitlements to IBM Cloud Video Logistics Manager. This feature connects to IBM Cloud Video Logistics Manager to provide key components of a video streaming service (such as Over-The-Top ("OTT") or TV Everywhere) directly to consumers on multiple devices. Specifically, it includes the following, for IBM Cloud Video Media supported platforms and devices, such as Web, iOS, Android, TV-connected streaming players, game consoles and set-top boxes:

- Publishing of video content to enable adaptive bitrate (ABR) streaming, including the publishing of multi-bitrate video files, closed captions, multi-language subtitles, multiple audio tracks, and thumbnails to enable preview while seeking.
- A multiscreen presentation API for app developers, to enable consumer discovery of a video on-demand catalog, within enforced license windows. This API also provides support for many user experience (UX) features, such as binge viewing support via episode chain-play.

1.2.1 Optional IBM Cloud Video Catalog and Subscriber Manager Features

a. IBM Cloud Video Catalog and Subscriber Manager User Access and Management

This feature provides Client with technology and tools to control user access to direct-to-consumer video services, including customer care tools to the Client's customer support staff. It additionally enables personalized, cross-device continuity of experience for each end-consumer.

Each Instance of this Cloud Service includes an initial allocation of 10,000 Authorized Users monthly, and includes:

- (1) User Access features such as identity management and user authentication, including configurable password controls. Includes enforcement of concurrent-stream and device limitations – configurable by the IBM services team during setup.
- (2) User management features such as a subscriber dashboard to enable look up of subscriber streaming activity, and user support tools, such as, terminating a viewing session or unlocking an account.
- (3) Access to additional personalization features via the presentation API, such as recently viewed content and video bookmarking for cross-device pause and resume.
- (4) Support for consumers to sign in and be billed for the service using account credentials from in-app purchase (IAP) vendors, and other service providers / PayTV providers; this is accomplished via an API that app developers can integrate to app stores and service provider billing systems.

b. IBM Cloud Video Catalog and Subscriber Manager User Access and Management One Time Set Up

This service is provided as a one-time configuration for the Client and includes:

- (1) account creation and configuration with rules and rule-sets as needed for identity management and user access;
- (2) test and validation of identity management and user access and customer service representative (CSR) scenarios;
- (3) configuration of presentation API to enable user access features; production environment for testing by third-party app developers;
- (4) login for "subscriber manager" for Client administrator user to access subscriber dashboard; and
- (5) one remote training session, for up to one-hour, on subscriber dashboard tools.

c. IBM Cloud Video Catalog and Subscriber Manager User Access and Management Premium Billing Adapter

IBM will provide IBM Cloud Video configuration and connection to Zuora or Vindicia, including:

- (1) user authorization and entitlement checks to enable user access and content playback based on account status, including free-trial status; and
- (2) additional subscriber dashboard views including user billing history.

1.2.2 IBM Cloud Video Catalog and Subscriber Manager Set Up Service

This service is provided as a one-time configuration for the Client and includes:

- a. Account Activation. Account creation and connection to IBM Cloud Video Logistics Manager for Asset publishing to configure:
 - (1) metadata publishing to the catalog and presentation API; and
 - (2) publishing of video files to Akamai NetStorage (Akamai origin and content delivery network (CDN) fees will apply);
- b. Catalog Set-Up. Setup of initial Client catalog menu and presentation API adapters (Web, iOS and Android) and production testing environment;
- c. Video Set Up for:
 - (1) ingest and transcode of test Assets (via IBM Cloud Video Logistics Manager) to standard pre-set ingest specifications and pre-set ABR derivatives for iOS, Web and Android; and
 - (2) connection of player API with standard supported Web player and to native players within third-party iOS and Android apps;
- d. End to End Validation for:
 - (1) ingestion of test Assets to IBM Cloud Video Logistics Manager and auto-publish to catalog;
 - (2) verification of metadata availability within API; and
 - (3) playback testing of ABR video files;and
- e. Dashboards and Training. Account manager log-in for Client administrator and one remote training session, for up to one hour, for catalog dashboard.

1.3 IBM Cloud Video Verified Access

This Cloud Service provides authentication and authorization of users via a Client's billing system to validate user entitlements and grant or prevent access to streaming services on multiple consumer devices.

1.3.1 IBM Cloud Video Verified Access Users

IBM will provide Authorized Users in 100 pack increments.

2. Security Description

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

Client recognizes this Cloud Service does not offer features for the protection of content that contains personal data, sensitive personal data or data subject to additional regulatory requirements. If Client includes such data in its content, it instructs IBM to process such data in accordance with this Agreement after determining that the technical and organizational security measures are appropriate to the risks presented by the processing and the nature of the data to be protected. Client acknowledges that IBM has no knowledge of the types of data that have been included in the content, and cannot make an assessment as to the suitability of the Cloud Services or the security protections in place.

2.1 Security Features and Responsibilities

The Cloud Service implements the following security features:

The Cloud Service encrypts content during data transmission between the IBM network and all public network end points. The Cloud Service encrypts content when at rest awaiting data transmission.

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) |
|--|--|
| < 99.95% | 5% |
| < 99.5% | 10% |
| < 99% | 15% |
| < 98% | 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 the contracted month, divided by the total number of minutes in the contracted month.

Example: 500 minutes total Downtime during contracted month

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| <div style="display: flex; justify-content: space-between;"> <div style="text-align: right;"> 43,200 total minutes in a 30 day contracted month - 500 minutes Downtime = 42,700 minutes <hr style="width: 20%; margin-left: 0;"/> 43,200 total minutes </div> <div style="text-align: left;"> = 15% Availability credit for 98.8% availability during the contracted month </div> </div> |
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4. Technical Support

Technical support for the Cloud Service is provided via email, online forums, an online problem reporting system, and telephone. IBM will make available the IBM Software as a Service Support Handbook which provides technical support contact information and other information and processes. Technical support is offered with the Cloud Service and is not available as a separate offering.

5. Entitlement and Billing Information

5.1 Charge Metrics

The Cloud Service is sold under one of the following charge metric(s) as specified in the Transaction Document:

- a. 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, through 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.

For the purpose of this Cloud Service, each subscriber is considered an Authorized User. Each 100 Authorized User entitlement represents one hundred subscribers.

- b. Asset is a unit of measure by which the Cloud Service can be obtained. An Asset is any tangible resource or item of value to be managed, including production equipment, facilities, transportation, IT hardware and software. Any resource or item with a unique identifier in the Cloud Service is separate Asset. Sufficient entitlements must be obtained to cover the Assets accessed or managed by the Cloud Service during the measurement period specified in Client's PoE or Transaction Document.

For the purpose of this Cloud Service, each video file is considered an Asset and each 100 Asset entitlement represents one hundred Assets.

- c. 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.

- d. 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 Client's PoE or Transaction Document.

- e. Hour is a unit of measure by which the Cloud Service can be obtained. Sufficient Hour entitlements must be obtained to cover the total number of whole or partial Hours of the Cloud Service used during the measurement period specified in Client's PoE or Transaction Document.

For the purpose of this Cloud Service, Hour entitlements are the length of derivative output files.

- f. 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.

- g. Item is a unit of measure by which the Cloud Service can be obtained. An Item is an occurrence of a specific item that is processed by, managed by, or related to the use of the Cloud Service. Sufficient entitlements must be obtained to cover every Item processed by, managed by, or related to the use of the Cloud Service during the measurement period specified in Client's PoE or Transaction Document.

For the purpose of this Cloud Service, each package of a video file and its associated metadata and image file is considered an Item.

5.2 Set-Up Charges

Set-up charges will apply at the rate and billing term specified in the Transaction Document.

5.3 Overage Charges

If actual usage of the Cloud Video 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.

5.4 Pay per Use Charges

A pay per use charge will be billed at the rate specified in the Transaction Document in the month following such use.

5.5 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.

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 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. Additional Terms

7.1 General

Client agrees IBM may publicly refer to Client as a subscriber to the Cloud Services in a publicity or marketing communication.