

Service Description

IBM IoT for Insurance

This Service Description describes the Cloud Service IBM provides to Client. Client means the contracting party 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

The IoT for Insurance Cloud Service is an integrated IoT production instance that routes Client's end users' ("Client Policy Holders") sensor data to Client to allow Client to use sensor data to help Client with various business processes and goals. Such business processes and goals could be to analyze such data for Client Policy Holder for personalized risk assessment, real-time protection, policy cost reductions, early alerts, personalized advice, and streamlined claims processing and settlement.

Client may subscribe to the Cloud Service that aligns with the type of insurance policy to be managed:

- IBM IoT Vehicle Protection for Cloud
- IBM IoT Workers Compensation for Cloud
- IBM IoT Safer Workplace for Cloud
- IBM IoT Home for Cloud

Each Cloud Service includes 1.5 GB of data storage per Item entitlement.

1.1 Pay Per Use Services

Pay per use services will be used when Client exceeds the included 1.5 GB of data storage per Item entitlement for each Cloud Service. Pay per use services are:

- IBM IoT Vehicle Protection for Cloud Pay Per Use
- IBM IoT Workers Compensation for Cloud Pay Per Use
- IBM IoT Safer Workplace for Cloud Pay Per Use
- IBM IoT Home for Cloud Pay Per Use

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 principals will not degrade the security of the Cloud Service.

This Cloud Service may be used to process content that contains personal data if Client, as the data controller, determines 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 recognizes that this Cloud Service does not offer features for the protection of sensitive personal data or data subject to additional regulatory requirements. 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 which are in place.

2.1 Security Features and Responsibilities

The Cloud Service implements the following security features:

The Cloud Service does encrypt content during data transmission outside of the IBM network. The Cloud Service does encrypt 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 that there is a critical business impact and the Cloud Service is not available. 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 3 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 10 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)
< 99.8%	2%
< 99.0%	5%
< 95.0%	10%

* 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.

4. Technical Support

Technical support for the Cloud Service is provided via an online problem reporting system. 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 available under the charge metric specified in the Transaction Document:

- a. 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 IBM IoT Vehicle Protection, an Item is a vehicle with a unique identification number such as VIN (vehicle identification number) or serial number.
 - For IBM IoT Workers Compensation, an Item is a person who is covered by an applicable worker's compensation insurance policy.
 - For IBM IoT Safer Workplace, an Item is a person who is a worker for the Client.
 - For IBM IoT Home, an Item is a unique physical address.
- 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). Sufficient entitlements must be obtained to cover the total number of Gigabytes processed by the Cloud Service during the measurement period specified in Client's PoE or Transaction Document.

5.2 Overage Charges

If actual usage of the Cloud Service during the measurement period exceeds the entitlement specified in the PoE, an overage charge will be billed at the rate specified in the Transaction Document in the month following such overage.

5.3 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.

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.

7.2 Cloud Service Expiration

Before expiration or termination of the Cloud Service, Client can use any of the provided reporting or export features of the Cloud Service to extract data.

7.3 Intended Use

Client may not use or authorize others to use the Cloud Service, alone or in combination with other services or products, in support of any of the following high risk activities: design, construction, control, or maintenance of nuclear facilities, mass transit systems, air traffic control systems, automotive control systems, weapons systems, or aircraft navigation or communications, medical devices or any other activity where program failure could give rise to a material threat of death or serious personal injury.

Client acknowledges that IBM is acting as an information technology provider only, that IBM does not purport to be engaged in the practice of medicine or any other professional clinical or licensed activity, and the Cloud Services and all components thereof are not designed or intended to be a medical device, to be used within or as an accessory to a medical device or be a substitute for professional medical advice, diagnosis, treatment or judgment.

The Cloud Service is not intended for the storage or receipt of any identifiable Personal Data. Client is responsible for ensuring its use of the Cloud Service for Client Policy Holders meets all applicable legal and regulatory requirements. This may require undertaking steps not directly supported by the Cloud Service.