

Service Description

IBM Watson Supply Chain Insights

This Service Description describes the Cloud Service. The applicable order documents provide pricing and additional details about Client's order.

1. Cloud Service

IBM Watson Supply Chain Insights Standard Edition is a cloud-based offering providing visibility, insights and collaboration capabilities designed to support the Client's Supply Chain. The main components of the Cloud Service include an operations center, a collaboration space, and Ask Watson capabilities.

The Cloud Service will ingest data from Client's Supply Chain and visualize the data in the operations center. A standard data model is used to load Data Objects such as sales order, sales shipment, product inventory, supply order, supplier shipment and others. Each individual type or category of data is called a Data Object. Data can be loaded either by using the APIs or via a spreadsheet where the user will be guided through a mapping process. Client data will be retained for a minimum of 24 months while Client has an active Cloud Service subscription. IBM reserves the right to delete data that is more than 24 months old. There are out of the box key performance indicators (KPIs) that visualize the health of the Supply Chain based on the data that was loaded. There are visual alerts that provide a notification about a potential issue based on the KPI.

The collaboration space is referred to as resolution rooms and includes the limited use of Watson Workspace. Resolution rooms allows users to collaborate in a virtual space to work on an issue. Users can discuss and resolve business problems with other colleagues, business partners or suppliers and Watson. Watson is available to be a member of the resolution room. Client is limited to 20 GB of uploads per Authorized User available for storage of uploaded files and image. APIs are also available for use as described in the Additional Terms section.

Users can ask Watson questions in natural language. Watson can provide answers about Client's Supply Chain based on the data available in the data model and in other resolution rooms.

There are two base instances that are available for the IBM Watson Supply Chain Insights (SCI) Standard Edition Subscription and IBM SCI Enterprise Standard Edition.

1.1 Offerings

The Client may select from the following available offerings.

1.1.1 IBM SCI – Standard

For each Instance, this Cloud Service includes the following resources:

- Five (5) Authorized Users
- Four (4) Items (Data Objects)
- Five Hundred (500) Shipment Records

1.1.2 IBM SCI Enterprise – Standard

For each Instance, this Cloud Service includes the following resources:

- One Hundred (100) Authorized Users
- Eight (8) Items (Data Objects)
- Hundred Thousand (100,000) Shipment Records

1.2 Optional Services

The following optional services must match the respective base instance for either IBM Watson Supply Chain Insights – Standard, or IBM Watson Supply Chain Insights Enterprise – Standard.

1.2.1 Add-on for Additional Authorized Users

Client may acquire additional Authorized User entitlements to expand the number included in the Instance of the base subscription.

- a. IBM Watson Supply Chain Insights-AddOn-Authorized User

- b. IBM Watson Supply Chain Insights Enterprise-AddOn-Authorized User

1.2.2 Add-on for Additional Data Objects

Client may acquire additional Item entitlements to expand the number of Data Objects included in the Instance of the base subscription.

- a. IBM Watson Supply Chain Insights-AddOn-Data Object-Item
- b. IBM Watson Supply Chain Insights Enterprise-AddOn-Data Object-Item

1.2.3 Add-on for Additional Shipment Records

Client may acquire additional shipment record entitlements to expand the number included in the Instance of the base subscription.

- a. For IBM Watson Supply Chain Insights-AddOn-Resource Shipment Record – this add-on resource has a metric of Thousand Shipment Records.
- b. For IBM Watson Supply Chain Insights Enterprise – AddOn-Resource-Ten Thousand Shipment Records – this add-on resource has a metric of Ten Thousand Shipment Records.

1.2.4 Add-on for Non-Production Environment

Permits use of the Cloud Service as part of Client's non-production activities, including but not limited to testing, performance tuning, fault diagnosis, benchmarking, staging, quality assurance activity and/or developing internally used additions or extensions to the Cloud Service offering using published application programming interfaces. This edition of the Cloud Service is limited to:

- a. For IBM Watson Supply Chain Insights – Standard Non Production – concurrent use by no more than five Authorized Users at a time and 500 Shipment Records per month.
- b. For IBM Watson Supply Chain Insights Enterprise – Standard Non Production – concurrent use by no more than 100 Authorized Users at a time and 100,000 Shipment Records per month.

1.2.5 Pay Per Use Service

If the Client's use of the resources included in the Instance of the base subscription is exceeded, Client will be charged on a pay per use basis for the excess use. These pay per use services must match the respective base Instance of the subscription:

- IBM Watson Supply Chain Insights – Standard
 - IBM Watson Supply Chain Insights – Standard Edition-Base-Authorized User – Pay Per Use
 - IBM Watson Supply Chain Insights – Standard Edition-Base-Resource Item – Pay Per Use
 - IBM Watson Supply Chain Insights – Standard Edition-Base-Resource-Shipment Record – Pay Per Use
- IBM Watson Supply Chain Insights Enterprise – Standard
 - IBM Watson Supply Chain Insights Enterprise – Standard- Authorized User – Pay Per Use
 - IBM Watson Supply Chain Insights- Enterprise – Standard Edition Base Resource-Data Object – Pay Per Use
 - IBM Watson Supply Chain Insights Enterprise – Standard Edition Base – Resource-Ten Thousand Shipment Record – Pay Per Use

2. Data Processing and Protection Data Sheets

IBM's Data Processing Addendum at <http://ibm.com/dpa> (DPA) and the Data Processing and Protection Data Sheet(s) (referred to as data sheet(s) or DPA Exhibit(s)) in the links below provide additional data protection information for the Cloud Services and its options regarding the types of Content that may be processed, the processing activities involved, the data protection features, and specifics on retention and return of Content. The DPA applies if and to the extent the European General Data Protection Regulation (EU/2016/679) (GDPR) applies to personal data contained in Content.

IBM Watson Supply Chain Insights

<https://www.ibm.com/software/reports/compatibility/clarity-reports/report/html/softwareReqsForProduct?deliverableId=C0D1C7801BDF11E7A99D5014AD6C3D46>

IBM Watson Workspace

<https://www.ibm.com/software/reports/compatibility/clarity-reports/report/html/softwareReqsForProduct?deliverableId=FD58334063C211E6865BC3F213DB63F7>

3. Service Levels and Technical Support

3.1 Service Level Agreement

IBM provides the Client with the following availability service level agreement (SLA). IBM will apply the highest applicable compensation based on the cumulative availability of the Cloud Service as shown in the table below. The availability percentage is calculated as the total number of minutes in a contracted month, minus the total number of minutes of Service Down in the contracted month, divided by the total number of minutes in the contracted month. The Service Down definition, the claim process and how to contact IBM regarding service availability issues are in IBM's Cloud Service support handbook at https://www.ibm.com/software/support/saas_support_overview.html.

Availability	Credit (% of monthly subscription fee*)
Less than 99.9%	2%
Less than 99.0%	5%
Less than 95.0%	10%

* The subscription fee is the contracted price for the month which is subject to the claim.

3.2 Technical Support

Technical support for the Cloud Service, including support contact details, severity levels, support hours of availability, response times, and other support information and processes, is found by selecting the Cloud Service in the IBM support guide available at <https://www.ibm.com/support/home/pages/support-guide/>.

4. Charges

4.1 Charge Metrics

The charge metric(s) for the Cloud Service are specified in the Transaction Document.

The following charge metrics apply to this Cloud Service:

- Authorized User is a unique user authorized to access to the Cloud Services in any manner directly or indirectly (for example, through a multiplexing program, device or application server) through any means.
- Instance is each access to specific configuration of the Cloud Services.
- Item is an occurrence of a specific item that is managed by, processed by, or related to the use of the Cloud Service.
- Shipment Record is a record that represents a shipment of goods, irrespective of the number of item records, order records, or package counts contained within the set of goods processed by the Cloud Services.

5. Additional Terms

For Cloud Service Agreements (or equivalent base cloud agreements) executed prior to January 1, 2019, the terms available at <https://www.ibm.com/acs> apply.

5.1 Guest Users

A Guest User is someone whom Client has authorized to access the Cloud Service. Guest users can be employees or contractors of the Client or users that are not a member of the Client's company or organization. Guest Users may be required to execute an online agreement provided by IBM prior to accessing the Cloud Service. Client is responsible for Guest Users use of the Cloud Service, including but not limited to a) any claims made by Guest Users relating to the Cloud Service, b) charges incurred by the Guest User, or c) any misuses of the Cloud Service by Guest Users. Guest Users can only use

Resolution Room and all other users must have a subscription to use the Cloud Service. IBM reserves the right at a future time to limit the number of guest users. Guest Users are limited to 1 GB of uploads per guest user available for storage of uploaded files and image.

5.2 IBM Watson Workspace API Terms

These terms apply to Client's use of Watson Workspace APIs to create applications within the Cloud Service. Client may publish applications to the catalog provided within the Cloud Service ("Catalog") or provide access to applications to End Users outside of the Catalog subject to this Service Description.

Definitions

- a. **Application Entry** – means the description of the application and terms of use, as specified by the Client in connection with the application that the Client wishes to publish to the Catalog or to share via URL outside of the Catalog.
- b. **End User** – means a user who accesses the Cloud Service.

5.2.1 Client Contact Information

IBM may verify the contact information the Client submits and may use the contact information the Client provides to communicate with the Client about the application(s) that the Client publishes and to provide the Client with information about the Cloud Service. IBM reserves the right to suspend the Client's access and ability to publish to the Catalog if, in IBM's opinion, the Client is in violation of the terms of this Exhibit.

5.2.2 Application Restrictions

The Client agrees to adhere to the following terms with respect to any application the Client creates using the Watson Work APIs within the Cloud Service:

- Do not publish or provide access to an application that contains any information that is confidential to the Client or a third party.
- Do not publish or provide access to an application that contains information that is proprietary to a third party without first having obtained their consent to do so.
- Do not publish or provide access to an application, or include links from the Client's application to Internet sites that contain, unlawful, defamatory, obscene, offensive, fraudulent or otherwise objectionable activity.
- Do not publish or provide access to an application that contains any Sensitive Personal Information, as defined in Security Description (Section 2) of the terms above.
- Do not publish or provide access to an application that is directed at children under the age of 13.
- Do not publish or provide access to viruses, worms, defects, Trojan horses, corrupted files, or any other items of a destructive or deceptive nature.
- Do not publish or provide access to an application that contains any of the following, including but not limited to, photographs, images or graphics, that are protected by patent, trademark, copyright, trade secret, or other proprietary right of any party, unless the Client is the owner of such rights or has the permission of the owner to post such content within an application. If required by the third-party owner, acknowledge their copyright or trademark to that portion of the application.
- Do not publish or provide access to an application that violates these terms or any applicable laws or regulations.
- Do not impersonate another person or otherwise misrepresent the Client or the source of any application.
- Do not publish or provide access to an application that falsely expresses or implies that such application is sponsored or endorsed by IBM.
- Client's application must use strong encryption when storing End User content and if the content is cached, it must be refreshed every 24 hours.
- Client's application must only use its own provided key and secret to access the Watson Work API's.
- Client must delete all content collected from an End User of the Cloud Service at the request of the End user as required by applicable law. Further, Client must delete all content collected from End Users when Client's application is removed from a space within the Cloud Service.

- Do not publish or provide access to an application that allows content collected from End Users to be used for any form of advertising.
- Do not publish or provide access to an application that allows use of content collected from End Users to contact those End Users outside of the Cloud Service without express permission.

IBM may review Client's application and reserves the right to require that Client makes modifications for it to be shared or remain published on the Catalog.

The Client understand and acknowledges that by adding an application to the Cloud Service and sharing via URL or publishing in the Catalog, the Client is granting End Users public access to the Client Application entry and Client's application subject to the Service Description for the Cloud Service, the applicable base agreement (e.g. Cloud Service Agreement) and the terms of the end user agreement between the Client and End Users of the application.

The Client grants to IBM a non-exclusive, royalty-free, worldwide license to use, display and distribute the Client's trademarks as logos ("Client Marks") as contained in the Client's application or provided to IBM in the Catalog, in connection with the marketing and promotion of the Client's application. The Client represents that the Client is the owner and/or authorized licensor of the Client Marks and that they do not infringe any third-party intellectual property. As between the Client and IBM, all goodwill associated with the Client Marks will inure to the Client's benefit. IBM may reformat or resize Client Marks as necessary without altering the overall appearance of the Client Marks.

The Client agrees that all right in and to patents, copyright, trademarks, and all other intellectual property rights in the Cloud Service will remain with IBM and its suppliers.

5.2.3 Cognitive Request Limits

The Cloud Service is intended for users and integrated applications to share content. This content is analyzed by Watson Cloud Platform cognitive features to help summarize key topics and Moments. IBM reserves the right to limit usage of Watson to process application generated messages.

5.2.4 End User Agreements for use of Applications

As between the Client and IBM, the Client is solely responsible for making the Client's application available to End Users and for licensing or otherwise granting rights to the Client's application. Client is responsible for having End User terms which apply to use of Client's application accessible for all End Users to review within the Application Entry or if provided to End Users outside the Application Entry, then displayed in a manner that provides the End User the right to review the End User terms of the application prior to using it. Such agreements will be between the Client and the End User directly and will not create any obligations or responsibilities of any kind for IBM. Client agrees that the agreement between the Client and the End User shall contain terms that, at a minimum, comply with the terms of this Exhibit and require any other End User using Client's application to comply with this Exhibit as well in their use of the application.

5.2.5 Support

The Client is responsible for providing support to End Users for the Client's application.

5.2.6 IBM Watson Conversation Service Connection

Client can connect an IBM Watson Conversation Service instance ("Watson Conversation") to their application to analyze content within the Cloud Service. Client understands that by connecting their application to Watson Conversation and using or allowing the application to be used within the Cloud Service, the application will automatically send certain content to the connected Watson Conversation instance. Further, Client understands that this connection is made with credentials which Client must provide to IBM in order to link Client's application to the Watson Conversation instance. Client is responsible for providing the correct credentials to IBM and understands that by doing so, use of Client's application, by Client or otherwise, may incur charges to the account associated with the Watson Conversation credentials provided, subject to the Watson Conversation terms separately agreed to by the account owner of the Watson Conversation instance.

5.2.7 Freedom of Action

The Client understands and agrees that IBM has absolutely no obligation to use, post or keep posted Client's application (or any portion thereof) at all or in any manner. IBM may, in its sole discretion, discontinue the Catalog, or limit, discontinue access or remove the application from the Catalog or within

the Cloud Service for any reason without notice. The Client understands that IBM will not compensate the Client with respect to posting or use of the application.

5.2.8 Responding to Notices

IBM reserves the right, but does not have the obligation, to monitor the Catalog and applications used within the Cloud Service. IBM also retains the right, in its discretion, to decline any application, or remove any previously published application.