

Service Description

IBM Financial Crimes Insight with Watson

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

1.1 IBM Financial Crimes Insight with Watson (base)

IBM Financial Crimes Insight with Watson is a required component that provides the Instance of the Cloud Service.

In addition to subscribing to IBM Financial Crimes Insight with Watson, Clients must also subscribe to one of the following Cloud Services:

1.2 IBM Financial Crimes Alerts Insight with Watson

IBM Financial Crimes Alerts Insight with Watson utilizes data from historical cases, data aggregation of contextual evidence, and machine learning capabilities with the goal of streamlining the alert triage process, reducing false positives, accelerating disposition of the alert, and improving decision-making through a better understanding of entity risk. The service is an additional component that fits between the Client's institution existing transaction monitoring and case management systems.

1.3 IBM Financial Crimes Due Diligence with Watson

IBM Financial Crimes Due Diligence with Watson utilizes cognitive computing technology to screen, extract, and link relevant content from structured and unstructured data sources with the goal of improving understanding of entities or related risk, and reducing the time it takes to complete Know Your Customer (KYC) activities. The solution helps automate customer information research and analysis through aggregation of a variety of data sources. The goal of the service is an enhanced quality of KYC records in addition to an improved client experience through streamlined completion of research and onboarding.

1.4 Set-Up Services

The following set-up services are required in order for Client to be provisioned for use of the corresponding Cloud Service:

- IBM Financial Crimes Alerts Insight with Watson Set-up
- IBM Financial Crimes Due Diligence with Watson Set-up

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.

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 does encrypt content during data transmission between the IBM network and the Client's infrastructure. The Cloud Service does encrypt content when at rest awaiting data transmission.

3. 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.

4. Entitlement and Billing Information

4.1 Charge Metrics

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

- a. **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.
- b. **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.
 - (1) **IBM Financial Crimes Alerts Insight with Watson:**

For the purpose of this Cloud Service, an Event is information identified as an alert by the Cloud Service. Clients must obtain sufficient Cloud Services to cover the highest number of Alerts processed in one calendar month.
 - (2) **IBM Financial Crimes Due Diligence with Watson:**

For the purpose of this Cloud Service, an Event is any search processed by the Cloud Service, including identical repeated searches, in one calendar month.
- 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.

4.2 Set-Up Charges

A one-time setup fee will be billed at the rate specified in the Transaction Document for each setup service ordered.

4.3 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. 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.

6. Additional Terms

6.1 General

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

6.2 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. Custom data extraction services are available under a separate agreement.

Upon receiving a support request from Client within 30 days of the Cloud Service expiration or termination date, IBM will return to Client an electronic copy of Client's content in the native application format.

6.3 No Guaranty of Compliance

Client acknowledges and agrees that, although the Cloud Service is designed for use as a tool for assisting compliance professionals and others, there is no guaranty that use of the Cloud Service and any other product or service that may be provided by IBM will result in compliance with applicable laws and regulations. In no event shall IBM, or any employee, officer, director, agent, or representative of IBM have any responsibility or liability for such Client compliance. Client is responsible for the results obtained from the use of the Cloud Service.

6.4 Lawful Use of Cloud Service

This Cloud Service suggests output based on applying models, rules, and algorithms to data provided by Client, and, as such, the completeness, accuracy and reliability of the output will vary. Use of this Cloud Service may implicate various laws or regulations, including those related to securities, banking, financial transactions, insurance, privacy, gaming, data protection, and employment. Client agrees that it will obtain or has obtained any consents, permissions, or licenses that may be needed including the legal right to use communications, data, or text submitted in the Cloud Service and will only use the Cloud Service in accordance with applicable laws and regulations.