

Service Description

IBM IoT for Energy and Utilities On Cloud

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

IoT for Energy and Utilities On Cloud offers cognitive, descriptive, predictive, and prescriptive analytic tools, combined with visualization, internet-of-things data integration, and data lake capabilities to handle the big data needs of the utility industry.

1.1 IBM IoT for Energy and Utilities Standard User On Cloud

Subscription to this Cloud Service includes user application configuration, data science and development capabilities, and functionality enabled by the SaaS Artifacts.

- a. Ability to administer the Cloud Service via administrative interfaces
- b. Import and export data/results from/to Client's and third parties' systems to help facilitate system integration.
- c. Create Customized SaaS Artifacts for their environment using the enabling software, with the exception of IBM ILOG CPLEX Optimization Studio.
- d. Leverage Weather Content during creation of Customized SaaS Artifacts.
- e. Consolidation and visualization of data from disparate sources
- f. Data analytics
- g. Reporting and collaboration

1.2 IBM IoT for Energy and Utilities Decision Optimization User on Cloud

This service allows Client to create Customized SaaS Artifacts for their environment using the enabling software IBM ILOG CPLEX Optimization Studio.

1.3 IBM IoT for Energy and Utilities Limited User on Cloud

Users of this offering have access to the following capabilities only:

- a. Limited Users may access the system to use read-only features like dashboards.
- b. Download reports or generate pre-defined reports.

1.4 IBM IoT for Energy and Utilities Asset Analytics On Cloud

Subscription to this Cloud Service includes the following capabilities:

- a. Asset Analytics is used to measure and define the maximum number of assets that can be managed in the Cloud Service.
- b. It enables Standard Users to run on assets the analytical models included in the Cloud Service or other custom built analytical models.
- c. It enables Limited Users to access read-only features on assets included in the Cloud Service or custom built.

1.5 IBM IoT for Energy and Utilities Weather Data On Cloud

Subscription to this Cloud Service includes the following capabilities:

- a. Access to Weather Content through Application Programming Interfaces (APIs) for use with SaaS Artifacts.
- b. Access to Weather Content visualizations available in the Cloud Service.

1.6 IBM IoT for Energy and Utilities on Cloud for Non-Production Environment

This Cloud Service enables Client to use the IoT for Energy and Utilities functions available to the Standard User but is limited to use in a non-production environment. Non-production use is defined as for internal non-production activities, including testing, performance tuning, fault diagnosis, internal

benchmarking, staging, quality assurance activity and/or developing internally-used additions or extensions to the Cloud Service using published application programming interfaces.

1.7 Setup Services

1.7.1 IBM IoT for Energy and Utilities Setup On Cloud

This setup service enables the activation of the Cloud Service before the start of the Cloud Service billing period for users and assets. Users do not have access to the Cloud Service during the activation period.

2. Content and Data Protection

The Data Processing and Protection data sheet (Data Sheet) provides information specific to the Cloud Service regarding the type of Content enabled to be processed, the processing activities involved, the data protection features, and specifics on retention and return of Content. Any details or clarifications and terms, including Client responsibilities, around use of the Cloud Service and data protection features, if any, are set forth in this section. There may be more than one Data Sheet applicable to Client's use of the Cloud Service based upon options selected by Client. The Data Sheet may only be available in English and not available in local language. Despite any practices of local law or custom, the parties agree that they understand English and it is an appropriate language regarding acquisition and use of the Cloud Services. The following Data Sheet(s) apply to the Cloud Service and its available options. Client acknowledges that i) IBM may modify Data Sheet(s) from time to time at IBM's sole discretion and ii) such modifications will supersede prior versions. The intent of any modification to Data Sheet(s) will be to i) improve or clarify existing commitments, ii) maintain alignment to current adopted standards and applicable laws, or iii) provide additional commitments. No modification to Data Sheet(s) will materially degrade the data protection of a Cloud Service.

Link(s) to the applicable Data Sheet(s):

<https://www.ibm.com/software/reports/compatibility/clarity-reports/report/html/softwareReqsForProduct?deliverableId=1400256238509>

Client is responsible to take necessary actions to order, enable, or use available data protection features for a Cloud Service and accepts responsibility for use of the Cloud Services if Client fails to take such actions, including meeting any data protection or other legal requirements regarding Content.

IBM's Data Processing Addendum at <http://ibm.com/dpa> (DPA) and DPA Exhibit(s) apply and are referenced in as part of the Agreement, if and to the extent the European General Data Protection Regulation (EU/2016/679) (GDPR) applies to personal data contained in Content. The applicable Data Sheet(s) for this Cloud Service will serve as the DPA Exhibit(s). If the DPA applies, IBM's obligation to provide notice of changes to Subprocessors and Client's right to object to such changes will apply as set out in DPA. Service Level Objectives

The service level objectives for this Cloud Service are:

- 99.5% availability outside of regularly scheduled maintenance windows
- Maximum 5 second response time indicating web page activity is occurring

Service level objectives are a goal and do not constitute a warranty to Client. There is no refund, credit, or other remedy available in the event IBM does not meet the service level objectives.

3. Technical Support

Technical support for the Cloud Service is provided via email, online forums, and an online problem reporting system. IBM's software as a service support guide available at https://www-01.ibm.com/software/support/saas_support_guide.html provides technical support contact 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:

- 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 PoE or Transaction Document.

- 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.
- Concurrent User is a unit of measure by which the Cloud Service can be obtained. A Concurrent User is a person who is accessing the Cloud Service at any particular point in time. Regardless of whether the person is simultaneously accessing the Cloud Service multiple times, the person counts only as a single Concurrent User. Client must obtain entitlements for the maximum number of Concurrent Users simultaneously accessing the Cloud Service in any manner directly or indirectly (for example: via a multiplexing program, device, or application server) through any means during the measurement period specified in Client's PoE or Transaction Document.
- 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.

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.

4.4 Billing Frequency

Based on selected billing frequency, IBM will invoice Client the charges due at the beginning of the billing frequency term, except for overage and usage type of charges which will be invoiced in arrears.

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. Renewals are subject to an annual price increase as specified in a quote. In the event the automatic renewal is after receipt of an IBM notice of a withdrawal of the Cloud Service, the renewal term will end the earlier of the end of the current renewal term or the announced withdrawal date.

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.

Client may not use Cloud Services, 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, or any other activity where [program] failure could give rise to a material threat of death or serious personal injury.

The Cloud Service and its output are not to be relied upon in substitution for the exercise of independent judgment.

Considerations identified by the Cloud Service are suggestions only and do not replace Client's or Cloud Service users' expert judgment. Based on the Cloud Service users' own experience, courses of action not identified by the Cloud Service may exist that should be considered.

The Cloud Service should only be used to assist qualified personnel acting within their areas of competence, and only such persons are permitted to utilize the Cloud Service.

The Cloud Service does not include information on alternative options associated with each suggested option. These options are an important component of a comprehensive plan and should be carefully considered when making decisions.

6.2 Enabling Software

The Cloud Service requires the use of enabling software that Client downloads to Client systems to facilitate use of the Cloud Service. Client may use enabling software only in connection with use of the Cloud Service. Enabling software is provided "AS-IS".

- IBM Cognos Framework Manager
- IBM Data Server Runtime Client
- IBM SPSS Modeler Premium
- IBM SPSS Collaboration and Deployment Services
- IBM SPSS Statistics
- IBM SPSS Data Access Pack
- IBM Integration Bus
- IBM ILOG CPLEX Optimization Studio

6.3 IBM SPSS Data Access Pack

The IBM SPSS Data Access Pack is provided exclusively for use by the following enabling software: IBM SPSS Modeler Premium.

Neither Client nor any application, program or device is authorized to directly use or access the services of the IBM SPSS Data Access Pack, except Client may access the IBM SPSS Data Access Pack to perform administrative functions for the IBM SPSS Data Access Pack such as backup, recovery and authorized configuration.

6.4 Use of Enabling Software

SaaS Artifacts

- a. **SaaS Artifacts** – means materials which include, but are not limited to: predictive models; business rules; message flows; business intelligence models, reports, active reports and dashboards; master data management model structure, data schema, custom user interfaces. Predefined and preconfigured SaaS Artifacts are included with the Cloud Service.
- b. **Customized SaaS Artifacts** – means modified SaaS Artifacts or net new SaaS Artifacts.

Client may not alter or delete any copyright information or notices contained in the SaaS Artifacts.

SaaS Artifacts and Customized SaaS Artifacts may only be used with the Cloud Service and may not be used independently. The Cloud Service does not provide subject matter expertise on creation or validation of Customized SaaS Artifacts. Deployment of Customized SaaS Artifacts to the Cloud Service is separate from the Cloud Service and may require separate services.

IBM has no obligation of support for Customized SaaS Artifacts. Any Cloud Service warranties are not applicable to the Customized SaaS Artifacts.

SaaS ARTIFACTS ARE PROVIDED "AS IS", WITH NO WARRANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING THE WARRANTY OF TITLE, NON-INFRINGEMENT OR NONINTERFERENCE AND THE IMPLIED WARRANTIES AND CONDITIONS OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

Client may only use the enabling software to modify SaaS Artifacts or to create net new SaaS Artifacts. (Collectively customized SaaS Artifacts) Should Client's access to the Cloud Service be terminated, the SaaS Artifacts will also be terminated, and Client must remove all SaaS Artifacts from its systems and destroy all copies.

7. IBM Weather Content Additional Terms

Weather Content – means weather data, both historical and forecasted (including without limitation forecasts, maps, alerts and graphs).

7.1 Termination of Service

Upon expiration or termination of Client's subscription, Client shall immediately cease all use of Weather Content and promptly delete all Weather Content from its systems.

7.2 Restrictions on Usage

Client's use of the Weather Content is restricted solely to its own internal use. Client may not reproduce, redistribute, retransmit, demonstrate, convey, sublicense, externally display or exhibit either:

- the Weather Content, any parts thereof; or
- any results, conclusions or insights reached as a result of using Weather Content ("Derived Content"), directly or indirectly, in any form or manner, accessible by a third party (e.g. Client's customers, business partners or product end users) ("Third Party Facing Application") the essential purpose of which is to provide historic, current or forecast weather or atmospheric conditions or analysis thereof. To the extent Client does or authorizes the display of Derived Content as part of a Third Party Facing Application, Client shall not imply, directly or indirectly that IBM provides, endorses, sponsors, certifies or approves the Derived Content or any products or services promoted or associated with the Derived Content.

Client shall not use the Cloud Service or Weather Content to target or trigger advertising, serve advertising based on the Weather Content being associated with the location of any user of a consumer facing technology (e.g., weather-triggered advertising), or use the Cloud Service or Weather Content for any marketing or content-based decisioning.

Client shall not use the Weather Content as part of any offering of any type emanating from a television or radio broadcast (e.g., over-the-air, cable, satellite) or subscription streaming service (e.g., Sling Television, Netflix, Hulu, Amazon Prime Video, HBO GO, or radio equivalent) delivered on, through or by any means or medium.

Client agrees that the APIs and related specifications and documentation are IBM confidential information and cannot be used or disclosed outside the terms of this Service Document.

Client acknowledges IBM may change the style, form or content of, and eliminate or discontinue segments of, the Weather Content from time to time and at any time in its sole discretion; provided, IBM will include Client in its communications to similarly situated customers regarding material changes in the Weather Content.

Weather Content may only be used in conjunction with the Cloud Service in accordance with the terms of this Service Document. Weather Content may not be used independently of this Cloud Service.

7.3 Country Limitations on Usage

Client is responsible for, and IBM's obligations under this Service Document shall be conditioned on Client determining whether its use of the Weather Content is permissible and, to the extent necessary, obtaining, all necessary licenses, permits, approvals or authorizations from any governmental entity or agency in the country or territory in which it operates or uses the Weather Content.

7.4 As Is Materials

ALL WEATHER AND WEATHER-RELATED INFORMATION, FORECASTS AND ALERTS, ARE PROVIDED "AS IS", AND IBM SHALL NOT BE RESPONSIBLE OR LIABLE FOR THE ACCURACY, RELIABILITY, COMPLETENESS OR AVAILABILITY OF SUCH MATERIALS.