IBM Watson Analytics

This Service Description describes the Cloud Service IBM provides to Client. Client means and includes the company, its authorized users or recipients of the Cloud Service.

1. Cloud Service
   The Cloud Service offering provided by IBM is described below. The applicable Quotation and Proof of Entitlement (PoE) are provided as separate Transaction Documents.

1.1 IBM Watson Analytics
   IBM Watson Analytics delivers a unified analytics experience on the cloud and helps users focus on the drivers that impact their business. By automating the steps of data access and predictive analysis, the Cloud Service identifies and explains hidden patterns and relationships to accelerate understanding of why things happened.

   The Cloud Service offering includes the following capabilities:
   - Engaging User Experience – presentation of data and insights in a format which allows users to understand and interact with their data
   - Data Discovery – visually explore and interact with data to find patterns and derive insights
   - Guided Analytic Discovery – embedded predictive analytics that automatically performs statistical correlations and key driver analysis
   - Natural Language Dialogue – interact with data through a keyword-driven English language interface using familiar business terms
   - Mobile First – optimized for tablet devices for analysis on-the-go
   - Data Access – automatically accesses and then uniquely scores the readiness of Client’s data for analysis, highlighting potential data issues that could compromise results

1.2 Freemium Tier Access
   The Cloud Service allows users to access the service at no cost (“Freemium tier”) subject to the following use limitations:
   - Single user environment
   - Load and analyze individual .xls, xlsx or .csv files with fewer than 100,000 rows and 50 columns
   - Total storage of 500 MB where data storage includes source files loaded into the cloud environment and content created within the application
   - Export objects as PDF only

   Clients wishing to exceed these use limitations must subscribe to Watson Analytics Personal Edition or Watson Analytics Professional Edition.

   IBM may withdraw the Freemium Tier on three months’ notice. Clients may choose to subscribe to the IBM Watson Analytics Personal Edition or Watson Analytics Professional Edition.

1.3 IBM Watson Analytics Personal Edition
   IBM Watson Analytics Personal Edition is a single-user environment that includes all of the capabilities of Freemium tier as well as the following additional features and expanded capacities:
   - Load .xls, xlsx or csv files containing no more than 1,000,000 rows and 256 columns
   - Total Storage of 2 GB where data storage includes source files loaded into the cloud environment and content created within the application
   - Export to PPT file format
   - Storytelling
Storytelling is a set of capabilities available within Watson Analytics that allows a user to bring analyses created in Watson Analytics together into an assembled narrative. Within a story a user can use existing content or build directly new content and then work with text, images, webpages, media and animation to create rich interactive presentations. This feature is currently offered as a “Beta Function”.

- Infographics
- Templates
- Twitter Content
- Connections to: DropBox, Box, and Microsoft OneDrive

1.4 IBM Watson Analytics Professional Edition

- Watson Analytics Professional Edition is a multi-user environment that includes all of the capabilities of Personal Edition as well as the following additional features and expanded capacities:
  - Load .xls, .xlsx or csv files containing no more than 10,000,000 rows and 500 columns
  - Total storage of 100 GB where data storage includes source files loaded into the cloud environment and content created within the application
  - Expanded Twitter Content
  - Connection to Cognos 10 Reports

1.5 Optional Services

1.5.1 IBM Watson Analytics Personal Storage Add-on

Available as an add-on to a monthly subscription of IBM Watson Analytics Personal Edition, each subscription entitlement to this Cloud Service provides an additional 10 GB of storage for user created content, beyond the maximum defined in the contracted tier.

1.5.2 IBM Watson Analytics Multiple User Storage Add-on

Available as an add-on to a monthly subscription of IBM Watson Analytics Professional Edition, each subscription entitlement to this Cloud Service provides an additional 50 GB of storage for user created content, beyond the maximum defined in the contracted tier.

1.6 Disaster Recovery and Backup

All Cloud Service offerings provide Client with a disaster recovery plan and content backup support.

1.6.1 Disaster Recovery

If a catastrophic event arises as a result of acts of God, terrorism, labor action, fire, flood, earthquake, riot, war, governmental acts, orders or restrictions, viruses, denial of service attacks and other malicious conduct, utility and network connectivity failures, or any other cause of Cloud Service unavailability outside IBM’s reasonable control, IBM will restore Client’s access to the Cloud Service within 14 days.

1.6.2 Content Backup

Content backups are taken daily and copied to an off-site location to protect the content from a catastrophic event. Every 7 days, a full database backup is taken and each subsequent day a comparative differential backup is taken. IBM will retain the last 7 days of daily differential backups and the last 28 days of full backups. Backups are encrypted at rest on a disk-based backup system and during transmission to the offsite location.

1.7 Beta Functions in Watson Analytics

Beta Functions provided with the IBM Cloud Service are not part of the IBM Cloud Service. Beta Functions are provided under the same terms as the Cloud Service, except as provided below. Some or all of the Beta Functions may not be made generally available by IBM as or in a product or offering. Client is permitted to use Beta Functions only for internal use for evaluation purposes and not for use in a production environment. Client may use the Beta Functions until IBM withdraws them or terminates access to it. IBM provides the Beta Functions without obligation of support and “AS IS.” WITHOUT WARRANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, THE WARRANTY OF TITLE, NON-INFRINGEMENT OR NON-INTERFERENCE AND ANY IMPLIED WARRANTIES AND CONDITIONS OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.
Client should take precautions to avoid any loss of data that might result when the Beta Functions can no longer be used.

Client agrees IBM may use all feedback and suggestions Client provides.

2. Security Description

2.1 Security Policies

IBM has an information security team and maintains privacy and security policies that are communicated to IBM employees. IBM requires annual privacy and security training for personnel. IBM security policies are revalidated annually based on industry practices and IBM business requirements. Security incidents are handled based on comprehensive incident response procedures. IBM maintains physical security standards designed to limit access to authorized personnel at IBM data centers, including limited and monitored access points. Visitors register upon entering and are escorted while on the premises.

2.2 Access Control

IBM authorized staff use two–factor authentication to an intermediate “gateway” management host. IP Blocking may be utilized to prevent access by known compromised Internet sites and users in U.S. embargoed countries. Access to Client data and transfer of data in or out of the hosting environment is logged. WIFI use is prohibited within the IBM data centers that support this Cloud Service.

The Cloud Service does encrypt content during data transmission between the IBM network and Data Power Box.

2.3 Service Integrity and Availability

Modifications to operating systems, application software, and firewall rules are handled under IBM’s change management process. Changes to firewall rules are reviewed by the IBM security staff before implementation. IBM monitors the data center 24x7. Internal and external vulnerability scanning is conducted regularly by authorized administrators and third party vendors to help detect and resolve potential system security exposures. Malware detection systems (antivirus, intrusion detection, vulnerability scanning, and intrusion prevention) are used in all IBM data centers. IBM’s data center services support a variety of information delivery protocols for transmission of data over public networks. Examples include HTTPS/SFTP/FTPS/S/MIME and site-to-site VPN. Backup data intended for off-site storage is encrypted prior to transport.

2.4 Activity Logging

IBM maintains logs of its activity for systems, applications, data repositories, middleware and network infrastructure devices that are capable of and configured for logging activity. To minimize the possibility of tampering and to enable central analysis, alerting and reporting, activity logging is done in real-time at central log repositories. Data is signed to prevent tampering. Logs are analyzed in real-time and via periodic analysis reports to detect anomalous behavior. Operations staff is alerted to anomalies and contacts a 24x7 on-call security specialist when needed.

2.5 Compliance

This Cloud Service is not US-EU Safe Harbor certified.

IBM performs industry standard SSAE 16 audits (or their equivalent) annually in production data centers for compliance with IBM information security policies. IBM maintains annual SOC II certification for specific SoftLayer data center location(s) used to provide the Cloud Service. IBM’s SOC II review audits the security, availability and process integrity of how SoftLayer data centers operate its physical facilities. The audit report is available to Client and its auditors upon request.

3. Service Level Agreement

IBM provides the following availability service level agreement (“SLA”) for the Cloud Service as specified in the Transaction Document. The SLA is not a warranty.

3.1 Definitions

a. "Availability Credit" means the compensation IBM will provide for a validated Claim. The Availability Credit will be applied in the form of a credit against a future invoice for the Cloud Service if acquired directly from IBM. If the Cloud Service is acquired from an IBM Business Partner, then IBM will make a rebate directly available to Client.
b. “Claim” means a claim Client submits to IBM that a service level has not been met during a Contracted Month.

c. “Contracted Month” means each full calendar month during the Cloud Service term measured from 12:00 a.m. Eastern US time on the first day of the month through 11:59 p.m. Eastern US time on the last day of the month.

d. “Downtime” means a period of time during which production system processing for the Cloud Service for which Client is entitled to use is not available. Downtime does not include the period of time when the Cloud Service is not available because of:

(1) a scheduled or announced maintenance outage;
(2) Events or causes beyond IBM’s control (e.g., natural disaster, internet outages, emergency maintenance, etc.);
(3) problems with content, equipment, or applications Client uses with the Cloud Service or any third party software, hardware, or other technology;
(4) Client’s failure to adhere to required system configurations and supported platforms or Client system administration, commands, or programming errors;
(5) Client’s caused security breach or any security testing performed by Client; or
(6) IBM’s compliance with any designs, specifications, or instructions that Client provides to IBM or a third party provides to IBM on Client’s behalf.

e. “Event” means a circumstance or set of circumstances taken together, resulting in a failure to meet a service level.

3.2 Availability Credits

To submit a Claim, Client must log a Severity 1 support ticket (as defined below in the Technical Support section) for each Event with the IBM technical support help desk within 24 hours of first becoming aware that the Event has impacted use of the Cloud Service. Client must provide all necessary information about the Event and reasonably assist IBM with the diagnosis and resolution.

A Claim for Availability Credit must be submitted within three (3) business days after the end of the Contracted Month in which the Claim arose.

a. Availability Credits are based on the duration of Downtime measured from the time Client reports the Downtime. For each valid Claim, IBM will apply the highest applicable Availability Credit based on the cumulative availability of the Cloud Service during each Contracted Month, as shown in the table below.

The total Availability Credits awarded with respect to any Contracted Month cannot exceed 10 percent of one twelfth (1/12th) of the annual charge for the Cloud Service.

3.3 Service Levels

Availability of the Cloud Service during a Contracted Month

<table>
<thead>
<tr>
<th>Availability during a Contracted Month</th>
<th>Availability Credit (% of Monthly Subscription Fee* for Contracted Month that is the subject of a Claim)</th>
</tr>
</thead>
<tbody>
<tr>
<td>99.0-99.75 %</td>
<td>2%</td>
</tr>
<tr>
<td>95.0-98.99 %</td>
<td>5%</td>
</tr>
<tr>
<td>Less than 95.0 %</td>
<td>10%</td>
</tr>
</tbody>
</table>

* 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%.

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 a Contracted Month.

Example: 500 minutes total Downtime during Contracted Month

\[
\frac{43,200 \text{ total minutes in a 30 day Contracted Month} - 500 \text{ minutes}}{43,200 \text{ total minutes in a 30 day Contracted Month}} = 5\% \text{ Availability Credit for}
\]
3.4 Other Information about this SLA
This SLA is available to the Client company and does not apply to claims made by a user of the Cloud Service or for any beta or trial services. The SLA only applies to the Cloud Services in productive use. It does not apply to non-production environments, including but not limited to test, disaster recovery, quality assurance, or development.

4. Technical Support
Technical support for the Cloud Service is provided via email, online forums, and an online problem reporting system as described below. Technical support is offered with the Cloud Service and is not available as a separate offering.

<table>
<thead>
<tr>
<th>Severity</th>
<th>Severity Definition</th>
<th>Response Time Objectives</th>
<th>Response Time Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Critical business impact/service down: Business critical functionality is inoperable or critical interface has failed. This usually applies to a production environment and indicates an inability to access services resulting in a critical impact on operations. This condition requires an immediate solution.</td>
<td>Within 1 hour</td>
<td>24x7</td>
</tr>
<tr>
<td>2</td>
<td>Significant business impact: A service feature or function is severely restricted in its use or Client is in jeopardy of missing business deadlines.</td>
<td>Within 2 business hours</td>
<td>M-F business hours</td>
</tr>
<tr>
<td>3</td>
<td>Minor business impact: Indicates the service or functionality is usable and it is not presenting a critical impact on operations.</td>
<td>Within 4 business hours</td>
<td>M-F business hours</td>
</tr>
<tr>
<td>4</td>
<td>Minimal business impact: An inquiry or non-technical request.</td>
<td>Within 1 business day</td>
<td>M-F business hours</td>
</tr>
</tbody>
</table>

5. Entitlement and Billing Information

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

a. Authorized User is a unit of measure by which the Cloud Service can be obtained. An Authorized User is a unique person who is given access to the Cloud Service. Client must obtain separate, dedicated entitlements for each Authorized User accessing the Cloud Service offering in any manner directly or indirectly through any means during the measurement period specified in the Order Document. An entitlement for an Authorized User is unique to that Authorized User and may not be shared, nor may it be reassigned other than for the permanent transfer of the Authorized User entitlement to another person. Any computing device that requests the execution of or receives for execution a set of commands, procedures, or applications from the Program or that is otherwise managed by the Program is considered a separate User of the Program and requires an entitlement as if that device were a person.

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). Gigabytes are used to measure the uncompressed size of data sets loaded to the Cloud Service. Sufficient entitlements must be obtained to cover the number of Gigabytes hosted in the Cloud Service at any point during the measurement period.

5.2 Partial Month Charges
A partial month charge as specified in the Transaction Document may be assessed on a pro-rated basis.
6. Term and Renewal Options

6.1 Term
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. Client may increase their level of use of the Cloud Service during the term by contacting IBM or their IBM Business Partner, and the increase will be confirmed in a Transaction Document.

6.2 Term Renewal Options
The Transaction Document will specify which of the following applies to renewal of the Cloud Service term.

6.2.1 Automatic Renewal
Where renewal is automatic, the Cloud Service will automatically renew for a term specified in the Transaction Document (either a one year term or the same duration as the expiring term) unless Client has provided written termination at least 90 days prior to the term expiration date.

6.2.2 Continuous Billing
Where billing is continuous, Client will continue to have access to the Cloud Service following the end of the term and will be billed for usage on a continuous basis. To discontinue use of the Cloud Service and stop the continuous billing process, Client must provide 90 days written notice of cancellation. Client will be billed for any outstanding access charges through the end of the month of cancellation.

6.2.3 Renewal Required
Where the renewal type is specified as “terminate”, the Cloud Service will terminate at the end of the term and Client access will end. To continue use of the Cloud Service beyond the term end date, Client must order a new subscription term.

6.3 Twitter Content in Watson Analytics

6.4 Definitions
a. “Analysis Reports” means the results or output created by Client’s applications on the Cloud Service from the process of analyzing and deriving information from the Twitter Content. Such results may not contain
b. Twitter Content, but may contain content that is duplicative to that in the Twitter Content, such as search terms and references to the subject matter of the Tweets.
c. “Tweet ID” means a unique identification number generated for each Tweet.
d. “Tweets” means a public posting with a text body of no more than 140 characters made by any end user of the Twitter service.
e. “Twitter Content” means Tweets, Tweet IDs, public Twitter end user profile information, and any other Twitter data and information made available to Client.

6.5 Use of Twitter Content
Client shall not be given any access to the raw Twitter Content. The Cloud Service provides a means for Client to select and use Twitter Content solely within the Cloud Service for the sole purpose of conducting analysis on the Twitter Content and producing Analysis Reports.

Twitter Content is neither owned nor controlled by IBM. Twitter Content may include materials that are illegal, inaccurate, misleading, indecent, or otherwise objectionable. IBM or its suppliers have no obligation to review, filter, verify, edit or remove any Twitter Content. However, IBM or its suppliers may, at their sole discretion, do so. Client must utilize the functionality provided by IBM to promptly delete or modify any Twitter Content that may be stored on the Cloud Service. Client shall have a right to download and remove the Analysis Report from the Cloud Service.

6.6 Volume of Twitter Data
Personal Edition Clients are limited to the following:
- 25,000 Tweets per data set
Professional Edition Clients are limited to the following:
- 50,000 Tweets per data set
6.7 Restrictions on Twitter Content

Client shall not:

a. Use Twitter Content in violation of any applicable law including but not limited to privacy laws or for any unauthorized or improper purposes.

b. Use Twitter Content provided as part of the Cloud Service to perform analysis on a small group of individuals or a single individual for any unlawful or discriminatory purpose.

c. Use Twitter Content provided as part of the Cloud Service to perform analysis that will be included as a part of an advertising network.

d. Use the Twitter Content to produce analysis that performs a regularly-produced, time-based series of measurements made using the same, or similar, methodologies for the purpose of comparing television program performance over time, or against a defined set or subset of other television programs.

e. Use any aggregate Twitter user metrics, such as number of users or accounts, obtained while accessing and using the Twitter Content as part of the Cloud Service for any purpose.

f. Use the Twitter Content for any other purpose except for the limited purpose allowed for in the Cloud Service.

6.8 Termination by IBM

Client’s use of the Twitter Content shall cease upon termination of the Cloud Service. Notwithstanding the foregoing, in addition to the rights of suspension and termination in the Agreement, IBM may cease providing access to the Twitter Content at any time without notice and without the obligation to provide Client a refund, credit, or other compensation.

6.9 Warranty and Indemnification Disclaimer for Twitter Content

NOTwithstanding the warranty set forth in the Agreement, the Twitter Content is provided solely “AS IS”, “AS AVAILABLE” WITH ALL FAULTS, AND CLIENT’S USE OF THE TWITTER CONTENT IS AT ITS SOLE RISK. IBM DOES NOT MAKE, AND HEREBY DISCLAIMS, ANY AND ALL OTHER EXPRESS AND IMPLIED WARRANTIES, INCLUDING ALL IMPLIED WARRANTIES OF MERCHANTABILITY, QUALITY, PERFORMANCE, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, TITLE, AND ANY WARRANTIES ARISING FROM COURSE OF DEALING, USAGE, OR TRADE PRACTICE, IN CONNECTION WITH THE TWITTER CONTENT. IBM DOES NOT WARRANT THAT THE ACCESS TO THE TWITTER CONTENT WILL BE UNINTERRUPTED, OR ERROR-FREE. THIS DISCLAIMER OF WARRANTY MAY NOT BE VALID IN SOME JURISDICTIONS AND CLIENT MAY HAVE WARRANTY RIGHTS UNDER LAW WHICH MAY NOT BE WAIVED OR DISCLAIMED. ANY SUCH WARRANTY EXTENDS ONLY FOR THIRTY (30) DAYS FROM THE EFFECTIVE DATE OF THIS AGREEMENT (UNLESS SUCH LAW PROVIDES OTHERWISE). ANY OBLIGATION FOR IBM TO INDEMNIFY CLIENT UNDER THE AGREEMENT DOES NOT APPLY IN ANY WAY TO CLIENT’S ACCESS AND USE OF THE TWITTER CONTENT.

6.10 Government Use

The Twitter Content is a “commercial item” as that term is defined at 48 C.F.R. 2.101, consisting of "commercial computer software" and "commercial computer software documentation" as such terms are used in 48 C.F.R. 12.212. Any use, modification, derivative, reproduction, release, performance, display, disclosure or distribution of the Twitter Content by any government entity is prohibited, except as expressly permitted by the terms of this Agreement. Additionally, any use by U.S. government entities must be in accordance with 48 C.F.R. 12.212 and 48 C.F.R. 227.7202-1 through 227.7202-4. If Client uses the Twitter Content in its official capacity as an employee or representative of a U.S., state or local government entity and Client is legally unable to accept the jurisdiction, venue or other clauses herein, then those clauses do not apply to such entity, but only to the extent as required by applicable law.

Contractor/manufacturer is Twitter, Inc. 1355 Market Street, Suite 900, San Francisco, California 94103.

7. Enabling Software

This Cloud Service includes enabling software, which should be used only in connection with Client’s use of the Cloud Service for the Cloud Service term. If the enabling software contains sample code, Client may make derivative works of the sample code for use with the Cloud Service. If enabling software is accompanied by a separate license agreement, the term of such license agreement(s) also applies, as limited by this section. In the event of conflict, the terms of this Service Description prevail over any such
accompanying license agreement. Client is responsible to remove enabling software upon expiration or termination of the Cloud Service.

8. **General**

Where applicable, taxes are based upon the location(s) receiving the benefit of the Cloud Service. IBM will apply taxes based upon the business address listed in Client’s order unless Client provides additional information to IBM. Client is responsible for keeping such information current and providing any changes to IBM.