

Managed Services and Enterprise Cloud Software Summary

This detail describes the minimum required software necessary to adhere to the described IBM's software standards. Customer acknowledges that IBM may install software necessary for the delivery of Services. This software includes, but is not limited to backup clients, monitoring agents, administrative utilities, etc. Customer shall not remove this software from the Solution without express permission from IBM. Any costs associated with the installation, maintenance, and licensing of this software is included in the Statement of Work ("SOW" or "Order").

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Enterprise Cloud Metered Subscription Software

IBM will make available certain server deployment templates that include pre-licensed operating systems and/or pre-licensed applications (the "Software Products"). The Software Products are provided by IBM using various licensing models such as "Per CPU", "Per Server Access License (SAL)", or Per Server and are billed based on Software Usage ("Software Product Increments") at the rates provided within the Enterprise Cloud Application. Prior to using the Software Products Customer agrees to accept the billing terms, prices, and all terms stated herein for each Software Product by placing a check in the acceptance box provided in the Enterprise Cloud user interface ("Software Use Acceptance").

Metered Subscription Software Usage

Metered Subscription Software Usage is defined as the Customer's consumption of Software Products for a given time period ("In-Use") with a defined Software Usage Commencement and Termination ("Software Usage"). The Software Usage Commencement is defined as an event where Customer consumes the Software Products and changes the status of a given server(s) through the Enterprise Cloud Application to a successful "Powered On" state ("Software Usage Commencement"). The Software Usage Termination is defined as an event where the Customer changes that status of a given server(s) through the Enterprise Cloud Application to a successful "Powered Off" or "Deleted" state ("Software Usage Termination"). IBM's Enterprise Cloud Application will be the sole entity for verification of a successful "Powered On", "Powered Off", or "Deleted" state for the purposes of measuring Software Usage. The quantity of Software Products In-Use during a Software Billing Cycle is equal to the sum of all individual servers that were successfully "Powered On" times the maximum number of Software Product Increments in use by Customer.

Metered Subscription Software Billing

IBM will bill Customer in arrears for Software Usage during a given Software Billing Cycle according to prices provided within the Enterprise Cloud Application. The billing cycle for Software Usage is defined as commencing on the first day of the given calendar month prior to the current billing cycle at 00:00:00 Coordinated Universal Time ("UTC") through the last day in that calendar month ending at 23:59:59 UTC ("Software Billing Cycle").

IBM may change the prices charged to Customer for such Software Products on 30 days' prior written notice due to increases in the prices charged by vendor.