

IBM Addendum - Special Option for Container Licensing Terms

This Addendum – Special Option for Container Licensing Terms (Addendum), is made and entered into as of _____ (Effective Date) by and between _____ (Client) and International Business Machines Corporation or IBM Acquired Company (IBM). The terms of this Addendum modify or are in addition to the terms of IBM International Passport Advantage Agreement, the IBM International Passport Advantage Express Agreement, or the equivalent agreement (Agreement) and those of Quotation Number _____ (Quotation) that accompanies this Addendum. Capitalized terms not defined in this Addendum are defined in the Agreement and associated documents.

1. Container Licensing Terms

An Eligible Products (EP) that meet the requirements for containerization usage may be licensed under Container Licensing terms (Eligible Container Product) at <https://www.ibm.com/software/passportadvantage/containerlicenses.html>. Client must acquire entitlements for the total number of cores associated with the capacity of all containers available to the Eligible Container Product.

2. Additional Virtualization Environment Terms

For EP deployments that cannot meet Container Licensing requirements, Client must license the total number of physical processor cores activated and available for use on all servers where the EP is deployed (Full Capacity). If at any time IBM becomes aware of circumstances indicating that Client is not operating all or a portion of Client's environment in accordance with applicable Container Licensing requirements, IBM may declare Client's Enterprise, or any applicable portion of Client's Enterprise, ineligible for Container Licensing and will provide Client with notice of any such determination. Client shall have 30 days to provide IBM information sufficient for IBM to determine that Client is in full compliance with the applicable Container Licensing requirements, in which case IBM shall withdraw its determination of ineligibility. Otherwise, Client agrees to acquire sufficient additional licenses and IBM Software Subscription and Support entitlements necessary for Full Capacity usage within the identified Client environment at then current prices.

3. Client's Container Reporting Responsibilities

Client will properly install, run, and maintain the IBM License Service as described at <https://www.ibm.com/software/passportadvantage/containerlicenses.html> and configure the IBM License Service according to the Eligible Container Product's documentation within 90 days of deploying any Eligible Container Product.

Manual tracking of container capacity is not permitted. Reports generated by the IBM License Service must be prepared at least once per quarter and retained for a period of not less than 2 years. In conjunction with Container Licensing, failure to use the IBM License Service and prepare and provide required reports will result in Full Capacity charging for all servers within the cluster where the Eligible Container Product is deployed.

4. Additional Reporting Responsibilities

Client will not alter, modify, omit, delete, or misrepresent by any means, directly or indirectly,

- i) reports generated by the IBM License Service;
- ii) the IBM License Service code; or
- iii) reports that Client submits to IBM or to an independent auditor.

The foregoing does not apply to changes, modifications or updates to IBM License Service expressly provided by IBM.

Client will assign a person in Client's organization with authority to manage and promptly resolve questions on reports or inconsistencies between report contents, license entitlement, or IBM License Service configuration; and promptly place an order with IBM or Client's Reseller if reports reflect EP use over Client's authorized level. IBM Software Subscription and Support and Selected Support coverage will be charged as of the date Client exceeded Client's authorized level.

This Addendum, the Agreement, the Quotation, and all applicable additional Transaction Documents, are the complete agreement between the parties regarding transactions by which Client deploys an Eligible Container Product specified in the Quotation, and replaces all prior oral or written communications, representations, undertakings, warranties, promises, covenants, and commitments between Client and IBM. In the event of any conflict between the terms of this Addendum, the Agreement, the Quotation and all applicable Transaction Documents, the terms of the Transaction Document prevail, unless otherwise agreed to by the parties.

Each party accepts the terms of this Addendum by signing it (or another document that incorporates it by reference) by hand or, where recognized by law, electronically. Once signed, i) any reproduction of this Addendum made by reliable

means (for example, electronic image, photocopy, or facsimile) is considered an original and ii) all deployments of Eligible Container Products obtained under this Addendum are subject to it.

Agreed to by:

Client Entity Name

Client Authorized signature

Name (print)

Position (print)

Date

Agreement number / Site number

IBM Client number

Client address:

Agreed to by:

IBM Entity Name

Authorized signature

Name (print)

Position (print)

Date