Statement of Work for

The Kyndryl zCloud Managed Service

Buyer:	Supplier:
The Driver and Vehicle Licensing Agency (DVLA)	Kyndryl UK Limited
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(hereinafter "DVLA, Client", "you" or "your")	(hereinafter "Kyndryl")

Client Number:	**Statement of Work Number:**
GB30281Y	1
Client Reference Data:	**Date Prepared:**
N/A	07.07.23

This Statement of Work is subject and contracted under the Crown Commercial Services Framework Agreement and Order Form/Call-Off Terms, (G-Cloud 13 Framework Agreement).

Each of us agrees that the complete agreement between us regarding this transaction consists of the Crown Commercial Services Framework Agreement and Order Form/Call-Off Terms and this Statement of Work, and replaces any oral or written communications between us.

In the event of any conflict between the Crown Commercial Services Framework Agreement and Order Form/Call-Off Terms and the terms of this Statement of Work, the terms of this Statement of Work shall prevail to the extent of such conflict..

This Statement of Work may be executed in any number of counterparts. This has the same effect as if the signatures on the counterparts were on a single copy of the Statement of Work. Once accepted, i) any reproduction of this Statement of Work made by reliable means (for example, electronic image, photocopy or facsimile) is considered an original and ii) all Services under this Statement of Work and the Agreement are subject to it.

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Kyndryl Cloud Managed Services for System z – z/OS Services

1. Definitions

Additional Resource Charge (ARC) means — the charge, as set forth in Appendix B, (z/OS Cloud Charges, Contractual Baselines and Rates), to DVLA if Assigned Resource Units are above the applicable z/OS Cloud Contractual Baseline.

Additional Services means – the additional services that DVLA have selected for Kyndryl to perform under the terms and conditions of this Transaction.

Alternate Server means — the Server within the z/OS Cloud Complex which has been assigned to host a CLIENT LPAR during Failover. This is established for those LPARs that are assigned to the Hot Standby service (DVLA does not have Hot Standby).

Assigned Resource Units means — the number of Resource Units assigned to DVLA.

Base Component means — the z/OS Cloud hardware and software that Kyndryl makes available including those specified in Appendix A, (UK zCloud Service Plan).

Base Services means – the Services with the exclusion of Additional Services (see definition above), as per Section 3.0 "*Services description*".

Cap means — a Server capacity limit that is established for the DVLA environment and includes Hard Cap, Group Soft Cap or Soft Cap as appropriate.

Change Management Process means — the process agreed to by the parties for handling changes to the Services.

DASD means — Direct Access Storage Device or disk storage.

Delivery Location means – a Kyndryl facility from where Kyndryl provides the Services for DVLA Configuration.

DVLA Component means — software that DVLA provides including those specified in Appendix C, (DVLA Components).

DVLA Configuration – means the hardware machines (the "*Hardware*") and software (the "*Software*") configuration on which Kyndryl will deliver the Services to DVLA. DVLAs Configuration and the relative locations where the machines are physically housed are specified in this SOW. The Software will consist of both applications software (the "*Applications Software*") and the operating system software and systems utilities software (the "*Systems Software*").

DVLA Data means – any information relating to an identifiable individual (Personal Data) that Kyndryl processes on DVLA behalf in performing the Services. DVLA Data excludes Personal Data:

a) processed by Kyndryl for any reason other than Kyndryl's performance of the Services;
b) processed by Kyndryl because of its relationship with its DVLAs (including DVLA and DVLA Affiliates) generally; and
c) relating to employees of Kyndryl, its Affiliates, and their Subcontractors.

Effective Date means — the date this Statement of Work for services is signed by both of us

Failover means — the tasks performed to move a DVLA workload from the Standard LPAR to its associated DR or High Availability LPAR(s).

Failover Time Period means — a period of time during which any of DVLA's LPARs are experiencing a planned z/OS Cloud Server Outage or an unplanned service interrupt and services are being provided by a DR or High Availability LPAR.

FlashCopy means — a type of disk storage in which a point in time copy of the Client data (or sub-set of that data) will reside in the same storage sub-system as the Standard Disk footprint of that data.

Focal Point means – the person, designated by DVLA, who has the authority to act for and on DVLA behalf in all aspects of the SOW, who acts as the primary interface with the Service Manager, and to whom Kyndryl will address all communications related to the Services.

Forecasted Monthly Usage means — a twelve (12) month rolling forecast of anticipated Resource Units provided by DVLA to assist Kyndryl with capacity planning.

"**Front Desk**" means – the Kyndryl operations team for assistance with the resolution of incidents, system administration requests and change requests related to the Services. The Kyndryl operations team shall be accessible via telephone number or e-mail to the DVLA applications team.

Gigabytes or GB means — 1,000,000,000 bytes of data.

Global Mirror means — a type of disk storage described in Section 2 of this SOW.

Global Virtual Tape means — the mirroring of multiple virtual tape images between multiple automated tape libraries across multiple sites.

Group Soft Cap means — a capacity limit set on the average MIPS available to a group of LPARs over a four (4) hour rolling time period. The actual MIPS available at any moment in time can exceed such limit up to the MIPS capacity of the number of logical processors assigned to the group of LPARs.

Hard Cap means — a capacity limit set on the number of MIPS available to an LPAR. During any system management time slice, the number of MIPS available to an LPAR cannot exceed such limit.

Hard Capped LPAR means — an LPAR which has a Hard Cap set.

Hours of Service Operation means – the normal hours of operation for the Services, which is Monday to Friday 08:00 to 18:00, excluding UK public holidays.

Priority 1 Incident means – a critical incident has taken place which has caused severe business disruption. Such that a Business Unit or User Group is unable to operation. A critical system component has failed or severely imparired on-line systems of batch work.

Priority 2 Incident means – a high impact incident has taken place which has caused major business disruption. Where a critical user or number of users are unable to operate. A Business Unit is experiencing significant reduction in system performance; or non-critical batch job failure.

Priority 3 Incident means – minor business disruption has been caused with a single user unable to operate with no available workaround.

Priority 4 Incident means – minor disruption has been caused with a single user or user group experiencing problems, but with available work around.

ISV means — the Independent Software Vendor for software products which are licensed for use by DVLA within their assigned LPAR(s).

Kyndryl Data Centre means — a building owned, leased or rented by Kyndryl or its Subcontractor, located at Kyndryl North Harbour, Western Road, Portsmouth, Hampshire PO6 3EN and Farnborough ARK, A103 Cody Technology Park, Victor Way Farnborough, GU14 0LH, United Kingdom and used by Kyndryl to house Kyndryl Internal and/or Kyndryl Client information technology services and systems.

Key Users means – the individuals DVLA will assign as primary contacts to Kyndryl with respect to incident determination, and who are familiar with the environment and operations.

Large System Performance Reference (LSPR) means — the set of relative performance indicators for System z published by IBM.

Level 1 means – the DVLA Service Desk.

Level 2 means – the Kyndryl 2nd level technical support teams.

Location means – the place or places where DVLA Configuration and IT personnel are located.

LPAR means — a logical partition of the mainframe in which physical resources are assigned and a unique instance of the z/OS operating system is installed.

MIPS means — millions of instructions per second, and is a standard measure of capacity for mainframes. Each System z server model will have a stated MIPS rating.

MSU means — millions of service units and is a capacity measurement used for licensing software by some vendors including IBM. IBM defines the ratio between MSU and MIPS. This ratio varies between processor families and models. Each System z server model will have a stated MSU rating.

Operational Documentation means – the documentation Kyndryl provides to DVLA, which includes, but is not limited to,the processes and procedures for incident management, change management, systems recovery and security related to the performance of the Services.

Patch means – a software fix and is synonymous with "Program Temporary Fix".

Peak 4 Hour Rolling Average means — the highest MIPS used during any consecutive four hour measurement period.

Primary Production Server means – the server that is designated as the main Mainframe processor for DVLA business activities and for the delivery of Services.

Primary Server means — the Server within the z/OS Cloud Complex which has been assigned to host a DVLA LPAR(s) during normal operation.

Primary Site means — the Kyndryl Data Centre hosting the DVLA Primary Server.

Program Temporary Fix or **PTF** means – a software fix that has been made available by the supplier to correct a known problem.

Reduced Resource Credit (RRC) means — the credit, as set forth in Appendix B, (z/OS Cloud Charges, Contractual Baselines and Rates), to DVLA if Assigned Resource Units are below the applicable z/OS Cloud Contractual Baseline.

Resource Unit (RU) means — units of resource for which Kyndryl and DVLA have established a z/OS Cloud Contractual Baseline.

SCRT means — the IBM Sub Capacity Reporting Tool which is used by Kyndryl to measure capacity utilization on an LPAR basis averaged out during a 4 hour average sampling window.

Secondary Site means — an Kyndryl Data Centre that is geographically separate from the Primary Site from which z/OS cloud services may also be provided.

Server means — the physical processor and processor components that are in the z/OS Cloud infrastructure.

Service Report means – a report Kyndryl prepares which gives history and brief details of incidents, changes, amendments to Operational Documentation and incident data in a standard Kyndryl designated format.

Services means – the totality of the Services that Kyndryl provides as described in Sections 2 and 3 of this SOW.

Service Availability means – the definition given in C – 1 of this SOW.

Service Manager means – Kyndryl's designated person that is responsible for Kyndryl's day-to-day activities during the provision of the Services.

Service Review means – a periodic meeting or teleconference between the Service Manager and the Focal Point to review the performance of the Services and to discuss any appropriate actions depending on the situation.

Short Term Resource Flex Up Rate means — the MIPS rate specified in Appendix B-1 (z/OS Cloud Charges, Contractual Baselines and Rates) for short term increases to MIPS.

SNMP means – Simple Network Management Protocol.

Soft Cap means — a capacity limit set on the average MIPS available to an LPAR over a 4 hour rolling time period. The actual MIPS available at any moment in time can exceed such limit up to the MIPS capacity of the number of logical processors assigned to the LPAR.

Soft Capped LPAR means — an LPAR which has a Soft Cap set.

Software means – Applications Software and Systems Software, collectively.

Software Stack means **—** the software available and listed in Section B-2 of Appendix B, (z/OS Cloud Charges, Contractual Baselines and Rates).

Standard Disk means — a type of disk in which data will reside in a storage sub-system connected to the z/OS Cloud with no mirroring.

Standard LPAR means — an LPAR that is hosted on a single Server within the z/OS Cloud Complex.

Standard Tape means — a physical tape in a single shared automated tape library.

Start Date means — the date that the services are delivered from.

Sub Capacity Licensing Agreement means — the licensor of a software product agrees that a subset of the Server's overall capacity can be a valid measure of the capacity upon which such software is licensed.

System Software means – the programs, including all source code (if applicable), supporting documentation and media that:

1. perform tasks basic to the functioning of data processing and telecommunication; and

2. are required to operate the Applications Software

Virtual Tape means — a virtual logical tape volume on a physical storage device.

z/OS Cloud means — the Kyndryl Cloud Managed Services for System z – z/OS service which provides the hardware, software and management processes upon which the DVLA mainframe LPARs will operate.

z/OS Cloud Complex means — the mainframe Servers and the associated hardware and software, which are used to host DVLA's mainframe LPARs within the z/OS Cloud. The z/OS Cloud Complex includes, but is not limited to the mainframe Servers, FICON Directors, OSA network cards, storage hardware, z/OS Cloud Software Products and tape controllers.

z/OS Cloud Contractual Baseline means — the quantity of z/OS Cloud Resource Units assigned to DVLA utilised for calculating charges as set forth in Appendix B, (z/OS Cloud Charges, Contractual Baselines and Rates).

z/OS Cloud Custom Software means — the IBM or Independent Software Vendor (ISV) software products which are licensed as Client-specific for use by DVLA for operation within its assigned LPARs.

z/OS Cloud DFSMS Data Collection Facility (DCOLLECT) means — the tool used by IBM/Kyndryl to measure disk space allocated to DVLA.

z/OS Cloud Disk Storage Service Type means — the type of disk storage available to DVLA described in Section 2.3 of this SOW.

z/OS Cloud Hardware Levels means — the provided hardware levels of the Base Components as published in the z/OS Cloud Service Plan as described in Section 2.5.1.

z/OS Cloud LPAR Service Type(s) means — the type of LPARs described in Section 2.2 of this SOW.

z/OS Cloud Maintenance Schedule means — the schedule of z/OS Cloud Maintenance Window.

z/OS Cloud Maintenance Window means — the period(s) of time and date(s) upon which one or more Servers in the z/OS Cloud Complex will undergo hardware maintenance which may result in z/OS Cloud Service Outages for DVLA standard LPAR(s).

z/OS Cloud Server Outage means — that period of time being the duration of a planned z/OS Cloud Maintenance Window or an unscheduled failure of a Server within the z/OS Cloud Complex hosting any DVLA LPAR.

z/OS Cloud Service Criteria means — those Service Criteria which must be continuously met in order for DVLA's systems to be eligible to reside on a z/OS Cloud Complex, as more fully described in the z/OS Cloud Service Plan.

z/OS Cloud Service Hours means — the hours of normal operations as defined in Appendix C – 1 of this SOW.

z/OS Cloud Service Plan means — the operations document that is updated annually and defined in Section 2.5.1

z/OS Cloud Service Type means — the z/OS Cloud LPAR Service, z/OS Cloud Disk Storage Service and z/OS Cloud Tape Service and z/OS Cloud Disaster Recovery Service as described in this SOW.

z/OS Cloud Software Levels means — the permitted software levels of the z/OS Cloud Software Products as published in the z/OS Cloud Service Plan.

z/OS Cloud Software Product means — a software product centrally licensed as part of the z/OS Cloud service for which Kyndryl defines a level N and N-1 (version, release and modification) to which DVLA LPARs hosted on the z/OS Cloud service must be maintained.

z/OS Cloud Storage Outage means — the duration of a planned z/OS Cloud Maintenance Window or an unscheduled failure of a storage device within the z/OS Cloud Complex holding the data for any DVLA LPAR.

z/OS Cloud Tape Service Types means — the type of tape services described in Section 2.4 of this SOW.

1.1 Exit

As defined in Part B: Terms and conditions of the accompanying G-Cloud 13 Call-Off Contract

1.1.1 Exit Management

On termination of this SoW for any reason Kyndryl will provide reasonable assistance to DVLA to facilitate the end of the Services (should they reach the end of their intended purpose) and/or the effective and orderly transfer of the Services back to DVLA or to enable another party chosen by DVLA (in this provision, a New Service Provider) to take over the provision of all or part of the Services. The following provisions shall apply without prejudicing or restricting the generality of this obligation:

1.1.2 Exit Management Charges

It is agreed that reasonable Kyndryl charges may apply relating to provision of exit management services and that such charges shall be agreed between the parties through the Exit Plan drafting process.

1.1.3 Exit Plan and Procedures (Documentation)

The Exit Plan shall:

a) detail how the Services will transfer to the new service provider and/or DVLA;

b) specify any reasonable charges that would be payable for the provision of exit management services;

c) provide a timetable and identify critical issues; and

d) set out the management structure.

In addition, within 30 days after service of a termination notice by either party or six months prior to the expiration of this agreement, the parties shall update the Exit Plan into a final form. The parties shall meet and use their respective reasonable endeavours to agree the contents of such Exit Plan.

The parties shall jointly participate in ensuring the exit management plan would provide an orderly, effective and smooth transition of the provision of the Service from Kyndryl to DVLA or a successor supplier.

Kyndryl shall promptly and fully answer reasonable questions about the Services which may be asked by DVLA for the purpose of adequately understanding the manner in which the Services have been provided or for the purpose of allowing any potential New Service Provider to conduct for example 'due diligence'. It is agreed that any additional reasonable Kyndryl costs incurred by Kyndryl in providing this assistance shall be borne by DVLA.

Kyndryl shall make available to DVLA any Machines, Programs, Project Materials that are the property of and/or licensed to DVLA.

Kyndryl shall have the right to make reasonable charges should Kyndryl incur associated costs. Unless the Buyer terminates for an Insolvency Event as per clause 18.5.2 of the Call-Off Contract, then the Supplier will help the Buyer to migrate the Services to a replacement supplier in line with the exit plan, with the Supplier covering its own expenses for such exit assistance.

2. The zCloud Service

2.1 Introduction

This section describes the services responsibilities of Kyndryl and DVLA with respect to use of the Kyndryl z/OS Cloud described below and set forth in Appendices A-E.

2.2 Scope - z/OS Cloud LPAR Service Types

Kyndryl will provide z/OS Cloud Services to DVLA as set forth in Appendix B-1, (z/OS Cloud Charges, Contractual Baselines and Rates).

Changes in the z/OS Cloud Service Type assigned to DVLA will be handled in accordance with the Change Management Process.

Each DVLA LPAR will be assigned to a specific named Server within the z/OS Cloud Complex (the "Primary Server"). Kyndryl reserves the right to change the Primary Server via the Change Management Process.

The following z/OS LPAR Service Types are available to DVLA in z/OS Cloud.

2.2.1 Standard LPAR

A Standard LPAR is the z/OS Cloud Service Type in which the DVLA workload is hosted on a single Server within the z/OS Cloud Complex for which there is no Alternate Server to run the workload during a z/OS Cloud Server Outage.

In the event of a z/OS Cloud Server Outage on the Server hosting a DVLA Standard LPAR that LPAR will be unavailable until the event has completed.

For each Standard LPAR Kyndryl will create a Standard LPAR on the Primary Server to meet DVLA's z/OS Cloud Contractual Baseline MIPS set forth in Appendix B-1; (z/OS Cloud Charges, Contractual Baselines and Rates).

2.2.2 Disaster Recovery LPAR's

A DR LPAR is the z/OS Cloud LPAR Service Type in which the DVLA workload can be hosted on a DR Server at the z/OS Cloud Complex DR Site.

In the event of a z/OS Cloud Server Outage on DVLA's Primary Server which is deemed by both parties to be a DR event, Kyndryl will initialize the DR Server to host the DVLA workload until the DVLA LPARs on the Primary Server are recovered.

For each DR LPAR, Kyndryl will create a second LPAR on the DR Server to meet DVLA's z/OS Cloud Contractual Baseline MIPS as set forth in Appendix B-1; (z/OS Cloud Charges, Contractual Baselines and Rates).

The LPARs on the Primary and Alternate Servers will not be concurrently activated except for during contracted DR test. DR Testing will be limited to 3 days, per test, with up to 2 tests per contract year.

2.3 Scope - z/OS Cloud Disk Service Types

Changes in the z/OS Cloud Disk Service Type assigned to DVLA will be handled in accordance with the Change Management Process.

2.3.1 Standard Disk

Standard Disk is the z/OS Cloud Disk Service Type in which the DVLA data will reside in a storage sub-system(s) connected to the z/OS Cloud via fibre connection ("FICON") with no mirroring.

In the event of a z/OS Cloud Storage Outage on the disk sub-systems hosting DVLA's Standard Disk allocation, the data on those disk sub-systems will be unavailable until service has been restored.

In the case of an unplanned outage, Kyndryl will, if necessary, recover the data from a back-up copy
For each Standard Disk footprint Kyndryl will create a Standard Disk allocation on the primary disk sub-system to meet DVLA's z/OS Cloud Contractual Baselines for Gigabytes as set forth in the Appendix B-1, (z/OS Cloud Charges, Contractual Baselines and Rates).

2.3.2 Global Mirror

Global Mirror is the z/OS Cloud Disk Storage Service Type in which a second disk storage sub-system in the Secondary Site is used to host an asynchronous data replication from the Standard Disk footprint.

In the event of storage or disk hardware failure at the Primary Site, Kyndryl will use the Global Mirror copy to recover the DVLA service at the Secondary Site.

In the event of a z/OS Cloud Storage Outage on the disk sub-system hosting a DVLA Global Mirror disk allocation, the mirroring will be suspended and the data on the affected disk sub-system will be unavailable until the event has completed. At the end of the event, the data mirroring will be re-established.

For each Global Mirror footprint, Kyndryl will perform the activities to:

a) create a disk allocation on an alternate disk sub-system within the Secondary Site to meet DVLA's z/OS Cloud Contractual Baseline for Gigabytes assigned as set forth in Appendix B-1; (z/OS Cloud Charges, Contractual Baselines and Rates); and

b) create an asynchronous mirroring relationship between the Standard Disk and Global Mirror disk sub-systems.

2.4 Scope - z/OS Cloud Tape Service Types

Kyndryl will provide z/OS Cloud Tape Services to DVLA as per the z/OS Cloud Contractual Baselines set forth in Appendix B-1, (z/OS Cloud Charges, Contractual Baselines and Rates). Changes to the z/OS Cloud Tape Service Type will be handled in accordance with the Change Management Process. The following z/OS Cloud Tape Service Types are available to DVLA.

2.4.1 Virtual Tape

Virtual Tape is the z/OS Cloud Tape Service Type where tape data is hosted on a physical storage device that virtualizes tape processing This device is shared among z/OS Cloud customers with each customer's Virtual Tape allocation sized according to the number of Gigabytes required. This Service Type does not include encryption.

For each Virtual Tape Service, Kyndryl will:

a) assign a Virtual Tape volume serial range within the Virtual Tape server to CN;

b) set up the necessary security profiles to isolate the assigned volumes and serial numbers; and

c) assign the contracted space within the Virtual Tape server – as per the z/OS Cloud Contractual Baselines set forth in Appendix B-1; (z/OS Cloud Charges, Contractual Baselines and Rates).

2.4.2 Global Virtual Tape

Global Virtual Tape is the z/OS Cloud Tape Service Type in which the Virtual Tape (as described in the Virtual Tape Service Type above) is mirrored to multiple Virtual Tape servers across multiple sites to provide increased availability of CN data. The devices are shared among z/OS Cloud customers. This Service Type does not include encryption.

For each Global Virtual Tape Service, Kyndryl will:

a) assign dedicated logical volumes within the Virtual Tape server to CN;

b) set up the necessary security profiles to isolate the assigned volumes and serial numbers;

c) assign the dedicated logical volumes across the secondary Virtual Tape server as per the z/OS Cloud Contractual Baselines set forth in Appendix B-1; (z/OS Cloud Charges, Contractual Baselines and Rates); and

d) set up the necessary mirroring profiles across the Virtual Tape servers – as per the z/OS Cloud Contractual Baselines set forth in Appendix B-1; (z/OS Cloud Charges, Contractual Baselines and Rates).

2.5 Preparing z/OS Cloud Infrastructure for DVLA

2.5.1 z/OS Cloud Service Plan

The z/OS Cloud Service Plan is the document owned and maintained by Kyndryl or its Subcontractor which is updated periodically and defines:

a) the supported z/OS Cloud Hardware Levels;

b) the supported z/OS Cloud Software Levels;

c) the current z/OS Cloud Maintenance Schedule;

d) the z/OS Cloud Service Criteria; and

e) The z/OS Cloud Hardware Levels, z/OS Software Levels and z/OS Maintenance Schedule current at the time of the agreement of this contract are listed in Appendix A, (UK zCloud Service Plan).

2.5.2   z/OS Cloud Service Tasks

The z/OS Cloud Complex is a shared information technology computing environment. This section outlines the tasks Kyndryl and DVLA will perform as it relates to general services in the z/OS Cloud environment.

Kyndryl Responsibilities:

To maintain consistent service delivery for all z/OS Cloud users Kyndryl will:

(1)   manage the z/OS Cloud Complex within an Kyndryl Data Centre

(2)   provide, operate, maintain and support the Base Components as listed in the Appendices.

(3)   provide no less than three (3) months written notice to DVLA of any changes to the z/OS Cloud Service Plan;

(4)   at least once a year, publish the defined z/OS Cloud Software Levels of current level ("N") and a previous level ("N-1") in the Z/OS Cloud Service Plan;

(5)   provide reasonable prior notice to DVLA of any change to the Servers in the z/OS Cloud Complex which are likely to require new or replacement software keys;

(6)   publish and be responsible for managing changes to the z/OS Cloud Maintenance Schedule as defined by Kyndryl in the z/OS Cloud Service Plan;

(7)   only support devices connected to DVLA's LPARs that are supported by N or N-1 levels of hardware and software; Kyndryl formal agreement is required for any hardware or software that is older than n-1 DVLA

(8)   reserve the right to use the hardware within the z/OS Cloud Complex, in the sole discretion of Kyndryl, to host LPARs which are owned and used by Kyndryl, or by other Clients of Kyndryl, including competitors of DVLA, and notwithstanding any other provision of this Agreement, DVLA irrevocably waives any right to object to, or to prevent the hosting of any internal Kyndryl or Kyndryl DVLA LPAR(s) on any Server in the z/OS Cloud Complex, and agrees to share the z/OS Cloud Complex with such LPAR(s);

(9)   reserve the right to perform, in Kyndryl's sole discretion, dynamic hardware changes (i.e. those which do not require DVLA's LPARs to be re-started or otherwise interrupted), during the z/OS Cloud Service Hours; and

(10)   reserve the right to change DVLA's Primary or DR Server to another Server within the same z/OS Cloud Complex at Kyndryl's cost. It is acknowledged that this must be a UK based server Any extension to the term will require Kyndryl's confirmation of server location prior to extension.

DVLA Responsibilities:

In order to be eligible to board and continue utilizing the z/OS Cloud, DVLA must;

(11)   agree to adhere to Kyndryl's release level requirements as specified in the z/OS Cloud Service Plan;

(12)   maintain all software:

(a)   in the case of IBM z/OS Cloud software, at the defined z/OS Cloud Software Level of N or N-1. Once N version is licensed, all DVLAs running that z/OS Cloud Software Product have one year to upgrade to this software level, and

(b)   for software other than the IBM z/OS Cloud software:

(i)   at a level which is supported by the vendor at the z/OS Cloud Software Level of the z/OS Cloud Software Products on which those software product(s) are dependent. For example, an upgrade to CICS may need several ISV products updated to keep the ISV support valid; and

(ii)   DVLA is responsible for any software component which is no longer supported and must maintain it to a level which does not interfere with the operation, maintenance or upgrading of the z/OS Cloud Complex. DVLA is responsible for the risk of running such unsupported software.

(c)   for all ISV software for which DVLA is the licensee:

　　(i)   ensure that the license to use such ISV software is in compliance with the Sub Capacity License Agreement;

　　(ii)   ensure that the license to use such ISV software permits use on any of the Servers within the z/OS Cloud Complex, and charging is based on aggregated use across the z/OS Cloud Complex including, if applicable, use across multiple Servers in a load balancing Sysplex;

　　(iii)   ensure that the software authorization process to use such ISV software is not dependent on keys or other mechanisms that are dependent on hardware specific information such as hardware model, software model or serial number. Where this is not possible and software keys containing hardware specific information are required to execute ISV software, make available to Kyndryl at all times, keys for each of the Servers in the z/OS Cloud Complex;

(13)   make any changes necessary as a result of an Kyndryl change to the z/OS Service Criteria set forth in the z/OS Cloud Service Plan;

(14)   agree to allow Kyndryl to perform HW maintenance of the Servers within the z/OS Cloud Complex in accordance with such z/OS Cloud HW Maintenance Schedule in the z/OS Cloud Service Plan.

(15)   within thirty (30) days of receipt by DVLA of an updated z/OS Cloud HW Maintenance Schedule, DVLA may raise any reasonable concerns it has with such z/OS Cloud HW Maintenance Schedule and Kyndryl will give due consideration to any such objection and may, but shall not be obliged to, make changes to the z/OS Cloud HW Maintenance Schedule;

(16)   ensure that DVLA Components are compatible with the Base Components;

(17)   procure and provide DVLA Components and be responsible for all applications software related services, such as:

(a)   acquisition and asset management;

(b)   maintenance (including upgrades as required to maintain applications software currency) in accordance with the Base Components currency requirements;

(c)   performance and tuning;

(d)   testing and user acceptance;

(e)   help desk support for DVLA's end users;

(f)   change management and scheduling including coordinating applications software change management and the associated integration with z/OS Cloud shared environment change management and z/OS Cloud Maintenance Windows; and

(g)   third party supplier and associated contract management including vendor interface for incident management/resolution.

(18)   register all DVLA Components with the applicable vendors, in accordance with the applicable vendor's license terms and conditions and adhere to all vendor license terms and conditions;

(19)   on or before five (5) days from the termination or expiration of this Agreement, remove and/or erase DVLA Components from any Servers and disk space that Kyndryl provides as Base Components. If DVLA does not remove and/or erase DVLA Components within such period, Kyndryl may:

(a)   move any and all DVLA Components to storage and charge DVLA all associated costs; and

(b)   erase all DVLA Components from such Servers and disk space without any liability to DVLA.

(20)   if at the time of contract signature, the LPARs hosting DVLA's applications are not running at z/OS Cloud compatible Software Levels stated in the z/OS Cloud Service Plan then, prior to migrating the DVLA LPAR to a Server in the z/OS Cloud Complex, DVLA assumes financial and technical responsibility for upgrading the software to compatible levels, or for running software that is either unsupported or requires separate version licenses than provided by z/OS Cloud. DVLA and Kyndryl must agree on a plan to migrate to the z/OS Cloud Software Levels within 12 months of Commencement Date. DVLA must test their LPARs and applications to determine the status of their support for the z/OS Cloud Software Levels;

(21)   If DVLA's systems should fail such tests, DVLA shall be responsible for the cost of all changes to DVLA's applications and systems as are reasonably required to pass such a test, and Kyndryl's reasonable costs in re-testing DVLA's applications and systems.

(22) If at any time any of DVLA's LPARs fails to satisfy the z/OS Cloud Service Criteria, through no fault of Kyndryl, and such failure either:

(a) hinders, or prevents the normal operation, maintenance, or upgrading of any server in the z/OS Cloud Complex, Kyndryl may, in its' sole discretion, and upon six month prior written notice to DVLA, move DVLA's LPARs to a dedicated mainframe server, and DVLA shall pay Kyndryl's reasonable charges for any additional hardware, software and/or services required to perform such a move or to operate DVLA's LPARs on such dedicated mainframe server.; or

(b) materially increases the cost to Kyndryl of keeping any or all of DVLA's LPARs within the z/OS Cloud Complex, then Kyndryl shall be entitled to make such additional Charges as are reasonable in the circumstances. For example, if additional software costs are incurred as a result of non-current DVLA software then DVLA will be liable to pay for such charges.

(23) procure and provide network access from DVLA's site to the Kyndryl Data Centre to enable DVLA Components to run in the z/OS Cloud and retain responsibility for all DVLA network management.

2.6 Ongoing Services and Support Responsibilities

2.6.1 z/OS Cloud Capacity Management

Kyndryl will:

(1) when requested via the Change Management Process, increase or decrease Assigned Resource Units as set forth in Appendix B, (z/OS Cloud Charges, Contractual Baselines and Rates).

DVLA will:

(2) provide and maintain a twelve (12) month rolling forecast of anticipated monthly capacity needed ("Forecasted Monthly Usage" or "FMU") which will include forecasted usage of z/OS Cloud Resource Units for the coming twelve (12) months including;

(a) the total MIPS capacity required by each of DVLA's LPARs by service type;

(b) the disk capacity required by service type;

(c) the software capacity required by each of DVLA's LPARs;

(d) any short term MIPS resource requirements and dates required;

(e) the tape capacity required by tape service type; and

(f) forecast of growth in use of network cards and FICON I/O cards.

(3) specify each of DVLA's LPAR(s) to either a Hard Cap, or a Soft Cap. If Soft Cap, also specify whether LPAR(s) may also be assigned to a Group Soft Cap; and

(4) request any increase or decrease in Resource Units or changes in capping or other resources via the Change Management Process.

2.6.2 z/OS Cloud Server Maintenance and Outages

The z/OS Cloud Maintenance Schedule will be made available to DVLA by Kyndryl in the z/OS Cloud Service Plan and reviewed by DVLA and Kyndryl as needed during scheduled service review meetings.

A z/OS Cloud Server Outage occurs whenever any Server within the z/OS Cloud Complex on which one or more of DVLA's LPARs resides is to undergo maintenance in accordance with the z/OS Cloud Maintenance Schedule; or suffers a hardware failure which prevents or materially hinders the running of one or more of DVLA's LPARs; or is stopped at the request of DVLA for their LPARs.

At the commencement of a z/OS Cloud Server Outage, Kyndryl will:

(1) for a Standard LPAR, shut down the Standard LPAR on the Primary Server affected by the outage; and

At the end of the z/OS Cloud Server Outage, Kyndryl will:

(2) restart the Standard LPAR on the Primary Server;

2.6.3 z/OS Cloud Resource Units (RU)

The following Resource Units are used to measure z/OS Cloud resources assigned to DVLA:

(1) Server Processor LPAR MIPS

(2) The RU for the Server processor LPAR resource shall be the MIPS specified in the z/OS Cloud Contractual Baseline.

(3) If required for ISV purposes, Kyndryl will collect SMF Record types 70 and 89 and report the Peak 4 Hour Rolling Average using SCRT or another mutually agreeable reporting tool or process. The SCRT monthly measurement period shall begin at 12:00AM the second day of the month through 11:59PM on the first day of the following month.

Optional Software Stacks LPAR MIPS:

(4) The RU for the optional software stacks resource shall cover the following optional z/OS Cloud software stacks:

    (a) CICS

    (b) IMS

    (c) MQ

    (d) WAS

(5) The RU for this resource shall be the MIPS utilized, defined as the maximum number of MIPS consumed by the combination of all DVLA LPARS in which the optional software stack is running

(6) Kyndryl shall use the Sub-Capacity Reporting Tool (SCRT), or another mutually agreeable replacement, to determine the Peak Four (4) Hours Rolling Average monthly usage for MIPS utilized. The SCRT monthly measurement period shall begin at 12:00AM the second day of the month through 11:59PM on the first day of the following month.

Disk Space (DASD) Gigabytes:

(7) The RU for the disk space resource category shall be the number of DASD Gigabytes assigned by Kyndryl to DVLA LPAR(s). DASD Gigabytes include all space (e.g. assigned, used, free, work, and system) and will be viewed at the full volume level.

(8) Kyndryl will periodically run the z/OS DFSMS Data Collection Facility (DCOLLECT) to gather and report on Gigabytes assigned to DVLA.

(9) The monthly measurement period shall begin at 12:00AM the first day of the month through 11:59PM on the last day of the month.

Virtual Tape System (VTS) Terabytes:

(10) The RU for the VTS resource category shall be the number of VTS Terabytes assigned by Kyndryl to DVLA LPAR(s). VTS Terabytes include all space (e.g. assigned, used, free, work, and system) and will be viewed at the full volume level.

(11) Kyndryl will periodically gather and report on Terabytes assigned to DVLA.

(12) The monthly measurement period shall begin at 12:00AM the first day of the month through 11:59PM on the last day of the month.

Increments for Increases or Decreases in Resource Units:

(13) The minimum increases/decreases for any change are as follows:

    (a) MIPS are rounded to nearest MSU equivalent as per the MSU to MIPS conversion set forth in Section 4.4. The increment for increases or decreases will be 2 MSU;

    (b) disk storage is allocated in volumes. Increases or decreases will be in increments of 200GB rounded at closest full volume boundary; and

    (c) tape storage increases or decreases will be in Terabyte increments Terabyte , rounded up to the closest Terabyte E.g, 10.6TB will be charged as 11TB.

2.6.4 Conversion of MSU to MIPS

Certain components, such as the Peak 4 Hour Rolling Average and Capping definitions are based on Million of Service Units (MSU). In all cases where conversion from MSU to MIPS is required, IBM's Large System Performance Reference (LSPR) table, based on running multiple LPARS, will be used to determine the MSU to MIPS conversion ratio.

The LSPR table is located at:

https://www.ibm.com/support/pages/ibm-z-large-systems-performance-reference

The conversion calculation from the LSPR table is: PCI / MSU = MSU to MIPS Conversion Ratio

Kyndryl and DVLA agree to use the above conversion process regardless of DVLA's exact workload mix (e.g. online vs. batch) or the processor model Kyndryl chooses to use as the z/OS Cloud host processor.

Over time, as new operating system software is released, the ratios in LSPR tables may change. Kyndryl and DVLA agree to use the LSPR table most reflective of the current level of z/OS operating in DVLA LPARs.

2.6.5 z/OS Cloud LPAR Definitions and Capping Options

DVLA may choose how Kyndryl will define the LPAR(s) capacity requirement from the following options per LPAR.

Soft Cap

(1)   DVLA LPAR(s) will be configured such that usage will not be allowed to exceed the agreed to Peak 4 Hour Rolling Average for defined capacity over the course of the measurement period.

(2)   using Soft Cap, z/OS will allow the DVLA LPAR(s) to instantaneously spike above the defined capacity for a limited duration. The duration of the spike is managed by System z and z/OS so that the actual Peak 4 Hour Rolling Average does not exceed the defined capacity for the DVLA LPAR.

(3)   regardless of the number of times, or amount of MIPS z/OS allows DVLA LPAR(s) to consume above the defined capacity, MIPS Resource Unit billing for processor usage will remain based on the Soft Cap as set forth in the z/OS Cloud Contractual Baseline.

(4)   the Soft Cap may be applied individually to each DVLA LPAR, or may be defined as a Group Soft Cap which covers all Soft Cap assigned DVLA LPARs, that are defined as a group, and allows sharing of MIPS within the Soft Cap across all DVLA LPARs in that group.

(5)   in a Group Soft Cap, z/OS will allow the Soft Cap DVLA LPARs to exceed the group's defined capacity as long as that does not raise the overall Peak 4 Hour Rolling Average for the group's total defined capacity. Like Soft Cap, the Group Soft Cap can have an instantaneous spikes but the duration will be limited so as to confine the DVLA into the defined group capacity during any 4 hour rolling time period.

Hard Cap

(6)   Hard Cap technology does not allow an LPAR to exceed its defined cap (as specified in DVLA's z/OS Cloud Contractual Baseline). Certain software vendors may require this type of capping.

(7)   MIPS Resource Unit billing for processor usage will remain based on the Hard Cap as set forth in the z/OS Cloud Contractual Baseline.

3. The Managed Service

3.1 Introduction

This Statement of Work for Kyndryl's Mainframe Managed Services, consists of Kyndryl's provision of certain managed services with respect to Kyndryl zCloud (hereinafter the "Services") to DVLA.

The Services include but are not limited to Kyndryl providing monitoring and system administration related support services to DVLAs mainframe systems.

The services are provided on the following Operating System platforms: z/OS and associated subsystems, CICS, IMS, MQ as well as the mainframe network and mainframe storage device.

3.2 Base Services

3.2.1 Service Management

Kyndryl will designate a Service Manager, who will coordinate any Kyndryl Services modifications, incident resolution and conditions of Services updates. He or she will also review the Service Report with DVLA The Service Management role will be a UK resource for the period of this contract.

3.2.2 Systems Operations

Kyndryl will use its skills in accordance with proven Kyndryl practices to provide system operations support in response to incidents they have identified or requests notified to our Front Desk by DVLA, DVLA Key Users, their backup, the DVLA helpdesk or via System Monitoring.

3.2.3 Systems Administration

Kyndryl will use its skills in accordance with proven Kyndryl practices to provide proactive and scheduled systems administration support.

3.2.4 Technical Support

Kyndryl will use its skills in accordance with proven Kyndryl practices to provide technical support. The Kyndryl technical support staff will provide support to DVLA operations in response to incidents they have identified and/or requests notified to our Service Manager. This will include, but is not limited to the following:

a) Planning and installation of upgrades/new software, including some local customisation when required

b) Install, setup, test and implement z/OS releases, approximately every two years as agreed between DVLA and Kyndryl

c) Apply planned maintenance in alternate years with upgrade

d) Apply preventive maintenance to Kyndryl managed ISV mainframe software as required and agreed between DVLA and Kyndryl

e) Install, setup, test and implement Kyndryl managed ISV products driven either by need to resolve incidents or stay current, where a fix is available

f) Management of system & software configurations (via change control)

g) Manage mainframe disk space usage

h) Monitor and maintain the storage catalogue

i) Ensuring that all work is actioned in accordance with security standards

j) Provide input to the planning of Disaster Recovery tests when required

k) Support Disaster Recovery tests

l) Creation and maintenance of mainframe support documentation, including mainframe Disaster Recovery procedures. Update documentation and procedures to reflect significant changes to live systems

m) Should the Primary or Secondary zCloud site fail or be unavailable to store the 2nd copy of the DVLA data, via the Kyndryl supplied VTS backups, then DVLA will take flat file copies of the data they require to disk and then file transfer it to DVLA in a format that can be read by their applications. DVLA will add this to their processes in DR test or invocations

n) Tuning of systems/software to improve performance

o) Manage operating systems IPL procedures

p) Investigate performance events and where specific issues are diagnosed, undertake corrective action within Kyndryl's remit

q) Support the system software and middleware products that are installed as defined in Appendix C. Support for any subsequent software installation will be subject to the RFS process

r) Plan and support mainframe related hardware installations and upgrades

s) Maintain the mainframe automation environment

t) Maintain the mainframe network configuration

3.3 Additional Services

3.3.1 Extended Hours Service

This Additional service provides extended hours of Technical Support for the purpose of fixing Priority 1-2 Incidents, outside of the normal Hours of Service Operation as defined in the SOW only with Production systems.

3.3.2 Backup Management Service

This Additional Service provides the management of the backup solution for the DVLA Configuration. For the avoidance of doubt it does not provide a disaster recovery service.

3.3.3 Operating System Patch Administration Service

This Additional service provides patching of DVLA server(s) operating system with patches and fixes supplied and recommended by the operating system vendor to assist in the prevention of future incidents and/or to improve system security.

3.3.4 System Software Upgrade Service

Kyndryl will apply up to one major upgrade in the DVLA Configuration per contract year to the levels of the hardware, operating System Software and licensed program products as required to keep them in line with those defined in the zCloud Service Plan.

3.3.5 Batch Management

Kyndryl will administer batch schedules in the z/OS batch scheduling tool as instructed by DVLA.

3.4 Documentation

3.4.1 Operational Documentation

This documentation will include but not be limited to:

a) The DVLA Configurations for which the Services are provided;

b) contact names and phone numbers;

c) DVLA recovery procedures;

d) operational standards;

e) incident and change management procedures; and

f) network access and "act on behalf of DVLA" authorisation letters.

3.4.2 Service Report

This report will detail the services utilisation since the start of the Services or the last Service Report whichever is most recent. Such detail will include but not be limited to:

a) Incident summary report

b) Planned system changes

c) Amendments agreed under Change Control to the Operational Documentation such as:

   (1) The DVLA Configurations for which the Services are provided;

- contact names and phone numbers;

- DVLA recovery procedures;

- operational standards;

- incident and change management procedures; and

- network access and "act on behalf of DVLA" authorisation letters.

Kyndryl standard performance and capacity reports covering: CPU usage, memory usage and disk space utilisation. The information will be summarised in a graphical format.

3.5 Changes

Any changes to the SOWs, including but not limited to, changes in the DVLA Configuration, its location or other services not specified in the SOW, including the addition of Additional Services or any change to the existing Services, will be handled through a mutually agreed change authorisation procedure. A written Change Authorisation (pro forma Attached) must be signed by both parties to authorise implementation of the investigated changes.

3.6 Software Required Consents and Indemnity

DVLA shall be responsible for promptly obtaining and providing to Kyndryl all Required Consents necessary for Kyndryl to access, use and/or modify software, hardware, firmware and other products used by DVLA for which Kyndryl shall provide Services hereunder. A Required Consent means any consent or approval required to give Kyndryl and Kyndryl's subcontractors the right or license to access, use and/or modify (including creating derivative works of) DVLA or a third party's software, hardware, firmware and other products used by DVLA without infringing the ownership or license rights (including patent and copyright) of the providers or owners of such products.

DVLA agree to indemnify, defend and hold Kyndryl and Kyndryl affiliates harmless from and against any and all claims, losses, liabilities and damages (including reasonable attorneys' fees and costs) arising from or in connection with any claims (including patent and copyright infringement) made against Kyndryl alleged to have occurred as a result of DVLA failure to provide any Required Consents.

Kyndryl shall be relieved of the performance of any obligations that may be affected by DVLA failure to promptly provide any Required Consents to Kyndryl.

Any standard programs Kyndryl uses in providing the Services to DVLA, for which Kyndryl is not the licensee (except for licenses procured from Kyndryl by DVLA, which Kyndryl shall agree to access and use them for the Services) DVLA agree to:

(1) obtain the right (as of the Effective Date) for Kyndryl to access and use them, and

(2) be responsible for procuring new versions and releases for such standard programs, as described below.

The party licensed to use the programs for which the Services are provided agrees to obtain and install, at its own cost, a new version or release of those programs no later than twelve (12) months following the date the licensor makes such version or release generally available. Should the program be licensed by DVLA, DVLA shall ordinarily agree to Kyndryl performing the work (as DVLA service provider) and the Project Change process shall take precedent in managing this.

However, if either of the parties requests that the other delays such update, the other party will do so unless it:

(3) is prevented from taking advantage of technological advancements in the industry; or

(4) incurs additional costs (for example, multiple version charges). In such case, the requestingparty will either update the programs or reimburse the other party for any increased costs.

3.7 Project Change Control

The following provides a detailed process to follow if a change to this SOW is required:

(1) A Project Change Request (PCR) a pro forma is in Section 3.8. The PCR will be the vehicle for communicating change. The PCR must describe the change, the rationale for the change and the effect the change will have on the Project.

(2) The requesting party's Service Manager or Focal Point, as the case may be, will review the proposed change and determine whether to submit the request to the other party.

(3)   Both the Service Manager and the Focal Point will review the proposed change and approve it for further investigation or reject it. The Service Manager will notify DVLA of any charges for such investigation. If the investigation is authorised, the Service Manager and the Focal Point will sign the PCR, which will constitute approval for the investigation charges. Kyndryl will invoice DVLA for any such charges. The investigation will determine the effect that the implementation of the PCR will have on price and any other terms and conditions.

(4)   A written Change Authorisation must be signed by both parties to authorise implementation of the investigated changes.

3.8 Project Change Request Form

The PCR is a form that will be filled out and submitted by either of the two parties to the Kyndryl project manager.

Project Change Authorisation Request Form		
		PCR No.
Project Change Request		
Subject:		
Submitted By:		Date:
Description of Proposed Change: (Add attachments if necessary)		
Investigation		
Fixed Price To Investigate:		
( ) Accept for Investigation ( ) Reject for Investigation	Kyndryl Signature:	Date:
( ) Accept for Investigation ( ) Reject for Investigation	DVLA Signature:	Date:
Reason for Rejection (Add attachments, if necessary)		
The above estimate will be withdrawn if not accepted by: / /		
Implementation:		
Description & Impact of Change To Be Implemented: (Add attachments, if necessary)		
Fixed Price, or Time and Materials to Implement the Changes:		
( ) Accept for Implementation ( ) Reject for Implementation	Kyndryl Signature:	Date:
( ) Accept for Implementation ( ) Reject for Implementation	DVLA Signature:	Date:
The above estimate will be withdrawn if not accepted by: / /		

3.9 Security

DVLA agrees to:

a. be solely responsible for:

(1) the results obtained from the use of the Services as well as all machines and programs provided by DVLA;

(2) determining that the security measures specified in the SOW constitute appropriate technical and organisational measures to protect DVLA data and software used in Kyndryl's performance of the Services (e.g. measures against access by unauthorised persons during transmission of data). Kyndryl is not required to perform or to adhere to any security measures concerning DVLA data and software other than those specified in the SOWs;

(3) correcting all invalid destination transmission errors and data corruption or security incidents with the DVLA Data;

(4) the content of any date file, the selection and implementation of controls of its access and use and the security of stored data; not providing any harmful code to Kyndryl.

b. retain source documents and maintain a procedure that will allow DVLA to recover DVLA Data without resort to the system;

c. obtain any third party approvals for the transmission of data.

4. Value Add Modernisation Advice

Kyndryl values the ongoing relationship with DVLA. In order to explore additional Kyndryl capabilities or services that could support DVLA in its ongoing modernisation programmes, as part of this SOW, Kyndryl will provide up to 10 days of digital advice to DVLA.

Appendix A: UK zCloud Service Plan

The information provided in this Service Plan includes:

- zCloud Service Criteria

- Software currency

- Hardware currency

- zCloud Maintenance Schedule

The Service Criteria is information to assist in the understanding of key zCloud requirements in order to develop plans to ensure the continued compliance with the zCloud Service Criteria.

The zCloud Service Criteria include items that zCloud clients must continually comply with while operating within the zCloud infrastructure.

This Service Plan is also used to give the notice of changes to the zCloud Service Criteria as stipulated in the zCloud Statement of Work and/or contract.

The current 2023 Service Plan is attached below and any future updates will be provided as published by the Kyndryl Client Partner or Delivery Partner.

zCloud 2023 UK
Service Plan - Client E

Appendix B: z/OS Cloud Charges, Contractual Baselines and Rates

B - 1: z/OS Cloud Contractual Baselines and Rates

Kyndryl and DVLA agree that the z/OS Cloud Contractual Baselines are set forth as below

Baseline	Value / Units
MIPS – Production + Dev/Test	213
MIPS – zIIP	1 zIIP engine shared for a max peak of 1,208 MIPS
GBs (Disk) Service Type: Standard	3,272
Number of Live LPARs	4
LPAR Service Type: Standard	1 Production 3 Non-production
Number of Virtual Tape Drives	Minimum 2 Maximum 160
TBs (VTS) – cache	40
TBs (VTS) – tapes	140
Number of Disaster Recovery LPARs	4
Recovery Point Objective	RPO <1m
Recovery Time Objective	RTO <4hrs
DR Disk Service Type: Global Mirror	Shared cross Data Centre link
z/OS Cloud Tape Type : Virtual Tape	VTS data is replicated to DR site.
Volume of incidents PCM	6
MIPS – DR	213
GBs (Disk) with a total of 3 copies – DR	9,816
TBs (DR VTS) – cache	40
TBs (DR VTS) - tapes	100

B - 2: z/OS Cloud Contractual Baseline Service Types

The z/OS Cloud Contractual Baselines included in Appendix B-1 are established in the following z/OS Cloud Service Types for both Soft Capped and Hard Capped LPAR's:

z/OS Cloud LPARs

- Standard LPAR

z/OS Cloud Disk Storage

- Standard Disk
- FlashCopy
- Global Mirror

z/OS Cloud Tape

- Virtual Tape

z/OS Cloud Software Stacks

- ZOS Stack
- CICS Stack
- IMS Stack
- MQ Stack
- COBOL Stack
- Session Manager Stack
- Omegamon Stack

The Service Types indicated in the section B-2 above will be assigned to DVLA.

B - 3: Forecasted Monthly Usage Process

Based on the volumes set forth in the z/OS Cloud Contractual Baselines as of the contract effective date, DVLA will submit on a monthly basis, on or before the 28th of each month, an updated rolling twelve (12) month z/OS Cloud Forecasted Monthly Usage ("FMU") for each Service Type along with any change request to increase or decrease Assigned Resource Units for the next month or months. Such FMU capacity forecast shall at all times provide a prediction of the capacity required over the succeeding twelve (12) month rolling period. Kyndryl shall use DVLA FMU to plan resources for DVLA's use in the future. Changes to the number of resources assigned to DVLA will be made once DVLA has submitted a change request through the Change Management Process.

During the Term, DVLA may modify its resource requirements by a maximum of 20% above the monthly z/OS Cloud Contractual Baselines or up to 20% below the monthly z/OS Cloud Contractual Baseline (as of the contract signature date and as set forth originally in Attachment B-1) through the use of the flex adjustments described below. Should a z/OS Cloud change request exceed the specified percentage above, the parties agree to review the charges, z/OS Cloud Contractual Baselines, unit rates, and ARC rates charged to DVLA. Such changes shall be handled through the Change Management Process and shall be subject to mutual agreement.

B - 4: Adjustments to the z/OS Cloud Resource Units: Flex Up and Flex Down

To flex resources up and down from DVLA's monthly z/OS Cloud Contractual Baselines as of the contract effective date and set forth originally in section B-1, DVLA shall submit a request through the Change Management Process.

   a.   for flex up increases up to 10% above the monthly z/OS Cloud Contractual Baselines.

(5) through the use of the Change Management Process described in Section B-3 above, DVLA may, at its sole discretion, increase its Assigned Resource Units up to a total of 10% over the monthly z/OS Cloud Contractual Baselines as of the contract effective date and set forth originally in section B-1. That is, if the monthly z/OS Cloud Contractual Baselines MIPS was 120, then DVLA may increase the Assigned Resource Units MIPS up to a total of 132MIPS, in a shorter timeframe than b (1) or c (1) below, where possible.

for flex up increases between 10% and 20% of the z/OS Cloud Contractual Baselines.

(6) through the use of the Change Management Process described in Section B-3 above, DVLA may at its sole discretion, increase its Assigned Resource Units between 10% to 20% above the monthly z/OS Cloud Contractual Baselines as of the contract effective date and set forth originally in section B-1 . Requests for such increases normally require three (3) months notice. However, Kyndryl will make commercially reasonable efforts to assign such increases in a shorter timeframe, subject to capacity being available. Kyndryl will provide a quotation for the increase in Assigned Resources to DVLA. That is, if the z/OS Cloud Contractual Baselines MIPS was 120, then DVLA may increase the Assigned Resource Units MIPS up to a total of 144MIPS.

for flex up increases above 20% of the monthly z/OS Cloud Contractual Baselines.

(7) in the event DVLA's change request includes increases above 20% of the z/OS Cloud Contractual Baselines as of the contract effective date and set forth originally in section B-1, such increases will require three (3) months' notice if hardware provisioning is required and may warrant equitable adjustments to the z/OS Cloud Contractual Baselines, unit rates, ARC rates and charges. Such requests shall be subject to mutual agreement. Once agreed, Kyndryl will make commercially reasonable efforts to assign the agreed increases in a shorter timeframe, subject to capacity being available.

(8) flex down decreases to the Assigned Resource Units may be requested using the Change Management Process; but DVLA may not decrease in its Assigned Resource Units by more than 20% below the monthly z/OS Cloud Contractual Baseline in effect as of the contract effective date. That is, if a z/OS Cloud Contractual Baseline is 100, and the Assigned Resource Unit percentage Cap is <20%>, then DVLA may decrease the assigned MIPS and the Cap to no lower than 80 through this process.

B - 5: Charges and Invoicing

DVLA will be charged monthly for the z/OS Cloud Service.

Adjustments to the charges will be made in arrears and calculated as described in the Additional Resource Charge (ARC) section below.

zCloud Baseline Charges

The tables below outline the charges for the operational managed services (z-Cloud Service).

Invoice Date	Service Period	Total
Aug 2023	16th Aug 2023 – 31st Aug 2023	£ 134,395.42 (ex. VAT)
Sept 2023	1st Sep 2023 – 30th Sep 2023	£ 268,790.83 (ex. VAT)
Oct 2023	1st Oct 2023 – 31st Oct 2023	£ 268,790.83 (ex. VAT)
Nov 2023	1st Nov 2023 – 30th Nov 2023	£ 268,790.83 (ex. VAT)
Dec 2023	1st Dec 2023 – 31st Dec 2023	£ 268,790.83 (ex. VAT)
Jan 2024	1st Jan 2024 – 31st Jan 2024	£ 268,790.83 (ex. VAT)
Feb 2024	1st Feb 2024 – 29th Feb 2024	£ 268,790.83 (ex. VAT)

Invoice Date	Service Period	Total
March 2024	1st Mar 2024 – 31st Mar 2024	£ 268,790.83 (ex. VAT)
April 2024	1st Apr 2024 – 30th Apr 2024	£ 268,790.83 (ex. VAT)
May 2024	1st May 2024 – 31st May 2024	£ 268,790.83 (ex. VAT)
June 2024	1st Jun 2024 – 30th Jun 2024	£ 268,790.83 (ex. VAT)
July 2024	1st Jul 2024 – 31st Jul 2024	£ 268,790.83 (ex. VAT)
August 2024	1st Aug 2024 – 31st Aug 2024	£ 268,790.83 (ex. VAT)
Sept 2024	1st Sep 2024 – 30th Sep 2024	£ 268,790.83 (ex. VAT)
Oct 2024	1st Oct 2024 – 31st Oct 2024	£ 268,790.83 (ex. VAT)
Nov 2024	1st Nov 2024 – 30th Nov 2024	£ 268,790.83 (ex. VAT)
Dec 2024	1st Dec 2024 – 31st Dec 2024	£ 268,790.83 (ex. VAT)
Jan 2025	1st Jan 2025 – 31st Jan 2025	£ 268,790.83 (ex. VAT)
Feb 2025	1st Feb 2025 – 28th Feb 2025	£ 268,790.83 (ex. VAT)
March 2025	1st Mar 2025 – 31st Mar 2025	£ 268,790.83 (ex. VAT)
April 2025	1st Apr 2025 – 30th Apr 2025	£ 268,790.83 (ex. VAT)
May 2025	1st May 2025 – 31st May 2025	£ 268,790.83 (ex. VAT)
June 2025	1st Jun 2025 – 30th Jun 2025	£ 268,790.83 (ex. VAT)
July 2025	1st Jul 2025 – 31st Jul 2025	£ 268,790.83 (ex. VAT)
Aug 2025	1st Aug 2025 – 15th Aug 2025	£ 134,395.42 (ex. VAT)
	TOTAL:	**£6,450,979.93 (ex. VAT)**

Invoicing

The following shall apply:

a) At the beginning of each calendar month, Kyndryl will issue an invoice for the z/OS Cloud charges, for that calendar month, that will include the following items as appropriate

   a. the charges for the zCloud Contractual Baselines as set out in the zCloud Baseline Charges table above

   b. any Additional Resource Charges (ARC) from the prior month as outlined below;

   c. other additional charges as incurred; and

   d. any applicable taxes

b) Payment will be due 30 calendar days after the receipt of the invoice.

Other Charges

If at any time any of DVLA's LPARs fails to satisfy the DVLA responsibilities or z/OS Cloud Service Criteria as set forth in the z/OS Cloud Service Plan, through no fault of Kyndryl, and such failure either:

a) hinders, or prevents the normal operation, maintenance, or upgrading of any Server in the z/OS Cloud Complex, Kyndryl may, in its sole discretion, and upon six month prior written notice to DVLA, move DVLA's LPARs to a dedicated mainframe server, and DVLA shall pay Kyndryl's reasonable charges for any additional hardware, software and/or services required to perform such a move or to operate DVLA's LPARs on such dedicated mainframe server; or

b) materially increases the cost to Kyndryl of keeping any or all of DVLAs LPARs within the z/OS Cloud Complex, then Kyndryl shall be entitled to make such additional charges as are reasonable in the

circumstances. For example, if additional software costs are incurred as a result of non-current DVLA software then DVLA will be liable to pay for such charges.

Additional Resource Charges (ARC's) Unit Pricing

Additional Resource Charges (ARC's) applicable to the hardware resources provided within Appendix B-1 and the IBM software listed in Appendix B-6.

The following table articulates the pricing for Additional Resource Charges (ARCs). The pricing is per Resource Unit (RU) per month, ex VAT. Baselines for the Resource Units are provided in Appendix B-1.

Item	Charges per RU per Month (excluding VAT)	ARC Capacity Upper Limit
Production MIPS – Per Std MIPS	£ 392.71	+20%
DR MIPS – Per Std MIPS	£ 17.58	+20%
Production DASD – Per GB	£ 0.62	+20%
DR DASD – Per GB	£ 1.42	+20%
Production VTS – Per TB	£ 53.51	+20%
DR VTS – Per TB	£ 53.51	+20%

As per section 18.3 of Call off contract, if DVLA ends this Call-Off Contract under clause 18.1, it will indemnify the Supplier against any commitments, liabilities or expenditure which result in any unavoidable Loss by the Supplier.

The following Table details these costs for a given termination month.

Date of Termination	Unavoidable costs
Sep 2023	£ 1,013,650.26
Oct 2023	£ 972,466.41
Nov 2023	£ 931,153.31
Dec 2023	£ 889,709.35
Jan 2024	£ 845,501.22
Feb 2024	£ 803,533.71
Mar 2024	£ 761,426.88
Apr 2024	£ 719,178.99
May 2024	£ 676,788.28
Jun 2024	£ 634,252.95
Jul 2024	£ 591,571.21
Aug 2024	£ 548,741.22
Sep 2024	£ 507,255.59
Oct 2024	£ 856,283.20
Nov 2024	£ 423,826.50

Date of Termination	Unavoidable costs
Dec 2024	£ 381,879.21
Jan 2025	£ 336,934.18
Feb 2025	£ 294,313.68
Mar 2025	£ 251,527.91
Apr 2025	£ 208,574.79
May 2025	£ 165,452.25
Jun 2025	£ 122,158.15
Jul 2025	£ 78,690.37
Aug 2025	£ 35,046.72

B - 6: DVLA ISV Software to be licensed by Kyndryl

Version numbers (when provided below) are based upon the current inventory and may be superseded

Vendor	Product
Mackinney Systems	CICS/Message
Mackinney Systems	CICS/Morning News
Blenheim International Ltd.	Adastrip / Adastrip zIIP
Macro4	ColumbusZ
Broadcom / Computer Associates	One Tape Management
Broadcom / Computer Associates	Common Services for z/OS and OS/390
Broadcom / Computer Associates	InterTest for CICS
Broadcom / Computer Associates	MIA Tape Sharing
Broadcom / Computer Associates	MII Data Sharing
Broadcom / Computer Associates	Netspy Network Performance
Broadcom / Computer Associates	CA JCL Check
Broadcom / Computer Associates	OPS/MVS Event Management & Automation for JES2
Broadcom / Computer Associates	SymDump for CICS
Broadcom / Computer Associates	Sysview Performance Management
Broadcom / Computer Associates	View
Broadcom / Computer Associates	View Extended Retention Option
Broadcom / Computer Associates	View TSO/SPF/ISPF Interface (It's a Free Option from CA)
OpenText	IAS for CICS (Imagelink)
IBM	IMS Database Manager
IBM	Websphere MQ for z/OS
IBM	Enterprise Cobol
IBM	OS/VS COBOL Compiler and Library
IBM	VS COBOL II V1.4
IBM	CL/Supersession
IBM	PSF for z/OS
IBM	DCF Document Composition Facility
IBM	DLF Document Library Facility
IBM	DFSMS dsshsm
IBM	DFSORT
IBM	Infoprint Server
IBM	RMF
IBM	Security Server
IBM	z/OS
IBM	CICS TS for z/OS
IBM	IBM Workload Scheduler
IBM	IBM OMEGAMON XE CICS
IBM	TIV MGMT SERVICES Z/OS
IBM	IBM Ported Tools
IBM	CICS Performance Analyzer
IBM	File Manager
IBM	Standard Utilities

In addition, the following software will be licensed by Kyndryl until 15th November 2023:

Vendor	Product
IBM	PPFA/370
IBM	OGL/370

B - 7: DVLA ISV Software to be licensed by DVLA

This lists the software that DVLA is to provide for use in the z/OS Cloud environment.

Vendor	Product
Software AG	Adabas CICS Interface
Software AG	ADABAS/MVS
Software AG	ADABAS Coordinator
Software AG	ADABAS DELTA SAVE
Software AG	ADABAS Vista
Software AG	ADABAS On-line Services
Software AG	EntireX
Software AG	Natural Adabas Interface
Software AG	Natural for MVS
Software AG	Natural CICS Interface
Software AG	Natural Optimizer Comp.
Software AG	Natural Security
Software AG	Natural Connection
Software AG	Natural Development Server
Software AG	Systems Maintenance Aid
Software AG	Authorised Service Manager
Software AG	Predict Software
Software AG	Review
TREEHOUSE	N2O 3GL
TREEHOUSE	N2O
TREEHOUSE	DPSync (RRDF from Enet)
TREEHOUSE	DPS
TREEHOUSE	tRelational

Appendix A: Service Level Agreement and Key Performance Indicators

A - 1: The z/OS Cloud Service Availability SLA

The Service Availability SLA will be measured from the Operating System by Kyndryl. Service Availability is defined as follows:

99.9% availability from unplanned outages (any outage other than a planned maintenance period) during operating hours for the following components:

- Kyndryl Production data centre

- Kyndryl Production LPAR server and storage hardware

- Kyndryl Production LPAR operating system and database software

Operating hours for the measured systems will be Monday to Sunday, 00.00-23:59, excluding maintenance windows. The measurement will be for a calendar month and calculated on a monthly basis. Measurements exclude planned maintenance periods. These are published by Kyndryl up to 2 years in advance and require an approximately 5 hour outage to Production and other LPARs each month. The Standard LPAR solution means that the planned maintenance Windows have to be taken without exception. The maintenance Windows for 2023 and 2024 are included in zCloud Service Plan.

A - 2: Service Level Credits

In the event that, due to Kyndryl's default, Kyndryl fails to meet the target Service Availability levels in any month, Kyndryl will provide service credits in accordance with the provisions of this clause. Any credit will be applicable to the z/OS charges for that month and deducted from the next payment invoice (after the root cause analysis has been completed where necessary). The z/OS monthly charge will be one third of the quarterly z/OS service charge.

If Kyndryl fails to meet the target Service Availability in a single month, Kyndryl will pay a service credit of 6% of the z/OS monthly equivalent service charge.

A - 3: Excluded Events

The following exclusions apply:

a.   where there is a repeat Service Availability Level failure attributable to a single event then Kyndryl will issue a credit for the initial Service Availability Level failure only attributable to that event;

Service Level measurements exclude;

(0)   planned maintenance periods as provided by Kyndryl 12 months in advance,

(1)   weekly production Initial Programme Load (IPL) activity slots; and

(2)   any planned software maintenance which is approved via change management process

Service Levels do not apply when disaster recovery is invoked or Kyndryl recommends that it is invoked until after the first successful DR test has been completed in which case D-3, d below will apply;

Service Levels do not apply between the point of invocation of disaster recovery (or when Kyndryl recommends that it is invoked) and the point when the service is deemed to be running at the DR location; and

Kyndryl is not responsible for any Service Credit, Service Level Failure or outage where the Root Cause Analysis identifies the root cause was not as a result of an act or omission by Kyndryl under this Statement of Work, including:

(0)   any action or inaction by DVLA or its subcontractors;

(1)   any issues with out-of-support or down-level ISV software;

(2)   where the incident follows an ISV software upgrade which is identified as being the cause;

(3)   where the application or ISV software is identified as being the cause; and

(4)   as a result of Force Majeure

Where Kyndryl propose an incident fix and DVLA does not allow Kyndryl to implement the fix or delays the fix then Kyndryl will not be responsible for any Service Credit, Service Level Failure or outage, where the failure is a direct result of the prevention or delay in implementing the fix.

Where Kyndryl propose a software patch and DVLA does not allow Kyndryl to implement the patch or delays the patch then Kyndryl will not be responsible for any Service Credit, Service Level Failure or outage, where the failure is a direct result of the prevention or delay in implementing the patch.

A - 4: Key Performance Indicators (KPIs)

Response Time KPIs – the two KPIs that Kyndryl will be required to achieve a >90% response time, are shown in the table below:

KPI	Priority and Level	Response time	Target
1	Priority 1, Level 2	<2hrs	90%
2	Priority 2, Level 2	<4hrs	90%

Social Value KPI – Kyndryl UK is currently a bronze Carbon Literate Organisation (CLO). The target for FY24 is to achieve silver, which will require an additional 109 UK employees to be certified. The table below shows the number of employees, per reporting period, that Kyndryl would like certified on its journey to achieving silver status with the CLO.

Reporting Period:	April to July 2023	August to September 2023	October to December 2023	January to March 2024
Number of UK employees certified:	10	20	29	60

Kyndryl will be continuing to certify its employees on Carbon Literacy throughout 2024 and 2025 but has not yet set targets beyond March 2024. As such, the Social Value KPI for FY2025 will be agreed with the DVLA during Q1 FY2025.

Signed	Supplier	Buyer
Name	■■■■■■■	■■■■■■■■■■
Title	Client Unit Leader	Head of Procurement
Signature	DocuSigned by: ■■■■■■■■ 21C68211C812497...	DocuSigned by: ■■■■■■■■■■ 43B63121788848E...
Date		