

The terms of this Software and Services Special Option (“Agreement”) between The Secretary of State for the Home Department (“Home Office” or “you” or “Client”) and IBM United Kingdom Limited (“IBM”) and allow you to receive from IBM the benefit of licensing plus IBM Software Subscription and Support or IBM Software Maintenance or Appliance Maintenance and Subscription and Support Service (independently or collectively, “S&S”) for certain Software Products, other IBM eligible products, as well as the performance of certain associated services or any other items specified herein (collectively, the “SSSO Offerings”) for one bottom-line price, payable in instalments.

The terms of this Agreement are in addition to and may modify (for the purposes of this Agreement only) those of the **“Associated Documents”** which govern the acquisition of the SSSO Offerings. The terms of the Associated Documents are incorporated into this Agreement by reference.

1. Confidentiality

Both parties understand that the terms of the Agreement (including the prices offered to Client as part of this offering) are confidential and agree not to disclose the terms of this Agreement to any third party outside of their Enterprise (including any agent, advisor or consultant) without the other party’s prior written approval, unless required by law.

Client may disclose the terms of this Agreement to third party contractors who are acting as full time employees of Client, but only to the extent strictly necessary to perform their duties and provided that such third party contractors are subject to a confidentiality agreement with Client sufficient to protect the confidential nature of this Agreement. Client shall be responsible for the actions of such third party contractors. This right of disclosure to third party contractors does not entitle the Client to disclose to any agent, advisor or consultant as described in the previous paragraph.

In all other cases, [including but not limited to disclosure to third parties who are specifically engaged to advise on this Agreement,] any disclosure is subject to prior written approval from IBM and signature of a standard IBM three-way non-disclosure Agreement.

2. Definitions

The definitions in the Associated Document(s) shall apply to any capitalized term in this Agreement, unless such term is modified by this Agreement.

“Content” means all data, software, and information that Client or its authorized users provide, authorize access to, or inputs to a Listed Software Product. Use of such Listed Software Product will not affect Client’s existing ownership or license rights in such Content. IBM and its contractors and Subprocessors may access and use the Content solely for the purpose of providing and managing the Listed Software Product, unless otherwise described in this Agreement.

“Option Charges” means the sum of the charges for the SSSO Offerings.

“Active Use Quantity” means the quantity of licenses in Active Use. The Active Use Quantity does not include any license quantity deployed by Client prior to the Start Date for which Client does not have a license entitlement.

“Other Program Quantities” means those quantities of Capped Enterprise Programs that Client or member(s) of Client’s Enterprise acquired: (i) prior to the Start Date; or (ii) outside of this Agreement; or (iii) from third parties that are part of a third-party solution or application. Other Program Quantities are not covered by the Option Charges and do not qualify for the purpose of calculating the Active Use Quantity.

3. Contract Term

This Agreement starts on 30th April 2022 (“**Start Date**”) and remains in effect up to and including 30th April 2024 (“**End Date**”), unless terminated earlier as provided herein. Client may only purchase SSSO Offerings (as defined below) during the contract term.

4. SSSO Offerings

The offerings that qualify for the terms of this Agreement (“**SSSO Offerings**”) may only be acquired directly from IBM and are as follows:

Products included in Schedule A – Products List including any applicable Attachments, which is attached to and made part of this Agreement (the “**Listed Software Products**”) are comprised of the following:

- i. Products and Programs;
- ii. IBM Subscription and Support (“**S&S**”) renewals for previously acquired Programs

5. Capped Enterprise Programs

Prior to the earlier of the 31st March 2024 and the termination of the Agreement (the “**Calculation Date**”) any Eligible Program identified on Schedule A Table 2 as a “Capped Enterprise Program” may be deployed within Client’s Enterprise only up to the quantity set forth in Schedule A Table 2 for each Capped Enterprise Program only if such program: (i) is actively deployed by Client for production or development or both (i.e., no “stockpiling” of licenses); (ii) is deployed on machines Client owns or leases and operates within Client’s Enterprise (“**Active Use**”); (iii) or is validly deployed at a Cloud Service Provider pursuant to the authorization below in general section g; and (iv) Client may not deploy any Capped Enterprise Program before first acquiring IBM Software Subscription and Support or IBM Subscription and Support Reinstatement on all Other Program quantities. The number of licenses of each Capped Enterprise Program that are in Active Use at any point during the term of this Agreement may not exceed the quantity set forth in Schedule A for each Capped Enterprise Program plus the quantity of Capped Enterprise Programs Client acquired outside the terms of this Agreement.

The number of licenses of each Capped Enterprise Program that are in Active Use at any point during the term of this Agreement may not exceed the quantity set forth in Schedule A for each Capped Enterprise Program (plus the quantity of Capped Enterprise Programs Client acquired outside the terms of this Agreement).

For purposes of Capped Enterprise Programs, “**Enterprise**” shall mean any legal entity within United Kingdom which Client owns, by more than 50% as of the Start Date and does not include any future business entities or assets of business entities which become part of Client’s Enterprise through merger or acquisition activity after the Start Date of this Agreement. Other Program Quantity licenses may not be transferred or deployed outside of Client’s Enterprise.

If virtualization technology is used to limit the processor capacity available for use with the Capped Enterprise Programs to less than all the activated processor cores on the server(s), Client agrees to adhere to the terms for Programs in Virtualization and Container Environments as described in the applicable License Information Document, the IPLA, the IPAA and at https://www.ibm.com/software/passportadvantage/about_software_licensing.html.

For a period of 24 months following the End Date or Termination Date, as applicable, Client is prohibited from using the sub-capacity licensing for any Enterprise Program that was identified in the Active Use Verification as not being used with virtualization technology.

For Capped Enterprise Programs that require a license key, IBM will provide an initial quantity of keys. If prior to the Calculation Date Client requires additional license keys Client must request such additional keys by notifying IBM in writing of the amount of such additional keys Client requires. IBM will provide such additional license keys.

On the Calculation Date the quantity of licenses of Capped Enterprise Programs acquired under this Agreement (“**Active Use Entitlement**”) will be established by subtracting the Other Program Quantities that were not acquired under this Agreement from the Active Use Quantity.

The Active Use Entitlement will be established by verification of the Active Use Quantity and Other Program Quantity on the Calculation Date (the “Active Use Verification”).

For example, if Client acquired 2 copies of Program X under Passport Advantage in advance of the signing of this Agreement and those copies are in Active Use prior to the Start Date, and Client has 10 copies of Program X in Active Use as of the Calculation Date, then IBM will issue a Proof of Entitlement to Client for 8 copies of Program X.

To complete the Active Use Verification, Client must provide to IBM a detailed report of deployment and use using the templates IBM provides to Client (“Active Use Verification Report”).

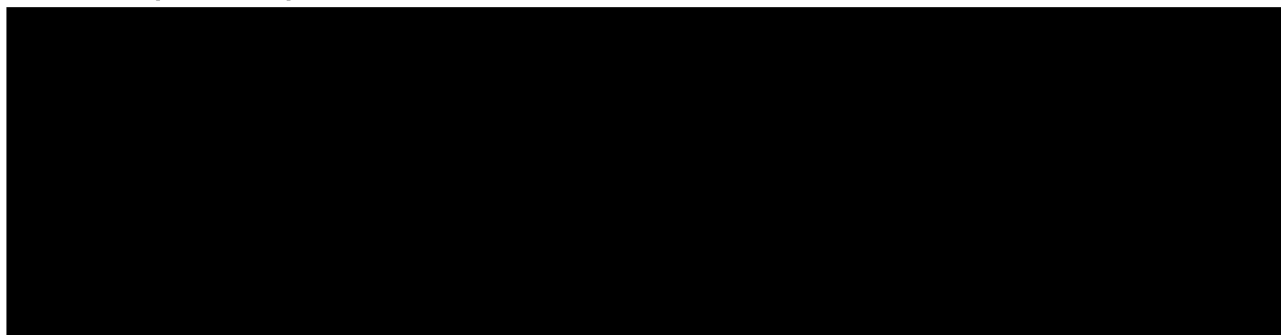
The reports must be certified as complete and accurate by one of Client’s senior executives or one of Client’s financial auditor’s officers. Further, the report must include supporting documentation sufficient to allow IBM to reasonably determine the factual and analytical basis of such report and its conclusions.

In addition to the Active Use Verification, Client must also submit a copy of the Active Use Verification Report to IBM at [REDACTED] bi-annually (e.g., January 1st, July 1st) and on the Calculation Date. Client must provide IBM a written report, using the format shown below, listing the cumulative quantities of licenses of each until the Calculation Date with the Active Use Quantity and Other Program Quantity of each Enterprise Program at that point in time.

The Active Use Report lists the information required for Capped Enterprise Programs:

1. Part Number and Program Description
2. Licensing Metric
3. Active Use Quantity
4. Other Program Quantity
5. Whether or not it is a Royalty Product
6. Whether or not virtualization technology is used to limit the processor capacity available for use with the Capped Enterprise Program

Active Use Report Example:



IBM may notify Client that as an alternative to or in addition to Client’s Active Use Verification Report, IBM will independently verify Client’s deployment and usage. If IBM conducts an independent Active Use Verification, IBM may use a third-party independent auditor to either perform or assist with the Active Use Verification provided that IBM has a written confidentiality agreement in place with such auditor. The Active Use Verification will be conducted in a manner that minimizes disruption to Client’s business and may be conducted on Client’s premises

during normal business hours. Each party is responsible for and will pay its own costs for the Active Use Verification.

For a period of one year after the Calculation Date, if Client elects to renew S&S for the Enterprise Programs Client must renew S&S for the entire Active Use Quantity.

In the event of a conflict between this Agreement and any POE issued prior to the Calculation Date, this Agreement shall prevail as the governing document.

6. Third Party Access

Client may not assign Client's obligations under this Agreement. However, IBM agrees that at Client's request, Client's outsourcer will be allowed to access and run the IBM Products covered by this Agreement on Client's behalf but only on machines that are dedicated for use by Client's Enterprise subject to an IBM Third Party Access Agreement or equivalent executed by all parties. IBM consents to that access provided that Client agrees to remain obligated hereunder, and the outsourcer agrees with Client and IBM in writing to only access and use the Programs solely for Client's benefit and be bound to the license agreement that comes with such Programs. If no separate license agreement comes with such Program, then the outsourcer must agree to the license terms described herein and in the applicable Associated Documents and abide by those terms and conditions.

7. Other



Prices are based on the IBM prices available in the country in which Client acquired the Programs.

8. Associated Documents and Use of SSSO Offerings

The following IBM Agreements comprise the Associated Documents and govern the use of SSSO Offerings:

1. IBM Customer Agreement ("ICA") which governs Machines, and Services;
2. IBM International Passport Advantage Agreement ("IPAA") Number: [REDACTED] which governs IPAA Programs, IPAA Appliances, and associated Subscription and Support;
3. IBM International Program License Agreement ("IPLA"), which governs IPAA Programs;
4. IBM containerized programs are subject to the IPAA and the **Addendum 1 - Special Option for Container Licensing Terms** (the "CLT Addendum") which is attached to and made part of this Agreement as Addendum 1.

9. Verification

Client may deploy the SSSO Offerings, as permitted by Client's Associated Documents up to the maximum level of use authorizations (quantities) specified in this Agreement. If Client's actual deployment of any of the Listed Software Products has exceeded the specified maximum level of use authorizations (quantities), Client

agrees to promptly notify IBM of such excess and to pay separately for such excess as IBM specifies in its invoice, at Client's then-current (1) RSVP level price for Programs made available under the IPAA and (2) suggested retail price for Programs not made available under the IPAA.

Client is responsible for (a) creating and maintaining accurate records of all deployments of SSSO Offerings and of use authorizations (quantities), (b) ensuring that Client does not exceed Client's use authorizations, and (c) remaining in compliance with the terms of this Agreement and the Associated Documents, including, without limitation, all of IBM's applicable licensing and pricing qualification terms (independently or collectively the "**License Terms**").

Upon reasonable notice, IBM may verify Client's compliance with the License Terms at all sites and for all environments in which Client uses (for any purpose) SSSO Offerings, subject to the License Terms. Such verification will be conducted in a manner that minimizes disruption to Client's business and may be conducted on Client's premises, during normal business hours. IBM may use an independent auditor ("**Auditor**") to assist with such verification, provided IBM has a written confidentiality agreement in place with such Auditor. Client agrees to provide to IBM and the Auditors accurate written records, system tool outputs (including without limitation the retained SMF 30 subtype 4 records), and other system information sufficient to provide auditable verification that Client's use of all SSSO Offerings is in compliance with the License Terms.

The rights and obligations set forth in this section (Verification) remain in effect during the term of this Agreement and for two years thereafter.

IBM will notify Client in writing if any such verification indicates that Client have used any of the SSSO Offerings in excess of its use authorizations or are otherwise not in compliance with the License Terms. In addition to Client's obligations to pay for any excess use, Client agrees to promptly pay directly to IBM the charges that IBM specifies in an invoice for: (1) S&S for the SSSO Offerings in such excess use for the lesser of the duration of such excess use or two years; and (2) any additional charges and other liabilities determined as a result of such verification.

Unless specifically agreed herein or in another signed agreement in writing between Client and IBM, the licenses for the Programs and S&S acquired under this Agreement may not be used to settle or resolve any software license non-compliance by Client that occurred prior to the Start Date of this Agreement. Further, unless otherwise agreed to by the parties in writing, the licenses for the Programs and S&S acquired under this Agreement may not be used as authorization to deploy Programs prior to the Start Date.

10. Charges

Client shall pay IBM for all SSSO Offerings provided under this Agreement.

The Option Charges are due on or before the following dates as follows:

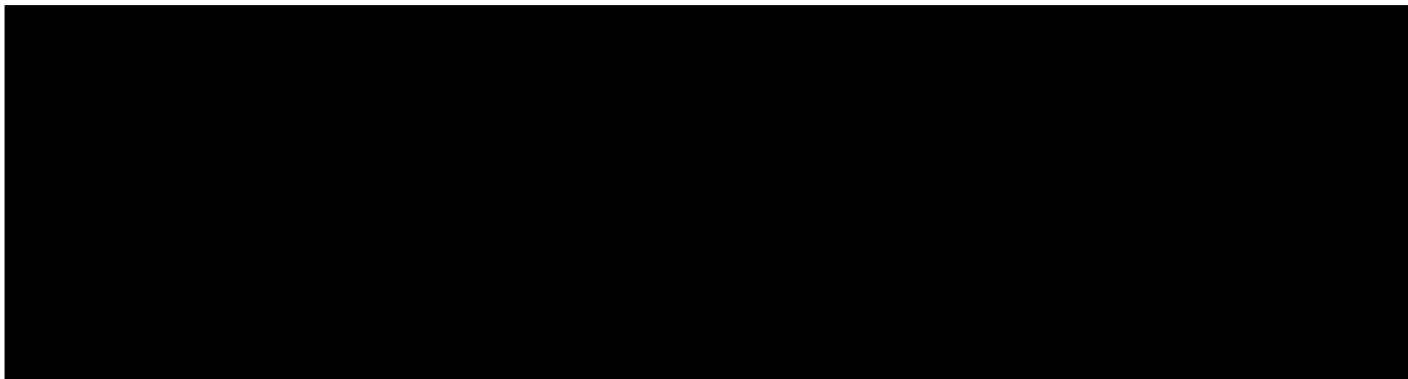


The Option Charges do not include any additional amounts incurred pursuant to the section of this Agreement entitled "Verification". The Option Charges and any additional charges beyond the Option Charges incurred pursuant to the section entitled "Verification" are exclusive of any applicable duties, fees and taxes. Client is responsible for any such duties, fees and taxes including, but not limited to, withholding taxes and, if as a result of Client moving, accessing or using any of the SSSO Offerings across a border, any customs duty, tax, levy or fee (including withholding taxes for the import or export of any such SSSO Offering).

By accepting this Agreement, Client agrees this order is firm and funding is approved and committed. Payment of charges as specified in the Agreement is not contingent upon issuance of a Purchase Order and will be made in accordance with the terms of the Agreement.

The Option Charges are not cancelable except as may be otherwise provided in the section of this Agreement entitled "Termination".

11. Future Pricing Provisions for IBM Software Programs



Prices are based on the IBM prices available in the country in which Client acquired the Programs

12. Termination

Subject to the payment of the amounts described below, Client may terminate this Agreement at each annual anniversary of the Start Date by providing IBM written notice at least 90 days prior to such anniversary.

Upon such termination, Client will pay to IBM all unpaid charges (including all Option Charges) (the "**Remaining Charges**"), including but not limited to:



Notwithstanding any such termination, but subject to Client's payment of the Remaining Charges, the S&S, periods specified herein continue in accordance with the terms and conditions of the Associated Documents.

13. General


- a. Acquisitions made under this Agreement may not be resold, rented, leased or transferred to third parties.
- b. Each party will identify one point of contact to facilitate communication between the parties and the management of this Agreement.
- c. Client may not transfer or assign this Agreement without the written consent of IBM. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assignees.
- d. Client may not use acquired bundled programs, such as Cloud Paks, or IBM Subscription Licenses to replace IBM S&S.
- e. It will be considered a material breach of this Agreement if Client sets-off, or attempts to set-off, any payments due IBM under this Agreement by any amounts IBM owes Client, or may owe Client, under other agreements Client may have with IBM or if Client refuses to make payments under this Agreement based upon any dissatisfaction Client may have under any such other agreements.
- f. Processing of Personal Data:
IBM's Data Processing Addendum ("**DPA**") at ibm.com/terms/dpa and the applicable DPA Exhibits apply and supplement the Agreement if and to the extent (i) the European General Data Protection Regulation

This authorization does not modify or supersede any of Client's obligations in the IPAA regarding the Eligible Programs, including requirements for use in a virtualized environment (subject to the reporting requirements specified in the policy and IPAA). Client acknowledges that the verification terms in the IPAA extend to the Cloud Service Provider environment on which the Eligible Programs are installed, and Client agrees to collect any required usage data from the Cloud Service Provider. Client will not provide the Cloud Service Provider any unauthorized use or access to the Eligible Programs.

The parties agree that this Agreement, including all Associated Documents are the complete agreement between us and replaces any prior oral and/or written communications between us concerning this subject matter. By signing below, the parties agree to the terms of this Agreement and the Associated Documents. If there is a conflict among terms of this Agreement and those of the Associated Documents, for the purposes of this Agreement, those of this Agreement prevail.

Agreed to:

The Secretary of State for the Home Department

By  e-Signed by Neil Bottomley
Authorized signature

Name (type or print): Neil Bottomley

Position (type or print): Deputy Director, Commercial Business Partner DDaT

Date: April 28, 2022

Agreed to:

IBM United Kingdom Limited

April 28, 2022

Client address: 2 Marsham Street, London, SW1P
4DF



REDIRECTED



REDIRECTED



REDIRECTED



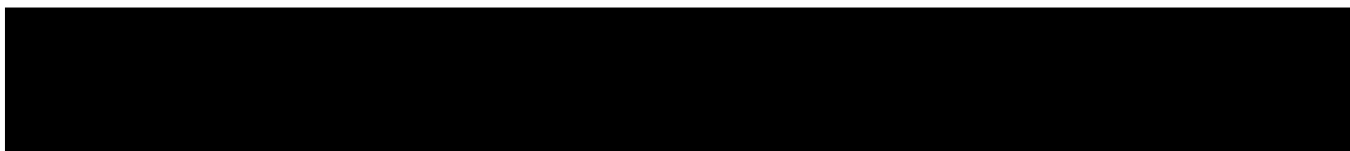
REDIRECTED

Addendum 1 Special Option for Container Licensing Terms

This Addendum – Special Option for Container Licensing Terms (“**CLT Addendum**”) modifies or is in addition to the terms of IBM International Passport Advantage Agreement or the equivalent agreement (“**IPAA Agreement**”) referenced in this Agreement. Capitalized terms not defined in this CLT Addendum are defined in the Agreement and Associated Documents.

1. Container Licensing Terms

Eligible Products (EP) that meet the requirements for containerization usage may be licensed under Container Licensing terms (“**Eligible Container Product**”) at:



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,

1. i) reports generated by the IBM License Service;
2. ii) the IBM License Service code; or
3. 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.