

**Re: Brexit**

Dear Valued Client,

IBM believes that the best outcome for business is that the current negotiations on the United Kingdom's exit from the European Union ("Brexit") will result in a transition period and future arrangements which will support business. However, as things currently stand, the UK will exit the EU and the European Economic Area, effective 11pm UK time on March 29<sup>th</sup> 2019, with no withdrawal agreement.

Although there is still much uncertainty, IBM is taking proactive measures to plan for this situation and enable the continued provision of goods and services. One of the key areas which may be affected is the free flow of data.

Protecting client data is of utmost importance to IBM. Your company may have agreements in place with IBM group companies providing services that involve the processing of personal data. In order to help ensure both your and IBM's compliance with applicable data protection law, on the date that the UK leaves the EU, the following will take effect:

1. **References to the General Data Protection Regulation (GDPR) in the applicable contracts will include the UK Data Protection Act 2018** to the extent it applies. Other references to EU or EEA legislation will include any implementing or equivalent UK legislation, to the extent relevant.
2. **The transfer of personal data from the EEA to the UK will be classed as an international transfer.** To permit these data transfers to continue uninterrupted, the following applies to the extent that such transfer is considered a transfer to a "non-adequate" country under the GDPR:
  - **IBM UK entities acting as Processors or Subprocessors will be added as data importers under existing EU Standard Contractual Clauses, based on your jurisdiction.**
  - **Those external vendors located in the UK and listed as Subprocessors in existing agreements with you will be bound by IBM to the same obligations imposed on IBM under the applicable EU Standard Contractual Clauses.**

Additionally, in certain agreements with IBM, there may be a statement of territorial scope (for example, for the purposes of IBM warranty support) which includes reference to the UK in terms such as Western Europe, the European Union (or EU), EU member states, or countries in the European Economic Area. Irrespective of the conditions of exit and until further notice from IBM, those terms shall continue to include the UK as if the UK were expressly mentioned.

By using IBM goods and service beyond the date that the UK leaves the EU, you are accepting the changes referenced in this communication, if and to the extent applicable. This arrangement will remain in place also for new agreements you enter into with IBM (as applicable) until contractual terms are refreshed to comply with any changes to the law that may be enacted once Brexit becomes effective.

If you are contacted by your IBM representative specifically about Brexit and its implications for your contractual relationship(s) with IBM, please refer to him or her for the next steps to be taken.

For additional information, please visit: [www.ibm.com/brexit](http://www.ibm.com/brexit).

If you have any additional questions or to obtain versions of this letter in other languages – please contact your IBM sales representative, or send your query to [DP.Operations@uk.ibm.com](mailto:DP.Operations@uk.ibm.com)

Thank you

IBM Global Markets