



Schedule F – Loan of IBM Assets

This is a Property Loan Attachment, which incorporates the terms and conditions of Solution Engagement Agreement # 4907017758, and Statement Of Work # 4907018415 under which IBM may loan tooling, software, equipment, systems, or other IBM assets ("Loaned Items") to Supplier.

Each time IBM provides Supplier Personnel with Loaned Items, Supplier will complete the Loaned Items Attachment ("Schedule 1"), which sets out the name of the Supplier Personnel ("Contracted Personnel"), and a list of the Loaned Items. Loaned Items are provided for use by the Contracted Personnel. Supplier agrees that Contracted Personnel will execute Schedule 1, and the Contracted Personnel will be signing his or her own and Supplier's behalf.

All Loaned Items will remain IBM's property at all times and will be used only for the benefit of IBM and in performance of this Agreement. Supplier will confirm receipt of Loaned Items with the IBM Personnel from which the Loaned Items originated within five (5) calendar days by signing and returning a copy of the Loaned Items Attachment or by sending a written acknowledgment, including a description and serial number for the Loaned Items.

1.0 General

Supplier will: (i) ensure that Loaned Items are not encumbered by any security interest and that interest in Loaned Items is not transferred in any way; (ii) immediately notify IBM upon notice from the taxing authority and in writing of any personal property taxes or assessments that may be levied on Loaned Items and forward any correspondence from such taxing authority which referenced Loaned Assets to IBM; (iii) maintain Loaned Items at the location originally shipped to by IBM, unless otherwise agreed to by IBM; (iv) maintain Loaned Items without alteration and in their original condition as provided by IBM, unless otherwise agreed to by IBM; (v) immediately notify IBM of any damage to or theft of Loaned Items and be responsible for the replacement cost of Loaned Items in the event of any damage or theft; (vi) maintain a status report on Loaned Items (e.g., currently in possession or returned); (vii) ensure that Loaned Items are referenced in a tracking document which references this Agreement; (viii) return Loaned Items on the return date specified by IBM in writing, the termination date of the Agreement; or upon IBM's written request, whichever occurs first.

In the event Loaned Items consist of or contain IBM or third party software, Supplier will not reverse assemble, reverse compile, decode, translate, make copies, prepare any derivative works of, distribute, or sublicense such software, without IBM's prior written permission. Supplier is only licensed to use such software in performance of this Agreement and such limited license will expire upon return of the Loaned Items or the termination of this Agreement, whichever occurs first. No other licenses in Loaned Items, either express or implied, are granted.

2.0 Use of Loaned Equipment

2.1. Only Contracted Personnel may use the Loaned Items.

2.2. Supplier must ensure that it and the Contracted Personnel:

- a. only use Loaned Items for the purpose of providing the Services;
 - b. use the Loaned Items in accordance with the Agreement and this PLA;
 - c. use power-on, lock-up and screen saver passwords to prevent access by unauthorized persons;
 - d. do not install or download any software or files that are not approved in advance by IBM;
 - e. all software must be licensed to IBM;
 - f. not store IBM product source code, and unannounced IBM product executable code on the hard disk(s) hard drive. Only GA level executable code, and selected BETA code, may be stored on the Loaned Items' hard disk(s);
 - g. where possible, work on IBM host or server located in IBM or Customer site. The Loaned Items should access IBM hosts and servers as a "dumb" terminal, and not be used for downloading and uploading confidential materials from and to IBM or Customer hosts and servers. Contracted Personnel may run a



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copy of GA level executable product code, and selected BETA executable code, on the Loaned Items, for the purpose of trying to recreate Customer problems, or trying to develop solutions to Customer problems;

- h. installs, keeps current, and regularly runs the IBM anti-virus tools. All files, uploaded and downloaded, must be checked immediately for known computer viruses;
- i. login scripts stored on the Loaned Items' hard disk(s), if any, must not contain any IBM host system or server login passwords.

2.3 Supplier must ensure that Contracted Personnel must not:

- a. leave the Loaned Equipment unattended (except where the Loaned Equipment is safely stored at the Supplier's place of business, the Customer Site, or Employee's residence, or properly secured);
- b. install DIALS software on their personally owned home PC equipment. The contract Personnel may only access internal IBM systems from home using the Loaned Items. The contract Personnel may only access internal IBM systems from a Customer location using the Loaned Items. The Loaned Items must never be connected to the Contracted Personnel's home system or PC. The Loaned Items must never be connected to a Customer system or PC.

2.4 IBM's focus on secure computing is a foremost business priority. Because of the sophistication and volume of attacks on IT systems around the world, the supplier is responsible for the following security measures:

- a. Supplier personnel are not permitted to use their personally owned computing assets (laptops, smart phones, etc.) in the performance of their work for IBM or IBM clients, except that Supplier personnel may use a personally owned mobile device to make phone calls in connection with IBM or IBM client work.
- b. Supplier personnel may only use IBM-provided assets and IBM client-provided assets to conduct IBM or IBM client business. Supplier personnel may not use such assets for any type of personal use.
- c. If using an IBM client-provided asset, that asset may only be used for IBM client business. IBM information and materials may not be stored on that IBM client-provided asset, unless directed by the IBM Project team for the particular engagement.
- d. When performing work for an IBM client, whether using an IBM-provided or an IBM client-provided asset, Supplier personnel must comply with security policies and procedures as directed by IBM or the IBM client, depending on which has issued the asset.
- e. Supplier Personnel may not attach portable-storage media (e.g., USB, external hard drive, etc.) to an IBM-provided or an IBM client-provided asset unless (a) the portable storage media has been provided by the IBM Project engagement team for use on the engagement or (b) if the media is not provided by the IBM Project engagement team, the IBM Project engagement team has provided its written approval to use the media on the engagement.

ALL LOANED ITEMS ARE LOANED TO SUPPLIER ON AN "AS IS" BASIS WITHOUT ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT.

ACCEPTED AND AGREED TO:

T.E.S. Contract Services Inc.:

Contractor:

Signature Date

Signature Date

Printed Name

Printed Name

Title

Title

T.E.S. Employee's Initials _____

Contractor's Initials _____



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Schedule 1: Loaned Items Attachment

Supplier: _____

Contracted Personnel: _____

Loan Period: _____

Loaned Items:

Hardware (model no. and serial no.):

Software:

Other:

Access:

I acknowledge that I have been made aware of and understand the terms of the Property Loan Attachment, that I am signing on my own and the Supplier's behalf, and that I have received the equipment listed above.

Signature of Contracted Personnel

Name

Date