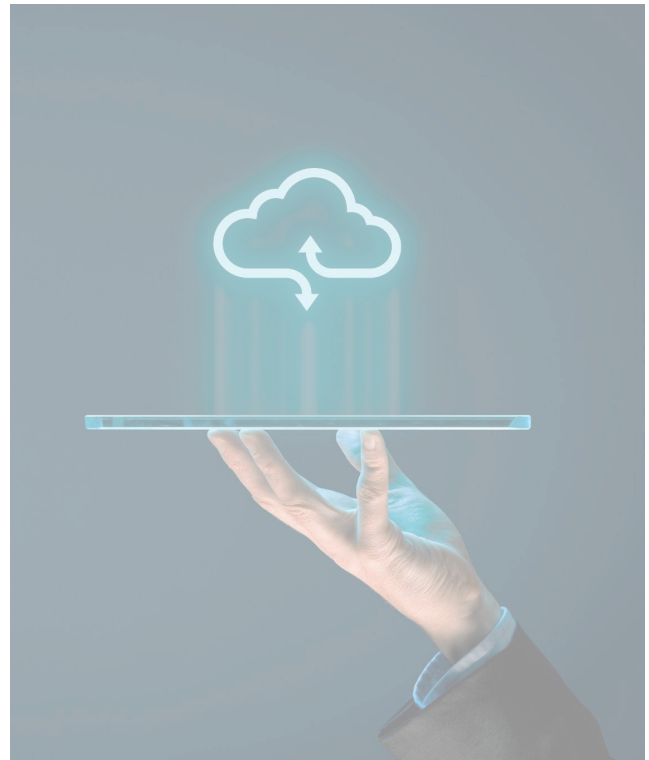
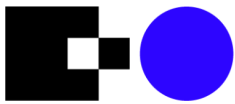


END CUSTOMER SERVICE DESCRIPTION

# Cloud FinOps Services

AWS Automate





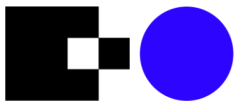
## Contents

This Service Description details what we do, how we do it and what we need from you in delivering Automate for AWS (Cloud Provider). It introduces our Account Management team and the use of our Portal (<https://portal.strategic-blue.com/>).

Automate can be delivered through us acting as your cloud reseller under our Cloud Purchase Agreement (“CPA”) and in accordance with the AWS Solution Provider Program. If we are not the reseller it is delivered under our Master Business Services Agreement (“MBSA”). In both models you maintain ownership of all your AWS usage accounts to retain your technical freedom, independence, continuity of service and security.

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In this Service Description terms such as **“we”**, **“us”** and **“our”** mean Strategic Blue and **“you”** and **“your”** mean you as our Customer.



# Automate Benefits

## Overview

- We provide [AWS cloud cost savings](#) without the need for technical changes to your use of cloud by managing AWS Savings Plans and Reserved Instances for you.
- If we are also your reseller we manage [AWS billing](#) to simplify invoicing, and can enable the PrePayment for cloud services through our Strategic Blue Vouchers and track how those vouchers are used.
- Our Portal (<https://portal.strategic-blue.com/>) provides you and us with [spend visibility](#), KPIs and history to clearly show how efficiently those savings are being delivered and identifying additional savings potential.
- Our [Account Management Team](#) works with you to support you in the financial management of your cloud spend and the use of our tools.
- We complement, and can work independently of, your technical teams who are responsible for optimizing the use of cloud (rather than the rate optimization that we do).
- [Our fee](#) is a share of the savings we generate from our management of AWS Savings Plans and Reserved Instances on your behalf. This ensures that our incentives are aligned with yours

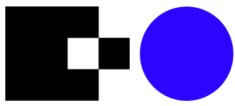
## Cloud Cost Savings

We provide AWS cloud cost savings by managing AWS Savings Plans and Reserved Instances (“**Commitments**”) on your behalf, as follows:

### Managed AWS Savings Plans & Reserved Instances

AWS offers Savings Plans and Reserved Instances to provide discounts in exchange for commitments to use particular resources, or spend certain amounts, on 1- or 3-year terms.

With Automate you entrust your cloud usage **analysis**, Commitment strategy definition, reporting, purchasing and **execution** to us. As a specialist provider that is dedicated to the financial, not technical, optimization of cloud spend, we have the tools, knowledge and the time to deliver a high cadence, expert service for you.



Our unique way of managing these Commitments enables us to offer you discounts so that you can:

- Avoid the time spent analyzing your cloud usage,
- Avoid the challenges of making detailed forecasts about future requirements,
- Avoid the overhead and distraction of buying, selling & renewing commitments
- Minimize the risk of future lock-in to cloud services/spend you may not need,

We do this in a way that is entirely aligned with any savings approaches or particular pricing agreements you already have in place.

We place no restrictions on the AWS cloud services you can use. We focus on the services for which a Commitment can be made in exchange for a saving:

**Core Services** Includes any service for which a Compute Savings Plan could be purchased (e.g. EC2, Fargate and Lambda). As AWS provides greater flexibility for these services, we are able to manage these Commitments entirely autonomously.

**Additional Services** Includes any service for which Reserved Instances or Savings Plans can be purchased that is not a Core Service. AWS provides fewer ways to build flexibility with these Commitments, so we propose and agree related actions with you before proceeding.

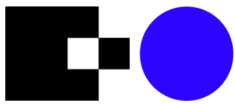
**Our Portal** homepage KPIs and metrics give you a clear and concise overview of your Commitments and how efficiently they're delivering you savings. It includes:

- A score to act as a benchmark to quickly compare one period to the next
- Industry standard measures of Commitment performance (including coverage, utilization and savings rate)
- Historical trends for these KPIs and metrics

These provide a foundation for service review calls with your assigned Strategic Blue Account Manager and help ensure this element of your cloud spend remains well optimized.

## Private Pricing and the One Government Value Agreement

Private Pricing Agreements (PPAs) are another type of commitment based discount offered by AWS. They are typically linked to your overall AWS cloud spend rather than specific cloud services. Such agreements offer a flat discount on almost (as specified by AWS) all your cloud spend, in exchange for meeting an agreed annual spend and generally a minimum year on year growth level. The **One Government Value Agreement (OGVA)** is a form of PPA available to the UK Public Sector specifically.



Our approach to delivering you savings is aligned with, and complementary to PPAs and the OGVA. We can support you in negotiating terms and ensuring you understand the impact of the associated spend commitment (which is detailed in a Commitment Letter when we are your reseller). We coordinate the use of Savings Plans and Reserved Instances to help you meet that spend commitment whilst also taking advantage of the savings they offer.

There is no cost to you of accessing PPAs or the OGVA through us, and your Strategic Blue Account Manager is available to support you in benefitting from them.

As per AWS' terms, purchases from third-party providers on the AWS Marketplace can contribute to your spend commitment, but do not receive its discount. We can help negotiate discounts on AWS Marketplace services through "private pricing offers". Any discount will depend upon the supplier, the quantity and the term length. If you would like our support in such negotiations an administrative charge would apply to recover the cost of the support effort required. This can be discussed with your Strategic Blue Account Manager.

## AWS Billing

When we are your AWS reseller we are able to provide the additional benefits below

- **Managed, simplified invoicing**

Clear, simple invoices, issued monthly to reflect costs, savings and purchasing preferences.

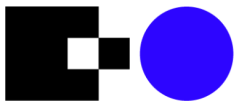
- **Pay in alternative currencies**

On prior agreement, invoices can be paid in the currency of your choice using the relevant exchange rate published by a third party at the time of invoice. Standard currencies are USD, GBP and EUR, other currencies may be available upon request. Non-standard currencies are subject to an assessment and approval process and may incur additional charges.

- **PrePay for eligible products and services**

You may choose to provide PrePayment for **Strategic Blue Vouchers** that can be redeemed against future Strategic Blue invoices of eligible products and services. These can include, for example, AWS cloud services, AWS Marketplace products or Strategic Blue Consulting Services.

- Such vouchers are purchased for an identified purpose and term such that they are reasonably expected to be redeemed within that term.



- Vouchers can be purchased in USD, GBP, or EUR. A voucher purchased for \$1 can be redeemed against \$1 invoiced in the future (with similar equivalence for other currencies).
- Your use of vouchers will be tracked and managed by your Strategic Blue Account Manager on a monthly basis.
- Generally, any vouchers unused at the end of the term will be returned after deduction of an administration fee (20% for the first \$100,000, 10% for any remaining above that).

Your Strategic Blue Account Manager will share the terms and conditions for our PrePayment Service with you on request.

## Spend Visibility

Our Portal includes a dashboard that provides insights into your cloud spend, allows you to track changes over time and drill down into details behind trend changes.

The dashboard will be available within two (2) working days of signing up and onboarding your AWS usage accounts.

At your request, a single threshold can be set to trigger alerts when cloud spend is 25% over the most recent, rolling three month average. Strategic Blue access is restricted entirely to, and the alerting relies upon, cost and usage data. It should be noted that any such alerting mechanism is limited in its ability to capture sharp rises. Other protection mechanisms should be put in place for these.

If you require more granular alerting or the ability to customize your dashboard your Strategic Blue Account Manager will introduce one of our Technical Account Managers to support you in implementing an alternative outside our Portal. The scope of your requirements will determine whether a separate consultancy agreement is needed to complete implementation.

## Account Management Team

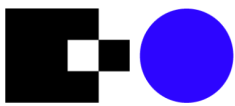
You will be assigned a Strategic Blue Account Manager to act as your central point of contact. You can also use the general [support@strategic-blue.com](mailto:support@strategic-blue.com) email address or schedule meetings via our Portal.

A two (2) working day response will be provided for standard type support requests for:

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<b>Service management and information</b>	General support regarding your invoices, backing sheets, dashboard or your Service Plan. The team will provide advice, guidance and issue resolution and will invite you
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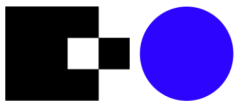
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<b>requests</b>	feedback on our services and feature requests you would find useful for the future.
<b>Technical Support for Strategic Blue services</b>	Our Technical Account Managers will: <ul style="list-style-type: none"><li>• Lead and coordinate the technical aspects of onboarding, or offboarding, with us.</li><li>• Provide recommendations for workload optimization, such as generational upgrades, rightsizing, idle instance clean-up and storage optimisation.</li><li>• Provide guidance on forecasting, showback and chargeback, discussing options available and pro's and con's of each.</li></ul>
<b>Commitment renewals</b>	Commitment Management for Additional Services
<b>Spend analysis</b>	Your Strategic Blue Account Manager will support you in exploring your cost and usage data to understand where spend anomalies arise and help remedy where required.

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You can schedule service review meetings with your Strategic Blue Account Manager up to a frequency of one per month.

Beyond the scope of this Service Plan we can also provide additional FinOps services tailored for your specific needs. Please contact your Strategic Blue Account Manager to discuss any FinOps needs in more detail so they can advise.



## Our Fee

Our fee is charged on a monthly basis as a percentage of the net savings achieved over AWS public On Demand prices from the use of Commitments in the previous month. If we are your AWS reseller, our invoices will also cover payment for your use of AWS cloud services.

Our savings share is designed to be mutually beneficial by incentivising a balanced approach to maximize savings while minimizing the risk of wastage from unused Commitments. Any wastage that does occur impacts savings generated so reduces our fee. In the unlikely event this results in overall losses, you will receive credits for the equivalent amount of our share of those losses to offset future invoices (or we will pay you the equivalent amount).

## What you do

Recurring tasks that require input from you are described below. These vary slightly depending on whether we are acting as your AWS cloud reseller or not.

### Savings Plans and Reserved Instances

During your agreement with us, you shall not purchase any AWS Savings Plans and Reserved Instance commitments as we will manage this for you. To ensure accountability and avoid any accidental conflict in double-purchasing, an AWS Service Control Policy (SCP) is attached to your AWS usage accounts to prevent the creation of Savings Plans or the purchasing of Reserved Instances.

#### With Cloud Resale

We will implement the SCP.

#### Without Cloud Resale

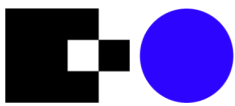
**You will** implement the SCP that we provide.

### Commitment Holding Accounts

Any Commitments we purchase for you will be registered in these specifically created Commitment Holding Accounts which will generate no cloud usage and will hold no data.

**Your team will** create Commitment Holding Accounts with the required permissions as and when requested, and under guidance from us. **You will** maintain ownership of any such accounts you create and they will be associated with an email address in your





domain. All Savings Plans and Reserved Instances we purchase for Additional Services will be held in these dedicated holding accounts.

**You will** provide contact details for a person or team who can support us in Commitment Holding Account management.

The [Appendix](#) includes a diagram that summarizes these accounts, their characteristics and use with Core and Additional Services.

## With Cloud Resale

Additionally we will create Portfolio Commitment Holding Accounts with the required access rights. These will be owned by us and be associated with an email address in our domain.

Any such Commitment Holding Account that is owned by us may be moved in and out of your organization at our discretion. This will enable us to provide you additional savings and particularly flexibility by leveraging our wider portfolio of customer usage.

## Without Cloud Resale

At our request **you will** invite named Commitment Holding Accounts into your AWS Payer Account.

You will not prevent any such Portfolio Commitment Holding Accounts from leaving your Payer Account and they will remain owned by us at all times.

The use of these accounts is described in more detail in the [Appendix](#).

## Usage forecasts

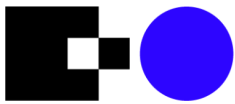
Working with your Strategic Blue Account Manager **you can** provide insights on usage forecasts at any point but **you must** notify us by email, with at least five (5) business days notice, of any Material Change in usage (including volume and resource type changes) of Core and or Additional Services. Any forecast information should be confirmed by email to our Account Management team and shared with your Strategic Blue Account Manager.

A Material Change occurs when there is a planned and persistent (observed over a thirty (30) day period) change equal to or greater than 5% of the existing committable<sup>1</sup> Core and or Additional Service usage, measured as a percentage of on demand equivalent spend in units of \$/hour.

**You will** provide and maintain a list of people and email addresses authorized to share usage forecasts with us.

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<sup>1</sup> This includes use of services for which Reserved Instances and Savings Plans can be purchased and shifts of cloud services usage into spot instances.



## Additional Services

We may identify opportunities for which standard AWS Reserved Instance or Savings Plan commitments can be made to deliver savings.

**You may** provide your expected<sup>2</sup> forecast of future usage of Additional Services for the following twelve (12) months and confirm to us which, if any, of the opportunities we identify you wish to approve.

**You will** provide and maintain a list of people/email addresses authorized to approve such Commitments.

## Plan Qualification Criteria

**You must continue to meet the Automate Plan Qualification Criteria:**

- **You must** support our [security requirements](#) for delivering Automate services.
- **You must** pass our credit checks and support this process through the provision of any requested Financial Information.
- **You should** maintain a monthly invoiced AWS cloud spend over \$50,000.

### With Cloud Resale

**You must not** have any pre-existing private pricing agreements in place with AWS.

**Your** legal entity signing this Agreement should be within the United Kingdom, United States, Canada, or the European Economic Area, be that Commercial or Public Sector.

### Without Cloud Resale

No requirements.

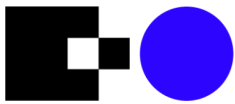
## AWS Credits

If you are issued credits by AWS, you need to notify us in writing (e-mail sufficing) by the 25th day of the month of issuance of the credits to include:

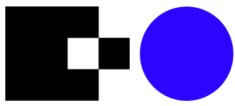
- the start date, amount, and expiry date of the credits, and
- the AWS account(s) the credits apply to, and
- the scope of the credits (i.e. which AWS cloud services they apply to), and
- any AWS reference number given to the credits allocation (if any).

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<sup>2</sup> Expected means a 50% probability that usage could be higher or lower.



It is important that you notify us by that date as AWS does not provide the above information within the cost and usage data. Delays in notification may impact our ability to make best use of those credits to reduce your cloud spend. This is particularly important where that is impacted by the purchasing of Reserved Instances & Savings Plans.



## Delivering Automate

The way we deliver our service, and therefore the operational impact to you, varies depending on whether we are acting as your AWS cloud reseller or not. This is described below.

### AWS Usage Accounts

**You remain** an AWS customer. You create, own and manage your cloud accounts to which the AWS Customer Agreement (or any equivalent agreement you have) applies, to maintain that contractual relationship and technical service continuity.

### AWS Payer Accounts

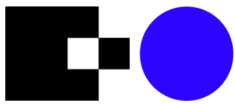
For simplicity of billing, AWS allows you to group usage accounts into an “organization” with a designated “Payer Account”. This payer account owns the payment relationship with AWS for all its registered usage accounts. Costs for all the organization’s usage accounts are combined and invoiced to the owner of this Payer Account.

#### With Cloud Resale

- We own the AWS Payer Account(s).
- We are invoiced by, and pay, AWS for your cloud services usage.
- **You are invoiced by, and pay us for your cloud usage and our Automate services (net savings sharing).**
- We operate under the AWS End Customer Agreement Model, “ECAM”. We adhere to the obligations of the AWS Solution Partner Program as captured within our CPA, to which our Automate Service Plan Schedule/Addendum applies.

#### Without Cloud Resale

- You own the AWS Payer Account(s).
- **You retain** your existing payment processes (including any current reseller agreements) for your cloud services usage.
- **You are invoiced by, and pay us, only for our Automate services (net savings sharing).**
- We operate under the terms of our MBSA, to which our Automate Service Plan Schedule/Addendum applies.



## Security

We use the AWS CUR as our source of meta-data for cost optimization activities. This meta-data details cloud service use and associated costs. We require no access to your AWS Accounts or your data within those accounts. We use an AWS best practice approach to grant access on a least privilege basis, using RBAC, IAM and SCP.

### With Cloud Resale

We will implement the above mentioned SCP.

Required access:

- Registration of Cloud Provider Accounts with us is in accordance with the terms, conditions and provisions given by AWS to any reseller.
- As a reseller we have access to view the CUR for all accounts under the AWS Payer Account we own and can use tools such as Cost Explorer where necessary.
- We will have admin access to accounts we own. We require the ability to buy, sell and manage RIs and SPs within any Commitment Holding Accounts you own ([template](#)).

### Without Cloud Resale

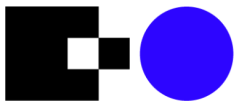
Required access:

- To read data about your payer account: list accounts and their tags, describe cost and usage report definitions and read the S3 bucket that holds those reports ([template](#)). The reports should be configured with an hourly time granularity.
- To validate data with Cost Explorer: used to verify our optimisation actions have been correctly applied by AWS, view usage, billing and savings plan information ([template](#)).
- We require the ability to buy, sell and manage RIs and SPs within the Commitment Holding Accounts ([template](#)), but will have admin access to accounts we own.

Unless you notify us otherwise in writing, we may undertake our portfolio management activities from any location.

## AWS Reserved Instance Marketplace

This Reserved Instance marketplace provides a means of selling certain AWS Reserved Instance commitments that are no longer needed or buying similar commitments with varying remaining terms. It is a useful additional tool in providing savings with managed product and term risk.



## With Cloud Resale

**No requirement from you.**

We will set up the use of the marketplace.

## Without Cloud Resale

**Optionally you will** support us in setting up commitment holding accounts to allow use of the marketplace. This requires access to a US Bank Account and therefore may or may not be feasible for you.

## Upfront Payments

Any Commitments where some or all of the Commitment fees are paid in advance attract larger savings. **You can** optionally provide a budget for such upfront payments. We will apply some or all of this upfronting budget when we deem beneficial and, when appropriate, will raise opportunities to adjust the budget for your consideration.

### With Cloud Resale

All Commitment Holding Accounts that include an active Commitment purchased with any upfront payment will remain within your organization's AWS Payer Account to ensure you always receive any of its benefits.

### Without Cloud Resale

All Commitment Holding Accounts will remain within your AWS Payer Account. When we use upfronting budget **you will** automatically receive related invoices from AWS.

## Cloud Spend

**Your total cloud spend should** exceed \$50,000 in total across all the accounts being onboarded in the month prior to onboarding.

## Cost Visibility Tools

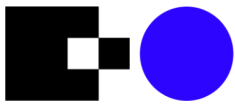
**You can** use any cost visibility or tracking tools you wish if the dashboard within our Portal does not serve your purposes.

### With Cloud Resale

**You will** notice the total spend shown in tools like Cost Explorer will not match your invoice. This is because it will not include our sharing of savings and will also show rebates provided by AWS as recompense for resale services. These

### Without Cloud Resale

No additional considerations.



rebates are applied to any reseller and are paid by AWS, not you.

## Terminating Automate

Should Automate no longer suit your needs your Strategic Blue Account Manager may suggest, or you may wish to consider, transitioning to one of the other Service Plans we offer. Your Account Manager will be happy to support you here.

Should your agreement with us terminate entirely, this will be done under the terms of the agreement and under the guidance of our team. The key elements of this vary depending on whether we are your cloud reseller or not, as summarized below.

### AWS Payer Account

#### With Cloud Resale

You must complete the [AWS Consent to Assign](#) process to transfer ownership of the AWS payer account away from us. This will ensure we are no longer your cloud reseller.

#### Without Cloud Resale

No action required, you will continue to own your AWS Payer Account.

### Commitment Holding Accounts<sup>3</sup>

#### With Cloud Resale

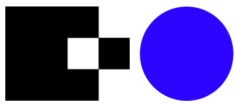
- You will no longer benefit from Commitments in any Commitment Holding Accounts we own. We will move any such accounts, and the Commitments within them, out of your AWS Payer Account.
- Under our guidance if required, you will remove our access to AWS Commitment Holding Accounts that you own so that you assume

#### Without Cloud Resale

- Under our guidance if required, you will remove our access to Commitment Holding Accounts that you own so that you assume management control of these accounts and the Commitments they hold.

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<sup>3</sup> The [Commitment Holding Account summary diagram](#) in the Appendix may also be helpful.



management control of them and the Commitments they hold.

## Upfront Fees

### **With Cloud Resale**

You will be reimbursed by us the balance of any upfronting budget we've not used, and any upfront amount paid for any active Commitments within accounts owned by us. This would be calculated pro rata based on the remaining term of any such Commitments and paid back pro rata over the remaining term of the associated Commitment(s).

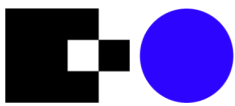
### **Without Cloud Resale**

No action required, you will now manage any affected Commitment as part of your overall commitment portfolio.

## Portal Accounts

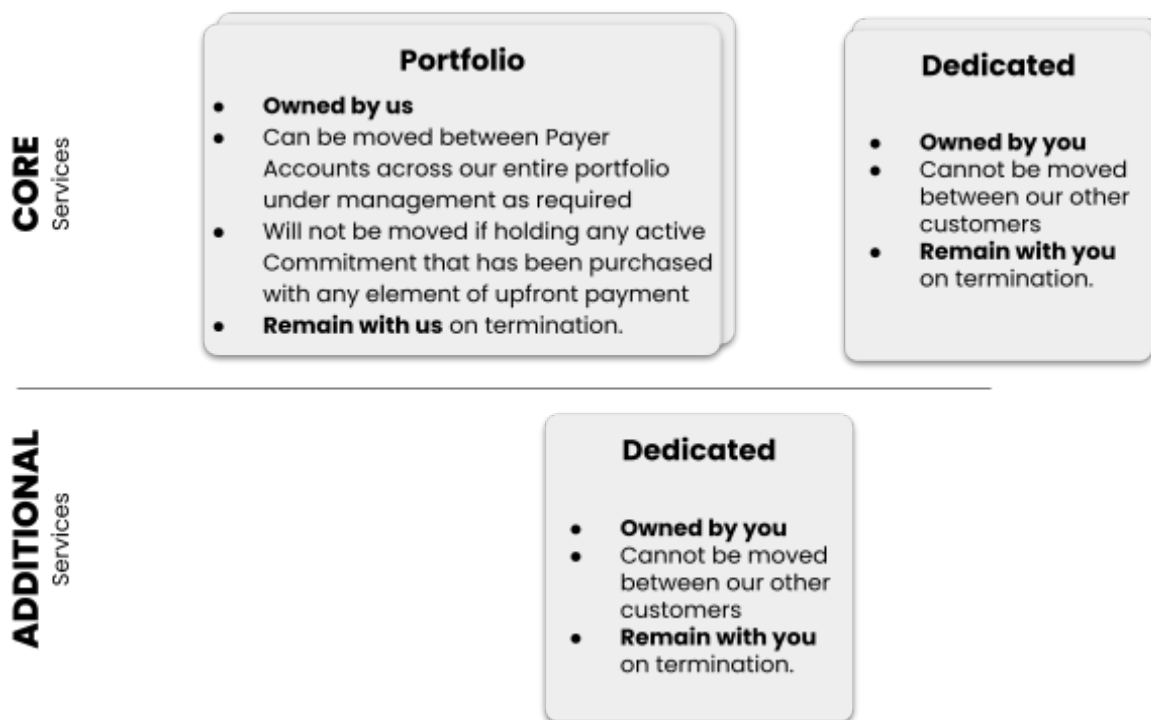
You will no longer have access to information about your accounts within our Portal as we will deactivate them.





# Appendix

The diagram below illustrates the purpose, ownership and use of the Commitment Holding Accounts. It is provided to summarize the description elsewhere in this Service Description and the associated Automate Schedule/Addendum.

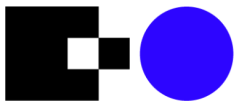


When we are acting as your cloud reseller, we have, in certain conditions, the ability to move Commitment Holding Accounts between any customer within our portfolio. This gives us another way of accessing savings whilst mitigating Commitment term and product risk. We create multiple such accounts and buy Commitments into them in a way that gives us the required level of control to maximize their utilization and minimize wastage risk to help optimize your overall saving level.

The diagram refers to accounts that we can move like this as “Portfolio” accounts. It distinguishes between these and “Dedicated” accounts that always remain with a single customer.

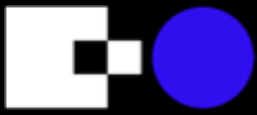
**Making this distinction and creating multiple accounts enables us to define a commitment management strategy that:**

- Ensures any benefit of upfront payments made by *you* always remains with *you*.
- Ensures Commitments for Additional Services always remain with *you*.
- Clearly reports value delivered against the term *you* are *actually* committed to.



## Disclaimer

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Strategic Blue

# Plug in and Power Forward

