

## SERVICE LEVEL AGREEMENT (TELECOMMUNICATION SERVICES)

This is the Service Level Agreement ("**SLA**") referred to in the Master Services Agreement for the Provision of Telecommunication Services ("**Agreement**") between Customer and Supplier. All capitalized terms that are not defined herein shall have the meaning given to such terms in the Agreement, Service Schedules, and/or Service Order form, as the case may be, in effect as of the date of the Agreement.

### 1 SERVICE LEVEL AGREEMENT

This SLA relates to Supplier's Services ordered pursuant to an approved Service Order. Supplier agrees that it will make commercially reasonable efforts to meet the minimum service levels set out in this SLA, in respect of the Services, throughout the operating term of the Agreement.

### 2 TERMINOLOGY DEFINITIONS

2.1 In this SLA, the following terms have the following meanings:

"**Available**" or "**Availability**" means that a Circuit is not unavailable.

"**CIR**" or "**Committed Information Rate**" means the maximum guaranteed bandwidth for traffic arriving at or departing from the SDP.

"**Circuit**" means a point-to-point transmission channel provided by Supplier for the Customer's use for the conveyance of voice and data traffic between the Supplier's Network Termination Points.

"**Exceed Drop**" means that the traffic exceeding the CIR will be dropped.

"**Fault Severity Level**" means each of the Fault Severity Levels specified in Table 3.6.2 of this SLA.

"**Non-Recurring Charge (NRC)**" an NRC is a fee that is billed only once.

"**Monthly Recurring Charge (MRC)**" means a fee that is billed at the same amount each month.

"**Quarterly Review Period**" means the quarterly review period commencing on the 1st day of each quarter (1 January, 1 April, 1 July or 1 September) during the Initial Term and any subsequent term, over which Service Availability is calculated, provided that the first Quarterly Review Period will commence on the Service Commencement Date and end on the last day of that quarter.

"**Service Availability**" has the meaning given to it in clause 3.1.2 of this SLA.

"**Service Credits**" means an amount which will be credited towards the Charges payable by the Customer for the Service in accordance the Service Level Agreement;

"**Severely Errored Second**" means a full second with a bit error ratio greater or equal to 1 in 1000.

**"Unavailable"** or **"Unavailability"** means that:

- a. signals cannot be transmitted over a Circuit in either or both directions due to a total break in transmission (in which case Unavailable time begins when a trouble ticket is raised and ends when the same trouble ticket is closed); or
- b. 10 consecutive Severely Errored Seconds have been observed. Such ten Severely Errored Seconds shall be considered to be part of Unavailable time. The end of the period of Unavailable time shall occur when 10 consecutive seconds without any Severely Errored Seconds have been observed. Such 10 seconds shall be deemed to be Available time.

**"Unprotected Circuit"** means a Circuit which is not provided on a 'redundant ring' basis, so that if the du Network over which the Circuit runs is broken, the telecommunications traffic passing over the relevant Circuit cannot be re-routed, and the Ethernet Service will become Unavailable.

### **3 SERVICE CREDITS**

- 3.1 Subject to clause 3.5 of this SLA, Supplier will provide the Customer with Service Credits, as set out below, for failure to meet the following targets:

3.1.1 Target Service Commencement Date; and

3.1.2 Service Availability.

3.2 **Target Service Commencement Date**

- 3.2.1 Supplier will provide a Target Service Commencement Date for the installation of the Service(s) specified in a Service Order. Subject to clause 3.5 of this SLA, the Customer will be entitled to a Service Credit if the Target Service Commencement Date is not met, which will be calculated as set out in Table 3.2.1 below:

**Table 3.2.1**

<b>Number of full Working Days by which the Service Commencement Date exceeds the Target Service Commencement Date</b>	<b>Service Credits as % of Installation Charge (NRC) of affected Service:</b>
1 - 5 days	5%
6 - 10 days	10%
11- 20 days	15%
More than 20 days	20%

- 3.2.2 If only part of a Service Order is delayed, valid Service Credits will be payable only in respect of the Services that are not delivered by the Target Service Commencement Date.
- 3.2.3 The Supplier will make commercially reasonable efforts to meet the minimum service levels specified in the Service Level Agreement, throughout the operating term of the Agreement.
- 3.2.4 Supplier will provide the Customer with Service Credits, for failure to meet the minimum service levels specified in the Service Level Agreement.
- 3.2.5 The provision of Service Credits shall be Customer's sole and exclusive remedy, in lieu any other remedy Customer may have at law or otherwise, with respect to any failure by Supplier to meet the minimum service level specified in the Service Level Agreement.

### 3.3 Service Availability

- 3.3.1 The following equation will be used to calculate Service Availability. References to hours are to the number of hours (rounded up to nearest hour) in the applicable Quarterly Review Period:

$$\frac{(\text{Total hours} - \text{Total hours Unavailable})}{\text{Total hours}} \times 100$$

- 3.3.2 Supplier will use reasonable commercial efforts to ensure that all Unprotected Circuits provided wholly On-net are Available for at least 99.5% of the time in each Quarterly Review Period following the Service Commencement Date.
- 3.3.3 Subject to clause 3.5 of this SLA, where Service Availability falls below the Service Availability levels set out in Table 3.3.3 below during any Quarterly Review Period, the Customer will be entitled to Service Credits on 1 x Monthly Charge (MRC) as follows:

**Table 3.3.3**

Service Availability (during Quarterly period)	Service Credits for On-net (as % of 1x Monthly Charge)	Service Credits for Off-net (as % of 1x Monthly Charge) (Port Only)
99.5% or greater	0%	0%
99.4% to 99.0%	10%	10%
98.9% to 98.0%	20%	20%
97.9% to 95.0%	30%	30%
94.9% to 90.0%	40%	40%
89.9% or less	50%	50%

### **3.4 Calculation of Service Credits**

- 3.4.1 Where a Quarterly Review Period of applicable Service Credits incorporates part of a month, any Service Credit will apply to a pro-rated Monthly Charge.
- 3.4.2 Service Credits will be calculated monthly, aggregated and credited towards the total of the Charges in the Customer's next monthly invoice.
- 3.4.3 If a Service is cancelled during any monthly period, no Service Credit will be payable to the Customer in respect of that Service for that monthly period, unless the Service is cancelled as a result of termination by the Customer in accordance with the terms and conditions of the Agreement.
- 3.4.4 The Customer must claim any Service Credit in writing within 21 Working Days of the date on which the Customer could reasonably be expected to become aware of a failure by Supplier to meet the targets specified in clauses 3.2 and 3.2.3 of this SLA. The Customer shall not be entitled to any Service Credits in respect of a claim unless and until Supplier has received notice of the claim in writing. Should Supplier require additional information from the Customer, the Customer shall not be able to claim any Service Credits until Supplier has received all information it reasonably requests.

### **3.5 Exclusions from payment of Service Credits**

Service Credits will not be payable by Supplier to the Customer in relation to the Target Service Commencement Date or the Service Availability for faults or disruptions to the Service caused by any of the following:

- 3.5.1 the fault or negligence of the Customer, its employees, agents or contractors;
- 3.5.2 the Customer failing to comply with this Agreement;
- 3.5.3 a fault in, or any other problem associated with, equipment connected on the Customer's side of the Supplier Network Termination Point;
- 3.5.4 any event described as a Force Majeure event in the Agreement;
- 3.5.5 a failure by the Customer to give Supplier access to any equipment related to the provision of the Service after being requested to do so by Supplier for the purposes of investigating and rectifying any fault; or
- 3.5.6 maintenance during any Planned Outage, except where such Planned Outage exceeds or causes the aggregate time for each Planned Outage during a monthly period to exceed 8 hours.

## 4 FAULT MANAGEMENT

### 4.1 Qualifying Services for Fault Management

Fault Management may be provided for the below Services on the basis of the then applicable service level for the:

- a. Ethernet with Single and Multi-Class of Service;
- b. Ethernet with Single-Class of Service;
- c. L3 VPN with Single and Multi-Class of Service; and
- d. L3 VPN with Single-Class of Service.

### 4.2 Definition of Fault Severity Levels

Faults will be classified in accordance with the Fault Severity Levels set out in Table 4.2

**Table 4.2**

Priority	Urgency	Description
Critical (P1)	Service has completely failed or a major failure Corrective action is required immediately; or Service may fail if a corrective plan of action is not implemented immediately	Service is completely down with critical business impact or degraded with most of the users having problems
Major (P2)	Capacity degraded; Service failure is not threatened; or Corrective measure should be taken immediately to prevent disruptions to services	Service goes down at a particular time period but remains mostly normal or an important function is not available
Minor (P3)	The action can be planned and executed at a time agreed by du and customer	Service becomes degraded intermittently with minor business impact or brief periods but remains mostly normal

### 4.3 Fault resolution for On-net Customers

Supplier will use its reasonable commercial efforts to:

- a. Prioritize faults in accordance with the Urgency and Description; and
- b. Resolve faults reported by the Customer in a timely manner and in accordance with the restoration times specified in Table 4.3 below.

**Table 4.3**

Faulty Severity Levels	Restoration Times	Initial Response / Acknowledge to Customer after the Trouble Ticket received	Customer Updates
1	4 hours	15 minutes	30 minutes
2	8 hours	30 minutes	1 hour
3	16 hours	45 minutes	8 hours