

Terms: Service levels for Cloud Services (Service Level Agreement (SLA) Appendix – Cloud Services)

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This SLA appendix is intended to be applied in conjunction with Almega's Swedish IT & Telecom Industries' guidelines for Cloud Services, 2014 version.

The SLA appendix complements the agreement reached by the parties.

In the event on any conflict between the other contents of the agreement and this SLA appendix, the parts of the Agreement drawn up between the parties including other appendices shall take preference over this SLA appendix.

For this SLA appendix to apply, a contractual Availability shall have been agreed upon in point 2 below and a suitable reduction on the price in the event of failure to comply shall have been agreed in point 8.1 below or elsewhere in the Agreement. If a Helpdesk function is included in the contractual Services, this presupposes that the contractual service level has been agreed on in point 3 below or elsewhere in the Agreement. Otherwise, this SLA appendix will not apply to the Service.

1. Definitions

1.1 Downtime

The period of downtime within the Agreed Hours of Service that Availability has not been met with a deduction for the time of Permitted Downtime. Downtime is calculated from the moment in time the failure in Availability is reported in accordance with point 5 until the Service becomes Available. When determining Availability in accordance with the formula in point 1.5 below, Downtime shall not include downtime that it not the responsibility of the supplier in accordance with point 4.

1.2 Agreed Hours of Service

The hours when the Agreed service levels are measured. In the absence of any stated time elsewhere in the agreement, the Agreed Hours of Service are Monday to Friday (except for public holidays) between 8.00 a.m. and 5.00 p.m.

1.3 Service

Service as referred to in this SLA Appendix refers to the Service under the general conditions for Cloud Computing that is affected by downtime.

1.4 Permitted downtime

- a) planned service and maintenance about which the customer has been informed in advance, or
- b) other downtime at the request of the customer or with the customer's approval.

The number of occasions of Permitted downtime as referred to in a) above shall not exceed one per month, except where otherwise agreed.

1.5 Availability

Availability of a Service means that the Service is available at the measuring point.

Availability is calculated using the following formula:

$$\text{Availability (\%)} = \frac{\text{AS} - \text{TB} - \text{AB}}{\text{AS} - \text{TB}} \times 100$$

AS = Agreed Hours of Service

TB = Permitted downtime

AB = Downtime (this does not include downtime for which the supplier is not responsible, in accordance with point 4)

An example of the formula's application is given below¹

1.6 Other definitions

Other words starting with a capital letter in this SLA shall have the meaning stated in the Swedish IT & Telecom Industries' general conditions for Cloud Services, 2014 version.

2. Agreed Availability

Agreed Availability for the Service measured per calendar month is:

3. Agreed levels of service for Helpdesk

If the Helpdesk service is included in the agreed Services, the response frequency in stated response time for calls received from permitted users during the Agreed Hours of Service measured per calendar month is as follows:

Response frequency	%	Within	(time)

Should the agreed, or presupposed, volume change to a not insignificant extent (more than 10%), the supplier is entitled to adjust the agreed levels of service above.

¹Agreed Hours of Service is for 20 weekdays in the month x 9 hours = 180 hours.

Permitted downtime (TB) is 4 hours.

Downtime = downtime is 3 hours, of which 1 hour is the downtime the supplier is not responsible for, according to point 4. AB is the 2 hours.

Availability according to the formula is: $\frac{180 - 4 - 2}{180 - 4} = 98.86\%$

4. Downtime for which the supplier is not responsible

The supplier is not responsible for downtime or any other failure to satisfy the agreed service level if the supplier can show that it was caused by any of the following circumstances and provided that the said circumstance was not directly attributable to the supplier.

- a) faults in the Customer’s Software,
- b) circumstances outside the supplier’s area of responsibility for the Service, such as a failure of communications or other products or services from third parties for which the supplier has not specifically taken responsibility,
- c) any other circumstances for which the customer has responsibility under the terms of the Agreement,
- d) virus or other security interference, provided that the supplier has implemented security measures in accordance with any agreed requirements or, in the absence of such requirements, in accordance with professional standards, or any circumstance referred to as force majeure or corresponding limitation of liability in the agreement, or limitation in the customer’s access to the Service under point 10 of the general conditions – Cloud Services.

5. Reporting of downtime

- 5.1 Downtime is only reported after it has been registered in the fault processing system used by the supplier. Downtime may be registered by means of an automatic alarm, a report by the customer in accordance with point 5.2 or upon discovery by the supplier.
- 5.2 The customer has responsibility for ensuring that the fault is reported using the agreed channels. The report shall include a relevant description of the fault and contact details for the users affected.

6. Measurement

- 6.1 Except where otherwise agreed the supplier has responsibility for defraying the cost of and implementing tools capable of measuring the agreed service levels.
- 6.2 The measuring point for service level Availability is the Connection Point.

7. Follow-up

- 7.1 Within 15 days of the end of each calendar month, or other agreed period, the supplier shall provide the customer with a report on the measurements made of the agreed levels of service.
- 7.2 Once a month the parties shall meet to follow up the previous month’s agreed levels of service. If the meeting shows that the supplier has not satisfied the agreed service levels, the supplier will present plans to resolve the matter and for implementation.

7.3 The contact person appointed by the customer is to receive the report referred to in point 7.1 except where otherwise stated in the Agreement.

7.4 The parties are entitled to agree on a specific plan describing how non-conformities and disturbances are to be reported between the two parties.

8. Price reductions in event of failure to reach agreed level of service

8.1 If Availability is below the agreed level of Availability for

Percentage or part thereof below the agreed level	% rate Price reduction

Explanation
Each percentage or part thereof below the agreed level - 5 per cent reduction

the Service, the customer is entitled to a price reduction of the percentage of the monthly fee for the Service as shown in the table below or in another appendix.

8.2 The maximum price reduction per month in the event of failure to meet Availability that can be credited to the customer is 10% of the monthly charge for the Service.

8.3 If the level of service falls short of the agreed Helpdesk

.....%

service in accordance with point 3, the price is reduced by the stated percentage of the monthly charge for Helpdesk as shown below or in another appendix.

In the absence of information in the table above or elsewhere in the agreement the price shall be reduced by 5% of the monthly charge for Helpdesk.

8.4 If a fault means that the customer may become entitled to a price reduction for failure to satisfy various levels of service as a result of one and the same event, only one price reduction may be made as a result of this event.

8.5 If several agreed levels of service entitle the customer to claim a price reduction, the maximum price reduction per month that can be credited to the customer is 15% of the aggregate charges for the month in question.

8.6 The customer loses its right to claim for a price reduction, if such claim is not made by no later than the end of the calendar month following the month in which the report is sent in as referred to in point 7.1.

8.7 The supplier has responsibility for failure to satisfy agreed levels of service only in accordance with the conditions of this appendix. Other than as just stated, the customer is not entitled to any damages or other compensation due to non-compliance of agreed service levels, other than in the event of intent or gross negligence.