

Managed WAN
Service Level Agreement (“SLA”)
Version: Managed WAN 26NOV2008

Effective 1 December, 2008

1. Overview

This Managed WAN SLA is in addition to the SLAs offered for Company Frame Relay (“FR”), Private IP (“PIP”), Asynchronous Transfer Mode (“ATM”), and Private Line (“PL”) transport services and relates to Company’s performance providing Managed WAN. Terms not defined in Appendix B: Terms and Definitions will be defined pursuant to Customer’s Company Customer Agreement.

This SLA is valid for Managed WAN services sold by Verizon Business in Argentina, Brazil, Canada, Chile, Colombia, Mexico, Panama, Peru, the United States Of America, and Venezuela.

The Managed WAN SLAs are as follows:

Availability
Time to Repair (“TTR”)
Managed WAN Installation
Proactive Outage Notification

The Managed WAN service objectives are:

Change Management
Managed WAN Physical TTR

2. SLA Details

2.1 Coverage Categories

The Managed WAN SLAs vary by level of Managed WAN service, network provider, geographic location and maintenance provider as defined below.

2.2.1 Geographic Location. The location of a Customer site determines the applicable service levels. The countries covered under the Managed WAN SLA are divided into three categories:

1. U.S. – The U.S. Mainland and Hawaii
2. Global Tier A

The following countries when the network provider is Verizon Business.

Europe	Asia Pacific	Americas
Austria	Australia	Alaska
Belgium	Hong Kong	Canada
Denmark	China	Argentina
Finland	Japan	Brazil
France	Singapore	Chile
Germany	South Korea	Colombia
Ireland		Mexico
Italy		Panama
Luxembourg		Peru
Netherlands		Puerto Rico
Norway		Venezuela
Spain		
Sweden		
Switzerland		
United Kingdom		

3. Global Tier B – the countries where Company provides Managed WAN that are not in the U.S or Global Tier A. Global Tier B includes sites where the country is listed in Global Tier A, but the network is provided by MPLS VPN Interconnect (MVIC).

2.2.2 Network Provider. The network provider also determines the applicable service levels. All SLAs provided herein are for the Company Network except where noted. The networks covered under the Managed WAN SLA are divided into three categories:

1. Company Network – PIP, FR, ATM or PL provided by MCI Legacy Companies with Access Type 1, 2 or 3.
2. Other Company Networks – Company IP VPN as referenced in Verizon Tariff F.C.C. No. 20, Verizon Local Private Line as referenced in Verizon Tariff F.C.C. No. 1 and F.C.C No. 11, Verizon Fast Packet – ATM as referenced in Verizon Tariff F.C.C. No. 1 and F.C.C. No. 20, Verizon Fast Packet – Frame Relay as referenced in Verizon Tariff F.C.C. No. 20 with any Access Type.
3. 3rd Party Network – Customer Provided Access or transport from third parties approved by Company from time to time. The current approved 3rd Party Network providers are AT&T, Sprint, BellSouth, Qwest, Equant, British Telecom, Deutsche Telekom, and NTT.

2.2.3 Maintenance may be provided by one of two Verizon maintenance organizations (Verizon Data Maintenance – Network or Verizon Data Maintenance), by an Approved Maintenance Provider, or by a Verizon contracted 3rd party maintenance provider. For SLA metrics that vary by maintenance provider, Customer will get the same SLA for Verizon contracted 3rd party maintenance providers as for Verizon Data Maintenance – Network.

As used in this SLA, “3rd Party Maintenance” means Customer contracted 3rd party maintenance.

3. Managed WAN SLA

3.1 Service Level Agreements and Objectives by Country Category and Level of Managed WAN Service

TABLE 3.1 MANAGED WAN FULL SERVICE LEVEL AGREEMENTS

Parameter	Region			
	U.S.: Company Network only	Global Tier A All Networks	Global Tier B All Networks	U.S.: Other Company Networks & 3 rd Party Network
Availability (with dual routers / dual circuits)	100%	100%	100%	100%
Availability (with Single Router Back-up)	99.95%	99.95%	99.95%	99.95%
Availability (without Back-up)	99.5%	99.5%	99.0%	99.5%
TTR – Company Data Maintenance -- Network	3.5 Hours	4 Hours	6 Hours	4 Hours
TTR – Company Data Maintenance and 3 rd Party Maintenance	6 Hours	6 Hours	6 Hours	6 Hours
Managed WAN Installation	45 Business Days (Hawaii excluded)	Not Available	Not Available	Not Available
Proactive Outage Notification	15 Minutes	15 Minutes	15 Minutes	15 Minutes

TABLE 3.2 MANAGED WAN PHYSICAL SERVICE LEVEL AGREEMENT

Region				
Parameter	U.S.: Company Network only	Global Tier A Company Network Only	Global Tier B Company Network Only	U.S.: Other Company Networks & 3 rd Party Network
TTR – Company Network Circuit Issues Only	3.5 Hours	4 Hours	6 Hours	N/A
Region				
Parameter	All Networks, All Regions, All Maintenance Providers			
Proactive Outage Notification	15 Minutes			

TABLE 3.3 MANAGED WAN PHYSICAL SERVICE LEVEL OBJECTIVES

Region				
Parameter	U.S.: Company Network only	Global Tier A Other Company Networks & 3 rd Party Network	Global Tier B Other Company Networks & 3 rd Party Network	U.S.: Other Company Networks & 3 rd Party Network
TTR –3 rd Party Network and Other Company Networks (Physical issues only)	N/A	4 Hours	6 Hours	4 Hours
TTR –Company Data Maintenance – Network (Physical issues only)	3.5 Hours	4 Hours	6 Hours	4 Hours
TTR –3 rd Party Maintenance and Company Data Maintenance (Physical issues only)	6 Hours	6 Hours	6 Hours	6 Hours

TABLE 3.4 MANAGED WAN MONITOR AND NOTIFY SERVICE LEVEL AGREEMENT

Region				
Parameter	U.S.: Company Network only	Global Tier A Company Network Only	Global Tier B Company Network Only	U.S.: Other Company Networks & 3 rd Party Network
TTR – Company Network Circuit Issues only	3.5 Hours	4 Hours	6 Hours	N/A
Region				
Parameter	All Networks, All Regions, All Maintenance Providers			
Proactive Outage Notification	15 Minutes			

4. Service Level Agreements and Objectives Defined

4.1 Availability. Managed Site Availability is based on the total number of minutes in a calendar month during which the Managed Site is available to exchange data between all Managed WAN sites, divided by the total number of minutes in that month. Sites are considered available whether data is passing through the primary connection or through a back up connection. Availability is based on the total number of minutes per calendar month and site design:

- No backup – Measures the site availability for sites that have no ISDN, Analog dial, or other backup
- Single router backup – Measures the site availability for sites that have ISDN dial, Analog dial, wireless, DSL, or other backup through diverse circuits

- Dual router, dual circuit backup – Measures the site availability for sites that have two (2) connected Company managed routers running hot standby routing protocol (“HSRP”) or equivalent protocol each with a separate, diverse circuit, one router with a primary circuit, and the other router with a diverse circuit.

4.1.1 Calculation

Availability is the percentage of time that the Customer’s site is available within a given calendar month. Availability only applies to Hard Outages.

Monthly Managed Site Availability (%) =

$$\left(1 - \frac{\text{Total minutes of site Hard Outage per month}}{\text{\# days in month} \times 24 \text{ hours} \times 60 \text{ min}} \right) \times 100\%$$

4.1.2 Credit Structure and Amounts

Customers will be credited for Managed WAN monthly recurring charges for the affected site with the Full level of management only.

AVAILABILITY WITH DUAL ROUTERS / DUAL CIRCUITS
(APPLIES TO SITE LEVEL PERFORMANCE)

Credit as a % of Managed WAN MRC					
Managed Router to Router Availability %		U.S.: Company Network only	Global Tier A All Networks	Global Tier B All Networks	U.S.: Other Company Networks & 3 rd Party Network
From	To				
< 100%	99.90%	10%	10%	10%	10%
99.89%	99.50%	15%	15%	15%	15%
99.49%	99.00%	20%	20%	20%	20%
98.99%	98.00%	30%	30%	30%	30%
97.99%	97.00%	50%	50%	50%	50%
Less than 97.00%		100%	100%	100%	100%

AVAILABILITY WITH SINGLE ROUTER BACK-UP
(APPLIES TO SITE LEVEL PERFORMANCE)

Credit as a % of Managed WAN MRC					
Managed Router to Router Availability %		U.S.: Company Network only	Global Tier A All Networks	Global Tier B All Networks	U.S.: Other Company Networks & 3 rd Party Network
From	To				
100%	99.95%	0%	0%	0%	0%
99.949%	99.90%	5%	5%	5%	5%
99.89%	99.00%	10%	10%	10%	10%
98.99%	98.00%	15%	15%	15%	15%
97.99%	96.00%	25%	25%	25%	25%
95.99%	94.00%	50%	50%	50%	50%
Less than 94.00%		100%	100%	100%	100%

AVAILABILITY WITH NO BACK-UP
(APPLIES TO SITE LEVEL PERFORMANCE)

Credit as a % of Managed WAN MRC

Managed Router to Router Availability %		U.S.: Company Network only	Global Tier A All Networks	Global Tier B All Networks	U.S.: Other Company Networks & 3 rd Party Network
From	To				
100%	99.50%	0%	0%	0%	0%
99.49%	99.00%	10%	5%	0%	5%
98.99%	97.00%	15%	15%	10%	15%
96.99%	95.00%	25%	20%	15%	20%
94.99%	93.00%	35%	25%	20%	25%
92.99%	90.00%	50%	30%	25%	30%
Less than 90.00%		100%	100%	100%	100%

4.1.3 Exclusions. In addition to the general exclusions found in Appendix A, the following exclusions apply to the Availability SLA:

4.1.3.1 Periods of Soft Outage

4.1.3.2 Interruptions for which no trouble ticket was opened.

4.1.3.3 Sites installed for less than one full calendar month.

4.1.3.4 CPE not under 24 x 7 maintenance coverage with a 4 hour response time with Company or a Company approved 3rd Party Maintenance provider.

4.2 Time to Repair ("TTR"). TTR is the time to resolve a Hard Outage trouble ticket at a site.

4.2.1 Calculation

The Customer's TTR will be based on the Hard Outage time per site for each outage event. The TTR time starts when a trouble ticket is opened after a Hard Outage by Company or the Customer, and concludes with the restoration of Managed WAN. For the Full level of service, TTR SLA includes the Local Access line, the WAN infrastructure port, and the router. For the Monitor and Notify and Physical levels of service, TTR SLA includes only the Local Access line and the WAN infrastructure port,

Managed Device Time To Repair (Hrs.) =

Length of trouble ticket resolution for Hard Outage per router per outage

4.2.2 Credit Structure and Amounts

Customers will be credited for Managed WAN monthly recurring charges for the affected site as shown below.

TIME TO REPAIR WITH FULL LEVEL OF SERVICE AND COMPANY DATA MAINTENANCE - NETWORK (APPLIES TO EACH ROUTER AT A SITE)

Time to Repair Company Data Maintenance -- Network		Credit as a % of MRC for Managed WAN			
Hard Outage Repair Time (Per incident)		U.S.: Company Network only	Global Tier A All Networks	Global Tier B All Networks	U.S.: Other Company Networks & 3 rd Party Network
3:30:00	3:59:59	5%	0%	0%	0%
4:00:00	5:59:59	10%	5%	0%	5%
6 Hours Plus		15%	10%	5%	10%

TIME TO REPAIR WITH FULL LEVEL OF SERVICE AND COMPANY DATA MAINTENANCE AND APPROVED 3RD PARTY MAINTENANCE (APPLIES TO EACH ROUTER AT A SITE)

Time to Repair	Credit as a % of MRC for Managed WAN
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Hard Outage Repair Time (Per incident)	U.S.: Company Network only	Global Tier A All Networks	Global Tier B All Networks	U.S.: Other Company Networks & 3 rd Party Network
6 Hours Plus	5%	5%	5%	5%

TIME TO REPAIR WITH PHYSICAL AND MONITOR AND NOTIFY LEVELS OF SERVICE

Time to Repair -		Credit as a % of MRC for Managed WAN Service			
Hard Outage Repair Time (Per incident)		U.S.: Company Network only	Global Tier A Company Network only	Global Tier B Company Network only	U.S.: Other Company Networks & 3 rd Party Network
3:30:00	3:59:59	5%	0%	0%	N/A
4:00:00	5:59:59	5%	5%	0%	N/A
6 Hours Plus		5%	5%	5%	N/A

4.2.3 Exclusions. In addition to the general exclusions found in Appendix A, the following exclusions apply to the TTR SLA:

4.2.3.1 Sites with Company Data Maintenance -- Network located outside of a sixty (60) mile (U.S. sites only) or eighty (80) kilometer radius (Global Tier A and B) of an authorized Company service center are excluded from the TTR SLA.

Sites with Company Data Maintenance – Network between sixty (60) and one hundred twenty (120) miles (U.S. sites only) or between eighty (80) and one hundred sixty (160) kilometers (Global Tier A and B) have a TTR objective of 6 hours. Sites with Company Data Maintenance -- Network beyond a one hundred twenty (120) mile (U.S. sites only) or one hundred sixty (160) kilometer radius (Global Tier A and B) have a TTR objective of 24 hours. There are no credits payable for not meeting these objectives.

4.2.3.2 Periods of Soft Outage.

4.2.3.3 Sites with DSL or VSAT access connections.

4.3 Managed WAN Installation SLA. The Managed WAN Installation SLA is defined as the period of time to install Managed WAN at a site.

4.3.1 Calculation

The Managed WAN Installation SLA time period starts the date the Managed WAN service order is approved in the Verizon Business Customer Center portal (“VBCC”) and ends the date the Managed WAN service is up and billable at that site.

4.3.2 Credit Structure and Amounts

Customer will receive a fifty percent (50%) refund of the non-recurring Managed WAN installation fee for a site if Company fails to install Managed WAN service within 45 business days for that site.

4.3.3 Exclusions. In addition to the general exclusions found in Appendix A, the following exclusions apply to the Managed WAN Installation SLA:

4.3.3.1 Orders expedited by Customer;

4.3.3.2 Installations outside of the U.S. Mainland or circuits terminating outside of the U.S. Mainland;

4.3.3.3 Delays resulting from an order suspension due to Customer credit issues;

4.3.3.4 Circuits greater than 1.536 Mbps;

4.3.3.5 Access circuits or ports not ordered by Company; and

4.3.3.6 Circuits provided from Other Company Networks.

4.4 Proactive Outage Notification SLA.

The proactive outage notification SLA provides credits if Company fails to notify Customer of a Hard Outage by electronic means (e.g. pager or e-mail).

4.4.1 Calculation

The Notification Period begins with opening of a trouble ticket for a Hard Outage. Company has fifteen (15) minutes to notify Customer's primary point of contact from the start point of the Notification Period. Company is in compliance with the proactive outage notification SLA if the Customer opened the trouble ticket or contacts Company within the Notification Period. Company will provide the ticket number and an initial status.

4.4.2 Credit Structure and Amounts

Customer will receive a credit equal to ten percent (10%) of the monthly recurring charge for each Managed WAN site that was impacted during a Hard Outage that was not properly notified.

4.4.3 Exclusions. In addition to the general exclusions found in Appendix A, the following exclusions apply to the Proactive Outage Notification SLA:

4.4.3.1 Periods of Soft Outage.

4.4.3.2 Events that affect multiple customers including without limitation cable or fiber cuts.

4.4.3.3 Customer point of contact unavailability due to incorrect contact information or other cause.

4.4.3.4 Sites that are part of a Group Encrypted Transport (GET) VPN group

4.5 Change Management Service Level Objective. The Change Management service level objective is to complete certain change management requests, listed below, within 24 hours of the change being scheduled with Customer (an "Express Change"), or within four (4) hours if designated by Customer as an emergency (an "Emergency Change"). Emergency Changes must be requested by Customer's submission of a Priority 1 trouble ticket.

4.5.1 Definition

Express Change Request Types:

These are a subset of current change request types that would be eligible for the change management objective:

- Activate Previously Configured LAN Interface.
- Privilege Exec Commands – Add or Modify
- Filters/Access-lists – Add, Delete or Modify
- Static Route - Add (include redistribution requirements), Delete or Modify
- Request Copy of Router Configuration.
- Sub Interface - Add (include routing requirements), Delete or Modify

Both Emergency and Express change requests do not provide for scheduling, coordination, follow-up, impact assessment or evaluation before or after such request by Customer.

4.5.2 Credit Structure and Amounts. The Change Management service level objective and has no associated credit.

4.5.3 Exclusions. In addition to the general exclusions found in Appendix A, the following exclusions apply to the Change Management Service Level Objective:

4.5.3.1 Requests submitted between the hours of 12:01 p.m. eastern U.S. time Friday - 11:59 a.m. eastern U.S. time, Sunday.

4.5.3.2 Incomplete information, including the specific commands/configurations.

5. Credit Application Process

5.1 Managed WAN SLA Application Structure

Credits are not cumulative month to month. If the SLA issue exceeds 30 days, the same schedule applies for each consecutive month. The maximum credit within any one month for the aggregate SLA credits within that month is 50% of the total MRC for Managed WAN for all sites, or 100% of the total MRC for any one site. Company's data and calculations will be used to determine if an SLA has been missed and a

credit is due. Verizon will issue a credit within 90 days after Verizon determines a credit is payable under this SLA

5.2 Process for Customers to Apply for SLA Credits

Customer completes two steps in order to have an outage qualify for a Service Level Agreement credit. First, except for the Installation SLA, a trouble ticket needs to be opened in response to Managed WAN issues at the time of the Managed WAN issue. Second, a written request for credit must be made to the account team contact.

5.2.1 Opening a Trouble Ticket

For the Availability, Time to Repair, and Proactive Outage Notification SLAs, a Hard Outage trouble ticket must be opened on Company's systems, either by Company or by Customer's request. A trouble ticket provides the record of Hard Outage events.

5.2.2 Submitting a Service Level Agreement Credit Request

5.2.2.1 Installation SLA. Customer must make a written request (e-mail or fax) to the Company Account Team for a credit within fifteen (15) days after the date that the installation is completed that is beyond the 45 business day SLA with the following information:

- The site and circuit identifier
- The date the site and circuit should have been installed
- The date the site was installed
- The date that Customer order was approved

5.2.2.2 Availability, Time To Repair, and Proactive Outage Notification SLA. Customer must make a request in writing (e-mail or fax) to the Company Account Team for a credit within fifteen (15) days of the end of the month for which an SLA credit is due with the following information:

- The date the site and circuit outage(s) occurred
- The time the site and circuit outage(s) began and ended
- The site(s) and circuit ID(s) for each affected site.
- Trouble Ticket number for each site and event.

5.2.3 Service Level Agreement Credit Time Limitation

If Company has failed to meet the same SLA for three (3) consecutive months, Customer may elect to:

- continue Managed WAN with a limit of six (6) months of credits for any individual SLA within a 12-month period.
- discontinue Managed WAN without liability except for charges incurred prior to discontinuation of Managed WAN. Customer must submit a written disconnect notice to their Company Account Team within 30 days following the end of either the third or subsequent consecutive month of Company's failure to meet the SLA. Canadian sold customers must submit their disconnection request to cancel@ca.mci.com in addition to the Account Team.

If 3rd Party Network or Maintenance provider causes in whole or in part the payout of SLA credits for three (3) consecutive months, Company has the following options:

- require a change of 3rd Party Network or Maintenance provider, as applicable; or
- terminate its performance obligations under this Managed WAN SLA for the relevant SLA for sites with 3rd Party Network or Maintenance provider.

Appendix A: General Exclusions

The following exclusions apply to all Service Level Agreements contained in this document:

- No credit will be due to the extent the SLA is not met because of any act or omission on the part of the Customer, its contractors or vendors, or any other entity over which the Customer exercises control or has the right to exercise control, other than acts or omissions of Company approved 3rd Party Network or 3rd Party Maintenance providers,

- No credit will be due to the extent the SLA is not met because of a Force Majeure event, as defined in the Agreement.
- No credit will be due to the extent the SLA is not met because of scheduled maintenance by Customer or entities under Customer's direction or control.
- No credit will be due to the extent the SLA is not met because of scheduled maintenance by Company within Company's maintenance windows.
- Except for the Installation SLA, no credit will be due to the extent the SLA is not met because Managed WAN is not up and billable.
- No credit will be due to the extent the SLA is not met because of the amount of time delays due to Customer Time.
- No credit will be due to the extent the SLA is not met because proper power is not available to the CPE.
- Each device must have out-of-band access except for those devices under the Monitor and Notify level of service.

Appendix B: Terms and Definitions

Terms and Definitions	Definition
Access Type 1	Circuits for which Local Access is furnished wholly via MCI Legacy Company facilities or circuits which are collocated in MCI Legacy Company facilities
Access Type 2	Circuits for which Local Access is furnished in part via MCI Legacy Company facilities.
Access Type 3	Circuits for which Local Access is not furnished via MCI Legacy Company facilities, but where Company invoices the Local Access cost to Customer.
Approved Maintenance Provider	The term "Approved Maintenance Provider" means a provider of maintenance services as approved by Verizon from time to time that is contracted for by the Customer. The current Approved Maintenance Providers are IBM, Siemens, Cisco, HP, Juniper Networks, NCR, and Unisys.
circuit	A circuit is a Connection and Local Access.
Connection	Connection is a port on Customer's WAN connected to Company or a 3 rd Party Network.
Customer Premise Equipment ("CPE")	Service equipment located at the Customer site.
Customer Provided Access	Customer remits payment for Local Access directly to their Local Access provider and Company does not invoice Customer for Local Access charges.
Customer Time	Time delays attributable to or caused by one or more of the following: <ul style="list-style-type: none"> • Incorrect or incomplete information provided by Customer; • Company or the Company approved maintenance provider being denied access to CPE or network components at the Customer location when access is required; • Failure or refusal by Customer to release the circuit for testing; or • Customer unavailability where needed to close a trouble ticket.
Hard Outage	Managed WAN degradation such that Customer is unable to use Managed WAN and Customer is prepared to release the circuit to Company for immediate testing.

Terms and Definitions	Definition
MCI Legacy Companies	An affiliate of Company that was an affiliate of MCI, Inc. prior to the acquisition of MCI, Inc. by Verizon Communications Inc., including one or more of the following entities (without limitation): MCI Communications Services, Inc. d/b/a Verizon Business Services; MCImetro Access Transmission Services LLC d/b/a Verizon Access Transmission Services; MCImetro Access Transmission Services of Virginia, Inc. d/b/a Verizon Access Transmission Services of Virginia; and MCImetro Access Transmission Services of Massachusetts, Inc. d/b/a Verizon Access Transmission Services of Massachusetts, and applicable affiliated operating companies outside the United States.
MRC	Monthly Recurring Charge.
Port	An entrance to and/or exit from a network.
router	The term "router" means Managed WAN devices.
Soft Outage	Managed WAN Service degradation such that Customer is still able to use the Managed WAN Service and Customer is NOT prepared to release the circuit to Company for immediate testing.
site	A site is Customer's Managed WAN location that includes CPE and a Connection.
Trouble Ticket	The result of reporting by a Customer to Company of either perceived Managed WAN outage or Managed WAN degradation.