SERVICE SCHEDULE – MANAGED CLOUD

This Service Schedule sets out the service description and service levels for Managed Cloud service.

1	**SERVICE DESCRIPTION**

OVERVIEW

1.1 Managed Cloud provides a management layer on top of compatible cloud and infrastructure services (**Service(s)**). The Service is provided on support cloud platforms as notified by us to you.

ELIGIBILITY

1.2 Following our assessment, the Service is available on Greenfield, Brownfield environments or any other environment as notified by us to you.

1.3 The Service is available for any platform deployed by us. Services which are not deployed by us will not be managed by us. If you make a request for us to manage the Service which is not deployed by us, we will conduct an assessment (at your cost) before agreeing to do so.

FUNCTIONS

1.4 The Service includes the following:

Function	Description
Proactive Enterprise Management	We will monitor and manage the Services 24x7x365 for any defined alerts and will proactively troubleshoot to prevent potential issues. We will respond to monitoring alerts and proactively contact the end-user to triage support issues.
Authorised Contacts	We will only accept support queries from your authorized contacts. You will notify us in advance of your authorized contacts.
Cost Optimisation	The Services will be reviewed on an ongoing basis. We will recommend the right sizing options for your Approved Cloud Environment. You will also have access to infrastructure spend information on your Approved Cloud Environment.
Best Practice Deployment	We will deploy your Approved Cloud Environment which may include *Role Based Access Control, Cloud Virtual Network Design and Security Controls*. Environments not deployed by us may require a review with you to confirm compliance to our standards.
Monitoring	Realtime monitoring of systems and platforms which are integrated into our incident management systems.
Service Uptime	Uptime monitoring of your Approved Cloud Environment and services with service level agreement and performance reporting available to you.
Resource Utilisation	Monitor, highlight and providing alerts on critical resource utilisation metrics on server infrastructure.
Lifecycle Management	We will ensure that services and platforms managed by us are updated to the latest Vendor recommended versions. Major version upgrades may require feasibility studies which may incur charges.

General

Endpoint Security Management	End Point Security management and monitoring to maintain the health of your Approved Cloud Environment.
Compliance Management	We will apply security hardening settings to your virtual servers in accordance with best practice and applicable laws and regulations.
Advisory and Governance	We will provide a service delivery management function, vendor liaison, monthly reporting, change management, Service Request co-ordination and technical advice for in-scope technologies.
Change Management	Change Management will be carried out in line with your change management processes including attendance at your Change Approval Board meetings as required. We will carry out assigned changes in relation to the Approved Cloud Environment.
Maintenance	We will perform regular maintenance activities and reviews in line with the Change Management process to minimise interruptions to the Services. We will also perform capacity planning and review performance metrics of the Services.
Reporting and Reviews	Reports will summarise incidents and Service Requests which are logged with us. The reports will also include proactive tasks undertaken by us to resolve issues. Any issues and opportunities to improve reliability and useability of the Approved Cloud Environment will be set out in the report. Regular reviews will help ensure the Approved Cloud Environment is maintained and incidents are minimised.

1.8   We may utilise a number of third party tools and software to deliver the Service. We may also substitute alternative tools and software from time to time.

LIMITATIONS AND EXCLUSIONS

1.9   The Service does not include:

(a)   configuration of any technology other than the managed environment or as otherwise set out in the Service Order Form;

(b)   end user support and training. At your request, we may provide these additional options to you at your cost;

(c)   interstate or international travel and onsite support (unless specifically stated in the Service Order Form). Travel fees may apply where travel is required;

(d)   migration of data, databases or content from an existing system to the Service. At your request, we may provide these additional options to you at your cost;

(e)   support of applications not installed as part of the Service;

(f)   any testing or deployment outside of the scope of this Service;

(g)   software licences for applications and software not installed as part of the Service;

(h)   out of schedule backups and restoration. At your request, we may provide these additional options to you at your cost; and

(i)   storage costs for backup. At your request, we may provide these additional options to you at your cost.

1.10   If you require any services that fall outside of the scope of the Service, you may request these from us on a time and materials basis. You agree to pay for these additional services.

SERVICE SCHEDULE – MANAGED CLOUD

2   SERVICE LEVELS

2.1   The Service Levels for the Service are set out in the table below:

Incidents				
Ticket Severity	Response Time	Initial Update	Regular Update	Resolution
P1	15 mins	15 mins	1 Hour	4 Hours
P2	15 mins	1 Hour	2 Hours	4 Hours
P3	15 mins	3 Hours	6 Hours	12 Hours
P4	15 mins	12 Hours	24 Hours	48 Hours

2.2   The time period taken while we wait for your response or confirmation on any issues related to the Services will not be counted towards the response, update and resolution times set out in the table in clause 2.1.

2.3   Response Time is calculated from the time we respond to your contact identified in the ticket.

2.4   Resolution Time is calculated from the time we amend the status of the ticket to "Resolved."

2.5   Severity P1 and P2 incidents are calculated on a 24-hour basis.

2.6   Severity P3 and P4 incidents and Service Requests are calculated during Business Hours only.

CLASSIFICATION OF SEVERITY

2.7   In order to determine the severity level, we will use the table in clause 2.10 below.

2.8   Urgency means the speed of restoration of the Service and its relevant categories are set out below:

      (a)   High: Preventing a core business function or service from being performed;

      (b)   Medium: Prevents or restricts the effectiveness of a day-to-day function or service; or

      (c)   Low: Minor impact to day-to-day tasks.

2.9   The different categories of "Impact" are set out below:

      (a)   High: Impacts an entire site or all users;

      (b)   Medium: Impacts an entire team or small group of users; or

      (c)   Low: Impacts a single user or limited number of users.

2.10   The following table sets out how we calculate severity levels based on Urgency and Impact:

		URGENCY		
		High	Medium	Low
IMPACT	High	Severity 1 - Urgent	Severity 2 - High	Severity 3 - Medium
	Medium	Severity 2 - High	Severity 3 - Medium	Severity 4 - Low
	Low	Severity 3 - Medium	Severity 4 - Low	Severity 4 - Low

General

ESCALATION PROCEDURES

2.11   We will follow a standard escalation process to resolve tickets. Such process is set out in the Service Delivery Manual.

SERVICE REQUESTS

2.12   Service Requests are any Install, Move, Add or Change to the Service which do not commercially affect your business.

2.13   All Service Request tickets will be classified as a Severity 4. You may request re-assignment to a higher priority on a case-by-case basis based on business priorities. We will assign resources to assess and implement a high priority Service Request where appropriate. Service Requests will be either as per defined and agreed Service Catalogue items (as set out in your Service Order Form) or on a time and materials basis which is agreed in a Service Order Form.

SERVICE LEVELS – REPORTING

2.14   Agreed reporting will be made available to your primary contact following the end of the prior month as agreed in the Service Order Form.

ACTIVATION TIMEFRAMES

2.15   The following table sets out the activation timeframes:

Deliverable	Target timeframe
Request for Assessment	3 Business Days from receipt of the request
Scoping	Mutually agreed in the Service Order Form
Onboarding/Delivery	Mutually agreed in the Service Order Form

SERVICE LEVELS CREDITS

2.16   The Service Level is a standard offering which allows you to use a Telstra certified, highly available solution for your Approved Cloud Environment (**Highly Available Solution**) to achieve availability-based Service Levels. The application of the Service Levels to your Approved Cloud Environment is subject to our approval and we will advise you of any revised Service Level targets if this is relevant to your Approved Cloud Environment.

2.17   If we approve the Service Level for your Approved Cloud Environment, we will use commercially reasonable efforts to maintain Highly Available Solution availability of 99.95% each month.

2.18   Availability excludes any outages or downtime related to maintenance or management work, scheduled downtime or downtime initiated by you (including downtime due to Change Requests).

2.19   Highly Available Solution availability is calculated as:

Monthly Availability Percentage = ((total minutes in a calendar month – total minutes Unavailable) / total minutes in a calendar month) x 100

2.20   If in any month the Highly Available Solution availability does not meet the Service Level, you will be eligible to receive a Service Level Credit as described below in accordance with the terms of the Agreement:

Monthly Availability Percentage	Service Level Credit Percentage
99.9% – 99.95%	50%
Less than 99.9%	75%

2.21   The Service Level Credit is calculated as a percentage of the monthly fees paid by you.

2.22   Measurement of the Service Level is based on the Highly Available Solution regions being Unavailable.

2.23   The Service Level does not include any credit for your underlying public cloud infrastructure. Your public cloud provider will, in accordance with its terms and conditions, pay any applicable service level credits for the unavailability of your underlying public cloud infrastructure.

2.24   To receive the Service Level Credit, you must submit a request to your Account Executive or Service Delivery Manager within 2 months. You must include the following information:

(a)   the dates and duration of each unavailability incident you are claiming; and

(b)   details of the affected virtual machines within your Approved Cloud Environment.

2.25   If we approve your claim, we will apply the Service Level Credit to a future bill.

SERVICE LEVEL EXCLUSIONS

2.26   We are not responsible for a failure to meet a Service Level where:

(a)   the failure is caused by your action or in-action or as a result of your breach of your obligations;

(b)   you fail to follow our reasonable directions;

(c)   you fail to provide us with full and accurate information detailing any requests or relating to any incidents that you report to us;

(d)   the failure is caused by an outage of an infrastructure platform not owned and managed by us. The infrastructure service is subject to separate terms and conditions (including Service Level and Service Level Credits);

(e)   it is caused by something outside of our reasonable control; and

(f)   services offered by third parties that directly affect the platform, that are not provided or managed by us.

3   CHARGES

CHARGES

3.1   The charges for the Service will be billed monthly in arrears.

3.2   As part of your Service, we may give you access to certain tools and applications to monitor performance of your Approved Cloud Environment. You agree that any bill history, usage and cost metrics are only estimates. The estimated totals may not correspond to the totals shown on your bills. This may be due to misalignment of billing periods or lag in displaying information in the current month. We do not guarantee that the information on the tools or applications will be accurate or complete. If you require the exact totals, you must refer to your bills. You must ensure that you pay the total shown on your bills.

3.3   Where agreed between both parties, you will pay the software license fees and/or professional services fees which are set out in the Service Order Form.

EARLY TERMINATION CHARGES

3.4   If you terminate the Services for convenience during the term of the Service, you will pay us an amount equal to the actual costs and expenses that we have incurred or committed to in anticipation of providing the Service to you and that cannot be reasonably avoided by us as a result of the termination which will not exceed an amount equal to the monthly charges that would otherwise have been payable by you for the remainder of the Initial Period.

4   YOUR RESPONSIBILITIES

4.1   You must provide us with the locations of data to be backed up within your Approved Cloud Environment and the recovery point and time objectives.

4.2   You:

(a)   will need to provide us with administrative access to the systems and workloads you nominate to be managed as part of the Service; and

(b)   may need to allow the deployment of management agents, security scripts or configurations on your systems to be managed by us.

In addition to the above and if we are not the underlying carriage service provider and where consumption-based billing is involved, you will need to provide us with relevant access to your systems and portals in order for us to obtain accurate data to prepare our invoices to you.

4.3   You are responsible for ensuring that you comply with the licence terms of any software (such as application software or operating system) which you install or use in connection with your Approved Cloud Environment.

4.4   Even though we are providing you with the Services for your Approved Cloud Environment, you will be given a high degree of control over your Approved Cloud Environment. If you configure and manage your Approved Cloud Environment in such a manner that causes disruption to those services or the Service and/or deletion of any of your data, you will be responsible for any loss that you suffer as a result and you may need to pay us an additional charge to fix any problems on a best-efforts basis.

4.5   If your Service includes management of third party hardware and/or software not provided by us, you warrant that you have obtained the appropriate consents or hold the necessary licences to enable us to manage that hardware or software on your behalf.

4.6   You acknowledge that the Service relies on you providing us with accurate information on your Approved Cloud Environment, including but not limited to details on applications, user locations, application usage profiles, storage, peripherals, network topology and security requirements.

4.7   You must perform any testing we advise you is necessary in connection with your Service.

4.8   You are responsible for all internal stakeholder communications in connection with your Approved Cloud Environment (for example outages for patches or upgrades).

4.9   You must identify your personnel that are responsible for working with us and define the roles of the identified personnel. You must also ensure your identified personnel are available to provide information and participate in scheduled information gathering sessions, interviews, meetings and conference calls with us.

4.10   You will use reasonable endeavours to investigate and try to identify whether or not the Approved Cloud Environment is the likely root cause before contacting us for support.

4.11   You are responsible for ensuring your own business continuity processes and that the data backups and disaster recovery services are aligned to your requirements.

5   DEFINITIONS

5.1   In this Service Schedule, unless otherwise stated:

Approved Cloud Environment means your existing cloud environment that has been reviewed and approved by us or our existing cloud environment.

Business Hours means 8.30am to 5.30pm (local time in the jurisdiction of where the Service is supplied) on a Business Day.

Change Request(s) means the change requests submitted by you to us relating to your request for change in the Service.

Cloud Virtual Network Design means a network that does not physically exist but is instead created by the software. This type of network is often used to connect virtual machines (VMs) and other devices in a cloud environment. Virtual computer networks can be used to simulate traditional networking environments or to create entirely new ones. Virtual networks are created by configuring a network layer, which is then implemented by a software program. This program is run on a physical server or a virtual machine.

General

Role Based Access Control means approach to restricting system access to authorized users, and to implementing mandatory access control (MAC) or discretionary access control (DAC). Role-based access control is a policy-neutral access control mechanism defined around roles and privileges. The components of RBAC such as role-permissions, user-role and role-role relationships make it simple to perform user assignments.

Service Request(s) means the terms in clauses [X].

Service Delivery Manual means the service delivery manual (as updated from time to time) for the Service provided by us to you.

Security Control means safeguards or countermeasures to avoid, detect, counteract, or minimize security risks to physical property, information, computer systems, or other assets. In the field of information security, such controls protect the confidentiality, integrity and availability of information.

Unavailable means when your virtual machines have no external connectivity but excluding any outages or downtime related to maintenance or management work, scheduled downtime or your initiated downtime (including downtime due to Change Requests).