



ADAPTIVE NETWORK FABRIC Service Level Agreement

This Service Level Agreement (“SLA”) sets forth the performance standards for the Adaptive Network Fabric Service (the “Service”). This SLA is available to Customers with a minimum of a one (1) year commitment for each Port. This SLA applies only to Services provided within the United States.

1. PERFORMANCE STANDARD: NETWORK AVAILABILITY

- 1.1 **Target Availability.** The Service is designed to maintain 99.9% Port Network Availability per billing cycle.
- 1.2 **Phase Scope.** During this initial phase, Port Network Availability is the sole performance metric subject to Service Response Credits (SRC).

2. OUTAGE CLASSIFICATIONS

- 2.1 **Priority 1 (Hard Outage).** A “Hard Outage” is defined as a total loss of Service or severe degradation that renders Service unusable by the Customer at a specific Port or Connection.
 - **Release Requirement:** An incident is only classified as a Hard Outage if the Customer is prepared to release the Service for immediate intrusive testing and resolution by Verizon.
 - **Measurement Start:** Unavailability is measured from the time a Priority 1 Trouble Ticket is opened in the Verizon Ticketing System until the Service is restored.
- 2.2 **Priority 2 (Non-Hard Outage / Service Issue).** A “Non-Hard Outage” is defined as degraded Service where the Customer is still able to exchange data or use the Service, or where the Customer is not prepared to release the Service for immediate testing. Priority 2 incidents do not contribute to Network Unavailability calculations.
- 2.3 **Priority 3.** A problem with the Service that does not affect the functionality of the Service; including a single non-circuit specific quality of Service inquiry.
- 2.4 **Priority 4.** Priority 4 Non-Service-affecting requests (e.g., a Customer request for an incident report). Priority 4 includes scheduled maintenance.

3. CALCULATION AND MEASUREMENT

- 3.1 **Calculation Methodology.** Network Availability is determined based on the total number of minutes in the applicable billing cycle. For a standard 30-day billing cycle, the interval is defined as 43 minutes. For any billing period of less than 30 days, the denominator for the availability calculation will be adjusted to reflect the actual number of minutes in that specific billing period.
- 3.2 **Calculation Formula.** The availability percentage is computed by subtracting the total number of Eligible Priority 1 Hard Outage Minutes from the total minutes in the applicable billing period, and then dividing that result by the total minutes in said period. Priority 2, 3, and 4 incidents do not contribute to network availability or SLA credit calculations.

3.3 Demarcation Points

- **Point-to-Point / Multipoint:** Availability is measured end-to-end between the A-end port and the Z-end port.

4. EXPANDED SLA EXCLUSIONS

The performance standards and eligibility for credits set forth in this SLA do not apply to any Service Unavailability or outages caused by:

4.1 Access and Third-Party Facilities

- Failures or outages in Customer-provided local access (CPLL) or Verizon Business Transmission services (Access Service/BAU Access) purchased under separate service terms.
- Issues occurring during the period prior to the completion of Customer-provided cross-connect provisioning, which shall not exceed 15 days.
- Failure of any third-party network, infrastructure, or cloud provider environment not under the direct management and control of Verizon.

4.2 Customer Equipment and Maintenance

- Malfunction or failure of Customer Premises Equipment, whether provided by Verizon or a third party.
- Scheduled maintenance windows or emergency maintenance communicated to the Customer.
- Customer-initiated site maintenance or reconfiguration of internal LAN/WAN settings.

4.3 Customer Acts and Omissions

- Negligence or willful acts by the Customer, its authorized users, or third-party contractors.
- The Customer's refusal to release the Service for testing or failure to provide Verizon with access to the Customer Site or equipment.
- Failure to provide accurate and timely Letter of Authorization (LOA) or Connecting Facility Assignment (CFA) documentation.
- Incorrect or incomplete contact/callout information that prevents Verizon from completing trouble diagnosis.

4.4 Force Majeure and External Factors

- Acts of God, government labor strikes, cable cuts caused by third parties, or power failures at the Customer Site.
- Software bugs for which no workaround or patch is currently available from the vendor.

5. SERVICE RESPONSE CREDITS (SRC)

5.1 Credit Eligibility. If Verizon fails to meet the 99.9% Network Availability standard, the Customer of Record who is billed for the affected Service component is eligible for an SRC based on the total number of Eligible Hard Outage Minutes recorded via Priority 1 Trouble Tickets, independent of the actual percentage calculation.

5.2 Restriction on Claims. SLA credits are available only to the Customer of Record (the billing entity). Credits are not available to secondary users or B-end owners, and only one credit claim may be processed per outage incident to prevent double-claims on a single circuit or connection.



- 5.3 **Hard Outage Credit Schedule.** Credits are calculated as a percentage of the Monthly Recurring Charge (MRC) for the affected Port or Connection:

Cumulative Hard Outage Duration (Minutes)	Availability Credit (% of MRC)
1 to 43 Minutes	No Credit
44 to 240 Minutes	10%
241 to 480 Minutes	15%
481 to 720 Minutes	20%
Greater than 720 Minutes	20%

6. CREDIT APPLICATION PROCESS

- 6.1 **Reporting Requirement.** Customers must open a Priority 1 Trouble Ticket within 72 hours of the initial service interruption.
- 6.2 **Written Claim.** Customers must submit a written request for credit to their Verizon account team within 30 calendar days of the end of the month in which the outage occurred.
- 6.3 **Maximum Credit Cap.** The total credits issued in any single calendar month shall not exceed 100% of the MRC for the affected Service component.
- 6.4 **Sole and Exclusive Remedy.** The Service Response Credits set forth in this SLA are the Customer's sole and exclusive remedy for any performance-related claims. Verizon will determine in its sole discretion what records and data will be the basis for all SLA calculations.