

SERVICE LEVEL AGREEMENT FOR ELECTRONICS
CIRCUITS BETWEEN IBM AND SONY

Revision History

Revision #	Date	Author	Comment
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Confidentiality Statement

This document contains confidential and proprietary information of IBM and Sony, which must be kept confidential. Duplication or use other than for evaluation purposes in connection with negotiating and implementing a definitive written agreement for the provision of application maintenance outsourcing services is strictly prohibited. This document must be returned to the IBM in the event such an agreement is not enacted.

Parties and Timeline

This service level agreement is between the Sony and the IBM from Start Date (1958-12-10) to End Date (1961-03-20).

- This service level agreement is effective as of the date of the signatures below. The IBM and the Sony shall review at least quarterly to determine if any modifications or amendments are needed to reflect the IBM's support requirements and Sony's services.
- The purpose of this service level agreement is to document the service delivery of the Sony to the IBM. The Sony shall deliver the services set forth in this document. The IBM shall pay for the services covered by this Agreement in accordance with billing and payment terms that have been agreed upon by the IBM and Sony.

Service Catalogue

The Sony will provide the following product and services to the IBM:

Service	Description	Examples
Transistor circuit	Receive,document,transistor circuit and help IBM staff in the use of it.	<ul style="list-style-type: none">• Deliver damage-less transistor circuit• Answer queries about it.• Receive and document error reports.• Collect and document requests for changes.• Share status of requests.

Rewards and Penalties

If the product and services of Sony doesn't meet as discussed in this document then it may have some penalty and if product and services of Sony will be far better as discussed then Sony will be rewarded.

- **Penalty.** A deduction from the Sony's monthly invoice expressed as a percentage of the agreed upon service delivery fee for the month in which a particular SLA was not met.
- **Reward.** A premium added to the Sony's monthly invoice expressed as a percentage of the agreed upon service delivery fee for the month in which a particular SLA was exceeded.

Reporting

The following processes will be used in order to manage the product maintenance outsourcing agreement:

Quarterly Review Meeting

A quarterly review meeting will include the following:

- The SLA will be reviewed with the IS managers involved and an amendment addendum will be created if required
- Review process will be through meeting session which will be booked in advance
- Review document prepared by Sony will include overall product status, issues list, delivery reporting, and items that need adjustment within SLA
- SLA changes will be tracked by version number and date

Reporting Service Levels

Type	Measurement	Penalty
Quarterly Status Report	Delivered at quarterly intervals and not less than five business days before scheduled review meeting	5% of monthly invoice

User Support and Problem Correction

The following procedures will be used to respond to problems that are received by the help desk. A problem is defined as an unplanned system event which adversely affects application processing or application deliverable.

Measurement period for User Support and Problem Correction SLAs is a calendar month. For example, if an SLA is not met during the month of April, one penalty deduction (as outlined in the SLA associated with that particular service) will be applied to the invoice for the month of April, and if it is not met for the month of May, an additional penalty deduction will be applied to the invoice for the month of May.

Prioritization Approach

Service requests for problems received by the help desk will be given a Severity Code from 1 – 4 based on how important responding to the problem is to the primary business of IBM as a whole, as well as the availability of workarounds. The Severity Code will be the basis for scheduling work on the backlog and assigning resources to the request. Critical, important, and supportive application functions are defined in the section below on Application Function Type, with a complete list of application functions included in this agreement listed in .

Severity Code	Definition
1	A problem has made a critical application function unusable or unavailable and no workaround exists.
2	A problem has made a critical application function unusable or unavailable but a workaround exists. or A problem has made an important application function unusable or unavailable and no workaround exists.
3	A problem has diminished critical or important application functionality or performance but the functionality still performs as specified in the user documentation.
4	A problem has diminished supportive application functionality or performance.

Response and Resolution Times

Severity codes are used in order to determine appropriate response and resolution times. Response and resolution times are measured from when the incident is opened by the help desk. If the problem is not resolved within the defined time-frame, continuous effort will be applied until the problem is resolved.

Severity Code	Initial sponse	Re-	Estimation Re-	Resolution
1	15 minutes		2 hours	4 hours
2	30 minutes		2 hours	8 hours
3	1 hour		8 hours	4 calendar days
4	1 hour		Next business day	20 calendar days

- **Initial Response** is when a problem is acknowledged by help desk staff.
- **Estimation Response** is when the Sony's representative informed of an estimated resolution time.
- **Resolution** is the point at which the problem is resolved and the application function is returned to a usable and available state.

Response and Resolution Service Levels

Type	Measurement	Reward	Penalty
Severity 1 Resolution	All Severity 1 problems are resolved in less than 2 hours.	10% of monthly fees	NA
	One or more Severity 1 problems are resolved in over 4 hours.	NA	10% of monthly fees
Severity 2 Resolution	Less than 95% of Severity 2 problems are resolved in 8 hours.	NA	10% of monthly fees
Severity 3 Resolution	Less than 95% of Severity 3 problems are resolved in 4 calendar days.	NA	5% of monthly fees
Severity 4 Resolution	Less than 95% of Severity 4 problems are resolved in 20 calendar days.	NA	5% of monthly fees
Response/Estimate	Less than 95% of Initial Response, Estimation Response, and Subsequent Response times are met.	NA	5% of monthly fees
End user satisfaction	More than 95% of completed scores on problem resolution satisfaction survey have a rating of satisfied or very satisfied.	5% of monthly fees	NA
	Less than 80% of completed scores on problem resolution satisfaction survey have a rating of satisfied or very satisfied.	NA	10% of monthly fees
Maximum Problem Backlog	There are always less than <maximum> unresolved problems.	5% of monthly fees	NA
Maximum Problem Aging	No problem is older than 60 days.	5% of monthly fees	NA

- **Problem backlog** is the maximum number of unresolved problems.
- **Problem aging** tracks unresolved problems that are older than 60 days.
- Any additional outages must be scheduled and approved by the IBM at least two weeks in advance, unless there is an emergency.

Application Availability Service Levels

Type	Measurement	Reward	Penalty
Critical Application Availability	Availability exceeds 99.5% every day in a 1 month period.	10% of monthly fees	NA
	Availability falls below 99.5% for more than 2 days of the month during regular business hours.	NA	10% of monthly fees
Important Application Availability	Availability falls below 99% for more than 2 days of the month during regular business hours.	NA	10% of monthly fees
Supportive Application Availability	Availability falls below 98% for more than 2 days of the month during regular business hours.	NA	5% of monthly fees

Application Enhancement

Application enhancement projects involve functional enhancements made to a properly working application to accommodate new or changed user requirements. Examples include increasing an application's performance, enhancing a user interface, or optimizing code.

Application enhancements can be requested by the IBM or proposed by Sony. The IBM will prioritize the order in which enhancements are performed.

Product Quality

The Sony will apply appropriate process and practices in order to deliver high quality product to the IBM containing as few defects as is practical. Defect scan include the following:

- Manufacturing Defects (*e.g.* defect or damage to the product while manufacturing it).
- Physical Damage (*e.g.* damage while loading, de-loading or delivering the products).

Process and Application Improvement

The Sony will help the IBM to improve its applications and application maintenance processes over time, in line with the IBM's business goals and strategy. As Sony gains increased application and business knowledge, it is expected that Sony will help the IBM to plan the better use of applications to meet business goals.

Signatures

For the Sony Name: _____ Signature: _____ Title: _____ Date: _____	For the IBM Name: _____ Signature: _____ Title: _____ Date: _____
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The Sony and the IBM agree to the service levels and terms outlined in this agreement.