

Service Level Agreement

- A. **Scope.** Northwinds Hosted Solutions shall endeavor to meet the performance standards and services levels set forth in this SLA with respect to the Services provided to Customer. In the event Northwinds Hosted Solutions fails to meet the service levels set forth herein, Customer's sole and exclusive remedies shall be the Credit Allowances as provided in this Service Level Agreement.
- B. **Service Interruption.** Northwinds Hosted Solutions will provide Customer with Service Interruption Credits as provided in this SLA if Customer experiences a Service Interruption. A Service Interruption or an outage in the Services is not a Default under the Agreement, but may entitle Customer to credits as provided in this SLA. A Service Interruption is a loss of connectivity that prevents a Customer from using the Services. A Service Interruption period begins when Customer makes a Trouble Report to Northwinds Hosted Solutions' Service Center under the methods and procedures set forth in Section D of this SLA and ends when Northwinds Hosted Solutions restores the Services to End User.
1. **Service Interruption Credits for Network Availability for all Services except Northwinds Hosted Solutions' Ethernet Transport and Dedicated Internet Services.** A Credit Allowance will be given in any month during the term of the Agreement when there is a Service Interruption that qualifies for a credit allowance. Customer must request the Service Interruption credit from Northwinds Hosted Solutions and the request must be made between the hours of 8:00 A.M and 5:00 P.M. Arizona Time by calling Northwinds Customer Service at (866) 983.5322. The amount of the Credit Allowance shall be as follows: (i) Service Interruptions of less than four (4) continuous hours: none; (ii) Service Interruptions of four (4) continuous hours or more: 1/30th of the monthly MRC for the applicable Service for each four (4) hour period or fraction thereof.
 2. **Northwinds Hosted Solutions' Service Levels for Network Availability, Network Latency and Packet Loss on Saddleback Ethernet transport services and dedicated Internet Services:**
 - a. **Network Availability Service Level.** Northwinds Hosted Solutions' Network Availability Service Level is 99.9%. This parameter is calculated by dividing the number of minutes the Services are available for Customer's use by the total number of minutes in any thirty (30) day period and multiplying by 100. For Dedicated Internet Access Services, Network Availability is defined by Northwinds Hosted Solutions as the ability to transmit data from the Northwinds Hosted Solutions demarc at the Customer location to any one of the transit or peering points on the Northwinds Hosted Solutions IP backbone. Network Availability does not mean the customer will be able to reach any site or user on the Internet, nor does it mean any site or user on the Internet can reach the Customer, as there are many factors, outside of Northwinds Hosted Solutions' control, that can affect an end-to-end connection.
 - i. **Service Interruption.** A Service Interruption or an outage is not a Default under this Agreement, but may entitle the Customer to credits provided in this SLA.
A Service Interruption is a loss of services or a degradation of signal to the Customer that adversely affects the ability of the Customer to use the Services. A Service Interruption period begins when the Customer makes a Trouble Report to Northwinds Hosted Solutions and ends when Saddleback restores Services to the Customer.
 - ii. **Service Interruption Credits for Service Availability.** A Credit Allowance will be given in any month during the term of the Agreement when there is a Service Interruption that qualifies for a Credit Allowance. The amount of the Credit Allowance shall be as follows:

Service Interruption Credits for PRI, Dedicated Internet Access and Ethernet Transport

< 30 minutes to 4 hours, continuous	None
30 minutes to 4 hours, continuous	1/30 of monthly charge due for the applicable month the first 30 minutes to 1 hour, then an additional 1/30 of the monthly charge for the applicable month for each additional hours up to 4 hours.
4 hours to 8 hours, continuous	50% of the monthly charge due for the applicable

< 30 minutes to 4 hours, continuous	None
	month
8 hours or longer, continuous	100% of the monthly charge due for the applicable month

- iii. **Exceptions to Credit Allowance.** Credit Allowances shall not be provided for Services Interruptions or failures to meet the Service level parameter: (i) caused by Customer, its employees, agents or subcontractors or its users; (ii) due to failure of power or other equipment provided by Customer or the public utility supplying power to Northwinds Hosted Solutions or Customer; (iii) during any period in which Northwinds Hosted Solutions is not allowed access to the premises of Customer to access Northwinds Hosted Solutions equipment; (iv) due to scheduled maintenance and repair; (v) caused by or due to violations of the Northwinds Hosted Solutions Acceptable Use Policies (for Internet Services); (vi) caused by fiber optic cable cuts on the Customer's property which are not the fault of Northwinds Hosted Solutions; (vii) caused by a loss of service or failure of Customer's internal wiring or other Customer equipment; (viii) caused by the software or encryption provided by Customer; or (ix) due to Force Majeure events. In no event shall Customer receive more than One (1) month's MRC as credit for Service Interruptions or outages in any thirty (30) day period regardless of the number of Service Interruptions or outages, or failures to meet this SLA.
- iv. **Major Outages.** If two (2) times during a thirty (30) consecutive day period, the Services to the Customer experience a Service interruption for a period of greater than eight (8) consecutive hours, ("Major Outage") other than as a result of the causes set forth in Section B.2.a.iii above, Customer may terminate the affected service(s) without charge or payment of any termination charges that may otherwise be provided in the Network Services Agreement; provided the Customer notifies Saddleback in writing within thirty (30) days of the occurrence of the second Major Outage.
- b. **Network Latency Service Level.** Network Latency is defined by Northwinds Hosted Solutions as the round-trip delay for a packet to travel between two backbone network routers on the Northwinds Hosted Solutions' backbone, averaged on a monthly basis. The average monthly round-trip delay is measured in milliseconds. Northwinds Hosted Solutions' Network Latency Service Level is 45 milliseconds or less. If Northwinds Hosted Solutions fails to meet any Network Latency Service Level in a calendar month, the Customer is eligible for a credit allowance consisting of pro-rated charges for three (3) days of the Northwinds Hosted Solutions' monthly recurring charge (MRC) for the Ethernet transport or dedicated Internet service for the applicable month.
- c. **Network Packet Delivery Service Level.** Network Packet Loss is defined by Northwinds Hosted Solutions as the percentage of packets lost during a transmission between two routers on the Northwinds Hosted Solutions' IP backbone, averaged on a monthly basis. The average monthly packet loss is measured in percentage of packets dropped per 100. Northwinds Hosted Solutions' Network Packet Delivery Service Level is 99% or greater. If Northwinds Hosted Solutions fails to meet any Network Packet Delivery Service Level in a calendar month, the Customer is eligible for a credit allowance consisting of pro-rated charges for three (3) days of the Northwinds Hosted Solutions' monthly recurring charge (MRC) for the Ethernet transport or dedicated Internet service for the applicable month.
- C. **Trouble Reports.** Northwinds Hosted Solutions shall maintain a point-of-contact for Customers to report Service troubles, outages or Service Interruptions. For Customer support, Customer shall call Trouble Reports to 866.983.5322 or send an email to support@northwindshostedsolutions.com.
- D. **Mean Time to Respond (MTTR).** Northwinds Hosted Solutions' objective is to respond to out of service troubles within two (2) hours of the trouble report. In the event that a trouble report requires the dispatch of a field service technician, the objective is a two (2) hour response to site. Response times may be adversely impacted by the events and actions described in paragraph C above.
- E. **Force Majeure.** Any delay in or failure of performance by Northwinds Hosted Solutions will not be considered a breach of the SLA if and to the extent caused by events beyond its reasonable control, including, but not limited to, acts of God, embargoes, governmental restrictions, strikes, lockouts, work stoppages or other labor difficulties, riots, insurrection, wars, or other military action, acts of terrorism, civil disorders, rebellion, fires, floods, vandalism, or sabotage. Northwinds

Hosted Solutions ' obligations hereunder will be suspended to the extent caused by the force majeure so long as the force majeure continues.