

**THIRD REVISED AND RESTATED**

**STATEMENT OF WORK NO. CW80384**

**Dated**

**January 1, 2019**

**to**

**Master Services Agreement No. MIN-13326**

**between**

**Capital One Bank (Canada Branch)**

**And**

**Concentrix Technologies Services (Canada) Limited**

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**THIRD REVISED AND RESTATED  
STATEMENT OF WORK NO. CW80384**

This THIRD REVISED AND RESTATED STATEMENT OF WORK ("SOW"), made and effective as of January 1, 2019 (the "SOW Effective Date"), by and between Capital One Bank (Canada Branch), ("Capital One") and Concentrix Technologies Services (Canada) Limited, (the "Supplier" or "Concentrix"). Capital One and Supplier may be referred to herein individually as a "party" and collectively as the "parties."

**1. BACKGROUND AND OBJECTIVES**

**WHEREAS**, the parties have previously entered into a Master Services Agreement dated 28 February 2005 and bearing the number MIN-13326, as previously amended, that contemplates the execution of one or more Statements of Work;

**WHEREAS**, the parties have previously executed Statement of Work, CW80384, effective 1 September 2008, as previously amended;

**WHEREAS**, Supplier represents that it has experience and is engaged in the business of providing customer relationship management and customer care services specifically including inbound customer service and general correspondence services;

**WHEREAS**, Capital One desires that Supplier provide certain call center and customer care services, including inbound customer service and general correspondence services, for Capital One's Canadian business to be performed by Supplier; and

**WHEREAS**, Supplier is willing to provide such services on the terms and conditions stated in this Statement of Work.

**NOW, THEREFORE**, in consideration of the foregoing recitals and other good and valuable consideration, the adequacy of which the parties hereby acknowledge, the parties agree as follows:

**2. DEFINITIONS**

**2.1** Certain Definitions.

As used in this Statement of Work with initial capitalization:

(a) "Business Review" as used in this SOW (and not as used in the MSA or other SOWs) shall have the meaning provided in Section 7.2.

(b) "Services" for purposes of this SOW only (and not as used in the MSA or other SOWs) shall have the meaning provided in Section 3.1(a).

**2.2** Other Terms.

Other capitalized terms used in this Statement of Work shall be as defined in context in this Statement of Work or shall have the meanings given them elsewhere in the MSA.

### 3. SERVICES

#### 3.1 Provision of Services.

(a) Beginning on the SOW Effective Date, Supplier shall provide the services, functions and responsibilities for Capital One's Canadian business described in this SOW and its Exhibits, as they may evolve during the SOW Term and as they may be supplemented, enhanced, modified or replaced (the "Services"). To the extent that other Statements of Work under the MSA have previously authorized services for Capital One's Canadian business, such pre-existing Statements of Work shall be superseded by this Statement of Work as of the SOW Effective Date.

(b) The Services shall also include any implied services described in Section 3.1(d) of the MSA.

#### 3.2 Services Location(s).

Supplier shall deliver the Services from its facilities located at the list of delivery locations provided by Supplier to Capital One. Supplier must obtain Capital One's prior written approval to change such delivery location(s), which approval Capital One may withhold in its sole discretion. Each such approved location shall be deemed a "Supplier Facility".

### 4. TERM

The term of this SOW shall begin on the SOW Effective Date and shall expire on January 1, 2022, unless terminated earlier in accordance with the MSA or this SOW (such period, the "SOW Term"). Capital One may extend the SOW Term by giving Supplier 180 days' notice prior to the expiration date of the SOW. The parties shall mutually agree to any revised terms and conditions for any extension period, including fees, no later than ninety (90) days prior to the expiration of the SOW Term, otherwise the SOW shall naturally expire, notwithstanding Section 21.7, "Extension of Termination/Expiration Effective Date" of the MSA, and the parties shall act in accordance with Section 21.8, "Termination/Expiration Assistance" of the MSA.

### 5. KEY SUPPLIER POSITIONS

The Key Supplier Positions for this SOW are:

Supplier Position:	Responsibilities:	Dedicated/Non-Dedicated
Regional Delivery Executive	<ul style="list-style-type: none"> <li>Influence strategy</li> <li>Overall accountability for meeting contractual Key Performance Indicators (KPI's)</li> <li>Development, and implementation of required systems, procedures and programs</li> </ul>	Non-Dedicated

Site Leader/Delivery Executive	<ul style="list-style-type: none"> <li>Accountable for operational/program performance</li> <li>Direct operations teams and support functions/achieve client program Key Performance Indicators (KPI's)</li> <li>Develop and implement strategies for continuous improvement and performance</li> </ul>	Non-Dedicated
Operations Manager	<ul style="list-style-type: none"> <li>Responsible for the overall service delivery performance and client relationship</li> <li>Ensures strategic business and service objectives are met</li> <li>Delivery of Key Performance Indicators across all areas of operational responsibility</li> <li>Responsible for coaching/development of Team Leaders, well-defined objectives, accountable for meeting performance expectations</li> </ul>	Dedicated solely to work performed for Capital One
Account Manager - Supplier SOW Contact	<ul style="list-style-type: none"> <li>Influence strategy</li> <li>Responsible for collaborating and finalizing contractual updates</li> <li>Management of client services</li> <li>Responsible for ensuring client satisfaction through innovation and business transformation</li> <li>Responsible for understanding Capital One objectives and working with internal Supplier stakeholders to ensure positive business outcomes</li> </ul>	Non-Dedicated
Onsite Transformational Leader	<ul style="list-style-type: none"> <li>Responsible for leading the Capital One operation team on Innovation and Transformation opportunities and implementations</li> <li>Responsible for identifying and delivering process optimization and automation solutions</li> <li>Optimize and improve business process through a combination of process re-engineering and technological changes</li> </ul>	Dedicated
Embedded Analytics Resource	<ul style="list-style-type: none"> <li>Responsible for providing reporting and analytic capabilities to drive results within the Capital One operations</li> </ul>	Dedicated

## **6. PERFORMANCE STANDARDS AND IMPROVEMENTS**

- 6.1** The Service Levels applicable to the Services being provided by Supplier under this SOW are set forth in Exhibit 2 to this SOW.
- 6.2** Supplier shall establish and maintain a formalized innovation council whose mandate is to drive automation, self-service, call deflection, optimization of agent-facilitated contacts, and elevation of agent and brand engagement. The parties may review any innovations, introduced by Supplier, which result in substantive efficiencies, cost savings, etc. to mutually agree on whether such innovations warrant additional Supplier incentives.
- 6.3** Supplier shall create and implement a Capital One Customer Care Transformation Plan to ensure value realization of improved business outcomes highlighted through a walk, run and fly implementation strategy.

## **7. PROJECT AND SOW MANAGEMENT**

### **7.1 SOW Contacts.**

(a) Capital One shall designate one (1) individual to whom Supplier may address operational communications concerning this SOW (the “Capital One SOW Contact”).

(b) Supplier shall designate one (1) individual to whom Capital One may address operational communications concerning this SOW (the “Supplier SOW Contact”). The Supplier SOW Contact shall be one of the Key Supplier Positions.

### **7.2 Reports and Meetings.**

In addition to those reports and meetings applicable to the entire MSA, which shall be determined pursuant to the MSA, the following requirements with respect to meetings and reports shall apply to the Services provided under this SOW:

(a) Reports. The Supplier will compile and provide, in the format and frequency required by Capital One, the reports as detailed in Exhibit 5. Supplier shall provide any additional reports, which may or may not be included in Exhibit 5, as reasonably requested by Capital One.

(b) Meetings.

(i) The Supplier will meet with Capital One daily to discuss performance, trends and issues, as well as action plans to target Service Levels and Key Performance Indicators that are not performing to target.

(ii) Business Reviews will occur semi-annually, or at an alternate frequency that Capital One determines in its sole discretion. Business Reviews may take place at the location of Capital One’s choosing: a Service location, virtually or at Capital One’s Toronto office location.

(iii) Such other meetings between Capital One representatives and Supplier Personnel reasonably requested by either party as necessary to address performance of the Services.

**7.3** Approved Subcontractors.

As provided in Section 9.4 of the MSA, the Subcontractors listed on Exhibit 6 to this SOW are hereby approved for the scope of the efforts therein described.

**7.4** Interaction/Escalation Model.

In accordance with the requirements outlined in this SOW, or as the parties otherwise agree, interactions and escalations relating to standard business operations will be as directed by Capital One. The parties may document such interaction and escalation information outside of this SOW, updating such document in accordance with potential changes in roles and business interactions.

**8. CHARGES**

All amounts Supplier may charge for the Services, and taxes applicable to the Services, are set forth in this Article 8, in Exhibit 3 to this SOW, and Section 12.4(c) of the MSA. Notwithstanding Section 13.1 of the MSA, Supplier shall submit invoices in the manner directed by Capital One. The Parties acknowledge and agree that the charges, as set forth in Exhibit 3 to this SOW, shall be in effect as of January 1, 2019.

**9. CERTAIN PERSONNEL TERMS**

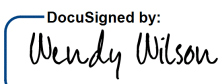
Certain terms relating to personnel are set forth in Exhibit 7 to this SOW.

**10. CAPITAL ONE ASSETS**

The Capital One Assets referenced in Section 6.2 of the MSA that are applicable to the Services are set forth in Exhibit 8 to this SOW.

**IN WITNESS WHEREOF**, the parties have each caused this SOW to be signed and delivered by its duly authorized officer, all as of the SOW Effective Date.

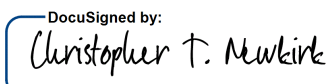
**Concentrix Technologies Services (Canada)  
Limited**

By:   
14DC1243A4824CF...

Name: Wendy Wilson

Title: Corporate Counsel

**Capital One Bank (Canada Branch)**

By:   
74BD8138A07E452...

Name: Christopher T. Newkirk

Title: President, International & Small Business



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## 1. INTRODUCTION

Pursuant to Section 3.1 of this SOW, and in accordance with Applicable Laws, the Services that Supplier shall provide to Capital One include the tele-services functions and responsibilities described in this Exhibit 1, as well as the additional services, functions and responsibilities that Supplier has committed to perform as described throughout the SOW and the MSA, and, to the extent applicable, in accordance with the plans and procedures developed pursuant to this Exhibit 1 and the Annexes attached hereto.

Capital One operates in a business environment characterized by change which directly affects the delivery of Services. Supplier shall provide the Services described in this Exhibit 1 as they may change and evolve during the SOW Term due to changes in technology and Capital One business needs, and as they may be supplemented, enhanced, modified or replaced in accordance with the SOW and the MSA.

## 2. DEFINITIONS

### 2.1 Certain Definitions.

The following terms shall have the corresponding meanings as set forth below:

(a) "Attrition Training" shall mean the program specific training conducted to train new CSPs assigned to replace the CSPs who leave the Services.

(b) "Bilingual" shall have the meaning given in Exhibit 1, Section 3.

(c) "Change Control Procedure" shall mean the IT change process described in Annex 1-B to Exhibit 1, IT Incident Management/Change Control Procedures"

(d) "Change Management Process" shall mean the change process described in Annex 1-C to Exhibit 1, Operational Change Management.

(e) "Customer Application Support Team" or "CAST" has the meaning given in Section 9.

(f) "Contact" shall have the meaning given in Exhibit 2.

(g) "Capital One Procedures" refer to Capital One's then current standards, policies and procedures as provided to the Supplier by Capital One from time to time.

(h) "Citadel" shall mean a tool, administered by Equifax, used to review applications for potential fraud against a third party database.

(i) "Complaint" shall mean any Customer inquiry referred by a CSP for Escalation to be resolved end-to-end in accordance with Capital One's Complaint Handling Procedure. CSPs shall log Complaints into Capital One's system of record and decisions on outcomes of Complaints will be determined by a Capital One representative.

(j) "Complaint Handling Procedure" shall mean Capital One's process for addressing and resolving Customer Complaints, providing clarity and direction on when and where CSPs and Supplier should escalate Customer concerns.

(k) "Contact Resource (CR) Web" shall mean Capital One's web-based knowledge management system for CSPs.

(l) "Corporate Complaints" shall mean any Customer inquiries that have been escalated to Capital One's Executive Response Coordinator for resolution.

(m) "Customer" shall mean any Capital One customer for whom Supplier is responsible for providing the Services on behalf of Capital One in accordance with this SOW.

(n) "Customer Experience Metrics Program" shall have the meaning given in Exhibit 2.

(o) "Customer Service Professional" or "CSP" shall mean any individual Supplier Personnel that is in direct contact with Customers, whether service professionals or technical help desk professionals.

(p) "Data Items" shall refer to all electronic and physical data delivered to Supplier for processing under this SOW.

(q) "Escalation" shall mean a Customer contact that is forwarded on to management, internal Capital One departments or third party companies in accordance with documented procedures.

(r) "Elevations Queue" shall have the meaning given in Exhibit 1, Section 8.2

(s) "GCORR Request" has the meaning provided in Section 5.1.

(t) "Hours of Operation" shall mean the times of day, days of week and weeks of year that Supplier is obligated to receive Customer contacts under the SOW, as specified in Section 13.1 of this Exhibit 1.

(u) "Incident" shall mean any event that deviates from the expected standard operation of a system. Such an event influences the system, even though the influence may be small or even transparent to the users of the service.

(v) "Information Based Underwriting" or "IBU" is a Capital One service further defined in Section 9(a).

(w) "IT Incident Management Process" shall mean the process described in Annex 1-B.

(x) "Know Your Customer" or "KYC" is a Capital One service further defined in Section 9(b).

(y) "Operations Team" shall mean Supplier Personnel responsible for day-to-day service operations.

(z) "Point of Presence" or "POP" has the meaning ascribed to it in Section 12.3(a)(v).

(aa) "Quality Assurance Manager" shall mean Supplier personnel responsible for managing operational compliance to policies and procedures.

(bb) "Shared Network" shall mean the data network that includes the Capital One systems, including the agent desktops, application servers, network equipment (e.g., routers, data switches), Data Circuits, firewalls, host systems and the associated network cabling.

(cc) "Specialty Queues" shall include the queues stated in Section 8 of Exhibit 1.

(dd) "SPOC" shall mean single point of contact.

(ee) "Supplier Network" shall mean the data network with connectivity back to Supplier's host systems.

(ff) "Supplier Operations Centre" shall mean the location in which the Supplier shall perform or coordinate Customer support functions on behalf of Capital One.

(gg) "System" shall mean the systems managed and operated by Capital One to which Capital One provides Supplier access in order to perform the Services.

(hh) "Team Manager" shall mean Supplier personnel that manage and supervise CSPs directly, and are responsible for the productivity and quality of the CSP teams they manage and for overall program service levels.

(ii) "Team Meetings" shall mean weekly meetings consisting of a Team Manager and a group of CSPs.

(jj) "Trainer" shall mean the Supplier individual who is responsible for providing training to the CSPs.

## **2.2 Other Capitalized Terms.**

Capitalized terms not defined in this Exhibit 1 shall have the meaning given them elsewhere in the SOW and the MSA.

## **3. GENERAL DESCRIPTION OF THE SERVICES**

**3.1** Supplier shall be responsible, in accordance with Section 3.1 of the SOW, for the ongoing administration, operation, management, maintenance and support of the Supplier Operations Centre, and for performing all work required in connection therewith, in order to handle Contacts received from Customers regarding certain subjects, as described below, throughout the SOW Term. Supplier shall use its direct access to the System and other information to provide Customers with information regarding their accounts (e.g., balance, payment information, interest calculations), and to make certain changes to such accounts in the System. During the SOW Term, the Supplier shall staff the Supplier Operations Centre with the CSPs required to provide the Services to Capital One, during the Hours of Operation in accordance with the Performance Standards, including the Service Levels.

**3.2** Supplier shall support the service types listed in Sections 4, 5, 6 ,7, 8 and 9 for Capital One's branded services ("Branded"), or through other partner programs such as Hudson's Bay ("HB"), Costco and Saks (each a "Partner Brand") where a Billable Hour or Schedule Hour rate is provided in Exhibit 3.

**3.3** Supplier will provide (i) English language speaking; and (ii) English language and Canadian French language ("Bilingual") personnel to handle Contacts for the service types listed in Sections 4, 5, 6, 7, 8 and 9.

**3.4** Supplier shall be responsible for performing a criminal background check on all Supplier Personnel, in accordance with the applicable sections of Schedule B, "IA TPM Requirements", of the MSA, prior to Supplier Personnel's commencement of Services unless the Supplier Personnel has passed a criminal check within the previous twelve (12) months prior to the Supplier Personnel's commencement of Services.

#### **4. CUSTOMER CONTACT/RESPONSE SERVICES (CUSTOMER CARE)**

Supplier shall be responsible for, among other things, responding to Customer inquiries, handling product requests, Customer contact fulfillment, handling Customer Elevations, and contact documentation for both English and French Customers. Supplier's responsibilities in this regard shall include:

##### **4.1 Customer Inquiries.**

Supplier's responsibilities regarding Customer inquiries, to be carried out pursuant to Capital One Procedures, shall include:

(a) Receiving inquiries, Elevations, comments and requests from Customers by means of telephone calls which are: (i) generated from toll and toll-free telephone numbers on product packaging, advertisements or other media and other sources; and (ii) received by the Capital One network and routed to the Supplier Operations Centre;

(b) Responding to Customer inquiries, Elevations, comments and requests based on Capital One Procedures;

(c) Responding to applicable Customer inquiries using an on-line HTML knowledge management system, accessible to CSPs and other designated Supplier personnel, designated Capital One personnel, and third parties designated by Capital One;

(d) Responding to, forwarding, or escalating applicable Customer inquiries, comments, requests, and Elevations, pursuant to the procedures set forth in the MSA, the SOW, this Exhibit 1, the Annexes attached to this Exhibit 1, and Capital One Procedures;

(e) Receiving and handling calls from retailers;

(f) As requested by Capital One, making outbound calls for Customer follow-up related to Customer Care contacts only;

(g) Performing quality assurance reviews and call monitoring, in a manner specified in this Exhibit 1 and Capital One Procedures, of a representative sample of Customer calls; and

(h) Upon Capital One's request, and in accordance with the Change Management process, analyzing and delivering to Capital One recommendations regarding:

- (i) Script modifications;
- (ii) Updates to the data collected related to Capital One's Customer information;
- (iii) Modifications of reporting criteria and format related to Supplier's performance of the Services; and
- (iv) Network and technology optimization.

#### **4.2 Contact Types.**

Supplier's responsibilities shall include servicing Customer contacts of various natures, including but not limited to the following call types:

- (a) Inquiries made by Customers related to the balances on their accounts;
- (b) Customer requests or questions related to their statements;
- (c) Inquiries made by Customers related to payments on their accounts;
- (d) Account activation;
- (e) Closing accounts;
- (f) Balance transfers;
- (g) Lost card processes;
- (h) Requests for account changes (e.g., change of address, change of name, adding joint user, interest rate reductions, credit limit changes);
- (i) Interest calculations;
- (j) Merchant transactions;
- (k) Specialty Queues;
- (l) Inbound application inquiries; and
- (m) Pin Inquiries.

#### **4.3 Products Supported.**

Supplier's responsibilities shall include servicing various Capital One credit card products as may be required by Capital One.

#### **4.4 Additional Contact Types.**

Upon Capital One's request, Supplier shall service the contact types described in this Section 4.4. In the absence of any such request by Capital One, the following contact types shall be escalated to Capital One or a third party, as required by Capital One, by Supplier, via system prompting, transfer, or speed dial:

- (a) Requests for credit limit increases above the System allowed limit;
- (b) Accounts in collections status;
- (c) Third-party payment companies;
- (d) Other third-party service providers; and
- (e) Calls requiring systems not accessible by Supplier.

#### **4.5 Contact Documentation.**

Supplier shall document information secured from each Customer contact pursuant to Capital One Procedures. Supplier's responsibilities in this regard shall include:

- (a) Documenting information (e.g., name, address, phone number, street code and product code) specified in Capital One Procedures, in accordance with the Performance Standards and any applicable Service Levels, for the sole purpose of transmitting such data to Capital One; and
- (b) Maintaining and updating contact information in accordance with the record retention provisions in the MSA.

#### **4.6 Customer Complaints.**

Customer Complaints are handled end-to-end by Capital One under the Capital One Complaint Handling Procedure, as communicated to Supplier by Capital One. Supplier is required to transfer all Customer Complaints to the appropriate department for resolution. Elevations occur during the normal course of business and are not considered Corporate Complaints for the purposes of this section.

#### **4.7 Customer Advocate Coaches.**

The Customer Advocate Coach team shall consist of senior and expert-level CSPs who shall provide immediate, real-time assistance to front line CSPs to improve Customer experience and FCR ("Customer Advocate Coach" or "CAC").

- (a) The CAC team shall provide Bilingual support.
- (b) The parties will mutually agree on Service Levels as the Customer Advocate Coach role evolves.

## 5. GENERAL CORRESPONDENCE (“GCORR”) SERVICES

Supplier shall be responsible for providing General Correspondence services to Customers. General Correspondence Services include the process of viewing an image of a Customer’s written correspondence to Capital One (written correspondence received via facsimile, P.O. Box, remittance), fulfilling the Customer’s request and/or resolving their issue, and modifying and initiating a written response back to the Customer.

### 5.1 Customer Inquiries.

In general, Customers will write Capital One to gain information, ask questions or request a change to their account (a “GCORR Request”). Supplier’s responsibilities regarding a GCORR Request shall include responding to, forwarding, or escalating applicable Customer GCORR Requests pursuant to the procedures set forth in the MSA, the SOW, this Exhibit 1, and Capital One’s Procedures.

### 5.2 Contact Types Supported by Supplier.

(a) As more specifically described in this SOW, Supplier may handle the following types of GCORR Requests:

(b) Balance inquiries;

(c) Statement inquiries;

(d) Payment inquiries;

(e) Closing accounts;

(f) Balance transfers;

(g) Lost card processes;

(h) Request for account changes including change of address, change of name, add authorized user, interest rate reduction and credit limit charge;

(i) Interest calculations;

(j) Fees;

(k) Access cheque insurance; and

(l) Any other GCORR Requests, as requested by Capital One from time to time.

### 5.3 Products Supported by Supplier.

Supplier’s responsibilities shall include servicing GCORR Requests for various Products, including but not limited to the following credit card types:

(a) Upmarket;



- (b) Secured Card;
- (c) Retention;
- (d) High Response;
- (e) Financial Solutions;
- (f) Rewards; and
- (g) Other programs as may be agreed to by the parties.

**5.4 Additional Contact Types Not Supported by Supplier.**

The parties agree that, due to system and CSP skill set constraints, Supplier shall not service the contact types described in this Section 5.4 unless Supplier is otherwise directed by Capital One. The following contact types are examples of those types of General Correspondence which, if received by Supplier, shall be routed back to Capital One via the workflow application indicated by Capital One:

- (a) Approved request for credit limit increase above the System allowed limit;
- (b) Customer Elevations, in accordance with Capital One process and procedure;
- (c) Re-activation;
- (d) Restriction removal requests;
- (e) Billing disputes;
- (f) Arbitration; and
- (g) Other third-party business partners.

**5.5 Customer Contact Channels.**

Supplier shall support Canadian General Correspondence and provide updates via the workflow application.

**6. SPECIALTY OPERATIONS (BACK OFFICE)**

**6.1 General.**

Supplier shall perform certain back office administration on Customer accounts in the manner set forth herein, including but not limited to the following:

(a) Services commonly referred to as Delta Specialty Operations (DSO) including; balance transfer exceptions; credit balance refunds; and secured card exceptions. These programs include such transactions as balance and interest rate adjustments, account notations, offsetting secured card deposits against account balances, and balance transfer request research and investigation.

(b) Keying Capital One Data applicable to change of address requests captured on remittance.

(c) Storing Capital One Data and files in a secure manner and purging such Capital One Data and files from Supplier's systems as set forth herein.

**6.2 File Transfer.**

Capital One shall provide Supplier with data to be processed via a Citrix connection.

**6.3 Quality Assurance.**

A quality assurance analysis process has been instituted on all Specialty Operations (Back office) transactions and the parties have refined the automation of the results reporting and population reporting. Supplier and Capital One will mutually agree on any changes to the quality assurance process for Specialty Operations through the Change Management process.

**7. FRAUD OPERATIONS**

**7.1 General Requirements.**

(a) Supplier shall review Capital One supplied Customer records for the purpose of managing the various tasks assigned to provide customer service and mitigate risk in fraudulent activity accordance with Capital One Procedures and this SOW.

(b) Supplier shall provide Bilingual support for all fraud services hereunder.

(c) In addition to the requirements in Section 3.4 above, Supplier be responsible for performing a criminal background check on all Supplier Personnel, in accordance with the applicable sections of Schedule B, "IA TPM Requirements", of the MSA, for each year that the Supplier Personnel continues to perform Fraud Operations Services.

**7.2 Fraud Detection .**

Supplier's responsibilities regarding Fraud Detection for Branded, Costco and HB shall include:

(a) Making outbound calls to Customers, per Capital One Procedures, to confirm transaction activity based on cases generated by Capital One fraud detection systems;

(b) Receive, respond to, forward, and escalate inquiries (including those regarding potentially fraudulent account activity), comments, and requests from Customers in response to outbound telephone calls transferred from internal Capital One departments or other means, and respond in accordance with Capital One Procedures;

(c) Performing investigative account reviews to determine if fraud has occurred on an account and actioning accounts pursuant to Capital One Procedures;

(d) Responding to Customer inquiries, Elevations and comments regarding the status of accounts or cases in accordance with Capital One Procedures;

(e) Forwarding or escalating appropriate Customer inquiries to applicable Capital One service departments pursuant to Capital One Procedures;

(f) Performing quality assurance reviews and call monitoring, in a manner specified in this Exhibit 1 and Capital One Procedures, of a representative sample of Customer calls;

(g) Receive and handle calls from retailers including merchant verification and point of sale verification;

(h) Supplier shall be responsible for documenting information secured from each Customer contact pursuant to Capital One Procedures;

(i) While performing the Services, Supplier's CSPs shall identify themselves as calling on behalf of Capital One;

(j) Supplier shall perform any other services related to the Fraud Early Detection work as mutually agreed by the parties pursuant to the Change Management Process; and

(k) Capital One and Supplier will mutually upon the tools and data necessary for Supplier to review queues and cases.

### **7.3 Fraud Recoveries.**

The Fraud Recoveries Team shall be responsible for providing the Services in accordance with Capital One Procedures, to resolve fraud cases for Branded, Costco and HB. Responsibilities also include, but are not limited to:

(a) Resolving Fraud Recoveries cases within the Capital One case management systems per Capital One Procedures and timelines (as outlined in respective Service Levels) which may include outbound calls;

(b) Receive and resolve inbound calls related to Fraud Recoveries for Branded in accordance with Capital One Procedures; and

(c) Comply with the rules laid out by Capital One Procedures relating to Fraud Recoveries, including those around Quality Assurance reviews of cases.

### **7.4 Fraud Back Office**

Supplier shall perform the following back office administration for those Customer accounts in the fraud space, including but not limited to the following:

(a) The receipt and processing by the payment fraud team of any reports received from Capital One, or other financial institutions, in regards to possible fraudulent payments.

(b) Handle linking investigations, document validation, bank calls, credit bureau validations, fraud case review, and backscan for any documents that have been received at a Supplier site for shipment or storage offsite.

(c) Manage the referrals mailbox, which is the means by which CSPs may send requests for the fraud back office team to investigate certain Customer accounts including, but not limited to, those concerning failed merchant verifications and those referrals received from the of daily batches of data from Citadel.

## **8. SPECIALITY QUEUES**

In addition to other Specialty Queues that are described in this SOW, Supplier shall provide Services for the following Specialty Queues:

### **8.1 Solutions Queue.**

Solutions Queue shall consist of senior expert CSPs who assist with resolving customer concerns. The team supporting the Solutions Queue is not part of the Complaints Handling Process, unless otherwise directed by Capital One. The Solutions Queue team shall:

(a) Resolve Customer concerns and inquiries with efficiency and effectiveness within an established timeframe.

(b) Provide support to the Elevations and CAC teams, actively participate in business-wide conversations on continuous improvement, and act as an advocacy group for the Customer, as they have direct feedback from Customers on processes and policies.

(c) Provide ad hoc support to Capital One as required.

### **8.2 Elevations Queue.**

The Elevations Queue shall consist of senior expert CSPs who are responsible for responding to Complaints as outlined in the Complaints Handling Process.

## **9. CUSTOMER APPLICATIONS SUPPORT TEAM ("CAST")**

The CAST provides the following Bilingual Services:

(a) Information Based Underwriting ("IBU") - Review Customer applications to update missing/incomplete applicant information, detect fraud risk in account transactions and cardholder activity in the pre booking review queues. Supplier shall use all available tools including, but not limited to, credit bureau data, web searches and Capital One databases to verify the accuracy and validity of Customer supplied information on applications in accordance with Capital One's credit and fraud policies. The CSPs will be required to place outbound and receive inbound telephone calls to and from the applicants, respectively in addition to sending and receiving written communications.

(b) Know Your Customer ("KYC") - Review Customer account to verify that the Customer has successfully passed KYC verification processes prior to issuing credit card. Supplier shall ensure that all cardholder records transmitted to the Proof of Identity ("POI") website and workflow application AML queues are reviewed for accuracy and validity in accordance with Capital One's AML/KYC policies and procedures. The CSPs will be required to

place outbound and receive inbound telephone calls to and from Customers whose accounts have been identified as failing KYC policies.

## **10. QUALITY ASSURANCE AND CONTACT MONITORING SERVICES.**

### **10.1 Supplier's Responsibilities.**

Supplier's responsibilities with respect to Quality Assurance and Contact monitoring, to be carried out pursuant to Capital One Procedures, shall include:

(a) Monitoring, on a daily basis via methods including remote and side-by-side monitoring, a randomized selection of incoming Contacts across all queues, scoring and creating feedback based on such monitored Contacts, and using such feedback for the ongoing training and coaching of CSPs;

(b) Monitoring, scoring and calibrating a sample of Contacts using a methodology as mutually agreed by the parties on quarterly basis. Supplier shall monitor an appropriate number of Contacts per CSP per month to maintain individual performance and to achieve the targets of the Customer Experience Metrics Program and Procedural Adherence set by Capital One. The Quality Assurance Analyst to CSP ratio is 1:40 CSPs.

(c) Meeting with Capital One in person or via conference call regarding calibration at least once every month to ensure that Capital One and Supplier are in agreement regarding quality expectations and guidelines. Supplier shall take action based upon (i) the culmination of quality reports and (ii) other recommendations as mutually agreed by the parties during these calibration sessions.

(d) Reporting on a monthly basis at the CSP level by Facility all instances of failure to adhere to such Contact monitoring standards as are detailed in Capital One Procedures along with action taken or proposed to be taken and any previous individual CSP failures during the preceding three (3) months.

(e) Evaluating QA Representatives for regulatory policy and procedure compliance, fulfillment, accuracy of information given, and professionalism. Supplier shall complete an assessment form for each such QA Representative to measure operational effectiveness and ensure compliance.

(f) Utilizing information from Capital One reports regarding the drivers of defects, reasons for Customer Contacts, and reasons for Customer satisfaction to address trends and coach CSPs. Supplier shall bring information from these reports to Team Meetings and shall escalate items to Capital One in accordance with Capital One Procedures; and

(g) Ensuring attendance by QA Representatives at one (1) Team Meeting per month to meet with CSPs to: (i) discuss opportunities and trends with suggested action steps; (ii) review policy changes; and (iii) answer questions from CSPs.

### **10.2 Procedural Adherence Quality Monitoring Process.**

(a) Procedural Adherence and Service Level Target – Capital One will perform, or outsource the performance to a third party, quality assessments on a statistically significant sample size of calls to establish Supplier's actual Procedural Adherence performance

for the Measurement Period. The sample size of calls shall be a minimum of fifty (50) calls per each measured Queue during the Measurement Period ("Sample Size"). If the Sample Size is below fifty (50) calls for that Queue, and Supplier does not attain the Service Level target, the Service Level Credit for that Queue shall be waived by Capital One for that Measurement Period. Notwithstanding the foregoing, Capital One may, in its sole discretion, choose to not waive the Service Level Credit where the Supplier's performance month over month performance is trending downward, regardless of the actual Sample Size.

(b) Supplier Procedural Adherence - CSP Evaluations - Supplier QA analysts shall complete five (5) evaluations per CSP, per month for all CSP's. The QA analysts shall complete each of the five (5) evaluations using the form provided by Capital One.

## **11. FACILITY MANAGEMENT AND SECURITY**

### **11.1 Physical Management.**

As part of its obligation to provide the Services, Supplier shall be responsible for management of the Facility, including providing and maintaining suitable space, furnishing, utilities, and fixtures necessary (i) to provide safe and secure physical premises that provide a reasonable working environment, and (ii) to provide the Services in accordance with any applicable quality standards. Supplier's responsibilities in this regard shall include:

(a) Providing and maintaining all resources necessary for the operation of the Facility and the provision of the Services, including improvements, furnishings, office consumables, power, heat, light and air conditioning;

(b) Maintaining the Facility in compliance with all applicable laws and regulations, including applicable health and safety regulations, and in a state that is appropriate for the continuous operation of a call center and that adequately protects against interruption of the Services due to the loss or damage to the premises or to the equipment used to provide the Services, including fire suppression systems, sprinkler systems, chillers, air handlers, stand-by power generators, uninterruptible power systems, and any other systems required to support the Services; and

(c) Creating, updating, and maintaining Facility documentation (e.g., inventories, floor layouts, and cabling diagrams) using appropriate computer tools.

### **11.2 Information Protection.**

Supplier shall perform the Services in accordance with the requirements set forth in Schedule B, "IA TPM Requirements", of the MSA.

### **11.3 Site Improvements**

Supplier shall complete site upgrades and renovations as described, and in accordance with any timelines included, in Exhibit 9. Any such upgrades and renovations shall be completed in manner that does not negatively impact Service delivery.

## **12. SUPPLIER OPERATIONS CENTRE SERVICES**

As part of its obligation to provide for the ongoing administration, operation, management, maintenance, and support of the Supplier Operations Centre, Supplier shall be responsible, among other things, for providing operations management Services, System technology management Services, Software support Services, LAN support Services, CSP desktop technology management Services, Supplier Operations Centre telecommunications management Services, and asset management Services. In this regard Supplier shall, among other things, be responsible for providing, managing, and maintaining all resources necessary for the administration, operation, management, maintenance, and support of the Supplier Operations Centre. Supplier shall perform the Services in accordance with the IT Incident Management Process provided in Annex 1-B.

Capital One will provide an IT contact who is knowledgeable about the Services. This individual will be the central point of contact for any IT related questions or issues. These issues may include process enhancements, Incident troubleshooting, escalations, and general IT questions.

### **12.1 Hours of Operation.**

(a) Unless specifically set forth in this Section 12.1, Capital One shall inform Supplier of the Hours of Operation for the Facility in accordance with the forecasting processes set forth in Annex 1-A. Supplier shall be available to perform the Services twenty-four (24) hours per day, seven (7) days per week, depending upon Capital One's needs. Capital One shall provide Supplier with reasonable prior written notice, but, except in case of emergency, not less than thirty (30) days prior written notice, of any changes in operating hours.

(b) The parties will mutually agree to holiday operations, whether observed by Capital One or Supplier, prior to such holiday. Holiday operations considerations include but are not limited to, (i) whether the Facility is open or closed; (ii) the hours that the Facility will be open; and (iii) any scheduling risks that Supplier may anticipate due to local holiday observances.

### **12.2 Operations Management Services.**

Supplier's responsibilities regarding operations management Services shall include:

#### **(a) Facility Technical Management.**

Supplier shall staff the Facility with support technicians, whose primary function shall be to maintain the voice and data infrastructure in the Facility, including performing the following functions:

- (i) Technology support;
- (ii) Move, adds, and changes;
- (iii) Troubleshooting;
- (iv) Tape backup;

- (v) Capacity analysis;
- (vi) Hardware inventory;
- (vii) Cable plant infrastructure management;
- (viii) LAN and WAN support;
- (ix) PBX configuration; and
- (x) Performance optimization.

### **12.3 System Technology Management Services.**

(a) Generally, Supplier's responsibilities in this regard shall include:

(i) Assisting in supporting all Equipment. Specifically, Supplier shall provide on-site hardware support, assisting Capital One with opening and tracking trouble tickets with carriers, and troubleshooting production issues as part of the IT Incident Management Process;

(ii) All equipment maintenance and network changes shall be scheduled in adherence with the Change Control Procedures.

(iii) Providing preventative, corrective, and emergency maintenance of all Equipment relating to the Services; provided, however, that Supplier shall obtain Capital One's approval prior to performing maintenance on Capital One-owned Equipment. In this regard Supplier shall maintain such Equipment in accordance with the manufacturer's specifications therefore and as necessary to keep such components in good operating condition. To the extent possible, Supplier shall perform emergency maintenance in such a fashion and at such times to avoid degradation of the Services. Supplier shall perform scheduled maintenance or arrange for the performance of scheduled maintenance outside of the Hours of Operation to minimize any disruption to Capital One or Supplier Operations Centre operations;

(iv) Providing Supplier-owned Equipment as necessary to perform the Services in accordance with the Performance Standards and any applicable Service Levels, including supplementing the Supplier-owned Equipment with any other CPUs, memory, storage devices, telecommunications equipment, controllers, printers or other Supplier-owned Equipment, and supplementing the Software with tools;

(v) Performing voice and data network monitoring and traffic engineering for the voice and data networks from the demarcation at Supplier's Moncton, New Brunswick data center (a "Point of Presence" or "POP"), including the network segments to the Facility. Supplier shall ensure its network segments provide sufficient capacity to support the Services requirements (e.g., seats, applications, call capacity) as per the forecasting procedure agreed upon;

(vi) Providing call traffic resources that shall be available during all Hours of Operation to monitor call volumes, ensure proper routing, and monitor CSP productivity;



(vii) Operating the Supplier systems, provided in support of the Services, as approved by Capital One, including monitoring system utilization and performance, performing utilization and sizing analysis, performing system maintenance, and other technical support services;

(viii) Providing immediate notification to Capital One in the event of a System failure;

(ix) Providing actions to minimize the risk of reoccurrence of identified IT problems associated with the Services. Supplier shall identify the root cause of Incidents that impact the Capital One Services and identify and implement steps to reduce or eliminate the risk that these root causes will re-occur;

(x) Implementing appropriate vulnerability management processes to mitigate risk to Capital One Assets. These processes shall include mitigation steps to resolve issues detected;

(xi) Implementing appropriate procedures or technology to detect suspicious network and host activity;

(xii) Implementing appropriate change control processes to approve and track changes within Supplier's computing environment;

(xiii) Ensuring that access to systems used to access, process or store Capital One information is restricted to only those personnel that require access to extend goods or services to Capital One. Supplier must have formal processes in place to approve and track system access granted. This access must be reviewed at least quarterly to verify appropriate access assignments;

(xiv) Implementing formal termination and reassignment procedures for employees, contractors and temporary staff to ensure physical and computing system access is removed;

(xv) Requiring CSPs to review the daily bulletin in the CR Web at the start of each shift to ensure they are advised on all current information;

(xvi) Complying with the standard procedures documented in the CR Web system; and

(xvii) Securing, as appropriate, all backups containing Capital One information to prevent unauthorized disclosure.

(b) IT Support Plan.

(i) IT SPOC.

Supplier shall designate an IT SPOC to manage all technology related issues and items related to the Services. This resource shall be responsible for the following:

(A) Technology project documentation.

(B) Project management on any additions or changes to technology platforms.

(C) Escalation point for all Supplier related work orders and trouble tickets.

(D) Escalation point to Capital One IT group.

(E) Escalation point from Capital One to Supplier.

(F) Oversee and manage the Supplier technology change controls.

(G) Oversee and manage the Supplier IT capacity planning.

(ii) Supplier shall provide an IT contact who is knowledgeable about the Services. This individual shall be the central point of contact for any IT-related questions or issues. These issues may include process enhancements, Incident troubleshooting, escalations, and general IT questions. The IT contact shall have appropriate escalations in place to ensure performance metrics are met.

(c) Software Support. Supplier's responsibilities in this regard shall include:

(i) Replacing, upgrading, installing new releases of, and supplementing the Supplier-owned Software;

(ii) Performing emergency maintenance and support, in accordance with any input and guidance from Capital One, as required to provide the Services in accordance with the Performance Standards and any applicable Service Levels; and

(iii) Providing to Capital One, as reasonably requested, information related to the Software, including information about the functionality and architecture of the Software and the data populating such Software.

(d) LAN Support Services. Supplier shall be responsible for the Supplier Local Area Network(s) ("LAN"), the LAN servers and Software, and the Supplier Operations Centre aspect of the LANs to Wide Area Network ("WAN") connection. Supplier's responsibilities in this regard shall include:

(i) Operating the Supplier LAN including the LAN equipment, cabling, LAN transport electronics, network interconnect devices such as bridges, routers, switching hubs, and gateways;

(ii) Managing the LAN, including by implementing and maintaining remote systems management tools and processes;

(iii) Maintaining the LAN, including LAN Equipment, cabling, LAN transport electronics, network interconnect devices such as bridges, routers, switching hubs, and gateways. In this regard Supplier shall perform LAN maintenance including preventive, corrective, and emergency maintenance. To the extent possible Supplier shall resolve problems remotely;

(iv) Monitoring the operations of the LANs, performing appropriate evaluation and testing activities, resetting modems, checking line grids, and providing problem resolution services. Supplier also shall, on an on-going basis, track the principal performance indicators of network

operation, and identify actual and potential bottlenecks so as to enable Supplier to proactively deal with maintenance and capacity issues and to support the parties with technology planning. These measurements may take the form of overall throughput, percent utilization, error rates, or specific performance measurements such as packets per second. Measurements shall include peak and average levels and seasonal trends. Supplier shall load balance LAN traffic;

(v) Performing on-going network design activities;

(vi) Performing on-going network engineering functions including capacity and configuration management, optimization, efficiency tuning, and conducting site surveys as appropriate;

(vii) Maintaining a Capital One network and applications diagram. Supplier shall provide such information to Capital One upon request;

(viii) Replacing, upgrading, supplementing, and enhancing LAN Software and Equipment as provided by the Supplier including servers, circuits, cabling, LAN transport electronics, network interconnect devices such as bridges, routers and switching hubs, required to be implemented during the SOW Term. In this regard Supplier shall be responsible for evaluating, procuring, staging, configuring, and installing any LAN Software or Equipment introduced into the LAN environment or the LAN aspect of the LAN/WAN connection during the SOW Term;

(ix) Performing LAN modifications as required to maintain regulatory compliance. Supplier shall be responsible for performing such network modifications within acceptable timeframes for compliance and shall provide progress reports to Capital One at regular intervals; and

(x) Performing LAN administration functions, including developing and installing directories, directory structures and naming conventions, purging records, files and old user accounts, as appropriate, and providing license administration, print administration (e.g., workstation configuration and print queue set-up, print table set-up, and print access rights), and password administration. With respect to license administration, Supplier shall manage and maintain the licenses necessary to operate, maintain and support the number of LAN servers required to provide the Services in accordance with the Performance Standards and any applicable Service Levels.

(e) CSP Desktop Support Services. Supplier's responsibilities in this regard shall include:

(i) Maintaining the desktop Equipment. In this regard Supplier shall perform desktop maintenance including preventive, corrective and emergency maintenance;

(ii) Replacing, upgrading, supplementing, and enhancing desktop Equipment (including peripherals) and Software. In this regard Supplier shall be responsible for evaluating, procuring, staging, configuring, and installing such Equipment and Software introduced into the desktop environment during the SOW Term;

(iii) Performing moves, adds, and changes, including installing desktop Equipment and connecting such equipment to a LAN, installing Software (including new Software and upgrades to existing Software), re-loading data, and performing configuration functions; and

(iv) Performing desktop environment administration functions, including developing, maintaining, and updating an inventory of desktop Equipment and Software, including locations, configurations, release levels, and maintenance schedules, and providing license administration. With respect to license administration Supplier shall manage and maintain the licenses necessary to operate, maintain and support the number of desktop workstations required to provide the Services in accordance with the Performance Standards and any applicable Service Levels.

**12.4 Supplier Operations Centre Telecommunications Management Services.**

Supplier's responsibilities in this regard shall include:

(a) Supporting on-site Capital One's data circuit (i.e., the Data Circuits provided by Capital One that connect Capital One to Supplier's POP);

(b) Assuming all responsibility for Data Circuits provided by Supplier (i.e., Data Circuits providing connectivity from Supplier's POP to the Facility);

(c) Managing the infrastructure necessary to support the Supplier Operations Centre telephony infrastructure;

(d) Performing network design activities.

**12.5 Asset Management Services.**

Supplier's responsibilities in this regard shall include:

(a) Maintaining and updating a database of LAN, desktop, and telephony Equipment and Software, including location, serial number, configuration, maintenance history, and maintenance schedule; and

(b) Storing, controlling access to, and maintaining and updating an inventory of Capital One's manuals and other intellectual property and fulfillment materials, including, Capital One stationery and letterhead, cheque stock, coupon stock, and product samples.

**12.6 Supplier Managed IVR Solutions.**

Supplier will provide IVR application development, encrypted database, custom reporting, toll free and DID termination numbers, voice trunking capacity along with system updates and maintenance for the IVR systems described below.

**(a) Credit Line Increase IVR**

Supplier will provide an automated IVR that will allow Customers to accept or reject a credit limit increase on their Capital One card. The IVR will validate Customer detail based on data elements provided by Capital One and log the Customer selection. Upon completion of the call, the system will create a record of the Customer's request and these records will be sent to Capital One as requested by Capital One. Supplier shall extract and upload through a secure FTP customer data collected in the IVR to (i) on a nightly basis to Capital One's third party fulfillment provider, and (ii) on a weekly basis to Capital One client team.

**(b) Change in Terms Opt Out IVR**

Supplier will provide an automated IVR that will allow Customers to “Opt Out” of a change in terms to their Capital One card based on the specifications provided by Capital One and with scripting provided by Capital One. The IVR will validate Customer details based on data elements provided by Capital One. Customers can then choose to “Opt Out” by selecting numeric digit. Upon completion of the call, the system will create a record of the Customer’s request and these records will be sent to Capital One as requested by Capital One. Data shall be sent to Capital One via Capital One secure FTP transfer on a weekly basis as directed by Capital One

(c) Costco Rebate Reminder

Supplier will provide an automated IVR that will allow Customers to accept an offer to receive a reprint of their Costco cash rebate reward. The IVR will validate Customer detail based on data elements provided by Capital One and log the customer selection. Upon completion of the call, the system will create a record of the Customer’s request and these records will be sent to Capital One as requested by Capital One. Database extracts are generated daily via automated process and sent to Capital One secure FTP server each morning.

### **13. TECHNOLOGY**

Supplier shall provide the technology and satisfy the technological requirements described in this Section 13 as required to perform the Services in accordance with the Performance Standards and any applicable Service Levels.

#### **13.1 General.**

(a) The parties acknowledge and agree that as of the SOW Effective Date, the current desktop hardware configuration, telephone switch hardware platforms, configurations, Facility network cabling, trunk capacity, voice terminating hardware, network connectivity hardware, the Facility, the information risk management procedures, the telephone switch configuration, and the communications rooms and data closets utilized by Supplier satisfy Capital One’s requirements and specifications.

(b) From time to time, Capital One may provide Supplier with updated requirements and specifications regarding the technology used to provide the Services. Supplier shall ensure that the technology used to provide the Services is at all times in compliance with such updated requirements and specifications, and shall be responsible for any technological upgrades or other changes that are required to maintain compliance with such updated requirements and specifications. To the extent that any such changes are not contemplated by Supplier's obligations under Sections 3.1(d) and 3.1(e) of the MSA, they shall be subject to the Change Management Process.

#### **13.2 Shared Network.**

Supplier shall be responsible for providing the following hardware platforms that will be part of the Shared Network:

(a) CSP desktops, operating system and off-the-shelf software as defined by Capital One as of the SOW Effective Date;

(b) Network cabling;

- (c) Network hardware (e.g., data switches);
- (d) DHCP servers;
- (e) Data and voice connectivity within the Supplier's data center (e.g., redundant fiber rings); and
- (f) Data and voice connectivity from Supplier's data center to the Facility, including all hardware (circuits, routers, switches, gateways, etc.).

Hardware that does not fall into the categories described in this Section 13.2 may only be placed on the Supplier Network, not on the Shared Network.

### **13.3 Desktop.**

(a) Desktop PC purchases of hardware configurations materially different from the current configurations shall not be made without prior Capital One approval, which approval shall not be unreasonably withheld or delayed.

(b) In accordance with, and without limiting the generality of, Section 13.1(a), Supplier shall adhere to the desktop configurations specified by Capital One, including hardware, operating system licenses, and all off-the-shelf software needed to support the delivery of the Services ("Capital One Desktop Minimum Standards"), as such Capital One Desktop Minimum Standards may, from time to time, be updated by Capital One and provided to Supplier. To the extent that any such changes are not contemplated by Supplier's obligations under Sections 3.1(d) and 3.1(e) of the MSA, they shall be subject to the Change Management Process.

(c) Capital One will provide a third party supplier standards/IT standard document and Supplier shall ensure compliance with those standards. Changes to the Capital One IT Standards will be implemented as part of the Change Management process.

### **13.4 Telephony Switch (PBX or ACD) and Circuits.**

(a) All 800, 888 and other toll-free telephone numbers obtained by Capital One and used in connection with the performance of the Services by Supplier shall be the sole and exclusive property of Capital One, and Capital One will be responsible for the maintenance of these numbers.

(b) Supplier may provide inbound circuits for back office work that maybe be required by Capital One from time to time.

(c) Depending on the situation, or Capital One's business requirements, Capital One and Supplier will mutually agree whether or not to leverage Capital One or Supplier's telephony infrastructure.

### **13.5 Outbound Voice Trunks.**

Supplier shall provide sufficient outbound trunk capacity to support Capital One's transfers and other out-dialed calls.

**13.6 Network Cabling.**

Supplier shall provide all in-Facility network cabling, which must meet Capital One standards.

**13.7 DHCP Server.**

Supplier shall provide and maintain DHCP servers for managing IP addresses of Equipment used to perform the Services. These DHCP servers shall be located on the Shared Network and shall only be used to provide the Services.

**13.8 Desktop Applications.**

(a) Supplier shall install no other applications on the CSP desktops without prior Capital One approval, which approval shall not be unreasonably withheld or delayed.

(b) The CSP desktops include any PC attached to the shared network, including the production, QA and training room environments. In accordance with, and without limiting the generality of, Section 11.2, the CSP desktops shall comply with the applicable Capital One security requirements.

(c) Any Supplier-specific applications required to support the Services must be installed on PCs attached to the Supplier Network. Unless approved in advance by Capital One, only Capital One-provided applications shall be installed on PCs attached to the Shared Network.

**13.9 Data Connectivity.**

(a) Supplier shall provide data connectivity from the Capital One routers at the Supplier POP to the Capital One-owned servers, Supplier-owned DHCP server, and the Supplier-owned CSP desktops. Supplier shall provide dedicated network switches and campus cabling to provide this connectivity at its POPs. Supplier shall provide data network connectivity from the POP to the Facility, including all routers, switches, circuits and cabling.

(b) All Equipment placed on the data networks shall be dedicated to the Services unless otherwise approved by Capital One. All network Equipment shall be fully isolated from the Supplier Network.

(c) All network hardware configurations, including the CSP workstations, shall be setup and maintained in accordance with Capital One's requirements. Any changes to the data network must follow the Change Control Procedure.

(d) Capital One will be the customer of record with the carrier that provides Data Circuits between Capital One and the Supplier POP. Supplier shall be the customer of record for all carrier circuits between the Supplier data center and the Facility.

(e) Supplier shall control any data communication required between the two networks by appropriate firewalls or other Capital One-approved methods.

**13.10 Capital One Installations.**

Capital One equipment located at the Supplier Facilities or subsequently installed at the Supplier Facilities shall be deemed a Capital One Asset and listed in Exhibit 8 of this SOW. Capital One may install equipment at the Supplier Facilities to support the Services after obtaining a prior written approval from Supplier which shall not be unreasonably withheld. Any such installations will be conducted in a manner so as to minimize undue interference or interruption with Supplier's business operations. Supplier will provide space in its communications room and data closets sufficient to support this equipment. Capital One equipment must be co-located, and must be protected by an uninterrupted power supply and 24x7 backup power. In addition, the communication room and the data closets that service such equipment must meet Capital One standards. In case there is any cost involved, either due to security reasons or for meeting Capital One's standards, the same will be borne by Capital One.

**13.11 Capital One Software Upgrades.**

Capital One shall retain the responsibility for developing and providing to Supplier required upgrades of Capital One-proprietary or Capital One-specific software that Capital One requires Supplier to utilize to perform the Services.

**13.12 Call Recording**

Capital One is responsible for maintaining the call recording system.



**ANNEX 1-A TO EXHIBIT 1**  
**STAFFING and PLANNING**

**1. DEFINITIONS**

**1.1** Certain Definitions.

(a) "Call Volume Forecast" is a Capital One supplied contact volume estimate including but not limited to the number of calls to be offered to Supplier during a given period time by month.

(b) "Forecast" shall mean collectively the Call Volume Forecast.

(c) "Approved Staffing Plan" shall have the meaning set out in Section 2.2(d).

(d) "Staffing Plan" shall have the meaning set out in Section 2.2(b).

**1.2** Other Capitalized Terms.

Capitalized terms not defined in this Annex 1-A shall have the meaning given them elsewhere in the SOW and the MSA.

**2. FORECASTING FOR BILLABLE HOUR SERVICES**

**2.1** Purpose.

Throughout the SOW Term, Capital One shall provide Supplier with a series of Forecasts, as described in this Annex. Such Forecasts are intended to serve as a management and planning tool to assist Supplier as it provides the Services. Unless stated to the contrary, or otherwise agreed to by the Parties, Supplier shall provide Capital One up to date Staffing Plan(s) on a weekly basis based on Forecast(s) provided by Capital One in Section 2.2 through 2.9.

**2.2** Branded Content and Timeline of Call Volume Forecast.

(a) On or before the first (1<sup>st</sup>) day of the first calendar month of the next three immediate calendar months, Capital One shall provide Supplier with a Forecast for each of the three (3) calendar months (collectively "Rolling 90-Day Forecast"). Each Rolling 90-Day Forecast shall contain a Forecast that is denoted by the number of days prior to the calendar month that the Calls will be received. For example, on or before the first 1<sup>st</sup> day of December, Capital One will provide Supplier with the Forecasts each for January (30-Day Forecast), February (60-Day Forecast), and March (90-day Forecast). On the first (1st) day of January, Capital One will provide Supplier with Forecasts for February, March and April. On this date, the Forecast for February now becomes the 30-Day Forecast, March a 60-Day Forecast.

(b) Supplier will provide to Capital One within five (5) Business Days of the parties establishing the Final 30-Day Forecast, a staffing plan that adequately addresses the staffing requirements for the Final 30-Day Forecast and includes the monthly Billable Hours total for each of the Branded queues listed below ("Staffing Plan");

(i) Elevations

- (ii) Canada French Language Servicing
- (iii) Canadian French Call To Apply

(c) Short Term Planning (STP) forecasting file with a five (5) week rolling view to be shared weekly with Capital One.

(d) Billable Hours for those business areas not included in the list above will not be considered material for a pre-agreement on Billable Hours as there is either insufficient forecasting information available or the normal monthly total billing falls outside the minimum amount that would require approval from Capital One.

(e) Capital One will review the Staffing Plan as proposed by Supplier for the Queues stated in 2.2(b) to perform a reasonableness check and respond to Supplier with approval of the Staffing Plan ("Approved Staffing Plan") within 5 Business Days of Capital One's receipt of the Staffing Plan. The parties agree that the number of Billable Hours will be determined no later than fifteen (15) days prior to the Final 30-Day Forecast.

### **2.3 Costco Content and Timeline of Call Volume Forecast.**

(a) Capital One will provide Supplier with an FTE requirement (Non-ISAR Environment), or supply commitment, on or before the first day of the first calendar month for the next two (2) immediate calendar months ("60 Day Supply Commitment").

(b) Within five (5) Business Days of the parties establishing the 60 Day Supply Commitment, Supplier will provide to Capital One, a staffing plan that adequately addresses the staffing requirements and includes the monthly Billable Hours total for each of the Costco queues listed below ("Staffing Plan"):

- (i) Costco English and Bilingual Servicing

### **2.4 HB and Saks Content and Timeline of Call Volume Forecast.**

(a) Long Term Planning. Beginning fifteen (15) weeks out, Capital One will provide to Supplier a directional view of the network demand. This directional view will be updated on a weekly basis and is intended to be a visual overview of the projected demand. This directional view is expected to change from week to week.

- (i) Capital One will use Commercially Reasonable Efforts to provide ten (10) weeks' notice for the weekly supply commitment. If Capital One is unable to provide the weekly supply commitment on the regular recurring schedule, then the parties agree to extend the last provided weekly supply commitment plan for each week the weekly supply commitment is delayed.
- (ii) Within one (1) week of this requirement being provided by Capital One, Supplier will respond with the plan to meet ten (10) week staffing commitments (including ramp training, Attrition Training, etc.).
- (iii) Capital One and Supplier will jointly review the weekly supply commitment. The joint review will encompass two (2) major topics:

- (A) The parties will agree upon a baseline staff level for the ten (10) weeks in advance. The baseline staff level will be measured in manned hours and will serve as the basis for determining the level of ramp training and Attrition Training over the next ten (10) weeks.
- (B) The parties shall discuss any material changes in the weekly supply commitment. Material changes shall mean a change greater than fifteen percent (15%) in the normalized weekly manned hours set forth in the weekly supply commitment, as compared to prior forecasts, except for major holidays upon which changes of greater than fifteen percent (15%) can be expected and shall not be considered "material." Capital One and Supplier will jointly agree to ramp plans resulting from such material changes and re-set expectations for the weekly supply commitment.

(b) Mid-Term and Short-Term Planning (Week 6 to Day 1).

- (i) Capital One will provide Supplier a template on a weekly basis. Supplier shall complete the template with historical and forecasted staffing assumption information. Supplier shall return the template within a mutually agreed upon timeframe. Capital One and Supplier will meet weekly to review and discuss the outcomes of the planning process.
- (ii) Six (6) weeks out, Capital One will provide Supplier the weekly supply commitment. Capital One may adjust this value +/- ten percent (10%) from the previous ten (10) week out weekly supply commitment value.
- (iii) Staffing plans in accordance with the above will be provided for each of the HB/Saks queues listed below:

(A) English and Bilingual Servicing

(B) Fraud Detection

(C) Elevations

**2.5** Changes to Forecasts.

(a) Capital One at any time may change, in its sole discretion, any Forecast upon notice to Supplier subject to the terms set out herein.

(i) Branded

- (A) The forecast is considered locked at sixty (60) days. Subject to the limitations described in Section 2.5(a)(i)(B) of this Annex 1-A, Capital One may change the 60-Day Forecast upon notice to Supplier, up until the first day of the 30-Day Forecast (such day the "Final 30-Day Forecast").

(B) The limitations referenced in Section 2.5(a)(i)(A) of this Annex 1-A shall be as follows:

- (1) The Final 30-Day Forecast cannot be any less than ninety percent (90%) of the Calls estimated in the 60-Day Forecast;
- (2) The Final 30-Day Forecast cannot be any more than one hundred-ten percent (110%) of the Calls estimated in the 60-Day Forecast; or
- (3) The SOW is terminated for convenience in accordance as described in Section 2.6 below.

(C) No subsequent changes to the Final 30-Day Forecast may be made by Capital One. In the event that such changes are necessary, Capital One will advise Supplier and Supplier will extend its best efforts to accommodate the change but shall not be penalized by Capital One in any way for extending such efforts.

(ii) Costco

(A) The forecast is considered to be locked at sixty (60) days. Subject to the limitations described in Section 2.5(a)(ii)(B) of this Annex 1-A, Capital One may change the 60 day Supply Commitment upon notice to Supplier, up until the first day of the 30-Day Supply Commitment.

(B) The limitations referenced in Section 2.5(a)(ii)(A) of this Annex 1-A shall be as follows:

- (1) The Final 30-Day Supply Commitment cannot be any less than ninety percent (90%) of the FTE required in the 60 day Supply Commitment;
- (2) The Final 30-Day Supply Commitment cannot be any more than one hundred-ten percent (110%) of the FTE required in the 60 day Supply Commitment; or
- (3) The SOW is terminated for convenience in accordance as described in Section 2.6 below.

(C) No subsequent changes to the Final 30-Day Supply Commitment may be made by Capital One. In the event that such changes are necessary, Capital One will advise Supplier and Supplier will extend its best efforts to accommodate the change but shall not be penalized by Capital One in any way for extending such efforts.

(iii) HB/Saks

(A) The forecast is considered to be locked at ten (10) weeks. Subject to the limitations described in Section 2.5(a)(iii)(B) of this Annex 1-A, Capital One may change the ten (10) week staffing commitment upon notice to Supplier, up until the first day of the six (6) week staffing commitment.

(B) The limitations referenced in Section 2.5(a)(iii)(A) of this Annex 1-A shall be as follows:

- (1) The final six (6) week staffing commitment cannot be any less than ninety percent (90%) of the FTE required in the ten (10) week staffing commitment;
- (2) The final six (6) week staffing commitment cannot be any more than one hundred-ten percent (110%) of the FTE required in the ten (10) week staffing commitment; or
- (3) The SOW is terminated for convenience in accordance as described in Section 2.6 below.

(C) No subsequent changes to the final six (6) week staffing commitment may be made by Capital One. In the event that such changes are necessary, Capital One will advise Supplier and Supplier will extend its best efforts to accommodate the change but shall not be penalized by Capital One in any way for extending such efforts.

## **2.6 Termination for Convenience Forecasts.**

Capital One may in accordance with Section 21.2 of the MSA terminate this SOW. During the notice period, Capital One shall provide Supplier with Contact volumes of the applicable Forecast that are at least:

### **(a) Branded**

- (i) For the Final 30-Day Forecast, seventy-five percent (75%) of the Forecast;
- (ii) For the 60-Day Forecast, sixty percent (60%) of the Forecast; and
- (iii) For the 90-Day Forecast, thirty-five percent (35%) of the Forecast.

### **(b) Costco**

- (i) For the Final 30-Day supply commitment, seventy-five percent (75%) of the Forecast;  
and
- (ii) For the 60-Day supply commitment, sixty percent (60%) of the Forecast.

### **(c) HB/Saks**

- (i) For the Final six (6) week supply commitment, seventy-five percent (75%) of the Forecast;
- (ii) For the ten (10) week supply commitment, sixty percent (60%) of the Forecast; and
- (iii) For the fifteen (15) week supply commitment, thirty-five percent (35%) of the Forecast.

**2.7 Schedule Adherence; Interval Supply Adherence Requirement (ISAR)**

Supplier shall not charge Capital One for any hours in excess of 5% of the Required Lines, based on the mutually agreed upon scheduled hours, minus non-billable shrink, to meet the required lines.

(a) calculated by week, that are not otherwise pre-approved, in writing, by Capital One.

(b) Capital One will measure schedule adherence by calculating on a half-hour basis ("Interval") the variance between the Supply Delivery and the Required Line. For each Interval during which Supply Delivery falls below the Required Line, an understaffing occurs ("Under").

(c) Capital One will provide Supplier with a report on at least a weekly basis which will show, by queue, the total Supply Delivery for each Interval.

(d) As part of the weekly report, the total Under will be increased (i.e., brought closer to zero) by the number of hours successfully removed by Supplier pursuant to a downward Capital One flexing process.

**2.8 Performance Management for Staffing Plan.**

(a) Supplier's compliance with this Article 2 shall be measured through the ISAR metric .

(b) On a weekly basis, Supplier shall meet no less than 90% of the Interval Supply Requirement. However, Intervals with an Interval Supply Requirement of less than ten (10) are excluded from the ISAR calculation.

(c) This measure shall be included in the daily ISAR file.

**2.9 Staffing and Planning for Customer Advocate Coaches.**

CAC support shall be staffed at a twenty (20) CSP to one (1) CAC ratio based on the required frontline hours of the applicable queues, or as directed by Capital One.

**3. FORECASTING FOR FRAUD DETECTION AND CAST**

**3.1** Unless stated to the contrary, or otherwise agreed to by the Parties, Supplier shall provide Capital One up to date Staffing Plan(s) on a weekly basis based on Forecast(s) provided by Capital One under this Section 3.

**3.2 Fraud Detection and CAST Forecasting.**

(a) On or before the first (1<sup>st</sup>) day of the first calendar month of the next three immediate calendar months, Capital One shall provide Supplier with a Forecast for each of the three (3) calendar months (collectively "Rolling 90-Day Forecast"). Each Rolling 90-Day Forecast shall contain a Forecast that is denoted by the number of days prior to the calendar month that the Calls will be received. For example, on or before the first 1<sup>st</sup> day of December, Capital One will provide Supplier with the Forecasts each for January (30-Day Forecast), February (60-Day Forecast), and March (90-day Forecast). On the first (1st) day of January, Capital One will provide Supplier with Forecasts for February, March and April. On this date, the Forecast for February now becomes the 30-Day Forecast, March a 60-Day Forecast.

**(b)** Short Term Planning (STP) forecasting file with a five (5) week rolling view to be shared weekly with Capital One for Fraud Detection.

**3.3** GCORR and Specialty Operations, Costco Fraud, CAC's, Solutions, Fraud Recoveries and Fraud Back Office.

Capital One and Supplier agree to review staffing needs on a monthly basis to determine if GCORR and Specialty Operations queues are adequately staffed. As part of this review the parties will mutually agree as to whether additional Supplier personnel are needed in order for Supplier to perform at Capital One's required Performance Standards.

Capital One will provide Supplier sixty (60) days advance notice for any ramp up or ramp down that results in a variance in excess of +/- ten percent (10%) of the then current staffing level.

**3.4** All Other Services.

For all other services listed in Exhibit 1 that are not specifically referenced in this Annex 1-A, Capital One and Supplier shall agree to a staffing and scheduling process that takes into account hours of operation and workload needs that allow Supplier to meet the Service Levels.

**3.5** Termination for Convenience Forecasts.

Capital One may in accordance with Section 21.2 of the MSA terminate this SOW. During the notice period, Capital One and Supplier shall agree to a transition plan that would enable each party to address its required business needs.

## ANNEX 1-B TO EXHIBIT 1

### IT INCIDENT MANAGEMENT/CHANGE CONTROL PROCEDURES

#### 1. DEFINITIONS.

##### 1.1 Certain Definitions.

(a) “Availability” of any Service means the extent to which such Service is actually Available for Use by any user of such Service, expressed as a percentage pursuant to the following formula:

$$\text{Availability \%} = \frac{((\text{Basis Period} - \text{Excused Downtime} - \text{aggregate Unexcused Downtime}))}{(\text{Basis Period} - \text{Excused Downtime})}$$

(b) “Available for Use” means the ability of any Service to be used by any user of such Service in accordance with the applicable specifications or requirements for such Service (including applicable Equipment and Software specifications, Performance Standards, and Service Levels) and without degradation of performance.

(c) “Average Handle Time” shall mean the value resulting from the following formula: (Total Talk Time + Total Hold Time + Total After Call Work Time) / Calls Handled.

(d) “Basis Period” means the aggregate of the Scheduled Uptime during the corresponding Measurement Window.

(e) “Call Delivery Rate” shall mean number of Calls Handled expressed as a percentage of Calls Routed.

(f) “Calls Abandoned” shall mean the total number of Calls that dropped out before being answered by a CSP

(g) “Calls Handled” shall mean the total number of Calls Routed less Calls Abandoned in a Measurement Period.

(h) “Calls Routed” shall mean the number of telephone calls, initially placed by a Customer, that are routed to Supplier’s call-switching equipment from Capital One during the Measurement Period.

(i) “Data Circuits” shall mean the Supplier-owned circuits utilized to provide connectivity for the Data Network.

(j) “Data Network” shall mean the Supplier-owned Equipment, associated attachments, features and accessories, Software, telecommunications facilities, lines, interconnect devices, wiring, cabling and fiber, excluding the Data Circuits, that are used to create, connect and transmit data signals between and among: (i) Supplier’s point of presence in the United States; and (ii) desktop computing equipment located in the Facility.

(k) “Excused Downtime” means, during a Measurement Window, the aggregate of any periods of Scheduled Uptime during which the Service corresponding to such Scheduled Uptime is not Available for Use, and for which the parties have mutually pre-arranged and agreed that such Service will not be Available for Use.

(l) “Incident” has the meaning given in Exhibit 1.

(m) “Incident Resolution Time” shall mean the elapsed time between: (i) the earlier of the moment that an Incident is reported to Supplier (e.g., through automatic notification, a call or page from



Capital One, or other form of communication agreed by the parties) or the moment that Supplier otherwise becomes aware of such Incident; and (ii) the moment that (A) the affected Equipment, Software, data or Services are restored to normal operations in accordance with applicable Performance Standards, Service Levels, and specifications, or Supplier implements a commercially reasonable workaround, such that an end user or users of the corresponding Services incur(s) no more than a *de minimis*, insignificant degradation of service that does not affect such end user or users' ability to perform their work, and (B) the corresponding Incident ticket is updated to reflect that such Incident has been resolved. An Incident ticket associated with a particular Incident shall not be closed until the end user reporting the Incident or other appropriate Capital One-designated personnel agrees that such Incident ticket may be closed, or, if the end user is unavailable, Supplier has provided notification to the end user.

(n) "Incident Response Time" shall mean the elapsed time between: (i) the earlier of the moment that an Incident is reported to Supplier (e.g., through automatic notification, a call or page from Capital One, or other form of communication agreed by the parties) or the moment that Supplier otherwise becomes aware of such Incident; and (ii) notification of acknowledgement of such Incident via telephone call to the applicable Capital One contact (e.g., Supplier SOW Contact) and commencement of resolution efforts by the Supplier group responsible for resolution (e.g., dispatch of technician or commencement of remote diagnostic activity); mere scheduling of resolution efforts shall not be deemed to be "commencement of resolution efforts."

(o) "Scheduled Uptime" means, with respect to a Service Level, the Hours of Operation for the corresponding Service.

(p) "Unexcused Downtime" means time during the Scheduled Uptime for a Measurement Window that is not Excused Downtime and during which a particular Service is not Available for Use by users of such Service due to an action, omission or resource for which Supplier is responsible under the SOW and the MSA.

(q) "Voice Circuits" shall mean the Capital One-owned voice circuits used to provide the Services.

(r) "Voice System" shall mean the Capital One-owned Equipment and Software, excluding the Voice Circuits, used to receive, switch, route, place, and answer (i) incoming telephone calls that are initially placed by a Customer and routed to Supplier from Capital One; and (ii) outgoing telephone calls placed by Supplier to a Customer.

## **2. SUPPLIER'S IDENTIFICATION OF IT-RELATED INCIDENT**

(a) All Supplier Personnel shall utilize Supplier's internal procedures to detect IT-related Incidents and to report IT-related Incidents to the appropriate Supplier Personnel.

(b) Supplier Personnel shall perform initial troubleshooting of IT-related Incidents, which may include performing certain Capital One-specified troubleshooting procedures. Supplier Personnel shall perform such troubleshooting procedures prior to contacting Capital One for assistance in resolving the Incident.

## **3. IT INCIDENT MANAGEMENT PROCESS**

Supplier Personnel shall resolve IT-related Incidents pursuant to the Capital One Incident Notification Process Procedure as provided by Capital One from time to time.

(a) Supplier shall contact the Capital One Service Center or Integrated Mission Control to report any IT-related Incident upon the occurrence of the earliest of:

- (i) Supplier's successful resolution of such Incident,
- (ii) Supplier's determination that Capital One's assistance is required to resolve such Incident, or
- (iii) Thirty (30) minutes after Supplier's identification of such Incident;

provided, however, that Supplier shall notify Capital One immediately if such Incident has a significant operational or financial impact.

(b) Supplier shall provide Capital One with a list of Supplier Personnel authorized to contact the Capital One Service Center in accordance with Section 3(a), above. Only such authorized Supplier Personnel, which shall be limited to Supplier's IT support staff, Supplier's network command center staff, and Team Leads/Team Managers, shall report IT-related Incidents to the Capital One Service Center. Supplier shall maintain and update such list throughout the SOW Term, and shall provide the IT Operations Manager with any updates thereto.

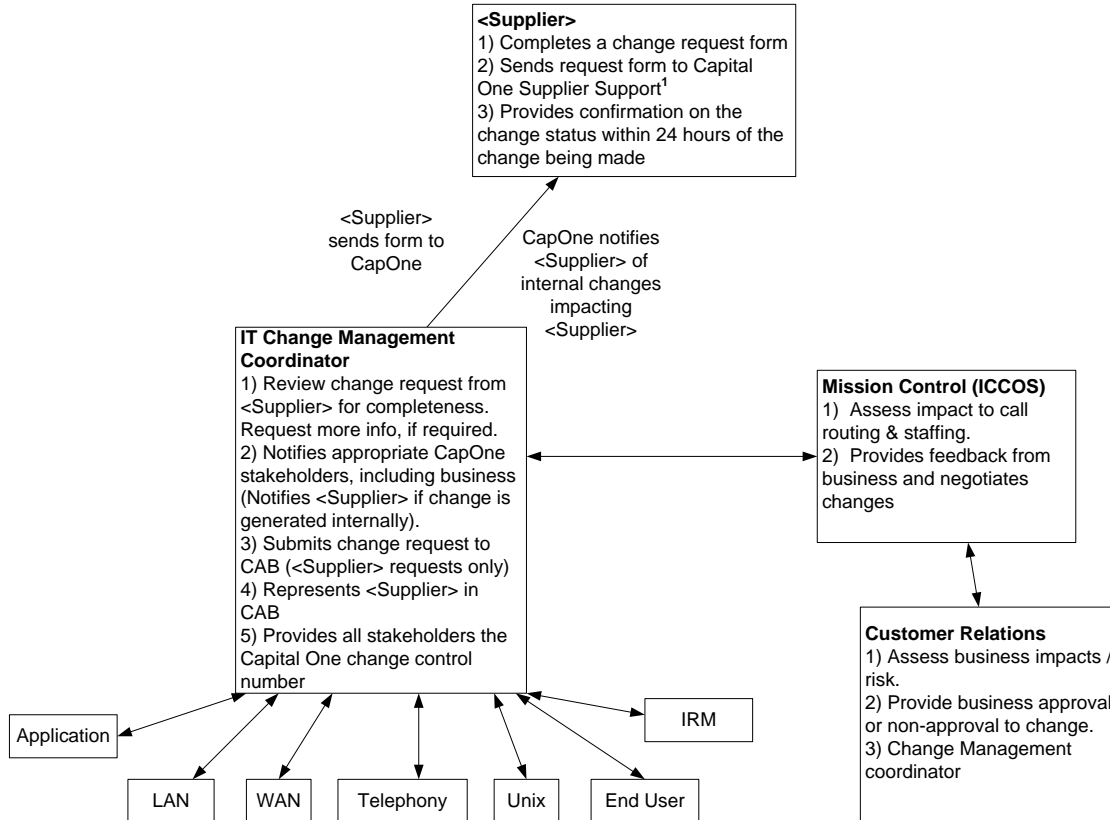
#### **4. HIGH SEVERITY LEVEL INCIDENT MANAGEMENT PROCESS**

Pursuant to the Capital One US Card Incident Notification Process Procedure referenced in Section 3, above, Supplier shall notify the Capital One Service Center of all incidents affecting fewer than ten (10) CSPs and Integrated Mission Control of all incidents affecting ten (10) CSPs or more.

#### **5. IT CHANGE MANAGEMENT PROCESS**

Supplier shall adhere to the IT change management process set forth below and in Diagram B:

## Diagram B <Supplier> Change Management



Notes: 1) The Capital One Change Management coordinator is notified through the use of the following email address:

supplier.support@capitalone.com

- 2) Capital One contacts for escalations- Please refer to your most recent profile documentation to obtain the appropriate escalation point of contact.
- 3) Changes that are scheduled and planned should be submitted at least 14 days prior to the change being made

(a) Supplier shall report any changes on the Supplier and Shared Networks which may impact the Capital One Services production environment.

(b) Changes shall be submitted on the form included with the process documentation to the Capital One Support Mailbox or other Capital One associate as identified by the IT Operations Manager at least fourteen (14) days prior to implementation for normal changes. This fourteen (14) day window does not apply to changes resolving Capital One registered Incidents.

(c) Changes shall not be implemented without Capital One prior approval, which approval shall not be unreasonably withheld or delayed. Changes that do not have the potential to materially impact the Services do not need to adhere to this process.

(d) Supplier shall notify the Support Mailbox of the outcome of a required change within twenty-four (24) hours of the planned implementation time.

## **6. IT SERVICE LEVELS**

Supplier shall adhere to the information technology Service Levels set forth in Annex 1-D.

## **ANNEX 1-C TO EXHIBIT 1**

### **OPERATIONAL CHANGE MANAGEMENT**

#### **1. INTRODUCTION**

The intent of this Annex 1-C is to provide a process for documenting and tracking changes of an operational nature to a Statement of Work. This process shall not be used for any changes to MSA. In order to provide the required documentation, a Change Request shall be submitted and processed as follows:

#### **2. CHANGE REQUEST**

(a) A party seeking any variation or change that has an impact upon the day to day routine operational performance of the Services under this SOW ("Requesting Party") will prepare a Change Request (in a format to be agreed by the parties) specifying in sufficient detail the change requested.

(b) All Change Requests shall be numbered and shall be delivered to the Requested Party's SOW Contact at least three (3) weeks prior to the desired implementation date of the change.

(c) The Requested Party will be responsible for coordinating discussions between both parties as they pertain to the Change Requests and final outcome.

#### **3. RESPONSE TO CHANGE REQUEST**

The Requested Party shall, within ten (10) business days of receipt of a Change Request, forward a Response to Change Request to the Requesting Party. Such Response shall contain a detailed written specification of the proposed modifications to the SOW, shall specify how and when the Change Request can be implemented and, to the extent relevant, shall specify:

- (a) The feasibility of the Change Request;
- (b) The effect of any such modification on a party's ability to conform to this SOW;
- (c) Any cost implications for a party in relation to the Change Request;
- (d) A description of any material impacts that the modifications may have on a party;
- (e) Where appropriate, suggested acceptance testing procedures and acceptance criteria for the implementation of the proposed modifications; and
- (f) Any other information which is likely to be material to a party in deciding whether to proceed with the Change Request.

#### **4. ACCEPTANCE OR REJECTION OF CHANGE REQUEST**

The Requesting Party shall notify the Requested Party within ten (10) business days of the completion and delivery of the Response to Change Request whether:

(a) The Requesting Party approves the Change Request based upon the Response to Change Request;

(b) The Requesting Party wishes to negotiate any aspect of the Response to Change Request; or

(c) The Requesting Party does not accept the Response to Change Request in which case the Requested Party may refer the Requesting Party's rejection of the Change Request to the contractual disputes resolution process where the Requested Party believes that;

(i) the Requesting Party's rejection of the Requested Party's Change Request is unreasonable; and

(ii) the failure to implement the change will materially and detrimentally affect the Requested Party's ability to perform its obligations under this SOW.

(d) All approved Change Requests shall be signed by both parties, and submitted to the Capital One Supplier Manager.

## **5. CHANGE REQUEST FORM**

The Parties shall use the Change Request Form below to initiate a Change Request.

## Capital One Change Request Form

Change Request Number (assigned by Change Management Administrator)			
<ul style="list-style-type: none"> <li><i>This form is to be used for all Change Requests between Capital One and the Managed Services Provider.</i></li> <li><i>This form is intended for on-line use. Each form field will expand to accommodate the necessary information.</i></li> </ul>			
To Be Completed By Requestor/Manager			
Requestor	Name	Phone	E- mail
Capital One Manager	Name	Phone	E-Mail
Initiated By	Capital One Request <input type="checkbox"/> Supplier Request <input type="checkbox"/>	Capital One Call Type	
Change To	Scope/SOW, including Pricing <input type="checkbox"/>	Application	Documentation <input type="checkbox"/>
	Training <input type="checkbox"/>	Special Project <input type="checkbox"/>	Other <input type="checkbox"/>
	Call Duration Change <input type="checkbox"/>	Staffing - not included in monthly staffing forecast (must complete Staffing Section, below) <input type="checkbox"/>	
	Call Volume <input type="checkbox"/> Volume Increase/Decrease:		
Name of Change			
Description of Change			
Supplier Comments (other business impacts)			
Justification for Change			
Schedule	Request Date:		Date Required:
Type	Temporary <input type="checkbox"/>		Permanent <input type="checkbox"/>
Service Location	City	State/Province	Country
Associated Costs			
Equipment Costs			
Other Costs			
Additional Staffing Requirements			
Staffing Type	Per Incident CA <input type="checkbox"/>		Project Hourly Positions <input type="checkbox"/>
	# of Positions (if applicable)		# of Positions
	Start date		Start date
	Day Shift <input type="checkbox"/>		End date
	After Hours <input type="checkbox"/>		# for Day Shift
<b>NOTE: a MAC request must also be completed for new hires.</b>			# for After Hours
<b>Position Requirements (check all applicable)</b>			
<input type="checkbox"/>	<input type="checkbox"/> Phone Support	<input type="checkbox"/> U.S. Citizens Only	
<input type="checkbox"/> Customer Servicing Queue	<input type="checkbox"/> e-Mail Support	<input type="checkbox"/> Canadian Citizens Only	
<input type="checkbox"/> Contact Administrator	<input type="checkbox"/> Chat Support	<input type="checkbox"/> Philippines Citizens Only	
<input type="checkbox"/> Project Work	<input type="checkbox"/> Web Support	<input type="checkbox"/> Multi-Lingual (List Languages needed)	
<input type="checkbox"/> Other (Describe in Comments)	<input type="checkbox"/> Token Processing	<input type="checkbox"/> Security Clearance (describe in Comments)	
<input type="checkbox"/>		<input type="checkbox"/>	
Staffing Comments			
Special Requirements			
Hardware Products Supported			

Software Products Supported	
Required Skills	
Required Certifications	
Required Professional Experience / Tenure	
Required Tasks to be performed	
Application/Industry Knowledge Required	

Document:

APPROVED AND AGREED TO:

<div>_____</div> <div>Concentrix Authorized Representative (Signature)</div> <div>_____</div> <div>Concentrix Authorized Representative (printed name)</div> <div>_____</div> <div>Date</div> <div>_____</div> <div>Title</div>	<div>_____</div> <div>Capital One - Authorized Representative (Signature)</div> <div>_____</div> <div>Capital One Authorized Representative (printed name)</div> <div>_____</div> <div>Date</div> <div>_____</div> <div>Title</div>
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## ANNEX 1-D TO EXHIBIT 1

## IT SERVICE LEVEL STANDARDS

Category	Definition	Target
Voice systems availability	This is the measure of availability for all equipment used to support the voice network ( <u>i.e.</u> , PBX, ACD). This is the measure of actual uptime/total operating hours.	99.50%
Voice circuit availability	This is the measure of the Availability of the Voice Circuits. This includes inbound and outbound Voice Circuits. This is the measure of actual uptime/total operating hours.	99.50%
Data service availability	This is the measure of Availability for all equipment used to support the Data Network ( <u>i.e.</u> , Routers, Switches, Desktops). This is the measure of actual uptime/total operating hours.	99.50%
Call Delivery Rate	This is the measure of Calls offered, versus Calls delivered	95.00%
Project performance	<p>This is the measure of <b>Supplier</b> performance relative to managing projects that impact any Capital One program. The scoring will be measured through the use of a survey that is supplied to the appropriate contact(s) after a project has been completed.</p> <p>5      Significantly exceeds expectations  4      Exceeds expectations  3      Meets expectations  2      Below expectations  1      Significantly below expectations</p>	4
Change Process Adherence	This is the measure of the number of changes that affect <b>Supplier</b> that are submitted with 2 weeks notification relative to the total number of changes submitted. Please reference the process adherence scorecard documentation below for scoring details. If the average monthly score is -3 or below, the supplier shall be requested to provide a written service improvement plan within 5 business days of scorecard receipt.	0
Incident Process Adherence	<p>This is the measure of the proportion of incidents that <b>Supplier</b> adheres to the Incident Management Process.</p> <p>Please reference the process adherence scorecard documentation below for scoring details. If the average monthly score is -3 or below, the supplier shall be requested to provide a written service improvement plan within 5 business days of scorecard receipt</p>	0
Dialer Availability	This is the measure of actual uptime/total operating hours.	99.50%

## EXHIBIT 2

### SERVICE LEVELS

#### 1. INTRODUCTION

This Exhibit 2 sets forth the Service Levels that Supplier is required to meet or exceed in performing certain of the Services during the SOW Term. This Exhibit 2 also describes the methodology for calculating Service Level Credits that may be elected by Capital One if Supplier fails to meet any Critical Service Levels, and Performance Incentives that will be provided to Supplier by Capital One if Supplier exceeds any Incentive Performance Levels associated with certain Service Levels.

#### 2. DEFINITIONS

##### 2.1 Certain Definitions.

The following capitalized terms are used in Exhibit 2 and the Annexes that pertain thereof:

(a) "After Call Work" shall mean the total length of time, measured in seconds, taken to finalize the activities discussed with the Customer during the call after the call has concluded.

(b) "Aux Time" shall mean an ACD work state approved by Capital One which captures CSP work time that is billable by Supplier to Capital One.

(c) "Average Handle Time" or "AHT" shall mean the average amount of time required to handle an incoming call. AHT shall include Talk Time, Hold Time, After Call Work and outbound call time required to resolve an incoming call and Aux Time.

(d) "Call" shall have the meaning ascribed to it in Exhibit 3.

(e) "Case Penetration" Cases are generated by various Capital One fraud detection systems and injected into the workflow application. A case will be considered penetrated when the CSP has categorized the case as either "fraud", "not fraud" or "unable to confirm."

(f) "Case Penetration Rate" shall mean the total number of cases penetrated divided by the total number of cases injected into the workflow application in a given Measurement Period.

(g) "Catch and Release" Catch and Release occurs as a result of coding a case "not fraud" in the workflow application by a CSP, and then later confirmed as fraud by the Customer. Capital One will measure Catch and Release performance by reviewing the confirmed cases of fraud and determining whether there were previous instances for the same transactions which were marked as "not fraud", then these cases will be deemed a "Supplier Catch and Release".

(h) "Catch and Release Rate" shall mean the total number of Supplier Catch and Release cases divided by the total number of cases penetrated by Supplier.

(i) "Contact" shall mean individually or collectively (i) an inbound telephone Call, initially placed by a Customer, which is routed to Supplier from Capital One, and is intended to be answered by a CSP; and outbound call placed by a CSP; or (iii) correspondence received by a CSP for processing.

(j) "Closure Rate" shall mean the number of Fraud Recovery cases closed within a specified period divided by the total number of cases received in the period.

(k) "Critical Service Level" has the meaning given in the MSA.

(l) "Critical Service Level Failure" shall mean any failure to meet a Critical Service Level.

(m) "Customer Experience Metrics Program Score" shall mean the score obtained on a sample of Customer Experience Metrics Program Surveys conducted within the Measurement Period.

(n) "Customer Experience Metrics Program Survey" shall mean a customer satisfaction and quality survey administered by a third party vendor on behalf of Capital One that relates to Supplier's performance of the Services, provided on a monthly basis.

(o) "Customer Satisfaction (CSAT) Score" shall mean the score obtained on a sample of customer satisfaction surveys conducted within the Measurement Period.

(p) "Customer Service Queue" shall have the meaning ascribed to it in Section 4 of Exhibit 1.

(q) "First Call Resolution" shall mean the satisfactory handling of a Customer issue upon the first telephone contact with a CSP at the site level.

(r) "Fraud Detection Queue(s)" shall mean the queue(s) whose primary responsibility is to detect Capital One's exposure to fraud losses by identifying and filing a fraud claim and/or disputes claim on behalf of the Customer.

(s) "Fraud Recovery" shall mean funds recovered by way of chargeback to the merchant or reaffirming of Customer liability for purchases claimed as fraudulent.

(t) "Fraud Recovery Rate" shall be calculated as Fraud Recovery divided by the total fraud dollars claimed by Customers in a given Measurement Period.

(u) "General Correspondence Services" is a line of business further defined in Exhibit 1, Services.

(v) "Gross Monthly Invoice Amount" shall mean the invoice amount that is the sum of the amounts as determined by multiplying the Billable Hours and/or Scheduled Hours by the associated Billable Rates per hour invoiced by Supplier to Capital One for the Services performed during a calendar month.

(w) "Hold Time" shall mean the time that the CSP places the Customer on hold during the course of a Call.

(x) "Incentive Performance Level" shall mean a heightened level of performance associated with certain Service Levels.

- (y) “Interval” shall have the meaning set out in Section 4.1(g)(ii).
- (z) “Issues per Hour” or “IPH” shall mean the total number of cases that a CSP works divided by the total “Workflow Application User” hours for that CSP.
- (aa) “Measurement Period” shall have the meaning given in Section 3.3(a).
- (bb) “New Services” shall have the meaning given in Section 12.5 of the MSA.
- (cc) “Occupancy” shall mean the percentage of time during which the CSP is considered productive as compared to the number of hours logged into the ACD switch. Productive time shall include Talk Time, Hold Time, Wrap Time, outbound call time required to resolve an incoming Call and Aux Time where approved by Capital One. ACD logged in time shall not include idle time nor any training time during which a CSP may be logged into the ACD switch.
- (dd) “Performance Incentive” shall mean a performance-based payment made by Capital One to Supplier when Supplier meets or exceeds an Incentive Performance Level.
- (ee) “Procedural Adherence” shall mean the percentage of all of the sampled Calls where the CSP complied with Capital One compliance error rate as determined pursuant to the quality process set out in Exhibit 1, Section 10.
- (ff) “Queue” shall mean the individual Capital One business process (whether voice or non-voice) performed by Supplier.
- (gg) “Reverse Rebill” shall have the meaning of an instance where a decision by a Fraud Recovery CSP to rebill a transaction to a Customer account has been reversed by an authorized designee of Capital One.
- (hh) “Reverse Rebill Rate” shall have the meaning of the number of Reverse Rebill occurrences in a Measurement Period performed by Fraud Recovery CSPs.
- (ii) “Service Level” shall have the meaning given in the MSA.
- (jj) “Service Level Credit” shall have the meaning given in the MSA.
- (kk) “Specialty Queues” shall have the meaning set forth in Exhibit 1.
- (ll) “Talk Time” shall mean the total length of a call, as measured in seconds, between the Customer and the CSP and/or Team Manager, excluding Hold Time.
- (mm) “Total Hold Time” shall mean the aggregate Hold Time in seconds for all Calls Handled.
- (nn) “Total Talk Time” shall mean the aggregate Talk Time in seconds for all Calls Handled.
- (oo) “Total After Call Work” shall mean the aggregate After Call Work in seconds for all Calls Handled.

(pp) “Touch Point Live Agent Net Promoter Score” or “TPLA NPS” shall mean the score obtained on a sample of surveys, which evaluate CSP calls to measure Customer’s willingness to recommend Capital One to others, within the Measurement Period.

(qq) “Transfer Rate” shall mean the percentage of Calls Handled that are transferred to another queue.

(rr) “Turnaround Time” or “TAT” shall mean the number of Business Days that action items remain unworked within each work stream as measured by GCORR queue, Specialty Operations queues or the workflow application New Mail queue.

(ss) “Workflow Application Open Date” shall mean the date by which a case is first available to be worked by a CSP.

## **2.2 Other Terms.**

Other terms used in this Exhibit 2 are either defined in the context in which they are used or are defined elsewhere in the MSA, and in each case shall have the meanings there indicated.

## **3. SERVICE LEVEL METHODOLOGY**

### **3.1 General.**

Supplier shall meet or exceed each of the Service Levels specified in the various Annexes to this Exhibit 2. Additional terms and conditions relating to Service Levels are set forth in Article 8 of the MSA.

### **3.2 Measurement Tools and Data Collection.**

Capital One shall measure Supplier’s performance with respect to each Service Level; however, Capital One may cease measurement of any Service Level in its sole discretion. As of the SOW Effective Date, for each Service Level, Capital One shall use the corresponding measurement tools and methodologies identified for such Service Level in this Exhibit 2. Capital One shall have operational, administrative, maintenance and financial responsibility for any tools used by Capital One to measure Supplier’s performance against the Service Levels. Capital One shall have the right from time to time to change, in its sole discretion, the measurement tools associated with any Service Level.

Measurement tools, the source of the measurement tool and Measurement Periods shall be defined within the Annexes to this Exhibit 2.

### **3.3 Reporting and Measurement.**

(a) “Measurement Period” for a Service Level shall mean the period against which Capital One measures and reports on Supplier’s performance against such Service Level. Except as otherwise specified in this Exhibit 2, the Measurement Period for each Service Level shall be a calendar month.

(b) Capital One shall report upon Supplier’s performance against the Service Levels after the close of each Measurement Period. Such report shall also include details regarding any applicable Service Level Credits and Performance Incentives for the current Measurement Period.

(c) Unless otherwise noted, all references to time of day shall refer to Eastern Time.

### **3.4 Multiple Service Level Conditions.**

Where a Service Level includes multiple conditions or components [e.g., components (a), (b) and (c)], satisfaction of each and every condition or component [i.e., components (a), (b), and (c) in the foregoing example] is necessary for the satisfaction of the corresponding Service Level.

### **3.5 Failure to Perform.**

(a) Subject to Section 3.6 of this Exhibit 2, Supplier shall be deemed to have failed to meet a Service Level if the Service Level is not achieved during any Measurement Period.

(b) The terms of Section 8.2 of the MSA shall apply for any failure by Supplier to meet a Critical Service Level.

### **3.6 Exceptions and Anomalies.**

(a) The Performance Standards set out in this SOW have been determined by Capital One as relevant and reasonable measures to assess Supplier's performance. In the event that an anomaly occurs, including but not limited to change in terms, campaigns or absence of a means to monitor and measure performance due to temporary situation, that impacts the attainment of the Performance Standards herein and to the extent that this anomaly subjects Supplier to a Service Level Credit, Capital One agrees to review the anomaly and at its reasonable discretion omit the statistics relevant to the anomaly to determine the actual Performance Standard target achievement.

(b) If the actual Contact volumes exceed one hundred-ten percent (110%) of the locked forecast for the Measurement Period, and the Supplier does not attain TAT, the TAT shall not apply during that Measurement Period;

(c) Where the actual Call volumes exceed one hundred-ten percent (110%) of the Interval and Supplier meets the Required Lines (as defined in Section 6 below), this Interval shall be removed for the purposes of calculating ISAR.

(d) In the event that the Required Lines of the locked forecast are insufficient to meet the ISAR, the ISAR shall be waived by Capital One for that Measurement Period.

(e) Capital One may, in its sole discretion, waive any Service Level Credit in the event of extenuating circumstances.

## **4. SERVICE LEVEL CREDIT & PERFORMANCE INCENTIVE METHODOLOGY**

### **4.1 Service Level Credits.**

(a) Capital One shall measure Supplier's performance against the Service Levels as set forth in the various Annexes to this Exhibit 2 and provide the results to Supplier each month. Supplier shall calculate and identify the Service Level Credits that Capital One may elect to receive with respect to Critical Service Level Failures occurring during a calendar month (and reported by Capital One) on the invoice for the charges corresponding to such calendar month. With respect to those Service Level Credits elected by Capital One, Supplier shall credit to Capital One such Service Level Credits on the second monthly invoice following such election, or if there will be no further invoices, Supplier

shall pay the amount of such Service Level Credits to Capital One within fifteen (15) calendar days after such election. Service Level Credits applied will be capped at eight (8%) of the gross of the applicable queues invoice amount, minus any pass through amounts, for that calendar month.

(b) Notwithstanding anything to the contrary in Section 4.1(a) above, a Service Credit will apply in the case of an error or oversight by the CSP that results in (i) a grounded self-reportable complaint to a regulator (e.g., FCAC, OPC, etc.), or (ii) any complaint resulting in cost to Capital One that is a result of Supplier error. Capital One's internal team reviews and determines whether a complaint is grounded by taking into consideration, but not limited to, the following: (a) whether there is a breach of the law, a code of conduct or a public commitment, (b) the nature of the complaint, and/or (c) whether Capital One will have to take action to ensure compliance with a regulation. The Service Credits resulting from each such customer complaint shall be the actual cost incurred by Capital One to resolve the complaint plus 5% of the monthly invoiced amount for the applicable queue. The parties acknowledge and agree that the foregoing shall be capped at \$20,000 CAD per customer complaint.

(c) At Capital One's sole discretion, Capital One may waive any Service Level Credits in the event of extenuating circumstances.

#### **4.2 Performance Incentives.**

##### **(a) Designation.**

(i) Capital One shall designate the Service Levels for which Performance Incentives apply in the various Annexes to this Exhibit 2.

(ii) Capital One shall have the right from time to time to change in its sole discretion, the existence of any Performance Incentive applicable to any Service Level, such changes to be made through the Change Management Process. Capital One shall notify Supplier in writing of any changes pursuant to this Section 4.2(a)(ii), and any such change shall become effective within thirty (30) days. If Capital One removes a Performance Incentive, any associated Service Credit shall also be removed.

(b) Award. Supplier shall be deemed to have earned a Performance Incentive where Supplier meets or exceeds the applicable Incentive Performance Level for a Service Level as may be established in the various Annexes to this Exhibit 2 during a Measurement Period.

(c) Based upon the information reported by Capital One pursuant to Section 3.3, Supplier shall calculate and identify the Performance Incentives that Supplier has earned during a Measurement Period on the invoice described in Section 13.1 of the MSA and applicable to charges corresponding to such calendar month.

(d) The total Service Level Incentives for any given month shall not exceed an amount equal to eight (8%) of the Gross Monthly Invoice Amount invoiced for an applicable queue under this SOW for each calendar month.

## **5. MODIFICATIONS AND IMPROVEMENTS TO SERVICE LEVELS**

### **5.1 Modifications to Service Levels.**

The parties expect and understand that the Service Levels will be improved over time. In accordance with Section 8.4 of the MSA, upon Capital One's request, the parties shall meet quarterly to review the Service Levels and implement any such improvements, additions, or other modifications to the Service Levels, as mutually agreed. Subsequent to any quarterly review conducted pursuant to this Section 5, the parties shall update this Exhibit 2 to reflect the mutually agreed upon improvements and modifications. In addition to such quarterly monthly reviews, the parties shall, upon the provision by Supplier of any New Service under this SOW, review and make any appropriate adjustments to the Service Levels to reflect the provision of such New Service.

### **5.2 Key Performance Indicators.**

In addition to meeting or exceeding the Service Levels, Supplier shall also meet or exceed additional business, operational and technical performance measures (such measures the "Key Performance Indicators") that are intended to measure Supplier's performance of the Services. The specific Key Performance Indicators shall be mutually agreed by the parties based upon current Capital One business objectives and requirements. The parties will track and manage the Key Performance Indicators through a series of monthly and quarterly meetings and reports, including through monthly scorecard reports and quarterly business reports. The parties expect and understand that the Key Performance Indicators will be changed and improved over time, and the parties will implement such changes and improvements through the meetings and reports described in the preceding sentence. The Key Performance Indicators, as of the SOW Effective date, may include but are not limited to, Average Handle Time, Transfer Rates, customer satisfaction and quality metrics.



**ANNEX 2-A TO EXHIBIT 2**  
**SERVICE LEVELS, PERFORMANCE INCENTIVES AND SERVICE LEVEL CREDITS FOR**  
**CUSTOMER SERVICE**

**1. INTRODUCTION**

This Annex 2-A describes the Service Levels and associated Service Level Credits or Performance Incentives that will apply to the Customer Service Queues (Costco, Branded, HB, and Saks).

Any Performance Incentives or Service Level Credits calculated pursuant to this Annex 2-A shall be applied against the Gross Monthly Invoice Amount pertaining to the respective queue.

**2. CUSTOMER SERVICING – CALL QUEUES**

**2.1 Procedural Adherence.**

(a) The Service Level Credit for the Procedural Adherence Score Service Level, for Costco, Branded, HB and Saks, shall be calculated on a monthly basis in accordance with the following:

<u>Procedural Adherence Score</u>	<u>Service Level Credit</u>
95 – 100%	0%
< 95%	3%

(b) If a Critical Service Level Failure of the Procedural Adherence Score Service Level occurs, the applicable Service Level Credit shall be equal to the Service Level Credit in the right hand column of the Gross Monthly Amount.

**2.2 CEMP – CSAT.**

- (a) The Measurement Period shall be monthly.
- (b) The CEMP CSAT score Service Level target is seventy percent (70%) for the HB and Saks portfolio.
- (c) Supplier’s performance against the CEMP CSAT target for the respective queue shall be calculated as a weighted average representing the Contact volumes from all Supplier Facilities.
- (d) If in any Measurement Period the Supplier exceeds the CEMP CSAT target by:
- (i) Three percent (3%), a Performance Incentive of three percent (3%) of the Gross Monthly Invoice Amount for the respective queue shall apply.
  - (ii) Six percent (6%), a Performance Incentive of five percent (5%) of the Gross Monthly Invoice Amount for the respective queue shall apply.

(e) If in any Measurement Period Supplier's CEMP achievement is sixty percent (60%) or below, a Service Level Credit of two percent (2%) of the Gross Monthly Invoice Amount for the respective queue shall apply.

### **2.3 CEMP – TPLA NPS.**

(a) Capital One will establish and communicate to Supplier tiered TPLA NPS goals through the Change Management Process, approximately every calendar quarter

(b) The Measurement Period for TPLA NPS shall be monthly.

(c) If Supplier meets or exceeds the designated TPLA NPS Service Level targets during the Measurement Period on a site basis, the applicable Performance Incentive shall be equal to the percentage stated under the Performance Incentive column below, multiplied by the Gross Monthly Invoice Amount for the Queue(s) being measured.

(i) For the Branded portfolio:

<b><u>TPLA NPS</u></b>	<b><u>Performance Incentive</u></b>
Target + 20%	4%
Target + 15%	3%
Target + 10%	2%

(ii) For the Costco portfolio:

<b><u>TPLA NPS</u></b>	<b><u>Performance Incentive</u></b>
Target + 20%	4%
Target + 15%	3%
Target + 10%	2%

(d) If Supplier does not meet or is below the designated TPLA NPS Service targets during the Measurement Period on a site basis, the applicable Service Level Credit may be assessed, equal to the percentage under the Service Level Credit column, below, multiplied by the Gross Monthly Invoice Amount for the respective queues being measured.

(i) The Service Level target for the Branded portfolio will be mutually agreed upon quarterly, and the target set for the respective quarter will consider recent trends, upcoming events and future business insights, etc.. The following Service Level Credit applies where Supplier's actual TPLA NPS achievement is:

<b><u>TPLA NPS</u></b>	<b><u>Service Level Credit</u></b>
Target – 20%	4%
Target – 15%	3%
Target – 10%	2%

- (ii) The Service Level target for the Costco portfolio will be mutually agreed upon quarterly, and the target set for the respective quarter will consider recent trends, upcoming events and future business insights, etc.. The following Service Level Credit applies where Supplier's actual TPLA NPS achievement is:

<u>TPLA NPS</u>	<u>Service Level Credit</u>
Target – 20%	4%
Target – 15%	3%
Target – 10%	2%

## 2.4 ISAR.

(a) A Service Level Credit equivalent to 0.25% of the Billable Hours may be assessed per week, per queue (up to a cumulative monthly total of 1.25% for months containing five (5) Saturdays) if the weekly schedule adherence falls below 79.99% of the Interval Supply Requirement. For purposes of clarity, a week shall be considered to run from each Sunday through the following Saturday.

(b) A Performance Incentive equivalent to 0.25% of the Billable Hours may be assessed per week, per queue (up to a cumulative monthly total of 1.25% for months containing five (5) Saturdays) if the weekly schedule adherence is greater than 90% of the Interval Supply Requirement.

(c) For purposes of clarity, a week shall be considered to run from each Sunday through the following Saturday, and both (a) and (b) above shall apply to the Costco, Branded, HB and Saks portfolios.

## 3. KEY PERFORMANCE INDICATORS

### 3.1 Average Handling Time (AHT).

(a) The parties will mutually agree on the AHT target for the respective queues servicing the Costco, Branded, HB and Saks portfolios on a quarterly basis based on business need and current trends.

(b) The Measurement Period for AHT shall be monthly.

(c) If the Supplier AHT is at least five percent (5%) lower than the AHT target during the Measurement Period, a Performance Incentive may apply. The Performance Incentive will be equal to fifty percent (50%) of the percentage amount that the Supplier performed under the AHT target. For example, if the Supplier's AHT is seven percent (7%) lower than the AHT target, the Performance Incentive will be three and a half percent (3.5%).

(d) For the sake of clarity:

- (i) Calls that are less than thirty (30) seconds in duration shall not be factored into the calculation of Supplier's AHT.

- (ii) Supplier must meet other the Service Levels for under Section 2.1, 2.2 and 2.3 above to be eligible for additional Performance Incentives found in this Section 3.1.

(e) If the Supplier AHT is five percent (5%) higher than the AHT target during the Measurement Period, a Service Level Credit may apply. The Service Level Credit will be equal to the Supplier AHT percentage in excess of the aforementioned five percent (5%). For example, if the Supplier's AHT is eight percent (8%) higher than the AHT target, the Service Level Credit will be three percent (3%). In the event that the Capital One's system negatively impacts AHT, and this negatively impacts Supplier from attaining the Performance Standards, Capital One shall waive any applicable Service Level Credit.

#### **4. CUSTOMER SERVICING – BACK OFFICE WORK**

##### **4.1 Specialty Operations.**

###### **(a) Turn Around Time**

- (i) Supplier shall process ninety percent (90%) of the total daily volume of cases received each day in accordance with the TAT stated in Attachment 1 to this Annex 2-A.
- (ii) In addition to the exceptions set forth in Section 3.6 of Exhibit 2, the following exceptions may be applicable:
  - (A) In the event that Capital One's system interrupts the processing of data items or becomes unavailable, and these events negatively impact Supplier from attaining the Performance Standards, Capital One shall waive any applicable Service Level Credit.
  - (B) In the event that the agreed number of CSPs required to support the program are not sufficient to attain the Service Levels, and to the extent that the shortfall in CSPs subjects Supplier to Service Level Credits, Capital One agrees to (i) waive any applicable Service Level Credits; or (ii) adjust the Service Levels based on actual activity.

##### **4.2 General Correspondence (GCORR).**

###### **(a) Turn Around Time**

- (i) For TAT calculation purposes, Sunday and Monday together shall be considered one (1) day, and Friday and Saturday together shall be considered one (1) day. TAT assumes no more than one (1) hour of System Down Time per twenty-four (24) hour period (in addition to a six (6) hour Capital One maintenance window during the hours of 12:00 a.m. to 6:00 a.m. Eastern Time). System Downtime includes unplanned system outages, daily processing maintenance and inability to access systems due to User ID issues.

(ii) The following Performance Standards shall apply:

<b><u>Performance Standard</u></b>	<b><u>Definition/Calculation</u></b>	<b><u>Measurement Period</u></b>
TAT General Correspondence	95% of Cases will be completed within three (3) days from the date of receipt by Supplier	Monthly

(b) Quality Score

- (i) The Measurement Period for Quality Scores shall be monthly.
- (ii) Supplier must attain a score of “3” (or its equivalent) on 95% of the internal quality checks completed by Supplier.

#### **4.3 Customer Application Support Team (CAST).**

(a) Turn Around Time

- (i) The Service Level for Information Based Underwriting – Supplier shall process ninety percent (90%) of all flowed applications within five (5) days in the respective queue(s) and ninety percent (90%) of all flowed applications in the IBU queue within three (3) days.
- (ii) Service Level for Know Your Customer – Supplier shall ensure that one hundred percent (100%) of AML/KYC workflow application cases are worked within five (5) days of creation.
- (iii) For the purpose of determining days for case work for subsections (i) and (ii) above, Sunday and Monday together shall be considered one (1) day, and Friday and Saturday together shall be considered one (1) day.

(b) Call Answer Service Level for CAST shall be seventy percent (70%) of service calls within thirty (30) seconds or less.

#### **4.4 Elevations.**

(a) Procedural Adherence

- (i) Notwithstanding any language to the contrary, sampled calls from the Elevations Queue shall be combined with sampled calls from the respective Customer Servicing Queues to calculate the Procedural Adherence Score.
- (ii) The Service Level Credit for the Procedural Adherence Score Service Level shall be calculated on a monthly basis in accordance with the following:

##### **Procedural Adherence Score**

95 – 100%

##### **Service Level Credit**

0%

< 95%

3%

- (iii) If a Critical Service Level Failure of the Procedural Adherence Service Level occurs, the applicable Service Level Credit shall be equal to the Service Level Credit in the right hand column.



**ATTACHMENT 1 TO ANNEX 2-A OF EXHIBIT 2****SPECIALTY OPERATIONS TAT MATRIX**

Active Queues: The TAT of the following active queues are measured by the overall TAT which is greater than ninety percent (90%) of cases worked within three (3) Business Days. The parties may review the following list quarterly and update this list via the Change Management process as necessary.

Balance Transfers - Credit
Balance Transfers - Issue
Balance Transfers - Returned
Balance Transfers - Copies
Purchase Checks - Stop Requests
Purchase Checks - Copies
Purchase Checks - Decline Report
Credit Balance Refunds - Too Soon Queue
Credit Balance Refunds - Credits
Credit Balance Refunds - Issue
Credit Balance Refunds - Returns
Credit Balance Refunds - Copies
Secured Card (Transfers) - Secured account to Payment
Secured Card (Transfers) - Payment to Secured Account
Secured Card - ADR
Secured Card - Misapplied Payments
Secured Card - Return Checks (Unclaims)
Secured Card - Stop and Re-issue
Secured Card - Stop and Credit
Secured Card - Issue Check
Secured Card - Fraud Ledgers
Secured Cards - Bnc Checks
Secured Cards - Closures
Secured Cards - Client Special Projects
Correspondence - Fax Statements
Correspondence - Fax Letters
Correspondence - Mail Statements
Correspondence - Mail Letters
Correspondence - Lawyer Requests
IRIS - Issue Benefits Packages and Welcome Kits
IRIS - System Failures
IRIS - Misc. Tasks - EELB Closures
IRIS - Other Unlisted IRIS Tasks



Escheatments - Branded
Escheatments - Returns
Escheatments - HB
Escheatments - HB Returns
Client / Special Projects
SeeDocs
CRA
Business Education
Non-Business Closures
Business Closures
Card Reject Reports
WK Resend Requests
CMC Pact
DSO-Other Tasks
POA

ANNEX 2-B TO EXHIBIT 2

SERVICE LEVELS, PERFORMANCE INCENTIVES AND SERVICE LEVEL CREDITS FOR  
FRAUD DETECTION, FRAUD RECOVERY AND FRAUD BACK OFFICE

1. INTRODUCTION

This Annex 2-B describes the Service Levels and associated Service Level Credits or Performance Incentives that will apply to the Fraud Detection, Fraud Recovery and Fraud Back Office Queues (Costco, Branded, and HB/Saks).

Any Performance Incentives or Service Level Credits calculated pursuant to this Annex 2-B shall be applied against the Gross Monthly Invoice Amount pertaining to the respective queue.

2. SERVICE LEVEL TARGETS AND PERFORMANCE INCENTIVES FOR FRAUD – FRAUD DETECTION AND FRAUD RECOVERY

2.1 Procedural Adherence.

(a) The Service Level Credit for the Procedural Adherence Score Service Level shall be calculated on a monthly basis in accordance with the following:

<u>Procedural Adherence Score</u>	<u>Service Level Credit</u>
95 – 100%	0%
< 95%	3%

(b) If a Critical Service Level Failure of the Procedural Adherence Score Service Level occurs, the applicable Service Level Credit shall be equal to the Service Level Credit in the right hand column of the Gross Monthly Amount.

2.2 Closure Rate and Reverse Rebill.

(a) For the Fraud Recovery Queue (for only the Branded and Costco portfolios), provided that Capital One provide Supplier weekly reports:

- (i) Closure Rate target for cases received by Supplier shall be seventy-five percent (75%) within sixty (60) days of receipt by Supplier and one hundred percent (100%) within ninety (90) days of receipt by Supplier. Cases measured will be Branded Open Recovery Cases in the workflow application.
- (ii) Reverse Rebill target of no more than two (2) Reverse Rebill instances in a Measurement Period. Cases measured will be Work Item Quality cases and Reverse Bill Escalation log.
- (iii) The Measurement Period shall will be monthly for both (i) and (ii) above..

**2.3 Customer Experience Metrics Program (CEMP).**

- (a) The Measurement Period for CEMP shall be monthly.
- (b) For the Fraud Detection Queue, the CEMP score Service Level target is seventy-six percent (76%).

**2.4 TPLA NPS.**

- (a) The Measurement Period for TPLA NPS shall be monthly.
- (b) The TPLA NPS Service Level target for all of the Fraud Queues is 40 or higher.

**2.5 Turn Around Time.**

- (a) Call Answer Service Level for the Fraud Detection Queue shall be in the range of seventy-five (75%) to eighty-five percent (85%) of service calls answered within thirty (30) seconds or less.
- (b) The Measurement Period shall be in daily (24 hour) intervals.

**2.6 Catch and Release.**

- (a) The Measurement Period will be monthly.
- (b) The target rate for the Fraud Detection Queues is zero-point two percent (0.2%). Catch and Release Rates will be considered final four (4) months after the identified Catch and Release occurred. For example, the January Catch and Release Rate is final as of April 1<sup>st</sup>, and the February Catch and Release Rate is final as of May 1<sup>st</sup>. Catch and Release Rates shall be measured by portfolio and by Supplier site (e.g., the Branded Catch and Release Rate will be calculated by dividing the Branded Catch and Releases by all of the Branded cases (outbound and inbound) worked by Supplier).

**2.7 Penetration Rate.**

- (a) The Measurement Period shall be monthly.
- (b) The Penetration Rate target for Fraud Detection shall be a minimum of eighty percent (80%) within twenty-four (24) hours of case creation. There is an expectation that rates may change on a periodic basis in order to meet other Service Level needs, and will be mutually agreed with Supplier.

**3. KEY PERFORMANCE INDICATORS**

**3.1 Average Handling Time (AHT).**

- (a) The range for the AHT target shall be set for the Measurement Period during the forecasting process described in Annex 1-A. Supplier is expected to drive CSP performance to be within the range but not manage to a specific goal.
- (b) The Measurement Period for AHT shall be monthly.

#### **4. SERVICE LEVEL TARGETS FOR FRAUD – BACK OFFICE WORK**

Monthly Service Level targets and penalties for Fraud – Back Office will be mutually agreed upon by the parties and formalized through the Change Management process.

**ANNEX 2-C TO EXHIBIT 2**  
**SERVICE LEVELS FOR SOLUTIONS QUEUE**

**1. INTRODUCTION**

This Annex 2-C describes the Service Level Credits that will apply under this SOW for the Solutions Queue.

**2. SERVICE LEVEL TARGETS FOR SOLUTIONS QUEUE**

Solutions will be required to contact a Customer to at least acknowledge that the case has been received within forty-eight (48) business hours of the Customer requesting a manager.

**3. SERVICE LEVEL TARGET FOR CREDIT LINE INCREASE**

The letter compliance target for Credit Line Increases shall be one hundred percent (100%).



## EXHIBIT 3

### CHARGES

#### 1. INTRODUCTION

This Exhibit 3 describes the methodologies for calculating, and other terms relating to, the charges under this SOW. The charges described in this Exhibit 3, and any other charges expressly set forth in the SOW, shall be deemed to fully compensate Supplier for all of the resources used to provide the Services. There shall be no charges except those expressly identified in the SOW. The parties agree that the charges set forth in the SOW are reflective of Supplier's costs and risks, at the time at which they are borne, in the provision of the Services.

#### 2. DEFINITIONS

##### 2.1 Certain Definitions.

(a) "Attrition Training" has the meaning given in Exhibit 1.

(b) "Billable Hour" shall mean one (1) hour of CSP labor for which the CSP is logged into the (i) Capital One ACD switch and for which the CSP is available to answer Calls (i.e., time spent waiting to take a Call, taking a Call, having a Call on hold, wrapping up a Call and transferring a Call, each in accordance with Supplier's obligations under this SOW; or (ii) Supplier's timekeeping system ("IEX"). "Billable Hour" shall not include, any break times that are required by applicable laws, or any training or meeting time during which a CSP may be logged into the ACD switch or IEX unless otherwise approved by Capital One pursuant to Section 3.5(b) or time associated with vacation, statutory holidays, bereavement, jury duty, and any paid leave of absence.

(c) "Call" shall mean an inbound telephone call, initially placed by a Customer, that is routed to Supplier from Capital One and accepted by Supplier's call-switching equipment at Supplier's POP, and is intended to be answered by a CSP.

(d) "CSP" has the meaning given in Exhibit 1 to this SOW.

(e) "Full Time Equivalent" or "FTE" shall mean a full time Supplier employee who works one hundred-forty (140) Billable Hours or Scheduled Hours per month.

(f) "Initial Training" shall mean the training described in Section 3.1(a)(iii) of Exhibit 4 to this SOW.

(g) "Issues per Hour" or "IPH" shall have the meaning provided in Section 2.1 of Exhibit 2.

(h) "Ongoing Training" shall mean the training described in Section 3.1(a)(iv) of Exhibit 4 to this SOW provided to an existing CSP.

(i) "Point of Presence" or "POP" has the meaning provided in Exhibit 1.

(j) "Scheduled Hour" shall mean one (1) hour of CSP labor for which the CSP is scheduled to work on the Services where such CSP's billable time is captured in IEX except for unpaid breaks in accordance

with applicable law. Scheduled Hours shall not include any break times that are required by applicable laws, or any training or meeting time during which a CSP may be logged into IEX unless otherwise approved by Capital One pursuant to Section 3.5(b) or time associated with vacation, statutory holidays, bereavement, jury duty, and any paid leave of absence.

(k) “Team Meetings” has the meaning ascribed to it in Exhibit 1.

**2.2 Other Terms.**

Capitalized terms not defined in this Exhibit 3 shall have the meaning given them elsewhere in the MSA.

**3. MONTHLY BILLABLE AND SCHEDULE HOUR CHARGES**

**3.1 Billable and Scheduled Hours.**

(a) Unless specifically authorized elsewhere in this Exhibit 3, Supplier shall include all costs associated with performing the Services in the Billable Hour or Scheduled Hour charges. Supplier shall charge Capital One for the number of Billable Hours and Scheduled Hours actually utilized by Capital One during each calendar month. Subject to Capital One’s full panoply of audit rights under the MSA, Supplier shall measure and track the number of Billable Hours and Scheduled Hours utilized by Capital One during each calendar month, and shall provide such usage information to Capital One as part of each monthly invoice.

(b) Billable Hours and Scheduled Hours shall not include time during which a CSP is not logged into the ACD switch. Billable Hours and Scheduled Hours shall include time during which a CSP is logged into the ACD switch, but is not able to connect either with the voice system or the data system for causes within Capital One’s control as documented by trouble tickets approved by Capital One. Supplier shall include such approved trouble tickets with its invoices and shall show such Capital One-caused system downtime as a separate line item.

**3.2 Hourly Charges.**

The Billable Hour rates and Scheduled Hour rates apply to all Branded or Partner Brand queues unless specifically noted in this Section 3.2.

The all-inclusive charge for each approved:

Billable Hour:

Service/Queue	Line(s) of Business	English Rate (CAD)	Bilingual Rate (CAD)
Customer Service	Branded, HB, Costco, Saks	\$32.46	\$37.84
Elevations	Branded, HB, Costco, Saks	\$34.99	\$37.84
Call to Apply	Branded	N/A	\$37.84

Schedule Hour:

Service/Queue	Line(s) of Business	English Rate (CAD)	Bilingual Rate (CAD)
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GCORR and Specialty Operations	Branded, HB, Costco, Saks	\$31.13	\$34.63
Fraud Detection	Branded, HB, Costco, Saks	\$34.99	\$37.84
Fraud Recoveries	Branded, HB	\$31.13	\$34.63
Fraud Back Office	Branded, Costco, HB, Saks	\$31.13	\$34.63
Solutions	Branded	\$34.99	\$37.84
CAST	Branded, Costco, Saks	\$34.99	\$37.84
Customer Advocate Coach	Branded, Costco, HB, Saks	\$34.99	\$37.84

(a) For Specialty Operations and GCORR, in addition to the Schedule Hour rate noted in the chart above, a Team Leader rate shall be invoiced at one hundred-seventy-four (174) hour per month at a rate of:

Team Size	Hourly Rates	Monthly Fixed Fee
1 to 6 CSP	\$40.00	\$6,933.33
7 to 12 CSP	\$26.00	\$4,506.67
13 to 18 CSP	\$15.50	\$2,686.87
Over 18 CSP	N/A	No Additional Fee

### 3.3 Additional Billable Hours

(a) Capital One recognizes that from time to time changes may be required to the Approved Staffing Plan (as defined in Exhibit 2) to meet demand. Capital One shall allow a billable variance of up to an additional five percent (5%) above the agreed Billable Hours of the Approved Staffing Plan to provide for additional staffing flexibility.

(b) Where additional Billable Hours are required by Capital One or Supplier that are in excess of five percent (5%) of the Approved Staffing Plan, Supplier will only add and invoice for Billable Hours to the Approved Staffing Plan when (i) Supplier requests and receives written permission from Capital One; or (ii) Supplier receives written confirmation from Capital One's Integrated Mission Control to increase staffing requirements and the Supplier actually provides the incremental Billable Hours.

(c) Supplier will not be compensated for Billable Hours that exceed five percent (5%) of the Approved Staffing Plan where Capital One has not provided its prior written consent as provided in Section 3.3(a).

### 3.4 Overtime.

Any overtime hours shall be billed with a premium factor of 1.3 times the Scheduled Hour or Billable Hour charge. Supplier will secure written consent from Capital One prior to incurring any overtime hours.

### **3.5 Other Charges and Credits.**

(a) Initial Training. For each calendar month, Supplier may charge Capital One for the hours of Initial Training that are authorized and approved by Capital One, and that are provided by Supplier during such calendar month. Supplier shall provide Capital One, as a part of each applicable monthly invoice, a detailed description of such Initial Training for each month, including the names of the CSPs that received such training and the number of Initial Training hours associated with each such CSP. The charge for each hour of Initial Training conducted in Supplier Facilities for English speaking participants shall be \$20.00 CAD and \$22.50 for Bilingual participants. Initial Training rate for Internal CSP Transfers ("CSP Training Rate") will be billed at a rate of \$32.55 for English CSPs and \$35.20 for Bilingual CSPs for each hour of Initial Training. New Hire CSPs backfilling Internal CSP Transfers shall be invoiced at the charge for each hour of initial training.

(b) Ongoing Training. Supplier may charge Capital One for up to four (4) hours per month of ongoing training for each fulltime CSP assigned to the Services. The rate charged will be the applicable Billable Hour rate provided in Section 3, above. Ongoing Training hours shall be used for refresher training or Services enhancement training as approved by Capital One. The usual setting for this ongoing training shall be Team Meetings. Only to the extent that Capital One topics do not take up the entire Ongoing Training time allotment may Supplier-specific subjects be covered at these Team Meetings.

(c) Attrition Training. Supplier shall not charge Capital One for training due to the attrition of Supplier Personnel.

(d) Connectivity. Capital One shall be responsible for providing the connectivity necessary to route Calls to Supplier's POP located in Moncton NB (the "Original POP Location"). If, at any point during the SOW Term, Supplier moves its POP to a location other than the Original POP Location (any such other location shall be a "New POP Location"), Supplier shall be responsible for reimbursing Capital One for any incremental costs incurred by Capital One to route Calls to the New POP Location relative to the Original POP Location.

(e) Long Distance for Outbound Calls. Costs incurred by Supplier for long distance toll fees to support the Services shall be invoiced to Capital One at Supplier's cost.

(f) Well Managed Process Coordinator. Supplier shall provide a Well Managed Process Coordinator to oversee the Solutions team and work directly with Capital One on projects and initiatives. For this service, a monthly fee of \$6,422.87 CAD shall be charged to Capital One.

(g) Fraud Operations. Criminal Background Checks for each annual background check (not initial background checks) pursuant to the requirements set forth in Exhibit 1, Section 7.3(b), such fees shall be invoiced to Capital One at Supplier's cost.

(h) Workstation Rate for Outbound Campaigns. Where Capital One engages Supplier to perform outbound calling campaigns, in addition to the applicable Billable Hour Rate or Schedule Rate, and outbound long distance rates, Supplier shall invoice a fee of \$72.00 per workstation per month, minimum one month duration, for the number of workstations agreed in writing by the parties.

**3.6 Supplier Managed IVR Solutions.**

(a) Credit Line Increase IVR and Costco Rebate Reminder. On a monthly basis Supplier shall invoice \$1,722.22 per month for monthly maintenance, \$1434.24 for circuits and 1-8XX usage fees at Supplier's actual cost.

(b) Change in Terms IVR. A daily maintenance fee of \$105.21 will be charged for total number of days Change in Terms IVR is active.

**3.7 Postage and Courier Charges.**

Supplier may invoice to Capital One the actual cost of all postage and courier charges for delivery of Capital One items to Capital One or its Customers, as may be requested by Capital One from time to time or in accordance with Capital One Procedures.

**4. PAYMENT TERMS**

This Section specifically amends the first sentence of Section 13.2 (a) of the MSA with respect to this SOW only. Subject to the other provisions of Article 13 of the MSA, undisputed invoice amounts provided for under this SOW properly submitted to Capital One in accordance with Section 13.1(a)(i) to 13.1(a)(vi) of the MSA shall be due and payable by Capital One within thirty (30) days after receipt thereof. Supplier shall invoice Capital One on a monthly basis.

**5. PERFORMANCE INCENTIVES AND SERVICE LEVEL CREDITS**

Any Performance Incentives or Service Level Credits that may be applicable to this SOW shall be addressed in Exhibit 2 of this SOW.

**EXHIBIT 4**  
**TRAINING SERVICES**

**1. INTRODUCTION**

Pursuant to Section 3.1 of the SOW, and in accordance with Applicable Laws, the Services that Supplier shall provide the appropriate training to each CSP prior to such CSP providing Services to Capital One, and on an ongoing basis as required by Capital One.

**2. TRAINING SERVICES**

**2.1 New Hire Training Classroom Logistics.**

(a) Supplier shall provide a new hire training classroom designated exclusively for Capital One training with access limited to Capital One badged personnel only.

(b) For each Trainer, Supplier shall provide one functional desktop or laptop computer with the following capabilities:

- (i) Microsoft Windows application;
- (ii) Ability to present via projector;
- (iii) Speakers capable of projecting to the entire classroom; Access to all sites as specified in the "New Hire Training Content"; and
- (iv) Access to Capital One's instance of Adobe Connect or other similar system.

(c) For each trainee, Supplier shall provide one (1) functional desktop computer with access to all sites as specified in the New Hire Training Content.

(d) Supplier shall provide all trainee materials and classroom supplies as specified by the New Hire Training Content.

(e) The Trainer-to-trainee ratio shall not exceed 1:20 unless previously approved by Capital One.

(f) Supplier shall request all necessary access to Capital One content and systems no later than five (5) Business Days before the scheduled start of a new hire training class.

(g) Supplier shall implement a method by which Capital One has the ability to remotely listen to training classes to the extent requested by Capital One. The parties shall mutually agree upon the process and frequency of the remote listening.

## **2.2 Pre-Process Training.**

(a) Supplier shall develop and deliver Pre-Process Training which shall consist of New Hire Orientation and Regulatory Compliance Training.

(b) Capital One reserves the right to review and/or audit Supplier's Pre- Process Training and all accompanying material.

## **2.3 New Hire Training.**

(a) Capital One shall develop and maintain New Hire Training Content via "COU On-line," and Supplier shall deliver all Capital One curriculum in its entirety and full length.

(b) All trainees, Team Leaders, Trainers, Supervisors, Quality Assurance Managers, Operations Managers, and other support staff who have involvement in the Capital One work are required to pass designated assessments, complete New Hire Training coursework, and complete on-the-job training (OJT) in its entirety. Such assessments shall be subject to the following terms:

(i) Capital One shall be entitled to review at the particular site all student assessment score reports, including paper reports.

(ii) Students shall individually complete all web based trainings ("CBT") and pass all assessments with a score of at least eighty percent (80%) but shall be allowed a maximum of two (2) attempts.

(c) Students who are absent more than twenty percent (20%) of the time during a particular class shall be placed in a subsequent class or placed in a remedial class to make up any missed training hours provided that all required material is covered.

(d) Supplier shall train students on Supplier's telephone systems.

(e) "Graduate school," the two (2) day classroom portion of OJT, shall be considered a part of New Hire Training.

## **2.4 On-The-Job Training (OJT) – General.**

(a) The Supplier's Training Department shall manage the OJT process in accordance with Capital One's training program requirements.

(b) Trainees shall enter OJT immediately after attaining passing scores on all CBTs and assessments.

(c) Supplier shall provide OJT in accordance with the latest OJT guidelines provided by Capital One.

## **2.5 New Hire Training Audience.**

(a) All CSPs, Team Leader, Trainers, Supervisors and Quality Assurance Managers shall complete New Hire Training coursework and OJT in their entirety.

(b) Differential training, to be provided by Capital One, may be required for Team Leaders.

**2.6 Ongoing Training.** Supplier shall deliver ongoing training and assessment as specified by Capital One.

(a) Team Meetings.

(i) Capital One shall allot and pay for one (1) hour of Team Meeting time per CSP per week, unless otherwise specified for certain Queues by Capital One.

(ii) Team Meetings shall only be used for content approved by Capital One. In the absence of content approved by Capital One, Supplier may use Team Meetings to discuss and present Capital One specific material.

(iii) Team Leaders shall deliver the Team Meeting content within the requested time frame.

(iv) Team Meetings shall be conducted by a Team Lead, Supervisor or Trainer.

(v) Team Meeting content will be made available in a web-based or "CBT" format, unless otherwise required by Capital One, and Team Leads, Supervisors, and/or Trainers shall have taken any assessments or reviewed the material prior to sharing with CSPs. In addition, each CSP must be able to clearly view the content either on their own computer screen or in an environment where it can be clearly projected and individually complete any assessment(s).

(vi) Supplier shall be responsible for the preparedness and effectiveness of the delivery of Team Meeting content and shall notify Capital One of any instance of not meeting Team Meeting delivery timelines.

(vii) Capital One shall have the right, but not the obligation, of verifying CSP and Team Leader access to Team Meeting material.

(viii) Supplier shall channel any questions about Team Meetings through the Capital One "Contact Us" tool.

(ix) Supplier shall notify Capital One immediately if CSPs or other relevant staff functions are unable to complete ongoing coaching and training.

(b) Refresher Training. Supplier shall deliver refresher training on an ad hoc basis as requested by Capital One. Capital One shall provide the content for any required refresher training.

(c) Communications. Team Leaders, Trainers, Quality Assurance Managers and CSPs shall read the "Daily News" as provided by Capital One prior to each shift and sporadically throughout the shift.

**2.7 Assessments and Certification.**

(a) Capital One shall have the right, but not the obligation, to test CSP knowledge and capabilities at any time.

(b) Capital One may request retraining and/or removal from Capital One work of any CSP, Team Manager, or Quality Assurance Manager who fails any Capital One training assessment.

**2.8 Trainers and Staff.**

(a) Supplier shall implement all aspects of Capital One's Trainer Certification Program.

(b) Supplier shall notify Capital One within seven (7) days of any changes in trainers designated for Capital One.

(c) Trainers shall conduct a monthly review with Capital One and be available and responsive to ad hoc requests from Capital One.

(d) Trainers shall be trained and remain up to date on all Capital One training systems and requirements as modified by Capital One from time to time.

(e) For any large group training, Supplier shall provide additional Trainers to walk around the training room to answer questions and support the primary Trainer.

(f) To the extent required by Capital One, Supplier may leverage one (1) Customer Advocate Coach or CSP from the production floor to assist in each hour of training at the respective Billable Hour rate.

**2.9 Training Audits.**

(a) Supplier shall conduct training classroom audits no less than quarterly to ensure:

- (i) Accurate delivery of training content;
- (ii) Trainer effectiveness; and
- (iii) Proper functionality of all training workstations.

(b) Supplier shall provide and deliver to Capital One a report detailing the results from all such audits, including but not limited to training attendance results, strengths and opportunities for coaching for CSPs, compliance with Capital One's training curriculum, and Supplier's execution of training. The parties may modify the format of this report as mutually agreed during the SOW Term.

**2.10 CBT and New Hire Training Completion.**

(a) Capital One shall communicate to Supplier when any assigned CBTs must be completed by all Supplier Personnel who have been assigned an EID by Capital One. The Capital One Operations Team manager, or an individual in a similar role, will also communicate to Supplier the deadline by which all such aforementioned Supplier Personnel must complete the assigned CBTs (the "Deadline").

(b) Eligible Supplier Personnel must complete all New Hire Training in its entirety before providing any Services to Capital One.

(c) When CBTs are assigned to Supplier Personnel, Capital One will provide Supplier with a weekly report, generated by Capital One's system of record, indicating which Supplier Personnel have or have not completed the assigned CBTs.

(d) Capital One will apply a Service Level Credit of one-hundred dollars (\$100) for each Supplier Personnel that has not completed all of the assigned CBTs, or completed the New Hire Training prior to providing Services to Capital One. Additionally, the same Service Level Credit will apply to any remaining Supplier Personnel that have failed to complete all assigned CBTs, or who have not completed the New Hire Training, every five (5) days after the Deadline.

(e) For Supplier Personnel who have not completed New Hire Training before being assigned to provide Services to Capital One, Supplier shall immediately remove such Supplier Personnel from providing Services to Capital One. Additionally, on a quarterly basis, Capital One may review the overall percentage of Supplier Personnel that are out of adherence to the requirements relating to CBT and New Hire Training completion. If the overall percentage of Supplier Personnel out of adherence exceeds two percent (2%), in addition to the penalty outlined in Section 2.10(d) above, Capital One may apply a Service Level Credit of \$10,000.



**EXHIBIT 5**  
**REPORTS**

1. Capital One shall provide Supplier a daily report in an Excel file format that includes the following standard reports:
  - (a) Interval Call data for the current month
  - (b) Daily Call data for the current Measurement Period and two (2) previous months
  - (c) Measurement Period to date information for the current year
  
2. Supplier shall provide the following reports to the Capital One SOW Contact:
  - (a) Business Review.
  - (b) Performance report, which includes, but is not limited to, Supplier's performance relative to:
    - (i) the applicable Service Levels and Key Performance Indicators
    - (ii) Customer Experience Metrics
    - (iii) Touch Point Live Agent Net Promoter Score
    - (iv) Fraud metrics and efficiency metrics (e.g., Average Handle Time (AHT), First Call Resolution (FCR), transfer rates, etc.)
    - (v) Procedural Adherence Compliance
  - (c) WFM Reports including, but not limited to:
    - (i) Branded STP
    - (ii) Fraud STP
    - (iii) Canada Moncton Staffing lines
    - (iv) Weekly staffing lines for partnership
    - (v) Sam staffing lines
    - (vi) 7 day rolling partnership staffing lines
    - (vii) Servicing Absenteeism Report
    - (viii) Partnership scheduled lines

- (ix) Weekly WFM meeting file
- (d) Staffing and Capacity plans for the respective queues provided on a weekly basis.
- (e) Admin ID Roster including, but not limited to, event based and monthly reporting of enrollment of new user IDs and termination of existing user IDs.

**EXHIBIT 6**  
**APPROVED SUBCONTRACTORS**

For the purposes of Section 7.3 of the SOW, the following are Approved Subcontractors as of the SOW Effective Date:

Approved Subcontractor

Iron Mountain

Shred It

Approved Scope of Effort

Audio Tapes (from past process that required call recording by Supplier.)

Provides paper shredding and secure disposal of documents

## EXHIBIT 7

### PERSONNEL TERMS

Pursuant to Section 9 of the SOW, this Exhibit 7 describes Supplier's management support structure, the roles and responsibilities of persons fulfilling certain Supplier positions, and other terms pertinent to personnel.

#### 1. MANAGEMENT SUPPORT STRUCTURE

Supplier shall provide a management support structure sufficient to successfully perform the Services. Supplier shall utilize any functions, spans of control and staffing ratios set forth in the following table to achieve such successful performance. Any changes to the requirements in the following table must have prior written approval, including via e-mail, from the appropriate Capital One SOW Contact.

Supplier Positions	Ratio or Total Number of Supplier Personnel
Team Lead	Each Team Lead shall supervise no more than eighteen (18) CSPs.
Quality Assurance Lead	Each Quality Assurance Lead shall supervise the appropriate number of Quality Assurance Associates to allow such Quality Assurance Lead to meet its obligations set forth in Section 5 of Exhibit 1. Quality Assurance Leads shall have separate reporting obligations until united at the Site Director level.
Account Manager	One (1) non-dedicated Account Manager for the Capital One Services for all Supplier Facilities, unless otherwise approved in writing (including via e-mail) by the Capital One SOW Contact.

#### 2. QUALIFICATIONS FOR CSPS

**2.1** All CSPs shall possess:

- (a) Twelve (12) years of formal education or equivalent;
- (b) Strong reading comprehension of the English language;
- (c) Good listening and English-language speaking skills;
- (d) Knowledge of basic computer operations;
- (e) Willingness to rotate shifts, as needed;
- (f) Courteous manner with strong customer service orientation;
- (g) Dependability with attention to detail;
- (h) Willingness to learn.

### **3. SPECIALTY OPERATIONS AND TEAM LEADER ROLE**

Supplier will provide a dedicated resource to Capital One for the purpose of supporting the Specialty Operations and GCORR Team Leader. This is a billable position as set out in Exhibit 3.

**EXHIBIT 8**  
**CAPITAL ONE ASSETS**

The Capital One Assets listed herein, in part, form a common technology infrastructure which supports services performed by Supplier for Capital One as of the SOW Effective Date.

Location	Server Name	Model	Serial	Capital One Inventory #	Description
Moncton	CISCO Router	3945 Integrated Services Router	FTX1543AH6T	na	Primary Router
Moncton	CISCO Router	3945 Integrated Services Router	FTX1543AH8Z	na	Secondary Router
Moncton	Cyclades Console Server	Alterpass ACS8	ATP137809	na	Cyclades Console Server

**EXHIBIT 9**  
**SITE IMPROVEMENTS – MONCTON**

Supplier will make the following site improvements to the Moncton facility which will commence upon contract signature date of this SOW and will be completed by June 30, 2019.

- Locker Replacements
- Chair Replacements
- Build Out Locker Room
- Carpet Replacement
- Branding Upgrades
- Furniture Replacement – Desks & Huddle Areas
- Bathroom & Kitchen Upfit (updated flooring, countertops, cabinet refurbishment, lighting)
- Break Out Area Improvements (flooring. lighting update)
- HVAC & Data Room Improvements

Supplier will provide Capital One with a monthly progress report of the Moncton site improvements.