

Support Policy and Service Level Commitment

This Support Policy and Service Level Commitment (“SLC”) is between ZIP Telecom Inc. (“ZIP”) and the Client (“Client”).

This SLC describes the terms and conditions related to support for the Services, ZIP’s commitment to a service level and any remedy for ZIP’s failure to meet this commitment. BY ACCESSING OR USING THE SERVICES, THE CLIENT AGREES TO THE TERMS OF THIS SLC.

1. Definitions:

“Acceptable Use Policy” or “AUP” is the acceptable use policy located at www.ziptel.ca/legaldocs.

“Support Policy and Service Level Commitment” or “SLC” is the support policy and service level commitment with respect to the Services located at www.ziptel.ca/legaldocs.

“Hardware Purchase Agreement” or “HPA” is the hardware purchase agreement located at www.ziptel.ca/legaldocs.

“Professional Services Agreement” or “PSA” is the professional services agreement located at www.ziptel.ca/legaldocs.

“Agreement” means the Client Services Agreement and these Terms, as well as any Schedules, order forms, quotations and all documents supplementing, amending or confirming the Agreement.

“Equipment” means any equipment, facilities and products, including but not limited to servers that ZIP uses in order to deliver Service to the Client.

“Client Premise Equipment” or “CPE” means any Equipment located at Client premise.

“Client Owned Hardware” or “COH” means any hardware or equipment owned by the Client whether purchased from ZIP or another supplier.

“Fees” means the rates and charges set out in the Service Applicable as well as any additional usage charges, surcharges, pricing and features applicable to any specific Service.

“Parties” means Client and ZIP and “Party” means either one.

“Service” or “Services” means the communication services, whether telecom, cloud or internet, that ZIP provides to Client on an ongoing basis

“Professional Services” means the one-time or per incident services such as consultation, installation, or training that ZIP provides to the Client.

“Estimate” means the estimate for products, Services and/or Professional Services provided by ZIP to the Client.

“Schedule” means all additional schedules that are attached to this Agreement and any additional schedules executed from time to time by the Parties.

“User” includes any person (including but not limited to Client), firm, corporation or other entity that utilizes the Services or otherwise through Client’s authorization or other means utilizes the Services. Derivative terms such as “Usage” and “Use” will have corresponding meanings.

“Upstream Provider” is a third party that interoperates with the Service by providing certain aspects of the Service that are outside of ZIP’s control.

“Upstream Provider Issue” is an issue with the Upstream Provider’s services that affects the Services.

“Regular Operating Hours” means Monday –Friday, 9:00AM to 5:00PM EST, with the exception of statutory or public holidays.

“Network Operations Center” or “NOC” is an operations center that monitors all ZIP owned and/or operated Equipment 24/7/365. If there is a network wide outage, it will be serviced immediately by the ZIP NOC.

“MACD” means a Move, Add, Change, or Delete request with respect to the Services. This includes but is not limited to requests for changes to system and/or services functionality.

“ZIP Network” means any servers, services, or other Equipment owned and/or operated by ZIP.

“Internet Service Provider” or “ISP”: The service provider, whether ZIP or third party, that delivers Internet Service to Client premise.

“Measurement Period” is the measurement period begins on the first day of each month and ends on the last day of such month. For service initiation, the measurement period begins on the first day of the next full month after service is initiated. For service termination, the final measurement period is considered the last full month prior to service termination.

2. Issue Types and Support Policy

Events are occurrences that impact the availability of Services excluding scheduled maintenance downtime, “Events”. ZIP distinguishes among six (6) Issue Types as follows:

Class 1: Severe: A Class 1 Event is a **ZIP Network** issue that impacts all functionality of the Services for any Client and results in the failure or inaccessibility of critical functions of the Services.

Class 2: Moderate: A Class 2 Event is a **ZIP Network** issue that impacts some functionality of the Services for any End Client, but the extent of the impact is likely to be moderate. An example of a Class 2 Event is the failure or inaccessibility of some of the non-critical functions of the Services for any End Customer.

Class 3: Minor: A Class 3 Event is a **ZIP Network** issue that impacts few functions of the Services for any End Client. An example of a Class 3 Event is the minor degradation in functionality of a few functions of the Services for any End Client.

Class 4: Other ISP: If the Client uses a third party ISP, a Class 4 issue is an Event outside of ZIP’s controlled assets that impacts any function of the Services whether severe, moderate or minor. An example of an Other ISP issue is an Internet failure or degradation in Internet service.

Class 5: **Client Premise:** A Class 5 issue type is an issue at Client Premise that impacts any function of the Services whether severe, moderate or minor. An example of a Client Premise issue is a local network issue, or COH failure such as the on premise PBX.

Class 6: **MACD:** A Class 6 issue is an order for a MACD. An example of a MACD is a request for a change to system and/or service functionality.

Table 1: Support Policy by Issue Type

Issue Type	Responsible Party*	ZIP NOC Availability	Mean Time To Respond	Mean Time To Repair	Fees
Class 1	ZIP	24/7/365	30 Minutes	1 Hour***	N/A
Class 2	ZIP	24/7/365	30 Minutes	2 Hours***	N/A
Class 3	ZIP	24/7/365	60 Minutes	24 Hours***	N/A
Class 4	Client's ISP (if ZIP is ISP, Class 1-3 applies)*	Regular Operating Hours	Best Effort	N/A	See Professional Services Agreement
Class 5	Client, Client's IT Support or Client's Interconnect*	Regular Operating Hours	Best Effort	Best Effort**	See Professional Services Agreement
Class 6	ZIP	Regular Operating Hours	1 business day	2 business days	Variable. Request a quote.

- (*) When not listed as the responsible party, ZIP will be reasonably available for consultation under the terms and conditions specified in Professional Services Agreement.
- (**) Once ZIP informs the Client that the issue is related to COH or Other ISP, ZIP will close the initial ticket and at the attending technician's discretion, offer consultation services under the terms and conditions specified in the Professional Services Agreement.
- (***) If an issue is specified as an Upstream Provider Issue, ZIP will have no control over the resolution time.

3. Contact Information

The client may contact ZIP support by one of the following methods:

Email: support@zipitel.ca

Phone: 416.479.0423 or 866.931.9232 (Select 1 for support)

When submitting a support ticket by phone, the Client will be given the option to select Emergency or Regular. Emergency tickets are monitored 24/7/365 and Regular tickets are monitored during Regular Operating Hours. Accordingly, Class 1-3 tickets should be submitted by phone as Emergency tickets outside of Regular Operating Hours. Class 4-6 tickets should be either submitted by email or submitted as Regular if submitting by phone.

If the Client is not able to distinguish the class of ticket they should first check the ZIP network status dash located at www.zipitel.ca. If the network appears to be functioning normally, the Client should investigate their network and equipment for any local issues before submitting an emergency ticket.

4. Escalation Process

Upon email request to support@ziptel.ca, Client will be provided with the current escalation procedure.

5. On-Going Monitoring and Adjustments

ZIP shall monitor the Services on a continuous and on-going basis, and, in addition to the error correction services noted above, recommend to Client and implement approved modifications to the same in order to improve the overall efficiency and reliability of the Services.

6. Service Level Commitment

- a. This Service Level Commitment constitutes the service level commitment of ZIP with respect to the services.
- b. By signing the Client Services Agreement referencing these terms, Client agrees to the Service Level Commitment set forth in this document.
- c. THIS SERVICE LEVEL COMMITMENT MAY BE CHANGED AND UPDATED FROM TIME TO TIME BY ZIP. ZIP WILL POST THE UPDATED SLC ON ITS WEBSITE (WWW.ZIPTEL.CA) AND MAY ADDITIONALLY PROVIDE CLIENT NOTICE OF ANY CHANGES BY LETTER OR IN CLIENT'S MONTHLY BILL. CLIENT'S CONTINUED USE OF THE RELEVANT SERVICES THEREAFTER WILL BE DEEMED ACCEPTANCE BY CLIENT OF SUCH CHANGES. ZIP ENCOURAGES CLIENT TO REGULARLY VISIT ITS WEB SITE FOR THE LATEST TERMS AND CONDITIONS.

7. Private TLS and Public Service Connections provided by ZIP

Service Connections provided by ZIP consist of three components; a physical link, an IP connection between the Client and the Internet, and the appropriate CPE. The physical link will generally be a Fibre connection (access) from the Client's business location to the ZIP Network.

ZIP may use an Upstream Provider to deliver Service Connections to the Client in which case the Service Level Commitments contemplated in this agreement do not apply and all service issues will be limited and remedied in accordance with the advertised metrics contracted to ZIP by the Upstream Provider.

8. ZIP Network Availability

a. Service Level Commitment

For the Services provided to Client under the Client Services Agreement with ZIP, ZIP is committed to maintaining availability (as defined below) of the ZIP Network of ninety-nine and ninety-nine hundredths percent (99.99 %). This is across the entire ZIP Network and not specific to any single customer line.

b. **Measurement and Calculation**

“ZIP Network Availability” is the ratio of the time the ZIP Network is capable of accepting and delivering information to the total time in the Measurement Period. ZIP Network Availability is expressed as a percentage.

The calculation for ZIP Network Availability is:

$$[(\text{Total Minutes in Measurement Period} - \text{Total Minutes of Downtime in Measurement Period}) \times 100\%] / \text{Total Minutes in Measurement Period}$$

c. **Components Included**

This is a ZIP Network wide measurement.

d. **Components Excluded**

The following shall be excluded from any ZIP Network outage time when calculating the ZIP Network Availability:

- ZIP Network downtime during scheduled maintenance windows of ZIP or its vendors
- The failure of any components due to negligence or intentional misconduct of the Client
- All COH and CPE
- ZIP Network downtime during which ZIP cannot access required facilities due to inaccessibility beyond ZIP's reasonable control
- ZIP Network downtime due to Acts of God or nature
- Failures due to the local loop
- ZIP Network downtime due to scheduled maintenance caused by the act or failure to act of the Client or any party other than ZIP or caused by any action or event beyond ZIP's reasonable control
- ZIP Network downtime due to failure of any network or system provided by Client or any third party.
- Other services provided to the Client that are not part of the ZIP Network

e. **ZIP Network Availability Remedies**

Upon notification by the Customer and verification by ZIP that the actual ZIP Network Availability is below the committed ZIP Network Availability for the Measurement Period, ZIP shall apply a credit equal to fifteen percent (15%) of the monthly service charge under the Agreement for each validated outage in the applicable Measurement Period. Such credit shall be Client's sole and exclusive remedy for ZIP's failure to meet the committed ZIP Network Availability. Client must request credit within sixty (60) days of the validated outage. ZIP reserves the right to determine if an outage is considered a validated outage. Client payables must be current prior to receiving any credits. Requests for credits may take up to 30 days to research and review; Client is responsible for paying current invoices and will receive a credit after the 30 day review period.

9. **Throughput**

a. **Service Level Commitment**

Latency to the Internet Gateway from the CPE will not exceed 60ms.

b. **Measurement and Calculation**

“Throughput” is the ability of the ZIP Network to transmit traffic without loss or error at the contracted connection speed, measured over the Measurement Period.

c. **Excluded Items**

The following shall be excluded from any determination of Throughput:

- The failure of the CPE, COH or any components on the Client side, whether or not such CPE or COH was provided by ZIP
- Service degradation during ZIP’s scheduled maintenance windows
- The failure of any components due to negligence or intentional misconduct of the Client
- Service degradation during which ZIP cannot access required facilities due to inaccessibility beyond ZIP’s reasonable control
- Service degradation due to Acts of God or nature
- Any lines added, removed, or re-configured during the month
- Service degradation due to the local loop
- ZIP Network downtime or Service degradation due to failure of any network or system provided by the Client or any third party.
- ZIP Network downtime caused by the act or failure to act of Client or any party other than ZIP or caused by any action or event beyond ZIP’s reasonable control
- Other services provided to the Client that are not part of the ZIP Network

d. **Throughput Remedies**

Upon notification by the Client and verification by ZIP that the actual Throughput is below the committed Throughput for the Measurement Period, ZIP shall apply a credit equal to fifteen percent (15%) of the monthly service connection charge for each service that fails to meet the committed Throughput in the applicable Measurement Period. Such credit shall be Client's sole and exclusive remedy for ZIP’s failure to meet the committed Throughput. Client must request credit within sixty (60) days of the validated outage. ZIP reserves the right to determine if an outage is considered a validated outage. Client payables must be current prior to receiving any credits. Requests for credits may take up to 30 days to research and review; Client is responsible for paying current invoices and will receive a credit after the 30 day review period.

10. **Mean Time To Respond**

a. **Service Level Commitment**

See Target Response Times in Table 1.

b. **Measurement and Calculation**

Elapsed time is measured from the time a particular trouble ticket is opened by ZIP or Client to the time ZIP attempts to contact the Client with a status update of the trouble reported. The “Mean Time to Respond” calculation is as follows:

$$\frac{[\text{Time Representative Attempts to Contact Client} - \text{Time Trouble Reported}]}{[\text{Total Number of Trouble Tickets in Measurement Period}]}$$

c. **Excluded Items**

The following shall be excluded from any determination of Mean Time To Respond:

- When response is not met due to Acts of God or nature, scheduled maintenance, the act or failure to act of the Client or any party other than ZIP or any action or event beyond ZIP’s reasonable control
- When response is not met due to of any network or system provided by customer, any third party or Upstream Provider
- Other services provided to the Client that are not part of the ZIP Network

d. **Mean Time to Respond Remedies**

Upon notification by the Client and verification by ZIP that the committed Mean Time to Respond is not met for the Measurement Period, ZIP shall apply a credit equal to fifteen percent (15%) of the monthly service connection charge for each incident for which ZIP did not meet the committed Mean Time to Respond. Such credit shall be the Client's sole and exclusive remedy for ZIP's failure to meet the committed Mean Time to Respond. Client must request credit within sixty (60) days of the validated outage. ZIP reserves the right to determine if an outage is considered a validated outage. Client payables must be current prior to receiving any credits. Requests for credits may take up to 30 days to research and review; Client is responsible for paying current invoices and will receive a credit after the 30 day review period.

11. **Mean Time To Repair**

a. **Service Level Commitment**

See Table 1.

b. **Measurement and Calculation**

Elapsed time is measured from the time the trouble ticket is opened by ZIP to the time service is restored to normal operating performance. The calculation for "Mean Time to Repair" is as follows:

Mean Time to Repair (Without On-Site Dispatches) =

$$\frac{[\text{Total Outage Time (hours) for all Trouble Tickets (no dispatch)}]}{[\text{Total Number of Trouble Tickets (no dispatch)}]}$$

Mean Time to Repair (With On-Site Dispatches) =

$$\frac{[\text{Total Outage Time (Hours) for all Trouble Tickets (On-site Dispatches)}]}{[\text{Total Number of Trouble Tickets (On-site Dispatches)}]}$$

c. **Excluded Items**

- The following shall be excluded from any determination of Mean Time To Repair:
- Trouble tickets due to the failure of the COH, CPE or any components on the Client, whether or not such COH or CPE was provided by ZIP
- Trouble tickets due to ZIP's scheduled maintenance windows
- Trouble tickets due to the failure of any components due to negligence or intentional misconduct of the Client
- Trouble tickets for which ZIP cannot access required facilities due to inaccessibility beyond ZIP's reasonable control
- Trouble tickets due to Acts of God or nature
- Trouble tickets related to any lines added, removed, or re-configured during the month
- Trouble tickets associated with lines used as backup or alternate routes
- When response is not met due to any network or system elements provided by Client, any third party or Upstream Provider
- "No Trouble Found" trouble tickets
- Failures due to the local loop
- Trouble tickets caused by the act or failure to act of the Client or any party other than ZIP or caused by any action or event beyond ZIP's reasonable control

- Other services provided to the Client that are not part of the ZIP Network

d. Mean Time to Repair Remedies

Upon notification by the Client and verification by ZIP that the actual Mean Time to Repair level is below the committed level, ZIP shall apply a credit equal to fifteen percent (15%) of the monthly service connection charge for each incident for which ZIP did not meet the committed Mean Time to Repair. Such credit shall be the Client's sole and exclusive remedy for ZIP's failure to meet the committed Mean Time to Repair. The Client must request credit within sixty (60) days of the validated outage. ZIP reserves the right to determine if an outage is considered a validated outage. The Client payables must be current prior to receiving any credits. Requests for credits may take up to 30 days to research and review; the Client is responsible for paying current invoices and will receive a credit after the 30 day review period.

12. Warranty

a. Warranty Commitment

All hardware purchased from ZIP by the Client is under a warranty period specified in Hardware Purchase Agreement. The Client will be required to send any non-functional hardware to ZIP. ZIP is committed to maintain a maximum of 30 business day repair or replace time on all hardware purchased from ZIP, excluding the time to ship to and from ZIP.

13. Remedies - General

a. Maximum Allowable Remedy

At no time will multiple remedies be provided to the Client for the same, similar or related troubles on the same line. ZIP shall have no liability for any failure of any ZIP network, service or equipment to meet the forgoing guidelines due to scheduled maintenance, caused by the act or failure to act of the Client or any party other than ZIP or caused by any action or event beyond ZIP's reasonable control.

The Client's sole and exclusive remedy for ZIP's failure to meet the foregoing guidelines shall be the credit outlined in the applicable section. The maximum allowable remedy in a given Measurement Period will be the value of the monthly service charge. The Client must request credit within sixty (60) days of the validated outage. ZIP reserves the right to determine if an outage is considered a validated outage.

THE CLIENT UNDERSTANDS THAT THE SERVICES, NETWORKS AND EQUIPMENT REFERRED TO HEREIN WILL BE FURNISHED "AS IS" AND WITH ALL FAULTS. OTHER THAN ANY LIMITED WARRANTY THAT MAY BE GIVEN TO CLIENT UNDER THE AGREEMENT, ZIP MAKES AND CLIENT RECEIVES NO WARRANTIES, EXPRESS, IMPLIED, STATUTORY, IN THIS SLA OR IN ANY COMMUNICATION WITH CLIENT REGARDING SUCH SERVICES, NETWORK OR EQUIPMENT. ZIP SPECIFICALLY DISCLAIMS ALL OTHER WARRANTIES INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY, NONINFRINGEMENT OR FITNESS FOR A PARTICULAR PURPOSE. ZIP EXPRESSLY DISCLAIMS RESPONSIBILITY FOR ARISING OUT OF OR BASED UPON THE CONTENT OF INFORMATION TRANSMITTED BY CLIENT OR THE RESULTS OF ANY TRANSMISSION. ZIP DOES NOT WARRANT THAT THE OPERATION OF THE SERVICES, NETWORKS OR EQUIPMENT COVERED BY THIS SLA WILL BE UNINTERRUPTED OR ERROR FREE.