MASTER SERVICES AGREEMENT

between

TEXAS EDUCATION AGENCY

and

SKYWARD, INC.

April 10, 2012

EXHIBIT A-6

APPLICATION HOSTING AND MANAGEMENT

SERVICE LEVEL AGREEMENTS

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1   Service Level Agreements Overview

This Service Level Agreement (SLA) documents the measurable service levels ("Service Levels") for the Vendor Service to be provided to TEA by the Vendor, and sets forth the mutual understanding of the Parties regarding the roles, deliverables and responsibilities of TEA and the Vendor, under the Master Services Agreement entered into by the Parties effective as of the Effective Date (the "Agreement").

The Vendor will meet agreed-on responsibilities as outlined in this Exhibit A-6 – Service Level Agreements SOW to provide timely production of the deliverables and Service Levels identified in Exhibit A-6. All Service Levels specified in this SLA will be measured and reported upon as set forth herein, Schedule 1.2 to this SLA (the "Service Level Matrix") and in Exhibit A-2 Cross Functional Services SOW.

The Parties acknowledge and agree that they have worked together to determine the Service Levels that will be applicable, on and after the date indicated below, to the Vendor's performance of the Vendor Services. The Parties agree that the Service Levels will not apply during the initial installation of a development/test or production environment (as such environments are described in the applicable SOWs, each an "Environment" and together the "Environments") and for a period of 90 days (the "Stabilization Period") after the date an Environment is first made available to all LEAs ("Service Initiation"). The Vendor will make reasonable efforts to operate the Environments at the specified Service Levels during the Stabilization Period.

1.1   Critical Service Level, ~~and Positive Impact~~ Key Service Levels, and Data Center Service Levels

The Service Levels set forth in Section 1.2 and the Service Level Matrix shall include ~~(a)~~ certain Service Levels, the non-attainment of which may have a critical, adverse impact upon the LEAs' business or their operations ("Critical Service Levels") ~~and (b) certain other Service Levels, the attainment of which may have a substantial positive impact upon TEA's business or its operations ("Positive Impact Service Levels")~~.

1.2   Service Levels

Initial Critical Service Levels are set forth in the following table and further defined in Schedule 1.2 Service Level Matrix. The Key Service Levels and Data Center Service Levels are defined in Schedule 1.2 Service Level Matrix.

Metric	Critical Service Level
Availability - All Production Servers - the Vendor Data Center systems	99%
Availability - All Development/Test Servers (Hardware & OS) - Vendor Data Center systems	95%
Severity 1 Resolution Time (Resolve within 4 hours)	90%
Production SSIS Application and Enterprise Database Availability	97%
Availability - Network - the Vendor Data Center systems	97%
~~ASA - Average Speed to Answer within 2 hours~~	~~50%~~

1.3   ~~Critical Service Level Failures; Performance Credits~~

~~Except as otherwise specified in Section 1.2 of this Exhibit A-6, if the Vendor fails to perform the Vendor Services in accordance with the applicable Critical Service Levels, then, subject to the other provisions of this Section 1.3, LEA will accrue credit, applicable against payments for the Vendor Services, in the amount specified in the Service Level Matrix for failing to meet the Critical Service Level ("Performance Credits"). Performance Credits are expressed as a percentage of the monthly charges, excluding any pass-through expenses, payable under this Agreement (the "Charges") at a rate of 2% for the month that a service level failed. In no way will an LEA receive more than $300 in a single month as a credit.~~

~~(a)   The Vendor will not be subject to the assessment of Performance Credits pursuant to Section 1.3 above on the basis of failed Critical Service Levels to the extent that such failure is due in whole or in any part to (i) acts or omissions of the LEA pursuant to the Agreement, including but not limited to any equipment refresh obligations (ii) LEA's failure to follow the Vendor's reasonable instructions and recommendations with regard to the Vendor Services that do not create a negative material impact on LEA (iii) any event beyond the Vendor's control, excluding events for which the Vendor is obligated to provide support during or events for which the Vendor had knowledge or should have reasonably anticipated and for which there was a commercially reasonable contingency, (iv) failure of any third party service provider (other than Subcontractors to the Vendor), except to the extent such failure is directly caused by the Vendor's failure to perform its obligations under the Agreement, (v) Scheduled Maintenance Windows as specified in each applicable Statement of Work (for the avoidance of doubt, the Vendor shall be subject to the Assessment of Performance Credits for the failure to meet Critical Service Levels outside of Scheduled Maintenance Windows even if such failure was the result of an act or omission of the Vendor occurring during a Scheduled Maintenance Window, or (vi) errors which, based upon cooperatively developed user acceptance test plans, should reasonably have been detected by user testing, where TEA had the obligation to conduct such user testing, for the specific scope defined within the agreed upon user acceptance test plan.~~

~~(b)   If the Vendor fails to meet any Critical Service Level, the Parties will take the actions set forth in Section 1.5(b) of the Agreement.~~

1.4   In-Scope Service Areas

The following services are within scope of this SLA as each may be further specified in the applicable SOWs:

- Cross Functional Services

- Enterprise Application Management Services

- Enterprise Application Hosting Services

- Network Services

1.5   Glossary – General Terms

A glossary of definitions and explanations that apply to this Exhibit A-6 are provided in a separate document titled Exhibit A-1 Definitions.

2   Cross Functional Service Levels

2.1   ~~Level 2 Service Desk Service Level~~

- ~~The Vendor's Service Level for Average Speed of Answer is 2 hours.~~

2.2   Incident Response Service Level

A web portal will be available 24 hours a day, seven days a week, 365 days a year for reporting incidents and initiating the Vendor Incident Management Process as defined in the Cross Functional Services SOW.

2.2.1   Incident Response & Restoration/Resolution Service Levels

The table set forth in Schedule 1.2, tab 2.1 Critical Service Levels sets forth the Service Level for Severity 1 incident resolution. Tab 3.1 Key Measures describes the measurements for incident response times by the Vendor to TEA for all incidents for the purposes of reporting on overall account performance. In the event that TEA does not agree with the classification of a specific incident, TEA will have the right to request an immediate re-classification of the reported incident. The procedure for addressing such re-classification requests by TEA will be documented and maintained by the Vendor in the Governance Manual.

2.3   Change Management Notification Lead Times

The following table describes the Change Request notification time required by LEA in order to meet Service Level objectives as defined by the Vendor's Change Management process.

Change Category	Description	Notification time
Emergency	A request representing a resolution to an existing problem that needs to be implemented because of the negative impact or the potential negative impact to the LEA's business, if not implemented	2 hour. Sufficient lead time should be provided to allow the Vendor the time to plan, test and implement the change and allow for review within the change control procedure
Major	A request that, if not successful, will impact a majority of users; cause extensive downtime; or has an extensive back-out process	At least 15 business days notification to plan and schedule the change
Significant	A request that, if not successful, will impact a minority of users; cause acceptable downtime; or has a moderate back-out process	At least 8 business days notification to plan and schedule the change
Minor	A request that, if not successful, will not impact users; cause no downtime; or has a simple back-out process	At least 4 business days notification to plan and schedule the change

2.4   Security Administration Service Levels

The table set forth in Schedule 1.2, tab 3.1 sets forth the Key Measures for Security Administration, which are further described in Schedule 1.2, tab 3.2.

2.5   Disaster Recovery Time Objective

The Recovery Time Objective for Disaster Recovery is recovery of the ~~operating system~~ SSIS solution within ~~72~~ 24 hours after a Disaster has been declared.

3   Enterprise Application Management (EAM) and Hosting Service Levels

3.1   EAM - Severity Levels for Service Incidents

The service restoration/resolution goals for Enterprise Application Management services are based on the assignment of severity levels to the service downtime as described in the table above.

The Vendor will provide Service Levels to LEA and measure and report performance against these Service Levels if requested by the LEA, except as otherwise mutually agreed.

3.2 Managed Server Services

3.2.1 Server Availability

The table set forth in Schedule 1.2, tab 2.1 sets forth the Service Levels for Server Availability

Server Availability percentage will be calculated as follows:

- (Total Up-Time divided by (Maximum Up-Time minus Excluded Down-Time)) times 100 where:

  – Total Up-Time = The maximum up-time minus all down-time.

  – Maximum Up-Time = The maximum number of minutes available in a month is the number of days in the month × 24 hours × 60 minutes = maximum up-time.

  – Excluded Down-Time = The number of minutes of any planned or scheduled down-time, plus the number of minutes of any down-time resulting from non the Vendor-supported hardware or software that would be considered outside the control of the Vendor as as described in Schedule 1.2 – Service Level Matrix.

  – The following table is meant as an example of SLA thresholds.

Maximum Up Time				SLA Threshold
Days	Hours	Minutes	Total Min.	99%
28	24	60	40,320	201.6
29	24	60	41,760	208.8
30	24	60	43,200	216.0
31	24	60	44,640	223.2

3.2.1.1 Server Availability Alerts

The table set forth in Schedule 1.2, tab 3.1 sets forth the Service Levels for Server Availability. Alerts are further described in Schedule 1.2, tab 3.2.

3.2.2 Batch Management

The table set forth in Schedule 1.2, tab 3.1 sets forth the Key Measures for Batch Management, which are further described in Schedule 1.2, tab 3.2.

3.3 Managed Storage Services: Managed Backup

The table set forth in <u>Schedule 1.2</u>, tab 3.1 sets forth the Key Measures for Managed Backup Services, which are further described in <u>Schedule 1.2</u>, tab 3.2.

3.4   SSIS Application Administration

3.4.1   SSIS Availability

Enterprise Application and Enterprise Database Availability provide availability targets for enterprise applications and their databases. This excludes planned downtime and Maintenance Windows.

The table set forth in <u>Schedule 1.2</u>, tab 2.1 sets forth the Service Levels for application Availability

3.4.2   Transaction Response Time for the SSIS

Service Measurement	Production	Non-production	Unit
System Response Time	**Dialog response time, three second or less, exclusive of network time, for standard SSIS interactive transactions. TEA and the Vendor will mutually agree to which SSIS interactive transactions are included	No online response time goal	Average per month of all transactions executed

 **This metric is based on 60 percent of system capacity being available to online interactive users and the remaining capacity being available for all non-interactive activity (for example, batch, interfaces). User-initiated report programs that run more than 10 minutes will be considered non-interactive activity. TEA will work with the Vendor to schedule non-interactive activity to meet these requirements.

3.4.3   Service Restoration

The service restoration/resolution goals for SSIS Applications Administration services are based on the assignment of severity levels to the service downtime as set forth in <u>Schedule 1.2</u>, tab 3.2.

4   Network Services Service Levels

The table set forth in <u>Schedule 1.2</u>, tab 2.1 sets forth the Service Levels for Network Availability.