

SERVICE DESCRIPTION

KERRIDGE COMMERCIAL SYSTEMS (SOUTH AFRICA) (PTY) LIMITED ("KCS")

MANAGED SERVICES SERVICE DESCRIPTION AND PROVISIONS

Version: 1.9 – December 2014

SERVICE DESCRIPTION

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KCS Managed Services - Service Description and Provisions

The service descriptions and provisions set out in this document should be read together with the Quotation and the KCS Terms and Conditions (“the Terms”).

The definitions set out in the Terms apply to this document. In addition, the following definitions apply within this document:

Term	Meaning
Set Up Date	means the date from which a Managed Service is provided and charged to the Customer and is when the relevant infrastructure, servers, database(s) and/or application(s) are built and ready for project work to commence.
Use Data	means the traffic and other statistical or analytical data derived from monitoring use and usage patterns in respect of KCS Managed Services.
KCS Rate	means KCS's normal charge out rate for the relevant work or service available on application from KCS from time to time

This document describes the provision and maintenance of the KCS Managed Services; support of any software applications (either KCS Software or 3rd Party Software) running on any infrastructure or hardware managed under the Managed Services is described in other documents as part of the Terms if such service(s) are contracted by the Customer.

1 The KCS Managed Services

1.1 The managed services that may be provided by KCS to the Customer under the Contract are as follows:-

- 1.1.1 Systems Environment Support Service (SES)
- 1.1.2 DR Service;
- 1.1.3 Web Hosting Service;
- 1.1.4 Dedicated Hosting; and / or
- 1.1.5 Virtual Hosting.

collectively the “KCS Managed Services” (and each individually a “KCS Managed Service”).

1.2 The KCS Managed Service(s) to be provided by KCS is/are specified in the Quotation.

1.3 The relevant KCS Managed Service will be provided and charged for by KCS from the related Set-Up Date as notified to the Customer in the Quotation or otherwise by KCS in writing.

1.4 On or before the Set-up Date KCS shall supply to the Customer:

- 1.4.1 A set of operating instructions containing information on the use of the KCS Managed Service including the Processes, Procedures and Responsibilities Document (“PPR”) ; and
- 1.4.2 Security password(s) to enable the Customer to obtain access to the KCS Managed Service.

2 KCS Managed Service Availability

2.1 The KCS Managed Service will be available during the Service Hours. “Service Hours” are twenty-four (24) hours per day three hundred and sixty five (365) days a year except:

- 2.1.1 Time notified and agreed with the Customer;
- 2.1.2 Emergency maintenance;
- 2.1.3 Upon 7 days’ notice from KCS to the Customer and only outside of KCS Managed Services Support Hours, KCS may withdraw the KCS Managed Service for the purposes of disaster recovery rehearsals, major infrastructure changes or similar purposes; and
- 2.1.4 End of day (“EOD”), Agent Overnight processing or background processing, carried out at times agreed with the Customer.

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2.2 KCS will use reasonable efforts to maintain the following Availability (as defined in Clause 2.4) of the KCS Managed Service:

KCS Managed Service	Availability
SES Service	99.5%
Web Hosting Service	99.5%
Dedicated Hosting	99.5%
Virtual Hosting (K807-Single Data Centre)	99.5%
Virtual Hosting (K809-Single Data Centre)	99.5%
Disaster Recovery Service	99.5%

2.3 KCS shall ensure that the KCS Managed Service is Available for at least the percentage of the time in any given calendar month, as specified in Clause 2.2.

2.4 "Available" shall mean the KCS Managed Service is available for use by the Customer or a third party, as appropriate, and Availability shall be calculated in accordance with the following formula:

$$A = \frac{T - D - E}{T - E}$$

Where:

A = Availability, expressed as a percentage;

T = Total operation time in the month (i.e. 24 hours x number of days in month);

D = Total KCS Managed Service downtime, during which the KCS Managed Service is unavailable; and

E = Excusable KCS Managed Service downtime that is due to:

- (a) Software locked for security or integrity reasons;
- (b) Misuse or user error of the KCS Managed Service on the part of the Customer or by the Customer's use of KCS Level access;
- (c) Failure of hardware or software, or Third Party Software / Databases, where the maintenance of such is not the responsibility of KCS under the Contract;
- (d) Failure of communication links;
- (e) Failure of KCS Software where the maintenance of such software, is not part of the KCS Managed Service;
- (f) Time scheduled and agreed by the Customer for maintenance;
- (g) Customer's failure to make available information necessary for KCS to operate the KCS Managed Service;
- (h) The failure or poor performance of, or unauthorised access to, the Customer's local computer equipment, local area network, wide area network or Internet connections or the failure or poor performance of the power source and/or power supply at the Customer site;
- (i) failure of Customer to provide access to any Customer controlled (or Customer's sub-contractor controlled) hardware location or related communications network.
- (j) Any changes or modifications made to Customer's operating system, environment, equipment or the KCS Software, other than those made by KCS or its agents; or
- (k) Any failure of the Customer to perform the Customer's obligations under the Contract.

3 KCS Service Credits

3.1 The provisions of this Clause 3.1 shall start on the first day of the Calendar Quarter following the start of the entire KCS Managed Service. Where the actual Availability was less than the percentage specified in Clause 2.2 in the previous calendar month the Customer may claim and KCS shall be liable to issue a Service Credit. "Calendar Quarter" means a period of three months starting on first of January, April, July or October.

3.1.1 Such claim must be made within thirty days of the end of the period for which the Service Credit is claimed;

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3.1.2 The Service Credit shall be equal to one and a quarter percent (1.25%) of the amount paid for the KCS Service for that month for each whole percentage point that the Availability falls below the agreed Availability level, subject to a maximum Service Credit in any month of five percent (5%) of the amount paid for the KCS Service for that month; and

3.1.3 The Service Credit will be paid by KCS issuing a credit note to the Customer, which may be set against a future invoice from KCS.

3.2 If KCS fails to meet the agreed Availability level by more than five whole percentage points (5%) in any month for 3 or more successive months, the Customer may terminate the Contract.

3.3 Subject to agreeing to a Service Credit claim, KCS will issue a credit note to the Customer within 30 days of acceptance of the Customer's claim.

3.4 Claims for Service Credits are only applicable for SES Services, DR Service (but excluding Business Continuity Services), Web Hosting Service; Dedicated Hosting and Virtual Hosting.

3.5 The provisions of Clause 3 states the entire liability of KCS and the Customer's sole remedy, whether in contract or tort (including negligence) or otherwise for the failure to maintain the agreed Availability in respect of the relevant KCS Managed Service.

4 KCS Managed Services Support Service

4.1 Each KCS Managed Service is supported by a support team which provides relevant services during the "KCS Managed Services Support Hours" which are 07H30 – 17H30 Monday to Friday excluding Saturdays, Sundays and statutory public holidays in the Republic of South Africa.

4.2 The "Response Time" for a Call is the elapsed time, during KCS Managed Services Support Hours, from when a Call is logged until investigation by KCS regarding that Call starts.

4.3 The target Response Times for each Call Priority are detailed as per Schedule 2; and

4.4 KCS will make all reasonable endeavours to respond to all Calls within the target Response Time specified in Schedule 2 for the agreed Call Priority, during the KCS Managed Services Support Hours.

4.5 For the avoidance of doubt, response to Priority 2 to Priority 4 calls are only provided during the KCS Managed Services Support Service Hours.

5 KCS Managed Services Restricted Support Service

5.1 Outside the KCS Managed Services Support Hours (except statutory public holidays in the Republic of South Africa), each KCS Managed Service will be supported by the KCS Managed Services Restricted Support Service ("KCS Managed Services Restricted Support Service Hours").

5.2 Access to KCS Managed Services Restricted Support Service will be via the emergency mobile telephone number described in the PPR.

5.3 KCS Managed Services Restricted Support Service will make all reasonable endeavours to respond to Priority 1 Calls, as defined in Schedule 2. Calls of a lower priority are not included in this service.

6 Customer Responsibilities

In relation to a KCS Managed Service, the Customer will:

6.1 Provide an "Initial Support Service" to its users of the KCS Managed Service, which shall include, but not be limited to:

6.1.1 Taking all requests for assistance from those users in the first instance prior to any referral to the relevant KCS Managed Services Support Service;

6.1.2 Undertaking preliminary problem diagnosis;

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- 6.1.3** Ensuring problems that can be resolved without reference to KCS are resolved internally and are not logged as a Call with KCS;
 - 6.1.4** Ensuring that KCS procedures for logging Calls are adhered to;
 - 6.1.5** Monitoring outstanding Calls, and, where necessary progressing or escalating Calls by following the KCS Managed Services Process, Procedure and Responsibilities Document; and
 - 6.1.6** Co-operating with KCS in the diagnosis of any error or defect in the KCS Managed Service.
- 6.2** Ensure that the Initial Support Service team receives and continues to receive sufficient training in the use of KCS Managed Service in order to perform the Initial Support Service.
- 6.3** Ensure that the Initial Support Service is always available when any member of the Customer's personnel may require assistance and before the Customer makes use of the relevant KCS Managed Service Support Service or KCS Restricted Support Service.
- 6.4** Ensure that the Initial Support Service team members contact KCS for assistance only if they are unable to resolve the issue.
- 6.5** Ensure that only members of the Initial Support Service team log Calls with KCS.
- 6.6** Acknowledge that some of the Customer's responsibilities under the Contract may be carried out by KCS at the appropriate KCS Rate and not as part of a KCS Managed Service. .
- 6.7** Ensure that KCS is informed when users leave their service so their User ID can be deleted from the KCS Managed Service.
- 6.8** Nominate individuals to act as the "**Customer Representatives**". The Customer will appoint Customer Representatives (up to five named individuals or as agreed in writing with KCS). The Customer Representatives will:
 - 6.8.1** Be the liaison point for KCS for discussions regarding Calls;
 - 6.8.2** Be an escalation point for Calls; and
 - 6.8.3** Take an overview of all Calls the Customer logs with KCS.
- 6.9** Nominate a senior member of personnel with sufficient authority to make important decisions regarding the use of the KCS Managed Service ("**Senior Customer Representative**"). The Senior Customer Representative will:
 - 6.9.1** Ensure that the contacts for KCS are nominated;
 - 6.9.2** Authorise users that may have KCS Level access to the KCS Managed Service. KCS may permit such persons to have access at KCS Level at its absolute discretion;
 - 6.9.3** Authorise users that may log or view Calls using the Internet call logging service;
 - 6.9.4** Ensure that the Customer's Initial Support Service is performed in accordance with the Contract;
 - 6.9.5** Be an escalation point for members of the Customer's personnel for issues relating to the KCS Managed Service;
 - 6.9.6** Authorise the addition of new users of the KCS Managed Service;
 - 6.9.7** Authorise the deletion of users from use of the KCS Managed Service;
 - 6.9.8** Be the escalation point for KCS; and
 - 6.9.9** Take strategic decisions regarding the use of the KCS Managed Service and assist KCS if a failover decision needs to be made (high availability configuration only).
- 6.10** Notify KCS, in writing, of the identity and contact details of the Customer Representatives and Senior Customer Representative and of any replacements thereof.
- 6.11** At all times use the KCS Managed Service in accordance with the Contract. Any failure by the Customer to comply with this obligation, which is not remedied to the reasonable satisfaction of KCS within 48 hours (or such shorter time period as may be reasonable in the circumstances) of notice to do so shall be deemed to be a material breach of the Contract.
- 6.12** Be responsible for all of its local facility cabling, connectivity installation, and connectivity charges necessary to facilitate the connection to the KCS Managed Service up to the entry point of the KCS network.
- 6.13** Use the KCS Managed Service in accordance with the Contract and for the sole and exclusive use of the Customer for its internal business and operational use only. Any resale or onward supply of the KCS Managed Service in whole or in part is strictly prohibited without the prior written agreement of KCS.

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6.14 If the Customer permits a third party to use a KCS Managed Service, the Customer shall be responsible for the acts and omissions of such that third party. The Customer shall ensure that such third party does not do nor omits to do anything that would cause the Customer to be in breach of its obligations under the Contract. The Customer shall indemnify KCS and hold KCS harmless against any and all claims by third parties connected with or relating to such third parties use of a KCS Managed Service.

6.15 Risk of loss or of damage to the Customer Computer Hardware shall be the responsibility of the Customer. The Customer may maintain, for the duration of the Contract, at the Customer's sole expense, insurance against all risks, including without limitation, insurance for loss, direct damage to the Customer Computer Hardware, loss by fire (including extended coverage), theft, public liability and damage to property of others.

7 Data Centre Infrastructure

7.1 For the Data Centre Infrastructure, KCS will provide and maintain the following facilities through its appointed infrastructure partners:

7.1.1 Power supplies, backup power supplies (UPS), power generator, air conditioning, suitable working temperatures and fire prevention measures to house the System and KCS Computer Hardware;

7.1.2 Escorted access to the Data Centre, for the Customer, by appointment with at least 24 hours' notice and during KCS Managed Services Support Hours; and

7.1.3 Escorted access to the Data Centre in the event of a complete failure of the system or communications; This access will be extended outside the KCS Managed Services Support Hours in the event of a complete failure of the system or complete failure of the communications Hardware in the Data Centre.

8 Customer Data

8.1 In the course of providing the Managed Services, KCS or its agents, contractors or sub-contractors may need to copy, modify or adapt Customer Data or process the Customer Data. The Customer hereby grants to KCS and its agents, contractors or sub-contractors a non-exclusive licence to use Customer Data solely for the purposes of providing the KCS Managed Service, inclusive of creating and maintaining development and testing systems utilised by the customer or KCS for reasons of proving and validating software issues or systems availability issues.

8.2 KCS will back up the Customer Data in accordance with the provisions of the KCS Managed Services Process, Procedure and Responsibilities Document.

8.3 KCS shall during the term of the Contract, provide the Customer and its agents with reasonable access to the Customer Data and shall provide reasonable assistance for the purpose of the Customer or its agents:

8.3.1 Carrying out an audit of KCS's compliance with the Contract, or

8.3.2 Testing the Customer Data to establish its authenticity.

(subject to such audit or tests taking no more than 4 hours per annum and any time in excess of this being chargeable by KCS to the Customer at the appropriate KCS Rates)

8.4 Subject to Clause 8.3, each party shall bear its own expenses incurred pursuant to this Clause 8.

9 Security

9.1 KCS may periodically change, or require the Customer to change, the password(s) in accordance with its security procedures and shall notify the Customer accordingly. If KCS becomes aware, or shall suspect, that any unauthorised person has obtained or has attempted to obtain access to the Customer Data or use of the KCS Managed Service, then KCS shall promptly notify the Customer and may forthwith change the Customer's password(s).

9.2 The Customer is responsible for the protection of passwords; it recognises that if a person with knowledge of a password leaves its service or ceases to be authorised to use the KCS Managed Service, that person could gain access to its Customer Data and KCS Managed Service. Accordingly, the Customer undertakes to promptly cancel or procure the cancellation of the applicable password(s). KCS accepts no liability if the Customer fails so to do. KCS does not accept any liability in respect of any losses of whatever nature incurred by the Customer (directly or indirectly) as a result of disclosure or loss of such identification or

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password. The Customer will notify KCS immediately upon becoming aware of the loss of or unauthorised use of such user identification or password.

- 9.3** The Customer undertakes not to purposely gain access to programming code of KCS (other than access to and use of the KCS Managed Service in accordance with the Contract), or attempt to gain access to programs or data of any other Customer of KCS, and shall indemnify KCS against any loss, damage or liability which KCS may sustain or incur as a consequence of the Customer failing to comply with this undertaking.
- 9.4** KCS may generate and gather Use Data in the course of providing KCS Managed Services. KCS may publish and disclose such Use Data to third parties provided it is first anonymised.
- 9.5** KCS shall use all reasonable endeavours to maintain the security of the KCS Managed Services and shall comply with the security requirements set out in the KCS Managed Services Process, Procedure and Responsibilities Document.

10 Changes to KCS Managed Services

- 10.1** If either the Customer or KCS wishes to change the KCS Managed Service or the use thereof, they shall provide 30 days written notice to the other detailing the requested change(s). Any actual change shall be subject to the prior written agreement of the other party to revise the Contract.
- 10.2** Where a KCS Managed Service is charged on a per user basis:
- 10.2.1** The Customer may only change the number of users at the end of a calendar month; and
 - 10.2.2** KCS reserves the right to increase the charge per user if the Customer seeks to reduce the number of users by more than 10% from the peak number of users that KCS records.

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System and Environment Support Service

The System Environmental Support Service as described below and as at Schedule 1 Column 4 applies only where a System Environmental Support Service is contracted by the Customer.

11 Systems and Environment Support Service Description

- 11.1** System Environmental Support Service ("SES Service") is a service which KCS provides for Customer K8 applications. The service provides standard scripts and monitoring tools which produce and track environmental performance measurements for operating system, databases and applications. The service presents data gathered over set periods of time and provides triggers and alerts into the KCS Managed Services team for support to commence when events occur.
- 11.2** KCS will provide the SES Service, as specified in Schedule 1 Column 4. This may be done in conjunction with KCS's infrastructure partners.
- 11.3** KCS will manage the performance of the SES Services using daily automated script logging which will check that major functions of the SES Service have been performed.
- 11.4** KCS will hold periodic review meetings, as relevant, at a frequency to be agreed with the Customer to discuss any issues relating to the KCS Managed Service being provided and jointly agree any necessary actions to be taken thereafter.
- 11.5** KCS will maintain relevant contact and information pertaining to the Customer. In the event that customer employees are no longer responsible or authorised to be contacted by KCS, it will be the responsibility of the customer to notify KCS.
- 11.6** In the event of a complete failure of the SES Service, related communications or any major element of the SES Service, access to SES Services Support staff will be via the emergency mobile telephone number described in the PPR. If for any reason the emergency mobile telephone number described in the PPS fails to respond, then the Customer should refer to the KCS PPR document for further information on contacts, telephone numbers and the escalation procedures.

12 Excluded Services

- 12.1** The following services are not part of the SES Service and, if undertaken by KCS, will be charged at the appropriate KCS Rates:
 - 12.1.1** Any defects or errors resulting from any modifications to the system setup made by any person other than KCS;
 - 12.1.2** Inappropriate use of the Software, or operator error;
 - 12.1.3** Any fault in any Third Party Software / Database which is covered under the relevant application support agreement;
 - 12.1.4** Investigation or work carried out at the request of the Customer but which KCS finds, in its reasonable opinion, is not necessary because there is no defect or error with or in the SES Service;
 - 12.1.5** Work undertaken as a result of the Customer's failure to meet its obligations under the Contract;
 - 12.1.6** Services performed outside the SES Services Support Hours at the Customer's request; and
 - 12.1.7** Request for full infrastructure and system (physical or virtual) security audits by a third party appointed by the Customer; and
 - 12.1.8** External software connecting to a KCS MS System.
- 12.2** If KCS considers that a requested service does not qualify as part of the SES Service, the request will be discussed with the Customer and KCS reserves the right to charge for the work done. A quote may be supplied for the cost of the excluded work.

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Disaster Recovery (DR) Service

The DR Service as described below and as at Schedule 1 Column 5 applies only where a DR Service is contracted by the Customer.

13 DR Service Definitions

- 13.1** “**DR Service Delivery**”: Is the process of design and implementation of a dual site K8 application with the Secondary location being commissioned to accept a DR invocation.
- 13.1.1** “**Primary**” or “**Primary location**”: the K8 application will be “active” in the Primary location under Normal operation.
- 13.1.2** “**Secondary**” or “**Secondary location**”: the K8 application will be “active” in the Secondary location when DR is invoked.
- 13.2** “**Normal operation**”: The K8 application is active within the Primary location; back-ups and system monitoring are being carried out under standard procedures and schedules.
- 13.3** “**Invocation of DR**”: An agreed process conducted by the combined teams from KCS and the Customer to move the application from the Primary onto the Secondary location’s infrastructure and for it to be available for use.
- 13.4** “**Invocation of Primary**”: An agreed process conducted by the combined teams from KCS and the Customer to move the application into the Primary location’s infrastructure and for it to be available for use.
- 13.5** “**Recovery Configuration**”: The infrastructure configuration required to Invoke DR as described in the PPR.
- 13.6** “**Production System**”: The system used by the customer to run day to day live transactions for their business and for the avoidance of doubt excludes training or development systems.
- 13.7** “**Non-Production System**”: A system used for example to train users on the application, or test software upgrades, such systems are not used by the Customer to run their business.
- 13.8** “**Active DR**”: This is defined as when the application is active in the Secondary location.

14 Disaster Recovery (DR) Service

- 14.1** If the DR Service is contracted by the Customer, KCS will provide the following components:
- 14.1.1** Data Centre Infrastructure ; and
- 14.1.2** Recovery resources equal to or greater than the Recovery Configuration. The availability of the recovery resources is subject to Clause 8; and
- 14.1.3** any other items recorded as a KCS responsibility in Schedule 2 (subject where applicable to the agreement of a further charge)
- 14.2** The DR Service is subject to a rental contract for the infrastructure components inclusive of hardware, operating systems, software and technical resources to maintain the Secondary location as set out in the Quotation.
- 14.3** The rental charges allow for one failover test per annum “**DR test**” conducted over 2 weekends (which are not adjacent to statutory public holidays in the Republic of South Africa)
- 14.3.1** This annual test is conducted by the combined teams from KCS and the Customer to invoke DR;
- 14.3.2** Operation in the Secondary location will be for no longer than 1 week;
- 14.3.3** KCS will implement backup schedules for the duration of the Operation in Secondary and maintained for the same periods after invoking the primary;
- 14.3.4** And shall be charged at the appropriate KCS Rate; and
- 14.3.5** If extended periods of use occur for DR Secondary location, KCS reserve the right to charge additional usage if this is due to a Customer issue. Where additional usage is as a result of KCS issues, no charge will be required.

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- 14.4** The rental fee allows the Customer to invoke DR at any time and for a duration of 2 weeks free of charge.
- 14.4.1** KCS will implement a fourteen-day backup schedule once active in the Secondary location which is subject to a further charge at The appropriate KCS Rate. ; and
 - 14.4.2** Additional usage of the Secondary location will be charged in addition to the initial rental fee.
- 14.5** The DR Service is designed to be for production systems only and does not encompass for example, test and development systems, unless specifically quoted and contracted.
- 14.6** Two refreshes of individual non-production systems are included per annum, at a mutually agreed and scheduled time
- 14.7** KCS will use of software and tools, such as data replication and back-up technologies, combined with technical resources to maintain the Secondary location infrastructure, systems and data.
- 14.8** Under Normal Operation:
- 14.8.1** Where Oracle Data Guard is being used, data will be replicated to the Secondary location under near real time conditions; and
 - 14.8.2** The Secondary location infrastructure will be available and backups will not be being taken.
- 14.9** Following the Invocation of Primary, KCS will maintain the fourteen-day backup data set in the Secondary location for a further fourteen days until the Customer has its own fourteen-day recovery points and this shall be charged at The appropriate KCS Rate.
- 14.10** In the event that KCS changes the Secondary Location, KCS will give the Customer not less than three months' notice of such change. If the Customer declines to accept the change then either party may terminate the Contract without penalty.

15 Disaster Recovery Usage Policy

- 15.1** Required consents and indemnity in connection with the provision of the DR Service by KCS:
- 15.1.1** The Customer shall be responsible for promptly obtaining and providing to KCS all required consents necessary for KCS to access, use and/or modify Software, hardware, firmware and other products used by the Customer for which KCS shall provide services hereunder. A required consent means any consents or approvals required to give KCS and KCS's subcontractors the right or licence to access, use and/or modify (including creating derivative works) the Customer's or a third party's Software, hardware, firmware and other products used by the Customer without infringing the ownership or licence rights (including patent and copyright) of the providers or owners of such products;
 - 15.1.2** The Customer agrees to indemnify, defend and hold KCS and KCS's affiliates harmless from and against any and all claims, losses, liabilities and damages (including reasonable legal fees and costs) arising from or in connection with any claim (including patent and copyright infringement) made against KCS alleged to have occurred as a result of the Customer failure to provide any required consents or meet its obligations under Clause 15.1.1; and
 - 15.1.3** KCS shall be relieved of the performance of any obligations that may be affected by the Customer failure to promptly provide any required consents to KCS.

16 Business Continuity Planning (BCP)

- 16.1** If the Customer contracts a DR Service, KCS will:
- 16.1.1** Make available to the Customer, for one day, an IT consultant who will review the Customers initial IT Recovery Plan; this day will be charged at the appropriate KCS Rate;
 - 16.1.2** If requested, provide a planning specialist to assist the Customer with the development or review of the IT Recovery Plan. This is subject to availability and charged at the appropriate KCS Rate or External consulting rates.
- 16.2** The Customer will:
- 16.2.1** Produce an IT Recovery Plan;
 - 16.2.2** Accept full responsibility for the completion and completeness of the IT Recovery Plan;

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16.2.3 Where a Customer's system is not held in a KCS approved Data Centre, as part of the IT Recovery Plan, record and keep updated details of the configuration, operating system and software that the Customer proposes to use in the Recovery Configuration in the event of a Disaster; and

16.2.4 Inform KCS of any material changes to the IT Recovery Plan;

17 Excluded Services

The following are excluded from the DR Service:

- 17.1** Third Party backup software.
- 17.2** System refreshes to the Oracle Dataguard system where there is a failure in a network or other un-foreseen circumstances.
- 17.3** Monitoring of the non KCS owned or managed equipment, such as, but not limited to storage arrays and networking equipment..
- 17.4** Hardware Patches/Firmware updates.
- 17.5** Any Microsoft Windows based environments.
- 17.6** Unforeseen supplier escalations could be due to currency fluctuations.
- 17.7** Audit reviews are excluded. KCS can provide Assistance with Audits by prior arrangement and the work and any necessary travel will be quoted and charged at the appropriate KCS Rate.
- 17.8** On-site work is excluded. Any on-site work will be undertaken by prior arrangement and the work and travel will be quoted and charged at the appropriate KCS Rate.
- 17.9** Refreshes of non-production systems over and above the included two per annum.
 - 17.9.1** KCS may agree to additionally refresh such systems by prior arrangement with the work charged at the appropriate KCS Rate.
- 17.10** "Extended Active DR": This is defined as the additional time over the initial 2 weeks from invocation.
 - 17.10.1** This is subject to an addition rental fee, which increments in value for each additional two-week period;
 - 17.10.2** Prolonged usage of the Secondary location is restricted to six weeks before the Customer will be asked to agree to a longer-term contract.
- 17.11** Addition failover tests over and above the one included DR test per annum
 - 17.11.1** KCS may agree to additionally failover refresh tests by prior arrangement with the work charged at the appropriate KCS Rate.

18 Customer Responsibilities

The Customer will:

- 18.1** Provide a "DR Customer Representative" who will act as a single point of contact for KCS to liaise.
- 18.2** Provide a list of Customer contacts that can invoke the DR Service.
- 18.3** Restrict use of the Recovery Configuration to trained and authorised personnel only.
- 18.4** Furnish all supplies, materials and other storage media necessary for use on the Recovery Configuration. All such items must meet KCS specifications. Such specifications will be provided to the Customer on request.
- 18.5** Arrange and pay for transfer of the Customer Data and Software to the Secondary Location and their installation on the Recovery Configuration.

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- 18.6** Where a System is not held in the KCS Data Centre Infrastructure, the Customer will be responsible for the transmission of the Customer Data to KCS.
- 18.7** Be responsible for operation, accuracy and the results obtained from all programs used in connection with the Recovery Configuration.
- 18.8** Be responsible for all network connectivity, bandwidth allocation, Quality of Service parameters and associated hardware not specified in the relevant schedule. This is inclusive of client to application connections and Primary to Secondary location connections.
- 18.9** Maintain the information about its network configuration and give notice to KCS of any changes thereto.
- 18.10** Be responsible for the payment of all costs associated with the use of telecommunication links at all times.
- 18.11** Be responsible for ensuring that the Recovery Configuration is sufficient to meet the Customer needs for Tests and in the event of a Disaster.
- 18.12** Ensure that all statutory health, safety and security regulations and any other reasonable guidelines issued by KCS are fully complied with during the period of use of the Secondary Location.
- 18.13** Not hold any right or title to the Secondary Location or the Recovery Configuration.
- 18.14** Supply all personnel, Software, and data necessary to support the Customer recovery of the Customer's business systems.
- 18.15** Ensure that the Recovery Configuration and Secondary Location are not damaged where located at a Customer controlled site.
- 18.16** Be responsible for the removal of the Customer Data, Software and where appropriate third party data, which has been placed on the Recovery Configuration by the Customer or with the Customer's knowledge, following the Customer use of the Recovery Configuration. KCS shall not be responsible for any loss, damage or claim whatsoever caused by the failure of the Customer to ensure the removal of such data.
- 18.17** Be responsible for the payment of all costs incurred in the rectification of damage to the Recovery Configuration and/or Secondary Location caused by any negligent or wilful act or omission by the Customer, the Customer's servants, agents or contractors; and
- 18.18** Any other items recorded as a Customer responsibility in Schedule 2.

19 Invocation of DR

- 19.1** The Recovery Configuration is only available to support a Customer who has served notice to KCS of a Disaster.
- 19.2** KCS will:
- 19.2.1** Respond to notices of a Disaster from Customers in the order in which they are received and recorded by KCS;
 - 19.2.2** Respond to a Customer's request for Invocation in line with the Availabilities set out for KCS Managed Services but excluding statutory holidays in South Africa. ; And
 - 19.2.3** Provide a maintenance service to keep the recovery resources in good working order.
- 19.3** The Customer will:
- 19.3.1** Serve notice of the Invocation on KCS. The Invocation can only be made by a Customer Representative;
 - 19.3.2** Once the recovery process is completed and the Customer's critical IT business systems are functional, or sooner, commence the reinstatement of IT services as per the reinstatement section of the IT Recovery Plan;
 - 19.3.3** Inform KCS as soon as the Customer office and/or computing facilities have been restored, whether to full capacity or otherwise, following a Disaster;
 - 19.3.4** Provide the Software and a maintenance and support service therefore;
 - 19.3.5** Provide client hardware and software at the Customer's location(s);
 - 19.3.6** Provide the Customer's Data; and

SERVICE DESCRIPTION

19.3.7 Provide wide area network connectivity to link the client Hardware to the Computer Recovery Configuration.

20 Business Continuity Testing

20.1 The Customer may only use a Test in order to verify the IT Recovery Plan.

20.2 KCS will:

20.2.1 Provide a contact point in order for the Customer to book a Test;

20.2.2 Subject to prior request on reasonable notice, , provide a test report (a document recording events during the Test) on completion of a Test;

20.2.3 If requested, provide additional test days, subject to availability, chargeable at KCS Rates;

20.2.4 Make the Recovery Configuration available for the Customer use for the number of successive Test days agreed; and

20.2.5 Provide resource to assist the Customer to run a Test at the Customer's request (such work is subject to an additional charge at KCS Rates).

20.3 The Customer will:

20.3.1 Arrange the first Test of the IT Recovery Plan within the first year of Contract;

20.3.2 Schedule the Customer's annual Test with KCS, giving KCS a minimum of eight (8) weeks' notice;

20.3.3 Test the Recovery Configuration and the relevant sections of the IT Recovery Plan;

20.3.4 Forfeit any booked Test days that the Customer cancels with less than 30 Working Days' notice;

20.3.5 During the Test, provide KCS with a 24 hours a day contact number, in case another Customer invokes the Recovery Configuration and the Test is cancelled or suspended. Any Test so interrupted will be rescheduled at no extra charge to the Customer. Any additional expense incurred by the Customer will be borne by the Customer; and

20.3.6 Be responsible for acting upon recommendations made in any Test Report.

20.4 The Customer may request a Test to include all or part of a weekend and/or statutory public holiday in the Republic of South Africa, and subject to availability, any such Test will be chargeable at KCS Rates and Overtime.

SERVICE DESCRIPTION

Web Hosting Service

If contracted by the Customer, the Web Hosting Service is the provision of a dedicated or virtual machine and associated operating system licencing to enable interactions between the Customer's systems and the internet and subject to the following:

21 Web Hosting Service

The Customer Web Site, Web Hosting Server and Web Space are as described in the Quotation and Schedule 1 Column 6.

22 KCS Rights and Obligations

22.1 Subject to Clause 22.2 below, KCS will use all reasonable endeavours to ensure that, with effect from the start of operational use of the Web Hosting Service during the term of the Contract:

22.1.1 The Customer Web Site is and will remain stored on the Web Hosting Server;

22.1.2 The Web Hosting Server will remain connected to and accessible via the Internet; and

22.1.3 The Web Hosting Server will remain in good and working order and condition to enable KCS to comply with its obligations in this Clause 22.1.

22.2 The Customer accepts and acknowledges that compliance with Clause 22.1 may be affected by events beyond KCS's reasonable control (including faults caused by the acts or omissions of the network provider and/or the availability of the underlying telecommunications systems) and the Customer agrees that in no circumstances will KCS have any liability in respect of and to the extent of such events.

22.3 KCS shall from time to time, carry out routine maintenance work in respect of the Web Hosting Server and associated systems equipment used in provision of the Web Hosting Service, to ensure that they remain in good and working order and condition. This may cause the Customer Web Site to be unavailable or inaccessible for a limited period. KCS will advise the Customer at the time at which such routine maintenance occurs and give the Customer prior notice of it.

22.4 KCS may need to carry out non-routine maintenance, which causes the Customer Web Site to be unavailable or inaccessible for a limited period. KCS will advise the Customer at the time at which such non-routine maintenance occurs and if possible give the Customer prior notice of it.

22.5 In the event that access to the Customer Web Site exceeds the permitted bandwidth or storage allocation of the Web Space (forming part of the Customer Web Site), KCS will be entitled (at its discretion) to:

22.5.1 Increase the Web Hosting Service Fee to take account of the additional bandwidth or Web Space being used; and/or

22.5.2 In the event only that the excess bandwidth or Web Space used by the Customer has a detrimental effect on the performance of the Web Hosting Server or any third party of any Web site situated on or served by the Web Hosting Server suspend access to the Customer Web Site.

22.6 Notwithstanding any other provision in Contract KCS will be entitled, without notice, at any time, to change the bandwidth and/or storage allocation of the Web Space and to make any changes to the Web Hosting Service which are necessary to comply with any applicable safety, security or other statutory requirements, or which do not materially affect the nature or quality of the Web Hosting Service.

22.7 If the Customer Web Site or users of the Customer Web Site are in breach of the Contract or where KCS (acting reasonably) consider that it is necessary to do so, KCS shall be entitled to:

22.7.1 Suspend access to the Customer Web Site for such period as KCS shall consider fit;

22.7.2 Remove all or any part of the Customer Web Site from the Web Hosting Server; and/or

22.7.3 Delete all or any data, files or other information that is stored on the Web Hosting Server.

SERVICE DESCRIPTION

23 Customer Rights and Obligations

- 23.1** The Customer is responsible in all respects for the content of the Customer Web Site and provision of such together with all requisite information (of a digital nature or otherwise) to enable KCS to host the Customer Web Site in accordance with the terms of the Contract and the Customer warrants that any and each individual Web Page contained in the Customer Web Site and all information supplied by the Customer does not and will not at any time during the subsistence of the Contract, violate any applicable law.
- 23.2** The Customer will obtain and be responsible for obtaining and complying with all necessary permissions, consents, authorisations, licenses to use and display any and all of the content included on the Web Pages of the Customer Web Site.
- 23.3** The Customer will:
- 23.3.1** Provide KCS, within a reasonable period of KCS's request, with material and data in such form as KCS may request, failing which KCS will be entitled to make such charges as KCS may deem necessary to recoup its expenses incurred in relation to use of third party materials, data or software so as to be able to host the Customer Web Site; and
 - 23.3.2** Ensure that the Customer Web Site does not and will not contain any Web Page liable to offend or containing links to unlawful material.
- 23.4** The Customer will at all times ensure that all use of its Web Site complies with the provisions of the Contract.
- 23.5** The Customer acknowledges that KCS does not warrant any response rate or download time.
- 23.6** The Customer is solely responsible for the content of any of the Customer's transmissions through the Web Services and any content which the Customer may post using the Web Services.
- 23.7** The Customer agree not to use the Web Services, its content or the services for illegal purposes and that the Customer's use of the Web Services will not interfere with or disrupt computer networks or systems connected to, supporting or hosting the Web Services.
- 23.8** The Customer will not use the Web Services to process or transmit anything, which is or may be:
- 23.8.1** Prohibited by law in the Republic of South Africa or any jurisdiction from where the Web Services may be accessed;
 - 23.8.2** Obscene, offensive, insulting, threatening, hateful, harmful, defamatory or indecent;
 - 23.8.3** Infringing KCS's or any third party's copyright, trademarks or other intellectual property or other proprietary rights or rights in respect of personal data and individual's privacy;
 - 23.8.4** Confidential information belonging to KCS or any third party; or
 - 23.8.5** Likely to place KCS at the risk of prosecution or civil action or cause KCS embarrassment or loss of reputation.
- 23.9** The Customer shall not interfere or attempt to interfere with the proper operation of KCS's software or any service being delivered through the Web Services. The Customer must not attempt to gain unauthorised access to KCS's computer system or the computer system(s) of any other user. The Customer may not take any action, which does or may cause our service to users to be interrupted or degraded.
- 23.10** The Customer is responsible for its policy on the use or not of cookies. A cookie is used to tell the Web Services that a user is a registered user and may be used to indicate that the user has accepted the Customer's terms and conditions.

24 Miscellaneous Provisions – Web Hosting Service

- 24.1** All intellectual property rights and goodwill relating to the Web Services and its design belong to KCS or to third parties. Any content placed on the Web Services by KCS will belong to KCS and any content on the Web Services provided by the Customer will belong to the Customer. The Customer may not use KCS's content for any purpose other than for the purpose for which it has been provided and to use the Web Services. If the Customer makes a copy, of any part of the Web Services that contains KCS content or that of third parties the Customer must ensure that each copy contains all and any intellectual property rights notices that appear on or are embedded within the original.

SERVICE DESCRIPTION

Dedicated Hosting Service

If contracted by the Customer, KCS will provide the Dedicated Hosting Service, as specified in Schedule 1 Column 7 subject to the following:

25 Dedicated Hosting Service

25.1 In connection with the Dedicated Hosting, KCS will provide the following components unless stated to the contrary below:

25.1.1 Data Centre Infrastructure;

25.1.2 The provision and use of a Dedicated Machine and Operating System within a single data centre/site;

25.1.3 The KCS Dedicated Hosting Support Service during the SES Service Hours as set out in Schedule 1 Column 6; and

25.1.4 The KCS Dedicated Hosting Restricted Support Service during the SES Service Restricted Support Service Hours as set out in Schedule 1 Column 7.

26 Customer Responsibilities

26.1 In connection with Dedicated Hosting, the Customer will provide:

26.1.1 KCS Software and its installation;

26.1.2 A maintenance and support service for the KCS Software;

26.1.3 Third party software and maintenance thereof, excluding the operating system software provided by KCS;

26.1.4 Client hardware and software at the Customer's location(s);

26.1.5 The Customer's Data; and

26.1.6 Wide area network connectivity to link the client Hardware at the Customer's location to the KCS Computer Hardware.

SERVICE DESCRIPTION

Virtual Hosting Service

The following applies to the Virtual Hosting Service as a Managed Service if the Virtual Hosting Service is contracted by the Customer:

27 Virtual Hosting Service

27.1 In connection with the Virtual Hosting, KCS will provide the following components unless stated to the contrary below:

27.1.1 Data Centre Infrastructure;

27.1.2 The provision and use of a Virtual Machine and Operating System within a single data centre/site;

27.1.3 Provision of KCS Computer Hardware and Virtualisation Software;

27.1.4 The KCS Virtual Hosting Support Service during the KCS Managed Services Support Hours as set out in Schedule 1 Column 8; and

27.1.5 The KCS Virtual Hosting Restricted Support Service during the KCS Managed Services Restricted Support Service Hours as set out in Schedule 1 Column 8.

28 Customer Responsibilities

28.1 In connection with Virtual Hosting, the Customer will provide:

28.1.1 KCS Software and its installation;

28.1.2 A maintenance and support service for the KCS Software;

28.1.3 Third party software and maintenance thereof, excluding the operating system software provided by KCS;

28.1.4 Client hardware and software at the Customer's location(s);

28.1.5 The Customer's Data; and

28.1.6 Wide area network connectivity to link the client Hardware at the Customer's location to the KCS Computer Hardware.

28.2 The Customer acknowledges that KCS provides the Virtual Hosting Service to Customers other than and in addition to the Customer.

SERVICE DESCRIPTION

Schedule 1 – KCS Managed Services – Activities and responsibilities

The table below describes the activities to be performed under each KCS Managed Service (as listed in columns 4 to 8 inclusive), their frequency and whose responsibility it is to carry out such activity. KCS has the right to add additional monitoring to this list over time.

Activity	Description	Responsibility	KCS Managed Service				
			SES Service	DR Services	Web Hosting	Dedicated Hosting	Virtual Hosting
Design and implementation							
At the commencement of each project it is important to ensure that the KCS Managed Service integrates with the Customer's telecommunication service/internal network. KCS will provide suitably experienced resources to discuss a suitable demarcation point and methods of handover.							
Customer's network design and integration to KCS Managed Service	Provide design and implementation documents which describe the networking topology which details the connection methods, demarcation and allocated resources to be used to allow both client access to users into K8, plus the connection methods for any DR and database replication tools needed to maintain an up to date copy of the customers live data in a secondary site.	Customer		X	X	X	X
	Provide adequate bandwidth between the primary and secondary hosting locations.	Customer		X	X	X	X
Incident and problem management activities							
Within the normal operation of the KCS Managed Service there is a requirement on the Customer to provide information and updates to allow target response times to be achieved by KCS.							
Customer's network Incident and problem management	Provide pro-active and reactive responses and resolutions to customer and telecommunications related networking issues.	Customer		X	X	X	X
	Provide regular communications and updates to KCS relating to any telecommunication link failures/restoration plans.	Customer		X	X	X	X
Daily activities							
Link Check	Verify that Link between the Hosting Partner and WAN Partner is up and available to pass traffic	KCS	X	X	X	X	X
	Inform Customer when the KCS provided Wide Area Network link is down	KCS	X	X	X	X	X
Perform / verify daily backup	Run and/or verify that a successful backup of system and data files has completed	KCS	X		X	X	X
	Resolution of relevant backup errors - escalate errors to relevant specialist, application errors to KCS	KCS	X		X	X	X
	Provide the Customer with an accurate, factual, and detailed incident report within 72 hours (3 working days) in the event of a backup / failure	KCS	X		X	X	X

SERVICE DESCRIPTION

Activity	Description	Responsibility	KCS Managed Service				
			SES Service	DR Services	Web Hosting	Dedicated Hosting	Virtual Hosting
End-of-Day Checks	If relevant, set the Agent or timed EOD, end of week ("EOW"), end of month ("EOM"), end of year ("EOY") and media backup processes to run in accordance with the agreed timetable.	KCS	X			X	X
	On the next working day check the EOD log files and if any infrastructure errors are found, immediately notify the Initial Support Service team.	KCS	X			X	X
	Offsite Tape Storage (where contracts are in place)	Customer	X			X	X
Oracle Disk Backup Checks	Check Disk backup status	KCS	X			X	X
	Check Disk backup duration	KCS	X			X	X
	Check Disk backup ratio	KCS	X			X	X
	Check Disk backup size	KCS	X			X	X
Tape backup Checks	Tape Backup status	KCS	X			X	X
	Tape backup media used	KCS	X			X	X
24x7 Monitoring and Alerting	Server load	KCS	X	X	X	X	X
	K8 users logged on	KCS	X	X		X	X
	Disk partitions	KCS	X	X	X	X	X
	Tablespace usage	KCS	X	X		X	X
	Kwebserv port	KCS	X	X		X	X
	Memory usage	KCS	X	X	X	X	X
	Total server processes	KCS	X	X	X	X	X
	Zombie processes	KCS	X	X		X	X
	Data guard lag	KCS	X	X		X	X
Oracle alert monitoring	Check that oracle instances are up	KCS	X	X		X	X
	Check that oracle listeners are ready	KCS	X	X		X	X
	Check oracle alert log	KCS	X	X		X	X
	Check oracle table space usage - GB Free/Percentage used	KCS	X	X		X	X
	Check number of data files	KCS	X	X		X	X
	Check FRA usage	KCS	X	X		X	X
	Check ASM usage	KCS	X	X		X	X
	Check oracle database uptime	KCS	X	X		X	X
	Check Flashback usage	KCS	X	X		X	X
	Check oracle Maximum/Average redo rate	KCS	X	X		X	X
	Check Oracle contention	KCS	X	X		X	X
System log checks	Check message log review	KCS	X	X		X	X
	Audit log review	KCS	X	X		X	X

SERVICE DESCRIPTION

Activity	Description	Responsibility	KCS Managed Service				
			SES Service	DR Services	Web Hosting	Dedicated Hosting	Virtual Hosting
Data Guard checks	Check data guard status	KCS		X			
	Check data guard gap status	KCS		X			
	Check data guard transport lag	KCS		X			
	Check data guard apply lag	KCS		X			
Track/monitor system performance and activity	Check for memory usage	KCS	X	X	X	X	X
	Check for system paging	KCS	X	X	X	X	X
	Check CPU usage	KCS	X	X	X	X	X
Check free hard-drive space	Check all drives for adequate free space	KCS	X	X	X	X	X
General	Use all reasonable endeavours to ensure that the KCS Managed Service is operational and available for use by the Customer.	KCS	X	X	X	X	X
General	Provide trained staff that are conversant with the operation of the KCS Managed Service and its components.	KCS	X	X	X	X	X
Communication	Contact the Customer if hardware or software, for which the Customer holds the maintenance contract, requires third party assistance.	KCS	X	X	X	X	X
Housekeeping	Perform general system housekeeping activities as necessary. In addition procedural changes may be implemented in order to ensure the smooth operation of the KCS Managed Service.	KCS	X	X	X	X	X
Maintenance	If necessary, load any new release of the operating system software and any operating system 'patches' as required; These will only be installed, if deemed necessary by KCS.	KCS	X	X	X	X	X
General	Comply with the KCS security policy.	KCS	X	X	X	X	X

Weekly Activities							
Perform server clock / time synchronization	Check system date and time	KCS	X	X		X	X
	Synchronize system clock	KCS	X	X		X	X

Monthly Activities							
Perform / verify monthly backup	Run and/or verify that a successful backup of system and data files has completed	KCS	X			X	X
	Resolve relevant backup errors	KCS	X			X	X
	Provide Customer with an accurate, factual, and detailed incident report within 72 hours (3 working days) in the event of a backup failure	KCS	X			X	X
EOD Checks	Check application log for warning and error messages for service start up errors, application or database errors	KCS	X			X	X
O/S Backup	Perform and verify that a successful backup of the Operating System has been completed.	KCS	X	X		X	X

SERVICE DESCRIPTION

Activity	Description	Responsibility	KCS Managed Service				
			SES Service	DR Services	Web Hosting	Dedicated Hosting	Virtual Hosting
Report on system performance and activity, through the Portal	Memory usage	KCS	X	X		X	X
	System paging	KCS	X	X		X	X
	CPU usage	KCS	X	X		X	X
	Disk usage	KCS	X	X		X	X

Annual Activities							
Perform Failover Test as per Customer	Schedule failover/Disaster Recover test with Customer & KCS	Customer		X			X
	Perform Disaster recovery plan (Aggregated or dedicated, as per the quotation terms).	Both		X			X

Hosting Facilities – On-going							
Access	Manage and control access to the various systems and environments (`root` access to the system)	KCS	X	X	X	X	X
	Ensure that there is controlled access and high level of security to the hosting facilities	Both	X	X	X	X	X
	Manage and communicate with KCS with reference to the above.	KCS	X	X	X	X	X
System Availability	Inform the Customer IT Department and KCS Managed Services Support Department of any scheduled power failures; routine maintenance (e.g. UPS / Generator Checks etc.)	Both	X	X	X	X	X

On Agreement - Chargeable on a T&M basis							
The following activities are performed on a time and materials basis and will be chargeable separately by KCS at the KCS Rate.							
Operating System Maintenance	Install Patches and Hotfixes	Customer			X	X	
	Schedule down time for system reboots	KCS	X	X	X	X	X
	Apply Operating System Upgrades and Service Pack Upgrades	KCS	X	X	X	X	X
Hardware Maintenance	Schedule down time for any / all hardware installations / upgrades	KCS	X	X	X	X	X
	Install and configure hardware (new and upgrade)	TBC	X	X	X	X	X
Backup / Restore Data	Restore file(s) as per Customer request	KCS	X	X	X	X	X
	Backup file (s) as per Customer request	KCS	X	X	X	X	X
	Inform the Customer and the relevant KCS Managed Services Support Analyst once the data backup / restore is complete.	KCS	X	X	X	X	X
User Maintenance	Set user and group security as per Customer auditing requirements (unless differently defined by specific Customer agreement)	KCS	X	X	X	X	X
	Create login's for Customer system administrators to maintain user logins and passwords (only on AIX Customers)	KCS	X	X	X	X	X
	User Maintenance , this is a free service if the Customer uses the KCS Portal tool)	Customer	X	X	X	X	X

SERVICE DESCRIPTION

Activity	Description	Responsibility	KCS Managed Service				
			SES Service	DR Services	Web Hosting	Dedicated Hosting	Virtual Hosting
System Agent	Reschedule agent stop / start, OOH if the customer cannot perform this themselves	KCS	X	X	X	X	X
Incident Reporting	Provide Customers with an accurate, factual, and detailed incident report within 72 hours (3 working days) in the event of a system error / failure relating to hardware/connectivity	KCS - Free	X	X	X	X	X
Auditing Requirements	Meet with the auditing firm on behalf of the Customer to answer any questions pertaining to their system / ERP audit and findings. Maximum of 4 hours per annum. T&M charges apply after the initial 4 hours.	KCS	X	X	X	X	X
Projects	Provide relevant resources as per the project plan	KCS	X	X	X	X	X
Projects	Assist the team to deliver the project as per the project plan	KCS	X	X	X	X	X
System shutdown & reboot	Set a broadcast message at least 30 minutes prior to the scheduled system maintenance to remind users of system down time	KCS	X	X	X	X	X
	Reboot the server as per schedule	KCS	X	X	X	X	X
	Restart system agents & spoolers	KCS	X	X	X	X	X
	Ensure that the system is unlocked (available for trading)	KCS	X	X	X	X	X
Disaster Recovery Test (where in place)	Recall Online Data or tapes from storage	Customer	X	X	X	X	X
	Restore data as per Customer request	KCS	X	X	X	X	X
	Inform Customer when restore is complete	KCS	X	X	X	X	X
	Offsite Tape Storage once restore is complete and successfully tested by the Customer	Customer	X	X	X	X	X

Test and Train Refresh - Chargeable on a T&M basis

The following activities are performed on a time and materials basis and will be chargeable separately by KCS at the KCS Rate.

System Copies	2 x Annual refreshes of train system	KCS	X			X	X
	2 x Annual refreshes of test system	KCS	X			X	X

Wide area network and telecommunication service management

Within the normal operation of the KCS Managed Service there is a requirement on the Customer to provide KCS with operational information on the performance of the Customer's wide area network and telecommunication systems.

New Data Lines	Apply for new Telecommunication lines on behalf of the Customer	Customer	X	X	X	X	X
Management	Log a call with the Telecommunication provider; in the event of a communication error / line down	Customer	X	X	X	X	X
	Inform the Customer in the event of a line down and continually keep the Customer updated on the progress.	Both	X	X	X	X	X

SERVICE DESCRIPTION

Activity	Description	Responsibility	KCS Managed Service				
			SES Service	DR Services	Web Hosting	Dedicated Hosting	Virtual Hosting
Meetings	Schedule regular meetings with the Telecommunication provider on behalf of the Customer to discuss any concerns and / or the contract.	Customer	X	X	X	X	X
Routers	Install and configure hardware (new and upgrade)	Customer	X	X	X	X	X
	Maintain hardware as per SLA (where KCS kit is used)	Customer	X	X	X	X	X
	Monitor hardware to minimize / prevent loss of connectivity	Customer	X	X	X	X	X

System Monitor - Chargeable on a T&M basis							
The following activities are performed on a time and materials basis and will be chargeable separately by KCS at the KCS Rate.							
Monitoring	Deploy KCS application specific scripts to the servers to provide data points for trend analysis on system usage for KCS use.	KCS	X	X	X	X	X
Scripting	Perform amendments to the KCS Software backup scripts to include any new or changed data areas.	KCS	X	X	X	X	X
3rd Party	Install, maintain and upgrade Third Party Software/Databases, such as the Oracle database. Such work maybe subject to an additional charge at KCS Rates; These will only be installed, if deemed necessary by KCS.	Both	X	X	X	X	X
Portal	Access to Customer portal	KCS	X				
	Access to all standard monitoring views	KCS	X				

SERVICE DESCRIPTION

Schedule 2 - Target response times

The target response times for each support service are as follows:

KCS Managed Services Support Service

Call Priority	Effect on the KCS Managed Service	Target Response Time (Hours)
1	Critical Impact For example, an entire KCS Managed Service or a business-critical element thereof, is inoperable to two or more users across more than one site. No acceptable workaround is available.	0.5
2	High Impact For example, a business-critical element of the KCS Managed Service is inoperable to two or more users across more than one site, but an acceptable workaround is available. A non-business-critical element of the KCS Managed Service is inoperable to all users. No acceptable workaround is available.	1
3	Medium Impact For example, a non-business-critical element of the KCS Managed Service is inoperable to all users or to an entire department, but acceptable workarounds are available.	2
4	Low Impact For example, peripheral issues which have no significant adverse effect on trading activities.	10

KCS Managed Services Restricted Support Service

Call Priority	Effect on the KCS Managed Service	Target Response Time (Hours)
1	Critical Impact For example, an entire KCS Managed Service or a business-critical element thereof, is inoperable to two or more users across more than one site. No acceptable workaround is available.	2
2	High Impact For example, a business-critical element of the KCS Managed Service is inoperable to two or more users across more than one site, but an acceptable workaround is available. A non-business-critical element of the KCS Managed Service is inoperable to all users. No acceptable workaround is available.	N/A
3	Medium Impact For example, a non-business-critical element of the KCS Managed Service is inoperable to all users or to an entire department, but acceptable workarounds are available.	N/A
4	Low Impact For example, peripheral issues which have no significant adverse effect on trading activities.	N/A

SERVICE DESCRIPTION

This Agreement is signed this at ----- on this -----day of-----

AS WITNESSES:

1. _____

2. _____

For KCS

By: _____

Print Name: _____

AS WITNESSES:

1. _____

2. _____

For CUSTOMER

By: _____

Print Name: _____