



ETHERLINE

SPECIFIC SERVICE AGREEMENT

Etherline Specific Service Agreement (“SSA”)

1. These terms and conditions govern the provision by Sapphire of an Etherline Service and are supplemental to, form part of, and must be read with, the Customer Master Agreement entered into between Sapphire and the Customer.
2. These additional terms and conditions take effect and shall bind the parties immediately upon the application by the Customer to Sapphire for the provision of the Service or on first use of the Service by the Customer.
3. Sapphire will provide the Customer with guaranteed point-to-point, point-to-multipoint or multipoint-to-multipoint Ethernet connection(s) between Customer’s Premises within Gibraltar and premises in the rest of the world at Bandwidths as specified by the Customer. A Technical Overview is set out in Schedule 1.
4. The provision by Sapphire to the Customer of the Etherline shall be for a Minimum Period as specified by the Customer and thereafter until terminated in accordance with the provisions of this agreement.
5. The Customer hereby warrants and undertakes to pay Sapphire all Subscriptions and Charges as specified in the Application Form in accordance with the CMA.
6. Payment of Sapphire’s invoices will be evidence of the acceptance of the Service requested.
7. The Customer can terminate this Service in accordance with the provisions set out in Schedule 2.
8. On receipt of the request for the Service, Sapphire will supply the Customer with the Service requested as soon as possible. The Customer understands and accepts that delivery times to Customer’s Premises both within Gibraltar and internationally will vary from location to location. Sapphire will use its best endeavours to deliver the service as soon as possible and will keep the Customer informed at all times.
9. Sapphire will notify the Customer once it is ready to activate the Service and the parties shall arrange a mutually convenient date for activation within five (5) working days of Sapphire’s notification.
10. The obligation to pay for the Service shall arise on activation by Sapphire, save for when there are performance-affecting faults caused by Sapphire and notified within forty-eight (48) hours in writing by the Customer to Sapphire. In such circumstances the obligation to pay shall not arise until such performance affecting faults have been remedied by Sapphire and notified to the Customer.
11. Sapphire will invoice the Customer monthly for the Service. The first invoice for the Service will contain any partial charges for the provision of the Service that month, calculated pro-rata from the date of activation for that period of billing. Thereafter, the Customer will receive full monthly-consolidated invoices in respect of the Service.
12. Sapphire will maintain the Service and repair faults for each Etherline according to the Sapphire Service Level Agreement as set out in Schedule 3 with the exception that, should it not be possible to maintain Sapphire’s Service Level Agreement for an international connection, Sapphire will advise the Customer who understands and agrees to accept a modified Service Level Agreement which Sapphire will produce for that Etherline only and will form part of this Agreement.

Schedule 1

Etherline Technical Overview

Connection Speeds: 2 to 1,000 Mbps

Layer 3 MTU Size: 1,500 Bytes

Maximum Layer 2 Frame Size: 1596 Bytes – 1950 Bytes

Framing Format: IEEE 802.3

Physical Presentation (MDI): RJ45, SC/PC - LC/PC (Optical Only)

Physical Interfaces: 10BaseT, 100BaseTX, 1000Base SX, LX, LH, ZX, T

MAC address Limits: 50 addresses per endpoint

Service Protection: Fully protected over Sapphires infrastructure

Service Availability: 99.99%

Schedule 2 Termination

TERMINATION NOTICE

The Customer may terminate the Service by giving one months notice in writing and paying on the date of giving such written notice any termination charges as provided for below.

TERMINATION CHARGES

If the Service is terminated prior to the end of the Minimum Period, the termination charge will be equal to all of the unpaid Subscriptions that would have been incurred for the Service for the remaining duration of the Minimum Period.

Notwithstanding the above there will be no termination charges if the Service is terminated within one month after Sapphire has increased Subscription rates by more than 5%.

The subscription rates in respect of the one month notice period shall be the lower of the rates applicable during the termination period.

Schedule 3

Sapphire Service Level Agreement (“SLA”)

AVAILABILITY

The Service shall be available 24 hours per day, 7 days per week except for scheduled maintenance.

SCHEDULED AND EMERGENCY MAINTENANCE

Sapphire will inform the Customer at least one week in advance of any scheduled maintenance which might lead to service disruption.

Sapphire reserves the right to review this time period given Sapphire’s legal obligations to cooperate with other external parties in the operation of the Network.

Sapphire will endeavour to provide as much notice as possible for any non-scheduled maintenance.

Non-scheduled maintenance will be counted as non-availability of the Service.

CONTACT POINTS

The Customer will report Service problems as set out below:

Tel: +350 20049784
Fax: +350 20047271
E-Mail: noc@sapphire.gi

Problems may be reported 24 hours per day, 7 days per week. All communications will be made in English.

Any communications from Sapphire to the Customer will be made to the Technical Contact as specified in the Application Form.

PROBLEM REPORTING AND RESOLUTION

Sapphire is responsible for detecting and remedying faults in the Service. Sapphire will operate a trouble ticketing system recording all problems reported by the Customer as well as any faults detected by Sapphire. Trouble tickets will be opened within 15 minutes of problems being reported by the Customer or its agents, or being detected by Sapphire. Sapphire will inform the Customer of the trouble ticket number as soon as it has been created. Sapphire will keep the Customer informed, at regular agreed intervals, of the progress which is being made in repairing the fault.

Trouble tickets will be closed when the Service has been restored and the Customer has agreed that the trouble ticket should be closed.

BANDWIDTH CONSUMPTION GRAPHS

Sapphire will provide the Customer with access to their bandwidth usage information.

SERVICE AVAILABILITY REPORT

The percentage availability will be provided for the Service, based on the downtime of the line according to the time derived from the trouble ticket system each calendar month, and will be calculated as follows:

$$\text{Service Availability} = (\text{TCS} - \text{TCU}) / (\text{TCS} - \text{TCN} - \text{TCM}) * 100$$

where:

TCS = the total time counted over 24 hours per day, 7 days per week that the circuit has been in operation during the calendar month

TCU = the total duration of all unavailability periods of the circuit

TCN = the total duration of all unavailability periods of the circuit attributable to the Customer or its agents

TCM = the total duration of all circuit outages due to scheduled maintenance, up to a maximum of 16 hours in any calendar year.

TOTAL UNAVAILABILITY AND PENALTY PAYMENTS

If the Service Availability (as calculated above) in any one calendar month is less than 99.5%, the Customer shall be entitled to compensation in the form of a credit calculated as a percentage of that month’s Subscription according to the table below.

| Service Availability (“SA”) | Percentage Credited |
|-----------------------------|---------------------|
| 99.5% > SA >= 99.0% | 5% |
| 99.0% > SA >= 98.5% | 10% |
| 98.5% > SA >= 98.0% | 15% |
| 98.0% > SA >= 97.5% | 20% |
| 97.5% > SA >= 75% | 25% |
| 75% > SA | (100 – SA)% |