

CLLOUDCONNECT REPLICATION SERVICES: ADDITIONAL CONTRACT TERMS

1. General

These Additional Contract Terms shall apply to and be incorporated into any Agreement between virtualDCS and a Customer for the provision of CloudConnect Replication Services, in addition to the relevant Order Form (pursuant to which these Services were ordered), any Statement of Work annexed thereto, and virtualDCS's General Terms. The order of priority between such documents in the event of conflict is described in clause 1 of the General Terms.

2. Interpretation

2.1 Save only where expressly stated otherwise in this clause 2, the terms defined in the General Terms shall apply in these Additional Contract Terms. The following definitions shall also apply in these Additional Contract Terms:

<i>CloudConnect Replication Service</i>	<i>means in respect of each of the Protected Systems that service of CloudConnect Replication business continuity services described in these Additional Contract Terms, as are more particularly described in the relevant Order Form, and at the applicable Service Level;</i>
<i>Disaster</i>	<i>means an event or circumstance in relation to the Customer resulting in an interruption to the functioning of or inaccessibility to the Protected Systems that is unplanned (and in relation to another Subscriber entitling it to use all or part of the services of virtualDCS for disaster recovery purposes);</i>
<i>Network Bandwidth</i>	<i>means the size of the network connection, in relation to how much data can be passed through it.</i>
<i>Multiple Invocation</i>	<i>means Invocation and invocation by any other Subscriber(s) resulting in competing requests for use of the CloudConnect Replication Service;</i>
<i>Protected Systems</i>	<i>means those systems replicated to the CloudConnect Replication service;</i>
<i>Rate of Change</i>	<i>means the amount of data being changed on a customer's server in a period of time.</i>
<i>RPO</i>	<i>means Recovery Point Objective which describes the amount of data loss measured in time. The RPO can only be estimated based on Rate of Change and customer Network Bandwidth;</i>
<i>RTO</i>	<i>means Recovery Time Objective which is the duration of time and a service level within which a business process should be restored after a Disaster;</i>
<i>Service Level</i>	<i>means the level of Service described at Schedule 2 (including the manner of delivery of which is described in outline in our proposal as amended or varied by virtualDCS from time to time);</i>
<i>Service Period</i>	<i>means the period of [10 (ten)] weeks commencing on Invocation during which the Customer is eligible to use the CloudConnect Replication Service for disaster recovery purposes;</i>
<i>Service Desk Hours</i>	<i>means the hours the service Desk operates, which is Monday - Friday 9:00 to 17:30 excluding bank holidays. Unless otherwise detailed on the order form.</i>

Software	<i>means data, operating and application software used or provided by the Customer essential for the correct operation of the Protected Systems;</i>
Subscriber	<i>means a third party entitled to use the services of virtualDCS for disaster recovery purposes;</i>
Support	<i>means maintenance and configuration of Virtualised Hardware, Virtual Networking within the data centre and the Replication Process.</i>
Test Invocation	<i>means by which the CloudConnect Replication Service is tested (not in the course of a Disaster) from time to time by which the Customer can ensure they can utilise the virtualDCS CloudConnect Replication Service to their satisfaction such Testing to take place according to such procedures and protocols as virtualDCS may stipulate from time to time;</i>
Testing	<i>means use by the Customer of the systems of Test Invocations for testing purposes only in accordance with clause 5.</i>
Virtualised Hardware	<i>means any Virtual Server presented to a Customer from virtualDCS's physical platform using server virtualisation technologies.</i>
Virtual Networking	<i>Means a network created within the Virtualised Hardware isolated for the use of the Customer.</i>
Virtual Server/Virtualisation	<i>Is a server provisioned by partitioning a physical server computer into multiple servers such that each has the appearance and capabilities of running on its own dedicated machine. Each virtual server can run its own full-fledged operating system, and each server can be independently rebooted.</i>

3. Services

- 3.1 In consideration of the Fees payable by the Customer to virtualDCS, virtualDCS shall make available to the Customer on the terms and conditions of this Agreement:
- 3.1.1 the CloudConnect Replication Service in accordance with the Service Level;
 - 3.1.2 Invocation of use of the CloudConnect Replication Service in the event of a Disaster;
 - 3.1.3 technical assistance as determined by virtualDCS to support the Customer on Testing or after Invocation for the Term.

4. Invocation and use of the CloudConnect Replication Service

- 4.1 The Customer shall be entitled to invocation use all or part of the CloudConnect Replication Service for purpose of dealing with a Disaster or conducting Test Invocations.
- 4.2 Invocations and Testing will be subject to charges at the daily rate as specified on the Order Form, for every day or part thereof a server is powered on.
- 4.3 The Customer acknowledges and agrees that virtualDCS operates a commercial disaster recovery service and has a number of Subscribers to the service syndicated on a 5:1 ratio, and accordingly in the event of Multiple Invocation:
- 4.3.1 one or more other Subscribers may either have invoked use of or be using the CloudConnect Replication Service at the time of Invocation;
 - 4.3.2 virtualDCS may request that any customer Testing is suspended;

- 4.3.3 virtualDCS shall have no liability to the Customer for performance contention resulting from multiple simultaneous invocations, but shall use reasonable commercial endeavours to alleviate such impact as soon as practically possible;
- 4.4 The Customer shall use reasonable commercial endeavours as soon as reasonably practicable either to restore use of the Protected Systems as they were used before the Disaster or to bring into operation a suitable alternative facility in each case in the manner appropriate and set out more fully in the Service Level. In such case, and where appropriate, a Cloud Hosting contract could be taken with virtualDCS to accommodate long-term use of the platform, and reflect more appropriate service levels and contract terms. This contract shall be charged in line with virtualDCS's standard hosting service pricing from time to time.
- 4.5 The Customer shall cease use of the CloudConnect Replication Service within [48 (forty-eight)] hours of the earliest to occur of the ending of the Service Period or the restoration of the Protected Systems or bringing into operation of a suitable alternative facility in accordance with clause 4.4. The Customer hereby irrevocably authorises virtualDCS without liability or obligation to the Customer and without prejudice to virtualDCS's other rights to effect such cessation and/or restoration if for whatever reason the Customer has not done so within such time, provided that 24 hours' notice is given to the Customer.
- 4.6 If the Customer wishes to use the CloudConnect Replication Service after the Service Period, it shall request virtualDCS in writing to extend the Service Period as far in advance as practicable. virtualDCS makes no commitment that it shall agree to extend the Service Period or provide the CloudConnect Replication Service after the end of the Service Period for any reason but shall use reasonable commercial endeavours to do so. The Customer shall pay virtualDCS for any such extended Service Period or making available of the CloudConnect Replication Service at the same rate as during the Service Period. virtualDCS shall be entitled to end any such extended use or access on not less than [24 (twenty-four)] hours' notice at any time.
- 4.7 virtualDCS shall be entitled on not less than 30 (thirty) days' notice to the Customer to change the CloudConnect Replication Service and/or the equipment and/or other resources used, and/or the benefits provided (including but not limited to the RPO, the RTO, the Fees and/or the terms of this Agreement) in or as part of the CloudConnect Replication Service. virtualDCS shall not be required to notify the Customer of changes to the equipment or resources used that are routine, arise through remedial maintenance, involve standard upgrades to equipment, software or services or are otherwise not material, unless there is a significant impact in regards to the contracted service and/or performance of the service. In the event of any notification of a change of equipment or resources or any alteration to the CloudConnect Replication Service and/or to the terms and conditions of this Agreement that would materially and adversely affect the Customer's use of the CloudConnect Replication Service for disaster recovery purposes, the Customer shall be entitled at any time within 15 (fifteen) days after the date of virtualDCS's notice to elect to terminate this Agreement with immediate effect, any such termination being within 60 days or mutually agreeable timeframe, and without liability to virtualDCS but not otherwise affecting the parties' then accrued rights and obligations. In the event that the Customer does not terminate this Agreement then any change notified to it by virtualDCS under this clause 4.8 shall take effect following expiry of 30 (thirty) days following notification in accordance with this clause.
- 4.8 In the circumstances of this Agreement, which deals necessarily with matters of disaster recovery in relation to Protected Systems generally under the Customer's control and arising in the context of Disasters, which are circumstances which are by their very nature unforeseen, the Customer agrees with virtualDCS that the following provisions are reasonable:
- 4.8.1 virtualDCS will use reasonable endeavours to provide the CloudConnect Replication Service in accordance with the Service Level applicable to it, and will use reasonable skill and care in the provision of the CloudConnect Replication Service generally. However, the Customer acknowledges that the CloudConnect Replication Services cannot be provided fault free and that virtualDCS cannot warrant error free or uninterrupted use of the CloudConnect Replication Services;
- 4.8.2 virtualDCS will use reasonable endeavours to provide the CloudConnect Replication Service for use by the Customer from the Commencement Date unless otherwise specifically agreed in writing or unless it is unable to do so as a result of a failure by the Customer to fulfil their obligations under this Agreement or by any delay caused by any third party including but not limited to network service providers;

- 4.8.3 virtualDCS do not guarantee the availability of any part of the CloudConnect Replication Service which is provided by a third party or subcontractor, and the Customer acknowledges that virtualDCS may be dependent on such third parties to provide such services including but not limited to network service providers, data centres, software and hardware manufacturers in order to provide the CloudConnect Replication Service;
- 4.8.4 the Customer acknowledges that the CloudConnect Replication Service is not a Backup Service of any kind;
- 4.8.5 virtualDCS undertakes to take reasonable measures to maintain in good working order all computer hardware and software that it uses in the supply of the CloudConnect Replication Services but virtualDCS does not represent or make any commitment that the operation of any such hardware or software shall be uninterrupted or error-free;
- 4.8.6 this Agreement will not prevent virtualDCS from entering into any similar agreement(s) with one or more third parties;
- 4.8.7 virtualDCS shall be entitled to reject any unsuitable media and shall have no responsibility or legal liability whatsoever for any of the things in clause 6 (or in the General Terms) for which the Customer has agreed that it alone has responsibility.

5. Testing

- 5.1 virtualDCS may require Customers to cancel or reschedule a Test Invocation in the event that the systems or environment operated by it are required to meet a real Invocation by another customer.
- 5.2 The Customer shall be responsible for all data and storage media used during Testing and virtualDCS shall have no liability or responsibility for loss of or damage to any such data or storage media, or to any other equipment, software, services or other resources of the Customer (including but not limited to the Protected Systems) used during Testing.

6. Service Desk

- 6.1.1 A Service Desk shall be provided to act as a single point of contact to handle all requests for support in line with the Service Level.
- 6.1.2 The Customer may report Incidents either by telephone (during Service Desk Hours) to the Service Desk or via email.
- 6.1.3 virtualDCS shall log the initial details and shall determine the priority level of the Incident and provide the Customer with a unique reference number. Severity level 1 incidents must be logged by telephone. virtualDCS shall utilise the following definitions for calculating the priority of an incident: -

Severity Code	Description
1	Critical
2	High
3	Medium
4	Low
5	Planning

Severity Definitions are as follows:

Level 1 - Critical - The business unit or subunit is unable to operate, and there is a problem with Invocation or the Invoked Environment (Response Immediate 24x7 365)

Level 2 - High – There is a problem with replication to the platform (Response 2 Hours during Service Desk Hours)

Level 3 - Medium - There is a problem with configuration or administration of the platform. (Response 8 Hours during Service Desk Hours)

Level 4 - Low– Issues relating to Test Invocations (Response 24 hours during Service Desk Hours)

Level 5 - Planning (Response 48 Hours during Service Desk Hours)

- 6.1.4 All calls shall be handled by the Service Desk who shall endeavour to resolve the Incident (by way of advice/guidance over the telephone) within 15 minutes consultation. If a resolution is not available or cannot be resolved by the Service Desk then the Incident shall be escalated or assigned to an appropriate resource.
- 6.1.5 Progress of the Incident shall be monitored by the Service Desk in accordance with virtualDCS's standard Call Escalation Procedures.

7. Customer's obligations

- 7.1 While using the CloudConnect Replication Service, the Customer will ensure that all relevant personnel and contractors of the Customer will comply with virtualDCS's guidelines, policies and procedures relating to the CloudConnect Replication Service, or any part, or parts of the same.
- 7.2 The Customer will:
 - 7.2.1 use and operate the CloudConnect Replication Service only for disaster recovery purposes and in a proper manner and in the ordinary course of its business;
 - 7.2.2 use the CloudConnect Replication Service at all times in a proper, professional and responsible manner and by properly trained and skilled personnel; and
 - 7.2.3 take good care of any hardware or software equipment or resources offered or supplied to it by virtualDCS as part of the CloudConnect Replication Service or in connection with the CloudConnect Replication Service at all times while using the CloudConnect Replication Service and at the end of use return any and all such items to virtualDCS in the same condition they were in before the Customer's use of the CloudConnect Replication Service commenced, excepting only reasonable operational wear and tear. Without prejudice to any other rights of virtualDCS, the Customer will within thirty days pay any invoice from virtualDCS in respect of restoration to such condition. Any hardware or software provided by virtualDCS as part of or in connection with the CloudConnect Replication Service unless purchased by the Customer will remain the property of virtualDCS, and will be returned following any such termination of this Agreement. Any such hardware or software provided shall only be used by or on behalf of the Customer for the purpose of the CloudConnect Replication Service.
- 7.3 The Customer alone is responsible in relation to its use of the CloudConnect Replication Services for:
 - 7.3.1 the security, proper configuration, management, organisation, functionality, compliance with legal requirements and good practice and all other attributes of the Protected Systems, except where the elements are defined as 'Managed' by virtualDCS;
 - 7.3.2 the adequacy, accuracy and security of all storage media and data it processes, generates and/or uses;
 - 7.3.3 all software and other proprietary materials that do not form part of the supply by virtualDCS of the CloudConnect Replication Service (including ensuring that they are appropriately licensed);
 - 7.3.4 the supply, operation, control and support of all other resources not included within the CloudConnect Replication Service;
 - 7.3.5 risk of loss of or damage to any such data, storage media, software, proprietary materials or other resources in any way in connection with the CloudConnect Replication Service;
 - 7.3.6 all necessary security arrangements appropriate to its use of the CloudConnect Replication Service including without limitation passwords, pass codes, audit controls, the creation of backup files and operating methods and procedures; and
 - 7.3.7 all results it obtains from the CloudConnect Replication Service.
- 7.4 It is the Customer's responsibility to maintain adequate copies (or provide original versions) of such software and backup data as is necessary to ensure that the Software may be restored in the event of corruption or other similar loss howsoever occasioned. The Customer will indemnify virtualDCS against any and all loss, damage, cost or expense suffered or incurred by virtualDCS whether directly or indirectly

as a result of any claim by a third party relating to virtualDCS's use of the Software (including any claim relating to any Intellectual Property Rights) in relation to provision of the CloudConnect Replication Service.

- 7.5 The Customer will use Test Invocations to ensure their recovery procedures are adequate.
- 7.6 The Customer will be responsible for ensuring any network connectivity not managed by virtualDCS is functioning correctly so as to not inhibit or impede Testing and/or the CloudConnect Replication Service.
- 7.7 The Customer acknowledges that any abnormal use including but not limited to local backups to disk, software installation, housekeeping activities and any other activities undertaken by or on behalf of the Customer of their systems may cause RPO's to increase.
- 7.8 Before any work is undertaken of any kind and/or any CloudConnect Replication Service is provided by virtualDCS it is the Customer's responsibility to ensure that any Protected System has been rebooted since the last significant change (including but not limited to software installation, upgrades, and patches).

Schedule Two - Service Level Agreement

1.0 DEFINITIONS

- CloudConnect Replication Services** *Means the Replication Service and the recovery service.*

- Scheduled Downtime** *scheduled maintenance of equipment or software (including operating systems patches and updates) where no less than two (2) days notice has been given to the Customer.*
- Emergency Maintenance** *Emergency maintenance i.e. unscheduled maintenance necessitated by unforeseen circumstances (including (without limitation) software failure).*

- Service Hours** *Means 24hours per day, seven days per week including all UK and Statutory Bank Holidays.*
- Normal Working Hours** *Means Monday to Friday 9:00 to 5:30 Excluding Bank Holidays.*

2. SERVICE LEVEL DEFINITION

- 2.1 virtualDCS shall ensure that the CloudConnect Replication Services will be available during the Service Hours in accordance with this Agreement.
- 2.2 The Service Desk shall be available for logging calls during the Service Hours,
- 2.3 With the exception of Severity 1 calls which will be dealt with during the Service Hours, other calls will be dealt with during Normal Working Hours,
- 2.4 Measurement of service levels will be based on the ability of the Service to be accessed by the customer during the Service Hours subject to any Scheduled Downtime or Service Level Exclusions as detailed below.

3. SCHEDULED DOWNTIME

- 3.1 virtualDCS shall notify the customer in advance, usually no less than one week and in any event no less than 48 hours, by email of any additional Scheduled Downtime. By default, our customer facing CloudConnect servers are updated and possibly restarted monthly on the 3rd Monday of each month, starting at 5:30PM.

4. SERVICE AVAILABILITY

- 4.1 The following equation will be used to calculate Service Availability. References to hours are to the number of hours (rounded to the nearest hour) in the applicable Monthly Review Period Based on a 30 day Month: $((\text{Total hours} - \text{Total hours Unavailable}) / \text{Total hours}) \times 100$, subject to any Scheduled Downtime or Service Level Exclusions.
- 4.2 Service Availability is the customer ability to use the CloudConnect Replication Service, The Service is "available" when the external monitors connected via the Internet show that CloudConnect Replication Service Portal is available, and that one or more customers are current replicating.

Service Availability during Monthly Review Period	Service Credits as % of Monthly Rental Charge
<99.99%-99.8%	5%
99.79%-99.5%	10%
99.49%-99.0%	20%
98.9%-98.0%	30%
<98%	40%

5. CALCULATION OF SERVICE CREDITS

- 5.1 Where a Monthly Review Period incorporates part of a month, any service credit will apply to a pro-rated monthly Rental Charge.
- 5.2 Service credits will be calculated monthly, aggregated and credited to the Customer on a quarterly basis.
- 5.3 If a Service is cancelled during a Monthly Review Period, no service credit will be payable in respect of that service for that Monthly Review Period.
- 5.4 The Customer must claim any service credit due to a failure to meet the Service Levels, in writing, within twenty one (21) Business Days of the date at which the Customer could reasonably be expected to become aware of such failure, otherwise no service credits shall be payable. The Customer shall not be entitled to any service credits in respect of a claim unless and until virtualDCS has received notice of the claim in writing in accordance with the above. Should virtualDCS require additional information from the Customer, the Customer shall assist, and shall not be entitled to any service credits until virtualDCS has received all the information it has reasonably requested.
- 5.5 Service credits relate to the part of the service that has failed not the whole service.

5.6 Reports above those available through the service can be made available on request with 48 hours notice.

6 SERVICE LEVEL EXCLUSIONS

6.1 The Service shall not be deemed unavailable in the event of any failure caused by the following:

- (i) communication links and network infrastructure of the customer (including Internet connections);
- (ii) (removed);
- (iii) failure by customer to meet any of its obligations under the Agreement;
- (iv) Scheduled Maintenance where no less than two (2) days notice has been given to the Customer; and
- (v) emergency maintenance i.e. unscheduled maintenance necessitated by unforeseen circumstances (including (without limitation) software failure) provided that such Emergency Maintenance continues for a period of less than 2 hours.