

PHASE 2 HOLDINGS, LLC  
**SERVICE LEVEL AGREEMENT – HOSTED & DATA CENTER SERVICES**

Effective Date: November 1, 2010

1. Overview: Application. The purpose of this Service Level Agreement ("SLA") is to describe the "Hosted Services" provided by PHASE 2 Holdings, LLC ("PHASE 2"). This SLA may be viewed online at <http://www.phase2.com>. This SLA is effective for each customer who orders Hosted Services from PHASE 2, but PHASE 2 retains the right to make changes, amendments and modifications to this SLA and its terms from time to time in its sole discretion, with such changes, amendments and modifications being effective immediately upon being posted online at <http://www.phase2.com>. Certain terms used in this Service Level Agreement are defined in Section 11 below.
2. Hosted Services. The Hosted Services consist of access to the Data Center on the PHASE 2 Network, data storage in the Data Center, hosted applications, including, but not limited to, Microsoft and IBM Lotus Communication and Collaboration applications and management services in maintaining and operating the Hosted environment.
3. Data Center. The Data Center will have power, backup emergency power, and cooling for all components physically located within it, with 100% guarantee of non-interrupted operations. Physical access to the Data Center is controlled by Phase 2.
4. Changes Affecting the Hosted & Data Center Services. PHASE 2 reserves the right to have Service Changes made from time to time, and PHASE 2 will endeavor to notify customers at least 2 days before any Service Change. If, however, a shorter notification period is necessary in PHASE 2's reasonable judgment, then any such Service Changes may nevertheless be made with such prior notification to customers as is practical and reasonable under the circumstances. PHASE 2 will attempt to have minimized any service unavailability that may be caused by or required by any Service Change, but if an outage is required, the outage will be considered a Planned Downtime.
5. Customer's Own Obligations. Each customer is responsible for not allowing any circumvention or other interference with all reasonable security precautions relating to the Hosted Services. Each customer must provide PHASE 2 with prior notification of any change in configuration that could interfere with the Hosted Services, and if necessary (and upon PHASE 2's request), will provide a qualified, knowledgeable representative to be physically present at the Data Center.
6. Hosted Services Availability Standard. The Hosted Services will be available at all times, other than during Planned Downtimes and during times when the Hosted Services are affected by Extenuating Circumstances.
7. Reporting a Hosted Services Unavailability. When a customer experiences a Hosted Services Unavailability, and the customer believes that the fault is not in or due to its own network, internet service provider or other system host, then the customer must open a Trouble Ticket by reporting the Hosted & Data Center Services unavailability to PHASE 2 by email at [support@phase2.com](mailto:support@phase2.com) or by telephone to 800-254-9715 within 24 hours of its occurrence. If a Trouble Ticket is not opened as provided in this Section, then the customer will not be entitled to any Service Credit under this SLA or any other remedy from PHASE 2. PHASE 2 will discuss the issue with the customer and try to resolve it immediately, but if immediate resolution is not possible, PHASE 2 will assign a Trouble Ticket number to the issue and begin an investigation in order to resolve the issue.
8. Request Acknowledgment Guarantee; Request Action Guarantee. PHASE 2 will acknowledge receipt of customer requests relating to Hosted Services within 5 hours, provided that the requests are made in the manner provided in this SLA by an individual previously designated in writing by the customer to PHASE 2 as that customer's "Service Notification Contact Person." PHASE 2 will act on any such customer request by responding to it within 24 hours of the PHASE 2 acknowledgment of the re-quest. Acknowledgments of customer requests and notification of actions taken with respect to such requests will be sent by PHASE 2 to that customer's Service Notification Contact Person's email address. Requests for Service Credits under this SLA are not subject to the acknowledgment and action guarantees provided in this Section.
9. Service Credits. Any PHASE 2 customer who experiences a Hosted Services Unavailability or whose service requests are not acknowledged or acted upon within the time limits set forth above is entitled to a Service Credit under this SLA, but no more than 1 Service Credit may be obtained by any customer for any single calendar day (regardless of the extent of Hosted Services unavailability or non-acknowledged or non-acted upon requests), and the aggregate of all Service Credits obtained by customer may not exceed 50% of the average monthly service charges for Data Center Services for the prior 3 months. Any Service Credit requested as provided in this SLA and granted by Phase 2 will thereafter be applied to the customer's prospective recurring service charges for the Hosted Services. Service Credits constitute the sole and exclusive remedy relating to Hosted Services for all PHASE 2 customers.
10. Requesting a Service Credit. Any customer who wishes a Service Credit based upon the performance standards set forth in this SLA must request it by notifying the PHASE 2 Helpdesk within 5 Business Days of the occurrence. This notice must be sent by email to PHASE 2 at [support@phase2.com](mailto:support@phase2.com), and must include sufficient information to allow the claim to be investigated, including, without limitation, as may be the case, the Trouble Ticket number and the customer request and the date and time such request was made to PHASE 2 and the manner such request was made. If the customer does not report such failure as provided in this Section, then the customer will not be entitled to any Service Credit under this SLA or any other remedy from PHASE 2. PHASE 2 will notify the customer of its decision about a credit, and its decision is final.
11. Definitions.
  - (a) "Business Days" means Monday through Friday, excluding national holidays.
  - (b) "Data Center" means the centralized repository or repositories for the storage, management, and dissemination of data and information and the supporting components of that data and information that PHASE 2 provides its customers.
  - (c) "Hosted Services Unavailability" means any time when the Hosted Services are unavailable to the customer, but does not include Planned Downtimes and times when the Data Center Services are unavailable or otherwise affected by Extenuating Circumstances.
  - (d) "Extenuating Circumstances" means (i) the acts or omissions of the customer or any other end-user; (ii) the behavior of the customer's equipment, facilities, or applications; (iii) faults in or failures of the customer's equipment, network, email servers, computers, or software; (iv) faults or failures caused by the customer's inter-net server provider or any other third parties that host the customer's email delivery systems or web sites, including network outages (to other than the PHASE 2 Network); (v) external causes, such as vandalism, theft, etc., including non-published and vicious virus attacks on software; (vi) acts of God, Force Majeure, or any other situations beyond the control of PHASE 2; and (vii) a customer's circumvention or other interference with the reasonable security precaution relating to the Hosted environment.
  - (e) "Planned Downtime" means any time when the Data Center Services are unavailable because of (i) Service Changes, (ii) Urgent Maintenance Activities, and (iii) any other scheduled maintenance or upgrade activities that may or may not be periodic, and that may be notified to customers at least 36 hours in advance.
  - (f) "Point of Demarcation" means the physical point at which the PHASE 2 Network ends and the private network of a customer begins.
  - (g) "Service Change" means any change in the Hosted Services or in the manner they are provided.
  - (h) "Service Credit" means 1/30th of the customer's average monthly service charge for Hosted Services for the preceding three months.
  - (i) "PHASE 2 Network" means the physical communications infrastructure and supporting hardware, software and firmware owned, managed or operated by PHASE 2 and providing the related PHASE 2 service(s) to a customer's Point of Demarcation(s). It does not include customers' equipment, telephone circuits provided by telephone companies or other common carriers, any external Internet service provider or an Internet exchange point or any networks or network equipment not owned or controlled by or on behalf of PHASE 2.
  - (j) "Trouble Ticket" means the notification by a customer of a perceived Hosted Services Unavailability.
  - (k) "Urgent Maintenance Activities" are maintenance activities required by applications or systems that cannot, in PHASE 2's sole judgment, be postponed until the next available or convenient maintenance window, and may include, but are not limited to, restarting applications, rebooting servers, applying patches or fixes, reconfiguring storage allocations, re-loading data, and making DNS or firewall changes to close security holes. PHASE 2 will endeavor to provide customers as much notice of Urgent Maintenance Activities as is possible under the circumstances, but PHASE 2 may undertake Urgent Maintenance Activities without advance notice to customers.
12. Communications and Notifications. For general inquires, requests under this SLA, billing inquiries, for engineering support about the Hosted Services, to report Email Processing Service Outages and to open a Trouble Ticket, customers should contact the PHASE 2 Helpdesk 24 hours per day, seven days per week, at 800-254-9715, or by email at [support@phase2.com](mailto:support@phase2.com). All requests for Service Credits must be made by email to PHASE 2 at [support@phase2.com](mailto:support@phase2.com).

