**Appendix 1 – Vendor Hosting Services**

# Scope of Work:

Vendor will provide ETM Management Server Hosting Services for the End User’s installed End User ETM® Appliances at the sites listed in Table 1. Hosting Services are limited to the End User ETM® Appliances sites and concurrent call sessions listed in Table 1, above.

# Service Description:

Vendor will provide a continuously available ETM Management Server instance and supporting Call Detail Record (“CDR”) database server resources to support remote connectivity from End User-owned ETM Appliances installed at End User sites as described in this agreement. The ETM Management Server instance also supports remote connectivity for authorized ETM System Console connections from End User locations.

The Hosting Service provides a hosted ETM Management Server instance, but does not include operation nor administration of End User's ETM System.

# Definition of Terms:

"Server Resource" is defined as a virtual computing resource used to implement the hosted ETM Management Server and associated database. When hosted by the Vendor, at the sole discretion of Vendor, server resources for this Appendix may be physically located on Vendor premises or at a third-party hosting provider. In either case, the server resources are managed by Vendor and access is restricted to Vendor employees.

“System Software” is defined as the operating system, database applications, and ETM System Software furnished by Vendor and related to delivery of these services.

“Service Credit” means Verizon’s right to receive a portion of the monthly recurring fee as a credit with respect to End User’s account in accordance with this Appendix.. For the avoidance of doubt:

* any claim by Verizon for Service Credit(s) defined within this Attachment shall be made directly to Vendor; Vendor shall promptly review any such claim and respond to Verizon.
* any Service Credit(s) defined within this Attachment for which Verizon may be entitled shall be paid directly by Vendor to Verizon.

“Notice Time” means the point in time that a problem pursuant to this Appendix is noted by Vendor or reported to Vendor by the End User.

“Normal Business Hours” are defined as Monday through Friday from 8:00 AM to 5:00 PM Central Time, excluding holidays listed at SecureLogix Holidays.

# Additional Considerations:

The following terms, conditions, and remedies apply regarding this service.

**a. Vendor will provide:**

* **Server Resources**. Vendor will provide appropriate server resources to host the End User’s ETM Management Server and supporting CDR database.

Vendor will use commercially reasonable efforts to make server resources available with a monthly uptime percentage of at least 99.5% during any calendar month. ETM Appliances are fault tolerant and continue to enforce ETM System Security Policy and log call records during loss of connectivity to the ETM Management Server; however, the ability to generate specific alerts and reports will not be available during an ETM Management Server outage. Vendor will provide email notification to Verizon Project Manager if downtime occurs.

***Remedy****: In the event that End User's ETM Management Server becomes unavailable and Vendor is unable restore service by close of business on the next business day, Verizon is entitled to 25% of the monthly recurring charge for each business day the ETM Management Server is not available for use by End User. Total credit for all events in any calendar month is limited to 100%of the Verizon purchased monthly recurring charge.*

* **Operating System and Patches**. Vendor will furnish and maintain a compatible operating system on the End User’s assigned server resources. Vendor will install routine patches and updates to the operating system on at least a quarterly basis. Vendor will make every reasonable effort to promptly install critical patches and updates to the operating system. The determination of critical and routine operating system updates is determined at the sole discretion of Vendor. Email notification will be sent to Verizon Project Manager upon the successful completion of patches and updates.
* **Database Software and Patches**. Vendor will furnish and maintain appropriate CDR database software to support End User's hosted ETM Management Server. Vendor will install updates to CDR database software on a quarterly basis. Email notification will be sent to Verizon Project Manager upon the successful completion of patches and updates.
* **ETM® System Software and Patches**: Vendor will furnish and maintain the appropriate ETM System software to support End User's hosted ETM Management Server. Email notification will be sent to Verizon Project Manager upon the successful completion of patches and updates. Although Vendor routinely releases patches and updates to the ETM System software, Vendor will, on a case-by-case basis, determine whether a given update is applicable to End User's specific implementation. The determination of whether to install an update is at the sole discretion of Vendor. Some software updates may require installation of updated ETM System Console Client Application software on End User's workstation(s), in which case Vendor will provide software media, installation documentation, and telephonic support. The Verizon Project Manager will be made aware of these patches. Onsite upgrade of ETM Console Client Application software is not included in the Hosting Service. Vendor will provide at least 30 days’ notice prior to any upgrade that requires upgrade of ETM System Console Client Application software. Vendor may, at its sole discretion, also update the End User’s ETM UTA Appliance software if required for a specific ETM Server release. Vendor will provide at least 30 days’ notice prior to any Appliance software update unless otherwise agreed.
* **Networking Resources**: Vendor will furnish and maintain networking resources to support continuously available connectivity between End User's ETM Appliances and the ETM Management Server instance. Vendor will use commercially reasonable efforts to make networking resources available with a monthly uptime percentage of at least 99.5% during any calendar month. ETM Appliances continue to enforce ETM System Security Policy and log call records during loss of connectivity to the ETM Management Server; however, the ability to generate specific alerts and reports will be unavailable during a networking outage. Vendor will provide email notification to Verizon Project Manager if downtime occurs.

***Remedy****: In the event that End User's ETM Management Server instance becomes unavailable due to networking problems originating in the Vendor hosting environment and Vendor is unable restore service by close of business on the next business day, Verizon is entitled to 25% of the monthly recurring charge for each business day the ETM Management Server is not available for use by End User. Total credit for all events in any calendar month is limited to 100% of the End User's monthly recurring charge.*

* **Database Storage, Availability, Backup, and Restoral**: Vendor furnishes up to one year of online call record storage in the End User's database instance. Call records older than one year will be automatically purged and cannot be recovered. The data retention period can be increased subject to mutual agreement as set forth in a fully-executed Change Order and Verizon Project Manager approval. The End User's database instance is implemented in a high-availability configuration, with the primary database continuously replicated to a secondary server resource. In the event of a primary failure, failover to the secondary server occurs automatically with no interruption of service. The database is backed up daily and the fault tolerant design of the ETM Appliance ensures that there will be no loss of call records in the event that the database is restored from a backup. Vendor will provide email notification to Verizon Project Manager if downtime or an issue with restoration occurs.

***Remedy****: In the event that End User's ETM Management Server instance becomes unavailable due to unavailability of database resources and Vendor is unable restore service by close of business on the next business day, Verizon is entitled to 25% of the monthly recurring charge for each business day the ETM Management Server is not available for use by End User. Total credit for all events in any calendar month is limited to 100% of the End User's monthly recurring charge.*

***Remedy****: In the event that a database failure results in the loss of call records or other critical information, Verizon is entitled to a service credit of $2,500.*

* **System Monitoring and Notification**: Vendor will monitor the End User’s ETM Management Server and database instances for normal operation. If an outage occurs, Vendor will notify the designated End User Point of Contact (POC) and Verizon Project Manager within four (4) hours during normal business hours or the next business day for after-hours issues, noting the outage along with the status of resolution efforts and an estimated time of return to operation. For prolonged outages, daily status updates will be provided until the outage is corrected.

***Remedy****: In the event that Vendor should fail to provide notifications as described above, and such failure directly and adversely affects End User’s hosted system, Verizon is entitled to a service credit of $2,500.*

* 1. **End User Responsibilities:**
* Verizon will ensure that its contract with End User states that End user is responsible for operating and managing End User's ETM System, including application administration. Services provided by Vendor under this Exhibit are limited to furnishing and maintaining a hosted ETM Management Server instance and the supporting Call Detail Record (“CDR”) database server resources.
* Verizon will ensure that its contract with End User states that End user will provide names and contact information of designated Points of Contact (POCs) who will receive notification of system errors and that End User will update the POC information as changes occur.

# Technical Support and Escalation:

Vendor will provide technical support for the hosted ETM Management Server in accordance with terms and conditions in this Exhibit. End User will use the following information to contact Vendor for technical support or to reach an escalation POC.

1. **Technical Support:**

* Support for the End User’s hosted ETM Management Server is provided by Vendor End User Support via email [support@securelogix.com](mailto:support@securelogix.com), web <http://support.securelogix.com/index.htm>, and phone at 1-877-752-4435.

1. **Escalation Points of Contact**

In the event the End User believes escalation of a Hosted Services issue is required, the following contacts should be engaged in the order in which they appear below:

* Call Secure Service Escalation Contact:

Rick Crow

Manager, Voice Security and Management Operations

210-546-1055 office

rickyc@securelogix.com

* SecureLogix Services Management Escalation Contact:

Mario DeLeon

VP of Services

210-546-1057 office

mdeleon@securelogix.com

# Limitations:

A maximum of one credit per individual service-level measurement per month will be granted to Verizon. For service credits based on a percentage of monthly recurring charges, Verizon is limited to a maximum of 100% of the monthly recurring charge in any calendar month for all events.

Vendor is not responsible for and will not issue services credits for service outages caused by equipment, services, or systems maintained or administered by the End User.

# End User Requests

1. **End User Credit Requests**

Verizon must submit a written request to Vendor within a reasonable amount of time following the incident for which End User is requesting credit from Verizon. Verizon will contact the Vendor within 5 calendar days to review the End User’s request for credit. The determination will be jointly made to either approve the credit, deny the credit, or request additional information. If both parties approve End User’s credit request, such credit will appear on the next invoice following approval.

1. **End User Data Requests**

Call Detail Records (CDRs) collected by the ETM System are retained in a database for at least 12 months. Upon written request by the Verizon Project Manager on behalf of the End User, or the End User, Vendor shall provide to the End User a complete export of all CDR records in the database in the form of a CSV file. The file shall contain one line for each call and each line shall contain the following elements: date and time, source telephone number, destination telephone number, and call duration. Only calls collected by the ETM System and the call elements available at the time of the call shall be reported.

The CSV file will be provided to the End User no more than 10 business days after receipt of the written request. The Vendor will notify the Verizon Project Manager upon request, if directly from End User, and record delivery. One data request per year is included in this Hosting Agreement; additional data requests will be separately invoiced and billed on a time-and-materials basis.

1. **End User Data Removal Requests**

Upon the termination of this hosting agreement or written request by the End User, Vendor shall delete all Call Detail Records and any other End User information from the Vendor server and database resources used to furnish the Hosting Service. Vendor shall notify End User POCs by email upon completion of the data removal process. Vendor shall provide Verizon Project Manager the confirmation once the data removal has been completed.

# Data Privacy

In addition to any data privacy terms in the Agreement, as amended, Vendor shall ensure that End User information is encrypted while in transit between End User-premises ETM System components and hosted ETM Management Server resources. Vendor shall restrict disclosure of End User information solely to Vendor employees who have a need to know such information, and shall advise such persons of their confidentiality obligations with respect thereto.