

**month dd, year**

## **LEASED LINE CONTRACT**

**for**

**IUCC Network**

**Date:**

**Parties:**

**(1) Israel InterUniversity Computation Center ("IUCC")**

**(2) xxxxxx ("The Supplier")**

## RECITALS:

Under this contract ("the Agreement") between the Supplier and IUCC ("the Parties" and each of them a "Party"), IUCC appoints the Supplier as its contractor for the provision of the Services.

### 1. Definitions

1.1 In this Agreement the following expressions have the following meanings:

"Service"	means the stipulated Circuits service to be provided by the Supplier as specified and defined in paragraph 2 of Annex 1;
"Business Day"	means a day (other than a Friday or a Saturday) on which banks are open in Israel for the transaction of general banking business;
"Service Item"	means those circuits each to be provided as parts of each of the Services, circuits more specifically defined in Annex 1;
"the Commencement Date"	means the date of this Agreement;
"the Committed Delivery Date (CDD)"	means the agreed date on which a Service Item is contracted to be put into operation;
"Force Majeure"	has the meaning given to it in Clause 10.1;
"the IUCC Network"	means the IUCC network in respect of which the Service is to be provided and the equipment and other components comprising part of such network;
"Operational Service Date (OSD)"	means the date on which each Service Item is accepted in accordance with Annex 3.
MOC	Israel's Ministry of Communication.

### 2. Duration

2.1 Unless terminated earlier under Clauses 4.1, 4.2 or 4.3, this Agreement shall start after the OSD of all Service Items and shall continue for a period of 24 months and thereafter shall continue until terminated on 3 months' notice given in writing by IUCC, or 6 month's notice given in writing by the Supplier.

2.2 IUCC may at its own discretion, terminate this Agreement in regard to any Service Item, at any time 24 months after the OSD of such Service Item, by giving the Supplier a 3 month written termination notice. Such notice shall not derogate in anyway, from the continuing effect of this Agreement in regard to the other Service items.

2.3 In the event any Service Item is upgraded under this Agreement, the term of each such upgraded Service Item shall be one year from the relevant Service Item upgrade OSD and shall thereafter continue unless and until terminated on 3 months' notice given in writing by IUCC or 6 months notice given in writing by the Supplier. Such notice shall not derogate in anyway, from the continuing effect of this Agreement in regard to the other Service items.

### 3. Service Delivery

3.1 The Services shall be installed, tested and put into operation in accordance with the acceptance procedure as specified in Annex 3.

3.2 The CDD for each Service Item is detailed in Annex 1.

3.3 The OSD for each Service Item will be determined according to the procedure defined in Annex 3.

#### 4. **Termination**

4.1 This Agreement may be terminated by either Party for any material breach by the other Party of the obligations set out in it, by giving written notice to the other of its intention to terminate. The notice shall include a detailed statement describing the nature of the breach. If the breach is not capable of being remedied, then the termination shall take effect upon service of the notice. If the breach is capable of being remedied and is remedied within the period of thirty (30) days after service of the notice, then the termination shall not take effect.

For the purpose of this clause “material breach” shall mean:

- a) A delay of more than 45 days in a payment due by IUCC under the terms of this Agreement
- b) Unavailability – as defined in section 3.1 of Annex 4 – of a Service Item for a cumulative period of 24 hours, or more, in any given calendar month
- c) Accumulation, for any Service Item, of more than 1% packet loss, as defined in section 3.1 of Annex 4, in any given calendar month.

It is hereby agreed that should a material breach relate to one (1) Service Item, IUCC may terminate this Agreement only in regards to that Service Item. Should a material breach relate to more than one Service Item, IUCC may terminate the entire Agreement.

4.2 IUCC shall have the right to terminate this Agreement entirely if at least 3 (three) of the Service Items have not been accepted within 60 days of the CDD for the Service.

Without derogating from the above, IUCC shall have the right to terminate this Agreement in regard to any Service Item which shall not be accepted within the above mentioned 60 days.

4.3 Either Party shall, in addition to the grounds on which an agreement may be rescinded in law, be entitled to terminate this Agreement in whole or in part by a written declaration forthwith and without application to a court of law:

- a) if the other Party has applied for or has been granted suspension of payments or has been declared bankrupt,
- b) if the other Party has invoked Force Majeure and the Force Majeure lasts for more than a period of one month or as soon as it is established that it will last for more than a period of one month.

4.4 Termination or expiration of the Agreement under Clauses 2, 4.1, 4.2 or 4.3 shall mean termination, with effect from the effective date of termination, of the obligations imposed on the parties under Clauses 2, 3, 5 and 6 of this Agreement. The remaining Clauses shall survive the termination or expiration of the Agreement, for whatever reason. Termination or expiration of this Agreement shall be without prejudice to the accrued rights and liabilities of the Parties subsisting at the date of termination or expiration.

#### 5. **Payment Terms and Conditions**

5.1 From the relevant OSD on, the Supplier will provide IUCC with the relevant Service as defined in Annex 4.

5.2 In consideration for the provision of the Services IUCC will pay the charges for the Services, as specified in Annex 2 with effect from the dates set out in Annex 2. All charges are and shall be invoiced in Israeli shekels and exclusive of any withholding tax including VAT and any other similar sales taxes, duties or levies imposed on the Supplier by law. In case such a tax, duty or levy will be due, the respective amount will be added to the charges payable by IUCC. Any payment due by IUCC under the terms of this Agreement which has not been paid within 14 days of the due date, shall accrue interest from the 15<sup>th</sup> day onward, at a rate equal to the interest rate then charged by Bank Leumi Le'Israel Ltd. for overdraft.

5.4 At any time during the term of this Agreement IUCC may request in writing an upgrade or upgrades to the Services. As soon as reasonably practicable after receipt of IUCC's request, the Parties shall meet to discuss IUCC's requirements and if appropriate the Supplier shall provide IUCC with a written quote for the upgrade work, detailing price, proposed delivery date ("proposed CDD") and predicted periods of consequent unavailability of the Service (if any) arising as a result of such upgrade activity. For each upgrade the Supplier agrees to attempt to specify a proposed CDD no later than three months after the date of its ARO (After Receive Order) for the upgrade work, but shall be under no liability to IUCC should it be unable to do so. Once agreed, the price and other terms of the upgrade work pursuant to the proposed CDD shall be binding on the Parties. The Supplier shall ensure that all upgrade work is restricted to scheduled maintenance windows under Annex 4 unless otherwise agreed in writing, but any such maintenance shall not be included in the calculation of the annual total of scheduled maintenance under paragraph 1.8 of Annex 4.

5.5 If the Agreement is terminated by IUCC, IUCC shall be refunded any and all possible advance payments corresponding to periods following the date of termination. If the Agreement is terminated by the Supplier, the Supplier shall be entitled to retain and set off such remaining advance payments as are equal to the aggregate of any sums owed to it by IUCC.

## **6 Service Quality**

6.1 The Supplier shall provide the Services in accordance with the quality and availability parameters set out in Annex 4, redress any interruptions in the availability of the Services in accordance with Annex 1 and exercise the reasonable care and skill of a competent telecommunications provider.

6.2 The Supplier may from time to time make minor variations to the technical parameters applicable to Service as well as scheduled maintenance, whether specified in Annex 1 or otherwise, so long as the quality and functionality of the Service are not adversely affected. The Parties acknowledge and agree that the provision by the Supplier of the Services does not provide IUCC any right in the Supplier's network or any part thereof nor with any right to control any network or service configuration or design, routing configuration, regrooming, rearrangement or consolidation of channels or circuits or any similar or related functions with regard to the Supplier's network. The Services are subject to and shall be implemented in accordance with the Supplier's network operations and maintenance procedures and policies, as specified in Annex 5, as these may be notified to IUCC from time to time by the Supplier.

6.3 If an interruption in the availability of the Services has occurred during any billing period, then in addition to any other remedy available to IUCC under this Agreement, IUCC shall be eligible to compensation by way of service credits in accordance with Annex 4. An interruption occurs when a Service Item fails to meet guaranteed service levels detailed in Annex 4.

6.4 Compensation for interruption in availability shall not apply and shall not be considered as unavailability in cases of:

- interruptions caused by IUCC, its employees or, one of its IUCC members or, third parties brought in by IUCC, or equipment brought in by IUCC; or
- interruptions during periods when IUCC reports a Service to be inoperative but declines to release it for testing and repair; or
- interruptions during any period of release of a Service for scheduled maintenance or rearrangement purposes such as upgrades as described in more detail in Clause 5.4 above; or
- Supplier is prevented or prohibited from gaining access to IUCC premises during any interruption; or
- any problem with the Supplier's equipment installed at IUCC premises caused due to inappropriate environmental conditions; or
- emergency maintenance; or
- interruptions due to Force Majeure.

6.5 Compensation shall be applied as a deduction from the charges otherwise payable by IUCC for the period following the period in which the credit arose.

6.6 The Parties acknowledge that the amounts payable to IUCC according to the various parts of Annex 4 constitute a fair estimate of IUCC's losses in the circumstances detailed there and expressly agree that the above mentioned amounts shall be the sole monetary compensation to which IUCC shall be entitled to under those circumstances.

**7. IUCC's Obligations**

- 7.1 IUCC shall only use the Services for lawful purposes. IUCC warrants and represents that it owns a valid ISP license issued by the Ministry of Telecommunications and it shall maintain the validity of such license throughout the duration of this Agreement.
- 7.2 IUCC shall be responsible for its own configuration and use of the Service including, without limitation, the provisioning of all interconnection facilities, network equipment, IUCC testing equipment and procedures, maintenance of equipment, and other facilities or actions necessary to utilise the Services. IUCC shall only use and connect equipment to the Services that complies with all applicable laws, regulations, industry standards and licensing requirements including *inter alia* ITU-T standards. IUCC shall conduct all such operations and use of the Service in a manner which does not interfere with the operations of the Supplier's network or the use thereof by any other customer of the Supplier. IUCC shall comply at all times with reasonable operating procedures, policies and interconnection requirements of the Supplier as are made known by the Supplier from time to time.
- 7.3 IUCC acknowledges that if the Supplier is prevented or prohibited from gaining access during normal working hours to comply with the CDD in relation to a Service, or in the case of scheduled or emergency maintenance, IUCC shall use all reasonable endeavours to assist the Supplier in gaining such access. The Supplier shall not be responsible for any failure to meet the CDD (and the CDD shall be extended accordingly) or to conduct appropriate scheduled or emergency maintenance to the extent that such access is denied it by IUCC or an employee, representative, agent or sub-contractor of IUCC.
- 7.4. IUCC hereby acknowledges that the Supplier has and shall retain the ownership to equipment to be used in the supply of the Service. Should the Supplier discontinue supplying the Service, for any reason, IUCC hereby undertakes to allow the Supplier access to all the relevant points to enable the Supplier to remove that equipment. It is hereby agreed that for as long as IUCC shall not give the Supplier and/or anyone on their behalf the access needed to remove the above-mentioned equipment, IUCC shall be obliged to continue paying the recurrent change.

**8. Other Undertakings by the Supplier**

- 8.1 The supplier undertakes to obtain all licenses and other permits necessary for the implementation and operation of the Service, not later than the CDD.
- 8.2 The Supplier will comply with and ensure that the Services comply with, all relevant local and national laws and regulations in each jurisdiction in which it provides any of the Services.
- 8.3 The Supplier undertakes to co-operate with IUCC's suppliers and sub-contractors in the implementation of the IUCC Network. For the avoidance of doubt, the Supplier shall not be responsible for any part or component of the IUCC Network other than the Service Items and assumes no responsibility for any failure or damage resulting from the acts or omissions of IUCC's suppliers and sub-contractors.

**9. Limitation of Liability**

- 9.1 Each Party accepts unlimited liability for death and personal injury to third parties, including the Parties employees, caused by its negligence in performance of its rights and obligations under this Agreement.
- 9.2 Neither Party's liability for any breach of this Agreement, or arising in any other way out of the subject matter of this Agreement, will extend to any special, incidental, indirect, punitive or consequential damages or losses including (without limitation) loss of profits.
- 9.3 Each Party's liability towards the other Party in contract, tort (including negligence) or otherwise in relation to this Agreement in each year is limited to the aggregate charges actually paid by IUCC to the Supplier in respect of such Service Item for a period of six months (such limitation shall not derogate, however, from IUCC's liability for any unpaid charges and/or default interest due and payable to the Supplier hereunder).
- 9.4 If any sub-clause of this Clause 9 is held to be invalid or unenforceable under any applicable statute or rule of law then it shall be deemed to be omitted, and if as a result any party becomes liable for loss or damage

which would otherwise have been excluded then such liability shall be subject to the remaining sub-clauses of this Clause 9.

9a      **Insurance**

The supplier shall maintain, for the whole term of this Agreement, professional liability insurance, third party insurance and employees insurance, with a reputable insurance company, each in an amount to be agreed upon by the parties and set forth in Annex 4 which shall be added to the Agreement and constitute an integral part thereof. The supplier shall furnish IUCC with a certificate of the insurance company, or companies, showing compliance with those insurance requirements.

10.      **Force Majeure**

10.1      For the purposes of this Agreement "Force Majeure" shall include any of the following: Act of God, outbreak of hostilities, riot, , , acts of terrorism, the act of any government or authority (excluding revocation of any licence or consent), fire, explosion, flood, , malicious damage, strike, lockout or industrial action of any kind.

10.2      Provided that the Party claiming the benefit of the Force Majeure takes reasonable steps to minimise the effect of any Force Majeure on performance of its obligations under this Agreement, neither Party will be liable for delay in performing or failure to perform its obligations under the Agreement if the delay or failure results from events or circumstances of Force Majeure. Such delay or failure shall not constitute a breach of this Agreement and the time for performance shall be extended by a period equivalent to that during which performance is so prevented.

10.3      In the event of Force Majeure affecting any Service Item, IUCC will be refunded the pro-rated amount for that Service Item, based on the charges listed in Annex 2.

11.      **No Assignment**

11.1      The Supplier may not assign all or part of its obligation under this Agreement to another unless he shall receive a prior written consent to such assignment from IUCC. The Supplier may however use sub-contractors for the installation of the Service Items and their maintenance but shall remain solely and full responsible towards IUCC for both the installation and maintenance, as well as for the purposes set out in Clause 8.2, but shall remain solely and full responsible towards IUCC for both the installation and maintenance. The Supplier may also assign its rights and obligations under this Agreement to any subsidiary or affiliate thereof, provided such assignee undertakes in writing to be bound by the terms and conditions of this Agreement as if it were a direct party hereto in *lieu* of the Supplier. For the purposes hereof, (a) the term "subsidiary" shall mean a company or other legal entity controlled by the Supplier, (b) the term "affiliate" shall mean any company or other legal entity controlled, in control of, or under common control with the Supplier, and (c) the term "control" shall mean the ownership of more than 50% of the share capital or voting interest.

11.2      The Parties declare that this Agreement is not an agreement for the benefit of a third party.

11.3      IUCC shall not sell, assign or transfer any of its rights under this Agreement, except to a successor of IUCC, subject to the prior written approval of the Supplier (which shall not be unreasonably withheld).

12.      **Relationship between the Parties**

Nothing in the Agreement shall create, imply or evidence any partnership between the Parties or the relationship between them of principal and agent.

13.      **Joint Publicity**

The Parties acknowledge that they each intend to issue press and public announcements relating to this Agreement. The content of all such announcements shall be made only with the prior written approval of the other Party, such approval not to be unreasonably withheld or delayed. Nothing in this Clause 13 shall prevent the making of any announcements which are required by law or by any competent

regulatory body, but the Party required to make the announcement agrees to give the other Party the opportunity to review and comment upon the content of the announcement prior to its release.

#### **14. Notices**

14.1 All notices served on either Party by the other can be provided in either Hebrew or English language.

14.2 Any notice to be given under this Agreement shall be in writing and shall be deemed to have been served when personally delivered, when transmitted by fax, electronic or digital transmission method provided that such transmission is confirmed by a receipt or successful transmission report and confirmed by mail to the following addresses:

SUPPLIER: address:       xxxxx  
                                      xxxx

IUCC: address:       IUCC  
                                      Software Engineering Bldg  
                                      Tel Aviv University  
                                      Ramat Aviv 69978

Fax no:       03-6460557  
Attention:    Mr. Asher Rotkop

#### **15. Governing Law**

15.1 The Agreement shall be governed, construed and interpreted according to Israeli Law. The Parties agree to submit to the exclusive jurisdiction of the Courts of Tel-Aviv-Yaffo District.

#### **16. No Waiver**

The failure of either Party to exercise or enforce any right conferred by this, shall not be construed as a waiver or relinquishment on its part of any such right nor operate to bar the exercise enforcement thereof or any other right or remedy on a later occasion. Except as expressly provided otherwise, remedies shall be deemed cumulative and not exclusive.

#### **17. Warranties**

Each Party warrants that:

- (a) it has the full right and authority to enter into, execute, deliver and perform its obligations under this Agreement;
- (b) it has taken all requisite corporate action to approve the execution, delivery and performance of this Agreement;
- (c) this Agreement constitutes a legal, valid and binding obligation enforceable against such party in accordance with its terms, subject to bankruptcy, insolvency, creditors' rights and general equitable principles; and
- (d) its execution of and performance under this Agreement shall not violate any applicable existing regulations, rules, statutes or Israeli court or any contract or other agreement the party is subject to.

18. **Severability**

If any term, covenant or condition contained herein shall, to any extent, be invalid or unenforceable in any respect under the laws governing this Agreement, the remainder of this Agreement shall not be affected thereby but remain valid and enforceable to the fullest extent permitted by law.

19. **Entire Agreement; Amendment; Other Agreements**

19.1 This Agreement represents the entire understanding between the Parties with respect to its subject matter and supersedes all prior agreements, understandings or arrangements, whether oral or written.

19.2 This Agreement may only be modified or supplemented by an instrument in writing executed by a duly authorised representative of each Party.

19.3 Each Party acknowledges that it is not entering into this Agreement in reliance on any representation of the other except those contained in this Agreement and in the event of misrepresentation (other than fraudulent misrepresentation) the only remedy available shall be a claim for breach of contract.

19.4 The clause headings of this Agreement are for convenience only and are in no way to be construed as part of this Agreement or as a limitation of the scope of the particular clause to which they refer. The Annexes attached hereto constitute an integral part of this Agreement, except that in the event of any discrepancy between any provision of this Agreement and any of the Annexes, the provisions of this Agreement shall prevail.

**SIGNED** for and on behalf of  
**THE SUPPLIER**

**SIGNED** for and on behalf of  
**IUCC**

Signatures: \_\_\_\_\_

Signatures: \_\_\_\_\_



## ANNEX 1

### Service Description

#### 1. Introduction

This annex describes the individual Service Items, which constitute the Service and IUCC's operational performance and management requirements of those Items.

#### 2. Service Items description

Details are given below for each Service Item.

#### 2.1 Service Connectivity

The Supplier will provide leased line gigabit Ethernet circuits according to the Suppliers response to the Request for Proposal:

Connection	Gigabit Ethernet
1. Ben Gurion University-Med1 PT	1000Mb/sec
2. Weizmann Institute-Med1 PT	1000Mb/sec
3. Haifa University-Med1 PT	1000Mb/sec
4. Technion-Med1 PT	1000Mb/sec
5. Hebrew University- Med1 PT	1000Mb/sec
6. Open University-Med1 PT	1000Mb/sec
7. Tel-Aviv University- Med1 PT	1000Mb/sec
8. Bar-Ilan University-Med1 PT	1000Mb/sec

Service Item 1:

	<b><i>Sitename and city</i></b>
A end	Ben Gurion University, Beersheva
B end	Med-1, Petach Tikve

Service Item 2:

	<b><i>Sitename and city</i></b>
A end	Weizmann Institute of Science, Rehovot
B end	Med-1, Petach Tikve

Service Item 3:

	<b><i>Sitename and city</i></b>
A end	Haifa University, Haifa
B end	Med-1, Petach Tikve

Service Item 4:

	<b><i>Sitename and city</i></b>
A end	Technion, Haifa
B end	Med-1, Petach Tikve

Service Item 5:

	<b><i>Sitename and city</i></b>
A end	Hebrew University, Givat Ram, Jerusalem
B end	Med-1, Petach Tikve

Service Item 6:

	<b><i>Sitename and city</i></b>
A end	Open University, Rananna
B end	Med-1, Petach Tikve

Service Item 7:

	<b><i>Sitename and city</i></b>
A end	Tel Aviv University, Ramat Aviv
B end	Med-1, Petach Tikve

Service Item 8:

	<b><i>Sitename and city</i></b>
A end	Bar-Ilan University, Ramat Gan
B end	Med-1, Petach Tikve

## 2.2 Parameters and Settings

The Service will be implemented with the following bandwidth and interfaces:

Customer Bandwidth Mb	1000
Connection Type	

## 2.3 Service End Points

The Service will terminate at the IUCC equipment at the following sites:

Service Item 1:

A End: Communications room, Bldg #50, Ben Gurion University, Beersheva  
B End: IUCC caged space, Med-1 site, Jabotinsky 94, Petach Tikve

Service Item 2:

A End: Basement, Physics Faculty, Weisman Bldg (#36), Weizmann Institute of Science, Rehovot  
B End: IUCC caged space, Med-1 site, Jabotinsky 94, Petach Tikve

Service Item 3:

A End: Computer Room, Floor 500, Main Building, Haifa University, Haifa  
B End: IUCC caged space, Med-1 site, Jabotinsky 94, Petach Tikve

Service Item 4:

A End: Communications room 2, Computer Center, Technion, Haifa  
B End: IUCC caged space, Med-1 site, Jabotinsky 94, Petach Tikve

Service Item 5:

A End: Computer Room, Taylor Building, Givat Ram, Hebrew University, Jerusalem  
B End: IUCC caged space, Med-1 site, Jabotinsky 94, Petach Tikve

Service Item 6:

A End: Room A1-1-03-CO, Floor –1, Ravutski 100 St, Open University, Rananna  
B End: IUCC caged space, Med-1 site, Jabotinsky 94, Petach Tikve

**Service Item 7:**

A End: Room 100, Computer Center, Tel-Aviv University, Ramat Aviv  
B End: IUCC caged space, Med-1 site, Jabotinsky 94, Petach Tikve

**Service Item 8:**

A End: Computer Center, Bldg 904, Bar-Ilan University, Ramat Gan  
B End: IUCC caged space, Med-1 site, Jabotinsky 94, Petach Tikve

The Supplier will take full responsibility for connecting to the IUCC equipment including in-building installation.

***3. Committed Delivery Date:***

The date that all Service Items are to be delivered (Committed Delivery Date) will be 21 April 2016, but IUCC reserves the right to postpone the CDD, provided, however that it shall give the Supplier at least 2 weeks written advance notice of the new Committed Delivery Date. All dates are subject to IUCC obtaining from the relevant institutes all the necessary permissions needed to enable the Supplier to complete the installation.

## Annex 2

### Charges and Payment Schedule

#### 1. *Recurrent Charges*

1.1 The Supplier charges to IUCC for the Service will consist of the charges for the Service Items as follows (all charges are quoted excluding Value Added Tax):

Service Item	Recurrent yearly charge (in NIS)
1	
2	
3	
4	
5	
6	
7	
8	

1.2 IUCC shall be entitled to the discounts specified in the table below. The discounts shall be calculated according to the overall number of Service Items held and maintained from time to time.

Aggregated No. of lines	Recurrent yearly cost discount
2	
3	
4	
5	
6	
7	
8	

#### 2. *Installation Charges*

2.1 The Supplier will not charge IUCC any installation costs for the service.

#### 3. *Payment Terms*

3.1 Recurrent charges shall be paid either on a monthly basis or on a quarterly basis in advance.

3.2 For recurrent charges the Supplier shall render:

- i) a first invoice on or after the OSD covering the period between OSD and the end of the calendar month or quarter, and
- ii) subsequent invoices at the start of each calendar month or quarter.

3.3 IUCC will pay the recurrent charges only after receipt of an accurate invoice issued by the Supplier. IUCC shall pay the invoices within "shotef"+45 days after the date of receipt of the correct invoice.

3.4 In the event of a billing error, IUCC will notify the Supplier in writing and the Supplier will have until the next invoice to correct the error. In the event that the billing error is not corrected, IUCC will deduct the specified amount from the next bill and any payment correction due by the Supplier under the terms of this Agreement, shall accrue interest from the 15<sup>th</sup> day onward, at a rate equal to the interest rate then charged by Bank Leumi Le'Israel Ltd. for overdraft.

## **Annex 3**

### **Acceptance Procedure**

#### **1. Introduction**

The Parties acknowledge that IUCC will use the Services to carry IP traffic only.

#### **2. Parameters/Specification**

The Services shall comply in all material respects with the ITU standards stated in paragraph 2.4 of Annex 1 (Service Standards Compliance).

#### **3. Testing Methodology**

The Supplier will notify IUCC 10 working days before the expected Acceptance Test Start Date whether the Service Item will be turned over to IUCC for testing on the date planned, or if there is a delay expected, the Supplier will inform IUCC of the duration of the delay.

The expected Acceptance Test Start Date (ATSD) for each Service Item must be at least 5 working days prior to the Committed Delivery Date (CDD).

The purpose of the acceptance tests shall be to verify that the Service Items comprised in the Service are operating in accordance with the specifications described in paragraph 2 above. The acceptance tests shall be carried out by the Supplier over a period of 24 hours via loopback transmission and/or such other terms as may be agreed by the Parties.

The Supplier will perform the appropriate specified tests. On successful completion of the 24 hour loopback test, the Supplier will inform IUCC and will provide a copy of the test results by email or fax. The date of the working day following the date of transmission of this email or fax will define the actual Acceptance Test Start Date.

IUCC will have 5 working days from the ATSD to carry out tests over the link. During this period, the Supplier, or its agent, will co-operate in a timely manner with IUCC, or its agents, in identifying the source of any problems that arise. If the source of any problems is determined to be in the Service provided by the Supplier, the Supplier will remedy the problem as quickly as possible. If the source of any such problem is determined to be outside the Supplier's Service or in IUCC's equipment, IUCC will take appropriate action and continue its testing. If any remedial action involves changes in the Service provided by the Supplier, IUCC will be allowed a further 5 working day period to conduct tests.

IUCC will be deemed to have accepted the Service Item when IUCC declares that the link operates satisfactorily or if any 5 working day test period expires without IUCC providing evidence to the Supplier of unsatisfactory operation arising from the Service provided by the Supplier. The Operational Service Date (OSD) will be set as the date IUCC accepts or is deemed to have accepted the Service Item.

The foregoing notwithstanding, if IUCC uses a Service Item to carry live traffic (not including field trials) prior to acceptance by IUCC, such use shall constitute acceptance of such Service Item.

## **Annex 4**

### **Service Level Agreement**

#### **1. *Fault Handling***

##### **1.1 *Definition of Fault and Unavailability***

Unscheduled Service unavailability shall be allowed up to 30 minutes per calendar month for each Service Item. Scheduled Service unavailability can occur in the following ways:

The Supplier and/or any of its subcontractors will from time to time have to carry out routine maintenance, upgrades or improvements to the network or network equipment. These works are defined as scheduled maintenance work, and can cause service outages. Schedule maintenance work will always be carried out during a pre-defined maintenance window, and will not be considered as unavailability. The Supplier's scheduled maintenance window for the Services will be on any day between 02.00 and 05.00 or as otherwise agreed between IUCC and the Supplier from time to time.

The Supplier will inform the IUCC Network Operation Centre (NOC) at least three Business Days in advance by e-mail of any scheduled maintenance which might lead to service disruption (including the time, date, planned duration and description of the proposed work) except in case of emergency maintenance work on the Supplier's network. IUCC shall have the right to request from the Supplier to postpone such scheduled maintenance for a reasonable period of time and if such scheduled maintenance is affecting only IUCC Service Items the Supplier shall accept such request.

Emergency maintenance may be performed at any time, provided that the Supplier and the IUCC NOC have coordinated such maintenance.

The total non-availability time for a Service Item due to scheduled maintenance work in any service quarter may not exceed 6 hours.

Outages caused by any of the following are not considered as unavailability or faults:

- ☐ scheduled maintenance.
- ☐ Failure of IUCC's equipment, power supply or environmental conditions;
- ☐ IUCC's acts or omissions (or those of its employees, agents, representatives or sub-contractors);
- ☐ cabling or networks not included in the Services; and/or
- ☐ Force Majeure.
- ☐ Failure to enable the Supplier access to its equipment

##### **1.2 *Fault Reporting Procedure***

###### ***Language***

All communications between the Supplier and IUCC regarding the fault reporting procedure (e.g. fault reporting) shall be in English or Hebrew. Initial opening of a fault report shall be via phone call and/or email. Subsequent interaction between the Supplier and IUCC shall be via e-mail unless the Parties indicate a mutual need for conducting a conversation via the telephone.

###### ***Fault Detection and Notification***

On any fault detection by the Supplier, the Supplier's Customer Support Centre (CSC) shall open a trouble-ticket and inform IUCC within 1 hour, at which time the Supplier will notify IUCC of the trouble-ticket reference number. IUCC is required to report any faults in the Service Items to the Supplier's CSC. On any fault detection by IUCC, IUCC shall report any detected fault to the Supplier's CSC, where a trouble-ticket will be opened within 15 minutes. The Supplier will then provide IUCC with the trouble-ticket reference number.

In 5% of cases, trouble tickets will be opened within 2 hours of problems being reported by IUCC or detected by the Supplier.

The Supplier's CSC will be reachable 99.9% of the time.

Failure to open the ticket in time and inform IUCC as stated will result in a 5000NIS penalty for every ticket not reported on time.

The maximum restoration time for failures of the Service Items shall be as set out in paragraph 3.1.

#### *Contact Points*

IUCC, or the IUCC NOC acting on behalf of IUCC, will report Service Item problems to the Supplier's CSC (at the telephone number set out below) followed up by a confirmatory e-mail. Problems may be reported 24 hours per day, 7 days per week.

IUCC NOC level-1 (24x7 outsourced to Bezeqint)

Telephone: 1-700-555-222 (customer #800976630)

IUCC NOC level-2

Fax: 03-6460557

e-mail: [noc@noc.ilan.net.il](mailto:noc@noc.ilan.net.il) [to open an automated trouble ticket with IUCC – [trouble@noc.ilan.net.il](mailto:trouble@noc.ilan.net.il)]

Supplier Customer Support Centre (CSC)

Telephone: xxxxxx

Fax: xxxxxx

e-mail: xxxxxx

### **1.3 Fault Repair and Clearance Procedure**

Directly after fault detection the Supplier will perform fault analysis and subsequently provide IUCC with a fault description and the estimated time to repair.

Failure to initiate repair on the fault within 5 hours of notification will result in a 2000NIS penalty for every hour over 5 hours.

During fault repair the Supplier shall keep IUCC informed of the fault clearance progress on a regular basis, as agreed between the CSC and IUCC during fault reporting. The fault is cleared when the Service Item is rectified to the usual service level.

After fault clearance the Supplier shall inform IUCC and upon IUCC's agreement the trouble-ticket shall be closed. Within 5 Business Days a written fault clearance notification will be sent to IUCC. The fault clearance notification will contain:

- ☐ The trouble-ticket reference number
- ☐ The fault time
- ☐ The cause of the fault
- ☐ The corrective action taken

Failure to provide the report as stated will result in a 5000NIS penalty for every report not provided on time.

### **1.4 Fault Time Calculation**

The fault time is calculated as the time between the opening and closure of the trouble-ticket reduced by the following:

- ☐ Delay of fault repair caused by IUCC not giving access to its premises to the Supplier.
- ☐ Delay of the closure of the trouble-ticket due to the Supplier not being able to contact the IUCC NOC.

- ☐ Other delays caused by IUCC.

## 1.5 Reports

The Supplier will provide a report each calendar month within 7 Business Days after the end of the month including:

Service Fault Report  
Quality of Service Reports

The Supplier will provide the reporting information in either Adobe PDF format or Microsoft Word or Excel documents via e-mail to IUCC – [nocplus@noc.ilan.net.il](mailto:nocplus@noc.ilan.net.il). These monthly reports may be provided in either Hebrew or English. The reports will be delivered on time and in accordance with the specifications below. Failure to provide the reports as stated will result in a 5000NIS penalty for every month where the reports are not provided on time; provided that payment of such penalty shall be subject to prior written notice by IUCC of no less than seven (7) additional Business Days, giving the Supplier an opportunity to remedy such failure.

### 1.5.1 Service Fault Report

The Service Fault Report will detail the faults reported during the month with respect to the Service Items. It will describe each fault, show the total down time for each fault, and whether or not the target time to restore was met, as well as a summary for the Service Items of downtime and the percentage of faults cleared within the target time.

### 1.6 Fault Management Escalation Process

If the stated fault management standards in this Annex are not met or if the problem is not being addressed in a satisfactory manner, contacts for escalation are specified below. The sequence for escalation should be the one specified in the table below.

1 The Supplier				
Escalation level	Name	Telephone	Mobile	E-mail

IUCC				
Contact Level/ Responsibility	Name/Function	Telephone	Fax	E-mail
Planned Works	Hank Nussbacher	054-5568881		<a href="mailto:nocplus@noc.ilan.net.il">nocplus@noc.ilan.net.il</a>
Fault Reporting	Machba NOC	1-700-555-222 (customer #800976630)		<a href="mailto:nocplus@noc.ilan.net.il">nocplus@noc.ilan.net.il</a>

Each Party may alter the information listed above provided that the changes are transmitted to the other Party via email within five business days.

## 2. Late Delivery Penalty



The Supplier shall pay IUCC a penalty of 2500NIS for every business day in which the OSD, for each Service Item, is later than that specified in Annex 1, section 3. IUCC shall deduct any sum the Supplier shall owe it in terms of this section from the first payment it shall make to the Supplier.

## **2.1 Cancellation Rights due to CDD Delay**

If a Service Item is not put into operation within 60 days of the CDD for that Service Item, IUCC is entitled to cancel the service order in respect of that Service Item without any cancellation charge applying but without prejudice to the Supplier's liability to pay any sums payable for late delivery as set out above.

## **3. Availability and Quality of Service (QoS) Guarantee**

### **3.1 Availability and Quality of Service (QoS) Measurement and Calculation**

Performance guarantees are given to the customer. The Supplier will compensate IUCC when the Service performance is below guaranteed levels. Availability calculations are based upon the “downtime” of the circuit as measured by the Supplier and verified by IUCC. In the event of a discrepancy between the Supplier and IUCC – the Supplier’s measurements will be considered as definitive.

The Supplier will make available to IUCC any and all availability reports based on their network monitoring equipment.

The measurement period of the availability of the Circuits is monthly. Availability is calculated after every month the Circuit is in operation, counted from the OSD (or the anniversary of the OSD, as appropriate). The unavailability is calculated as the amount of “downtime” as measured above, minus any unavailability periods of the Circuit attributable to IUCC or its agents, minus all Circuit outages due to scheduled maintenance, up to a maximum of 6 hours in any Service quarter. IUCC is required to inform the Supplier of any scheduled outages that have occurred during each month.

The measurement period for the quality of service of the Circuits is monthly. QoS is calculated after every month the Circuit is in operation, counted from the OSD (or the anniversary of the OSD, as appropriate). The QoS is packet loss as measured by the Suppliers.

### **3.2 Unavailability or Quality of Service Penalties**

<b>Unavailability (hours per month basis)</b>	<b>Penalties if guaranteed availability is not met</b>
0-29 minutes	\$0
over 30 minutes	5% of monthly recurring fee per hour and proportional percentage for shorter periods
over 5 hours	10% of monthly recurring fee per hour and proportional percentage for shorter periods

  

<b>QoS – Packet loss (percentage of packets lost per month basis)</b>	<b>Penalties if guaranteed QoS is not met</b>
.1%	\$0
over .2%	5% of monthly recurring fee per hour and

	proportional percentage for shorter periods
over .5%	10% of monthly recurring fee per hour and proportional percentage for shorter periods

IUCC has the right to claim penalty credits according to one of the above tables – whichever is higher in any given month – when a monthly performance is counted to be lower than the guaranteed availability, or, the accumulated packet loss during the same month is in excess of .5%.

The maximum penalty credits per Service Item may not exceed 2x that Service Item's monthly recurring charges as listed in section 1 of Annex 2 above.

IUCC has the right to claim penalty credits according to the above table after every fault occasion and the amounts will be deducted from the following invoice from the Supplier.

### 3.3 ***SLA for links***

In the event that the Supplier is unable to provide definitive measurement reports, IUCC will use its measurement systems to determine link uptime as well as packet loss problems. IUCC's measurements are based on Cisco IOS measurements.