

## SCHEDULE D

### SERVICE LEVEL AGREEMENT MERCHANT CARD PROCESSING SERVICES STATE OF NORTH CAROLINA AND SUNTRUST MERCHANT SERVICES Contract Number 14-06002

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#### 1 Scope

This Service Level Agreement (SLA) documents the Merchant Card Processing support services provided by SunTrust Merchant Services (STMS) to the State of North Carolina under the referenced contract. Services are provided to the Office of the State Controller (OSC) in its capacity as the contract administrator, to the State's Common Payment Service (CPS) in its capacity as a service provider (gateway), and to various participants in their capacity as merchants. The ultimate objective of this Agreement is to document Support Team services and processes to ensure high-quality and timely delivery of services that are described more fully in the Master Services Agreement (MSA).

##### 1.1 Agreement Period

This Agreement is valid for the same time period as the MSA.

##### 1.2 Technical Services Provided

The scope of services covered under this agreement is specific to the support of the technical environment as described in the MSA, the performance of activities required to ensure the services provided are secure, reliable, and operational as committed to by STMS in its Best and Final Offer (BAFO). STMS agrees to provide technical support regarding technical questions or problems associated with each service.

##### 1.3 Dual Frame Relay Services Provided CPS

The scope of services shall also apply to the establishment and maintenance of dual frame relay circuit connections, to separate physical locations, as described in the BAFO.

- STMS will provide the communication lines and ensure the lines are in working order
- STMS will periodically test the demark extension to ensure uninterrupted service

## 2 Service Availability

### 2.1 Hours of Availability

The processing service described in this SLA is available 24 hours per day, 7 days per week.

### 2.2 Hours of Support

The support for this SLA is available as follows:

Customer Service Help Desk	24 x 7
Regular Staff Schedule	8:30 – 5:00 ET (Monday thru Friday)
On-Call Schedule/Hours	on call as needed

### 2.3 Constraints on Availability

#### Scheduled Maintenance Windows:

Systems are scheduled for maintenance every six weeks. The schedule varies depending on the system. However, since the State of North Carolina processes on both Hagerstown, MD and Denver, CO systems, traffic can be rerouted to the system which is not scheduled for maintenance. While this is an automated process for most merchants, it is currently manual for State of North Carolina's CPS. The timing of the maintenance windows are between 3 a.m. – 6 a.m. ET, and they generally occur on Tuesday or Thursday. Email notifications for change outages are sent weekly, and will be forwarded by STMS to the State.

#### Emergency Maintenance Windows:

If system emergency maintenance is required, it is scheduled for the following morning. As with scheduled maintenance windows, merchants will be moved to alternate systems / sites prior to maintenance being performed.

#### External Vendor Maintenance Windows:

Alternate periods may be reserved for vendor maintenance that are outside the documented Scheduled and/or Emergency Maintenance Window. Merchants will be moved to alternate systems / sites prior to maintenance being performed.

### 2.4 Prioritization of Services

In general, the following priorities will be assigned for production support items:

Priority 1 – Outages and problem events that have a high impact  
Priority 2 – All other problem events  
Priority 3 – User support requests (for services in production)

### 2.5 Levels of Service Commitments

STMS makes the following service level commitments on the following service deliverables:

Service Level Criteria	Service Level Commitment
Availability of authorizations and transaction file communications	STMS' electronic authorization system and frame relay circuit system will be available 99% of the total minutes in a calendar month, excluding periods when Merchant, third party networks, issuers, associations or communications carriers experience outages, and scheduled maintenance time; provided, that with respect to scheduled maintenance time, STMS will give State at least seven (7) days advance written notice, or as much notice as practicable, of the scheduled maintenance time and the length and timing of the scheduled maintenance time is commercially reasonable.
Responsiveness to Reported Problems	For Priority 1 and Priority 2 problems reported, STMS will provide feedback on the status of the problem

	within 2 hours of opening a problem ticket (24x7), 99% of the time each month. If such problem is reported outside normal business hours, this status feedback may be provided via email notification or telephone.
Responsiveness to User Support Requests	For Priority 3 issues, STMS will provide feedback on the status of the request within 8 hours during normal business hours, 99% of the time each month. This 8 hour response window may span multiple calendar days depending upon the time of day this type of request is originally reported. This status feedback may be provided via email notification or telephone.

### 3 Incident Management

STMS Network Distributed Systems Group will respond, by either telephone or email to Incidents reported to Customer Support Center according to the below table.

This table contains notification procedures based on urgency levels. The response times are measured in clock hours unless otherwise specified. The STMS NCC will create an incident ticket at the time of the report.

#### Escalation Process for NWDS Group and Operations

#### **NWDSG (NETWORK DISTRIBUTED SYSTEMS GROUP) ESCALATION PROCEDURE**

STEP 1: Call the First Data Help Desk at 800-555-9966 and 303-967-7076 (Int'l). Identify yourself and your company. Provide any pertinent information that may assist the Data Center in resolving the incident. Ensure that you are given a problem / trouble record number for your reference.

STEP 2: If after THIRTY minutes you are not satisfied with the progress, request escalation to the NWDSG Shift Manager. Please use the telephone number provided above and refer to the problem / trouble record number when escalating.

STEP 3: If after SIXTY minutes you are not satisfied with the progress, request escalation to the Director of NWDSG. If after hours or during off shift, please have the shift manager in STEP 2 page the on-duty Director of NWDSG.

STEP 4: If after TWO HOURS you are not satisfied with the progress, request escalation to the Vice President of IT Operations. If after hours or during off shift, please have the shift manager in STEP 2 page the VP of IT Operations.

STEP 5: If after THREE HOURS you are not satisfied with the progress, request escalation to the Senior Vice President

## **DATA CENTER OPERATIONS ESCALATION PROCEDURE**

STEP 1: Call the First Data Help Desk at 800-555-9966 and 303-967-7076 (Int'l). Identify yourself and your company. Provide any pertinent information that may assist the Data Center in resolving the incident. Ensure that you are given a problem / trouble record number for your reference.

STEP 2: If after THIRTY minutes you are not satisfied with the progress, request escalation to the Operations Shift Manager. Use the telephone number provided above and refer to the problem / trouble record number when escalating.

STEP 3: If after SIXTY minutes you are not satisfied with the progress, request escalation to the Director of Data Center Operations. If after hours or during off shift, please have the shift manager in STEP 2 page the on-duty Director of Data Center Operations.

STEP 4: If after TWO HOURS you are not satisfied with the progress, request escalation to Vice President of IT Operations. If after hours or during off shift, please have the shift manager in STEP 2 page the VP of IT Operations.

STEP 5: If after THREE HOURS you are not satisfied with the progress, request escalation to the Senior Vice President.

## **4 Problem Management**

STMS has a staff of professional Data Center operations and network specialists in STMS' Network Control Center (NCC). These individuals provide 24x7, multi-tiered, proactive monitoring and support for the switches and networks. Merchants are notified immediately as soon as an issue with connectivity is detected.

For authorization switches, STMS developed proprietary tools are used to provide real-time and historical transaction statistical data, predefined threshold alerts, and connectivity status. As predefined thresholds are reached, or hardware or software failures are detected, audible and visual alerts are generated. Service Level Agreement (SLA) statistics are maintained on the switches and are made available to our Channel Partners.

For Network monitoring numerous tools including, Cisco Works, Hypercom IEN Network Management, Paradyne 6800 and Racal Modem Management, CA Unicenter Network Management System and many other specialty tools are used for connectivity status on a client-by-client basis and the Wide Area Networks. As STMS network related problems are detected, audible and visual alerts are generated. Since STMS provided connectivity has built-in redundancy including dial backup for Frame Relay and Point-to-Point Lease Lines a client rarely experiences a network outage that will impact authorizations.

There is a dedicated team within STMS whose primary responsibility is to ensure adequate hardware and software upgrades are made. They use information to measure trends; forecast needs based on growth within our current customer base and new business, and identify additional resources that may be required to support new products. Annual plans are evaluated monthly to determine if business assumptions remain valid or adjustments are needed.

The physical authorization platforms are IBM RS/6000s running AIX and capacity is added by increasing the number of RS/6000s. The settlement platform is IBM 9672-x57 running OS390. There is an ongoing transaction processing requirements review process that ensures that STMS' combined authorization processing capacity at any three of our four data centers exceeds the upcoming peak season transaction processing requirements.

It is imperative that processing be available 24 hours a day, seven days a week. In the event of a system outage, STMS's backbone network capabilities enable authorization traffic to be rerouted to an alternate

site while recovery is completed on the failing system. STMS's back-up and recovery procedures are designed to minimize system failures, and to ensure the availability and reliability of the processing platforms.

STMS maintains toll-free numbers through alternate carriers (e.g. AT&T, MCI, etc.). In the event of a carrier failure, terminals are programmed with a primary and secondary telephone number for alternate telecom carriers.

Outages in STMS's telecommunications network are automatically rerouted over diverse routes, provided through the same long-distance carrier, or via an alternate carrier, to the designated back up site. The redundant, distributed architecture of STMS authorization-processing centers is structured such that all sites are hot and in production.

## **5 Change Management**

In the event that STMS needs to schedule system maintenance, all changes to the Switches and Network production environment are recorded, reviewed and approved by Change Management, Technical Management and the applicable Business areas.

In the event of a planned outage, i.e. switch releases, clients are notified in advance, via the outage notification process. The purpose of this communication is to advise clients what steps will be taken to facilitate the changes, the expected impact (if any), steps to minimize or eliminate impact and the expected duration of the change. Unplanned or 'emergency' events are communicated on an as needed basis and/or when possible, although the lead-time may/will be less than that of planned events.

Low Impact changes, i.e., Severity 3 and 4 are repeatable, routine, day-to-day activities, and those that are easily backed out with little or no impact are allowed to flow quickly through the change process after review and approval.

High Impact changes, i.e., Severity 1 and 2 are more complex in nature requiring a production outage such as Switch Hardware, Software, and/or Network changes are reviewed for approval with the change submitter by a Change Review Team during scheduled Change Management meetings. Once approved, these are implemented on a site-by-site, switch-by-switch basis, insuring there is no service interruption. During pre-defined peak season periods, executive management approval is also required.

It must be pointed out that frame relay clients who take full advantage of the multiple PVCs via Load Balancing are rarely if ever impacted by a switch, WAN or site failure. The Dial, Frame Relay and WAN networks are designed and built using multiple carriers with diverse routing to insure that a network outage will not impact clients. In addition, all Point-to-Point lease lines and frame relay connectivity for clients are equipped with dial backup.

## **6 Responsibilities**

### **State and Participants**

- Develop a plan to establish and maintain connectivity between the participant's application and CPS
- Develop and test interfaces between participants and the CPS
- Establish and follow appropriate incident reporting procedures between participants and CPS
- Follow appropriate incident reporting procedures to STMS
- Request and schedule special services (for example, installation of new equipment, after-hours support) well in advance.
- Be aware of and comply to the STMS established procedures
- Be willing and available to provide critical information to assist in the resolution of reported incidents

## **STMS**

- Provide technical support in accordance as specified herein
- Meet response times associated with the priority assigned to issues
- Maintain appropriately trained staff
- Schedule maintenance in accordance with documented windows
- Follows best practices in upgrading new versions of software
- Facilitate testing needs of the State when upgrades are made
- Perform periodic testing of all communication line to ensure uninterrupted service

## **7 Security Standards & Policies**

- Each party will have in place adequate procedures to ensure that it adheres to all established Security Standards & Policies for which it generally is required to abide by.
- Each party will adhere to all applicable Payment Card Industry (PCI) Security Standards, and will participate in any required exercises to ensure compliance, including security vulnerability scans of ports and networks

## **8 Business Continuity Plan**

This SLA is supported by a Disaster Recovery / Business Continuity Plan as specified in STMS's document entitled "DR/BCP Program - Executive Overview," which shall be made available to the State as specified in the MSA.

## **9 Reports**

Periodic reports may be provided by STMS, as requested by the State, to demonstrate compliance with the requirements of this SLA.

## **10 Service Level Reviews**

Service level reviews will be conducted on a quarterly basis. A representative of STMS, OSC, and the CPS will participate in the reviews. Service Level Management will facilitate Service Level Reviews.

A review of this SLA may be requested at any time in writing to Service Level Management, via appropriate management approval, by the State. The SLA will also require review under any of the following conditions:

- 1) Whenever there is a significant and/or sustained change requested of STMS
- 2) Whenever there is a significant and/or sustained change to the SLA that supports STMS
- 3) Whenever an STMS organizational change results in a change of responsibility for supporting the contracted services

## **11 Missed Service Level Agreement Procedures**

STEP 1: First missed SLA: Contact the Account Manager or Relationship Manager.

STEP 2: Second missed SLA: Contact the Relationship Manager's Director.

STEP 3: Third missed SLA: Contact the Vice President of Operations.

STEP 4: Fourth missed SLA: Contact the General Manager.

STEP 5: Fifth missed SLA: Dispute Resolution Clause of the Master Agreement are triggered.

Notwithstanding the fact that the State of North Carolina and STMS have agreed on Standards which reflect the mutual understanding of the parties regarding service level expectations and available technology, it is understood and agreed that over time, changes to the industry and available technology may occur. To that end, the Standards as expressed herein may be changed or amended from time to time as mutually agreed between the State of North Carolina and STMS.

Any liabilities or remedies under this SLA shall be controlled by the Master Services Agreement.

Notwithstanding anything in this SLA to the contrary, STMS' cumulative liability for all losses, claims, suits, controversies breaches or damages for any cause whatsoever shall be governed by Section 10 of the Merchant Services Bankcard Agreement.