**SERVICE LEVEL AGREEMENT**

This Service Level Agreement (referred to as the "**SLA**") is incorporated into Master Agreement No. [NUMBER] ("**Master Agreement**") [and Statement of Work No. [NUMBER] ("**SOW**")], under which the Provider delivers certain services to the Customer. This SLA defines the service objectives and the performance standards that the Provider must meet for all covered services.

This SLA becomes effective on [the first Version Date listed above / [DATE]] and remains in effect until the termination of the Master Agreement [or applicable SOW]. Capitalized terms used but not defined in this SLA shall have the meanings assigned in the Master Agreement.

The Parties intend to review this SLA on a[n] [annual/[OTHER]] basis [or upon a [reasonable] request from either Party]. Any modifications to the Service Levels must be jointly approved in accordance with the change order process outlined in the Master Agreement [and must be documented in the version control table referenced above].

1. **DEFINED TERMS**
	1. For purposes of this SLA, the following terms shall have the meanings set forth below:

"**Key Performance Indicator (KPI)**" means service metric that is not subject to Service Credits but is considered important to the Customer’s business. Upon [not less than [NUMBER] days' / reasonable] notice, the Customer may request that a KPI be converted into a Service Level, in which case the Parties shall negotiate in good faith to determine an appropriate Service Credit. Any agreed-upon change shall be documented through an amendment to this SLA;

“**Measurement Period**” means the recurring time frame over which Service Levels are assessed, as specified in this SLA (e.g., monthly, quarterly, annually);

"**Service Credit**" means a percentage of Service Fees to be credited to the Customer if the Provider fails to meet a Service Level, as specified in this SLA; and

"**Service Level**" means a performance standard that the Provider is obligated to meet when delivering the Services, as defined in this SLA.

1. **SCOPE OF SERVICES**
	1. This SLA applies to the following Services:
		1. [LIST OF INCLUDED SERVICES].
	2. This SLA does not apply to:
		1. [LIST OF EXCLUDED SERVICES].
2. **PROVIDER’S OBLIGATIONS**
	1. The Provider agrees to fulfill the following responsibilities under this SLA:
		1. meet all applicable incident response times as outlined in this SLA;
		2. comply with the Customer’s policies related to [site safety and security], data protection, human resources, and other applicable operational requirements necessary for performing the Services;
		3. designate a representative who will: (i) participate in regular SLA review meetings; and (ii) work with the Customer to resolve service-related incidents and requests; and
		4. [DEAL-SPECIFIC OBLIGATIONS].
3. **ASSUMPTIONS**
	1. The Provider’s ability to perform the Services under this SLA is based on the following assumptions, constraints, and dependencies:
		1. the Customer will provide accurate and timely information necessary for the Provider to deliver the Services;
		2. the Provider’s processes and service delivery may be impacted by changes to the Customer’s internal policies or modifications in applicable laws or regulations; and
		3. [DEAL-SPECIFIC ASSUMPTIONS].
4. **SERVICE LEVELS AND SERVICE CREDITS**
	1. The table below outlines the Services covered under this SLA, along with their applicable Service Levels and corresponding Service Credits in the event of non-compliance by the Provider [during any Measurement Period / for [NUMBER] consecutive Measurement Periods].

|  |  |  |  |
| --- | --- | --- | --- |
| Service | Measurement | Service Level | Service Credit |
| [SERVICE A] | [CALCULATION] | [NUMBER][%/[UNIT]] | [NUMBER]% |
| [SERVICE B] | [CALCULATION] | [NUMBER][%/[UNIT]] | [NUMBER]% |

* 1. The total amount of Service Credits shall not exceed [[NUMBER]% of Provider’s fees / $[NUMBER]] in any given Measurement Period. If the Provider fails to meet a Service Level, the Provider shall perform a root cause analysis, and the Parties shall meet to discuss the underlying causes and identify preventative measures for future performance.
	2. All Service Credits shall be applied to the next invoice following the [Measurement Period / Contract Year] in which the Service Level failure occurred [subject to the earn-back procedure set forth in Section [6]].
	3. The Service Credits provided under this SLA shall [not] be considered liquidated damages or the Customer’s sole and exclusive remedy for the Provider’s failure to meet Service Levels. The Customer shall [not] be entitled to any additional rights or remedies beyond those specified in the Master Agreement.
1. **EARN-BACK REPORTING**
	1. The Provider may recover some or all Service Credits incurred due to Service Level failures during a Contract Year, subject to the conditions below:
		1. Within [NUMBER] days following the conclusion of a Contract Year, the Provider shall submit a detailed report to the Customer that includes:
			1. performance statistics for each [month/Measurement Period] covering the affected Service Level;
			2. the Provider’s annual average [monthly/per-Measurement Period] performance; and
			3. the total amount of Service Credits applied for Service Level failures during that Contract Year.
	2. If the Provider’s annual average performance meets or exceeds the applicable Service Level, the Provider shall not be required to issue Service Credits for that Contract Year.
	3. If the Customer removes a Service Level during a Contract Year, the Provider shall not be responsible for Service Credits related to that Service for the remainder of the Contract Year.
	4. If the Customer converts a KPI into a Service Level within a Contract Year, the Provider shall not be liable for Service Credits related to that Service if there are fewer than [12/[NUMBER]] [months/Measurement Periods] in the applicable Service Level assessment period.
	5. Any Service Credits that have not been relieved as provided above shall be applied to the first invoice of the following Contract Year.
	6. If no further invoices will be issued due to the expiration or termination of the Agreement, the Provider shall pay the Customer the remaining Service Credit amount within [NUMBER] days following the end of the Term.
2. **OTHER TERMS AND CONDITIONS**
	1. Each Party shall designate a single point of contact (“**SPOC**”) to manage communications and coordinate responses regarding Service Levels.
	2. In case of a service failure or inquiry, all communications shall be directed to the appointed SPOC.
	3. In the event of an emergency, a Party shall first attempt to reach the designated SPOC of the other Party. However, if the SPOC is unavailable, the contacting Party may directly engage any individual best suited to resolve the emergency promptly.
	4. The initial SPOCs for each Party are:
		1. for Provider: [NAME AND TITLE].
		2. for Customer: [NAME AND TITLE].
	5. Either Party may change its SPOC upon providing written notice to the other Party.
	6. The Provider shall monitor service performance and deliver performance reports by no later than [NUMBER] [business] days [following the end of each Measurement Period/of each month], in the format specified in Attachment [LETTER/NUMBER].
3. **GOVERNING LAW AND JURISDICTION**

This Agreement shall be governed by and interpreted in accordance with the internal laws of the State of Arizona, without regard to any principles of conflict of laws. Any legal action, suit, or proceeding arising out of or related to this Agreement shall be brought exclusively in the courts of the State of Arizona, and each Party irrevocably consents to the exclusive jurisdiction of such courts. The Parties waive any objections related to improper venue or the doctrine of forum non conveniens.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have executed this SLA to be effective as of the date of last signature.

 [NAME OF PARTY]

 By:

 Name:

 Title:

 [NAME OF PARTY]

 By:

 Name:

 Title: