

OUR CUSTOMER TERMS CLOUD SERVICES – MANAGED PRIVATE CLOUD

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Certain words are used with the specific meanings set out in the General Terms part of <http://www.telstra.com.au/customer-terms/business-government/cloud-services/> Our Customer Terms, or in the General Terms of Our Customer Terms at <http://www.telstra.com.au/customer-terms/business-government/index.htm>

1 ABOUT THIS PART

1.1 In addition to this Managed Private Cloud section of Our Customer Terms, unless we agree otherwise, the following terms also apply:

- (a) General Terms of Our Customer Terms (see <https://www.telstra.com.au/customer-terms>); and
- (b) General Terms of the Cloud Services section (see <https://www.telstra.com.au/customer-terms/business-government#cloud-services>);
- (c) other parts of the Cloud Services section, depending on the nature of the products and services that you receive from us; and
- (d) your Application Form which contains details of your Managed Private Cloud solution.

1.2 For an explanation of the interrelationship between the various sections of Our Customer Terms see clause 1 of the General Terms of the Cloud Services section at the link above.

2 WHAT IS MANAGED PRIVATE CLOUD?

2.1 Managed Private Cloud provides you converged or hyper-converged infrastructure solutions, hosted in one of our or our partner Data Centres, which is managed by us and delivered as a service. Your Managed Private Cloud solution includes the following elements:

- (a) use of the managed private cloud solution hosted in a data centre;
- (b) professional services to build your Managed Private Cloud solution;
- (c) ongoing managed services for your Managed Private Cloud solution; and
- (d) moves, adds and changes.

2.2 You are responsible for ensuring that you comply with the licence terms of any software (such as application software or operating system) which you install or use in connection with your Managed Private Cloud solution.

2.3 Together with the managed services that are provided to you as part of your Managed Private Cloud solution, you will also be given a high degree of control over your cloud environment. If you configure and manage your cloud environment in such a manner that causes disruption to your cloud services or the Managed Private Cloud solution and/or deletion of any of your data, you will

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be responsible for any loss that you suffer as a result and you may need to pay us an additional charge to fix any problems on a best efforts basis.

- 2.4 As part of your Managed Private Cloud solution, we may give you access to certain tools and applications to monitor performance of your cloud environment. Please note that any bill history, usage and cost metrics are only estimates. The estimated totals may not correspond to the totals shown on your Telstra bill, due to misalignment of billing periods or lag in displaying information in the current month. We do not guarantee that the information on the tools or applications will be accurate or complete. If you require the exact totals, you must refer to your Telstra bill. You must ensure that you pay the total shown on your Telstra bill.

3 PLANS AND CHARGES

Fees

- 3.1 The fees for your Managed Private Cloud depend on the components you select and are set out in your application form.
- 3.2 Managed Private Cloud solutions are priced and charged based on the following components:

SERVICE ITEM	CHARGING STRUCTURE
Professional Services	a once-off fee.
Managed Services	a monthly recurring fee.
Moves, Adds and Changes (MACs)	a once-off fee.
Private Cloud Rental	a monthly recurring fee.

Term

- 3.3 You can select a term of 24, 36, 48 or 60 months.
- 3.4 Can extend your term up to a maximum of 60 months in total including the original term on the same monthly rental fees.
- 3.5 If you want to extend your term beyond 60 months without a solution refresh, you acknowledge that the service levels will not apply for any period in excess of the 60 months.
- 3.6 If you want to extend your term beyond 60 months with a solution refresh, we will agree a revised monthly fee depending the new solution chosen and service levels will apply to your extended term.
- 3.7 You or we may cancel your Managed Private Cloud service by giving at least ninety days' prior written notice before the expiration of the current term. If neither of us cancel your Managed Private Cloud solution before the end of the

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term then the term will automatically be extended for an additional one year term.

Early Termination Charges

- 3.8 If any component of your Managed Private Cloud service or any add-on service is terminated before the end of the applicable term (other than for our material breach), we may charge you for each such component or additional service, an amount equal to:
- (a) 25% of the monthly charges for the Managed Services or add-on services, multiplied by the number of months remaining in the minimum term for that component;
 - (b) 100% of any unpaid (if any) Professional Services or MACs which have been completed at the date of termination; and
 - (c) 100% of the monthly rental charges for the private cloud solution, multiplied by the number of months remaining in the minimum term.

4 SERVICE FEATURES

Private Cloud Solution

- 4.1 You can select from a range of converged and hyper-converged private cloud solutions, details of which are set out in your application form. Whilst we will use reasonable endeavours to use the equipment nominated in your application form, you acknowledge and agree that we may use a comparable alternative from time to time, including changing the equipment during the term, provided that the alternative equipment delivers the same or improved outcome.
- 4.2 Depending on the private cloud solution selected in your application form, features of your Managed Private Cloud service may include:
- (a) Compute – access to processing power and virtualisation capabilities where applicable;
 - (b) Storage – access to storage capacity on the private cloud solution that can be used for various purposes including to store your data and applications;
 - (c) Backup – access to data protection capability on your private cloud solution that can be used to restore your protected data where possible;
 - (d) Networking – access to connectivity features to enable connection of the private cloud solution to your private network or the internet;
 - (e) Software – pre-packaged operating systems and other software for use with your private cloud solution; and
 - (f) Services – once off Professional Services and ongoing Managed Services.
- 4.3 You don't have any title to the private cloud solution you rent from us. You must

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not sell, dispose of or encumber the rental solution or otherwise allow the use of your private cloud solution with a third party. This includes not reselling the base units (e.g. compute, storage and network) of the managed private cloud solution or virtual machines on the managed private cloud solution. You may however develop a service on the managed private cloud that you can resell, for example, hosted email.

- 4.4 If we supply additional parts or upgrades to the private cloud solution, this is treated as a move, add or change (MAC) and your rental charges may increase as a consequence. We tell you of any increase in rental charges before supplying such additional parts or upgrading the rental solution.
- 4.5 Additional compute and storage capacity may only be added to your private cloud solution if you have at least 12 months remaining in your minimum term and will be available at Telstra's discretion.
- 4.6 If your managed private cloud solution is compatible, you can add additional buffer capacity that is pre-installed within your private cloud solution that can be activated upon request. There is a fee for the pre-installation of capacity and the capacity must be activated within 6 months of installation. We will commence billing for the additional capacity at your contracted rates either upon activation or 6 months after installation, whichever date is sooner. Once activated the buffer capacity will remain active for the remainder of your chosen term.
- 4.7 If your managed private cloud solution is compatible, Telstra can provide you with capacity on demand where your managed private cloud service will be provisioned with additional servers that you can consume on a month to month basis. There is a fee for the pre-installation of capacity on demand. We will commence billing on a month to month basis when the capacity is activated and we will cease billing once the capacity is deactivated. Services requests are required for the activation and deactivation of this service.

Data Centre Facilities

- 4.8 You can select the geographic location(s) of the data centres within you wish your private cloud solution to be housed. We will manage the private cloud solution on your behalf so you will not have physical access to the data centre facility or the private cloud solution.
- 4.9 If you need to collocate equipment with your managed private cloud solution, we may be able to provide separate collocation racks within the same facility for your use. Any such collocation is subject to separate terms and conditions (including pricing).
- 4.10 You must use a compatible carriage service from us to connect to your private cloud solution, such as Telstra Internet Direct, IP MAN, Business IP, Connect IP or Opticwave. Details of compatible carriage services are available upon request. The applicable terms and conditions (including price) for your carriage service are set out in the corresponding section of Our Customer Terms.

Standard Professional Services

- 4.11 You can select from the following optional professional services to help build your

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Managed Private Cloud solution.

Professional Services	Description
Solution Architecture and Design	This service includes Solution Architects working to align your business and technology requirements to design a solution that will meet your needs, in a commercially viable manner.
Solution Implementation	This service includes the physical and logical build activities. These activities are followed by the virtual infrastructure that is used to deliver the business services.
Managed Service On-boarding	This service defines specific schedules as included in the design for performing activities such as Operating System Patching, Backups, Antivirus Updates and Monitoring
Documentation	The Documentation covers all aspects of the solution that has been delivered including the technical details, business drives, data protection and disaster recovery services.

Managed Services

4.12 You must select one of the following managed services for your Managed Private Cloud solution:

	Capacity And Availability Management	Virtual Platform Management	Fully Managed
Suitable for	Bare metal solutions, including Big Data Applications, BYO Virtualisation	Suitable for customers that have internal teams to manage their virtual servers	A fully managed solution suitable for customers that want to focus on business outcomes.
Includes	Platform Capacity and Availability Management	Platform Capacity and Availability Management Virtual Platform Management	Capacity and availability management Virtual Platform Management Virtual Machine Managed Services
Online Portal	Yes, incident logging		
Cloud Management Platform	Telstra Cloud Management platform is available as an add-on		
Service Desk Coverage	24x7		
Service Level Reporting	Monthly	Monthly	Monthly

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IT Service Management			
Incident Management	Yes	Yes	Yes
Problem Management	Yes	Yes	Yes
Change Management	Yes	Yes	Yes
Configuration Management	Yes	Yes	Yes
Alarming			
What's Alarmed	Availability alarming and monitoring of physical infrastructure, including: routers, switches, firewalls, servers, storage		
	N/A	Availability alarming of the virtual infrastructure layer, including hypervisor hosts, virtual networks and storage	
	N/A	N/A	Availability alarming of the virtual guests, including Windows, Linux and virtual firewall appliances
Physical Infrastructure	Yes	Yes	Yes
Virtual Infrastructure	No	Yes	Yes
Virtual Machines/Appliances	No	No	Yes
Alarm Response	Responding to alarms proactively, based on severity	Responding to all alarms proactively, based on severity	Responding to all alarms proactively, based on severity
Monitoring			
What's Monitored	Utilisation and capacity Monitoring of physical infrastructure, including: routers, switches, firewalls, servers, storage		
	N/A	Utilisation and capacity monitoring of the virtual infrastructure layer, including hypervisor hosts, virtual networks and storage	
	N/A	N/A	Monitoring of the virtual guests, including Windows, Linux and virtual firewall appliances
Physical Infrastructure	Yes	Yes	Yes
Virtual Infrastructure	No	Yes	Yes

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Virtual Machines	No	No	Yes
Monitoring Response	Responding to monitoring alerts proactively, based on severity	Responding to monitoring alerts proactively, based on severity	Responding to monitoring alerts proactively, based on severity Alarming and monitoring of backup solution
Capacity Management			
Physical Infrastructure	Yes	Yes	Yes
Virtual Infrastructure	No	Yes	Yes
Virtual Machines	No	No	Yes
Lifecycle Management			
Firmware Updates	Critical	Critical	Critical
Hypervisor Patching	N/A	Critical	Annual
Hypervisor Upgrades	N/A	N/A	Optional – Professional Services
Virtual Machine Patching	No	No	Yes, cost per virtual instance
Managed Antivirus			
Monitoring	N/A	N/A	Responding to monitoring alerts proactively, based on severity
Updates	N/A	N/A	Scheduled as agreed
Managed Backup			
Platform configuration ONLY	Yes - Requires a single control server or VM that must be backed up		Yes
Hypervisor configuration	No	Yes	Yes
Virtual Machine – Company Data	No	No	Mandatory, backup charges not included
Reporting	No	No	Daily completions reports
Job reruns	No	No	Re run on jobs as agreed
Backup Testing	No	No	Quarterly backup restoration

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		testing of a data set no larger than 100GB
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5 SERVICE LEVELS

5.1 The available service levels for Managed Private Cloud are set out in the table below.

Service Level Type	Service Level Objective	
Service Support Coverage Hours	Priority 1	24 hours x 7 days
	Priority 2 - 4	Business Hours / 9am – 5pm
Service Availability ¹	Single Site	99.90%
	Dual Site ²	99.99%
Service Activation		
Minor	6 weeks	
Standard	8 – 12 weeks	
Major	On application	
Incident Response Time³		
Priority 1 – Business Critical	95% within 15 minutes	<i>Calculated as the number of Incidents responded to within the SLA divided by the total number of Incidents, measured monthly.</i>
Priority 2 – High Priority	90% within 30 minutes	
Priority 3 - Normal Request	90% within 1 hour	
Priority 4 - Low Priority	90% within 8 hours	
Incident Restore Time⁴		
Priority 1 – Business Critical	95% within 4 hours	<i>Calculated as the number of Incidents resolved within the SLA divided by the total number of Incidents, measured monthly.</i>
Priority 2 – High Priority	90% within 1 Business Day	
Priority 3 - Normal Request	90% within 2 Business Days	
Priority 4 - Low Priority	90% within 3 Business Days	
Service Request Response Time³		
Priority 1 – Business Critical	90% within 1 hour	<i>Calculated as the number of Service Requests resolved within the SLA divided by the total number of Service Requests, measured monthly.</i>
Priority 2 – High Priority	90% within 1 Business Day	
Priority 3 - Normal Request	90% within 2 Business Days	
Priority 4 - Low Priority	90% within 3 Business Days	
Service Request Restore Time⁴		
Priority 1 – Business Critical	90% within 1 Business Day	<i>Calculated as the number of Service Requests resolved within the SLA divided by the total number of Service Requests, measured monthly.</i>
Priority 2 – High Priority	90% within 2 Business Days	
Priority 3 - Normal Request	90% within 5 Business Days	
Priority 4 - Low Priority	90% within 10 Business Days	

¹ Service Availability is calculated each month and measured on the preceding 12 months in accordance with Table 3 in the Cloud Services - General Terms.

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² Requires Telstra validated architecture and the sites must be at least 10km apart.

³ Time to Respond is measured from the creation date/time stamp of the Incident to the time when we have taken action to acknowledge the Incident. An Incident may be reported through the following tools: automated monitoring tool, alerting system, or web portal.

⁴ Time to Resolve is measured from the creation date/time stamp of the Incident to the time when we have achieved service restoration minus any time taken by third parties to investigate and resolve issues not with the Managed Private Cloud solution. Implementing a permanent solution or implementing an acceptable workaround to restore service until a permanent solution is identified achieves service restoration. Additional work may be required after service restoration in order to provide a final corrective resolution. Backup Services are not subject to time to resolve SLA for Incidents.

5.2 Priority Levels are defined in the table below:

PRIORITY 1 BUSINESS CRITICAL	PRIORITY 2 HIGH PRIORITY	PRIORITY 3 NORMAL REQUEST	PRIORITY 4 LOW PRIORITY
BUSINESS IMPACT			
Managed Private Cloud solution is down causing all work to cease. You are experiencing a financial loss, or the ability to make strategic business decisions is impaired.	Level of service degraded or Managed Private Cloud solution is down causing work to cease and potential business impact.	Work continues (e.g. unrelated to the failing component or as a result of implementing a work around) though operational impact is being encountered (e.g. data is occasionally lost).	Work continues (e.g. unrelated to the failing component or as a result of implementing a work around) though minor impact is being encountered.
WORK OUTAGE			
Managed Private Cloud solution failure causes you to be unable to work or perform some significant portion of your business	Managed Private Cloud solution failure causes you to be unable to work or perform some significant portion of your business.	Managed Private Cloud solution failure causes you to be unable to perform some small portion of your business, but you are still able to complete most other tasks. May also include questions and requests for information.	Managed Private Cloud solution failure causes you to be unable to perform a minor portion of your business, but you are still able to complete most other tasks.
NUMBER AFFECTED			
Organisation wide users affected	Multiple sites/department wide users affected.	Single site/group of users affected.	Small group of users affected.

5.3 You must submit all Priority 1 incidents through our Cloud Management Portal.

Difference between incidents and service requests

5.4 Incidents are defined as unexpected issues that have occurred with your Managed Private Cloud solution.

5.5 Service requests are items that are not considered day to day activities within your Managed Private Cloud solution. A service request may include a cost. We

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will contact you for further details about your service request after which a statement of work and costs will be presented to you for acceptance.

Service Level Exclusions

- 5.6 In addition to the service level exclusions in the General Terms for Cloud Services, we are not responsible for a failure to meet a service level where:
- (a) the failure is caused because you did not backup your data or the data becomes corrupt as part of a backup;
 - (b) your failure to comply with a request from us to maintain sufficient storage capacity for your virtual disks provided under your Storage feature;
 - (c) the failure relates to your operation of an application on our service platform, as part of a service under the Cloud Services section, which is not version "n-1" or later; or

Service Level Rebates

- 5.7 If you have selected the Service Level Rebates option in your application form and we fail to meet the Service Availability service level set out in the table above for your Managed Private Cloud solution, you may apply for a rebate in accordance with this clause.

- 5.8 If:
- (a) your service is unavailable due to a problem caused by us and outside any nominated Telstra service window; and
 - (b) the actual Service Availability of your service is below that allowed under the Service Availability service level which corresponds to your managed private cloud solution,

then in each monthly period in which the actual Service Availability is below the allowed Service Availability for your service, you may apply for a rebate of five percent (5%) of your monthly service fee for each 30 minute block of unavailability exceeding the threshold contemplated under paragraph (b) above, to a maximum of 100% of your monthly service fee.

- 5.9 Any rebate will be applied to your Telstra bill (at the end of the billing cycle).

6 ADD-ONS

- 6.1 We will make additional services available from time to time that compliment your Managed Private Cloud solution.

- 6.2 Available add-ons include:

- (a) Managed Backup – the terms and conditions for which can be found here: https://www.telstra.com.au/content/dam/tcom/our-customer-terms/business-government/pdf/OCT-CS-Cloud-Infrastructure_1.pdf