

Service Terms

Digital Managed Services

1 About this document

1.1 Where this document fits into our agreement with you?

- (a) Thank you for choosing Telstra. Our Digital Services Agreement (**Agreement**) with you is made up of the following parts:
- ① If different parts of this Agreement conflict, the part listed earlier in the table applies to the extent of the inconsistency.

About the parts of this Agreement



Overview

You sign this when you first agree to buy products and/or services from us. It includes your key Agreement details.



Price Schedule

Outlines the prices and pricing conditions of the products and Services you buy from us.



Service Order

A record of the orders you've submitted to us, including changes you've requested to your products and Services that have incurred a charge.

The following parts make up our standard form of agreement terms with our customers for the purposes of [Part 23 of the Telco Act](#).

We update these terms from time to time in line with our agreement with you.



Service Terms

The specific conditions for each product and service you buy.



General Terms

The conditions that apply to all our products and services, available at telstra.com/digitalterms.

- (b) This document, the [Service Terms for Digital Managed Services](#), has **6 sections**. At the top of each page, you can see which section you are in:

1. About this document > 2. Service summary > 3. General details > 4. Offerings > 5. Charges > 6. Definitions

2 SERVICE SUMMARY

2.1 What are Digital Managed Services

- (a) Digital Managed Services are a range of professional and managed services (such as management, user and technical support services) provided in connection with Eligible Environments.
- (b) Digital Managed Services may give you access to:
 - (i) Cost Optimisation;
 - (ii) Risk Management;
 - (iii) Compliance Tools;
 - (iv) Reporting; and
 - (v) Service Levels,in accordance with clause 3.2 and your applicable Digital Managed Services offering via the Platform.
- (c) These Service Terms apply to Digital Managed Services described in section 4.
- (d) When you order a Digital Managed Service, you may choose one or more Digital Managed Services offerings for which you are eligible as set out in section 4 – Digital Managed Services offerings.

2.2 Eligibility

To be eligible to acquire Digital Managed Services, you must:

- (a) have a valid ABN, ACN or ARBN;
- (b) have and maintain, at your own expense, an Eligible Environment for the duration of the Digital Managed Service term, as applicable;
- (c) comply with any terms and conditions of the Platform; and
- (d) meet any other eligibility criteria set out in these Service Terms.

2.3 Exclusions

Your Digital Managed Service does not include any aspect of the Eligible Environment required for your Digital Managed Service, including any subscription to or lease of that Eligible Environment and any hardware associated with that Eligible Environment. You must separately purchase and maintain (as applicable) all aspects of the Eligible Environment required for your Digital Managed Service for the duration of the Digital Managed Service term, including any subscription to or lease of that Eligible Environment and any hardware associated with that Eligible Environment.

3 GENERAL DETAILS

3.1 Term

- (a) Each Digital Managed Service is a month-to-month service, which means that both you and we can terminate a Digital Managed Service on 7 days prior written notice to the other party.
- (b) There are no early termination charges for cancelling your Digital Managed Service unless the Price Schedule for your Digital Managed Service indicates otherwise. However, you must pay any outstanding professional services charges set out in your Service Order or Statement of Work as applicable.
- (c) If a Digital Managed Service expires or is terminated for any reason then on and from the effective date of that expiry or termination you must:
 - (i) remove any access to your systems and environments that you have granted to us in connection with that Digital Managed Service; and
 - (ii) cease using that Digital Managed Service.

3.2 Digital Managed Services Features

Digital Managed Services Features

- (a) If the Platform indicates that a Digital Managed Services feature set out in this clause 3.2 is available to you, and you order or request it, we will provide it to you on the terms set out below, unless otherwise specified in section 4 of these Service Terms for your applicable Digital Managed Services offering.

Cost Optimisation

- (b) Your Digital Managed Services may include cost monitoring services and cost optimisation recommendations (**Cost Optimisation**).
- (c) Any Cost Optimisation information and recommendation is based on the spend information that you provide or make available to us as part of your Digital Managed Services. Cost Optimisation information and recommendations (including any fee, consumption, forecasting or other spend related metrics or information) comprise estimates and recommendations only. You acknowledge and agree that Cost Optimisation information and recommendations:
 - (i) may not be accurate or complete;
 - (ii) may be in another currency and require you to convert an amount to Australian dollars, which will introduce variability due to currency fluctuations;
 - (iii) may not take into account all options and discounts;
 - (iv) may not take into account the specifics of your agreed pricing with us or third parties;
 - (v) may not reflect the actual price at which you may be able to purchase a subscription to the relevant Eligible Environment (whether from us or another supplier);
 - (vi) may include fee totals that do not correspond to the totals shown on your Telstra bill (and you must pay the total shown on your Telstra bill); and
 - (vii) may change from time to time.

Risk Management

- (d) Your Digital Managed Services may include risk management information and recommendations based on your existing backup, storage, security, monitoring and other risk management systems (**Risk Management**). Risk Management information and recommendations do not include:
 - (i) backup, storage, security, monitoring and other risk management systems (which you must have or obtain under a separate agreement);
 - (ii) software licences for both antivirus and backup applications;
 - (iii) unless otherwise agreed with you in writing, implementation of backup, storage, security, monitoring and other risk management related recommendations provided as part of the Risk Management services; or
 - (iv) testing or deployment outside the scope of the Risk Management services set out in this clause 3.2(d).

Compliance Tools

- (e) Your Digital Managed Services may include management and recommendations in respect of the compliance reporting tools you have access to in connection with your Eligible Environments (**Compliance Tools**). Compliance Tools are aimed at helping you review your compliance against industry standards using the compliance reporting tools you have access to in connection with your Eligible Environments.
- (f) You acknowledge and agree that:
 - (i) Subject to the Australian Consumer Law provisions in the General Terms of this Agreement, we do not guarantee end-to-end compliance with any industry standard or regulation and we do not and cannot assume your compliance obligations under all or any of the industry standards or

regulations;

- (ii) you remain responsible for your compliance with applicable industry standards and regulations;

- (iii) we do not provide you with any certificates of compliance against industry standards and regulations; and
- (iv) any recommendations, reporting or information in relation to your compliance is based on the compliance activities, information and tools included in your Eligible Environment and provided to you on the terms set out in section 4 of these Service Terms for the applicable Digital Managed Service offering for that Eligible Environment. We do not provide any additional or customised compliance assistance against industry standards and regulations, such as monitoring, management support or reporting.

Reporting

- (g) Section 4 of these Service Terms specifies the reports we provide as part of your Digital Managed Service (**Reports**). Reports will be available in the format and at the times specified in section 4 of these Service Terms for the applicable Digital Managed Services offering.
- (h) All information and data contained in Reports is based on the information available to us from the access you grant us to your systems.

Service Levels

- (i) We will provide you with user and technical support during the support hours specified in section 4 of these Service Terms (**Support Services**). Any service levels that apply to your Digital Managed Service are set out in section 4 of these Service Terms and only apply for the period we manage the applicable resource (e.g. virtual machine) (**Service Levels**). Unless a Service Level Exclusion applies, we will aim to (but do not guarantee that we will) meet the applicable Service Levels in respect of your Digital Managed Service.

Representations, warranties and guarantees

- (j) To the extent permitted by law, and subject to any rights you have under the Australian Consumer Law, we make no representations and give no warranties or guarantees as to:
 - (i) the accuracy or completeness of:
 - (A) Cost Optimisation information and recommendations;
 - (B) Risk Management information and recommendations;
 - (C) Compliance Tools Management and Recommendations; and
 - (D) Reports or the information contained in Reports; or
 - (ii) the security or storage of any data that you provide or make available to us and that is sent or received using your Eligible Environment (**Your Data**) and the security of your environment and systems.

3.3 Your obligations

- (a) If we consider that you have breached any of your obligations under this clause 3.3 then we may suspend or terminate the provision of your Digital Managed Services.
- (b) You must meet any minimum technical requirements or other prerequisites for your Digital Managed Services, as set out in this Agreement.
- (c) You must:
 - (i) cooperate with us and provide us with full and accurate information (including where relevant configuration information) about your environment and systems as reasonably requested by us from time to time;
 - (ii) provide us with the required level of access to your environment and systems, as reasonably requested by us from time to time;
 - (iii) where relevant to your Digital Managed Services, obtain all necessary consents and hold all necessary licences to enable us to lawfully access or manage any third-party hardware or software on your behalf (including without breaching any third party rights);
 - (iv) comply with all our reasonable directions, instructions and requests in relation to our provision of Digital Managed Services;
 - (v) report all known faults to the service desk via the methods and during the support hours specified in any applicable Digital Managed Services offerings under section 4 of these Service Terms;
 - (vi) provide written notice to us of any relevant changes to your environment or systems as they relate to or impact on Digital Managed Services; and
 - (vii) ensure 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 Digital Managed Services.
- (d) You must not use your Digital Managed Services, or permit your Digital Managed Services to be used:
 - (i) in a way that interferes (or threatens to interfere) with the efficiency and security of Digital Managed Services or another person's use of Digital Managed Services and our network or any other network;
 - (ii) to engage in any form of peer-to-peer file sharing; or

(iii) in a manner which will expose us to the risk of any claim, legal or administrative action.

- (e) If you fail to meet any of your obligations in relation to Digital Managed Services:
 - (i) we may not be able to provide part or all of your Digital Managed Services or otherwise perform our obligations in respect of Digital Managed Services;
 - (ii) certain Digital Managed Services features or functionality may not be available or their quality may be affected; and
 - (iii) we will not be liable to you or a third party for failing to provide part or all of your Digital Managed Services or otherwise failing to perform our obligations in respect of your Digital Managed Services to the extent that such failure arises from your failure to meet your obligations in relation to Digital Managed Services.
- (f) You indemnify us against all loss or damage that we suffer or incur (including as a result of or in connection with any third party claims) and that arises naturally (that is, according to the usual course of things) as a result of any claim by a third party against us in connection with your breach of clause 3.3(c), except to the extent the claim is caused or contributed to by us. We will also take reasonable steps to mitigate the loss or damage we suffer or incur as a result of the claim.

3.4 Your Data

- (a) You are solely responsible for the content and security of Your Data.
- (b) If we host, store, use, or disclose Your Data in relation to Digital Managed Services, you grant us a licence to do so. Without limiting the foregoing, you acknowledge and agree that we aim to capture metrics from Your Data on your use of your systems and environment as part of your Digital Managed Services. These metrics may be used (including after expiry or termination of Digital Managed Services) without limitation, to enable accurate billing, improvements in service delivery, and targeted sales.
- (c) You must:
 - (i) comply with the Privacy Laws in relation to any Personal Information that forms part of Your Data;
 - (ii) without limiting clause 3.4(c)(i), obtain all required consents, and make all required disclosures and notifications, to ensure that:
 - (A) you are lawfully (including without breaching any Privacy Laws) able to provide and make available all Personal Information that you provide and make available to us in connection with Digital Managed Services; and
 - (B) we are lawfully (including without breaching any Privacy Laws) able to use the Personal Information you provide or make available to us in connection with Digital Managed Services for the purposes of performing our obligations and exercising our rights under this Agreement.
- (d) You indemnify us against all loss or damage that we suffer or incur (including penalties and fines) arising naturally (that is, according to the usual course of things) out of any claim by a third party against us in connection with your breach of clause 3.4(c), except to the extent the claim is caused or contributed to by us. We will also take reasonable steps to mitigate the loss or damage we suffer or incur as a result of the claim.

4 OFFERINGS

Part A – Managed Cloud Service

4.1 Eligibility

To be eligible to acquire the Managed Cloud Service, you must:

- (a) have and maintain, at your own expense, a network and an Eligible Environment comprising virtual machines running in a VMware, VMware Cloud on AWS, Microsoft Azure or Amazon Web Services environment for the duration of the term of your Managed Cloud Service, including any changes that are required;
- (b) without limiting your obligations in clause 3.3(c), provide us with the required level of access to your Eligible Environment (including the virtual machines in your Eligible Environment) as reasonably requested by us from time to time;
- (c) implement any environment optimisation we notify you of from time to time. You may request that we implement such environment optimisation. We may agree to do so on separate terms and pricing; and
- (d) have Conformance Packs (AWS) or Compliance Offerings (Azure) enabled, or where they are not enabled, authorise us to turn them on, on your behalf.

4.2 Managed Cloud Service Features

(a) The Managed Cloud Service provides management, user and technical support services for Eligible Environments.

(b) The Managed Cloud Service includes the following:

Inclusion	Description
Cost Optimisation*	<ul style="list-style-type: none"> • Provisioning right-sized infrastructure to meet the Azure or AWS best practices (depending on whether your Eligible Environment is an Azure or AWS public Cloud environment); • Monitoring your cost consumption; • Providing cost optimisation recommendations; • Providing customised cost related remediation advice; and • Tracking the implementation of agreed actions.
Risk Management	<ul style="list-style-type: none"> • Monitoring and event management; • Incident response and resolution in line with applicable Service Levels; • Security recommendations; • Customised risk remediation advice; • Tracking of agreed action (but not the implementation of those actions. You may request, and we may agree to provide, implementation services on separate terms and pricing); • Management of backup, restoration verification of managed virtual machines using Cloud native back-up systems or services provided by Azure and/or AWS* (but not the provision of those backup systems or services); and • Patch management using Cloud native tools provided by Azure and/or AWS for environments supporting these tools.
Compliance Tools	<ul style="list-style-type: none"> • Monitoring of infrastructure against industry standards. Compliance monitoring will be limited to the compliance services enabled within your Azure subscription or AWS account (as applicable)*; • Reporting against meeting compliance standards set by Microsoft or AWS (as applicable) within your Azure subscription or AWS account (as applicable)*; • Provision of recommendations and customized remediation activities (but not implementation of those recommendations and remediation activities. You may request, and we may agree to provide, such implementation services on separate terms and pricing); and • Tracking the implementation of agreed actions, in addition to any Reporting otherwise included in your Digital Managed Service.
Monthly Reports	<p>A monthly report containing the following information:</p> <ul style="list-style-type: none"> • Overview of the details of your Eligible Environment; • Cost recommendations*; • Security recommendations;

- Compliance reporting* – based on the existing standards and reporting available within your Eligible Environment;
- Action Registry (Issues/Incidents) - total number of incidents, by priority ranking, as measured against the applicable Service Levels; and
- List of service requests and their status.

If your Digital Managed Service commences partway through a month, your first report will be provided following the first full calendar month of your Digital Managed Service.

Add-Ons	Description
Professional Services	Any professional services in respect of your Eligible Environment are over and above the standard monthly charge and are as set out in the relevant Service Order and any applicable Statement of Work. Any such professional services are provided to you on the terms set out in the Professional Services section of Our Customer Terms . Professional services may be provided to you upon acceptance of a quote for time and materials, prior to work commencing.

* public Cloud Eligible Environments only

- (c) To the extent permitted by law, and subject to any rights you have under the Australian Consumer Law, unless otherwise agreed with you in writing, we make no representations and give no warranties or guarantees that the Managed Cloud Service integrates with any third party software or service.

4.3 Managed Cloud Service Support - Service desk

Managed Cloud Service

- (a) The terms set out in clauses 4.3(a) to 4.3(e) only apply in relation to Managed Cloud Services.
- (b) We will provide a service desk that you can contact to report incidents relating to your Managed Cloud Service and assist to you with the following Managed Cloud Service requests (**MC Service Requests**):

MC Service Requests

Virtual Machine Management

- Start managing virtual machine(s)
- Stop managing virtual machine(s)

Modifications to Existing Virtual Machine(s)

- Add new storage disk(s) to your virtual machine(s)
- Increase storage disk capacity attached to your virtual machine(s)
- Remove storage disk(s) allocated to your virtual machine(s)
- Change your virtual machine(s) to Critical or Non-critical

Monitoring and Alerting

- Start monitoring virtual machine(s)
- Stop monitoring virtual machine(s)
- Change the triggering threshold for all virtual machine resource utilisation alerts
- Change the triggering threshold for specific virtual machine resource utilisation alerts
- Add new manage region(s)

Patching

- Create new patching schedules
- Update existing patching schedule
- Change patching schedules for virtual machine(s)

Backup

- Start backing up virtual machine(s)
- Stop backing up virtual machine(s)
- Create and configure new recovery service vault
- Configure default backup vault service
- Modifying existing backup policies for nominated virtual machine(s)
- Create new scheduled backup policy

- (c) When reporting an incident or making a MC Service Request to the service desk you must provide all the information we reasonably require (including completing any service request forms), otherwise we may not be able to resolve the incident or complete the MC Service Request. MC Service Requests required outside Business Hours will incur additional charges.
- (d) If we are unable to resolve an incident or complete a MC Service Request, you consent to us contacting and liaising with any relevant third party suppliers on your behalf to resolve the incident or complete the relevant MC Service Request. You are responsible for ensuring we have the necessary authorisation and permissions to contact, discuss and resolve incidents with relevant third parties on your behalf, including for example adding us as an authorised contact on your account.
- (e) Our technical support team will assist you with:
- (i) incidents based on priority; and
 - (ii) MC Service Requests in the order in which they are received.

4.4 Managed Cloud Service Support - Service Levels

Managed Cloud Service

- (a) The terms set out in clauses 4.4(a) to 4.4(d) only apply in relation to Managed Cloud Services.
- (b) Unless a MC Service Level Exclusion applies, we aim (but do not guarantee) to meet the following Service Levels in respect of all incidents you report to us in connection with your Managed Cloud Service. You acknowledge and agree that the following Service Levels are targets only and that we are not liable to you for failing to meet them. Response Times are suspended for any period during which we are awaiting your response or confirmation, or for any matter outside our reasonable control.

Priority	Response Time	Service Level
Priority 1	15 minutes / 24x7x365	95%
Priority 2	30 minutes / Business Hours only	95%
Priority 3	4 hours / Business Hours only	95%

- (c) We prioritise incidents for the purposes of the Service Levels set out in clause 4.4(b) above based on if each Virtual Machine under management is classified as Critical or Non-Critical. It is your decision how to classify each Virtual Machine. Classification of incidents is defined in accordance with the table below.

Alert Type	Critical	Non-Critical
VM down	P1	P2
High CPU	P2	P3
High Memory	P2	P3
Low Disk Space	P2	P3
Failed Backup	P3	P3
Failed Patching	P2	P3

Alert Type	Definition	Critical Threshold	Non-Critical Threshold
VM down	The expected minimum number of VM heartbeats was not received	<ul style="list-style-type: none"> • Over a 15 minute period • Measured every 15 minutes 	<ul style="list-style-type: none"> • Over a 1 hour period • Measured every 1 hour

High CPU	Average CPU utilisation in excess of 95%	<ul style="list-style-type: none"> Over a 30 minute period Measured every 15 minutes 	<ul style="list-style-type: none"> Over a 1 hour period Measured every 1 hour
High Memory	Average memory utilisation in excess of 95%	<ul style="list-style-type: none"> Over a 30 minute period Measured every 15 minutes 	<ul style="list-style-type: none"> Over a 1 hour period Measured every 1 hour
Low Disk Space	Remaining disk space is equal to or less than 10%	<ul style="list-style-type: none"> Per 1 hour Measured every 1 hour 	<ul style="list-style-type: none"> Per 1 hour Measured every 1 hour
Failed Backup	Backup jobs that have not successfully completed is greater than 0	<ul style="list-style-type: none"> Per 24 hours Measured every 24 hours 	<ul style="list-style-type: none"> Per 24 hours Measured every 24 hours
Failed Patching	Patching updates that were not successfully completed is greater than 0	<ul style="list-style-type: none"> Per 24 hours Measured every 24 hours 	<ul style="list-style-type: none"> Per 24 hours Measured every 24 hours

- (d) In addition to any exclusions set out in section 3 of these Service Terms, the Service Levels in clause 4.4(b) do not apply:
- (i) in relation to any period of scheduled maintenance;
 - (ii) in relation to any request or incident which requires involvement from, or input by, a third party; and
 - (iii) if we fail to meet a Service Level and our failure is caused by:
 - (A) you or arises as a result of your breach of this Agreement;
 - (B) any of your or your third party's services, infrastructure, equipment, software (including operating or email systems), configurations or other technology that support your Managed Cloud Service which are not in our direct control;
 - (C) any unauthorised changes to your technology infrastructure, software (including email systems) or configurations that support the Managed Cloud Service;
 - (D) an act beyond our reasonable control (including any delays caused by, or acts or omissions of you or a third party);
 - (E) suspension or termination of your right to use or access your Eligible Environment; or
 - (F) your failure to provide us with the required access or information relating to your Eligible Environment,

(each being a **MC Service Level Exclusion**).

4.5

Managed Cloud Service - Charges

The List Prices in the table below apply to the applicable Managed Cloud Services features listed in this section 4, which you may request via the Platform and are subject to the exclusions, additional service charges and hourly rates below.

Item No.	Item	Rate (excl GST)	Notes
1	Virtual Machine to be managed	Critical - \$4.90 per Virtual Machine per day Non-Critical \$3.90 per Virtual Machine per day (Daily Rating)	Price dependent on classification of Virtual Machine as Critical or Non-Critical.
2	Virtual Machine – Service Requests	Included in above Daily Rating	See MC Service Requests in section 4.
3	Provision a Virtual Machine from an existing template	Included in above Daily Rating	Applies to Virtual Machines provisioned using an existing Azure and/or AWS standard template or a customer specific custom template.

4	Standard Monthly Reporting	Included in above Daily Rating	Standardised reporting is provided each month for the service. See Reporting in section 4.
<p>Exclusions: Custom reporting, create customer virtual machine template, delete a virtual machine.</p>			
<p>Additional Service Charges: Some activities provided by us may be subject to additional service charges. These may apply for work performed by us which are outside the scope of services and the Service Request List.</p> <p>Additional service charges will be charged at the following rates: Business Hours: \$160 per hour After hours: \$240 per hour</p>			

5 CHARGES

5.1 Charges for your Digital Managed Services

- (a) The applicable fees and charges for your Digital Managed Services are set out in your Pricing Schedule and Service Order. Refer to your applicable offering under section 4 for other applicable charges and the List Prices for your applicable service offering.
- (b) The number of features activated on your Eligible Environment at the start of a billing cycle is the baseline from which we track changes. You may add and remove certain features during the applicable service period and we will charge you for the applicable period for which the service is chargeable.
- (c) You will receive a new digital invoice for your Digital Managed Service. You may receive a separate invoice for other products provided by us.

6 DEFINITIONS

6.1 Definitions

In these Service Terms, capitalised terms have the following meanings:

Term	Meaning
Business Hours	8:30am to 5:00pm Australian Eastern Standard Time/Australian Daylight Savings Time Monday to Friday, excluding all national Australian public holidays.
Compliance Tools	has the meaning given to it in clause 3.2(e).
Cost Optimisation	has the meaning given to it in clause 3.2(b).
Eligible Environment	means your separate technology service environment, which is eligible for, and you have nominated to, receive Digital Managed Services in accordance with an applicable service offering via the Platform.
List Price	means our standard catalogue price for Digital Managed Services and any applicable Service offerings listed in section 4.
Managed Cloud Service	means the service described in clause 4.2.
MC Service Level Exclusion	has the meaning given to it in clause 4.4(d).
Personal Information	has the meaning given to it in the <i>Privacy Act 1988</i> (Cth).
Platform	means the platform or other mechanism (including manual and hardcopy documents if relevant) we make available for the ordering and administration of Digital Managed Services, as updated from time to time.
Privacy Laws	means the <i>Privacy Act 1988</i> (Cth), the <i>Spam Act 2003</i> (Cth), the <i>Telecommunications Act 1997</i> (Cth) and any registered APP Code that binds a party, our privacy policy (available at www.telstra.com.au/privacy) and any other laws, industry codes and policies relating to the handling of Personal Information.
Reports	has the meaning given to it in clause 3.2(g).
Response Time	is calculated from the time when a ticket is logged on our system until we provide you with a response.
Risk Management	has the meaning given to it in clause 3.2(d).
Service Levels	has the meaning given to it in clause 3.2(i).
Statement of Work	means any statement of work or similar document agreed by you and us in relation to a Digital Managed Service.
Support Services	has the meaning given to it in clause 3.2(i).
Your Data	has the meaning given to it in clause 3.2(j)(ii).