

MASTER SERVICES AGREEMENT

between

**THE STATE OF TEXAS, ACTING BY AND THROUGH
THE TEXAS DEPARTMENT OF INFORMATION RESOURCES**

and

INTERNATIONAL BUSINESS MACHINES CORPORATION

**DATED MARCH 20, 2009
(Tenth Amendment)**

ATTACHMENT 3-A

SERVICE LEVEL MATRIX

INTRODUCTION

This Attachment 3-A to Exhibit 3 (Service Levels) sets forth the following:

1. For Critical Service Levels (Attachment 3-B):

- the numeric measurements for Minimum Service Levels and Expected Service Levels;
- the Allocation of Pool Percentage associated with each Performance Category;
- the Service Level Credit Allocation Percentage associated with each Critical Service Level within a Performance Category;
- the percent of the Monthly Charge that would be used in the calculation of a Service Level Credit if a Service Level Default occurs for each Critical Service Level
- the timing regarding the commencement of obligations for each Critical Service Level
- a cross-reference to Attachment 3-B (Critical Service Levels and Key Measurements) where the qualitative description of the Performance Category and the associated Critical Service Level can be found

2. For Key Measurements (Attachment 3-B):

- the numeric measurements for Minimum Service Levels and Expected Service Levels;
- a cross-reference to Attachment 3-B (Critical Service Levels and Key Measurements) where the qualitative description of the Performance Category and the associated Key Measurement can be found

3. For Critical Deliverables (Attachment 3-C):

- the Deliverable Credit associated with each Critical Deliverable in the event the deliverable is not achieved
- the timing regarding the commencement of obligations for each Critical Deliverable
- a cross-reference to Attachment 3-C (Critical Deliverables) where the qualitative description of the Critical Deliverable can be found

Critical Service Level Matrix										
	Total Service Provider At Risk - Expressed in term of percentage of the Monthly Charge									10%
Section Reference	Allocation of Pool Percentage		135%							
Section Reference		Current Mode Operation			Future Mode Operation			Measurement		% of
1.1	Performance Category - Systems Availability	Comm + moct**	Expected	Minimum	Milestone / Date ***	Expected	Minimum	Window	Allocation*	Invoice
	Application Infrastructure Availability									
1.1.1	Critical Application Infrastructure Availability	0	99.75%	99.50%	TBD***	99.90%	99.75%	Monthly	20.00%	2.70%
1.1.2	Critical - Single Application Infrastructure Outage not to Exceed	0	1 hour	2 hours	TBD***	1 hour	2 hours	Monthly	2.20%	0.30%
1.1.3	Servers - High Complexity Application Infrastructure Availability	0	99.50%	99.20%	TBD***	99.90%	99.75%	Monthly	22.00%	2.97%
1.1.4	Servers - High Single Application Infrastructure Outage not to Exceed	0	2 hours	4 hours	TBD***	1 hour	2 hours	Monthly	2.20%	0.30%
1.1.5	Servers - Medium Complexity Application Infrastructure Availability	0	99.20%	99.00%	TBD***	99.50%	99.20%	Monthly	11.00%	1.49%
1.1.6	Servers - Medium Single Application Infrastructure Outage not to Exceed	0	3 hours	6 hours	TBD***	2 hours	4 hours	Monthly	2.12%	0.29%
1.1.7	Servers - 7x24 Application Infrastructure Availability	0	99.50%	99.20%	TBD***	99.80%	99.50%	Monthly	12.00%	1.62%
1.1.8	Servers - 7x 24 Single Application Infrastructure Outage not to Exceed	0	2 hours	4 hours	TBD***	1 hour	2 hours	Monthly	2.12%	0.29%
1.1.9	Priority 1 - Single Application Infrastructure Outage not to Exceed	0	2 hours	4 hours	TBD***	2 hours	4 hours	Monthly	2.12%	0.29%
1.1.12	Federal Application Infrastructure Availability	5	99.9%	99.9%	TBD***	99.9%	99.9%	Monthly	2.12%	0.29%
	Mainframe									
1.1.10	Mainframe Application Infrastructure Availability	0	99.90%	99.50%	TBD***	99.90%	99.50%	Monthly	20.00%	2.70%
1.1.11	Mainframe Single Application Infrastructure Outage not to Exceed	0	2 hours	4 hours	TBD***	2 hours	4 hours	Monthly	2.12%	0.29%
Section Reference	Allocation of Pool Percentage		50%					Measurement		% of
1.2	Performance Category - Problem Resolution	Comm + moct**	Expected	Minimum	Milestone / Date ***	Expected	Minimum	Window	Allocation*	Invoice
	Resolution Time - Severity 1 Problem									
1.2.1.1	Servers - High - Less than 2 hours	0	98.50%	97.00%	TBD***	98.50%	97.00%	Monthly	15.0%	0.75%
1.2.1.2	Servers - Medium - Less than 4 hours	0	97.00%	95.50%	TBD***	97.00%	95.50%	Monthly	15.0%	0.75%
1.2.1.3	Servers - Low - Less than 8 hours	0	95.50%	94.00%	TBD***	95.50%	94.00%	Monthly	10.0%	0.50%
	Resolution Time - Severity 2 Problem									
1.2.2.1	Servers - High - Less than 4 hours	0	98.00%	96.50%	TBD***	98.00%	96.50%	Monthly	15.0%	0.75%
1.2.2.2	Servers - Medium - Less than 8 hours	0	96.50%	95.00%	TBD***	96.50%	95.00%	Monthly	15.0%	0.75%
1.2.2.3	Servers - Low - Less than 24 hours	0	95.00%	90.00%	TBD***	95.00%	90.00%	Monthly	10.0%	0.50%
1.2.3	Root Cause Analysis Delivery	0	95.00%	90.00%	TBD***	95.00%	90.00%	Monthly	10.0%	0.50%
1.2.4	Chronic Problems	0	3	5	TBD***	2	4	Monthly	10.0%	0.50%
Section Reference	Allocation of Pool Percentage		30%					Measurement		% of
1.3	Performance Category - Batch Processing	Comm + moct**	Expected	Minimum	Milestone / Date ***	Expected	Minimum	Window	Allocation*	Invoice
1.3.1	Successful Backups	0	99.00%	95.00%	TBD***	99.00%	95.00%	Monthly	25.0%	0.75%
1.3.2	Successful Recoveries	0	99.00%	97.50%	TBD***	99.00%	97.50%	Monthly	25.0%	0.75%
1.3.3	Percent of Batch Processing Completed Successfully	0	99.00%	98.00%	TBD***	99.00%	98.00%	Monthly	50.0%	1.50%
Section Reference	Allocation of Pool Percentage		25%					Measurement		% of
1.4	Performance Category - Incident Response Time	Comm + moct**	Expected	Minimum	Milestone / Date ***	Expected	Minimum	Window	Allocation*	Invoice
1.4.1	Response Time - Severity 1 Problem	0	95% < 15 min	90% < 15 min	TBD***	95% < 15 min	90% < 15 min	Monthly	50.0%	1.25%
1.4.2	Response Time - Severity 2 Problem	0	95% < 30 min	90% < 30 min	TBD***	95% < 30 min	90% < 30 min	Monthly	50.0%	1.25%
Section Reference	Allocation of Pool Percentage		30%					Measurement		% of
1.5	Performance Category - Print/Mail	Comm + moct**	Expected	Minimum	Milestone / Date ***	Expected	Minimum	Window	Allocation*	Invoice
1.5.1	On time Completion of Recurring Critical Jobs	0	99.00%	97.50%	TBD***	99.00%	97.50%	Monthly	35.0%	1.05%
1.5.2	On time Completion of One Time Critical Documents	0	99.00%	97.50%	TBD***	99.00%	97.50%	Monthly	25.0%	0.75%
1.5.3	On time Completion of Standard Daily Mailings	0	96.00%	90.00%	TBD***	96.00%	90.00%	Monthly	30.0%	0.90%
1.5.4	Quality of Critical Infrastructure Mail Output	5	99.90%	99.80%	6/1/2008	TBD	TBD	Monthly	10.0%	0.30%
Section Reference	Allocation of Pool Percentage		30%					Measurement		% of
1.6	Performance Category - Cross-Functional	Comm + moct**	Expected	Minimum	Milestone / Date ***	Expected	Minimum	Window	Allocation*	Invoice
1.6.1	Projects completed within +10% of the agreed upon due date	0	95.00%	90.00%	TBD***	95.00%	90.00%	Monthly	40.0%	1.20%
1.6.2	Meet Customer Satisfaction Surveys	0	4.00	3.50	TBD***	4.50	3.75	Monthly	20.0%	0.60%
1.6.3	DR Test Restoration for D0 and D1 Applications within Established Timeframes ATOT (At time of Test)	0	100.00%	100.00%	TBD***	100.00%	100.00%	ATOT	40.0%	1.20%

Notes:

* Service Level Credit Allocation Percentage

** Number of Months after Commencement Date when the Service Provider is responsible for Service Level performance and Performance Credits due for Service Level Default

*** Milestone / Date for each item within a Service Level is the calendar date nominated for such item in the applicable Transformation Plan, provided that in no event shall the applicable Milestone / Date for any item within a Service Level be later than twenty-four (24) months following the Commencement Date. In the case of Service Levels 1.1.1, 1.1.3, 1.1.5 and 1.1.7, during any time that there shall be items subject to measurement under both Current Mode Operation and Future Mode Operation categories for such Service Level, the respective metrics of each category shall be applied to the items in each category and a performance failure for either shall constitute a Service Level Default under such Service Level. Notwithstanding the foregoing, in the event the items in either category shall constitute less than five percent (5%) of the total of all items in both categories (or such other minimum threshold as the Parties may agree), then there shall be a single calculation for such Service Level. Such single calculation shall measure performance against a Service Level metric equal to the weighted average of the CMO and FMO metrics based upon the relative number of items in each category.

Key Measurements Matrix					
Attach. 3-B					
Section Reference					Measurement
2.1	Performance Category - Systems Availability	Comm + mos*	Expected	Minimum	Measurement Window
2.1.1	Servers - Low Complexity Application Infrastructure Availability	0	99.50%	99.25%	Monthly
2.1.2	Servers - Low Single Application Infrastructure Outage not to Exceed	0	4 hours	8 hours	Monthly
2.1.3	Priority 2 - Single Application Infrastructure Outage not to Exceed	0	3 hours	6 hours	Monthly
2.2	Performance Category - Problem Resolution	Comm + mos*	Expected	Minimum	Measurement Window
2.2.1	Resolution Time - Severity 3 Problem	0	95.00%	90.00%	Monthly
2.2.2	Resolution Time - Severity 4 Problem	0	95.00%	90.00%	Monthly
2.3	Performance Category - Batch Processing	Comm + mos*	Expected	Minimum	Measurement Window
2.3.1	Percent of Batch Scheduling Launched on Time	0	99.00%	98.50%	Monthly
2.3.2	Reports delivered on time as outlined in (Exhibit 13 - Reports)	0	98.00%	95.00%	Monthly
2.3.3	Completion of Special Batch Processing within Committed Timeframes	0	98.00%	95.00%	Monthly
2.4	Performance Category - Incident Response	Comm + mos*	Expected	Minimum	Measurement Window
2.4.1	Incident Management Communication for Severity 1 Problems	0	95.00%	90.00%	Monthly
2.4.2	Response Time - Severity 3 Problem	0	95% < 60 min	90% < 60 min	Monthly
2.4.3	Response Time - Severity 4 Problem	0	95% < 4 hrs	90% < 4 hrs	Monthly
2.5	Performance Category - Print/Mail	Comm + mos*	Expected	Minimum	Measurement Window
2.5.1	Inventory levels	0	100.00%	90.00%	Monthly
2.5.2	Ontime delivery of output per production schedule	0	99.00%	97.50%	Monthly
2.5.3	Quality of Print and Mail Output	5	98.50%	99.30%	Monthly
2.6	Performance Category - Cross-Functional	Comm + mos*	Expected	Minimum	Measurement Window
2.6.1	Security Vulnerability Remediation	0	95.00%	90.00%	Monthly
2.6.2	Security Patching Status	0	95.00%	90.00%	Monthly
2.6.3	Support Center - Average Call Answer Time	0	< 27 sec	< 30 sec	Daily/Monthly
2.6.4	Support Center - Abandon Rate	0	3.80%	< 5%	Daily/Monthly
2.6.5	Support Center - Effective First Contact Resolution (Overall Requests)	0	45.00%	40.00%	Monthly
2.6.6	Change Management Effectiveness	0	90.00%	85.00%	Monthly
2.6.7	DR Test Restoration for Other Disaster Recovery Milestones within Recovery Timeframes	0	100%	100%	ATOT
2.6.8	Asset Inventory Accuracy	0	98%	95%	Monthly
2.6.9	Train the Trainer	0	95%	90%	Monthly
2.7	Performance Category - Project Management	Comm + mos*	Expected	Minimum	Measurement Window
2.7.1	Projects Delivered to Approved Budget	0	95.00%	90.00%	Monthly
2.7.2	Fulfillment of Server/Mainframe Service Requests	0	95.00%	90.00%	Monthly
2.7.3	Fulfillment of Service Requests with Committed Timeframes	0	95.00%	95.00%	Monthly
2.7.4	Project Management Delivery Customer Satisfaction Survey	0	4.00	3.75	Monthly
2.7.5	Resolution of Invoice Dispute	0	95.00%	95.00%	Monthly

Notes:

* Number of Months after Commencement Date when the Service Provider is responsible for Service Level performance

Attach. 3-C

Section Reference	Critical Deliverable Description		Commencement (***) in months	Deliverable (\$s)	Frequency
2.0	Complete Asset Inventory		3	\$50,000	monthly
3.0	Transition Readiness Plan		30 days prior to Commencement	\$25,000	weekly
4.0	Enterprise Transition - Initial Plan		30 days prior to Commencement	\$25,000	weekly
5.0	Enterprise Transition - Final Plan		3	\$50,000	monthly
6.0	Individual DIR Customer Transition - Initial Plan		30 days prior to Commencement	\$10,000 per DIR Customer Plan	weekly
7.0	Individual DIR Customer Transition - Final Plan		3	\$10,000 per DIR Customer Plan	monthly
8.0	Enterprise Transformation - Initial Plan		0	\$25,000	weekly
9.0	Enterprise Transformation - Final Plan		3	\$50,000	monthly
10.0	Individual DIR Customer Transformation - Initial Plan (s)		0	\$10,000 per DIR Customer Plan	weekly
11.0	Individual DIR Customer Transformation - Final Plan (s)		Pursuant to Section 11.0 of Attachment 3-C as amended by the Ninth Amendment to the Agreement	\$10,000 per Delivery / DIR Customer (***)	monthly
12.0	Consolidation Plan		3	\$50,000	monthly
13.0	Policies and Procedure Manuals		Delivery 1 - 30 days prior Commencement Delivery 2 - at Commencement Delivery 3 - 3 mo after Commencement Delivery 4 - 6 mo after Commencement	\$50,000 - Delivery 1 \$100,000 - Delivery 2 \$50,000 - Delivery 3 \$50,000 - Delivery 4	monthly monthly monthly monthly
14.0	Customer Satisfaction Surveys		25	\$25,000	monthly
15.0	Customer Satisfaction Improvement Plan		28	\$5,000	monthly
16.0	New Customer Integration Plan		6	\$5,000	monthly
17.0	Updated Disaster Recovery Plans		3	\$10,000	weekly
18.0	Final Disaster Recovery Plan		3 months after first Agency Transformation	\$100,000	monthly
19.0	Conduct Disaster Recovery Test – Critical Applications		12	\$50,000	monthly
20.0	Technology Plan		12	\$75,000	monthly
21.0	Service Level Measurement Tools		30 days prior to Commencement	\$50,000	weekly
22.0	Security Assessment (See Exhibit 17 for details)		7 days after agreed delivery date according to Plan	\$50,000	weekly
23.0	Availability of Self Service Web Portal		Delivery 1 - 2 Months prior to Commencement Delivery 2 - at Commencement Delivery 3 - 3 Months after Commencement Delivery 4 - 24 Months after Commencement	\$25,000 - Delivery 1 \$10,000 - Delivery 2 \$10,000 - Delivery 3 \$10,000 - Delivery 4	monthly

Notes:

*** Number of Months before or after Commencement Date (or other specified date) before Service Provider is subject to Deliverable Credits responsible for Service Level performance and Performance Credits due for Service Level Default

**** For the avoidance of doubt, where multiple partial plans for a particular DIR Customer are to be delivered on the same date, the multiple plans will be considered as one delivery for that DIR Customer and subject to the Deliverable Credit for that delivery