

## **Request for Proposal**

### **ANPR and MIR Service Procurement** (procured together or separately)

### **SSA-L, Appendix 4**

### **Service Levels with Standardised Compensations**

## Version log

Version	Initials	Date	Comments/ amendments
0.9	GK	11.01.2018	Preliminary RFP
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2.0			
3.0			

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## 1. INTRODUCTION

*<This Appendix is the Bidder's proposal for a detailed specification of the Service Level for the operational services which the Bidder shall review and complete.>*

This document – Appendix 4 - describes the agreed service levels, based on the Customer's Requirement Specification (Appendix 1) and the Contractor's proposed Service specifications in Appendix 2.

The document also proposes mechanisms for standardised Price Reductions based on the extent to which the agreed service levels are actually delivered.

*<The Contractor can comment on the SLA, Service level targets and / or the combination of SLA-levels described in this Appendix, e.g. if the Contractor sees any inconsistencies between them or points of improvements / simplification. The Contractor may also comment if any SLA targets are seen as especially price inflating.>*

This Appendix contains the agreed Service Levels and standardised compensations for the services described in the Service overview in Appendix 1. The Appendix defines requirements related to:

- Agreed Service Levels.
- Methods/ tools to be used to measure delivered Service Levels (compared to the agreed Service Levels).
- Standardised compensation if the agreed Service Levels are not met.

## 2. SERVICE LEVEL METHODOLOGY

### 2.1 TERMINOLOGY

This Appendix uses the following terms:

<b>Service Level Agreement (SLA)</b>	This Appendix, which specifies the Service Levels, Service Level Targets, and standardized compensation (penalties) with regard to the Service Level Targets.
<b>Service Level</b>	Measured and reported achievement against one or more Service Level Targets.
<b>Service Level Target (SLT)</b>	A commitment that is documented in the Service Level Agreement and needed to ensure that the services meet the Customer's business objectives.
<b>Critical Service Level</b>	A Critical Service Level is a Service Level where failure by the Contractor to meet the Service Level Target in a given month will be a "Service Level Default". A "Service Level Default" results in a "Service Level Credit" (penalty).
<b>Standardized compensation (penalties)</b>	Financial penalty for not reaching the Service Level Target of a Critical Service Level. The penalty is typically a fixed percent of the fee for the service that is faulted.

### 2.2 OPERATING HOURS OF CUSTOMER RESOURCES

#### 2.2.1 General

Operating hours is the time span where the services will be provided by the Contractor in accordance with the agreed Service Levels. All Service Levels will be measured *within* the specified operating hours.

*<The Contractor should describe the operating hours for the service, the operating hours should be specified in CET. The Contractor should also describe the suggested routines for planned down-time of the resources, such as image DB, network etc. provided by the Customer, on which with Contractor is dependent. The Contractor may also comment if any availability requirements of the Customers provided resources are seen as especially price inflating for the Contractor.>*

### 3. ANPR SERVICE AND MIR MODULE

#### 3.1 RECOGNITION RATE SLA

*<Bidder to suggest levels and replace XX with the applicable value. Please note the minimum requirements and method of measuring defined in Appendix 1.>*

*See Appendix 1, Customer requirements specification, chapter 1.4.3.1 for description.*

##### 3.1.1 Critical Service Level

Critical Service Level	
Service Level Target	XX% during YY business day/month.
Measurement method	Log from Contractor's tool.
Reporting	Monthly report with percentage and number of out of band.
Service Level Default definition	Service Level break when Service Level Targets (SLTs) defaults.
Consequence in case of SLT breach	YY% of agreed monthly total fee per month until SLT is met 3 months in a row.

*<Bidder to propose further CSLs >*

#### 3.2 FALSE NEGATIVE SLA

*<Bidder to suggest levels and replace XX with the applicable value. Please note the minimum requirements defined in Appendix 1.>*

*See Appendix 1, Customer requirements specification, chapter 1.4.3.3 for description.*

##### 3.2.1 Critical Service Level

Critical Service Level	
Service Level Target	XX% during YY business day.
Measurement method	Log from Contractor's tool.
Reporting	Monthly report with percentage and number of out of band .
Service Level Default definition	Service Level break when Service Level Targets (SLTs) defaults.
Consequence in case of SLT breach	YY% of agreed monthly total fee per month until SLT is met 3 months in a row.

*<Bidder to propose further CSLs >*

#### 3.3 FALSE POSITIVE SLA

*<Bidder to suggest levels and replace XX with the applicable value. Please note the minimum requirements defined in Appendix 1.>*

*See Appendix 1, Customer requirements specification, chapter 1.4.3.2 for description.*

##### 3.3.1 Critical Service Level

Critical Service Level	
------------------------	--

<Contractor name>

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<b>Service Level Target</b>	XX% during YY business day.
<b>Measurement method</b>	Log from Contractor's tool.
<b>Reporting</b>	Monthly report with percentage and number of out of band .
<b>Service Level Default definition</b>	Service Level break when Service Level Targets (SLTs) defaults.
<b>Consequence in case of SLT breach</b>	YY% of agreed monthly total fee per month until SLT is met 3 months in a row.

<Bidder to propose further CSLs >

### 3.4 TRANSACTION PROCESSING SLA

<Bidder to suggest levels and replace XX with the applicable value. Please note the minimum requirements defined in Appendix 1.>

#### 3.4.1 Critical Service Level

<b>Critical Service Level</b>	
<b>Service Level Target</b>	XX hours
<b>Measurement method</b>	Log from Contractor's tool.
<b>Reporting</b>	Monthly report with transaction handling time of out of band
<b>Service Level Default definition</b>	Service Level break when Service Level Targets (SLTs) defaults.
<b>Consequence in case of SLT breach</b>	YY% of agreed monthly total fee per month until SLT is met 3 months in a row.

<Bidder to propose further CSLs >

### 3.5 RESPONSE TIME SPOC (SINGLE POINT OF CONTACT) WORKING HOURS (0700-1700) SLA

<Bidder to suggest levels and replace XX with the applicable value.>

#### 3.5.1 Critical Service Level

<b>Critical Service Level</b>	
<b>Service Level Target</b>	XX hours
<b>Measurement method</b>	Log from Contractor's tool.
<b>Reporting</b>	Monthly report with number of responses out of band .
<b>Service Level Default definition</b>	Service Level break when Service Level Targets (SLTs) defaults.
<b>Consequence in case of SLT breach</b>	YY% of agreed monthly total fee per month until SLT is met 3 months in a row.

<Bidder to propose further CSLs >

### 3.6 RESPONSE TIME SPOC (SINGLE POINT OF CONTACT) OUTSIDE WORKING HOURS (1700-0700 AND WEEKENDS/HOLIDAYS) SLA

*<Bidder to suggest levels and replace XX with the applicable value.>*

#### 3.6.1 Critical Service Level

<b>Critical Service Level</b>	
<b>Service Level Target</b>	XX hours
<b>Measurement method</b>	Log from Contractor's tool.
<b>Reporting</b>	Monthly report with number of responses out of band .
<b>Service Level Default definition</b>	Service Level break when Service Level Targets (SLTs) defaults.
<b>Consequence in case of SLT breach</b>	YY% of agreed monthly total fee per month until SLT is met 3 months in a row.

*<Bidder to propose further CSLs >*



## 4. MIR SERVICE

### 4.1 HANDLING TIME SLA

#### 4.1.1 Critical Service Level

Handling time	Reaction
Not handled transactions older than 20 days	<p>Leads to a reduction of 100 % of the total fee.            The customer must be informed if this happens.            In addition will this lead to a refund for the Customer</p> $\text{Number transactions} * \text{fee} * \text{factor} = \text{Refund}$ <p>&lt;Bidder to fill out factor&gt;</p>
Not handled transactions older than 14 days	Leads to a reduction of 50% of the total fee
Not handled transactions older than 7 days	Leads to a reduction of 25% of the total fee

## 4.2 QUALITY SLA

### 4.2.1 Critical Service Level

Quality	Reaction
<p><b>Transactions that have been deleted by mistake, i.e. False Negatives as defined in section 1.4.4.2 in Appendix 1.</b></p>	<p>At the end of the month, the customer will check the 1000 deleted transactions from the entire period. The percentage of errors will be multiplied by the number of deleted transactions in the period and will result in reimbursement for all mis-recorded images beyond the service level.</p> <p>Errors result in a refund for the customer according to the following formula:</p> $\left(1 - \left(\frac{\text{Number errors}}{1000}\right) - Q\right) * \text{number deleted transactions} * 50 \text{ kr}$ <p style="text-align: center;"><i>= Refusjon</i></p> <p><b>Example:</b></p> $\left(1 - \left(\frac{5}{1000}\right) - 0,999\right) * 900000 * 50 = -180000 \text{ kroner}$ <p><math>Q = 100\% - 1\%</math> Tjenestestnivå = 99% <math>Q = 100\% - 0,1\% = 99,9\% = 0,999</math></p> <p>&lt;Bidder is asked to fill out the SLA&gt;</p>
<p><b>Transactions registered with wrong LP, i.e. False Positives as defined in section 1.4.4.1 in Appendix 1.</b></p>	<p>The customer will make monthly checks of incorrect registrations. All recorded errors are measured against the service level.</p> <p>In the event of a service level not being achieved, the reimbursement requirement applies as described in the following formula:</p> $(\text{Number of complaints} - \text{Accepted number of complaints}) * \text{Factor}$ <p style="text-align: center;"><i>= Refund</i></p> <p><b>Example:</b></p> <p><math>(100 \text{ complaints} - 50 \text{ complaints}) * 50 = \text{NOK } 2500 \text{ in refund}</math></p> <p>&lt;Bidder is asked fill in the accepted number of complaints&gt;</p> <p>&lt;Bidder is asked to fill in factor&gt;</p>

## 5. SERVICE LEVEL CREDITS

### 5.1 AT RISK AMOUNT

Notwithstanding anything contained herein, the aggregated Service Level Credits that may accrue as a result of Service Level Defaults during any given month will under no circumstances exceed *<bidder to propose>* per cent (%) of the aggregated charges payable by the Customer for the services rendered by the Contractor under the applicable service order in that month, and *<bidder to propose>* per cent (%) for that calendar year. If a single incident results in the failure of the Contractor to meet more than one Service Level, the Customer will be entitled to a Service Level Credit for each of such Service Level Defaults.

### 5.2 CONTRACTOR'S NOTIFICATION OBLIGATION

The Contractor must notify the Customer if the Customer becomes entitled to a Service Level Credit, such notice will be included in the Contractor's reporting.

### 5.3 PAYMENT OF SERVICE LEVEL CREDITS

Service Level Credits will be provisioned on a monthly basis in Contractor's balance sheet as part of the Contractor's monthly invoicing.

### 5.4 DISPOSAL OF PROVISIONED SERVICE LEVEL CREDITS

Provisioned Service Levels Credits can be prepared in following ways;

- Deducted in total service fee end of year.
- Procure changes according to Service Catalogue.
- Procure improvement initiatives (initiatives that reduce complexity or increases stability in systems and applications). These initiatives can be purchased from 3<sup>rd</sup> party vendors.

### 5.5 NO LIMITATION OF THE RIGHT TO CLAIM A PROPORTIONATE REDUCTION AND/OR DAMAGES

The application of Service Level Credits against payable services will not limit the Customer's right to claim damages and/ or proportionate reductions incurred under the Agreement as a result of a Default to the extent the amount of damages incurred exceeds the Service Level Credits.

### 5.6 NON-EXHAUSTIVE REMEDY

The Contractor acknowledges and agrees that the Service Level Credits will not be deemed or construed to be the sole and exclusive remedy of the Customer, or in derogation of any other rights and remedies the Customer have hereunder or under the Agreement.

### 5.7 EARN-BACK MECHANISM

All incurred credits due to breach of agreed Service Level Targets shall be credited at the end of each calendar year. However, if the Contractor following a period of Service Level Defaults is able to deliver the service in accordance with the SLA for the period of 3 months, the Contractor will be entitled to earn back 50 % of the Service Level credits, and then 10 % for each additional month where the service complies with the SLA. The earn-back provision applies to the incurred Service Level credits immediately preceding the period where the Contractor earns back the credits.

If the Contractor earns back Service Level credits the Contractor previously has credited to the Customer, the Contractor is not entitled to invoice the amount, but may use such earn-back amounts to compensate for any future incurred Service Level credits.

## **5.8 EXCEPTIONS**

The Contractor will not be liable for any failure to meet a Service Level and will have no liability to pay a Service Level credit, if such failure is caused by one or more of the following, and the Contractor should not reasonably be able to mitigate the effects of the failure:

- A failure by the Customer to comply with any of their obligations, including failure of any equipment which is the responsibility of the Customer, any failure to fulfil any agreed dependencies on the Customer in connection with the services such as the timely and accurate provision of inputs.
- The Customer decides to overrule and/ or re-prioritise actions suggested by the Contractor, which directly results in a breach of a Service Level. For avoidance of doubt, the Contractor shall only get a relief from liability during the actual time in which the Customer directly has caused the breach.
- An act or omission of a third-party Contractor of the Customer, and for which the Contractor is not responsible for as a sub-contractor or operationally responsible for.
- Force majeure.
- Agreed exception to the SLA