Device Management Service – Service Level Agreement SLA

1	Introduction

This Service Level Agreement ("**SLA**") describes Arm's service level obligations in relation to the Device Management Service (as defined below) provided by Arm to Customer pursuant to a Subscription Order, under which Customer acquired its rights to use the Service. This SLA is subject to the terms of the Agreement (as defined in the Pelion Device Management Terms of Service.

2	Definitions

If not defined below, capitalised terms used in this SLA will have the meanings set out in the Agreement.

"**Availability %**" means the percentage of minutes in the relevant Month during which the Device Management Service is not affected by Unscheduled Downtime. Availability % shall be calculated in accordance with the following equation:

$$\text{Availability \%} = \frac{\text{total minutes in Month} - \text{Unscheduled Downtime}}{\text{total minutes in Month}} \times 100$$

"**Critical Downtime**" means any unavailability of the Device Management Service which is required to address critical issues (including, but not limited to, applying security patches), that Arm notifies to Customer at least 24 hours in advance, giving details of the date(s), duration and nature of the maintenance to be carried out during such unavailability. Such unavailability shall not exceed 30 minutes for each occurrence.

"**Device Management Service**" means the Pelion device management service to be provided by Arm to Customer under the Agreement which enables the on-boarding, connection, updates and lifecycle management of different types of connected devices deployed over the cloud.

"**Failure Code**" means an indication that an operation has failed with an HTTP status code in the 5xx range generated by the Device Management Service.

"**Invalid Input Code**" means an indication that an operation has occurred but the request was rejected due to an invalid input. Such indication has an HTTP status code in the 4xx range generated by the Device Management Service.

"**No Fault Unavailability**" shall have the meaning set out in Clause 5 below.

"**Month**" means the first to the last day of each calendar month during the Subscription Term.

"**Scheduled Downtime**" means any unavailability of the Device Management Service that Arm notifies to Customer at least 5 Business Days in advance giving details of the date(s), duration and nature of the maintenance to be carried out during such unavailability.

"**Service Credit**" means any service credits relating to unavailability of the Device Management Service which are issued by Arm, as set out in Clause 6 below.

"**Success Code**" means an indication that an operation was performed with an HTTP status code in the 2xx or 3xx range generated by the Device Management Service.

"**Unavailable Minute**" means a minute, for the duration of which the Device Management Service is unavailable. A minute is considered unavailable if, in respect of all requests received by the Device Management Service during such minute (or which would have been received by the Device Management Service if it had been available during such minute) either from a device managed through the Device Management Service or from a Customer Application, the Device Management Service either: (i) sends an Failure Code; or (ii) does not send a Failure Code, a Success Code or an Invalid Input Code, within five (5) minutes of each request being received by the Device Management Service (or which would have been received by the Device Management Service if it had been available). Such minute shall only be 'Unavailable' if the above criteria apply in respect of all requests received by the Device Management Service (or which would have been received by the Device Management Service if it had been available) in such minute and not if one or more of such requests results in the sending of a Success Code or of an Invalid Input Code.

"**Unscheduled Downtime**" means the total number of Unavailable Minutes during the relevant Month, excluding any Scheduled Downtime, Critical Downtime and/or any No Fault Unavailability.

3	Performance

3.1 Arm shall provide the Device Management Service with an Availability % of 99.0% or above.

4	Measurement

4.1 Arm will measure the Availability % for the Device Management Service on an on-going basis.

5	Limitations

5.1 This SLA and any applicable service levels do not apply to any performance or availability issues which are caused, or contributed to, by:

(i) Customer's, or any third party beyond Arm's reasonable control, action or inaction, equipment, software or other technology;

(ii) any event of Force Majeure as described in Clause 15.2 of the Pelion Device Terms of Service;

(iii) Internet access or related problems beyond the demarcation point of the Device Management Service;

(iv) that result from Customer's equipment, software or other technology and/or third party equipment, software or other technology (other than third party equipment within our direct control); or

(v) arising from Arm's suspension and termination of Customer's right to use the Device Management Service in accordance with the Agreement;

and any unavailability of the Device Management Service attributable to, or contributed to by, such factors shall be deemed to be **"No Fault Unavailability"**.

6	Service Credits

6.1 In the event that the Availability % for the Device Management Service, falls below 99.0% in any individual Month, the parties agree that damages with respect to such failure would be difficult to calculate. The parties therefore agree that Arm shall, as a credit and not as a penalty, grant Service Credits to Customer as set forth in the table below:

Availability %	Service Credit
less than 99%	10% of Total Month's Active Device Fee

Such credit shall be applied to the Total Month's Active Device Fee. For the avoidance of doubt, where a Minimum Monthly Active Device Fee is payable by the Customer in lieu of the Total Month's Active Device Fee pursuant to the applicable Subscription Order, the Service Credits under this SLA shall be calculated on the basis of the Total Month's Active Device Fee for such Month as if it were payable.

6.2 A Service Credit shall not be payable unless Customer requests it within 40 Business Days of the end of the Month in respect of which the Service Credit is due. On receipt of such request, Arm shall review its records of Availability % for the relevant Month and notify Customer if such request is accepted. Only Arm's records shall be used to determine the Availability % for the relevant Month.

6.3 Service Credits may be used by Customer as a monetary credit against the next payment due to Arm under the Agreement. The maximum value of Service Credits that may be credited to Customer in any Month shall not exceed the Total's Month's Active Device Fee for such Month. Arm shall not be obliged to pay any money or make any refund to Customer in relation to Service Credits.

6.4 Customer acknowledges and agrees that the provision of Service Credits constitutes a genuine pre-estimate of loss and shall be Customer's sole and exclusive remedy for any performance and availability issues with the Device Management Service under this SLA and the Agreement.