

Revised Annexure-XII: Service Level Agreement and Penalties

1. The solution should be implemented within two weeks from the date of issue of Purchase Order.
2. The installation of the agents in the desktops should be done within eight weeks from the date of issue of Purchase Order.
3. Application availability should be 99% on a 24/7/365 basis. The vendor will have to guarantee a minimum uptime of 99% calculated on a quarterly basis. It will not be applicable for planned downtimes scheduled by LIC.
4. The power saving should be greater than 20% in any desktop calculated during the quarter under consideration. Systems operating for fewer than 40 hours will be excluded from the 20% savings requirement.
5. Penalties for breach of SLA will be as follows:
 - i. Penalties for delay in installation of the solution:
For every day of delay (including holidays) – Rs.2000, subject to a maximum of Rs.1,00,000
 - ii. Penalties for delay in installation of the agents:
For every week of delay – Rs.5000
This penalty will not be charged if the installation of agents is completed in 80% of the desktops for which Purchase Order is placed.
 - iii. Penalties for downtime of solution

Uptime Range	Penalty
>=98% and <99%	2% of the quarterly bill
>=97% and <98%	5% of the quarterly bill
<97%	10% of the quarterly bill

The uptime percentage would be calculated on a quarterly basis and the calculated amount would be adjusted from the payment for that quarter. If the vendor materially fails to meet an uptime of 97% for three consecutive quarters, LIC may have the right to terminate the contract. In case if there are no pending invoices to be paid by LIC to the vendor, the vendor has to submit a pay order/ cheque payable at Mumbai in favour of Life Insurance Corporation of India for the same within 15 days from the notice period from LIC. LIC reserves the right to recover the penalty due amount from the performance bank guarantee also.

iv. Penalties for non-achievement of required power savings

In case software solution is unable to save the desired power savings above 20% on any particular PC/ desktop in a quarter, no license or subscription fee will be paid for those desktops.

This penalty will not be applicable under the following conditions:

- During the base lining period and up to four weeks after the application of power policy
- For upto four weeks after the installation of the agent on any machine or OS reinstallation or software agent installation
- Systems operating for fewer than 40 hours per month.

v. Penalties for absence of on-site Engineer

Remote support of Engineer is allowed for a maximum of three days in a month. For absence beyond three days, a substitute should be provided. A penalty of Rs. 1000 per day will be imposed for any absence beyond three days in a month, if no substitute is provided.

6. The total penalties will be capped at 10% of the project cost.