



This Microsoft 365 by ALCiT Sub-Agreement (“Sub-Agreement”) is governed by the Master Service Agreement between ALCiT and CUSTOMER. This Sub-Agreement supersedes all prior discussions, communications, representations or agreements, including any digital, electronic or Internet-based agreements, between them, oral or written, between ALCiT and CUSTOMER concerning Microsoft 365 or Office 365 related Services.

This Sub-Agreement shall consist of these terms and conditions and the following one (1) schedule:

Schedule 1 – Roles and Responsibilities

1. CUSTOMER has separately agreed to the “Microsoft Cloud Agreement” which highlights the terms between Microsoft Corporation (“MICROSOFT”) and CUSTOMER.
2. Microsoft 365 by ALCiT includes Online Services provided by MICROSOFT and resold by ALCiT (“Online Services” means any of the MICROSOFT-hosted online services subscribed to by CUSTOMER under this Sub-Agreement, including Microsoft Dynamics Online Services, Office 365 Services, Microsoft 365 Services, Microsoft Azure Services, or Microsoft Intune Online Services) and services provided by ALCiT to supplement the Online Services from MICROSOFT (such as Advanced Email Security for Microsoft 365 and Cloud Backups for Microsoft 365).
3. Overage Fees: CUSTOMER agrees to pay overage fees to ALCiT if CUSTOMER exceeds its quota allotment.
4. Data losses: Some of ALCiT services are designed to minimize and/or mitigate the risk of data losses, to the extent possible. CUSTOMER is responsible for selecting services appropriate to CUSTOMER needs.
5. Viruses, ransomware, crypto-lockers and other malware: Some of ALCiT services are designed to minimize and/or mitigate the risk linked to viruses, ransomware, crypto-lockers and other malware. CUSTOMER is responsible for selecting services appropriate to CUSTOMER needs.
6. Data transit: CUSTOMER acknowledge that due to the dynamic resilience of ALCiT’s network and the internet that CUSTOMER data may transit internationally, including via Canada or the United States of America.
7. Data storage: CUSTOMER acknowledge that due to the dynamic nature of ALCiT’s infrastructure that CUSTOMER data may be stored in Canada or in the United States of America.
8. Data access: ALCiT will not be liable to CUSTOMER or any other party for unauthorized access to, alteration, theft or destruction of information distributed or made available, through accident or fraudulent means or devices.
9. Interruption of Service: ALCiT does not guarantee that (i) access to any Service will be uninterrupted or completely error-free; (ii) that defects can or will be corrected; or (iii) that any Service will be completely secure. CUSTOMER agrees that:



- (a) Except as expressly provided in the Service Level Agreement, ALCiT will not be liable to you, a User or any other third party for any temporary delay, outage or interruption of a Service; and
- (b) ALCiT is not liable for any delay or failure to perform its obligations under this Agreement where the delay or failure results from an act of God or other cause beyond ALCiT's reasonable control.

10. CUSTOMER Requirements: CUSTOMER acknowledges and agrees that it is CUSTOMER's responsibility to ensure that the Services are appropriate and suitable for CUSTOMER's requirements. Where ALCiT provides advice in reference to your Service requirements or the configuration of any equipment used in connection with your Service, such advice is provided in a good faith basis using reasonable skill and care. Professional Services are subject to separate agreement between the Parties.

11. End User License Terms: CUSTOMER agrees:

- (a) that CUSTOMER will not (i) copy any license keys or otherwise decrypt or circumvent any license keys with respect to the Branded Products; (ii) run Branded Products on a second system or through any other hosting provider; (iii) remove, modify or obscure any copyright, trademark or other proprietary rights notices that appear on or during the use of any Branded Product; or (iv) reverse engineer, decompile, or disassemble any Branded Product, except to the extent such activity is expressly permitted by the vendor of the Branded Products or applicable law;
- (b) to observe the terms of any license or applicable end user subscriber agreement for Branded Products made available to you;
- (c) that ALCiT will not have any liability to you or any other party resulting from your violation of any license agreements or end user subscriber agreements that govern such Branded Products; and
- (d) that you will be solely responsible for any additional software or products that you install or use in connection with the Services.
- (e) that additional restrictions may apply to any MICROSOFT software provided to you in connection with the Services. You agree to comply with all applicable Microsoft Corporation licensing terms.

12. Immediate Threats: If, in the determination of ALCiT, acting reasonably, the CUSTOMER Service or infrastructure poses an immediate threat to the physical integrity of the physical integrity or performance of the equipment of ALCiT or any other user, or poses an immediate threat to the safety of any person, then ALCiT may perform such work and take such other actions that it may consider necessary without prior notice to you and without liability for damage to the Equipment or for any interruption of your (or your clients') businesses. As soon as practicable after performing such work, ALCiT will advise you in writing of the work performed or the action taken.

13. Availability of MICROSOFT provided services over the Internet: Covered by agreement between MICROSOFT and CUSTOMER (not via this Sub-Agreement).



14. Availability of ALCiT provided services over the Internet: ALCiT covenants to a 99.9% Monthly Average Scheduled Availability for Network Connectivity of ALCiT provided services, which is define as the service being reachable by IP over the general Internet (transient and temporary failures that may make the service unavailable for portions of the Internet are strictly excluded from this calculation).
15. Penalty for Missed Service Level Agreements (SLAs):
 - (a) For Monthly Average Scheduled Availability SLAs: For each complete one (1) hour intervals for which an ALCiT' service goes un-responded beyond the initial one (1) hour, ALCiT will reduce the amounts due and payable for that month by 5%.
 - (b) Penalty payment will not apply if the issue or delay is caused by any circumstance beyond ALCiT's reasonable control, including, but not limited to: Excusable Outages, end users' portion of the network (commonly known as "last mile") failure.
 - (c)Penalty payment: ALCiT will reduce the amounts due and payable for the Service for which the SLA was missed on the next monthly billing cycle. The maximum credit for missed SLA is 25% of the monthly charge for the services covered by that SLA.
16. Advanced Email Security by ALCiT: To provide protection over and above the one provided by MICROSOFT, ALCiT offers an optional email gateway service that inspect emails.
17. Cloud Backup by ALCiT: MICROSOFT assumes no responsibility for data loss within its Microsoft 365 offering. To offer protection for data loss or any catastrophic failure, ALCiT offers an optional cloud backup solution that copies all CUSTOMER's data contained into Exchange Online, OneDrive and SharePoint Online to a datacenter outside of MICROSOFT's control (effectively provided a valid offsite copy).
18. Maintenance Window: ALCiT requires a Maintenance Window to perform Planned Maintenance of the System and associated Hardware and Software. The Maintenance Window is scheduled weekly between 11:00 PM Wednesday and 3:00 AM ET on Thursday.
19. Pricing: Prices are set by MICROSOFT, CUSTOMER will be invoiced the then applicable pricing in their respective geography as per MICROSOFT's published price list.



Schedule 1

Roles and Responsibilities



Microsoft 365 by ALCiT Sub Agreement

Key	Label	Definition
H	Help or Assist	The designated party (ALCiT / MICROSOFT / CUSTOMER) will provide assistance to enable the identified performing party (ALCiT / CUSTOMER) to complete the designated service.
P	Perform	The designated party (ALCiT / MICROSOFT / CUSTOMER) has the obligation and responsibility for performing the designated service.
A	Approve	The performance of the service is subject to the designated party's (ALCiT / CUSTOMER) written approval
V	Review	The designated party (ALCiT / MICROSOFT / CUSTOMER) will review the designated documents and provide feedback to the other party.
M	Make Available	Make the service or platform available to the designated party (ALCiT / MICROSOFT / CUSTOMER)
U	Use	The designated party (ALCiT / MICROSOFT / CUSTOMER) uses or leverage the service or platform.
ON	Ongoing	Service will be performed as required
W	Weekly	Service will be performed once a week
M	Monthly	Service will be performed once a month
Q	Quarterly	Service will be performed once a quarter
AN	Annually	Service will be performed once a year
AD	Ad Hoc	Service will be performed as requested
S	Semi-Annual	Service will be performed twice a year
I	Included	Included in unit price
TI	Ticket/IMAC	Work will be billed according to the Ticket and IMAC Rate Card
TR	Time and Material Regular	Work will be billed according to the Rate Card using the Regular rates.
TU	Time and Material Urgent	Work will be billed according to the Rate Card using the Urgent rates.
TC	Time and Material Critical	Work will be billed according to the Rate Card using the Critical rates.
TR/TU/TC	Time and Material	Regular work will be billed according to the Rate Card using the Regular Rates, Urgent work will be billed according to the Rate Card using the Urgent Rates and Critical work will be billed according to the Rate Card using the Critical Rates
OP	Optional	Additional cost as per Rate Card



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ID	Description	ALCiT	MICROSOFT	CUSTOMER	FREQUENCY	CHARGE
	MICROSOFT Online Services					
1	Ensure service is online and available for usage		P	U	ON	I
2	Ensure access is configured as per CUSTOMER requirements	P	H	A	ON	TR/TU/TC
3	Protect data from destruction (intentional or unintentional)			P	ON	I
4	Perform day to day maintenance of infrastructure and associated updates.		P		ON	I
5	Create, delete and configure accounts to use Online Services	P	H	A	ON	I
6	Perform end user support for issues with Online Services and related products	P	H	U	ON	TR/TU/TC
7	Advanced Email Security by ALCiT	P		U	ON	OP
8	Cloud Backup by ALCiT:	P		U	ON	OP