

## JSC BALTNETOS KOMUNIKACIJOS

## RULES FOR THE PROVISION OF RESOURCE RENTAL (IAAS) SERVICES, VIRTUAL DEDICATED SERVER (VDS) SERVICES, AND DEDICATED SERVER RENTAL SERVICES

**1. DEFINITIONS****1.1. Resource rental (IaaS)**

This is a service based on cloud computing whereby the Client is provided with virtual resources (RAM, CPU, and/or hard disk) and a management portal is used to create, modify, and delete virtual servers and manage other infrastructure.

**1.2. Windows virtual data center (hereinafter referred to as "Windows VDC")**

An isolated and autonomous piece of infrastructure that allows the Client to create virtual machines running the Windows Server Datacenter and Linux operating systems, configure them, and change network settings.

**1.3. Linux virtual data center (hereinafter referred to as "Linux VDC")**

An isolated and autonomous piece of infrastructure that allows the Client to create virtual machines running the Linux operating system only (or any other OS except Windows), configure them, and change network settings.

**1.4. Dedicated server**

A physical Baltmeta-owned server located at Baltmeta's data center and rented to the Client together with an additional software package.

**1.5. Virtual dedicated server**

A virtual server allocated from Baltmeta's resource pool, running the Linux operating system and connected to a broadband Internet network, with a real IP address and reserved resources.

**1.6. Hardware**

Server internal components (mounting plates, disk drives, power supplies, adapters, and/or cables) and/or external devices (uninterruptible power supplies, monitors, keyboards, and/or mouse devices) connected to them.

**1.7. Software**

Any computer program or collection of files that can make changes to the files of the operating system or other programs (system files, registries, templates, etc.)

**1.8. Backup copies**

These are snapshot copies of the Client's virtual servers. They are used to recover data after system crashes or data corruption.

**1.9. Recovery point objective (RPO)**

This is a point in time up to which data is recovered after an incident. An RPO defines the acceptable amount of data that can be lost, expressed as a time period.

**1.10. Recovery time objective (RTO)**

A time period during which the proper functioning of the system is restored and data is recovered after an incident.

**1.11. IOPS**

A performance parameter of storage arrays that gives the number of operations performed per second.

**2. IAAS RESOURCES****2.1. Windows VDC**

The Client may use the Windows VDC platform to create virtual servers running the Windows operating system. The Client shall not be charged for additional users. For the detailed rules for the use of Microsoft software, see Section 10.

**2.2. Linux VDC**

The Client may use the Linux VDC platform to create virtual servers running the Linux operating system (or any other operating system except Windows). It shall be illegal to create virtual servers running Windows OS at the Linux virtual data center.

**2.3. Virtual CPU (vCPU) resources**

The clock rate of a virtual CPU (vCPU) allocated from the resource pool shall be 2 GHz. The Client may distribute its vCPU resources among the virtual servers that it creates. The number of virtual servers may not exceed the number of virtual processors.

**2.4. Read-only memory (RAM) resources**

RAM resources shall be allocated to created virtual servers. A separate SWAP partition shall be created for the corresponding amount of RAM. The recommended minimum amounts of RAM for one Windows virtual server and one Linux virtual server are 4 GB and 1 GB, respectively.

#### **2.5. SSD SAN / HDD SAN storage array resources**

The Client shall be allocated shared SSD SAN and HDD SAN storage array space resources, which it may distribute among the virtual servers that it creates. Depending on the space purchased, additional space shall be allocated for backup copies. In the event that the Client uses up all this additional space, backup copies shall not be created.

When the Client purchases SSD storage array resources, it shall be allocated guaranteed IOPS performance resources for the entire storage array purchased. The Client may distribute its performance resources among its virtual servers in an arbitrary way.

For HDD SAN storage arrays, performance resources shall not be guaranteed.

#### **2.6. Dedicated Internet channel resources**

A single dedicated Internet channel for the Client's virtual data center shall be allocated, which may be shared and redistributed, as needed, among the virtual servers created by the Client.

#### **2.7. Maximum resources of a virtual dedicated server**

The recommended maximum resources of the virtual server are 64 GB RAM, 16 vCPUs, and 1.5 TB of disk space. Exceeding at least one of the recommended maximum resources may result in service disruptions that are not considered as non-compliant with the service's qualitative parameters (SLA).

### **3. IAAS BACKUP COPIES**

#### **3.1. Creating backup copies**

Backup copies of the Client's virtual servers shall be created with the frequency indicated in the order annex. The required amount of backup copies shall be stored. In the event that the Client uses up the space necessary for creating backup copies, described in Clause 2.5, backup copies shall not be created and Baltmeta shall not be held liable for this.

#### **3.2. Recovering data from backup copies**

The price of the service shall include 1 data recovery from a backup copy per year. Additional recoveries may be ordered separately.

#### **3.3. RTO**

The data recovery rate shall depend on the Client's data type, number of files, and their size. The average recovery rate shall be 100 GB/h.

### **4. IAAS VDC PLATFORM ADMINISTRATION**

#### **4.1. Access to the VDC**

After the service order annex is signed, the data necessary to access the VDC shall be sent to the authorized representative's email address indicated in the order annex.

#### **4.2. Administration by the Client**

The Client shall be provided access to the vCloud web portal, where it may create/pause/delete virtual servers, change network settings, change virtual server resource settings, etc. Consulting and technical support provided by Baltmeta specialists shall be charged for based on hourly rates. The Client shall be fully liable for any action performed using the vCloud web portal.

#### **4.3. Administration by Baltmeta**

If VDC administration is performed by Baltmeta, the Client shall not be provided access to the resource management web portal. Should the Client wish to make changes to VDC parameters, it must register a request with the Help Desk service. The relevant work shall then be performed by Baltmeta system administrators.

### **5. IAAS SERVICE ADMINISTRATION**

#### **5.1. Getting additional resources and giving up allocated resources**

Any order for additional resources (virtual processor, RAM, and/or storage array) sent by the Client's authorized representative by email to vcloud@balt.net, provided that its amount does not exceed EUR 144.81 + VAT, shall be completed within 1 business day, no prior written agreement is needed. The Client hereby accepts the prices for additional resources indicated in the service order annex and recognizes Baltmeta's right to charge the Client in accordance with orders submitted by email by the Client's authorized representative.

#### **5.2. Returning data to the Client upon termination of the service**

At the Client's request, the Client's data shall be returned to the Client as a file (files) in .vmdk format. The Client shall provide a storage medium where the data shall then be transferred. This work shall be charged for based on hourly rates.

**5.3. Deleting data upon termination of the service**

The Client's virtual servers (together with all data) shall be deleted within 2 business days. The Client's backup copies, without any possibility to restore them later, shall be deleted within 7 calendar days or, at the Client's request, earlier.

**5.4. Usage-based payment for resources**

The price of a given hour of using CPU, RAM or disk space resources shall be calculated based on the maximum value for that hour. The VAT invoice for a given month shall be issued on the first day of the following month. The VAT invoice shall contain a total calculated as a sum of all the hourly prices for the given month.

While the Client's servers are kept shut down, the RAM and CPU usage meters shall be off, but, unless a server is deleted, its disk space usage shall be measured.

**5.5. Transferring the right to use the service to third parties**

The Client may provide access to the service to third parties (programmers, integrators, etc.). However, Baltmeta shall not be held liable for any harm to the Client caused by such parties. Baltmeta shall also not provide any information about the service or register any requests received from third parties. The Client shall be held liable for any harm caused as a result of transferring to third parties the right to use, for any software installed by it.

**6. IAAS SLA**

**6.1.** Baltmeta shall not guarantee that all systems will always function without any software or hardware failure or that all systems will be absolutely secure. The Client hereby confirms that it understands that there remains a non-zero probability that confidential data will be lost when accessing the system over the Internet. For this reason, the Client shall take all steps possible to ensure that the access credentials are not disclosed to third parties and that unsecured public wi-fi networks are not used.

**6.2. Submitting requests**

Action	Value
Request submission methods	by phone / by email / in the client area
Average time to wait until a request is received, if submitted using one of the request submission methods	max. 30 s / max. 5 min / max. 1 min
Response time (used to identify, classify, and prioritize a request)	max. 15 min

**6.3. Request types and priorities**

Type	Priority	Definition
Incident	Priority 1	Any incident as a result of which the Client cannot use the services at all and that is caused by a software or hardware failure
		Any incident that repeats two or more times per month and affects the quality of service
	Priority 2	Any incident that occurs two or fewer times per month and reduces the quality of service by more than 10%
Any unsuccessful attempt to recover data using backup copies		
Request for change	Priority 4	Any insignificant incident that reduces the quality of service by less than 10%
		Any registered request submitted by the Client that concerns making changes to service parameters or amounts, but is not related to a
Request for information	Priority 5	Any registered request submitted by the Client that concerns information regarding the service being provided.

**6.4. Fixing times by incident type:**

Type	Priority	Service time	Fixing time	
			Gold SLA	Platinum SLA
Incident	Priority 1	Every day	max. 30 min	max. 15 min
	Priority 2	Every day	max. 2 h	max. 1 h
	Priority 3	Every day	max. 4 h	max. 2 h
Request for change	Priority 4	Business days	max. 8 h	max. 4 h
Request for information	Priority 5	Business days	max. 16 h	max. 8 h

**6.5. Preventive maintenance and notification**

Seeking to provide the Client with highest-quality services, Baltmeta shall perform preventive maintenance works related to the modernization and replacement of hardware and software. During such works, there may be disruptions in service provision. Any preventive maintenance may be performed only after the Client is notified of it.

System	Notification deadline	Downtime due to preventive maintenance	Notes
Data center infrastructure (cooling, electric power, and/or connection)	5 calendar days before the works are expected to start	0 h	The Tier 3 infrastructure allows Baltmeta to perform preventive maintenance without shutting the data center down.
Servers, storage arrays, and/or the hypervisor	3 calendar days before the works are expected to start	The actual time spent installing, updating, and/or testing new versions	During this kind of preventive maintenance, major works are performed related to upgrading software and/or installing software patches recommended by the vendor. If these works are not performed, it may put at risk the infrastructure's reliability, stability, or integrity.

**6.6. Compensation**

In the event of low-quality service provision, the Client shall be provided with compensation in the form of a discount on the monthly fee. Such compensation shall not cover any indirect losses suffered by the Client; any loss of income, profit, reputation, or business; or any losses caused by data loss. The amount of compensation may not exceed 100% of the monthly fee.

Category	Conditions	Amount of compensation	
		Gold SLA	Platinum SLA
Priority 1	The Client registered an incident, but the system is down for a period of time longer than that provided for in the agreement or failures occurred more frequently than provided for in the agreement.  Such downtime shall not include any downtime due to preventive maintenance.	In the event that a failure is not fixed before the failure fixing time is up and the system remains down for more than 16 min after that, the monthly fee shall be reduced by 25%. For each subsequent minute, the monthly fee shall additionally be reduced by 0.1%.  In the event that more than two Priority 1 incidents occur in a calendar month, the monthly fee for that month shall be reduced by 100%.	In the event that a failure is not fixed before the failure fixing time is up and the system remains down for more than 8 min after that, the monthly fee shall be reduced by 50%. For each subsequent minute, the monthly fee shall additionally be reduced by 0.1%.  In the event that more than one Priority 1 incident occurs in a calendar month, the monthly fee for that month shall be reduced by 100%.
		<b>Gold SLA</b>	<b>Platinum SLA</b>

Priority 2	<p>The Client registered an incident, but the system is down for a period of time longer than that provided for in the agreement or failures occurred more frequently than provided for in the agreement.</p> <p>Such downtime shall not include any downtime due to preventive maintenance.</p>	<p>In the event that a failure is not fixed before the failure fixing time is up and the system remains down for more than 60 min after that, the monthly fee shall be reduced by 10%. If the system is down for more than 120 min, the monthly fee shall be reduced by 20%.</p> <p>In the event that more than two Priority 2 incidents occur in a calendar month, the monthly fee for that month shall be reduced by 30%.</p>	<p>In the event that a failure is not fixed before the failure fixing time is up and the system remains down for more than 30 min after that, the monthly fee shall be reduced by 20%. If the system is down for more than 60 min, the monthly fee shall be reduced by 40%.</p> <p>In the event that more than two Priority 2 incidents occur in a calendar month, the monthly fee for that month shall be reduced by 60%.</p>
Priority 3	<p>The Client registered an incident, but the system is down for a period of time longer than that provided for in the agreement or failures occurred more frequently than provided for in the agreement.</p>	<b>Gold SLA</b>	<b>Platinum SLA</b>
		<p>In the event that a failure is not fixed before the failure fixing time is up and the system remains down for more than 240 min after that, the monthly fee shall be reduced by 5%. If the system is down for more than 480 min, the monthly fee shall be reduced by 10%.</p> <p>In the event that more than four Priority 3 incidents occur in a calendar month, the monthly fee for that month shall be reduced by 30%.</p>	<p>In the event that a failure is not fixed before the failure fixing time is up and the system remains down for more than 120 min after that, the monthly fee shall be reduced by 10%. If the system is down for more than 240 min, the monthly fee shall be reduced by 20%.</p> <p>In the event that more than four Priority 3 incidents occur in a calendar month, the monthly fee for that month shall be reduced by 60%.</p>
Priority 4–5	<p>The request completion time is exceeded for one request.</p>	<b>Gold SLA</b>	<b>Platinum SLA</b>
		<p>If a request is not completed before the request completion time is up, the monthly fee shall be reduced by 0.1% per hour overdue.</p>	<p>If a request is not completed before the request completion time is up, the monthly fee shall be reduced by 0.2% per hour overdue.</p>

### 6.7. System monitoring

Parameter	Frequency	Critical value
The data center's electric power circuit (diesel generators, PDUs, and/or UPSes)	Every 1 min	Incident
Temperature and humidity at the data center	Every 1 min	>27 °C
Network equipment availability	Every 5 min	Incident
International Internet connections	Every 5 min	<99.99%
Local Internet connections	Every 5 min	<99.99%
Server availability	Every 5 min	Incident
Server CPU load	Every 5 min	>80%
Storage array load	Every 5 min	>70%
Hypervisor	Every 5 min	Incident
Creating backup copies	Every 5 min	Incident

## 7. PROFESSIONAL INDEMNITY

- 7.1.** Baltmeta shall hold a professional indemnity insurance policy tailored to IT companies. The amount of insurance for one event insured against shall be EUR 500,000. The excess, which shall be paid by the Client, shall be EUR 5,000.

- 7.2.** The insurance policy shall cover the following:
- 7.2.1.** Mistakes or negligence, which means any liability that arises out of professional mistakes, negligence, or lack of carefulness or caution when performing works under this contract.
  - 7.2.2.** Infringement of intellectual rights, which means any infringement of intellectual property rights related to the abuse of information, unlawful disclosure of client information, invasion of privacy, defamation, or damage to honor and dignity.
  - 7.2.3.** Loss of documents, which means the partial or complete loss, destruction or unlawful disclosure of documents entrusted to or managed by Baltmeta. The term "document" refers to both paper documents and information stored in Baltmeta's computers or on Baltmeta's digital storage media.
- 7.3.** The insurance policy shall not cover any losses suffered by the Client that are caused by hardware or software failures.
- 7.4.** The Client shall provide all such documents confirming the harm suffered as may be requested by the insurance company while considering an incident.
- 7.5.** The insurance policy shall not cover any liability or compensation for losses exceeding that provided for in the contract signed between Baltmeta and the insurance company.

## **8. VIRTUAL DEDICATED SERVER**

### **8.1. VDS platform**

The VDS service shall be provided using the OpenVZ virtualization platform.

### **8.2. VDS backup copies**

The backup copies of the virtual server shall be created twice per week. Such copies may only be used in the event of a hardware failure. The Client may either create backup copies of its data itself or order the additional backup service.

### **8.3. VDS operating system installation and maintenance**

Initial software installation (preinstallation) shall be carried out by Baltmeta. The Client shall be responsible for configuring, reinstalling, upgrading, and updating the operating system and fixing its security vulnerabilities at later stages, unless the Client additionally orders the operating system maintenance service.

### **8.4. VDS software installation and modification**

Software installation and modification shall be carried out by the Client. If the Client orders the server maintenance service, software installation and modification shall be carried out by Baltmeta.

### **8.5. VDS parameter modification**

Any order for additional VDS resources (RAM, CPU, and/or hard disk) sent by the Client's authorized representative by email to vds@balt.net, provided that its amount does not exceed EUR 86.89 + VAT, shall be completed within 1 business day, no prior written agreement is needed. The Client hereby accepts the prices for additional resources indicated in the relevant Annex to the Contract and recognizes Baltmeta's right to charge the Client in accordance with orders submitted by email by the Client's authorized representative.

In order to reduce the disk space of the Client's virtual dedicated server, Baltmeta will have to stop the server and transfer the data. The one-time charge for such works shall be EUR 130.33 + VAT.

### **8.6. VDS operating system**

The operating system installed shall be the latest stable Debian GNU/Linux version.

### **8.7. Control panel**

DirectAdmin (<http://www.directadmin.com/>) is a commercial web hosting and email administration tool, which the Client may order as an additional service. Since the stable functioning of the control panel requires a certain amount of RAM, it may only be installed on servers that have at least 2 GB of RAM. The control panel and the operating system occupy approximately 1 GB of the server's disk space.

## **9. DEDICATED SERVER**

### **9.1. Server preparation**

The server shall be mounted at the data center and connected to the Internet. On a dedicated server, Baltmeta shall carry out initial operating system installation (preinstallation).

### **9.2. Server Placement at the Data Center**

Any dedicated server shall be placed at the Tier 3 data center located at 160c Liepkalnio St., Vilnius.

### **9.3. Payment for electric power and cooling**

The charges for the electric power and cooling for a dedicated server shall be included in the dedicated server's rent.

**9.4. Installation of additional components (hard disk and/or RAM)**

The Client may separately request for additional components to be installed on its dedicated server. The components shall be purchased and installed by Baltmeta specialists.

**9.5. Server operating system and software maintenance**

Server operating system and software maintenance shall be carried out by the Client. If an annex is signed concerning server maintenance, such works shall be carried out by Baltmeta.

**9.6. Backup copies**

Backup copies of a server's software and data shall not be created, unless an annex is signed concerning backup. In the event of a hardware/software failure, the original system configuration shall be restored.

**9.7. Remote server control**

On a dedicated server, a remote server control panel shall be installed, to be used to install, manage, and restart the server. For remote server control, an additional public IP address and an additional network card port shall be used.

**9.8. Dedicate server warranty**

Unless the Client places, using a service order annex, a separate order for an extended replacement equipment server warranty, the equipment manufacturer's NBD (Next-Business-Day) warranty is provided for the Client's dedicated server.

Even without such an order for an extended warranty, in the event that the equipment is damaged completely (beyond repair), destroyed, or lost and provided that this is caused by Baltmeta and/or a third party, Baltmeta shall ensure that equipment of similar functionality is rented to the Client.

**10. VDS AND DEDICATED SERVER RENTAL: SLA**

	Dedicated server	VDS
Data center infrastructure availability	Tier 3 (99.982%)	
Failure registration time	24 hours a day if the failure is reported by calling 8 700 800 88 or sending an email to pagalba@balt.net.	
Incident response time (during business hours / outside business hours)	2/4 h	2/4 h
RFC/RFI response time (during business hours / outside business hours)	4/24 h	4/24 h
RFC/RFI completion (during business days)	8:00AM-5:00PM	8:00AM-5:00PM

**11. USE OF MICROSOFT SOFTWARE LICENSES**

**11.1. Use of Baltmeta-owned Windows Server licenses together with Windows VDC resources**

Together with Windows VDC resources, Microsoft licenses shall be provided, but exclusively to be used by the Client during the period when the service is provided. The Client may not use such licenses to provide services to third parties or transfer such licenses to third parties. The Client shall be liable for any improper use of the licenses and shall take all steps possible to ensure that the licenses are secure.

The Client shall use the licenses in a legal way, without breaching the restrictions set for Microsoft licenses and in accordance with the conditions for the use of Microsoft product licenses set down in *Microsoft Product Use Rights (PUR)* (<http://www.microsoft.com/licensing/about-licensing/product-licensing.aspx>).

**11.2. Use of Client-owned Windows Server licenses at the virtual data center**

At the virtual data center, Client-owned Windows Server licenses may not be used. Windows VDC-owned licenses shall be the only legal way of using Windows Server software at the virtual data center.

**11.3. Use of Client-owned Microsoft SQL, Microsoft Exchange Server, Microsoft SharePoint Server, Microsoft Lync Server, Microsoft System Center, Microsoft Dynamics CRM licenses at the virtual data center**

If the Client-owned Microsoft software licenses purchased under a Microsoft Volume Licensing program are covered by the Microsoft Software Assurance (SA) program, the Client may transfer these licenses to its rented VDC completely.

The transfer shall be carried out using the License Mobility program (see <http://www.microsoft.com/licensing/software->

assurance/license-mobility.aspx).

#### **11.4. Microsoft software rental**

Together with Windows VDC resources, the Client may rent Microsoft software (Microsoft SQL, Microsoft Exchange Server, Microsoft SharePoint Server, Microsoft Lync Server, Microsoft Dynamics CRM, etc.) under the Microsoft SPLA program.

Rented software may not be used outside the Windows VDC, copied, subrented, or otherwise transferred to any third party.

License rental prices may be reviewed and changed in accordance with the Microsoft SPLA rental program once per year, in January. New license rental prices shall be effective from January 1.

#### **11.5. Rented software licensing models**

The following three licensing models shall be used when renting Microsoft software licenses. Some products may be licensed in accordance with one or more models.

**11.5.1.** Per Subscriber (Subscriber Access License, SAL): One license per each unique user or device that has the right to use the software.

**11.5.2.** Per Processor: One license per each physical server processor, allowing an unlimited number of users.

**11.5.3.** Per Core: Licensing based on the number of cores of each physical processor, allowing an unlimited number of users.

In the event that more licenses are used than ordered, this shall be deemed a breach of the rules for software use and the Client shall be fully liable for its actions.

#### **11.6. Liability for using illegal software or using software in a way that constitutes a breach of contract**

The Client hereby agrees to adhere to all the rules laid down in Section 10 when using Windows VDC resources or renting Microsoft software. The Client also hereby confirms that it understands that Baltmeta has the duty to assist Microsoft Corporation in any investigation into illegal software use. At Microsoft Corporation's request, Baltmeta shall provide information about the number of virtual servers used by the Client that run Windows OS and/or have Microsoft software installed.

In the event that an instance of illegal software use is established, the Client shall be notified of this in writing. In the event that the Client fails to rectify the instance of illegal software use within 30 days of the date of such notice (by ordering the required license or the required number of licenses valid from the date when they were deployed), the service provision shall be terminated and law enforcement agencies shall be notified of the instance of illegal software use.