

SAMPLE SERVICE LEVEL AGREEMENT (SLA) BETWEEN KPLC AND

This agreement is made on.....20..... Between of Post Office Box Number, in the Republic of Kenya (Hereinafter called the “Supplier” which expression shall where the context so admit include its successors and permitted assigns) of the one part **KENYA POWER & LIGHTING COMPANY LTD of P O Box 30099 - 00100, NAIROBI.**

(Hereinafter called “The Customer” which expression shall where the context so admits include its successors and permitted assigns) on the other part.

Whereas the said suppliers have agreed to install and host units and to provide a GPS Fleet tracking and management system and to repair, replace, remove, upgrade and transfer GPS devices of the total units for 3 years as provided in the main contract payable quarterly in advance.

Now therefore, it is mutually agreed by and between the parties hereto as follows:

- 1) That this agreement shall commence on..... and expire on..... (the “term”). The term of this agreement may be renewed at the option of the customer for a further period of twelve (12) months and on the same terms and conditions as those of this agreement.
- 2) That the supplier shall undertake responsibility to attend to all faulty GPS devices whenever they fail, to achieve 100% online status during the entire period of the contract.
- 3) That the supplier shall repair and/or replace faulty GPS devices reported by the customer as follows:
 - a) If reported during normal working hours – within 5 hours of reporting
 - b) If reported outside normal working hours, Monday to Friday – within 8 hours of reporting
 - c) If reported during the weekends and public holidays – within 12 hours of reporting
- 4) That the supplier shall undertake to remove and/or transfer GPS devices whenever deemed necessary by the customer within 48 hours of reporting.
- 5) That the supplier shall replace within 48 hours all devices which will fail within the warranty period as outlined in the contract and free of charge.

6) That the supplier shall commit to ensure 100% availability of the GPS software system during the entire period of the contract.

7) That the supplier shall remedy all GPS Fleet tracking and management system faults and/or failure reported by the customer as follows;

- a) If reported during normal working hours – within 3 hours of reporting
- b) If reported outside normal working hours, Monday to Friday – within 5 hours of reporting
- c) If reported during the weekends and public holidays – within 8 hours of reporting

8) That the supplier shall commit to ensure that all the installed GPS devices are connected to a robust and efficient GSM, GPRS, Satellite and/or 3G network for data transmission from the GPS devices to the host servers. Failure to provide services to the Customer due to third party issues will not be acceptable and will be considered as non-performance on the part of the supplier.

9) That the supplier shall commit to avail a reasonable number of dedicated and competent support staff across all regions of the customer operations to ensure fast and efficient response to the customer demands.

10) That the supplier shall submit scheduled reports by/or on the fifth day of every month. The said reports shall include but not limited to the following information;

- a) The total number of installed GPS devices
- b) The total number of online GPS devices
- c) The total number of offline GPS devices
- d) Details on the offline GPS devices

11) That the supplier shall avail any other reports as may be required by the customer from time to time as follows;

- a) If reported during normal working hours – within 3 hours of reporting
- b) If reported outside normal working hours Monday to Friday – within 5 hours of reporting
- c) If reported during the weekends and public holidays – within 6 hours of reporting

12) The customer is entitled to cancel either in whole or in part the provision of this agreement or cancel the agreement entirely upon giving a one's month's written notice to the supplier.

13) The following supplier's obligations are conditions of this agreement and any breach of them shall be deemed a fundamental breach, which shall entitle the customer at its discretion to terminate this agreement immediately.

- a) Failure on the part of the supplier to observe its obligations under the agreement
- b) The doing or permitting of any act by which the customer rights under this agreement may be prejudiced or put in jeopardy
- c) The insolvency, levying of any distress, appointment of receiver, entry into arrangement with its creditors or execution against the supplier or liquidation of the supplier.
- d) Failure to repair a fault within the response time set out in clauses 2-11 above.

14) That the supplier hereby undertakes the responsibility to abide by clauses 2-11 throughout the term, when and if notified by the customer of any fault. In addition, the supplier shall carry out a periodic maintenance exercises and firmware updates and/or upgrades on the GPS devices whenever there is a system upgrade during the term of this agreement.

15) That the supplier shall use its best endeavours to ensure the timely GPS software system restoration and GPS devices repairs, replacement removal and transfer.

16) That the supplier will be liable for loss occasioned by the negligence or damage to the GPS devices or any part of the customer's premises by the supplier or the supplier's employees or agents.

17) Both parties shall be released from their respective obligations in the event of national emergency, war, prohibitive government regulations or of any other cause beyond the reasonable control of the parties or either of those that renders the performance of this agreement impossible whereupon a pro-rata amount of monies under this agreement shall be refunded to the customer immediately.

18) If any provision of this agreement is declared by any judicial or any competent authority to be void, voidable illegal or otherwise unenforceable, the parties shall amend that provision in such a reasonable manner as to achieve the intention of the parties.

19) This agreement supersedes any prior agreement between the parties whether written or oral.

20) Both parties shall comply with all laws, rules and regulation bearing upon the performance of these obligations under the terms of this agreement.

21) This agreement shall be governed by and constructed in accordance with Kenyan Laws.

22.1) In the event of any dispute or difference arising between the parties in relation to arising out of this agreement, including the interpretation, rectification, termination or cancellation of this agreement, the parties shall forthwith, upon receipt of a notice in writing from the party claiming such dispute or difference, attempt to resolve the dispute or difference through good faith negotiations. In event the parties fail to reach a settlement within a period of fourteen (14) business days any party may refer the dispute or difference to arbitration pursuant to the provisions of clause 14.2.

22.2) If the dispute or difference relates to any other matter under this agreement, the matter shall be referred to a single arbitrator for determination. The arbitration shall be undertaken by a single arbitrator to be agreed upon between the parties or, failing such agreement within 7 (seven) business days of the dispute being referred to arbitration, an arbitrator shall be appointed by the chairman for the time being of the chartered institute of arbitrator, Kenya branch upon the written request of either party. The rules of the Chartered Institute of Arbitrators, Kenya shall apply to such arbitration. The arbitration shall take place in Nairobi and shall be conducted in English language. The decision of the arbitrator shall be final and binding on the parties.

22.3) Nothing in this section 20 shall preclude either party from seeking any interim relief from any competent court having jurisdiction pending the institution of any arbitration proceedings in terms of this section 22.

