

**SERVICE LEVEL SCHEDULE**

This Schedule 5.1 is an appendix to the AMSA, and sets forth additional terms and conditions with respect to the Service Levels applicable to ABSBC's performance of the Services pursuant to the AMSA.

**1. Definitions**

1.1 *Capitalized and Defined Terms.* The following terms shall have the meanings set forth below solely for purposes of this Service Level Schedule. Any capitalized terms not otherwise defined herein shall have the meaning set forth in the AMSA.

*“Additional Executive Satisfaction Survey”* shall have the meaning given in Section 2.10(c).

*“Aggregate Demerits”* shall have the meaning given in Section 2.7(f).

*“Annual Critical Service Levels”* means Critical Service Levels that are measured on an annual basis.

*“At Risk Amount”* means, for a given month, an amount equal to **[Redacted]** of the average monthly Service Charges in respect of the three months immediately prior to such month.

*“Business Hours”* means, unless otherwise agreed or specified in the AMSA (including any Schedules thereto), the hours of 8 a.m. to 4:30 p.m. in the location in which the Services are being received on a day other than a Saturday, Sunday or a day on which banks in Vancouver, British Columbia are authorized or obligated by law to close.

*“Critical Service Level”* means those Reporting Service Levels for which BCH has assigned a Critical Service Level Weight pursuant to Section 2.5 below. The initial Critical Service Levels for each of the Service Categories are set out in each of the Appendices to Attachment A.

*“Critical Service Level Weight”* means the percentage of the At Risk Amount (which may be zero) at any time assigned to a Reporting Service Level pursuant to Section 2.5 below.

*“Earn-Back Credit”* shall have the meaning given in Section 2.7(a).

*“Earn-Back Measurement Period”* means, with respect to any Service Level Demerit, either the **[Redacted]** month period beginning on the month following the occurrence of the Service Level Default giving rise to that Service Level Demerit and ending on the earlier of (i) the achievement of an Earn-Back Credit in respect of that Service Level

Demerit pursuant to Section 2.7(a) and (ii) the conclusion of such **[Redacted]** month period.

**“Frequency of Attainment”** means, with respect to a Reporting Service Level, the minimum level of performance designated as the “Frequency of Attainment” as determined pursuant to Section 2.3.

**“Internal Client Satisfaction Survey Level”** shall have the meaning given in Section 2.9(b).

**“Master Services Schedule”** shall mean Schedule 4.2 to the AMSA.

**“Metrics Development Team”** shall have the meaning given in Section 2.3(a).

**[Redacted]**

**“Non-Annual Critical Service Levels”** means Critical Service Levels that are measured on a monthly, quarterly or semi-annual basis.

**“Process Mean”** means the average of a set of numbers for a defined data set with agreed-upon anomalies excluded.

**“Reporting Service Level”** means a measure of ABSBC’s performance of the In-Scope Services in respect of which ABSBC will provide periodic performance reports. The Reporting Service Levels are set forth in the Appendices to Attachment A, and shall become effective in accordance with Section 2.3(a). For the avoidance of doubt, the Critical Service Levels constitute a sub-set of the Reporting Service Levels.

**“Satisfaction Baseline Level”** shall have the meaning given in Section 2.10(b).

**“Satisfaction Target Level”** shall have the meaning given in Section 2.10(b).

**“Service Level”** means a Reporting Service Level.

**“Service Level Default”** means, for a Reporting Service Level, **[Redacted]**.

**“Service Level Demerit”** means the amount to be credited to BCH pursuant to Section 2.8 upon any Service Level Default, which amount shall be equal to the product of (i) the Critical Service Level Weight for the Critical Service Level in respect of which the Service Level Default occurred *multiplied by* (ii) the At Risk Amount for the month in which the Service Level Default occurred.

**“Service Level Metric”** means for each Service Level the agreed-upon quantitative or qualitative measure used to evaluate ABSBC’s performance of the In-Scope Services that are the subject of that Service Level.

“**Subjective Service Levels**” means those Service Levels expressly identified in Attachment A as being subjective, or as otherwise agreed in writing by the Parties from time to time.

1.2 *Attachments.* The following attachments form a part of this Schedule 5.1:

- (a) Attachment A (Service Levels);
- (b) Attachment B (Demerit Methodology Examples); and
- (c) Attachment C (Historical Non-Reporting Service Levels).

Attachment C applies solely to events, acts and omissions occurring prior to the AMSA Commencement Date, and is included in this Schedule 5.1 for historical reference purposes only.

## 2. General Provisions

### 2.1 General

- (a) Commencing on the AMSA Commencement Date, ABSBC shall perform the In-Scope Services so as to meet or exceed the Service Levels set forth in Attachment A in effect on such date.
- (b) Attachment B sets forth illustrative calculations of Service Level **[Redacted]** pursuant to Section 2.6, which are included for illustrative purposes only.

### 2.2 Reporting Guidelines

Pursuant to Section 8.5 of the AMSA, ABSBC’s monthly status reports shall include a set of reports (i) verifying ABSBC’s compliance with the Reporting Service Levels during the immediately preceding month and (ii) explaining any deviations from the Reporting Service Levels and proposing a plan for corrective action where appropriate.

### 2.3 Establishment of Service Levels

- (a) *Establishment and Validation of Service Levels.* For each Service Level set forth in Attachment A, the Parties have defined Service Level Metrics to measure ABSBC’s performance following the AMSA Commencement Date.
  - (i) The Parties intend that the Frequency of Attainment for each Service Level set forth in Attachment A be established in accordance with the principles below (including the **[Redacted]** described at Section 2.3(c)).
  - (ii) As soon as practicable, the Parties shall form a Service Level Metrics development team for each Service Category composed of an equal number of representatives of each Party (each, a “**Metrics Development Team**”).

- (iii) Each Metrics Development Team shall be responsible for (i) reviewing historical performance data for the 12-month period prior to the AMSA Commencement Date for each Service Level set forth in Attachment A, (ii) validating the Frequency of Attainment for each such Service Level, (iii) further developing the descriptions and definitions of such Service Levels, and (iv) to the extent the agreed-upon basis for determining the occurrence of a Service Level Default for any Service Level set forth in Attachment A is incompatible with the earn-back methodology set forth in Section 2.7 below, the Parties will mutually agree upon an alternative earn-back methodology (including an alternative Earn-Back Measurement Period compatible with the agreed-upon Frequency of Attainment) in respect of such Service Level that is consistent with the principles set forth in Section 2.7, in any event completing such activities prior to the AMSA Commencement Date unless otherwise mutually agreed.
  - (iv) If, as of the AMSA Commencement Date, there are less than six months of historical performance data for any Service Level, the Metrics Development Team:
    - (A) shall estimate a **[Redacted]** month period of historical performance data for that Service Level by either (x) if there is already at least one month of data, assuming data for each month in such **[Redacted]** month period for which data does not exist to be the average of those months for which data does exist, or (y) if there is less than one month of data, agreeing upon an appropriate **[Redacted]** estimate; and
    - (B) upon the passage of sufficient time to enable the collection **[Redacted]** of data, shall make such adjustments as are necessary to reflect the actual collected data (with effect from the date as of which sufficient data became available).
  - (v) As contemplated in the AMSA Transition Plan, for those Services for which there is no historical performance data, or insufficient performance data to verify historical performance levels, the applicable Metrics Development Team will immediately commence tracking ABSBC's performance of Services under the Existing Agreement and use such results as guidelines indicative of performance, but not necessarily apply such performance tracking results as the absolute Frequency of Attainment targets. The applicable Metrics Development Team shall present the Parties with the detailed findings concerning such review of the tracked data and the Parties shall adjust the Frequencies of Attainment for the applicable Service Levels as provided in this Section 2.3.
- (b) *Additional Service Levels.* From time to time during the Agreement Term, either Party may propose new Service Levels, including those Service Levels set forth

on the Master Services Schedule not otherwise referenced in an Attachment hereto or new Service Levels associated with New Services implemented pursuant to Section 4.4 of the AMSA, pursuant to a Change Order presented in accordance with Section 8.12 of the AMSA.

- (i) The applicable Metrics Development Team shall be responsible for reviewing each proposed Service Level and determining the operational costs associated with implementation. In addition, the Metrics Development Team shall develop preliminary Service Levels applicable to such proposed Service Level and, to the extent possible, a preliminary Frequency of Attainment. The results of the Metric Development Team's review shall be included in the applicable Change Analysis delivered pursuant to Section 8.12(c) of the AMSA.
  - (ii) Following the decision to implement such proposed Service Level, the Metrics Development Team shall establish the applicable Frequency of Attainment by applying the principles in this Section 2.3 to ABSBC performance data collected during a mutually-agreed measurement period of not less than six months. Following completion of the measurement period, the proposed Service Level shall be implemented and be deemed to be a Reporting Service Level, and ABSBC shall begin reporting on such Reporting Service Level during the next succeeding calendar month.
  - (iii) The applicable Metrics Development Team shall update the Attachments to this Schedule 5.1 and the Master Services Schedule or any replacement operational tool to account for the implementation of each new Service Level pursuant to Section 2.3(b).
- (c) *Frequency of Attainment Establishment Methodology.* This Section 2.3(c) sets forth certain mutually-agreed methodologies to be used by the Parties to establish the Frequency of Attainment for each Service Level. The Parties intend that the methodologies set forth below will reflect the basic philosophy that mutually-recognized anomalies should be excluded from the establishment of the applicable Service Level Metrics.
- (i) *Treatment of Anomalies.* To the extent that any actual performance data collected by ABSBC contains a data point that either Party proposes to be defined as anomalous, the Parties will jointly examine the cause(s) for such data point's variance and exclude such data point in the establishment of a Frequency of Attainment if such cause(s) is reasonably related to an exceptional or abnormal event. Otherwise, such data point shall be included in the calculation of the Frequency of Attainment.
  - (ii) *Process for Establishing Frequency of Attainment.* Where (i) as of the AMSA Commencement Date **[Redacted]** of historical performance data exists with respect to a Service Level, or (ii) after the AMSA Commencement Date at least **[Redacted]** of historical performance data

has been collected in accordance with the process set out in Section 2.3 (a)(iv) above, with respect to a Service Level, the Parties may use any of the following methodologies:

- (A) The Parties shall set the Frequency of Attainment as necessary to match ABSBC's historical performance;
- (B) The Parties shall set the Frequency of Attainment equal to **[Redacted]** derived from the ABSBC historical performance data;
- (C) The Parties will set the Frequency of Attainment to the **[Redacted]** of performance achieved by ABSBC in the historical performance data provided; or
- (D) The Parties will mutually agree to the Frequency of Attainment using industry data, as well as the methodologies described in subparagraph (A), (B) and (C) above, as input.

#### 2.4 *Annual Improvement*

The Parties anticipate that Service Levels may be improved during the Agreement Term, and may be adjusted by mutual agreement through the annual review process described in Section 5.1(d) of the AMSA.

#### 2.5 *Critical Service Level Weighting*

- (a) BCH may assign a Critical Service Level Weight to a Reporting Service Level to establish the corresponding Service Level Demerit in the event of a Service Level Default. Such assignment shall be conducted in accordance with the following principles:
  - (i) the sum of all Critical Service Level Weights in all Service Categories will at no time exceed **[Redacted]** of the At Risk Amount for the applicable month;
  - (ii) no Reporting Service Level may be assigned a Critical Service Level Weight greater than **[Redacted]** of the At Risk Amount for the applicable month;
  - (iii) the sum of all Critical Service Level Weights in a Service Category will at no time exceed 100% of the At Risk Amount for the applicable month;
  - (iv) no Critical Service Level Weight may be assigned to a Reporting Service Level prior to its implementation in accordance with Section 2.3 of this Schedule 5.1;

- (v) For those Reporting Service Levels using measurement periods in excess of one month, Critical Service Level Weights may only be assigned (or reassigned) once in any respective measurement period; and
  - (vi) notwithstanding the foregoing, BCH may not assign Critical Service Level Weights to Subjective Service Levels.
- (b) **[Redacted]** BCH may, by written notice to ABSBC delivered not less than 60 days prior to the beginning **[Redacted]**:
- (i) subject to Section 2.5(a)(v) above, reassign Critical Service Level Weights among existing Critical Service Levels;
  - (ii) designate (i) a Critical Service Level as a Reporting Service Level by reassigning all the associated Critical Service Level Weights previously assigned to such Critical Service Level or (ii) a Reporting Service Level as a Critical Service Level by assigning Critical Service Level Weights to a previously unweighted Reporting Service Level; and
  - (iii) select a number of Critical Service Levels or alter a previous selection of such Critical Service Levels, such number not to exceed **[Redacted]** of the Critical Service Levels effective at that time.
- (c) The initial Critical Service Levels that will apply from the AMSA Commencement Date are set forth in Attachment A. The initial Critical Service Level Weights that will apply from the AMSA Commencement Date will be determined as part of the AMSA Transition Plan.

## 2.6 *Failure to Meet Service Levels*

- (a) *Failure to Meet Service Levels.* Commencing on the AMSA Commencement Date, if ABSBC fails to meet any Service Level, ABSBC shall perform its obligations described in Section 5.1(c) of the AMSA.
- (b) *Service Level Demerits.* If ABSBC fails to meet a Critical Service Level (where such failure is below the Frequency of Attainment), in addition to taking action in accordance with Section 2.6(a), ABSBC shall credit BCH for the applicable Service Level Demerit, and notify BCH of such Service Level Demerit, all as contemplated at Section 2.8 below. Such notice shall specify the performance failure and the amount of Service Level Demerit credited. No Service Level Demerits shall be credited with respect to any failure of ABSBC to meet a Service Level other than a Critical Service Level.
- (i) ABSBC shall not be responsible for any failure to meet a Service Level if and to the extent such failure is attributable to (v) actions or omissions of BCH (including BCH's failure to perform its obligations under the AMSA or the Support Services Agreement); (w) failures, errors or defects in

facilities, Hardware or software (other than Hardware or software for which ABSBC has operational responsibility) or other resources provided by BCH; (x) acts or omissions of BCH's Contractors; (y) circumstances that constitute a Force Majeure Event under the AMSA; or (z) any other express exception set forth in the AMSA.

- (ii) If a single event causes a Service Level Default in respect of more than one Critical Service Level in any month (*e.g.*, a single malfunction causes ABSBC to miss the Frequency of Attainment in respect of two Critical Service Levels), BCH shall designate the Critical Service Level to be used to calculate a single Service Level Demerit in respect of such event. ABSBC shall perform its obligations described in Section 2.6(a) to, among other things, identify the primary cause of such multiple failures.
- (c) **[Redacted]**
- (d) Following a Service Level Default, if the Parties agree that the period of time reasonably required for ABSBC correct the cause of such Service Level Default will exceed **[Redacted]**, subsequent Service Level Defaults attributable to ABSBC's corrective efforts will not result in the accrual of Service Level Demerits if (i) the applicable Functional Owners approve a remedial plan addressing such Service Level Default and (ii) ABSBC complies with such remedial plan and provides regular reports on progress to the applicable Functional Owners. In the event ABSBC fails to implement the approved remedial plan, all Service Level Demerits previously waived pursuant to this Section 2.6(d) will become due and payable to BCH pursuant to Section 2.8.
- (e) Notwithstanding any other provision of this Schedule 5.1 or the AMSA to the contrary, the total amount of Service Level Demerits **[Redacted]** accruing with respect to Service Level Defaults occurring in a single month shall not exceed, in the aggregate, 100% of the At Risk Amount for that month. Service Level Demerits **[Redacted]** in excess of the At Risk Amount for any month shall not be carried over into future months.

## 2.7 *Earn-Back*

- (a) Subject to Section 2.7(b) below, ABSBC shall be entitled to claim as a credit from BCH an amount (the "*Earn Back Credit*") equal to the Service Level Demerit incurred **[Redacted]** of Service Level Defaults:
  - (i) in respect of any Non-Annual Critical Service Level:
    - (A) where ABSBC has not claimed an Earn-Back Credit in respect of such Critical Service Level, a Service Level Default where in every month during the **[Redacted]** month Earn-Back Measurement Period following such offence, ABSBC's

performance meets or exceeds the Frequency of Attainment for such Critical Service Level; or

- (B) where ABSBC has claimed an Earn-Back Credit in respect of such Critical Service Level on **[Redacted]** previous occasion, a Service Level Default where in **[Redacted]** month during the **[Redacted]** month Earn-Back Measurement Period following such offence, ABSBC's performance meets or exceeds the Frequency of Attainment for such Critical Service Level; or
  - (ii) in respect of any Annual Critical Service Level where ABSBC (x) has not claimed an Earn-Back Credit, or (y) has claimed an Earn-Back Credit on one previous occasion, a Service Level Default where in every month during the **[Redacted]** month Earn-Back Measurement Period following such offence, ABSBC's performance meets or exceeds the Frequency of Attainment for such Critical Service Level.
- (b) If the Service Level Default referenced in Section 2.7(a) above occurs after the **[Redacted]** anniversary of the Service Commencement Date, the Earn-Back Credit shall be reduced to **[Redacted]** of the Service Level Demerit incurred in respect of that Service Level Default.
- (c) No **[Redacted]** shall be eligible for earn-back pursuant to this Section 2.7.
- (d) Earn-Back Credits in respect of any Critical Service Level shall be applied in the order in which the eligible Service Level Demerits in respect of such Critical Service Level were credited to BCH pursuant to Section 2.8. ABSBC's performance during an applicable Earn-Back Measurement Period shall count **[Redacted]** towards the earn back of an Earn-Back Credit.
- (e) For the avoidance of doubt, once **[Redacted]** Earn-Back Credits have been earned in respect of Service Level Defaults of any Critical Service Level, no further Earn-Back Credits may be earned in respect of subsequent Service Level Defaults of such Critical Service Level.
- (f) If in any month the aggregate Service Level Demerits **[Redacted]** in respect of all Service Level Defaults in that month (the "**Aggregate Demerits**") exceed the At Risk Amount, such that the amount of Service Level Demerits actually credited to BCH in respect of that month is limited to and equals the At Risk Amount, any Earn-Back Credits to which ABSBC may be entitled under Section 2.7(a) in respect of Service Level Demerits incurred in that month shall be reduced by a fraction in which (i) the numerator is equal to the Aggregate Demerits less the At Risk Amount and (ii) the denominator is equal to the Aggregate Demerits.
- (g) If multiple Service Level Defaults occur in respect of a Critical Service Level during a single calendar month, an Earn-Back Credit may be earned only in respect of the last of such Service Level Defaults to occur.

## 2.8 *Invoice Adjustments*

- (a) Monthly during the Agreement Term as instructed by BCH, ABSBC shall provide a written report to BCH summarizing for the immediately preceding calendar month (i) each Service Level Demerit **[Redacted]** accruing during such calendar month and (ii) each Earn-Back Credit credited during such calendar month. In addition, the written report shall provide the monthly net balance applicable to such calendar month by subtracting that month's aggregate Earn-Back Credits from the aggregate Service Level Demerits **[Redacted]**.
- (b) If the net monthly balance is negative (i.e., Service Level Demerits **[Redacted]** exceed Earn-Back Credits), ABSBC shall credit the net amount of Service Level Demerits **[Redacted]** to BCH's invoice for the immediately following month. If the net monthly balance is positive (i.e., Earn-Back Credits exceed Service Level Demerits **[Redacted]**), ABSBC shall charge the net amount of Earn-Back Credits to BCH's invoice of the month following such calendar month. Any charge or credit to a BCH invoice pursuant to this Section 2.8 shall be documented accordingly therein.

## 2.9 *Client Satisfaction*

- (a) The Parties will mutually agree upon a form and process for administering an annual, client customer satisfaction survey of BCH end-users in each Service Category in accordance with Section 5.2(a) of the AMSA. The Parties will jointly conduct the first client satisfaction survey no later than the **[Redacted]** anniversary of the Service Commencement Date and on an annual basis thereafter.
- (b) Prior to the Service Commencement Date, the Parties shall combine historical data and the results of any baseline surveys conducted prior to the Service Commencement Date to create an internal client satisfaction service level (for each Service Category (each, an "***Internal Client Satisfaction Service Level***") effective for the remainder of the Agreement Term. The Parties agree to cooperate in good faith to adjust the Internal Client Satisfaction Service Levels to account for any anomalies contained in historical data or any applicable baseline surveys.
- (c) If an annual client satisfaction survey reports results below any Internal Client Satisfaction Service Level, ABSBC will be responsible for forming a continuous improvement group to research the default, conducting a joint review session with BCH to identify areas for improvement and implementing a remedial plan designed to improve future client satisfaction surveys. In addition, the Parties shall conduct a follow-up client satisfaction survey no later than **[Redacted]** months following each failure to meet an Internal Client Satisfaction Service Level.
- (d) **[Redacted]**

- (e) Failure to meet an Internal Client Satisfaction Service Level in any customer satisfaction survey shall not constitute a Service Level Default and no Service Level Demerits shall apply. This Section 2.9 shall not apply to Service Levels measuring the customer satisfaction of customers of BCH.

#### 2.10 *Executive Satisfaction*

- (a) The Parties shall develop and implement an annual Executive Satisfaction Survey as described and set forth in Section 5.2(b) and Schedule 5.2(b) to the AMSA, and this Section 2.10. The Parties shall jointly conduct the first Executive Satisfaction Survey no later than the **[Redacted]** anniversary of the AMSA Commencement Date and on an annual basis thereafter.
- (b) The Parties have agreed that the executive satisfaction target level (a “*Satisfaction Target Level*”) shall **[Redacted]**. Prior to the AMSA Commencement Date, the Parties shall jointly conduct a preliminary Executive Satisfaction Survey, the results of which shall constitute the executive satisfaction baseline service level (a “*Satisfaction Baseline Level*”), *provided that* the Satisfaction Baseline Level is not greater than the Satisfaction Target Level. The Satisfaction Baseline Level and the Satisfaction Target Level shall be effective for the remainder of the Agreement Term.
- (c) The results of each annual Executive Satisfaction Survey shall be calculated using the methodology described in Schedule 5.2(b) to the AMSA. If an annual Executive Satisfaction Survey reports results below the Satisfaction Target Level, ABSBC shall use reasonable commercial efforts to identify areas for improvement and implement a remedial plan designed to improve future Executive Satisfaction Surveys. In addition, the Parties shall conduct a follow-up Executive Satisfaction Survey no later than six months following each failure to meet an Satisfaction Target Level (an “*Additional Executive Satisfaction Survey*”).
- (d) **[Redacted]**
  - (i) **[Redacted]**
  - (ii) **[Redacted]**

3. **Measuring Tools.** If ABSBC elects to use measuring and monitoring tools materially different from those implemented as of the AMSA Commencement Date, BCH and ABSBC will mutually agree upon and implement an adjustment to the Service Level Metric measurements herein as necessary to account for any ABSBC demonstrated increased or decreased sensitivity in such new measuring or monitoring tools; provided, however, that such adjustment shall not alter the intended quantitative or qualitative level of performance reflected in the unadjusted, original Service Level Metric.

4. **Disputes.** Any dispute arising out of this Schedule 5.1 will be treated as a Dispute subject to the dispute resolution provisions set forth in Article XVIII of the AMSA.

**SERVICE LEVELS**

**[Redacted]**

**DEMERIT METHODOLOGY EXAMPLES**

**[Redacted]**

**HISTORICAL NON-REPORTING SERVICE LEVELS**

**[Redacted]**