

7. Service Level Agreements (SLAs) & Penalties

Successful vendor(s) will have to agree to the defined SLA and Milestone schedule and non-compliance of which will result in application of penalties/liquidated damages as per penalty clauses given below. It will form part of the contract.

The penalty so calculated will either be adjusted with the payments or will be separately realized from the bidder.

Cumulative penalty during the contract period for breach of SLA mentioned above shall be capped at 10% of the contract value (TCO).

The liquidated damages (LD)/penalties shall be deducted / recovered by LIC from any money due or becoming due to the bidder under this purchase contract or may be recovered by invoking of Bank Guarantees or otherwise from bidder or from any other amount payable to the bidder in respect of other Purchase Orders issued under this contract, levying liquidated damages without prejudice to LIC's right to levy any other penalty were provided for under the contract.

All the above are independent of each other and are applicable separately and concurrently. LD/penalty is not applicable for the reasons attributable to LIC and Force Majeure.

The bidder has to ensure adherence to time-schedules given in this RFP. Non-adherence will attract penalties as given below:

SN	Description	Penalty
1	Delivery of all appliances/hardware and software solution needed as per the expected deliverables*within the defined timeline. *The delivery of the last hardware/ software solution will be deemed as the date of delivery of all equipment and penalty will be applicable accordingly.	0.2% of the value of the undelivered solution (hardware/appliance + software) per week of delay or a part thereof.
2	Delay in implementation of all devices beyond the expected deliverables** within the defined timeline. **The implementation of the last hardware/ software solution will be deemed as the date of delivery of all equipment and penalty will be applicable accordingly.	0.2% of the value of the unimplemented solution (hardware/appliance + software) per week of delay or a part thereof.
3	Delay in submission of HLD and LLD beyond 7 weeks from the date of issue of purchase order.	Rs.500/- per week subject to maximum of Rs.5000/-
4	In case of a breakdown of appliances, hardware, hardware components accessories, systems software, cloud-based services and/or any products, the relevant defect should be attended immediately and rectified within 1 day of the receipt/notice of the complaint.	0.01% of the PO value for the respective hardware and software component per each working hour of delay or part thereof.

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SN	Description	Penalty
5	In case of a malfunctioning of appliances, hardware, hardware components accessories, systems software, cloud-based services or any products, the relevant defect should be attended immediately and rectified within 6 hours of the receipt/notice of the complaint.	0.01% of the PO value for the respective hardware and software component for every 6 hours of delay or part thereof.
6	In case both the appliances/hardware in the HA mode are down and the system is completely down the defect should be attended and rectified within 4 hours of receipt of notice.	0.02% of the PO value of particular solutions per every 1 hour of delay or part thereof.
7	Specifically, for cloud-based services if the region hosting the LIC services is completely down then the services subscribed by the LIC shall be enabled from a different region.	0.01 % of the PO value of the affected services.
8	Ensure that any technical issues escalated, but not resolved by the on-site Personnel/vendor, should be closed/ resolved within 1 day.	1% of the Quarterly on-site charges per each day of delay or part thereof for the particular solution.
10	The details of SDM/Project Coordinator are not communicated to LIC within 5 weeks of receipt of PO	Rs.500/- per day.
11	Delay in posting of on-site support Personnel beyond 6 weeks from the date of issue of purchase order for security products.	0.02% of the purchase order value per week of delay or part thereof for the particular solution.
15	If the first (introductory) meeting is not held within 4 weeks from the date of receipt of the first Purchase Order and/or escalation matrix is not submitted.	Rs.500/- per day for the delayed part
16	If structured weekly meetings are not held (by the Service Delivery Manager) with ED(IT/BPR)/ Secy (IT/BPR)/ Dy.Secy (IT/BPR)/ Asst.Secy.(IT/BPR), Network Section, CO, Mumbai.	Rs.500/- for each meeting not held.
17	If CV and certified documents of the proposed candidates are not submitted within 5 weeks from date of Purchase Order (PO)	Rs.500/- per day per candidate subject to a maximum of Rs. 5000/- .
18	The on-site Personnel should be present in LIC's premises as per the RFP conditions.	Double the proportionate amount for the relevant onsite support charges will be deducted for any non-compliance.
19	If the on-site Personnel leaves before expiry of 1 year for reasons other than death and hospitalization.	2 % of the Annual on-site charges for the first incident, to be incremented by 5% for each repetition. The number of such occurrences shall be reckoned from the date of purchase order for on-site support. The Personnel may have to be changed, if LIC so requests. If LIC requests for a change, SI will be given a

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		buffer of not more than 30days to suitably replace the Personnel.
20	In case vendor wants to change the onsite support person, minimum of twenty one (21 days) advance notice shall be given by the vendor to LIC. If not done, penalty will be imposed.	Penalty of Rs.1,000/- per instance.
21	In case vendor wants to change the onsite person, an overlapping period of at least 14 days has to be there between the new and old onsite support person. If not done, penalty will be imposed	1% per day of the relevant onsite support.
22	In case LIC wishes to get the onsite person changed, if replacement is not provided within 30 days.	1% per day of the relevant onsite support.
23	Delay in installation of patches	If the patches/signature files are not deployed within a period of 7 working days of LIC from the release of latest version/update by OEM, it will attract a penalty of 0.5% of the charges from yearly on-site & remote monitoring services for each week of delay or part thereof , for the particular solution .

• **Key Performance Indicators (KPI):**

CASB / NAC / WAF / SSL off loader/MDM/VDI/API Gateway, Management and Security Installation Compliance: >=99% (Measured monthly)

CASB / NAC / WAF / SSL off loader/MDM/VDI/API Gateway, Management and Security version /definition update: >=99% (Measured month

Service Level	Service Definition	Target	Frequency
Incident Resolution time - S1 under bidder scope	Incident Resolution time - closure of the Severity 1 incident (email/ticket) from the time ticket is opened	3 hours	Monthly
Incident Resolution time – S2 under bidder scope	Incident Resolution time - closure of the Severity 2 incident (email/ticket) from the time ticket is opened	12 hours	Monthly

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Service Level	Service Definition	Target	Frequency
Incident Resolution time – S3 and S4 under bidder scope	Incident Resolution time - closure of the Severity 3 and 4 incidents (email/ticket) from the time ticket is opened	48 hours	Monthly

Sr. No.	Description	Penalty
1	<p>Parameter: Implementation Time</p> <p>Definition: The period within which the CASB / NAC / WAF / SSL off loader/MDM/VDI/API Gateway, Management and Security will be fully implemented and operational post-contract signing.</p> <p>Target Service Level: To be implemented as per the defined timeline in RFP.</p>	0.2% of the value of the unimplemented solution (hardware/appliance + software) per week of delay or a part thereof.
2	<p>Parameter: Uptime</p> <p>Definition: The percentage of time the CASB / NAC / WAF / SSL off loader/MDM/VDI/API Gateway, Management and Security is expected to be operational and available.</p> <p>Target Service Level: 99.99% per month</p>	0.25 % of the total PO value per week of delay or part thereof for the particular solution.
3	<p>Parameter: Incident Response Time</p> <p>Definition: The time it takes for the service provider to respond to different incident priority levels.</p> <p>Target Service Level: Critical: 30 minutes, High: 1 hour Medium: 6 hours Low: 24 hours</p>	<p>Penalty (% of PO value for the concerned solution) for missing the incidents will be as follows:</p> <p>Critical & High:</p> <ul style="list-style-type: none"> • 1-3 events: 2% • 3-6 events: 4% • 6-10 events: 6% • 11 and above events: 10% <p>Medium & Low:</p> <ul style="list-style-type: none"> • 1-3 events: 1% • 3-6 events: 2% • 6-10 events: 3% • 11 and above events: 5%
4	Parameter: Data Retention Period	2 % of the total PO value, for the concerned solution, on non-compliance after the

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	<p>Definition: The duration logs and data are retained within the CASB / NAC / WAF / SSL off loader/MDM/VDI/API Gateway, Management and Security before rotation or archiving.</p> <p>Target Service Level: 3 months, 1 year retention</p>	timelines.
5	<p>Parameter: Backup Frequency</p> <p>Definition: How often data should be backed up to ensure recoverability.</p> <p>Target Service Level: Daily Incremental and Weekly Full Backup</p>	2 % of the total PO value, for the concerned solution, on non-compliance after the timelines.
7	<p>Parameter: Security Bug/ vulnerability / enhancements etc.</p> <p>Definition: Applying of software updates, patches, and security fixes to remediate the bugs/vulnerabilities in the WAF, SSL Off loader, CASB and NAC devices reported.</p> <p>Target Service Level: Critical (2 Working Day), Non-Critical (6 Working Days)</p>	<p>2 % of the total PO value, for the concerned solution, on non-compliance after the timelines for critical vulnerabilities.</p> <p>1 % of the total PO value, for the concerned solution, on non-compliance after the timelines for non-critical vulnerabilities.</p>
8	<p>Parameter: Replacement/Repair</p> <p>Definition: Process for replacing or repairing hardware/components in the event of system failure.</p> <p>Target Service Level: Replacement within 24 hours</p>	0.25 % of the total PO value, for the concerned solution, per week of delay or part thereof.
9	<p>Parameter: Reporting Frequency</p> <p>Definition: Frequency and content of security reports, incident summaries, and performance metrics.</p> <p>Target Service Level: Daily, Weekly and Monthly reports</p>	0.25 % of the total PO value, for the concerned solution, per week of delay or part thereof.
10	<p>Parameter: Log Integration Sequence</p> <p>Definition: The log integration priority sequence</p>	0.25 % of the total PO value, for the concerned solution, per week of delay or part thereof.

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	Target Service Level: Log integration to be done according to their prioritization levels, classifying them as critical, high, medium, or low, and subsequently integrating them in this prescribed order.	
11	<p>Parameter: Device integration with CASB / NAC / WAF / SSL off loader / MDM / VDI / API Gateway, Management and Security</p> <p>Definition: All the new IT systems, applications that are being implemented in the LIC infrastructure should be integrated with CASB / NAC / WAF / SSL off loader / MDM / VDI / API Gateway, Management and Security before going live.</p> <p>Target Service Level: 100% device coverage</p>	0.25 % of the total PO value, for the concerned solution, per week of delay or part thereof.

- Exclusions from downtime calculation include the following:
 - Downtime because of LAN cabling faults.
 - Scheduled downtimes (which are approved by LIC) on account of preventive maintenance, system testing, system upgrades etc.
 - All failures due to source power unavailability and power conditioning, UPS failure etc. beyond control of Vendor Managed Services.
 - Force Majeure conditions defined above, or any condition not foreseen but mutually agreed by both the parties.
 - Link outages owing to ISPs.
 - Downtime due to any device/appliance not managed by the Vendor.

- Penalty caps:
 - The total penalty for delivery and installation shall not exceed 10% of the PO value, for the delayed deliverable.
 - The total penalty for onsite support shall not exceed 100% of the quarterly charges payable for onsite support for reasons other than absence.