

Warranties and Service Level Agreement



Introduction

A warranty is an agreement through which a vendor agrees to be responsible for any costs to which the buyer may be subject due to any faults pertaining to the standard or operation of the item purchased. It is the responsibility of the consumer to determine the terms of a warranty before agreeing to purchase.

Warranties generally specify; the terms by which fault-rectification should be effected (such as by repair or replacement); the duration of the warranty; the extent to which the performance of the product is assured; and any actions on the part of the purchaser that may invalidate the warranty.

Useful tips on warranties

The duration of the warranty should commence at the time of purchase.

In the event that the vendor agrees to replace a faulty item, the new item will be provided with a new warranty, whose term will commence at the time of replacement of the first item.

The warranty must be dated and be in writing – verbal warranties are mostly useless.

Warranties are valid ONLY to the original purchaser and may not be transferred or re-assigned. They are also ONLY issued by manufacturers or their authorized agents.

Warranties can cover the supply of replacement parts and/or labour. The duration of the warranty in relation to both, however, may differ.

A warranty can be invalidated if the purchaser uses the item for a purpose for which it was not intended.

In the event of faults developing in the product, the purchaser should return it to the vendor immediately and NOT attempt any repairs, which can result in the invalidation of the warranty.

Violation of warranties

A warranty is deemed to have been violated when its terms are not met. The vendor is, therefore, obliged to make any and all such rectifications as will ensure that these terms ARE met. If the vendor fails to do this, the purchaser is entitled to sue the vendor for breach of warranty.

Service level agreements

A service level agreement (SLA) is a contract between a network service provider and a consumer which typically specifies the level of service that will be provided in terms of adherence to performance standards, responsibilities, response-time, billing, guarantees and any penalties that pertain to the violation of the SLA by either party. An SLA does not, however, GUARANTEE a specific level of service. Rather it compensates the consumer for any deficits in the level of service provided.

Typical SLA terms should cover:

The percentage of time during which the service will be operational; dial-in access availability; the number of users that can be served simultaneously and the type of usage statistics that will be provided.

The proposed performance benchmarks to which actual performance will be periodically compared.

The schedule for advance notification of any network changes that may affect the user.

Details regarding the provision of support services ('help-lines' and fault-rectification response times).

Any provisions for warranties, disaster-recovery, dispute-resolution or termination of agreement.

Drafting an effective SLA

When reviewing an SLA the consumer should ensure that it covers all the eventualities that will meet THEIR requirements, and in the event that the standard SLA offered by the vendor does not meet these criteria, the SLA should be tailored to meet the specific and comprehensive needs of the consumer.