

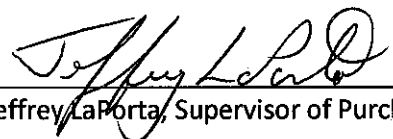
Kronos Contract #14-JLR-003

Statement of Clarification

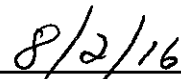
Purchasing Department
Jeffrey LaPorta, Supervisor of Purchasing
410-638-4083, jeff.laporta@hcps.org

Statement of Clarification
Contract #14-JLR-003
Between Harford County Public Schools and Kronos Incorporated

This Statement of Clarification is to acknowledge that Kronos Incorporated cannot service customers with less than 100 users (employees).



Jeffrey LaPorta, Supervisor of Purchasing



Date

Kronos Contract #14-JLR-003

Amendment II

MASTER PURCHASE AGREEMENT

By and Between

**HARFORD COUNTY PUBLIC SCHOOLS, MARYLAND
AND
KRONOS INCORPORATED**

**CONTRACT AMENDMENT #2
TO
CONTRACT 14-JLR-003**

The Master Purchase Agreement made and executed by both parties is hereby amended to reflect the following changes.

This Amendment also updated the Workforce Central and Workforce Ready Software as a Services terms and conditions. The Exhibit A "Kronos terms and conditions" attached to this include the updated terms and conditions, namely in Section D and E of the Exhibit A.

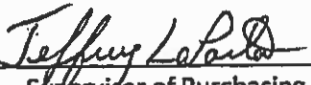
This Amendment adds the Voxeo Cloud service. Voxeo is a telephony add-on to the Telestaff product that enables an inboard and outbound calling service through the Workforce Telestaff Product. General Terms for the Voxeo Cloud service can be found below in Section F of Exhibit A and the updated pricing is included in Exhibit B of this Amendment.

This Amendment adds Promotional Pricing offering discounted pricing SaaS Conversion offering but also includes the selection of annual price increases as set for in the Exhibit A and B.

This change is effective beginning September 1, 2015.

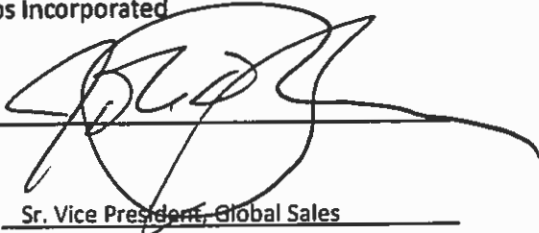
In witness whereof, the parties have executed this Amendment #2 in the year and day as noted below:

Harford County Public Schools, Maryland

By: 
Supervisor of Purchasing

Date: 9/1/15

Kronos Incorporated

By: 

Date: 9/8/2015

Title: Sr. Vice President, Global Sales

EXHIBIT A

KRONOS TERMS AND CONDITIONS FOR PARTICIPATING PUBLIC AGENCIES ADMINISTERED BY US COMMUNITIES

KRONOS TERMS

A PARTICIPATING PUBLIC AGENCY (“CUSTOMER”), BY SIGNING AN ORDER FORM OR PURCHASE ORDER WITH KRONOS INCORPORATED, AGREES TO THE APPLICATION OF THESE TERMS AND CONDITIONS FOR ALL PRODUCTS, SERVICES AND OFFERINGS SET FORTH ON SUCH ORDER FORM (OR PURCHASE ORDER) WHICH REFERENCES THESE TERMS AND CONDITIONS.

- SECTION A: [GENERAL TERMS AND CONDITIONS](#). This Section apply for all transactions.
- SECTION B: [TERMS AND CONDITIONS FOR SOFTWARE LICENSES, SOFTWARE AND EQUIPMENT SUPPORT SERVICES, AND EDUCATIONAL AND PROFESSIONAL SERVICES](#). This Section apply for all transactions except Workforce Ready and the Workforce Central SaaS offering (not including the professional and educational services governed by this Section).
- SECTION C: [CLOUD HOSTING SUPPLEMENTAL TERMS AND CONDITIONS](#) . This Section applies only for transactions that involve Kronos hosting for Software licensed under Section B and identified as CLOUD 2.
- SECTION C-1: [APPLICATION HOSTING TERMS AND CONDITIONS](#) . This Section applies only for transactions that involve Kronos hosting for Software licensed under Section B and identified as CLOUD.
- SECTION D: [KRONOS WORKFORCE CENTRAL SAAS TERMS AND CONDITIONS](#). This Section applies only for Workforce Central transactions in a SaaS environment (except for the related professional and educational services see Section B)
- SECTION E: [KRONOS WORKFORCE READY SAAS TERMS AND CONDITIONS](#). This Section applies only for Workforce Ready transactions.
- SECTION F KRONOS ADDENDUM VOXEO PROPHECY SERVICES. This Section applies to the Voxeo Prophecy services.

SECTION A: GENERAL TERMS AND CONDITIONS

1. APPLICATION OF THESE TERMS

These terms and conditions apply to each order accepted by Kronos Incorporated ("Kronos") from an eligible Participating Public Agency ("Customer") for all Kronos Equipment, Software, Professional and Educational Services, Support and such other Kronos offerings, as specified on an order form (an "Order").

In addition to the terms set forth in this Section A: General Terms and Condition, the following sections apply for the specific offering referenced:

- (i) Section B shall apply to the Software licenses and purchased Equipment, support services, and professional and educational services,
- (ii) Section C shall apply to the Hosting Services purchased in connection with certain Software licensed under Section B,
- (iii) Section D shall apply to the Workforce Central Saas Orders;
- (iv) Section E shall apply to the Workforce Ready Saas Order; and
- (v) Section F shall apply to Voxeo Prophecy ordered to Kronos.

All orders are subject to the approval of Kronos' corporate office in Chelmsford, Massachusetts. This Agreement and the Order Form shall supersede the pre-printed terms of any Customer purchase order or other Customer ordering document, and no such Customer pre-printed terms shall apply to the items ordered.

2. APPLICABLE LAWS

This Agreement shall be governed by the state law in which Customer is based, provided however, if such jurisdiction has adopted the Uniform Computer Information Transactions Act (UCITA), or such other similar law, the parties expressly agree to "opt-out" of and not be governed by UCITA or such other similar law. The parties waive the application of the United Nations Commission on International Trade Law and United Nations Convention on Contracts for the International Sale of Goods as to the interpretation or enforcement of this Agreement.

3. EXPORT

Customer acknowledges that the Equipment and Software may be restricted by the United States Government or by the country in which the Equipment or Software is installed from export to certain countries and certain organizations and individuals, and agrees to comply with such laws. Customer agrees to comply with all applicable laws of all of the countries in which the Equipment and Software may be used by Customer. Customer's obligations hereunder shall survive the termination or expiration of the Order Form. Customer must obtain Kronos prior written consent before exporting the Software.

4. CONFIDENTIAL INFORMATION

"Confidential Information" is defined as information that is: i) disclosed between the parties after the date of this Agreement that is considered confidential or proprietary to the disclosing party; and ii) identified as "confidential" at the time of disclosure, or would be reasonably obvious to the receiving party to constitute confidential information because of legends or other markings, by the circumstances of disclosure or the nature of the information itself. Additionally, Customer acknowledges and agree that the Software (and Software documentation), and the Specifications shall be deemed to be Kronos' Confidential Information and trade secret. Each party shall protect the Confidential Information of the other party with at least the same degree of care and confidentiality, but not less than a reasonable standard of care, which such party utilizes for its own information of similar character that it does not wish disclosed to the public. Neither party shall disclose to third parties (except the parent company or the wholly owned subsidiaries of the receiving party who have a need to know) the other party's Confidential Information, or use it for any purpose not explicitly set forth herein, without the prior written consent of the other party. Notwithstanding the foregoing, a party may disclose Confidential Information to the extent required: (a) to any subsidiary or affiliate of such Party, or (b) to any consultants, contractors, and counsel who have a need to know in connection with the Agreement and who are under obligations of non-disclosure agreement at least as stringent as this section 4, or (c) by law (including the applicable public record laws), or by a court or governmental agency, or if necessary in any proceeding to establish rights or obligations under the Agreement; provided, the receiving party shall, unless legally prohibited, provide the disclosing party with reasonable prior written notice sufficient to permit the disclosing party an opportunity to contest such disclosure. If a party commits, or threatens to commit, a breach of this Section 4, the other party shall have the right to seek injunctive relief from a court of competent jurisdiction. The obligation of confidentiality shall survive for three (3) years after the disclosure of such Confidential Information.

This Agreement imposes no obligation upon either party with respect to the other party's Confidential Information which the receiving party can establish by legally sufficient evidence: (a) was rightfully possessed by the receiving party without an obligation to maintain its confidentiality prior to receipt from the disclosing party, (b) is generally known to the public without violation of this Agreement; (c) is obtained by the receiving party in good faith from a third party having the right to disclose it without an obligation with respect to confidentiality; (d) is independently developed by the receiving party without use of the disclosing party's confidential information, which can be shown by tangible evidence.

5. TAXES

If Customer presents to Kronos a validly issued tax-exempt certificate, or other sufficient evidence of tax exemption, Customer shall not be liable for those taxes for which Customer is exempt. Otherwise, Customer agrees to pay all other applicable duties and customs fees relating to this Agreement, as well as all taxes levied or based on the products, services or other charges hereunder, including federal, state and local sales and excise taxes, and any taxes or amount in lieu thereof paid or payable by Kronos, exclusive of taxes based on Kronos net income or business privilege.

6. TRAVEL EXPENSES

Customer agrees to reimburse Kronos for all pre-approved, reasonable and necessary travel incurred by Kronos in the performance of its obligations under this Agreement, provided that such travel complies with the then current Kronos Travel and Expense Policies (such policies are available upon request) or such other policies mutually agreed between the parties in the statement of work. Customer further agrees to pay any travel expenses such as airfare, lodging, meals and local transportation, incurred by Kronos in the performance of its obligations under this Agreement provided such expenses comply with the applicable policies. Customer will be billed by Kronos for such travel expenses and payment thereof shall be due net 30.

7. GENERAL

- (a) The invalidity or illegality of any provision of this Agreement shall not affect the validity of any other provision. The parties intend for the remaining unaffected provisions to remain in full force and effect.
- (b) Customer shall not assign this Agreement or the license to the Software without the prior written consent of Kronos and any purported assignment, without such consent, shall be void.
- (c) Neither Party shall be responsible for any failure to perform or delay in performing any of its obligations under this Agreement (other than a failure to comply with payment obligations) where and to the extent that such failure or delay results from an unforeseeable event beyond a party's reasonable control, including but not limited to, acts of war; acts of nature; earthquake; flood; embargo; riot; sabotage; labor shortage or dispute; changes in government codes, ordinances, laws, rules, regulations or restrictions; failure of the Internet; terrorist acts; failure of data, products or services controlled by any third party, including the providers of communications or network services; utility power failure; material shortages or unavailability or other delay in delivery not resulting from the responsible party's failure to timely place orders therefor, or lack of or delay in transportation (each a "Force Majeure Event").
- (d) All notices given under this Agreement shall be in writing and sent postage pre-paid, if to Kronos, to the Kronos address on the Order Form, or if to Customer, to the billing address on the Order Form.
- (e) The section headings herein are provided for convenience only and have no substantive effect on the construction of this Agreement.
- (f) The parties agree that the Order signed by both parties and expressly reference this Agreement, which is delivered via fax or electronically delivered via email it shall constitute a valid and enforceable agreement.
- (g) This Agreement and any information expressly incorporated herein (including information contained in any referenced URL), together with the applicable Order Form, constitute the entire agreement between the parties for the products and services described herein and supersede all prior or contemporaneous representations, negotiations, or other communications between the parties relating to the subject matter of this Agreement. This Agreement may be amended only in writing signed by authorized representatives of both parties. Customer understands and acknowledges that while Kronos may disclose to customers certain confidential information regarding general product development direction, potential future products and/or product enhancements under consideration, Customer is not entitled to any products or product enhancements other than those contained on the Order Form. Customer has not relied on the availability of any future version of the Software or Equipment identified on an Order Form, nor any other future product in executing this Agreement.
- (h) Use, duplication, or disclosure by the United States Government is subject to restrictions as set forth in subparagraph (c) (1) (ii) of the Rights in Technical Data and Computer Software clause at DFARS 252.227-7013, or subparagraph (c)(1)(2) of the Commercial Computer Software Restricted Rights clause at FAR 52.227-19, as applicable. Manufacturer/distributor is Kronos Incorporated, 297 Billerica Road, Chelmsford, MA.
- (i) The JBoss® Enterprise Middleware components embedded in the Software are subject to the End User License Agreement found at http://www.redhat.com/licenses/jboss_eula.html.
- (j) Customer may pay an invoice by credit card if the amount is not greater than \$50,000.00.
- (k) Kronos agrees to comply with any applicable federal, state and local laws and regulations.
- (l) Additionally, Kronos agrees to be liable for tangible property damage or personal injury to the extent caused by the negligence or willful misconduct of its employees.

SECTION B
TERMS AND CONDITIONS FOR SOFTWARE LICENSES, SOFTWARE AND EQUIPMENT SUPPORT SERVICES,
AND EDUCATIONAL AND PROFESSIONAL SERVICES

This Section B applies to Software licensed, Equipment purchased, support services for Software and Equipment, and educational and professional services, when such items are identified on the Order which expressly references this Agreement.

1. PAYMENT AND DELIVERY

Unless otherwise set forth in this Agreement, payment terms are indicated on the Order Form or other contemporaneous ordering document containing product-specific payment terms signed by the parties. Delivery terms are as stated on the Order Form ("Delivery"). Kronos will invoice Customer for products upon Delivery. Unless otherwise set forth on the Order Form, Professional and Educational Services are provided on a time and materials basis, invoiced monthly as rendered.

2. GENERAL LICENSE TERMS

Kronos owns or has the right to license the Software. The Software and Software documentation are confidential and may not be disclosed to a third party without Kronos' written consent. The Software contains proprietary trade secret technology. Unauthorized use and copying of such Software is prohibited by law, including United States and foreign copyright law. The price Customer pays for a copy of the Software constitutes a license fee that entitles Customer to use the Software as set forth below. Kronos grants to Customer a non-exclusive, nontransferable, perpetual (except as provided herein) license to use the Software. This license may be terminated by Kronos by written notice to Customer upon any material breach of this Agreement by Customer which remains uncured for a period of thirty (30) days after such written notice from Kronos. Upon such termination of this license by Kronos, Customer will have no further right to use the Software and will return the Software media to Kronos and destroy all copies of the Software (and related documentation) in Customer's possession or control. This license is subject to all of the terms of this Section B.

3. FEE BASED LIMITATIONS

Customer recognizes and agrees that the license to use the Software is limited, based upon the amount of the license fee paid by Customer. Limitations, which are set forth on the Order Form, may include the number of employees, simultaneous or active users, Software product modules, Software features, computer model and serial number and partition, and/or the number of telephone lines or terminals to which the Software is permitted to be connected. Customer agrees to: i) use the Software only for the number of employees, simultaneous or active users, computer model, partition and serial number, and/or terminals permitted by the applicable license fee; ii) use only the product modules and/or features permitted by the applicable license fees; and iii) use the Software only in support of Customer's own business. Customer agrees not to increase the number of employees, simultaneous or active users, partitions, terminals, products modules, features, or to upgrade the model, as applicable, unless and until Customer pays the applicable fee for such increase/upgrade. Customer may not relicense or sublicense the Software to, or otherwise permit use of the Software (including timesharing or networking use) by any third party. Customer may not provide service bureau or other data processing services that make use of the Software without the express prior written consent of Kronos.

4. OBJECT CODE ONLY

Customer may use the computer programs included in the Software (the "Programs") in object code form only, and shall not reverse compile, disassemble or otherwise convert the Programs into uncompiled or unassembled code. The Programs include components owned by third parties. Such third party components are deemed to be Software subject to this Section B. Customer shall not use any of the Programs (or the data models therein) except solely as part of and in connection with the Software and as described in the published documentation for such Software.

5. PERMITTED COPIES

Customer may copy the Programs as reasonably necessary to load and execute the Programs and for backup and disaster recovery and testing purposes only, except for additional copies of the Teletime Software and the Kronos iSeries (which must be licensed separately). All copies of the Programs or any part thereof, whether in printed or machine readable form and whether on storage media or otherwise, are subject to all the terms of this license, and all copies of the Programs or any part of the Programs shall include the copyright and proprietary rights notices contained in the Programs as delivered to the Customer.

6. UPDATES

In the event that Kronos supplies Service Packs, Point Releases and Major Releases (including legislative updates if available) of the Software (collectively referred to as "Updates"), such Updates shall be part of the Software and the provisions of this license shall apply to such Updates and to the Software as modified thereby.

7. ACCEPTANCE

For Customer's initial purchase of each Equipment and Software product Kronos shall provide an acceptance test period (the "Test Period") that commences upon Installation. Installation shall be defined as: a.) the Equipment, if any, is mounted; b.) the Software is installed on Customer's server(s); and c.) implementation team training, if any, is complete. During the Test Period, Customer shall determine whether the Equipment and Software meet the Kronos published electronic documentation, ("Specifications"). The Test Period shall be for 30 days. If Customer has not given Kronos a written deficiency statement specifying how the Equipment or Software fails to meet the Specifications ("Deficiency Statement") within the Test Period, the Equipment and Software shall be deemed accepted. If Customer provides a Deficiency Statement within the Test Period, Kronos shall have 30 days to correct the deficiency, and Customer shall have an additional 30 days to evaluate the Equipment and Software. If the Equipment or Software does not meet the Specifications at the end of the second 30 day period, either Customer or Kronos may terminate this Agreement. Upon any such termination, Customer shall return all Equipment and Software (and related documentation) to Kronos, and Kronos shall refund any monies paid by Customer to Kronos for the returned Equipment and Software. Neither party shall then have any further liability to the other for the products that were the subject of the Acceptance Test.

8. LIMITED WARRANTY

Kronos warrants that all Kronos Equipment and Software media shall be free from defects in materials and workmanship, for a period of ninety (90) days from Delivery. In the event of a breach of this warranty, Customer's remedy shall be Kronos' repair or replacement of the deficient Equipment and/or Software media, at Kronos' option, provided that Customer's use, installation and maintenance thereof have conformed to the Specifications. This warranty is extended to Customer only and shall not apply to any Equipment (or parts thereof) or Software media in the event of:

- (a) damage, defects or malfunctions resulting from misuse, accident, neglect, tampering, (including modification or replacement of any Kronos components on any boards supplied with the Equipment), unusual physical or electrical stress or causes other than normal and intended use;
- (b) failure of Customer to provide and maintain a suitable installation environment, as specified in the Specifications; or
- (c) malfunctions resulting from the use of badges or supplies not approved by Kronos.

When using and applying the information generated by Kronos products, Customer is responsible for ensuring that Customer complies with requirements of federal and state law where applicable. If Customer is licensing Workforce Payroll Software or Workforce Absence Management Software: (i) Customer is solely responsible for the content and accuracy of all reports and documents prepared in whole or in part by using such Software, (ii) using such Software does not release Customer of any professional obligation concerning the preparation and review of such reports and documents, (iii) Customer does not rely upon Kronos, Best Software, Inc. or such Software for any advice or guidance regarding compliance with federal (and state laws where applicable) or the appropriate tax treatment of items reflected on such reports or documents, and (iv) Customer will review any calculations made by using such Software and satisfy itself that those calculations are correct.

9. PROFESSIONAL AND EDUCATIONAL SERVICES

(a) ENGAGEMENTS

Unless otherwise indicated on the Order, Professional and Educational Services ("Professional Services") shall be provided on a time and material basis and described in a statement of work. If a dollar limit is stated in the Order Form or any associated statement of work ("SOW"), the limit shall be deemed an estimate for Customer's budgeting and Kronos' resource scheduling purposes. After the dollar limit is expended, Kronos will continue to provide Professional Services on a time and materials basis, if a Change Order or Schedule of Services for continuation of the Professional Services is signed by the parties.

(b) WARRANTY

Kronos warrants that all professional and educational services performed under this Agreement shall be performed in a professional and competent manner. In the event that Kronos breaches this warranty, and Customer so notifies Kronos within 30 days of receipt of invoice for the applicable services, the Customer's remedy and Kronos' liability shall be to re-perform the services which were deficient in a manner so as to conform to the foregoing warranty, at no additional cost to Customer.

(c) KRONOS PROFESSIONAL/EDUCATIONAL SERVICES POLICIES

Kronos' then-current Professional/Educational Services Policies shall apply to all Professional and/or Educational Services purchased under the applicable SOW and may be accessed at: <http://www.kronos.com/Support/ProfessionalServicesEngagementPolicies.htm> ("Professional Services Policies"). In the event of a conflict between the Professional Services Policies and this Agreement, the terms of this Agreement shall prevail.

10. SOFTWARE SUPPORT SERVICES

The following terms and conditions shall govern the Software support services provided by Kronos to Customer.

10.1 SUPPORT OPTIONS

Customer may select from the following Software support purchase options: Gold (or Gold Plus) and Platinum (or Platinum Plus) support ("Service Type"), each providing different service coverage periods and/or service offerings, as specified herein ("Service Offerings") and in the Kronos Support Service Policies (defined below). Customer must purchase the same Service Type for all of the Software specified on the Order Form, (however, if Customer is purchasing support services for Visionware Software, Customer may only purchase Gold Service Type for the Visionware Software). All Updates shall be provided via remote access.

10.2 TERM OF SOFTWARE SUPPORT

Unless otherwise indicated on the Order Form, support service shall commence on the Software Delivery date and shall continue for an initial term of one (1) year. Support service may be renewed for additional one (1) year terms on the anniversary date of its commencement date by mutual written agreement of the parties or by Kronos sending Customer an invoice for the applicable renewal term and Customer paying such invoice prior the commencement of such renewal term. After the one year initial term of this Agreement, the Service Offerings provided and the Service Coverage period are subject to change by Kronos with sixty (60) days advance written notice to Customer. For the initial two (2) renewal years the annual support fee, for the same products and service type, will not increase by more than 4% over the prior year's annual support fee.

10.3 GOLD SERVICE OFFERINGS

Customer shall be entitled to receive:

(i) Updates for the Software (not including any Software for which Kronos charges a separate license fee), provided that Customer's operating system and equipment meet minimum system configuration requirements, as reasonably determined by Kronos. If Customer requests Kronos to install such Updates or to provide retraining, Customer agrees to pay Kronos for such installation or retraining at Kronos' pricing set forth in this Agreement.

(ii) Telephone and/or electronic access to the Kronos Global Support Center for the logging of requests for service during the Service Coverage Period. The Service Coverage Period for the Gold Service Offering is 8:00 a.m. to 8:00 p.m., local time, Monday through Friday, excluding Kronos holidays.

(iii) Web-based support including access to Software documentation, FAQ's, access to Kronos knowledge base, Customer forums, and e-case management. Such offerings are subject to modification by Kronos. Current offerings can be found at <http://www.kronos.com/services/support-services.aspx> .

(iv) Web-based remote diagnostic technical assistance which may be utilized by Kronos to resolve Software functional problems and user problems during the Service Coverage Period.

(v) Access to specialized content as and when made available by Kronos such as technical advisories, learning quick tips, brown bag seminars, technical insider tips, SHRM e-Learning, HR Payroll Answerforce and service case studies.

10.4 PLATINUM AND PLUS SERVICE OFFERINGS:

Platinum: In addition to the Service Offerings specified for the Gold Service Offering above, the Service Coverage Period for the Platinum Service Offering is 24 hours a day, seven days a week, 365 days a year.

Plus option: In addition to the Service Offerings specified for the Gold Service Offering above, Customers purchasing the Plus option shall receive the services of a dedicated, but not exclusive, Kronos Technical Account Manager ("TAM") for one production instance of the Software. Customers purchasing the Gold-Plus option shall designate up to one primary and one secondary backup technical contacts ("Technical Contacts") to be the sole contacts with the TAM, while Customers purchasing the Platinum-Plus option shall designate up to two primary and three secondary backup Technical Contacts. Upon request, Customer may designate additional and/or backup Technical Contacts. Customer is required to place all primary Technical Contacts through Kronos product training for the Software covered under this Section B at Customer's expense.

Customers purchasing the Platinum-Plus option shall also receive a one day per year visit to be performed at the Customer location where the Software is installed. During this onsite visit, Kronos shall work with Customer to identify ways to help Customer increase functionality or maximize utilization of the Software in Customer's specific environment. Customer must be utilizing the then-current version of the Software.

10.5 PAYMENT

Customer shall pay annual support charges for the initial term in accordance with the payment terms on the Order Form and for any renewal term upon receipt of invoice. Customer shall pay additional support charges, if any, and time and material charges upon receipt of invoice

10.6 ADDITION OF SOFTWARE

Additional Software purchased by Customer as per the ordering procedure set out in the agreement during the initial or any renewal term shall be added to the Support Services at the same support option as the then current Software support coverage in place under these terms. Customer agrees to pay the charges for such addition as per the Order.

10.7 RESPONSIBILITIES OF CUSTOMER

Customer agrees (i) to provide Kronos personnel with full, free and safe access to Software for purposes of support, including use of Kronos' standard remote access technology, if required; (ii) to maintain and operate the Software in an environment and according to procedures which conform to the Specifications; and (iii) not to allow support of the Software by anyone other than Kronos without prior written authorization from Kronos. Failure to utilize Kronos' remote access technology may delay Kronos' response and/or resolution to Customer's reported Software problem. If Customer requires the use of a specific remote access technology not specified by Kronos, then Customer must purchase the Plus option to receive support and provide Kronos personnel with full, free and safe access to the remote access hardware and/or software.

10.8 DEFAULT

Customer shall have the right to terminate Kronos support services in the event that Kronos is in breach of the support services warranty set forth below and such breach is not cured within fifteen (15) days after written notice specifying the nature of the breach. In the event of such termination, Kronos shall refund to Customer on a pro-rata basis those pre-paid annual support fees associated with the unused portion of the support term. Kronos reserves the right to terminate or suspend support service in the event the Customer is in default under this Agreement with Kronos and such default is not corrected within fifteen (15) days after written notice. In addition, the support services will terminate and all charges due hereunder will become immediately due and payable in the event that Customer ceases to do business as a going concern or has its assets assigned by law.

10.9 WARRANTY

Kronos warrants that all support services shall be performed in a professional and competent manner.

11. EQUIPMENT SUPPORT SERVICES

The following terms and conditions shall govern the equipment support services provided by Kronos to Customer.

Kronos and Customer hereby agree that Kronos shall provide depot equipment repair support services ("Depot Support Services") for Customer's Kronos Equipment ("Product(s)") specified on an Order Form to and from locations within the United States and Puerto Rico pursuant to the following terms and conditions:

11.1 TERM

Equipment Support Services for the Product(s) have a term of one (1) year commencing upon the expiration of the applicable warranty period, as specified in this Section B . Equipment Support Services can be extended for additional one year terms on the anniversary of its commencement date ("Renewal Date") by mutual written agreement of the parties or by Kronos sending Customer an invoice for the applicable renewal term and Customer paying such invoice prior the commencement of such renewal term. For the initial two (2) renewal years the annual support fee, for the same products and service type, will not increase by more than 4% over the prior year's annual support fee to the extent consistent with the pricing set forth under the Agreement.

11.2 PAYMENT

Customer agrees to pay the Support Charges for the initial term as set forth on the Order Form for each Product listed. Customer agrees that all Products of the same type that are owned by the Customer, including without limitation Customer's "Spare Products" (as defined below), will be subject to this Agreement. Customer agrees that if Customer purchases, during the term of this Agreement, any Products of the same type as those specified on an Order Form, such additional Products shall be subject to this Agreement. Customer agrees to pay a prorated fee for such additional Products and agrees to pay the full annual fee for such additional Products, upon the renewal date. Kronos will invoice Customer for the annual Support Charges each year in advance of the Renewal Date. Customer will pay Kronos within thirty (30) days of receipt of invoice.

11.3 DEPOT SUPPORT SERVICE DESCRIPTION

Upon the failure of installed Equipment, Customer shall notify Kronos of such failure and Kronos will provide remote fault isolation at the FRU (Field Replacement Unit) or subassembly level and attempt to resolve the problem. Those failures determined by Kronos to be Equipment related shall be dispatched to a Kronos Depot Repair Center, and Customer will be provided with a Return Material Authorization Number (RMA) for the failed Equipment if Customer is to return the failed Equipment to Kronos, as reasonably determined by Kronos. Customer must return the failed Equipment with the supplied RMA number. Hours of operation, locations and other information related to Kronos' Depot Repair Centers are available upon request and can be found at <https://customer.kronos.com/contact/contact-phone.aspx> and are subject to change. Return and repair procedures for failed Equipment shall be provided based on the Depot option - Depot Exchange or Depot Repair - selected by Customer on the applicable Order Form and as specified herein and in Kronos' then-current Support Services Policies. Service packs for the Equipment (as described in subsection (b) below) are included in both Depot Exchange and Depot Repair Support Services.

(i) *Depot Exchange*: Kronos will provide a replacement for the failed Equipment at the FRU or subassembly level on an "advanced exchange" basis, utilizing a carrier of Kronos' choice. Replacement Equipment will be shipped the same day, for delivery to Customer's location as further described in the Support Policies. REPLACEMENT EQUIPMENT MAY BE NEW OR RECONDITIONED. Customer shall specify the address to which the Equipment is to be shipped. All shipments will include the Kronos provided RMA designating the applicable Kronos Depot Repair Center, as the recipient. Customer, upon receipt of the replacement Equipment from Kronos, shall package the defective Equipment in the materials provided by Kronos, with the RMA supplied and promptly return failed Equipment directly to Kronos.

(ii) *Depot Repair*: Upon failure of installed Equipment, Customer shall install a Spare Product to replace the failed Equipment. Customer shall then return the failed Equipment, with the required RMA, to the applicable Kronos Depot Repair Center. Customer shall make reasonable efforts to return the failed Equipment using the same or substantially similar packing materials in which the original Equipment was sent. Customer shall also specify the address to which the repaired Equipment should be return shipped. Upon receipt of the failed Equipment, Kronos shall repair the failed Equipment and ship it, within ten (10) business days after receipt, to Customer. Kronos shall ship the repaired Equipment by regular surface transportation to Customer.

Kronos warrants that all repairs performed under the Agreement shall be performed in a professional and competent manner. In the event of a breach of this warranty, the exclusive remedy of Customer and sole liability of Kronos shall be replacement of the repaired Equipment.

11.4 EQUIPMENT SERVICE PACK SUPPORT SERVICE DESCRIPTION

If Customer purchase the Equipment service packs support, Kronos manufactured terminals specified on an Order, Customer shall be entitled to receive:

- (i) Service packs for the Equipment (which may contain system software updates, firmware updates, security updates, and feature enhancements) available for download at Kronos' customer portal; and
- (ii) Access to the Kronos Support Services Center for the logging of requests for assistance downloading service packs for the Equipment.

Service packs for the Equipment are not installed by the Kronos Depot Repair Center but are available for download at Kronos' customer portal, provided Customer is maintaining the Equipment under an annual Equipment Support Services plan with Kronos.

Kronos warrants that all service packs and firmware updates provided under this Agreement shall materially perform in accordance with the Kronos published specifications for a period of ninety (90) days after download by Customer. In the event of a breach of this warranty, Customer's exclusive remedy shall be Kronos' repair or replacement of the deficient service pack(s) or firmware update(s), at Kronos' option, provided that Customer's use, installation and maintenance thereof have conformed to the specifications.

11.5 RESPONSIBILITIES OF CUSTOMER

Customer agrees that it shall return failed Products promptly as the failures occur and that it shall not hold failed Products and send failed Product to Kronos in "batches" which shall result in a longer turnaround time and surcharge to Customer. In addition, Customer agrees to:

- (a) Maintain the Products in an environment conforming to Kronos' published specifications for such Products;
- (b) De-install all failed Products and install all replacement Products in accordance with Kronos' published installation guidelines;
- (c) Ensure that the Product(s) are returned to Kronos properly packaged; and
- (d) Obtain an RMA before returning any Product to Kronos and place the RMA clearly and conspicuously on the outside of the shipping package. Customer may only return the specific Product authorized by Kronos when issuing the RMA.

11.6 SUPPORT EXCLUSIONS

Depot Support Service does not include the replacement of "consumables". In addition, Depot Support Service does not include the repair of damages, and Customer will not attempt to return damaged Product, resulting from:

- (a) Any cause external to the Products including, but not limited to, electrical work, fire, flood, water, wind, lightning, transportation, or any act of God;
- (b) Customer's failure to continually provide a suitable installation environment (as indicated in Kronos' published installation guidelines) including, but not limited to, adequate electrical power;
- (c) Customer's improper use, relocation, packaging, refinishing, management or supervision of the Product(s) or other failure to use Products in accordance with Kronos' published specifications;
- (d) Customer's use of the Products for purposes other than those for which they are designed or the use of accessories or supplies not approved by Kronos;
- (e) Government imposed sanctions, rules, regulations or laws preventing the shipment of the Products; or
- (f) Customer's repair, attempted repair or modification of the Products.

Professional services provided by Kronos in connection with the installation of any Software or firmware upgrades, if available, and if requested by Customer, are not covered by Depot Support Services. Firmware (including equipment service packs) which may be available to resolve a Product issue is not installed by the Kronos Depot Repair Center but is available for download at Kronos' customer web site provided Customer is maintaining the Product under an annual Depot Support Services plan with Kronos.

11.7 WARRANTY

(a) Depot Repair and Exchange warranty: Kronos warrants that all repairs performed under this Section B shall be performed in a professional and competent manner.

(b) Services Pack support Warranty: Kronos warrants that all service packs and firmware updates provided under this Section B shall materially perform in accordance with the Kronos published specifications for a period of ninety (90) days after download by Customer. In the event of a breach of this warranty, Customer's remedy shall be Kronos' repair or replacement of the deficient service pack(s) or firmware update(s), at Kronos' option, provided that Customer's use, installation and maintenance thereof have conformed to the specifications.

11.8 LIMITATION OF REMEDIES

To the extent permitted by law, the remedy of Customer and liability of Kronos shall be replacement of the repaired Product.

12. KRONOS SUPPORT SERVICE POLICIES

Kronos' then-current Support Services Policies shall apply to all Support Services purchased and may be accessed at: <http://www.kronos.com/Support/SupportServicesPolicies.htm> ("Support Policies"). In the event of a conflict between the Support Policies and this Agreement, the terms of this Agreement shall prevail.

13. FIRMWARE

Customer may not download firmware updates for the Kronos Equipment unless Customer is maintaining such Equipment under a support plan with Kronos. If Customer is not maintaining the Equipment under a support plan with Kronos, Kronos shall have the right to verify Customer's Kronos Equipment to determine if Customer has downloaded any firmware to which Customer is not entitled.

14. TRAINING POINTS

Training Points which are purchased by Customer may be redeemed for an equivalent value of instructor-led training sessions offered by Kronos. Available instructor-led sessions are listed at <http://customer.kronos.com> and each session has the Training Points value indicated. Training Points are invoiced when used by the Customer. Points may be redeemed at any time within 12 months of the date of the applicable Order Form, at which time they shall expire. Training Points may not be exchanged for other Kronos products and/or services.

15. KNOWLEDGEPASS EDUCATION SUBSCRIPTION:

The parties hereby agree that the following terms shall apply to Customer's purchase of the Kronos KnowledgePass Education Subscription only, if specified on the Order Form:

Scope: The KnowledgePass Education Subscription is available to customers who are licensing Kronos' Workforce Central and iSeries Timekeeper Software products and who are maintaining such products under a support plan with Kronos. The KnowledgePass Education Subscription provides access via the internet to certain educational offerings provided by Kronos (the "KnowledgePass Content"), including:

- Product and upgrade information for project teams and end users
- Hands-on interactive instruction on common tasks
- Self-paced tutorials covering a range of topics
- Job aids
- Knowledge assessment and reporting tools to measure progress
- Webinars

Term of Subscription: The annual KnowledgePass Education Subscription shall run co-terminously with Customer's Software Support, and shall renew for additional one (1) year terms provided Customer renews its KnowledgePass Education Subscription as provided below.

Payment: Customer shall pay the annual subscription charge for the initial term of the KnowledgePass Education Subscription in accordance with the payment terms on the Order Form. Kronos will send Customer a renewal invoice for renewal of the KnowledgePass Education Subscription at least forty five (45) days prior to expiration of the then current term. KnowledgePass Education Subscription shall renew for an additional one (1) year term if Customer pays such invoice before the end of the initial term or any renewal term.

The KnowledgePass Subscription is available when the Customer subscribe on annual basis.

Limitations: Customer recognizes and agrees that the KnowledgePass Content is copyrighted by Kronos. Customer is permitted to make copies of the KnowledgePass Content provided in *pdf form solely for Customer's internal use and may not disclose such KnowledgePass Content to any third party other than Customer's employees. Customer may not edit, modify, revise, amend, change, alter, customize or vary the KnowledgePass Content without the written consent of Kronos, provided that Customer may download and modify contents of Training Kits solely for Customer's internal use.

Train-the-Trainer Program (TTT): Certification under the Train-the-Trainer Program is valid only for the point release of the Software for which the TTT Program is taken, and covers only the Customer employee who completes the TTT Program.

16. INDEMNIFICATION

Kronos agrees to indemnify Customer and to hold it harmless from and against any and all claims, costs, fees and expenses (including reasonable legal fees) relating to actual or alleged infringement of United States or Canadian patents or copyrights asserted against Customer

by virtue of Customer's use of the Software as delivered and maintained by Kronos, provided that: i) Kronos is given prompt written notice of any such claim and has sole control over the investigation, preparation, defense and settlement of such claim; and, ii) Customer reasonably cooperates with Kronos in connection with the foregoing and provides Kronos with all information in Customer's possession related to such claim and any further assistance as reasonably requested by Kronos. Kronos will have no obligation to indemnify Customer to the extent any such claim is based on the use of the Software with software or equipment not supplied by Kronos. Should any or all of the Software as delivered and maintained by Kronos become, or in Kronos' reasonable opinion be likely to become, the subject of any such claim, Kronos may at its option: i) procure for Customer the right to continue to use the affected Software as contemplated hereunder; ii) replace or modify the affected Software to make its use non-infringing; or iii) should such options not be available at reasonable expense, terminate this Agreement with respect to the affected Software upon thirty (30) days prior written notice to Customer. In such event of termination, Customer shall be entitled to a pro-rata refund of all fees paid to Kronos for the affected Software, which refund shall be calculated using a five year straight-line depreciation commencing with the date of the relevant Order. Additionally, Kronos agrees to be liable for tangible property damage or personal injury to the extent caused by the negligence or willful misconduct of its employees.

17. LIMITATION OF LIABILITY

CUSTOMER'S EXCLUSIVE REMEDIES AND KRONOS' SOLE LIABILITY FOR ANY KRONOS BREACH OF THIS AGREEMENT ARE EXPRESSLY STATED HEREIN. EXCEPT AS PROVIDED IN THIS AGREEMENT, ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE EXCLUDED.

EXCEPT FOR i) KRONOS' INDEMNIFICATION OBLIGATIONS SET FORTH IN ARTICLE 16 ABOVE; (II) CUSTOMER'S CLAIMS FOR TANGIBLE PROPERTY DAMAGE OR PERSONAL INJURY TO THE EXTENT CAUSED BY THE NEGLIGENCE OR WILLFUL MISCONDUCT OF THE OTHER PARTY'S EMPLOYEES, IN NO EVENT SHALL KRONOS' OR ITS PARENTS', SUBSIDIARIES', AFFILIATES', OR THIRD PARTY LICENSOR'S LIABILITY TO A CUSTOMER, HOWSOEVER CAUSED, EXCEED THE VALUE OF THE ORDER WHICH GIVES RISE TO THE CLAIM, AND IN NO EVENT WILL KRONOS OR ITS PARENTS, SUBSIDIARIES AFFILIATES OR THIRD PARTY LICENSORS BE LIABLE FOR LOST PROFITS, LOST DATA OR ANY OTHER INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF THIS AGREEMENT WHETHER SUCH CLAIM IS BASED ON WARRANTY, CONTRACT, TORT OR THE EXISTENCE, FURNISHING, FUNCTIONING OR CUSTOMER'S SPECIFIC USE OF, OR INABILITY TO SO USE, ANY EQUIPMENT, SOFTWARE OR SERVICES PROVIDED FOR IN THIS AGREEMENT.

18. TERMINATION OF ORDER FORM OR SOW

(a) Termination for breach. For any breach of this Agreement by Kronos in relation with that Customer which cannot be cured by repair, replacement or re-performance, Customer shall have the right to terminate this the Order Form or applicable SOW upon thirty (30) days prior written notice to Kronos, provided Kronos has not cured such breach during such thirty (30) day period. Upon such termination, Customer shall be entitled to pursue its remedies at law or in equity subject to the terms of this Agreement.

(b) Termination for non-appropriation of funds. Should the funding for the services ordered by Customer be discontinued, Customer shall have the right to terminate the Order Form relating to such services ordered upon a 30 days written advance notice to Kronos. In such event, the Customer agrees to pay for the products delivered and the services performed under the terms of the Agreement prior to the receipt by Kronos of the termination notice.

**SECTION C
CLOUD APPLICATION HOSTING
SUPPLEMENTAL TERMS AND CONDITIONS**

These terms and conditions apply to the cloud services which are identified in the Pricing as the Cloud 2 in the Pricelist Name.

These Application Hosting Supplemental Terms and Conditions are applicable for hosting services ordered by Customer for Kronos Software licensed under Section B of this Agreement.

1. DEFINITIONS

“Application(s)” means those Kronos software applications set forth in the Cloud Hosting SSS which are made accessible for Customer to use under the terms of this Addendum.

“Application Hosting Program” or “Program” means (i) accessibility to the Applications, by means of access to the password protected customer area of the Kronos hosting environment, and (ii) all Hosting Related Services.

“Content” means all content Customer, or others acting on behalf of or through Customer, posts or otherwise inputs into the Program, including but not limited to information, data (such as payroll data, vacation time, and hours worked), designs, know-how, logos, text, multimedia images (e.g. graphics, audio and video files), compilations, software programs, third party software, applications, or other materials, or any other Customer content shared or processed on equipment under the control of Kronos.

“Hosting Related Services” means certain services set forth in a Services Scope Statement (SSS) containing hosted related services (the **“Cloud Hosting SSS”**), such as hosting infrastructure, equipment, bandwidth, server monitoring, backup services, reporting services, storage area network (SAN) services, load balancing services, security services, system administration, connectivity services, performance tuning, service pack installation and all professional and/or Cloud Services and maintenance services related to hosting.

“Initial Term” means the initial term of the Program as set forth in the applicable Cloud Hosting SSS.

“Internal Use” means the use of the Program: (i) by Customer’s personnel solely for Customer’s internal business purposes and (ii) by any authorized employee, agent or contractor of Customer to process information relating to Customer’s employees assigned to, or potential employees of, Customer’s authorized business unit(s), solely for the internal business purposes of such business unit(s).

“Monthly Service Fee(s)” means the monthly fees described in the Cloud Hosting SSS and set forth on the applicable Order Form..

“Order Form” means the order request form supplied by Kronos and signed by the Parties that lists the fees for the elements of Customer’s particular Program.

“Personally Identifiable Data” means information concerning individually identifiable employees of Customer that is protected against disclosure under applicable law or regulation.

“Production Environment” means a permanent environment established for the daily use and maintenance of the Applications in a live environment throughout the term of a Program.

“Service Description” means the detailed service description (including any supplementary service terms) specified in the Cloud Hosting SSS which sets forth the specific Program to be provided to the Customer.

“SLA(s)” means a service level agreement offered by Kronos for the Production Environment and attached to this Section C as **Exhibit A** which contains key service level standards and commitments that apply to the Program as detailed in the Service Description.

“SLA Credit” means the credit calculated in accordance with the SLA and offered by Kronos in the event of outages, interruptions or deficiencies in the delivery of the Program that result in a failure to meet the terms of the applicable SLA.

“Supplier” means any contractor, subcontractor or licensor of Kronos providing software, equipment and/or services to Kronos which are incorporated into or otherwise related to the Program.

“Temporary Environment” means a transient database environment created to serve limited purposes for a limited time period, and identified in the applicable Cloud Hosting SSS as a Temporary Environment.

2. CLOUD HOSTING SERVICES SCOPE STATEMENT

The description of the particular Program ordered by the Customer, the Program term, the Monthly Service Fee rates, and other fees, if any, applicable to the Program are described in the applicable Cloud Hosting SSS and Order Form. Kronos will not change the Monthly Service Fee rates it charges for Customer’s existing Program, or the SLA, during the Initial Term. Kronos may change such Monthly Service Fee rates or the associated SLA for a renewal term of the particular Program by notifying Customer at least sixty (60) days prior to the expiration of the then current term. SLAs are only available in a Production Environment. Unless the Cloud Hosting SSS indicates that the Program is to be implemented in a Temporary Environment, the Program will be deemed to be implemented in a Production Environment.

3. AUTHORIZED USE

Customer shall take all reasonable steps to ensure that no unauthorized persons have access to the Program, and to ensure that no persons authorized to have such access shall take any action that would be in violation of this Section C.

4. MAINTENANCE ACCESS

If Kronos, its Suppliers, or the local access provider, as applicable, requires access to Customer sites in order to maintain or repair the Program, Customer shall cooperate in a timely manner and reasonably provide such access and assistance as necessary. As part of Kronos' support services, Kronos will make updates to the Applications available to Customer at no charge as they are released generally to Kronos' customers. Customer agrees to receive those updates automatically as part of the Program. Customer may be required to purchase additional Hosting Related Services to address infrastructure requirements as released by Kronos for a new version of a particular Application.

5. CUSTOMER REPRESENTATIONS AND WARRANTIES; CUSTOMER OBLIGATIONS

5.1 Customer represents and warrants to Kronos that it has the right to publish and disclose Customer's Content in the Program.

5.2 Customer represents and warrants to Kronos that Customer's Content will not: (a) infringe or violate any third-party right, including (but not limited to) intellectual property, privacy, or publicity rights; (b) be abusive, profane, or offensive to a reasonable person; or (c) be hateful or threatening.

5.3 Customer will, at its own cost and expense, provide all end user equipment, operating systems, and software (including a web browser) not provided by Kronos and needed to access and use the Program. Customer will also provide, at its own cost and expense, all connections from its computer systems to the Program, which shall include all related costs associated with Customer accessing the Program, unless such connectivity services are purchased from Kronos as indicated on the Cloud Hosting SSS and Order Form.

5.4 Customer shall not, and shall not permit any person or entity under Customer's direct or indirect control to: (a) recirculate, republish, distribute or otherwise provide access to the Program to any third party; (b) use the Program on a service bureau, time sharing or any similar basis, or for the benefit of any other person or entity; (c) alter, enhance or make derivative works of the Program; (d) reverse engineer, reverse assemble or decompile, or otherwise attempt to derive source code from, the Program or any software components of the Program; (e) use, or allow the use of, the Program in contravention of any applicable law, or rules or regulations of regulatory or administrative organizations; (f) introduce into the Program any virus or other code or routine intended to disrupt or damage the Program, alter, damage, delete, retrieve or record information about the Program or its users; or, (g) otherwise act in a fraudulent, malicious or negligent manner when using the Program.

6. CONNECTIVITY AND ACCESS

6.1 Customer acknowledges that Customer shall (a) be responsible for securing, paying for, and maintaining connectivity to the Services (including any and all related hardware, software, third party services and related equipment and components); and (b) provide Kronos and Kronos' representatives with such physical or remote access to Customer's computer and network environment as Kronos deems reasonably necessary in order for Kronos to perform its obligations under the Agreement. Customer will make all necessary arrangements as may be required to provide access to Customer's computer and network environment if necessary for Kronos to perform its obligations under the Agreement. Customer agrees that Kronos may audit Customer's use of the Services.

7. FEES AND PAYMENT TERMS

7.1 In consideration of the delivery of the Program, Customer shall pay Kronos the Monthly Services Fee as defined in the applicable Order Form. The Monthly Services Fee shall begin to accrue on the date the Order Form and SSS are signed by the parties, and shall be invoiced annually in advance.

7.2 All fees payable hereunder shall be paid in United States Dollars and sent to the attention of Kronos as specified on the invoice. Payment terms shall be net 30 days following receipt of invoice.

7.3 SLA Credits, if any, which are due and owing to a Customer under an SLA for a particular month of the Program shall be paid by Kronos in the month following the month in which the SLA Credits were earned.

8. SERVICE LEVEL AGREEMENT

CUSTOMER'S SOLE AND EXCLUSIVE REMEDY IN THE EVENT OF ANY SERVICE OUTAGE, INTERRUPTION OR DEFICIENCY OF SERVICE(S) OR FAILURE BY KRONOS TO MEET THE TERMS OF AN APPLICABLE SLA, SHALL BE THE REMEDIES PROVIDED IN THE SLA; PROVIDED THAT ANY REMEDIES OR CREDITS CONTAINED IN THE SLA ARE NOT AVAILABLE FOR OUTAGES, INTERRUPTIONS OR DEFICIENCIES OCCURRING DURING ANY PERIOD IN WHICH CUSTOMER IS IN BREACH OF THIS ADDENDUM OR THE LICENSE AGREEMENT. KRONOS DISCLAIMS ANY AND ALL OTHER LIABILITIES OR REMEDIES FOR SUCH OUTAGES, INTERRUPTIONS OR DEFICIENCIES OF SERVICES.

9. LIMITATION OF LIABILITY

IN ADDITION TO THE LIMITATIONS SET FORTH IN THE LICENSE AGREEMENT, EXCEPT WITH RESPECT TO LIABILITY ARISING FROM KRONOS' GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, KRONOS DISCLAIMS ANY AND ALL LIABILITY AND SERVICE CREDITS, INCLUDING SUCH LIABILITY RELATED TO A BREACH OF SECURITY OR DISCLOSURE, RESULTING FROM ANY EXTERNALLY INTRODUCED HARMFUL PROGRAM (INCLUDING VIRUSES, TROJAN HORSES, AND WORMS), CUSTOMER'S CONTENT OR APPLICATIONS, THIRD PARTY UNAUTHORIZED ACCESS OF EQUIPMENT OR SOFTWARE OR SYSTEMS, OR MACHINE ERROR.

10. DATA SECURITY

10.1 As part of the Program, Kronos shall provide those administrative, physical, and technical safeguards for protection of the security, confidentiality and integrity of Customer data as described at: <http://www.kronos.com/products/smb-solutions/workforce-central-saas/security-description.aspx>. Customer acknowledges that such safeguards endeavor to mitigate security incidents, but such incidents may not be mitigated entirely or rendered harmless. Customer should consider any particular Kronos supplied security-related safeguard as just one tool to be used as part of Customer's overall security strategy and not a guarantee of security. Both parties agree to comply with all applicable privacy or data protection statutes, rules, or regulations governing the respective activities of the parties under the Agreement.

10.2 As between Customer and Kronos, all Personally Identifiable Data is Customer's Confidential Information and will remain the property of Customer. Customer represents that to the best of Customer's knowledge such Personally Identifiable Data supplied to Kronos is accurate. Customer hereby consents to the use, processing or disclosure of Personally Identifiable Data by Kronos and Kronos' Suppliers wherever located only for the purposes described herein and only to the extent such use or processing is necessary for Kronos to carry out Kronos' duties and responsibilities under this Agreement or as required by law.

10.3 Prior to initiation of the Program and on an ongoing basis thereafter, Customer agrees to provide notice to Kronos of any extraordinary privacy or data protection statutes, rules, or regulations which are or become applicable to Customer's industry and which could be imposed on Kronos as a result of provision of the Program. Customer will ensure that: (a) the transfer to Kronos and storage of any Personally Identifiable Data by Kronos or Kronos' data center is permitted under applicable data protection laws and regulations; and (b) Customer will obtain consents from individuals for such transfer and storage to the extent required under applicable laws and regulations.

11. TERM AND TERMINATION

11.1 At the expiration of the Initial Term, the applicable Program shall automatically renew for successive one year periods unless either party provides notice of its intent not to renew at least sixty (60) days prior to the expiration of the then-current term. Kronos may suspend or terminate the Program upon notice in the event of any breach by Customer of this Section C if such breach is not cured within ten (10) days of the date of Kronos' written notice. No Program interruption shall be deemed to have occurred during, and no Program credits shall be owed for, any authorized suspension of the Program.

11.2 Customer may terminate the Program by written notice at any time during the term of the Addendum if Kronos materially breaches any provision of this Addendum, and such default is not cured within thirty (30) days after receipt of written notice from Customer. In the event of such termination by Customer, Customer shall pay Kronos within thirty (30) days all fees then due and owing for the Program prior to the date of termination.

11.3 Customer may terminate the Program for convenience on no less than ninety (90) days prior written notice to Kronos.

11.4 In the event of termination of the Program by Customer for convenience or by Kronos for cause during the Initial Term, Customer will pay to Kronos any out of pocket expenses incurred by Kronos in terminating the Program plus an early termination fee based on the following calculation: one (1) month of the then-current Monthly Services Fees for every twelve (12) month period (or portion thereof) remaining in the Initial Term. By way of example only, if Customer terminates the Program for convenience with fifteen (15) months remaining in the Initial Term, Customer will be responsible to pay Kronos two (2) months of the applicable Monthly Services Fees.

EXHIBIT A

SERVICE LEVEL AGREEMENT (SLA)

Service Level Agreement: The Services, in a production environment and as described in the Statement of Work (aka Services Scope Statement), are provided with the service levels described in this Exhibit A. SLAs are only applicable to production environments. SLAs will be available upon Customer's signature of Kronos' Go Live Acceptance Form for Customer's production environment.

99.75% Application Availability

Actual Application Availability % = (Monthly Minutes (MM) minus Total Minutes Not Available (TM)) multiplied by 100) and divided by Monthly Minutes (MM), but not including Excluded Events

Service Credit Calculation: An Outage will be deemed to commence when the Applications are unavailable to Customer in Customer's production environment hosted by Kronos and end when Kronos has restored availability of the Services. Failure to meet the 99.75% Application Availability SLA, other than for reasons due to an Excluded Event, will entitle Customer to a credit as follows:

Table with 2 columns: Actual Application Availability % (as measured in a calendar month) and Service Credit to be applied to Customer's monthly invoice for the affected month. Rows show ranges from <99.75% to 98.75% (10%) down to <96.75 (50%).

"Outage" means the accumulated time, measured in minutes, during which Customer is unable to access the Applications for reasons other than an Excluded Event.

"Excluded Event" means any event that results in an Outage and is caused by (a) the acts or omissions of Customer, its employees, customers, contractors or agents; (b) the failure or malfunction of equipment, applications or systems not owned or controlled by Kronos, including without limitation Customer Content, failures or malfunctions resulting from circuits provided by Customer, any inconsistencies or changes in Customer's source environment, including either intentional or accidental connections or disconnections to the environment; (c) Force Majeure events; (d) scheduled or emergency maintenance, alteration or implementation provided during the Maintenance Period defined below; (e) any suspension of the Services in accordance with the terms of the Agreement to which this Exhibit A is attached; (f) the unavailability of required Customer personnel, including as a result of failure to provide Kronos with accurate, current contact information; or (g) using an Application in a manner inconsistent with the product documentation for such Application.

"Maintenance Period" means scheduled maintenance periods established by Kronos to maintain and update the Services, when necessary. During these Maintenance Periods, the Services are available to Kronos to perform periodic maintenance services, which include vital software updates. Kronos will use its commercially reasonable efforts during the Maintenance Period to make the Services available to Customer; however, some changes will require downtime. Kronos will provide notice for planned downtime via an email notice to the primary Customer contact at least one day in advance of any known downtime so planning can be facilitated by Customer.

Currently scheduled Maintenance Periods for the Services are:

- Monday through Friday 04:00 am – 06:00 am (U.S. eastern time)
Saturday and Sunday 12:00 am – 06:00 am (U.S. eastern time)

Maintenance Periods include those maintenance periods mutually agreed upon by Customer and Kronos.

"Monthly Minutes (MM)" means the total time, measured in minutes, of a calendar month commencing at 12:00 am of the first day of such calendar month and ending at 11:59 pm of the last day of such calendar month.

"Total Minutes Not Available (TM)" means the total number of minutes during the calendar month that the Services are unavailable as the result of an Outage.

Limitations: Service Credits will not be provided if: (a) Customer is in breach or default under the Agreement at the time the Outage occurred; or (b) the Outage results from an Excluded Event. If Kronos does not provide the appropriate Service Credit as due hereunder, Customer must request the Service Credit within sixty (60) calendar days of the conclusion of the month in which the Service Credit accrues. Customer waives any right to Service Credits not requested within this time period. All performance calculations and applicable Service Credits are based on Kronos records and data unless Customer can provide Kronos with clear and convincing evidence to the contrary.

The Service Level Agreements in this Exhibit, and the related Service Credits, apply on a per production environment basis. For the avoidance of doubt, Outages in one production environment may not be added to Outages in any other production environment for purposes of calculating Service Credits.

Customer acknowledges that Kronos manages its network traffic in part on the basis of Customer's utilization of the Services and that changes in such utilization may impact Kronos' ability to manage network traffic. Therefore, notwithstanding anything else to the contrary, if Customer significantly changes its utilization of the Services than what is contracted with Kronos and such change creates a material and adverse

impact on the traffic balance of the Kronos network, as reasonably determined by Kronos, the parties agree to co-operate, in good faith, to resolve the issue.

**SECTION C.1:
APPLICATION HOSTING TERMS AND CONDITIONS**

**This Section applies only for transactions that involve Kronos hosting for Software licensed under Section B in relation with hosting pricing referred to as CLOUD
This attachment does not apply to CLOUD 2 items.**

APPLICATION HOSTING SUPPLEMENTAL TERMS AND CONDITIONS

These Application Hosting Supplemental Terms and Conditions are applicable for hosting services ordered by Customer for Kronos Software licensed under Section B of this Agreement using the pricing set up on November 21, 2013.

1. DEFINITIONS

“Application Hosting Program” or “Program” means (i) accessibility to the commercially available object code version of the Kronos hosted applications, as set forth in the Cloud Services SOW, by means of access to the password protected customer area of the Kronos hosting environment, and (ii) all Hosting Related Services.

“Content” means all content Customer, or others acting on behalf of or through Customer, posts or otherwise inputs into the Program, including but not limited to information, data (such as payroll data, vacation time, and hours worked), designs, know-how, logos, text, multimedia images (e.g. graphics, audio and video files), compilations, software programs, third party software, applications, or other materials, or any other Customer content shared or processed on equipment under the control of Kronos or a Supplier.

“Hosting Related Services” means certain services set forth in a statement of work containing hosted related services (the **“Cloud Services SOW”**), such as hosting infrastructure, equipment, bandwidth, server monitoring, backup services, reporting services, storage area network (SAN) services, load balancing services, security services, system administration, connectivity services, performance tuning, service pack installation and all professional and/or Cloud Services and maintenance services related to hosting.

“Initial Term” means the initial term for which Kronos shall provide the Program to Customer and as set forth in the applicable Cloud Services SOW executed by Customer.

“Internal Use” means the use of the Program: (i) by Customer’s personnel solely for Customer’s internal business purposes and (ii) by any authorized employee, agent or contractor of Customer to process information relating to Customer’s employees assigned to, or potential employees of, Customer’s authorized business unit(s), solely for the internal business purposes of such business unit(s).

“Monthly Service Fee(s)” means the monthly fees described in the Cloud Services SOW and set forth on the applicable Order Form, which shall include all Hosting Related Services fees.

“Order Form” means the order request form supplied by Kronos and signed by the Parties that lists the Startup Fees and Monthly Service Fees for the elements of Customer’s particular Program.

“Personally Identifiable Data” means information concerning individually identifiable employees of Customer that is protected against disclosure under applicable law or regulation.

“Production Environment” means a permanent environment established for the daily use and maintenance of the Application in a live environment throughout the term of a Program.

“Services Commencement Date” shall, except as otherwise provided in writing in a Cloud Services SOW or Order Form signed by the parties, mean the earlier of (a) the date the Software is transferred to the hosted environment, as mutually agreed by the parties in writing or (b) 90 days after the Effective Date. Notwithstanding the foregoing, the Services Commencement Date for software hosted in a Temporary Environment shall commence seven (7) days after the Effective Date.

“Service Description” means the detailed service description (including any supplementary service terms) specified in the Cloud Services SOW which sets forth the specific Program to be provided to the Customer.

“SLA(s)” means a service level agreement offered by Kronos for the Production Environment and attached to this Section C.1 as **Exhibit A.1** which contains key service maintenance standards and commitments that apply to the Program as detailed in the Service Description.

“SLA Credit” means the credit calculated in accordance with the SLA and offered by Kronos in the event of outages, interruptions or deficiencies in the delivery of the Program that result in a failure to meet the terms of the applicable SLA.

“Supplier” means any contractor, subcontractor or licensor of Kronos providing software, equipment and/or services to Kronos which are incorporated into or otherwise related to the Program.

“Temporary Environment” means a transient database environment created to serve limited purposes for a limited time period, and identified in the applicable Cloud Services SOW as a Temporary Environment.

“Startup Fees” means the one time, customer-specific startup fee as indicated on the Order Form that will be charged to Customer to enable access to the Program.

2. CLOUD SERVICES STATEMENT OF WORK

The description of the particular Program ordered by the Customer, the Program term, the Monthly Service Fee rates, the Startup Fees and other fees, if any, applicable to the Program are described in the applicable Cloud Services SOW and Order Form. Kronos will not change the Monthly Service Fee rates it charges for Customer's existing Program, or the SLA, during the Initial Term. Kronos may change such Monthly Service Fee rates or the associated SLA for a renewal term of the particular Program by notifying Customer at least sixty (60) days prior to the expiration of the then current term. SLAs are only available in a Production Environment. Unless the Cloud Services SOW indicates that the Program is to be implemented in a Temporary Environment, the Program will be deemed to be implemented in a Production Environment.

3. Authorized Use

Customer shall take all reasonable steps to ensure that no unauthorized persons have access to the Program, and to ensure that no persons authorized to have such access shall take any action that would be in violation of this section C.1.

4. MAINTENANCE ACCESS

If Kronos, its Suppliers, or the local access provider, as applicable, requires access to Customer sites in order to maintain or repair the Program, Customer shall cooperate in a timely manner and reasonably provide such access and assistance as necessary.

Customer representations and warranties; Customer obligations

5.1 Customer represents and warrants to Kronos that it has the right to publish and disclose Customer's Content in the Program.

5.2 Customer represents and warrants to Kronos that Customer's Content will not: (a) infringe or violate any third-party right, including (but not limited to) intellectual property, privacy, or publicity rights; (b) be abusive, profane, or offensive to a reasonable person; or (c) be hateful or threatening.

5.3 Customer will, at its own cost and expense, provide all end user equipment, operating systems, and software (including a web browser) not provided by Kronos and needed to access and use the Program in accordance with the technical requirements set forth in the Cloud Services SOW. Customer will also provide, at its own cost and expense, all connections from its computer systems to the Program, which shall include all related costs associated with Customer accessing the Program, unless such connectivity services are purchased from Kronos as indicated on the Cloud Services SOW and Order Form.

5.4 Customer shall not, and shall not permit any person or entity under Customer's direct or indirect control to: (a) recirculate, republish, distribute or otherwise provide access to the Program to any third party; (b) use the Program on a service bureau, time sharing or any similar basis, or for the benefit of any other person or entity; (c) alter, enhance or make derivative works of the Program; (d) reverse engineer, reverse assemble or decompile, or otherwise attempt to derive source code from, the Program or any software components of the Program; (e) use, or allow the use of, the Program in contravention of any federal, state, local, foreign or other applicable law, or rules or regulations of regulatory or administrative organizations; (f) introduce into the Program any virus or other code or routine intended to disrupt or damage the Program, alter, damage, delete, retrieve or record information about the Program or its users; or, (g) otherwise act in a fraudulent, malicious or negligent manner when using the Program.

6. INTERNET ACCESS

6.1 If Customer uses open internet connectivity or Customer-supplied VPN internet connections to access the Program, Customer acknowledges that the performance and throughput of the internet connection cannot be guaranteed by Kronos, and variable connection performance may result in application response variations.

6.2 Customer hereby acknowledges that the internet is not owned, operated, managed by, or in any way affiliated with Kronos, its Suppliers or any of its affiliates, and that it is a separate network of computers independent of Kronos. Access to the internet is dependent on numerous factors, technologies and systems, many of which are beyond Kronos' authority and control. Customer acknowledges that Kronos cannot guarantee that the internet access services chosen by Customer will meet the level of up-time or the level of response time that Customer may need. Customer agrees that its use of the internet access services and the internet is solely at its own risk, except as specifically provided in this Section C.1, and is subject to all applicable local, state, national and international laws and regulations.

7. Fees and payment terms

7.1 In consideration of the delivery of the Program, Customer shall pay Kronos the Monthly Services Fee as defined in the applicable Order Form. The Monthly Services Fee shall begin to accrue on the Services Commencement Date, and shall be invoiced monthly in advance. In addition, Customer shall be billed the Startup Fees and any additional Cloud Hosting startup fees set forth in the applicable Order Form. Customer acknowledges that the billing commencement date does not coincide with implementation completion, final configuration, or go-live.

7.2 All fees payable hereunder shall be paid in United States Dollars and sent to the attention of Kronos as specified on the invoice. Payment terms shall be net 30 days following receipt of invoice. All overdue payments shall bear interest at the lesser of one and one-half percent (1.5%) per month or the maximum rate allowed under applicable law. Customer is responsible for all federal, state or local taxes, duties and customs fees relating to the Program, excluding taxes based on Kronos' income or business privilege.

7.3 SLA Credits, if any, which are due and owing to a Customer under an SLA for a particular month of the Program shall be included in the Monthly Service Fee invoice issued by Kronos for the month following the month in which the SLA Credits were earned.

8. SERVICE LEVEL AGREEMENT

CUSTOMER'S SOLE AND EXCLUSIVE REMEDY IN THE EVENT OF ANY SERVICE OUTAGE, INTERRUPTION OR DEFICIENCY OF SERVICE(S) OR FAILURE BY KRONOS TO MEET THE TERMS OF AN APPLICABLE SLA, SHALL BE THE REMEDIES PROVIDED IN THE SLA; PROVIDED THAT ANY REMEDIES OR CREDITS CONTAINED IN THE SLA ARE NOT AVAILABLE FOR OUTAGES, INTERRUPTIONS OR DEFICIENCIES OCCURRING DURING ANY PERIOD IN WHICH CUSTOMER IS IN BREACH OF THIS SECTION C.1 OR SECTION B. KRONOS DISCLAIMS ANY AND ALL OTHER LIABILITIES OR REMEDIES FOR SUCH OUTAGES, INTERRUPTIONS OR DEFICIENCIES OF SERVICES.

9. limitation of liability

IN ADDITION TO THE LIMITATIONS SET FORTH IN THE LICENSE AGREEMENT, EXCEPT WITH RESPECT TO LIABILITY ARISING FROM KRONOS' GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, KRONOS DISCLAIMS ANY AND ALL LIABILITY AND SERVICE CREDITS, INCLUDING SUCH LIABILITY RELATED TO A BREACH OF SECURITY OR DISCLOSURE, RESULTING FROM ANY EXTERNALLY INTRODUCED HARMFUL PROGRAM (INCLUDING VIRUSES, TROJAN HORSES, AND WORMS), CUSTOMER'S CONTENT OR APPLICATIONS, THIRD PARTY UNAUTHORIZED ACCESS OF EQUIPMENT OR SOFTWARE OR SYSTEMS, OR MACHINE ERROR.

10. DATA SECURITY

10.1 As part of the Program, Kronos shall provide those Kronos security-related services described in the Cloud Services SOW. Customer acknowledges that the security-related services endeavor to mitigate security incidents, but such incidents may not be mitigated entirely or rendered harmless. Customer should consider any particular security-related service as just one tool to be used as part of an overall security strategy and not a guarantee of security. Both parties agree to comply with all applicable privacy or data protection statutes, rules, or regulations governing the respective activities of the parties.

10.2 All Personally Identifiable Data contained in any Software, Equipment or systems supplied by Kronos, or to which Kronos has access to under this Section C.1, as between Kronos and Customer, is Customer's Confidential Information and will remain the property of Customer. Customer hereby consents to the use, processing and/or disclosure of Personally Identifiable Data only for the purposes described herein and to the extent such use or processing is necessary for Kronos to carry out its duties and responsibilities under this Section C.1 or as required by law.

10.3 Prior to initiation of the Program and on an ongoing basis thereafter, Customer agrees to provide notice to Kronos of any extraordinary privacy or data protection statutes, rules, or regulations which are or become applicable to Customer and which could be imposed on Kronos as a result of provision of the Program. Customer will ensure that: (a) the transfer and storage of any Personally Identifiable Data to Kronos and managed by Kronos' or Supplier's data center is legitimate under applicable data protection laws and regulations; and (b) Customer will obtain consent from individuals for such transfer and storage to the extent required under applicable laws and regulations.

10.4 At no cost to Customer, Kronos shall upon (i) request by Customer at any time and (ii) the cessation of the Program, promptly return to Customer, in the format and on the media in use as of the date of the request, all Personally Identifiable Data.

11. term and termination

11.1 At the expiration of the Initial Term, the applicable Programs shall automatically renew for successive one year periods unless either party provides notice of its intent not to renew at least sixty (60) days prior to the expiration of the then-current term. Kronos may suspend or terminate the Program upon notice in the event of any breach by Customer of this Section C.1. No Program interruption shall be deemed to have occurred during, and no Program credits shall be owed for, any authorized suspension of the Program.

12.2 Customer may terminate the Program by written notice at any time during the term of this Section if Kronos materially breaches any provision of this Section, and such default is not cured within thirty (30) days after receipt of written notice from Customer. In the event of such termination by Customer, Customer shall pay Kronos within thirty (30) days all fees then due and owing for the Program prior to the date of termination.

12.3 Customer may terminate the Program for convenience on no less than ninety (90) days prior written notice to Kronos.

12.4 In the event of termination of the Program by Customer for convenience or by Kronos for cause during the Initial Term, Customer will pay to Kronos any out of pocket expenses incurred by Kronos in terminating the Program plus an early termination fee based on the following calculation: one (1) month of the then-current Monthly Services Fees for every twelve (12) month period (or portion thereof) remaining in the Initial Term. By way of example only, if Customer terminates the Program for convenience with fifteen (15) months remaining in the Initial Term, Customer will be responsible to pay Kronos two (2) months of the then-current Monthly Services Fees.

**EXHIBIT A.1
TO SECTION C.1
SERVICE LEVEL AGREEMENT (SLA)**

Service Level Types: SLAs are only applicable to Production Environments. The Program, in a Production Environment, as described in the Service Description is provided with the following service level:

99.50% Application Availability

Service Levels/Credit Calculation: An Outage will be deemed to commence when Customer opens a case with Kronos Global Support, or Kronos Cloud Services receives an application availability alert. The Outage will be deemed to end when Kronos has restored availability of the Program. Failure to meet the above service levels will entitle Customer to credits as follows.

99.50% Application Availability SLA – Production Environment	
Uptime percentage (as measured in a calendar month)	Affected Service Credit
The amount of the Credit will be determined as follows:	
<99.50% to 98.75%	15%
<98.75% to 98.25%	20%
<98.25% to 97.75%	35%
<97.75 to 96.75%	50%
<96.75	75%

Application Availability SLA% = ((MM-TM)*100) / (MM)

Definitions

“Affected Service” means the monthly fees paid for the hosting of the Program.

“Excluded Event” means any event that adversely impacts the Program that is caused by (a) the acts or omissions of Customer, its employees, customers, contractors or agents; (b) the failure or malfunction of equipment, applications or systems not owned or controlled by Kronos or Supplier; (c) Force Majeure events; (d) scheduled or emergency maintenance, alteration or implementation; (e) any suspension of the Program in accordance with the terms of this Section or License Agreement; (f) the unavailability of required Customer personnel, including as a result of failure to provide Supplier with accurate, current contact information; (g) using the Application in a manner inconsistent with the product documentation; or (h) any other exclusionary circumstance specified in the applicable Cloud Services SOW.

“Monthly Minutes (MM)” means total minutes in which service was scheduled to be available.

“Outage” means the accumulated time during which Customer is unable to establish an active communications connection, measured from beginning to end, between Customer and the Program for reasons other than (a) failures caused by Customer Data; or (b) any Excluded Events.

“Scheduled Maintenance (SM)” means scheduled maintenance periods established by Kronos to provide ample time to maintain and update the applications, when necessary. During these maintenance periods, the applications are available to Kronos to perform periodic services, which include vital software updates. Systems will generally continue to be available to Customer; however, some changes will require planned downtime. Kronos will provide notice for planned downtime via an email notice to our primary Customer contact at least one day in advance of such shutdown/restart so planning can be facilitated by Customer.

When application maintenance is required, current Scheduled Maintenance periods for the applications are:

Monday through Friday	4am – 6am
Saturday and Sunday	12am - 6am

- All times listed are U.S. Eastern Time.
- Kronos’ utilization of the above maintenance windows shall not trigger SLA Credits to Customer.

“Total Minutes Not Available” (TM) means the total number of minutes during the calendar month that the Program is unavailable outside of scheduled maintenance windows.

Limitations: Kronos will apply any credits to the Customer account. Credits will not be provided if: (a) Customer is in breach or default under this Section or the Program at the time the Outage occurred and such breach is the cause of the Outage; or (b) it results from an Excluded Event.

In no event will the credits accrued in any calendar month exceed, in the aggregate across all service levels and events, one hundred (100%) of the invoice amount for the Affected Service.

The Service Level Agreements in this Exhibit, and the related credits listed, apply on a per Program basis. For the avoidance of doubt, Outages, delays, failures, etc. in one Program may not be added to Outages, delays, failures, etc. in any other Program for purposes of calculating SLA credits.

SECTION D
KRONOS WORKFORCE CENTRAL - SOFTWARE AS A SERVICE (SAAS) TERMS AND CONDITIONS

Customer and Kronos agree that the terms and conditions set forth in this Section D shall apply to the Kronos supply of the commercially available version of the Workforce Central SaaS Applications in Kronos' hosting environment, the services related thereto, and the sale or rental of Equipment (if any) specified on a Kronos Order Form. The Applications described on the Order Form shall be delivered by means of Customer's permitted access to the Kronos infrastructure hosting such Applications.

1. DEFINITIONS

"Agreement" means the terms and conditions of Section D and the Order Form(s).

"Application(s)" or **"SaaS Application(s)"** means those Kronos software application programs set forth on an Order Form which are made accessible for Customer to use under the terms of this Agreement.

"Billing Start Date" means the date the billing of the Monthly Service Fees commences as indicated on the applicable Order Form. Notwithstanding, Implementation Services provided on a time and material basis are billed monthly as delivered. The Billing Start Date of the Monthly Service Fees for any Services ordered by Customer after the date of this Agreement which are incremental to Customer's then-existing Services shall be the date the applicable Order Form is executed by Kronos and Customer.

"Cloud Services" means those services related to Customer's cloud environment such as infrastructure, equipment, bandwidth, server monitoring, backup services, storage area network (SAN) services, security services, system administration, connectivity services, performance tuning, update installation and maintenance services related thereto. Cloud Services are described as set forth at: <http://www.kronos.com/products/workforce-central-cloud/cloud-guidelines.aspx>

"Customer Content" means all content Customer, or others acting on behalf of or through Customer, posts or otherwise inputs into the Services.

"Documentation" means technical publications published by Kronos relating to the use of the Services or Applications.

"Equipment" means the Kronos equipment specified on an Order Form.

"Implementation Services" means those professional and educational services provided by Kronos to set up the cloud environment and configure the Applications. Unless otherwise set forth on an Order Form as "a la carte" services (supplemental fixed fee, fixed scope services) or "bill as you go" services (time and material services described in a Statement of Work), Kronos will provide, as part of the Monthly Service Fee for the Applications, the fixed fee, fixed scope Implementation Services described in the Services Implementation Detail set forth at: www.kronos.com/products/workforce-central-saas/implementation-guidelines.aspx. Implementation Services may also be provided as set forth in Section B.

"Initial Term" means the initial term of the Services as indicated on the Order Form.

"KnowledgePass Content"/"KnowledgePass Education Subscription" have the meanings ascribed in Section 7.5.

"Monthly Service Fee(s)" means the monthly fees described in an Order Form. Monthly Service Fees include fees for usage of the Applications and the Services, Cloud Services as applicable, and Equipment rental, if any. Billing of the Monthly Service Fee(s) commences on the Billing Start Date.

"Order Form" means an order form mutually agreed upon by Kronos and Customer setting forth the items ordered by Customer and to be provided by Kronos and the fees to be paid by Customer.

"Personally Identifiable Data" means information concerning individually identifiable employees of Customer that is protected against disclosure under applicable law or regulation.

"Renewal Term" means the renewal term of the Services as indicated on the Order Form.

"Services" means (i) the Cloud Services, (ii) accessibility to the commercially available version of the Applications by means of access to the password protected customer area of a Kronos website, and all such services, items and offerings accessed by Customer therein, and (ii) the Equipment rented hereunder, if any.

"Statement of Work", "SOW", "Services Scope Statement" and **"SSS"** are interchangeable terms referring to a written description of the Implementation Services mutually agreed upon by Kronos and Customer and set forth as "bill as you go" services on the Order Form.

"Supplier" means any contractor, subcontractor or licensor of Kronos providing software, equipment and/or services to Kronos which are incorporated into or otherwise related to the Services.

"Term" means the Initial Term and any Renewal Terms thereafter.

"Training Points" has the meaning ascribed to it in Section 7.6 below.

2. TERM

2.1 The Services shall commence on the Billing Start Date, and shall continue for the Initial Term or until terminated in accordance with the provisions hereof. At the expiration of the Initial Term and each Renewal Term as applicable, the Services shall automatically renew for additional Renewal Terms until terminated in accordance with the provisions hereof.

2.2 Customer may terminate the Services and this Order Form for convenience upon ninety (90) days prior written notice subject to Customer's payment of the Services performed and Products delivered prior to the effective date of termination. Kronos may terminate the Services and this Agreement to be effective at the expiration of the then current Term upon no less than sixty (60) days prior written notice.

2.3 Either party may terminate the Services and the Agreement upon a material breach of the Agreement by the other party if such breach is not cured within fifteen (15) days after receipt of written notice. Notwithstanding the foregoing, Kronos may suspend the Services immediately upon notice in the event of any Customer breach of Sections 4 (Rights to Use), 5 (Acceptable Use), or Section A.4 (Confidential Information).

2.4 In the event that either party becomes insolvent, makes a general assignment for the benefit of creditors, is adjudicated a bankrupt or insolvent, commences a case under applicable bankruptcy laws, or files a petition seeking reorganization, the other party may request adequate assurances of future performance. Failure to provide adequate assurances, in the requesting party's reasonable discretion, within ten (10) days of delivery of the request shall entitle the requesting party to terminate the Agreement immediately upon written notice to the other party.

2.5 If the Agreement is terminated for any reason:

(a) Customer shall pay Kronos within thirty (30) days of such termination, all fees accrued under this Agreement prior to the effective date of such termination, provided however, if Customer terminates for material breach of the Agreement by Kronos, Kronos shall refund Customer any pre-paid fees for Implementation Services not delivered by Kronos;

(b) Customer's right to access and use the Applications shall be revoked and be of no further force or effect and return rented Equipment as provided in Section 9.1 below;

(c) No more than fifteen (15) days after termination (or upon Customer's written request at any time during the Term), Kronos will provide to Customer, at no charge to Customer, the Customer Content. After such time period, Kronos shall have no further obligation to store or make available the Customer Content and will securely delete any or all Customer Content without liability;

(d) Customer agrees to timely return all Kronos-provided materials related to the Services to Kronos at Customer's expense or, alternatively, destroy such materials and provide Kronos with an officer's certification of the destruction thereof; and

(e) All provisions in the Agreement, which by their nature are intended to survive termination, shall so survive.

3. FEES AND PAYMENT

3.1 Customer shall pay Kronos the Monthly Service Fees, the fees for the Implementation Services and any additional one time or recurring fees for Equipment, Training Points, KnowledgePass Education Subscription and such other Kronos offerings, all as set forth on the Order Form. The Monthly Service Fees will be invoiced on the frequency set forth on the Order Form ("Billing Frequency"). If Customer and Kronos have signed a Statement of Work for the Implementation Services, Implementation Services will be invoiced monthly as delivered unless otherwise indicated on the Order Form. If Kronos is providing Implementation Services in accordance with the Services Implementation Guideline or as "a la carte" services on the Order Form, Kronos will invoice Customer for Implementation Services in advance of providing such Implementation Services unless otherwise indicated on the Order Form. All other Kronos offerings will be invoiced upon execution of the applicable Order Form by Kronos and Customer. Unless otherwise indicated on an Order Form, payment for all items shall be due 30 days following date of invoice. All payments shall be sent to the attention of Kronos as specified on the invoice. Except as expressly set forth in this Agreement, all amounts paid to Kronos are non-refundable. Customer is responsible for all applicable federal, state, country, provincial or local taxes relating to the goods and services provided by Kronos hereunder (including without limitation GST and/or VAT if applicable), excluding taxes based on Kronos' income or business privilege.

3.2 If any amount owing under this or any other agreement between the parties is thirty (30) or more days overdue, Kronos may, without limiting Kronos' rights or remedies, suspend Services until such amounts are paid in full. Kronos will provide at least seven (7) days' prior written notice that Customer's account is overdue before suspending Services.

3.3 At the latest of (i) one (1) year after the effective date of this Agreement, or (ii) expiration of the Initial Term, and at each annual anniversary of that date thereafter, Kronos may increase the Monthly Service Fee rates in an amount not to exceed four percent (4%). The increased Monthly Service Fees will be reflected in the monthly invoice following the effective date of such increase without additional notice.

4. RIGHTS TO USE

4.1 Subject to the terms and conditions of the Agreement, Kronos hereby grants Customer a limited, revocable, non-exclusive, non-transferable, non-assignable right to use during the Term and for internal business purposes only: a) the Applications and related services, including the Documentation; b) training materials and KnowledgePass Content; and, c) any embedded third party software, libraries, or other components, which form a part of the Services. The Services contain proprietary trade secret technology of Kronos and its Suppliers. Unauthorized use and/or copying of such technology are prohibited by law, including United States and foreign copyright law. Customer shall not reverse compile, disassemble or otherwise convert the Applications or other software comprising the Services into uncompiled or unassembled code. Customer shall not use any of the third party software programs (or the data models therein) included in the Services except solely as part of and in connection with the Services. Customer acknowledges that execution of separate third party agreements may be required in order for Customer to use certain add-on features or functionality, including without limitation tax filing services.

4.2 Customer acknowledges and agrees that the right to use the Applications is limited based upon the amount of the Monthly Service Fees paid by Customer. Customer agrees to use only the modules and/or features for the number of employees and users as described on the Order Form. Customer agrees not to use any other modules or features nor increase the number of employees and users unless Customer pays for such additional modules, features, employees or users, as the case may be. Customer may not license, relicense or sublicense the Services, or otherwise permit use of the Services (including timesharing or networking use) by any third party. Customer may not provide service bureau or other data processing services that make use of the Services without the express prior written consent of Kronos. No license, right, or interest in any Kronos trademark, trade name, or service mark, or those of Kronos' licensors or Suppliers, is granted hereunder.

4.3 Customer may authorize its third party contractors and consultants to access the Services through Customer's administrative access privileges on an as needed basis, provided Customer: a) abides by its obligations to protect Confidential Information as set forth in this

Agreement; b) remains responsible for all such third party usage and compliance with the Agreement; and c) does not provide such access to a competitor of Kronos who provides workforce management services.

4.4 Customer acknowledges and agrees that, as between Customer and Kronos, Kronos retains ownership of all right, title and interest to the Services, all of which are protected by copyright and other intellectual property rights, and that, other than the express rights granted herein and under any other agreement in writing with Customer, Customer shall not obtain or claim any rights in or ownership interest to the Services or Applications or any associated intellectual property rights in any of the foregoing. Customer agrees to comply with all copyright and other intellectual property rights notices contained on or in any information obtained or accessed by Customer through the Services.

4.5 When using and applying the information generated by the Services, Customer is responsible for ensuring that Customer complies with applicable laws and regulations. If the Services include the Workforce Payroll Applications or Workforce Absence Management Applications: (i) Customer is solely responsible for the content and accuracy of all reports and documents prepared in whole or in part by using these Applications, (ii) using these Applications does not release Customer of any professional obligation concerning the preparation and review of any reports and documents, (iii) Customer does not rely upon Kronos, Best Software, Inc. or these Applications for any advice or guidance regarding compliance with federal and state laws or the appropriate tax treatment of items reflected on such reports or documents, and (iv) Customer will review any calculations made by using these Applications and satisfy itself that those calculations are correct.

5. ACCEPTABLE USE

5.1 Customer shall take all reasonable steps to ensure that no unauthorized persons have access to the Services, and to ensure that no persons authorized to have such access shall take any action that would be in violation of this Agreement.

5.2 Customer represents and warrants to Kronos that Customer has the right to publish and disclose the Customer Content in connection with the Services. Customer represents and warrants to Kronos that the Customer Content: (a) does not infringe or violate any third-party right, including but not limited to intellectual property, privacy, or publicity rights, (b) is not abusive, profane, or offensive to a reasonable person, or, (c) is not hateful or threatening.

5.3 Customer will not (a) use, or allow the use of, the Services in contravention of any federal, state, local, foreign or other applicable law, or rules or regulations of regulatory or administrative organizations; (b) introduce into the Services any virus or other code or routine intended to disrupt or damage the Services, or alter, damage, delete, retrieve or record information about the Services or its users; (c) excessively overload the Kronos systems used to provide the Services; (d) perform any security integrity review, penetration test, load test, denial of service simulation or vulnerability scan; (e) use any tool designed to automatically emulate the actions of a human user (e.g., robots); or, (f) otherwise act in a fraudulent, malicious or negligent manner when using the Services.

6. CONNECTIVITY AND ACCESS

Customer acknowledges that Customer shall (a) be responsible for securing, paying for, and maintaining connectivity to the Services (including any and all related hardware, software, third party services and related equipment and components); and (b) provide Kronos and Kronos' representatives with such physical or remote access to Customer's computer and network environment as Kronos deems reasonably necessary in order for Kronos to perform its obligations under the Agreement. Customer will make all necessary arrangements as may be required to provide access to Customer's computer and network environment if necessary for Kronos to perform its obligations under the Agreement.

7. IMPLEMENTATION AND SUPPORT

7.1 Implementation Services. Kronos will provide the Implementation Services to Customer. Implementation Services described in an SSS are provided on a time and materials basis, billed monthly as delivered unless otherwise indicated on the Order Form. Implementation Services described in the Services Implementation Guideline are provided on a fixed fee basis. If Customer requests additional Implementation Services beyond those described in the Services Implementation Guideline, Kronos will create a change order for Customer's review and approval and any additional Implementation Services to be provided by Kronos will be billed as delivered at the then-current Kronos professional services rates. Kronos' configuration of the Applications will be based on information and work flows that Kronos obtains from Customer during the discovery portion of the implementation. Customer shall provide Kronos with necessary configuration-related information in a timely manner to ensure that mutually agreed implementation schedules are met. In the event that Kronos is required to travel to Customer's location during the implementation, Customer agrees to pay any travel expenses, such as airfare, lodging, meals and local transportation, plus an administrative fee of ten percent (10%) of the amount of such travel expenses, incurred by Kronos in accordance with the then-current standard Kronos travel and expense policies, which Kronos will provide to Customer upon request. Kronos shall invoice Customer for such travel expenses and payment thereof shall be due net thirty (30) days from date of invoice.

7.2 Additional Services. Customer may engage Kronos to provide other services which may be fixed by activity ("a la carte") or provided on a time and materials basis ("bill as you go") as indicated on the applicable Order Form.

7.3 Support. Kronos will provide 24x7 support for the cloud infrastructure, the availability to the cloud environment, and telephone support for the logging of functional problems and user problems. Customer may log questions online via the Kronos Customer Portal. As part of such support, Kronos will make updates to the Services available to Customer at no charge as such updates are released generally to Kronos' customers. Customer agrees that Kronos may install critical security patches and infrastructure updates automatically as part of the Services. Kronos' then-current Support Services Policies shall apply to all Support Services provided by Kronos and may be accessed at: <http://www.kronos.com/Support/SupportServicesPolicies.htm> ("Support Policies"). In the event of a conflict between the Support Policies and this Agreement, the terms of this Agreement shall prevail.

7.4 Support Services for Equipment. Provided Customer has purchased support services for the Equipment, the following terms shall apply (Depot Exchange support services for rented Equipment are included in the rental fees for such Equipment):

(a) Customer may select, as indicated on an Order Form, an Equipment Support Services option offered by the local Kronos entity responsible for supporting the Equipment if and as such offerings are available within the Kronos territory corresponding to the Equipment's location. Kronos shall provide each Equipment Support Services offering as specified herein.

(i) **Depot Exchange and Depot Repair.** If Customer has selected Depot Exchange or Depot Repair Equipment Support Services, the following provisions shall apply: Upon the failure of installed Equipment, Customer shall notify Kronos of such failure and Kronos will provide remote fault isolation at the FRU (Field Replacement Unit) or subassembly level and attempt to resolve the problem. Those failures determined by Kronos to be Equipment related shall be dispatched to a Kronos Depot Repair Center, and Customer will be provided with a Return Material Authorization Number (RMA) for the failed Equipment if Customer is to return the failed Equipment to Kronos, as reasonably determined by Kronos. Customer must return the failed Equipment with the supplied RMA number. Hours of operation, locations and other information related to Kronos' Depot Repair Centers are available upon request and are subject to change. Return and repair procedures for failed Equipment shall be provided based on the Depot option - Depot Exchange or Depot Repair - selected by Customer on the applicable Order Form and as specified herein and in Kronos' then-current Support Services Policies. Service packs for the Equipment (as described in subsection (ii) below) are included in both Depot Exchange and Depot Repair Support Services.

Depot Exchange: Kronos will provide a replacement for the failed Equipment at the FRU or subassembly level on an "advanced exchange" basis, utilizing a carrier of Kronos' choice. Replacement Equipment will be shipped the same day, for delivery to Customer's location as further described in the Support Policies. REPLACEMENT EQUIPMENT MAY BE NEW OR RECONDITIONED. Customer shall specify the address to which the Equipment is to be shipped. All shipments will include the Kronos provided RMA designating the applicable Kronos Depot Repair Center, as the recipient. Customer, upon receipt of the replacement Equipment from Kronos, shall package the defective Equipment in the materials provided by Kronos, with the RMA supplied and promptly return failed Equipment directly to Kronos.

Depot Repair: Upon failure of installed Equipment, Customer shall install a Spare Product (as defined below) to replace the failed Equipment. Customer shall then return the failed Equipment, with the required RMA, to the applicable Kronos Depot Repair Center. Customer shall make reasonable efforts to return the failed Equipment using the same or substantially similar packing materials in which the original Equipment was sent. Customer shall also specify the address to which the repaired Equipment should be return shipped. Upon receipt of the failed Equipment, Kronos shall repair the failed Equipment and ship it, within ten (10) business days after receipt, to Customer. Kronos shall ship the repaired Equipment by regular surface transportation to Customer.

(ii) **Device Software Updates Only.** If Customer has selected Device Software Equipment Support Services, Customer shall be entitled to receive:

(A) Service packs for the Equipment (which may contain system software updates, firmware updates, security updates, and feature enhancements) available for download at Kronos' customer portal. Service packs for the Equipment are not installed by the Kronos Depot Repair Center but are available for download at Kronos' customer portal, provided Customer is maintaining the Equipment under an annual Equipment Support Services plan with Kronos.; and

(B) Access to the Kronos Support Services Center for the logging of requests for assistance downloading service packs for the Equipment.

(b) **Warranty.** Kronos warrants that all service packs and firmware updates provided under this Agreement shall materially perform in accordance with the Kronos published specifications for a period of ninety (90) days after download by Customer. In the event of a breach of this warranty, Customer's exclusive remedy shall be Kronos' repair or replacement of the deficient service pack(s) or firmware update(s), at Kronos' option, provided that Customer's use, installation and maintenance thereof have conformed to the specifications.

(c) **Responsibilities of Customer.** It is Customer's responsibility to purchase and retain, at Customer's location and at Customer's sole risk and expense, a sufficient number of spare products ("Spare Products") to allow Customer to replace failed Equipment at Customer's locations in order for Customer to continue its operations while repairs are being performed and replacement Equipment is being shipped to Customer. For each of the Depot Exchange and Depot Repair Equipment Support Services options, Customer agrees that it shall return failed Equipment promptly as the failures occur and that it shall not hold failed Equipment and send failed Equipment to Kronos in "batches" which shall result in a longer turnaround time to Customer. In addition, Customer agrees to:

- (i) Maintain the Equipment in an environment conforming to the Kronos published specifications for such Equipment;
- (ii) Not perform self-repairs on the Equipment (i.e., replacing components) without prior written authorization from Kronos;
- (iii) De-install all failed Equipment and install all replacement Equipment in accordance with Kronos' written installation guidelines;
- (iv) Ensure that the Equipment is returned to Kronos properly packaged; and
- (v) Obtain an RMA before returning any Equipment to Kronos and place the RMA clearly and conspicuously on the outside of the shipping package. Customer may only return the specific Equipment authorized by Kronos when issuing the RMA.

(d) **Delivery.** All domestic shipments within the United States are FOB Destination to/from Customer and Kronos with the shipping party bearing all costs and risks of loss, and with title passing upon delivery to the identified destination. All international shipments from Kronos to Customer are DAP (Incoterms 2010) to the applicable Customer location, and are DDP (Incoterms 2010) to the applicable Kronos Depot Repair Center when Customer is shipping to Kronos. Customer is responsible for all duties and taxes when sending Equipment to Kronos.

7.5 KnowledgePass Education Subscription. When KnowledgePass Education Subscription is purchased on an Order Form, Kronos will provide Customer with the KnowledgePass Education Subscription. The KnowledgePass Education Subscription provides access to certain educational offerings provided by Kronos (the "KnowledgePass Content"). Customer recognizes and agrees that the KnowledgePass Content is copyrighted by Kronos. Customer is permitted to make copies of the KnowledgePass Content provided in *pdf form solely for Customer's internal use. Customer may not disclose such KnowledgePass Content to any third party other than Customer's employees. Customer may not edit, modify, revise, amend, change, alter, customize or vary the KnowledgePass Content without the written consent of Kronos, provided that Customer may download and modify contents of training kits solely for Customer's internal use.

7.6 Training Points. "Training Points" which are purchased by Customer may be redeemed for an equivalent value of instructor-led training sessions offered by Kronos. Training Points may be redeemed only during the Term at any time no more than twelve (12) months after the date of the applicable Order Form, after which time such Training Points shall expire and be of no value. Training Points may not be exchanged for other Kronos products or services.

7.7 Training Courses. When Training Points or training sessions are set forth in an SSS, the SSS applies. When Training Points or training sessions are not set forth in an SSS, as part of the Services, for each SaaS application module included in the Services purchased by

Customer, Customer's employees shall be entitled to attend, in the quantity indicated, the corresponding training courses set forth at: www.kronos.com/products/workforce-central-saas/training-guidlines.aspx

Participation in such training courses is limited to the number of seats indicated for the courses corresponding to the modules forming a part of the Services purchased by Customer.

7.8 Technical Account Manager. Customers purchasing a Kronos Technical Account Manager ("TAM") as indicated on the Order Form shall receive the services of a dedicated, but not exclusive, TAM for one production instance of the Software. Customer will designate up to two primary and three secondary backup technical contacts ("Technical Contacts") to be the sole contacts with the TAM. Upon request, Customer may designate additional and/or backup Technical Contacts. Customer is required to place all primary Technical Contacts through Kronos training for the Applications covered under this Agreement at Customer's expense.

8. Customer content

Customer shall own all Customer Content. Kronos acknowledges that all of the Customer Content is deemed to be the Confidential Information of Customer. Kronos may, but shall have no obligation to, monitor Customer Content from time to time to ensure compliance with the Agreement and applicable law.

9. EQUIPMENT

If Customer purchases or rents Equipment from Kronos, a description of such Equipment (model and quantity), the applicable pricing, and delivery terms shall be listed on the Order Form.

9.1 Rented Equipment. The following terms apply only to Equipment Customer rents from Kronos:

- a) **Rental Term and Warranty Period.** The term of the Equipment rental and the "Warranty Period" for such Equipment shall run coterminously with the Term of the other Services provided under the Agreement.
- b) **Insurance.** Customer shall insure the Equipment for an amount equal to the replacement value of the Equipment for loss or damage by fire, theft, and all normal extended coverage at all times. No loss, theft or damage after shipment of the Equipment to Customer shall relieve Customer from Customer's obligations under the Agreement.
- c) **Location/Replacement.** Customer shall not make any alterations or remove the Equipment from the place of original installation without Kronos' prior written consent. Kronos shall have the right to enter Customer's premises to inspect the Equipment during normal business hours. Kronos reserves the right, at its sole discretion and at no additional cost to Customer, to replace any Equipment with newer or alternative technology Equipment as long as the replacement Equipment at least provides the same level of functionality as that being replaced.
- d) **Ownership.** All Equipment shall remain the property of Kronos. All Equipment is, and at all times shall remain, separate items of personal property, notwithstanding such Equipment's attachment to other equipment or real property. Customer shall not sell or otherwise encumber the Equipment. Customer shall furnish any assurances, written or otherwise, reasonably requested by Kronos to give full effect to the intent of terms of this paragraph (d).
- e) **Equipment Support.** Kronos shall provide to Customer the Equipment support services described in Section 7.
- f) **Return of Equipment.** Upon termination of the Agreement or the applicable Order Form, Customer shall return, within thirty (30) days of the effective date of termination and at Customer's expense, the Equipment subject to this Section 9.1. Equipment will be returned to Kronos in the same condition as and when received, reasonable wear and tear excepted. If Customer fails to return Equipment within this time period, upon receiving an invoice from Kronos, Customer shall pay Kronos the then list price of the unreturned Equipment.

9.2 Purchased Equipment. The following terms apply only to Equipment Customer purchases from Kronos:

- a) **Ownership and Warranty Period.** Title to the Equipment shall pass to Customer upon delivery to the carrier. The "Warranty Period" for the Equipment shall be for a period of ninety (90) days from such delivery (unless otherwise required by law).
- b) **Equipment Support.** Kronos shall provide to Customer the Equipment support services described in this Agreement if purchased separately by Customer as indicated on the applicable Order Form. If purchased, Equipment support services have a term of one (1) year commencing upon expiration of the Warranty Period. Equipment support services will be automatically extended for additional one year terms on the anniversary of its commencement date ("Renewal Date"), unless either party has given the other thirty (30) days written notification of its intent not to renew. Kronos may change the annual support charges for Equipment support services effective at the end of the initial one (1) year term or effective on the Renewal Date, by giving Customer at least thirty (30) days prior written notification.

10. SERVICE LEVEL AGREEMENT

Kronos shall provide the service levels and associated credits, when applicable, in accordance with the Service Level Agreement attached hereto as Exhibit D-1 and which is hereby incorporated herein by reference. CUSTOMER'S SOLE AND EXCLUSIVE REMEDY IN THE EVENT OF ANY SERVICE OUTAGE or INTERRUPTION OF the SERVICES OR FAILURE BY KRONOS TO MEET THE TERMS OF the APPLICABLE service level agreement, SHALL BE THE REMEDIES PROVIDED IN exhibit D-1.

11. LIMITED WARRANTY; DISCLAIMERS OF WARRANTY

11.1 Kronos represents and warrants to Customer that the Applications, under normal operation as specified in the Documentation and when used as authorized herein, will perform substantially in accordance with such Documentation during the Term.

11.2 Kronos' sole obligation and Customer's sole and exclusive remedy for any breach of the foregoing warranty is limited to Kronos' reasonable commercial efforts to correct the non-conforming Services at no additional charge to Customer. In the event that Kronos is unable to correct material deficiencies in the Services arising during the Warranty Period, after using Kronos' commercially reasonable efforts to do so, Customer shall be entitled to terminate the then remaining Term of the Agreement as Customer's sole and exclusive remedy. Kronos' obligations hereunder for breach of warranty are conditioned upon Customer notifying Kronos of the material breach in writing, and providing Kronos with sufficient evidence of such non-conformity to enable Kronos to reproduce or verify the same.

11.3 Kronos warrants to Customer that each item of Equipment shall be free from defects in materials and workmanship during the Warranty Period. In the event of a breach of this warranty, Customer's sole and exclusive remedy shall be Kronos' repair or replacement of the deficient Equipment, at Kronos' option, provided that Customer's use, installation and maintenance thereof have conformed to the Documentation for such Equipment. This warranty is extended to Customer only and shall not apply to any Equipment (or parts thereof) in the event of:

- a) damage, defects or malfunctions resulting from misuse, accident, neglect, tampering, (including without limitation modification or

replacement of any Kronos components on any boards supplied with the Equipment), unusual physical or electrical stress or causes other than normal and intended use;

- b) failure of Customer to provide and maintain a suitable installation environment, as specified in the published specifications for such Equipment; or
- c) malfunctions resulting from the use of badges or supplies not approved by Kronos.

Except as provided for in this Section 11, Kronos hereby disclaims all warranties, conditions, guaranties and representations relating to the Services, express or implied, oral or in writing, including without limitation the implied warranties of merchantability, fitness for a particular purpose, title and non-infringement, and whether or not arising through a course of dealing. The Services are not guaranteed to be error-free or uninterrupted. Except as specifically provided in this Agreement, Kronos makes no warranties or representations concerning the compatibility of the Services, the SaaS Applications or the Equipment nor any results to be achieved therefrom.

12.0 DATA SECURITY

12.1 As part of the Services, Kronos shall provide those administrative, physical, and technical safeguards for protection of the security, confidentiality and integrity of Customer data as described at: <http://www.kronos.com/products/workforce-central-cloud/cloud-guidelines.aspx> Customer acknowledges that such safeguards endeavor to mitigate security incidents, but such incidents may not be mitigated entirely or rendered harmless. Customer should consider any particular Kronos supplied security-related safeguard as just one tool to be used as part of Customer's overall security strategy and not a guarantee of security. Both parties agree to comply with all applicable privacy or data protection statutes, rules, or regulations governing the respective activities of the parties under the Agreement.

12.2 As between Customer and Kronos, all Personally Identifiable Data is Customer's Confidential Information and will remain the property of Customer. Customer represents that to the best of Customer's knowledge such Personally Identifiable Data supplied to Kronos is accurate. Customer hereby consents to the use, processing or disclosure of Personally Identifiable Data by Kronos and Kronos' Suppliers wherever located only for the purposes described herein and only to the extent such use or processing is necessary for Kronos to carry out Kronos' duties and responsibilities under the Agreement or as required by law.

12.3 Prior to initiation of the Services under the Agreement and on an ongoing basis thereafter, Customer agrees to provide notice to Kronos of any extraordinary privacy or data protection statutes, rules, or regulations which are or become applicable to Customer's industry and which could be imposed on Kronos as a result of provision of the Services. Customer will ensure that: (a) the transfer to Kronos and storage of any Personally Identifiable Data by Kronos or Kronos' Supplier's data center is permitted under applicable data protection laws and regulations; and, (b) Customer will obtain consents from individuals for such transfer and storage to the extent required under applicable laws and regulations.

13. INDEMNIFICATION

13.1 Kronos shall defend Customer and its respective directors, officers, and employees (collectively, the "Customer Indemnified Parties"), from and against any and all notices, charges, claims, proceedings, actions, causes of action and suits, brought by a third party (each a "Claim") alleging that the permitted uses of the Services infringe or misappropriate any United States or Canadian copyright or patent and will indemnify and hold harmless the Customer Indemnified Parties against any liabilities, obligations, costs or expenses (including without limitation reasonable attorneys' fees) actually awarded to a third party as a result of such Claim by a court of applicable jurisdiction or as a result of Kronos' settlement of such a Claim. In the event that a final injunction is obtained against Customer's use of the Services by reason of infringement or misappropriation of such copyright or patent, or if in Kronos' opinion, the Services are likely to become the subject of a successful claim of such infringement or misappropriation, Kronos, at Kronos' option and expense, will use commercially reasonable efforts to (a) procure for Customer the right to continue using the Services as provided in the Agreement, (b) replace or modify the Services so that the Services become non-infringing but remain substantively similar to the affected Services, and if neither (a) or (b) is commercially feasible, to (c) terminate the Agreement and the rights granted hereunder after provision of a refund to Customer of the Monthly Service Fees paid by Customer for the infringing elements of the Services covering the period of their unavailability.

13.2 Kronos shall have no liability to indemnify or defend Customer to the extent the alleged infringement is based on: (a) a modification of the Services by anyone other than Kronos; (b) use of the Services other than in accordance with the Documentation for such Service or as authorized by the Agreement; (c) use of the Services in conjunction with any data, equipment, service or software not provided by Kronos, where the Services would not otherwise itself be infringing or the subject of the claim; or (d) use of the Services by Customer other than in accordance with the terms of the Agreement. Notwithstanding the foregoing, with regard to infringement claims based upon software created or provided by a licensor to Kronos or Suppliers, Kronos' maximum liability will be to assign to Customer Kronos' or Supplier's recovery rights with respect to such infringement claims, provided that Kronos or Kronos' Supplier shall use commercially reasonable efforts at Customer's cost to assist Customer in seeking such recovery from such licensor.

13.3 Customer shall be responsible and liable for all damages and cost of Kronos, its Suppliers and their respective directors, officers, employees, agents and independent contractors any and all Claims alleging that: (a) employment-related claims arising out of Customer's configuration of the Services; (b) Customer's modification or combination of the Services with other services, software or equipment not furnished by Kronos, provided that such Customer modification or combination is the cause of such infringement and was not authorized by Kronos; or, (c) a claim that the Customer Content infringes in any manner any intellectual property right of any third party, or any of the Customer Content contains any material or information that is obscene, defamatory, libelous, or slanderous violates any person's right of publicity, privacy or personality, or has otherwise caused or resulted in any tort, injury, damage or harm to any other person.

13.4 The Indemnified Party(ies) shall provide written notice to the indemnifying party promptly after receiving notice of such Claim. If the defense of such Claim is materially prejudiced by a delay in providing such notice, the purported indemnifying party shall be relieved from providing such indemnity to the extent of the delay's impact on the defense. The indemnifying party shall have sole control of the defense of any indemnified Claim and all negotiations for its settlement or compromise, provided that such indemnifying party shall not enter into any settlement which imposes any obligations or restrictions on the applicable Indemnified Parties without the prior written consent of the other party. The Indemnified Parties shall cooperate fully, at the indemnifying party's request and expense, with the indemnifying party in the defense, settlement or compromise of any such action. The indemnified party may retain its own counsel at its own expense, subject to the indemnifying party's rights above.

14. LIMITATION OF LIABILITY

14.1 Except as specifically provided in this agreement, Kronos and its Suppliers will not be liable for any damages or injuries caused by the use of the services or by any errors, delays, interruptions in transmission, or failures of the Services.

14.2 Except for Kronos' indemnification obligations set forth in Section 13 above, the total aggregate liability of Kronos or Kronos' suppliers to Customer and/or any third party in connection with the Agreement shall be limited to direct damages proven by Customer, such direct damages not to exceed an amount equal to the total net payments received by Kronos for the Services in the twelve (12) month period immediately preceding the date in which such claim arises.

14.3 except for Kronos' indemnification obligations set forth in Section 13 above, in no event shall Kronos or Kronos' suppliers, their respective affiliates, service providers, or agents be liable to Customer or any third party for any incidental, special, punitive, consequential or other indirect damages or for any lost or imputed profits or revenues, lost data or cost of procurement of substitute services resulting from delays, nondeliveries, misdeliveries or services interruption, however caused, arising from or related to the Services or the Agreement, regardless of the legal theory under which such liability is asserted, whether breach of warranty, indemnification, negligence, strict liability or otherwise, and whether liability is asserted in contract, tort or otherwise, and regardless of whether Kronos or Supplier has been advised of the possibility of any such liability, loss or damage.

14.4 Except with respect to liability arising from Kronos' gross negligence or willful misconduct, Kronos disclaims any and all liability, including without limitation liability related to a breach of data security and confidentiality obligations, resulting from any externally introduced harmful program (including without limitation viruses, trojan horses, and worms), Customer's Content or applications, third party unauthorized access of Equipment, SaaS Applications or systems, or machine error.

EXHIBIT D-1

SERVICE LEVEL AGREEMENT (SLA)

Service Level Agreement: The Services, in a production environment and as described in the Statement of Work (aka Services Scope Statement), are provided with the service levels described in this Exhibit D-1. SLAs are only applicable to production environments. SLAs will be available upon Customer's signature of Kronos' Go Live Acceptance Form for Customer's production environment.

99.75% Application Availability

Actual Application Availability % = (Monthly Minutes (MM) minus Total Minutes Not Available (TM)) multiplied by 100) and divided by Monthly Minutes (MM), but not including Excluded Events

Service Credit Calculation: An Outage will be deemed to commence when the Applications are unavailable to Customer in Customer's production environment hosted by Kronos and end when Kronos has restored availability of the Services. Failure to meet the 99.75% Application Availability SLA, other than for reasons due to an Excluded Event, will entitle Customer to a credit as follows:

Table with 2 columns: Actual Application Availability % (as measured in a calendar month) and Service Credit to be applied to Customer's monthly invoice for the affected month. Rows show percentages from <99.75% to 98.75% down to <96.75% with corresponding credit percentages from 10% to 50%.

"Outage" means the accumulated time, measured in minutes, during which Customer is unable to access the Applications for reasons other than an Excluded Event.

"Excluded Event" means any event that results in an Outage and is caused by (a) the acts or omissions of Customer, its employees, customers, contractors or agents; (b) the failure or malfunction of equipment, applications or systems not owned or controlled by Kronos, including without limitation Customer Content, failures or malfunctions resulting from circuits provided by Customer, any inconsistencies or changes in Customer's source environment, including either intentional or accidental connections or disconnections to the environment; (c) Force Majeure events; (d) scheduled or emergency maintenance, alteration or implementation provided during the Maintenance Period defined below; (e) any suspension of the Services in accordance with the terms of the Agreement to which this Exhibit D-1 is attached; (f) the unavailability of required Customer personnel, including as a result of failure to provide Kronos with accurate, current contact information; or (g) using an Application in a manner inconsistent with the product documentation for such Application.

"Maintenance Period" means scheduled maintenance periods established by Kronos to maintain and update the Services, when necessary. During these Maintenance Periods, the Services are available to Kronos to perform periodic maintenance services, which include vital software updates. Kronos will use its commercially reasonable efforts during the Maintenance Period to make the Services available to Customer; however, some changes will require downtime. Kronos will provide notice for planned downtime via an email notice to the primary Customer contact at least one day in advance of any known downtime so planning can be facilitated by Customer.

Currently scheduled Maintenance Periods for the Services are:

- Monday through Friday 04:00 am – 06:00 am (U.S. eastern time)
Saturday and Sunday 12:00 am – 06:00 am (U.S. eastern time)

Maintenance Periods include those maintenance periods mutually agreed upon by Customer and Kronos.

"Monthly Minutes (MM)" means the total time, measured in minutes, of a calendar month commencing at 12:00 am of the first day of such calendar month and ending at 11:59 pm of the last day of such calendar month.

"Total Minutes Not Available (TM)" means the total number of minutes during the calendar month that the Services are unavailable as the result of an Outage.

Limitations: Service Credits will not be provided if: (a) Customer is in breach or default under the Agreement at the time the Outage occurred; or (b) the Outage results from an Excluded Event. If Kronos does not provide the appropriate Service Credit as due hereunder, Customer must request the Service Credit within sixty (60) calendar days of the conclusion of the month in which the Service Credit accrues. Customer waives any right to Service Credits not requested within this time period. All performance calculations and applicable Service Credits are based on Kronos records and data unless Customer can provide Kronos with clear and convincing evidence to the contrary.

The Service Level Agreements in this Exhibit, and the related Service Credits, apply on a per production environment basis. For the avoidance of doubt, Outages in one production environment may not be added to Outages in any other production environment for purposes of calculating Service Credits.

Customer acknowledges that Kronos manages its network traffic in part on the basis of Customer's utilization of the Services and that changes in such utilization may impact Kronos' ability to manage network traffic. Therefore, notwithstanding anything else to the contrary, if Customer significantly changes its utilization of the Services than what is contracted with Kronos and such change creates a material and adverse

impact on the traffic balance of the Kronos network, as reasonably determined by Kronos, the parties agree to co-operate, in good faith, to resolve the issue.

SECTION E
KRONOS WORKFORCE READY® - SOFTWARE AS A SERVICE TERMS AND CONDITIONS

Customer and Kronos agree that the terms and conditions set forth in this Section E shall apply to the Kronos supply of the commercially available version of the Workforce Ready® SaaS Applications in Kronos' hosting environment, the services related thereto, and the sale or rental of Equipment (if any) specified on a Kronos Order Form. The Applications described on the Order Form shall be delivered by means of Customer's permitted access to the Kronos infrastructure hosting such Applications.

1. DEFINITIONS

"Agreement" means these terms and conditions and the Order Form(s).

"Application(s)" or **"SaaS Application(s)"** means those Kronos software application programs set forth on an Order Form which are made accessible for Customer to use under the terms of this Agreement. **"Billing Start Date"** means the date the billing of the Monthly Service Fees commences as indicated on the applicable Order Form. The Billing Start Date of the Monthly Service Fees for any Services ordered by Customer after the date of this Agreement which are incremental to Customer's then-existing Services shall be the date the applicable Order Form is executed by Kronos and Customer.

"Customer Content" means all content Customer, or others acting on behalf of or through Customer, posts or otherwise inputs into the Services.

"Documentation" means technical publications published by Kronos relating to the use of the Services.

"Educational Content" has the meanings ascribed in Section 7.3.

"Equipment" means the Kronos equipment purchased or rented by Customer under this Agreement.

"Initial Term" means the initial term of the Services as indicated on the Order Form.

"Monthly Service Fee(s)" means the monthly fees described in an Order Form. Monthly Service Fees include fees for usage of the Applications, the Services, and Equipment rental, if any. Billing of the Monthly Service Fee(s) commences on the Billing Start Date.

"Order Form" means an order form mutually agreed upon by Kronos and Customer setting forth the items ordered by Customer and to be provided by Kronos and the fees to be paid by Customer.

"Personally Identifiable Data" means information concerning individually identifiable employees of Customer that is protected against disclosure under applicable law or regulation.

"Renewal Term" means the renewal term of the Services as indicated on the Order Form.

"Services" means (i) accessibility to the commercially available version of the Applications by means of access to the password protected customer area of a Kronos website, and all such services, items and offerings accessed by Customer therein, and (ii) the Equipment rented hereunder, if any.

"Supplier" means any contractor, subcontractor or licensor of Kronos providing software, equipment and/or services to Kronos which are incorporated into or otherwise related to the Services.

"Term" means the Initial Term and any Renewal Terms thereafter.

2. TERM

2.1 The Services shall commence on the Billing Start Date, and shall continue for the Initial Term or until terminated in accordance with the provisions hereof. At the expiration of the Initial Term and each Renewal Term as applicable, the Services shall automatically renew for additional Renewal Terms until terminated in accordance with the provisions hereof.

2.2 Customer may terminate the Services and this Agreement for convenience upon ninety (90) days prior written notice subject to Customer's payment of the Services performed and Equipment delivered prior to the effective date of termination. Kronos may terminate the Services and this Agreement to be effective at the expiration of the then current Term upon no less than sixty (60) days prior written notice.

2.3 Either party may terminate the Services and the Agreement upon a material breach of the Agreement by the other party if such breach is not cured within fifteen (15) days after receipt of written notice. Notwithstanding the foregoing, Kronos may suspend the Services immediately upon notice in the event of any Customer breach of Sections 4 (Rights to Use), 5 (Acceptable Use), or Section B.4 (Confidential Information).

2.4 In the event that either party becomes insolvent, makes a general assignment for the benefit of creditors, is adjudicated a bankrupt or insolvent, commences a case under applicable bankruptcy laws, or files a petition seeking reorganization, the other party may request adequate assurances of future performance. Failure to provide adequate assurances, in the requesting party's reasonable discretion, within ten (10) days of delivery of the request shall entitle the requesting party to terminate the Agreement immediately upon written notice to the other party.

2.5 If the Agreement is terminated for any reason:

(a) Customer shall pay Kronos within thirty (30) days of such termination, all fees accrued under this Agreement prior to the effective date of such termination, provided however, if Customer terminates for material breach of the Agreement by Kronos, Kronos shall refund Customer

any pre-paid fees for services not delivered by Kronos;

(b) Customer's right to access and use the Applications shall be revoked and be of no further force or effect and return rented Equipment as provided in Section 9.1 below;

(c) No more than fifteen (15) days after termination (or upon Customer's written request at any time during the Term), Kronos will provide to Customer, at no charge to Customer, the Customer Content. After such time period, Kronos shall have no further obligation to store or make available the Customer Content and will securely delete any or all Customer Content without liability;

(d) Customer agrees to timely return all Kronos-provided materials related to the Services to Kronos at Customer's expense or, alternatively, destroy such materials and provide Kronos with an officer's certification of the destruction thereof; and

(e) All provisions in the Agreement, which by their nature are intended to survive termination, shall so survive.

3. FEES AND PAYMENT

3.1 Customer shall pay Kronos the Setup Fees, the Monthly Service Fees and any additional one time, set-up or recurring fees, all as defined on the Order Form. Billing will commence on the Billing Start Date with the Monthly Service Fees to be billed on the frequency set forth on the Order Form ("Billing Frequency"). Unless otherwise indicated on the Order Form, Kronos will bill Customer for all implementation services in advance. Purchased Equipment will be billed upon shipment of such Equipment. Customer authorizes Kronos to charge the debit card or credit card on file with Kronos in an amount equal to the Monthly Service Fees as all such fees become due under this Agreement. For all other payments and fees due under this Agreement, payment shall be due 30 days following date of invoice unless otherwise indicated on an Order Form. Except as expressly set forth in the Agreement, all amounts paid to Kronos are non-refundable. Customer is responsible for all applicable taxes relating to the goods and services provided by Kronos hereunder (including without limitation GST and/or VAT if applicable), excluding taxes based on Kronos' income or business privilege.

3.2 The Setup Fees shall be invoiced upon execution of the Agreement and shall be due net 30 days following date of invoice. Customer acknowledges that setup fees may be charged to Customer by third parties for Add-on Features. Third party setup and monthly fees shall be set forth on an Order Form. Monthly Service fees shall be based on monthly periods that begin on the Billing Start Date. Monthly Service Fees shall include fees for Equipment rental, if any. Monthly Service Fees for Services added on or before the 15th day of a given month will be charged for that full monthly period and each monthly period of the Term thereafter; Monthly Service Fees for Services added after the 15th day of a given month will begin to accrue as of the 1st day of the following month and will be charged for each monthly period of the Term thereafter. Monthly Service Fees shall be invoiced promptly following the end of the calendar month in which the Monthly Service Fees were accrued. Kronos will monitor Customer's "Usage" of the Services (as defined below) in order to calculate the Usage portion of the Monthly Service Fees to be charged. Usage of the Services, depending on applicable features, components, or services, shall be priced as identified on the Order Form either on a: (a) per month basis; (b) per active employee (herein "Active Employee") per month usage basis; (c) per transaction basis (e.g.: pay statement); or, (d) per access point. For purposes of the Agreement, an employee shall be deemed an Active Employee during any applicable billing period if through the Services: (i) time has been entered for such employee; (ii) records have been included for such employee for the purpose of processing payroll; (iii) records have been included for such employee within an import/export process; (iv) such employee has accessed the Services, regardless of the purpose; (v) benefit time has been accrued for such employee; or (vi) such employee has been marked by Customer as having an "Active" status during the period.

3.3 Customer agrees that except in those circumstances in which Customer is entitled to invoke the termination for cause provision set forth in Section 2.3 above, in consideration of Kronos' delivery of the Services on a variable fee basis, Customer agrees to pay Kronos each month during the Term in which charges accrue no less than the minimum monthly fees ("Minimum Monthly Fees") which shall be calculated by Kronos based on the amounts identified on all Order Forms for Customer's Usage of the Services, plus Equipment rental fees, if any. In the event that Customer does not reach the anticipated Usage upon which the Minimum Monthly Fees was based for any given month during the Term, Customer shall remain responsible for paying the Minimum Monthly Fees for that month. If an Order Form or the Agreement is suspended by Kronos for non-payment or otherwise terminated by Kronos for cause, Customer shall remain liable to pay the applicable Minimum Monthly Fees up to and including the last day of the month in which the effective date of termination occurs.

3.4 If any amount owing under this or any other agreement between the parties is thirty (30) or more days overdue, Kronos may, without limiting Kronos' rights or remedies, suspend Services until such amounts are paid in full. Kronos will provide at least seven (7) days' prior written notice that Customer's account is overdue before suspending Services.

3.5 At the latest of (i) one (1) year after the effective date of this Agreement, or (ii) expiration of the Initial Term, and at each annual anniversary of that date thereafter, Kronos may increase the Monthly Service Fee rates in an amount not to exceed four percent (4%). The increased Monthly Service Fees will be reflected in the monthly invoice following the effective date of such increase without additional notice.

4. RIGHTS TO USE

4.1 Subject to the terms and conditions of the Agreement, Kronos hereby grants Customer a limited, revocable, non-exclusive, non-transferable, non-assignable right to use during the Term and for internal business purposes only: a) the Applications and related services, including the Documentation and training materials; and, b) any embedded third party software, libraries, or other components, which form a part of the Services. The Services contain proprietary trade secret technology of Kronos and its Suppliers. Unauthorized use and/or copying of such technology are prohibited by law, including United States and foreign copyright law. Customer shall not reverse compile, disassemble or otherwise convert the Applications or other software comprising the Services into uncompiled or unassembled code. Customer acknowledges and agrees that the right to use the Services is limited based upon authorized Usage and the amount of the Monthly Service Fees to be paid by Customer. Customer agrees to use only the modules and/or features described on the Order Form. Customer agrees not to use any other modules or features unless Customer has licensed such additional modules or features. Customer may not relicense or sublicense the Services, or otherwise permit use of the Services (including timesharing or networking use) by any third party. Customer may not provide service bureau or other data processing services that make use of the Services without the express prior written consent of Kronos. No license, right, or interest in any Kronos trademark, trade name, or service mark, or those of Kronos' licensors or Suppliers, is granted hereunder. When using and applying the information generated by the Services, Customer is responsible for ensuring that Customer complies with applicable laws and regulations.

4.2 Customer may authorize its third party contractors and consultants to access the Services through Customer's administrative access

privileges on an as needed basis, provided Customer: a) abides by its obligations to protect Confidential Information as set forth in this Agreement; b) remains responsible for all such third party usage and compliance with the Agreement; and c) does not provide such access to a competitor of Kronos who provides workforce management services.

4.3 Customer acknowledges and agrees that, as between Customer and Kronos, Kronos retains ownership of all right, title and interest to the Services, all of which are protected by copyright and other intellectual property rights, and that, other than the express rights granted herein and under any other agreement in writing with Customer, Customer shall not obtain or claim any rights in or ownership interest to the Services or any associated intellectual property rights in any of the foregoing. Customer agrees to comply with all copyright and other intellectual property rights notices contained on or in any information obtained or accessed by Customer through the Services.

4.4 Kronos will make updates and upgrades to the Services (tools, utilities, improvements, third party applications, general enhancements) available to Customer at no charge as they are released generally to its customers as part of the Services. Customer agrees to receive those updates automatically as part of the Services. Kronos also may offer new products and/or services to Customer at an additional charge. Customer shall have the option of purchasing such new products and/or services under a separate Order Form.

4.5 Kronos reserves the right to change the Services, in whole or in part, including but not limited to, the Internet based services, technical support options, and other Services-related policies. Customer's continued use of the Services after Kronos posts or otherwise notifies Customer of any changes indicates Customer's agreement to those changes.

5. ACCEPTABLE USE

5.1 Customer shall take all reasonable steps to ensure that no unauthorized persons have access to the Services, and to ensure that no persons authorized to have such access shall take any action that would be in violation of this Agreement.

5.2 Customer represents and warrants to Kronos that Customer has the right to publish and disclose the Customer Content in connection with the Services. Customer represents and warrants to Kronos that the Customer Content: (a) does not infringe or violate any third-party right, including but not limited to intellectual property, privacy, or publicity rights, (b) is not abusive, profane, or offensive to a reasonable person, or, (c) is not hateful or threatening.

5.3 Customer will not (a) use, or allow the use of, the Services in contravention of any federal, state, local, foreign or other applicable law, or rules or regulations of regulatory or administrative organizations; (b) introduce into the Services any virus or other code or routine intended to disrupt or damage the Services, or alter, damage, delete, retrieve or record information about the Services or its users; (c) excessively overload the Kronos systems used to provide the Services; (d) perform any security integrity review, penetration test, load test, denial of service simulation or vulnerability scan; (e) use any tool designed to automatically emulate the actions of a human user (e.g., robots); or, (f) otherwise act in a fraudulent, malicious or negligent manner when using the Services.

6. CONNECTIVITY AND ACCESS

Customer acknowledges that Customer shall (a) be responsible for securing, paying for, and maintaining connectivity to the Services (including any and all related hardware, software, third party services and related equipment and components); and (b) provide Kronos and Kronos' representatives with such physical or remote access to Customer's computer and network environment as Kronos deems reasonably necessary in order for Kronos to perform its obligations under the Agreement. Customer will make all necessary arrangements as may be required to provide access to Customer's computer and network environment if necessary for Kronos to perform its obligations under the Agreement. Kronos is hereby (i) granted access to such Customer data to perform its obligations under the Agreement and (ii) authorized to audit the number of Active Employee counts or other transactions that have occurred to measure Usage.

7. IMPLEMENTATION AND SUPPORT

7.1 Implementation. Kronos will configure the Services utilizing scheduled remote resources. Software module configuration will be based on information and work flows obtained from Customer during the discovery portion of the implementation. Customer shall provide Kronos with necessary configuration-related information in a timely manner to ensure that mutually agreed implementation schedules are met. Kronos and Customer's implementation responsibilities are described more specifically in the Services Implementation Guideline set forth at: <http://www.kronos.com/products/workforce-ready/implementation-guidelines.aspx>

7.2 Standard Support. Kronos will provide telephone support 8:00 a.m. to 5:00 p.m., local time, Monday – Friday. Customers also shall be provided the capability to log questions online via the Kronos Customer Portal.

7.3 Equipment Support. If Equipment is rented in accordance with Section 9.1 below or if Equipment Support Services are purchased for Equipment purchased in accordance with Section 9.2 below, Kronos will provide the following Depot Exchange Support Services to Customer: (a) Upon the failure of installed Equipment, Customer shall notify Kronos of such failure and Kronos will provide remote fault isolation at the FRU (Field Replacement Unit) or subassembly level and attempt to resolve the problem. Those failures determined by Kronos to be Equipment related shall be dispatched to a Kronos Depot Repair Center, and Customer will be provided with a Return Material Authorization Number (RMA) for the failed Equipment if Customer is to return the failed Equipment to Kronos, as reasonably determined by Kronos. Customer must return the failed Equipment with the supplied RMA number. Hours of operation, locations and other information related to Kronos' Depot Repair Centers are available upon request and are subject to change. Return and repair procedures for failed Equipment shall be provided based on the Depot option - Depot Exchange or Depot Repair - selected by Customer on the applicable Order Form and as specified herein and in Kronos' then-current Support Services Policies.

(b) Kronos will provide a replacement for the failed Equipment at the FRU or subassembly level on an "advanced exchange" basis, utilizing a carrier of Kronos' choice. Replacement Equipment will be shipped the same day, for delivery to Customer's location as further described in the Support Policies. REPLACEMENT EQUIPMENT MAY BE NEW OR RECONDITIONED. Customer shall specify the address to which the Equipment is to be shipped. All shipments will include the Kronos provided RMA designating the applicable Kronos Depot Repair Center, as the recipient. Customer, upon receipt of the replacement Equipment from Kronos, shall package the defective Equipment in the materials provided by Kronos, with the RMA supplied and promptly return failed Equipment directly to Kronos.

(c) Equipment support also includes Customer access to Equipment service packs via the Kronos Customer Portal.

7.4 Educational Materials and Content. Customer will have access to certain educational materials and content (the "Educational Content") within the Services. Customer recognizes and agrees that the Educational Content is copyrighted by Kronos. Customer is permitted to make copies of the Educational Content provided in *pdf form solely for Customer's internal training purposes and may not disclose such Educational Content to any third party other than Customer's employees. Customer may not edit, modify, revise, amend, change, alter, customize or vary the Educational Content without the written consent of Kronos, provided that Customer may download and modify contents of Training Kits solely for Customer's internal use

8. Customer content

Customer shall own all Customer Content. Kronos acknowledges that all of the Customer Content is deemed to be the Confidential Information of Customer. Notwithstanding the foregoing, Customer grants Kronos permission to combine Customer's business data with that of other customers in a manner that does not identify the Customer or any individual in order to evaluate and improve the services Kronos offers to customers. In addition, Kronos may, but shall have no obligation to, monitor Customer Content from time to time to ensure compliance with the Agreement and applicable law.

9. EQUIPMENT

If Customer purchases or rents Equipment from Kronos, a description of such Equipment (model and quantity), the applicable pricing, and delivery terms shall be listed on the Order Form.

9.1 Rented Equipment. The following terms apply only to Equipment Customer rents from Kronos:

- a) **Rental Term and Warranty Period.** The term of the Equipment rental and the "Warranty Period" for such Equipment shall run coterminously with the Term of the other Services provided under the Agreement.
- b) **Insurance.** Customer shall insure the Equipment for an amount equal to the replacement value of the Equipment for loss or damage by fire, theft, and all normal extended coverage at all times. No loss, theft or damage after shipment of the Equipment to Customer shall relieve Customer from Customer's obligations under the Agreement.
- c) **Location/Replacement.** Customer shall not make any alterations or remove the Equipment from the place of original installation without Kronos' prior written consent. Kronos shall have the right to enter Customer's premises to inspect the Equipment during normal business hours. Kronos reserves the right, at its sole discretion and at no additional cost to Customer, to replace any Equipment with newer or alternative technology Equipment as long as the replacement Equipment at least provides the same level of functionality as that being replaced.
- d) **Ownership.** All Equipment shall remain the property of Kronos. All Equipment is, and at all times shall remain, separate items of personal property, notwithstanding such Equipment's attachment to other equipment or real property. Customer shall not sell or otherwise encumber the Equipment. Customer shall furnish any assurances, written or otherwise, reasonably requested by Kronos to give full effect to the intent of terms of this paragraph (d).
- e) **Equipment Support.** Kronos shall provide to Customer the Equipment support services described in Section 7.
- f) **Return of Equipment.** Upon termination of the Agreement or the applicable Order Form, Customer shall return, within thirty (30) days of the effective date of termination and at Customer's expense, the Equipment subject to this Section 9.1. Equipment will be returned to Kronos in the same condition as and when received, reasonable wear and tear excepted. If Customer fails to return Equipment within this time period, upon receiving an invoice from Kronos, Customer shall pay Kronos the then list price of the unreturned Equipment.

9.2 Purchased Equipment. The following terms apply only to Equipment Customer purchases from Kronos:

- a) **Ownership and Warranty Period.** Title to the Equipment shall pass to Customer upon delivery to the carrier. The "Warranty Period" for the Equipment shall be for a period of ninety (90) days from such delivery (unless otherwise required by law).
- b) **Equipment Support.** Kronos shall provide to Customer the Equipment support services described in this Agreement if purchased separately by Customer as indicated on the applicable Order Form. If purchased, Equipment support services have a term of one (1) year commencing upon expiration of the Warranty Period. Equipment support services will be automatically extended for additional one year terms on the anniversary of its commencement date ("Renewal Date"), unless either party has given the other thirty (30) days written notification of its intent not to renew. Kronos may change the annual support charges for Equipment support services effective at the end of the initial one (1) year term or effective on the Renewal Date, by giving Customer at least thirty (30) days prior written notification.

10. SERVICE LEVEL AGREEMENT

Kronos shall: (a) provide basic support for the Services at no additional charge, (b) use commercially reasonable efforts to make the Services available 24 hours a day, 7 days a week, except for: (i) planned downtime (when it shall give at least 8 hours notice via the Services and shall schedule to the extent practicable during the weekend hours from 6:00 p.m. Friday to 3:00 a.m. Monday, Eastern Time), or (ii) any unavailability caused by circumstances beyond Kronos' reasonable control, including without limitation, acts of nature, acts of government, floods, fires, earthquakes, civil unrest, acts of terror, strikes or other labor problems (other than those involving Kronos employees), internet service provider failures or delays, or denial of service attacks, and (iii) provide Services in accordance with applicable laws and government regulations.

11. LIMITED WARRANTY; DISCLAIMERS OF WARRANTY

11.1 Kronos represents and warrants to Customer that the Services, under normal operation as specified in the Documentation and when used as authorized herein, will perform substantially in accordance with such Documentation during the Term.

11.2 Kronos' sole obligation and Customer's sole and exclusive remedy for any breach of the foregoing warranty is limited to Kronos' reasonable commercial efforts to correct the non-conforming Services at no additional charge to Customer. In the event that Kronos is unable to correct material deficiencies in the Services arising during the Warranty Period, after using Kronos' commercially reasonable efforts to do so, Customer shall be entitled to terminate the then remaining Term of the Agreement as Customer's sole and exclusive remedy. Kronos'

obligations hereunder for breach of warranty are conditioned upon Customer notifying Kronos of the material breach in writing, and providing Kronos with sufficient evidence of such non-conformity to enable Kronos to reproduce or verify the same.

11.3 Kronos warrants to Customer that each item of Equipment shall be free from defects in materials and workmanship during the Warranty Period. In the event of a breach of this warranty, Customer's sole and exclusive remedy shall be Kronos' repair or replacement of the deficient Equipment, at Kronos' option, provided that Customer's use, installation and maintenance thereof have conformed to the Documentation for such Equipment. This warranty is extended to Customer only and shall not apply to any Equipment (or parts thereof) in the event of:

- a) damage, defects or malfunctions resulting from misuse, accident, neglect, tampering, (including without limitation modification or replacement of any Kronos components on any boards supplied with the Equipment), unusual physical or electrical stress or causes other than normal and intended use;
- b) failure of Customer to provide and maintain a suitable installation environment, as specified in the published specifications for such Equipment; or
- c) malfunctions resulting from the use of badges or supplies not approved by Kronos.

Except as provided for in this Section 11, Kronos hereby disclaims all warranties, conditions, guaranties and representations relating to the Services, express or implied, oral or in writing, including without limitation the implied warranties of merchantability, fitness for a particular purpose, title and non-infringement, and whether or not arising through a course of dealing. The Services are not guaranteed to be error-free or uninterrupted. Except as specifically provided in this Agreement, Kronos makes no warranties or representations concerning the compatibility of the Services, the SaaS Applications or the equipment nor any results to be achieved therefrom.

12.0 DATA SECURITY

12.1 As part of the Services, Kronos shall provide administrative, physical, and technical safeguards for the protection of the security, confidentiality and integrity of Customer data. Customer acknowledges that such safeguards endeavor to mitigate security incidents, but such incidents may not be mitigated entirely or rendered harmless. Customer should consider any particular Kronos supplied security-related safeguard as just one tool to be used as part of Customer's overall security strategy and not a guarantee of security. Both parties agree to comply with all applicable privacy or data protection statutes, rules, or regulations governing the respective activities of the parties under the Agreement.

12.2 As between Customer and Kronos, all Personally Identifiable Data is Customer's Confidential Information and will remain the property of Customer. Customer represents that to the best of Customer's knowledge such Personally Identifiable Data supplied to Kronos is accurate. Customer hereby consents to the use, processing or disclosure of Personally Identifiable Data by Kronos and Kronos' Suppliers wherever located only for the purposes described herein and only to the extent such use or processing is necessary for Kronos to carry out Kronos' duties and responsibilities under the Agreement or as required by law.

12.3 Prior to initiation of the Services under the Agreement and on an ongoing basis thereafter, Customer agrees to provide notice to Kronos of any extraordinary privacy or data protection statutes, rules, or regulations which are or become applicable to Customer's industry and which could be imposed on Kronos as a result of provision of the Services. Customer will ensure that: (a) the transfer to Kronos and storage of any Personally Identifiable Data by Kronos or Kronos' Supplier's data center is permitted under applicable data protection laws and regulations; and, (b) Customer will obtain consents from individuals for such transfer and storage to the extent required under applicable laws and regulations.

13. INDEMNIFICATION

13.1 Kronos shall defend Customer and its respective directors, officers, and employees (collectively, the "Customer Indemnified Parties"), from and against any and all notices, charges, claims, proceedings, actions, causes of action and suits, brought by a third party (each a "Claim") alleging that the permitted uses of the Services infringe or misappropriate any United States or Canadian copyright or patent and will indemnify and hold harmless the Customer Indemnified Parties against any liabilities, obligations, costs or expenses (including without limitation reasonable attorneys' fees) actually awarded to a third party as a result of such Claim by a court of applicable jurisdiction or as a result of Kronos' settlement of such a Claim. In the event that a final injunction is obtained against Customer's use of the Services by reason of infringement or misappropriation of such copyright or patent, or if in Kronos' opinion, the Services are likely to become the subject of a successful claim of such infringement or misappropriation, Kronos, at Kronos' option and expense, will use commercially reasonable efforts to (a) procure for Customer the right to continue using the Services as provided in the Agreement, (b) replace or modify the Services so that the Services become non-infringing but remain substantively similar to the affected Services, and if neither (a) or (b) is commercially feasible, to (c) terminate the Agreement and the rights granted hereunder after provision of a refund to Customer of the Monthly Service Fees paid by Customer for the infringing elements of the Services covering the period of their unavailability.

13.2 Kronos shall have no liability to indemnify or defend Customer to the extent the alleged infringement is based on: (a) a modification of the Services by anyone other than Kronos; (b) use of the Services other than in accordance with the Documentation for such Service or as authorized by the Agreement; (c) use of the Services in conjunction with any data, equipment, service or software not provided by Kronos, where the Services would not otherwise itself be infringing or the subject of the claim; or (d) use of the Services by Customer other than in accordance with the terms of the Agreement. Notwithstanding the foregoing, with regard to infringement claims based upon software created or provided by a licensor to Kronos or Suppliers, Kronos' maximum liability will be to assign to Customer Kronos' or Supplier's recovery rights with respect to such infringement claims, provided that Kronos or Kronos' Supplier shall use commercially reasonable efforts at Customer's cost to assist Customer in seeking such recovery from such licensor.

13.3 Customer shall be responsible and liable for all damages and cost of Kronos, its Suppliers and their respective directors, officers, employees, agents and independent contractors (collectively, the "**Kronos Indemnified Parties**") from and against any and all Claims alleging that: (a) employment-related claims arising out of Customer's configuration of the Services; (b) Customer's modification or combination of the Services with other services, software or equipment not furnished by Kronos, provided that such Customer modification or combination is the cause of such infringement and was not authorized by Kronos; or, (c) a claim that the Customer Content infringes in any manner any intellectual property right of any third party, or any of the Customer Content contains any material or information that is obscene, defamatory, libelous, or slanderous violates any person's right of publicity, privacy or personality, or has otherwise caused or resulted in any tort, injury, damage or harm to any other person. Customer will have sole control of the defense of any such action and all negotiations for its settlement or compromise.

13.4 The Indemnified Party(ies) shall provide written notice to the indemnifying party promptly after receiving notice of such Claim. If the defense of such Claim is materially prejudiced by a delay in providing such notice, the purported indemnifying party shall be relieved from providing such indemnity to the extent of the delay's impact on the defense. The indemnifying party shall have sole control of the defense of any indemnified Claim and all negotiations for its settlement or compromise, provided that such indemnifying party shall not enter into any settlement which imposes any obligations or restrictions on the applicable Indemnified Parties without the prior written consent of the other party. The Indemnified Parties shall cooperate fully, at the indemnifying party's request and expense, with the indemnifying party in the defense, settlement or compromise of any such action. The indemnified party may retain its own counsel at its own expense, subject to the indemnifying party's rights above.

14. LIMITATION OF LIABILITY

14.1 Except as specifically provided in this Agreement, Kronos and its Suppliers will not be liable for any damages or injuries caused by the use of the Services or by any errors, delays, interruptions in transmission, or failures of the Services.

14.2 except for Kronos' indemnification obligations set forth in Section 13 above, the total aggregate liability of Kronos or Kronos' Suppliers to Customer and/or any third party in connection with the Agreement shall be limited to direct damages proven by Customer, such direct damages not to exceed an amount equal to the total net payments received by Kronos for the services in the Twelve (12) month period immediately preceding the date in which such claim arises.

14.3 Except for Kronos' indemnification obligations set forth in Section 13 above, in no event shall Kronos or Kronos' Suppliers, their respective affiliates, service providers, or agents be liable to Customer or any third party for any incidental, special, punitive, consequential or other indirect damages or for any lost or imputed profits or revenues, lost data or cost of procurement of substitute services resulting from delays, nondeliveries, misdeliveries or services interruption, however caused, arising from or related to the Services or the Agreement, regardless of the legal theory under which such liability is asserted, whether breach of warranty, indemnification, negligence, strict liability or otherwise, and whether liability is asserted in contract, tort or otherwise, and regardless of whether Kronos or Supplier has been advised of the possibility of any such liability, loss or damage.

14.4 EXCEPT WITH RESPECT TO LIABILITY ARISING FROM KRONOS' GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, KRONOS DISCLAIMS ANY AND ALL LIABILITY, INCLUDING WITHOUT LIMITATION LIABILITY RELATED TO A BREACH OF DATA SECURITY AND CONFIDENTIALITY OBLIGATIONS, RESULTING FROM ANY EXTERNALLY INTRODUCED HARMFUL PROGRAM (INCLUDING WITHOUT LIMITATION VIRUSES, TROJAN HORSES, AND WORMS), CUSTOMER'S CONTENT OR APPLICATIONS, THIRD PARTY UNAUTHORIZED ACCESS OF EQUIPMENT, SAAS APPLICATIONS OR SYSTEMS, OR MACHINE ERROR.

**EXHIBIT F
KRONOS ADDENDUM
VOXEO PROPHECY SERVICE
(Licensed or User based)**

The parties hereby agree that the following terms and conditions are supplemental terms and conditions to the Agreement and are applicable to the Voxeo Prophecy service ("Voxeo Prophecy"), a service of Aspect Software Inc., which Kronos is authorized to resell. The Voxeo Prophecy service can be ordered either on a licensed basis (in which case Voxeo Prophecy is only available with a perpetual license to Workforce Telestaff and is not hosted by Kronos) ("Licensed Based") or on a per minute basis ("Usage Based").

Description. Voxeo Prophecy is an Interactive Voice Response (IVR) solution, provided solely for Customer's internal use, by which Customer may initiate phone calls to staff members to fill vacancies or receive notifications of work opportunities for employees who are licensed to use the Kronos Workforce TeleStaff® product. Each exchanged message (notice, response, confirmation, denial) shall be considered an "Interaction."

Maintenance.

Voxeo Prophecy maintenance will entitle Customer to Voxeo Prophecy phone support and software updates and shall commence upon Order execution. For Usage Based Voxeo Prophecy, maintenance will be provided at the same level of support as Customer's Workforce TeleStaff product at no additional charge. For Licensed Based Voxeo Prophecy, Customer must purchase maintenance for both Workforce TeleStaff and Voxeo Prophecy, and maintenance for Voxeo Prophecy will be charged at the same level of support as Workforce TeleStaff (i.e., Gold or Platinum).

Implementation. To initiate and setup administration of the required communications, Kronos will perform the standard implementation of Voxeo Prophecy, including configuration, as described in the Statement of Work ("SOW") signed by the Customer. Any additional professional services for non-standard implementation services will be provided at mutually agreed upon rates subject to a separate Order Form or a separate statement of work mutually agreed upon by both parties.

Payment. Kronos will invoice Customer for the Voxeo Prophecy implementation/configuration professional services fees set forth in the applicable SOW and Order Form, pursuant to the Agreement and on the payment terms set forth therein. Kronos will invoice Customer as follows: (i) for the license fees and annual maintenance associated with the Licensed Based Voxeo Prophecy as indicated on the Order Form; or (ii) each month in arrears for the Usage Based Voxeo Prophecy usage fees for the total actual number of metered minutes used each month (the "Minute Usage Fee") at a rate of \$0.13 per minute. Customer's right to begin using the service shall begin upon activation of the service after implementation/configuration.

Customer will pay invoices issued by Kronos hereunder within thirty (30) days of receipt.

Restrictions on Voxeo Prophecy Services: Additional Responsibilities. Customer agrees that Voxeo Prophecy has not been designed for, and may not be used as, a means to connect with 911 or E911 emergency services. Kronos shall have no liability for any delays, failures or unavailability of Voxeo Prophecy due to transmission or other delays, errors or problems beyond Kronos' control, or any other interruptions caused by the mobile communications network and/or mobile devices. Use of Voxeo Prophecy is subject to the software license terms set forth in the Agreement as well as the Acceptable Use Policy found at: <http://voxeo.com/aup> and Customer agrees that it shall be liable for all loss, damage or injury that may result from Customer's failure to abide by such Policy. Customer acknowledges that communications occurring through Voxeo Prophecy may be subject to standard mobile carrier policies or government regulatory requirements for mobile communications.

Voxeo Prophecy Security. The Voxeo Prophecy service relies upon a third party hosted communication platform. Accordingly, notwithstanding any other provision of the Agreement or this Addendum to the contrary, Customer understands and acknowledges that the exclusive statement of the security protections provided for i) Interactions by Customer and its employees through Voxeo Prophecy, and ii) all associated data, is found at: <http://voxeo.com/privacy-policy/>, under the heading "Security of Your Personal Information."

Renewal and Termination. The initial Term is twelve months. At the expiration of the initial Term, the Term shall automatically renew on a month-to-month basis until terminated in accordance with the provisions hereof. At any time: (i) Customer may terminate the Voxeo Prophecy service for convenience upon thirty (30) days prior written notice, and (ii) Kronos may terminate the Voxeo Prophecy service for convenience upon one hundred and twenty (120) days prior written notice. Kronos may increase the per minute rate upon renewal with sixty (60) days prior written notice for use based Voxeo Prophecy.

Kronos Contract #14-JLR-003

Amendment I

**AMENDMENT ONE TO
CONTRACT #14-JLR-003**

THIS Amendment One to the Contract #14-JLR-003, is made this 4th day of June, 2014, by and between Harford County Public Schools, hereafter called "Owner" and Kronos Incorporated, a corporation at 297 Billerica Road, in the City of Chelmsford and State of Massachusetts, hereinafter called "Contractor".

WITNESSETH: That the parties wishes to update the Contract #14-JLR-003 to adjust certain terms and also the pricing for certain products and services.

1. **Contract Terms and Conditions:** The parties hereby agree to amend the Contractor terms and conditions as set forth in Exhibit A of this Amendment.
2. **Product and Pricing:** The parties hereby agree to amend the contract to include the newly developed product, Timelink, with pricing consistent with the structure of the original solicitation offering.
3. **All other terms and conditions shall remain the same.**

This is an indefinite quantity contract with no specific assigned dollar value.

IN WITNESS WHEREOF, the parties to these presents have executed this in the year and day first above mentioned.

Harford County Public Schools

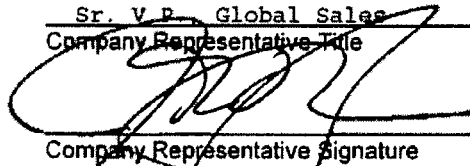
Jeffrey LaPorta
Jeffrey LaPorta, CPPB, Supervisor of Purchasing

June 5, 2014
Date

Kronos Incorporated
Company Name

John O'Brien
Company Representative Printed Name

Sr. V.P., Global Sales
Company Representative Title


Company Representative Signature

June 5, 2014
Date

EXHIBIT A TO AMENDMENT 1 OF CONTRACT #14-JLR-003

AMENDMENT TO THE
KRONOS TERMS AND CONDITIONS FOR PARTICIPATING PUBLIC AGENCIES ADMINISTERED BY US COMMUNITIES (103113V2)

KRONOS TERMS

A PARTICIPATING PUBLIC AGENCY ("CUSTOMER"), BY SIGNING AN ORDER FORM OR PURCHASE ORDER WITH KRONOS INCORPORATED, AGREES TO THE APPLICATION OF THESE TERMS AND CONDITIONS FOR ALL PRODUCTS, SERVICES AND OFFERINGS SET FORTH ON SUCH ORDER FORM (OR PURCHASE ORDER) WHICH REFERENCES THESE TERMS AND CONDITIONS.

SECTION A: GENERAL TERMS AND CONDITIONS. This Section apply for all transactions.

SECTION B: TERMS AND CONDITIONS FOR SOFTWARE LICENSES, SOFTWARE AND EQUIPMENT SUPPORT SERVICES, AND EDUCATIONAL AND PROFESSIONAL SERVICES. This Section apply for all transactions except Workforce Ready and the Workforce Central SaaS offering (not including the professional and educational services governed by this Section).

SECTION C: CLOUD HOSTING SUPPLEMENTAL TERMS AND CONDITIONS . This Section applies only for transactions that involve Kronos hosting for Software licensed under Section B and identified as CLOUD 2.

SECTION C-1: APPLICATION HOSTING TERMS AND CONDITIONS . This Section applies only for transactions that involve Kronos hosting for Software licensed under Section B and identified as CLOUD.

SECTION D: KRONOS WORKFORCE CENTRAL SAAS TERMS AND CONDITIONS. This Section applies only for Workforce Central transactions in a SaaS environment (except for the related professional and educational services see Section B)

SECTION E: KRONOS WORKFORCE READY SAAS TERMS AND CONDITIONS. This Section applies only for Workforce Ready transactions.

SECTION A: GENERAL TERMS AND CONDITIONS

1. APPLICATION OF THESE TERMS

These terms and conditions apply to each order accepted by Kronos Incorporated ("Kronos") from an eligible Participating Public Agency ("Customer") for all Kronos Equipment, Software, Professional and Educational Services, Support and such other Kronos offerings, as specified on an order form (an "Order").

In addition to the terms set forth in this Section A: General Terms and Condition, the following sections apply for the specific offering referenced:

- (i) Section B shall apply to the Software licenses and purchased Equipment, support services, and professional and educational services,
- (ii) Section C shall apply to the Hosting Services purchased in connection with certain Software licensed under Section B,
- (iii) Section D shall apply to the Workforce Central Saas Orders; and
- (iv) Section E shall apply to the Workforce Ready Saas Order.

All orders are subject to the approval of Kronos' corporate office in Chelmsford, Massachusetts. This Agreement and the Order Form shall supersede the pre-printed terms of any Customer purchase order or other Customer ordering document, and no such Customer pre-printed terms shall apply to the items ordered.

2. APPLICABLE LAWS

This Agreement shall be governed by the state law in which Customer is based, provided however, if such jurisdiction has adopted the Uniform Computer Information Transactions Act (UCITA), or such other similar law, the parties expressly agree to "opt-out" of and not be governed by UCITA or such other similar law. The parties waive the application of the United Nations Commission on International Trade Law and United Nations Convention on Contracts for the International Sale of Goods as to the interpretation or enforcement of this Agreement.

3. EXPORT

Customer acknowledges that the Equipment and Software may be restricted by the United States Government or by the country in which the Equipment or Software is installed from export to certain countries and certain organizations and individuals, and agrees to comply with such laws. Customer agrees to comply with all applicable laws of all of the countries in which the Equipment and Software may be used by Customer. Customer's obligations hereunder shall survive the termination or expiration of the Order Form. Customer must obtain Kronos prior written consent before exporting the Software.

4. CONFIDENTIAL INFORMATION

"Confidential Information" is defined as information that is: i) disclosed between the parties after the date of this Agreement that is considered confidential or proprietary to the disclosing party; and ii) identified as "confidential" at the time of disclosure, or would be reasonably obvious to the receiving party to constitute confidential information because of legends or other markings, by the circumstances of disclosure or the nature of the information itself. Additionally, Customer acknowledges and agrees that the Software (and Software documentation), and the Specifications shall be deemed to be Kronos' Confidential Information and trade secret. Each party shall protect the Confidential Information of the other party with at least the same degree of care and confidentiality, but not less than a reasonable standard of care, which such party utilizes for its own information of similar character that it does not wish disclosed to the public. Neither party shall disclose to third parties (except the parent company or the wholly owned subsidiaries of the receiving party who have a need to know) the other party's Confidential Information, or use it for any purpose not explicitly set forth herein, without the prior written consent of the other party. Notwithstanding the foregoing, a party may disclose Confidential Information to the extent required: (a) to any subsidiary or affiliate of such Party, or (b) to any consultants, contractors, and counsel who have a need to know in connection with the Agreement and who are under obligations of non-disclosure agreement at least as stringent as this section 4, or (c) by law (including the applicable public record laws), or by a court or governmental agency, or if necessary in any proceeding to establish rights or obligations under the Agreement; provided, the receiving party shall, unless legally prohibited, provide the disclosing party with reasonable prior written notice sufficient to permit the disclosing party an opportunity to contest such disclosure. If a party commits, or threatens to commit, a breach of this Section 4, the other party shall have the right to seek injunctive relief from a court of competent jurisdiction. The obligation of confidentiality shall survive for three (3) years after the disclosure of such Confidential Information.

This Agreement imposes no obligation upon either party with respect to the other party's Confidential Information which the receiving party can establish by legally sufficient evidence: (a) was rightfully possessed by the receiving party without an obligation to maintain its confidentiality prior to receipt from the disclosing party, (b) is generally known to the public without violation of this Agreement; (c) is obtained by the receiving party in good faith from a third party having the right to disclose it without an obligation with respect to confidentiality; (d) is independently developed by the receiving party without use of the disclosing party's confidential information, which can be shown by tangible evidence.

5. TAXES

If Customer presents to Kronos a validly issued tax-exempt certificate, or other sufficient evidence of tax exemption, Customer shall not be liable for those taxes for which Customer is exempt. Otherwise, Customer agrees to pay all other applicable duties and customs fees relating to this Agreement, as well as all taxes levied or based on the products, services or other charges hereunder, including federal, state and local sales and excise taxes, and any taxes or amount in lieu thereof paid or payable by Kronos, exclusive of taxes based on Kronos net income or business privilege.

6. TRAVEL EXPENSES

Customer agrees to reimburse Kronos for all pre-approved, reasonable and necessary travel incurred by Kronos in the performance of its obligations under this Agreement, provided that such travel complies with the then current Kronos Travel and Expense Policies (such policies are available upon request) or such other policies mutually agreed between the parties in the statement of work. Customer further agrees to pay any travel expenses such as airfare, lodging, meals and local transportation, incurred by Kronos in the performance of its obligations under this Agreement provided such expenses comply with the Kronos Travel and Expense P applicable policies. Customer will be billed by Kronos for such travel expenses and payment thereof shall be due net 30.

7. GENERAL

- (a) The invalidity or illegality of any provision of this Agreement shall not affect the validity of any other provision. The parties intend for the remaining unaffected provisions to remain in full force and effect.
- (b) Customer shall not assign this Agreement or the license to the Software without the prior written consent of Kronos and any purported assignment, without such consent, shall be void.
- (c) Neither Party shall be responsible for any failure to perform or delay in performing any of its obligations under this Agreement (other than a

failure to comply with payment obligations) where and to the extent that such failure or delay results from an unforeseeable event beyond a party's reasonable control, including but not limited to, acts of war; acts of nature; earthquake; flood; embargo; riot; sabotage; labor shortage or dispute; changes in government codes, ordinances, laws, rules, regulations or restrictions; failure of the Internet; terrorist acts; failure of data, products or services controlled by any third party, including the providers of communications or network services; utility power failure; material shortages or unavailability or other delay in delivery not resulting from the responsible party's failure to timely place orders therefor, or lack of or delay in transportation (each a "Force Majeure Event").

(d) All notices given under this Agreement shall be in writing and sent postage pre-paid, if to Kronos, to the Kronos address on the Order Form, or if to Customer, to the billing address on the Order Form.

(e) The section headings herein are provided for convenience only and have no substantive effect on the construction of this Agreement.

(f) The parties agree that the Order signed by both parties and expressly reference this Agreement, which is delivered via fax or electronically delivered via email it shall constitute a valid and enforceable agreement.

(g) This Agreement and any information expressly incorporated herein (including information contained in any referenced URL), together with the applicable Order Form, constitute the entire agreement between the parties for the products and services described herein and supersede all prior or contemporaneous representations, negotiations, or other communications between the parties relating to the subject matter of this Agreement. This Agreement may be amended only in writing signed by authorized representatives of both parties. Customer understands and acknowledges that while Kronos may disclose to customers certain confidential information regarding general product development direction, potential future products and/or product enhancements under consideration, Customer is not entitled to any products or product enhancements other than those contained on the Order Form. Customer has not relied on the availability of any future version of the Software or Equipment identified on an Order Form, nor any other future product in executing this Agreement.

(h) Use, duplication, or disclosure by the United States Government is subject to restrictions as set forth in subparagraph (c) (1) (ii) of the Rights in Technical Data and Computer Software clause at DFARS 252.227-7013, or subparagraph (c)(1)(2) of the Commercial Computer Software Restricted Rights clause at FAR 52.227-19, as applicable. Manufacturer/distributor is Kronos Incorporated, 297 Billerica Road, Chelmsford, MA.

(i) The JBoss® Enterprise Middleware components embedded in the Software are subject to the End User License Agreement found at http://www.redhat.com/licenses/jboss_eula.html.

(j) Customer may pay an invoice by credit card if the amount is not greater than \$50,000.00.

(k) Kronos agrees to comply with any applicable federal, state and local laws and regulations.

(l) Additionally, Kronos agrees to be liable for tangible property damage or personal injury to the extent caused by the negligence or willful misconduct of its employees.

SECTION B
TERMS AND CONDITIONS FOR SOFTWARE LICENSES, SOFTWARE AND EQUIPMENT SUPPORT SERVICES,
AND EDUCATIONAL AND PROFESSIONAL SERVICES

This Section B applies to Software licensed, Equipment purchased, support services for Software and Equipment, and educational and professional services, when such items are identified on the Order which expressly references this Agreement.

1. PAYMENT AND DELIVERY

Unless otherwise set forth in this Agreement, payment terms are indicated on the Order Form or other contemporaneous ordering document containing product-specific payment terms signed by the parties. Delivery terms are as stated on the Order Form ("Delivery"). Kronos will invoice Customer for products upon Delivery. Unless otherwise set forth on the Order Form, Professional and Educational Services are provided on a time and materials basis, Invoiced monthly as rendered.

2. GENERAL LICENSE TERMS

Kronos owns or has the right to license the Software. The Software and Software documentation are confidential and may not be disclosed to a third party without Kronos' written consent. The Software contains proprietary trade secret technology. Unauthorized use and copying of such Software is prohibited by law, including United States and foreign copyright law. The price Customer pays for a copy of the Software constitutes a license fee that entitles Customer to use the Software as set forth below. Kronos grants to Customer a non-exclusive, nontransferable, perpetual (except as provided herein) license to use the Software. This license may be terminated by Kronos by written notice to Customer upon any material breach of this Agreement by Customer which remains uncured for a period of thirty (30) days after such written notice from Kronos. Upon such termination of this license by Kronos, Customer will have no further right to use the Software and will return the Software media to Kronos and destroy all copies of the Software (and related documentation) in Customer's possession or control. This license is subject to all of the terms of this Section B.

3. FEE BASED LIMITATIONS

Customer recognizes and agrees that the license to use the Software is limited, based upon the amount of the license fee paid by Customer. Limitations, which are set forth on the Order Form, may include the number of employees, simultaneous or active users, Software product modules, Software features, computer model and serial number and partition, and/or the number of telephone lines or terminals to which the Software is permitted to be connected. Customer agrees to: i) use the Software only for the number of employees, simultaneous or active users, computer model, partition and serial number, and/or terminals permitted by the applicable license fee; ii) use only the product modules and/or features permitted by the applicable license fees; and iii) use the Software only in support of Customer's own business. Customer agrees not to increase the number of employees, simultaneous or active users, partitions, terminals, products modules, features, or to upgrade the model, as applicable, unless and until Customer pays the applicable fee for such increase/upgrade. Customer may not relicense or sublicense the Software to, or otherwise permit use of the Software (including timesharing or networking use) by any third party. Customer may not provide service bureau or other data processing services that make use of the Software without the express prior written consent of Kronos.

4. OBJECT CODE ONLY

Customer may use the computer programs included in the Software (the "Programs") in object code form only, and shall not reverse compile, disassemble or otherwise convert the Programs into uncompiled or unassembled code. The Programs include components owned by third parties. Such third party components are deemed to be Software subject to this Section B. Customer shall not use any of the Programs (or the data models therein) except solely as part of and in connection with the Software and as described in the published documentation for such Software.

5. PERMITTED COPIES

Customer may copy the Programs as reasonably necessary to load and execute the Programs and for backup and disaster recovery and testing purposes only, except for additional copies of the Teletime Software and the Kronos iSeries (which must be licensed separately). All copies of the Programs or any part thereof, whether in printed or machine readable form and whether on storage media or otherwise, are subject to all the terms of this license, and all copies of the Programs or any part of the Programs shall include the copyright and proprietary rights notices contained in the Programs as delivered to the Customer.

6. UPDATES

In the event that Kronos supplies Service Packs, Point Releases and Major Releases (including legislative updates if available) of the Software (collectively referred to as "Updates"), such Updates shall be part of the Software and the provisions of this license shall apply to such Updates and to the Software as modified thereby.

7. ACCEPTANCE

For Customer's initial purchase of each Equipment and Software product Kronos shall provide an acceptance test period (the "Test Period") that commences upon installation. Installation shall be defined as: a.) the Equipment, if any, is mounted; b.) the Software is installed on Customer's server(s); and c.) implementation team training, if any, is complete. During the Test Period, Customer shall determine whether the Equipment and Software meet the Kronos published electronic documentation, ("Specifications").

The Test Period shall be for 30 days. If Customer has not given Kronos a written deficiency statement specifying how the Equipment or Software fails to meet the Specifications ("Deficiency Statement") within the Test Period, the Equipment and Software shall be deemed accepted. If Customer provides a Deficiency Statement within the Test Period, Kronos shall have 30 days to correct the deficiency, and Customer shall have an additional 30 days to evaluate the Equipment and Software. If the Equipment or Software does not meet the Specifications at the end of the second 30 day period, either Customer or Kronos may terminate this Agreement. Upon any such termination, Customer shall return all Equipment and Software (and related documentation) to Kronos, and Kronos shall refund any monies paid by Customer to Kronos for the returned Equipment and Software. Neither party shall then have any further liability to the other for the products that were the subject of the Acceptance Test.

8. LIMITED WARRANTY

Kronos warrants that all Kronos Equipment and Software media shall be free from defects in materials and workmanship, for a period of ninety (90) days from Delivery. In the event of a breach of this warranty, Customer's remedy shall be Kronos' repair or replacement of the deficient Equipment and/or Software media, at Kronos' option, provided that Customer's use, installation and maintenance thereof have conformed to the Specifications. This warranty is extended to Customer only and shall not apply to any Equipment (or parts thereof) or Software media in the event of:

- (a) damage, defects or malfunctions resulting from misuse, accident, neglect, lampering, (including modification or replacement of any Kronos components on any boards supplied with the Equipment), unusual physical or electrical stress or causes other than normal and intended use;
- (b) failure of Customer to provide and maintain a suitable installation environment, as specified in the Specifications; or
- (c) malfunctions resulting from the use of badges or supplies not approved by Kronos.

When using and applying the information generated by Kronos products, Customer is responsible for ensuring that Customer complies with requirements of federal and state law where applicable. If Customer is licensing Workforce Payroll Software or Workforce Absence Management Software: (i) Customer is solely responsible for the content and accuracy of all reports and documents prepared in whole or in part by using such Software, (ii) using such Software does not release Customer of any professional obligation concerning the preparation and review of such reports and documents, (iii) Customer does not rely upon Kronos, Best Software, Inc. or such Software for any advice or guidance regarding compliance with federal (and state laws where applicable) or the appropriate tax treatment of items reflected on such reports or documents, and (iv) Customer will review any calculations made by using such Software and satisfy itself that those calculations are correct.

9. PROFESSIONAL AND EDUCATIONAL SERVICES

(a) ENGAGEMENTS

Unless otherwise indicated on the Order, Professional and Educational Services ("Professional Services") shall be provided on a time and material basis and described in a statement of work. If a dollar limit is stated in the Order Form or any associated statement of work ("SOW"), the limit shall be deemed an estimate for Customer's budgeting and Kronos' resource scheduling purposes. After the dollar limit is expended, Kronos will continue to provide Professional Services on a time and materials basis, if a Change Order or Schedule of Services for continuation of the Professional Services is signed by the parties.

(b) WARRANTY

Kronos warrants that all professional and educational services performed under this Agreement shall be performed in a professional and competent manner. In the event that Kronos breaches this warranty, and Customer so notifies Kronos within 30 days of receipt of invoice for the applicable services, the Customer's remedy and Kronos' liability shall be to re-perform the services which were deficient in a manner so as to conform to the foregoing warranty, at no additional cost to Customer.

(c) KRONOS PROFESSIONAL/EDUCATIONAL SERVICES POLICIES

Kronos' then-current Professional/Educational Services Policies shall apply to all Professional and/or Educational Services purchased under the applicable SOW and may be accessed at <http://www.kronos.com/Support/ProfessionalServicesEngagementPolicies.htm> ("Professional Services Policies"). In the event of a conflict between the Professional Services Policies and this Agreement, the terms of this Agreement shall prevail.

10. SOFTWARE SUPPORT SERVICES

The following terms and conditions shall govern the Software support services provided by Kronos to Customer.

10.1 SUPPORT OPTIONS

Customer may select from the following Software support purchase options: Gold (or Gold Plus) and Platinum (or Platinum Plus) support ("Service Type"), each providing different service coverage periods and/or service offerings, as specified herein ("Service Offerings") and in the Kronos Support Service Policies (defined below). Customer must purchase the same Service Type for all of the Software specified on the Order Form, (however, if Customer is purchasing support services for Visionware Software, Customer may only purchase Gold Service Type for the Visionware Software). All Updates shall be provided via remote access.

10.2 TERM OF SOFTWARE SUPPORT

Unless otherwise indicated on the Order Form, support service shall commence on the Software Delivery date and shall continue for an initial term of one (1) year. Support service may be renewed for additional one (1) year terms on the anniversary date of its commencement date by mutual written agreement of the parties or by Kronos sending Customer an invoice for the applicable renewal term and Customer paying such invoice prior the commencement of such renewal term. After the one year initial term of this Agreement, the Service Offerings provided and the Service Coverage period are subject to change by Kronos with sixty (60) days advance written notice to Customer. For the initial two (2) renewal years the annual support fee, for the same products and service type, will not increase by more than 4% over the prior year's annual support fee.

10.3 GOLD SERVICE OFFERINGS

Customer shall be entitled to receive:

- (i) Updates for the Software (not including any Software for which Kronos charges a separate license fee), provided that Customer's operating system and equipment meet minimum system configuration requirements, as reasonably determined by Kronos. If Customer requests Kronos to install such Updates or to provide retraining, Customer agrees to pay Kronos for such installation or retraining at Kronos' pricing set forth in this Agreement.
- (ii) Telephone and/or electronic access to the Kronos Global Support Center for the logging of requests for service during the Service Coverage Period. The Service Coverage Period for the Gold Service Offering is 8:00 a.m. to 8:00 p.m., local time, Monday through Friday, excluding Kronos holidays.
- (iii) Web-based support including access to Software documentation, FAQ's, access to Kronos knowledge base, Customer forums, and e-case management. Such offerings are subject to modification by Kronos. Current offerings can be found at <http://www.kronos.com/services/support-services.aspx>.
- (iv) Web-based remote diagnostic technical assistance which may be utilized by Kronos to resolve Software functional problems and user problems during the Service Coverage Period.
- (v) Access to specialized content as and when made available by Kronos such as technical advisories, learning quick tips, brown bag seminars, technical insider tips, SHRM e-Learning, HR Payroll Answerforce and service case studies.

10.4 PLATINUM AND PLUS SERVICE OFFERINGS:

Platinum: In addition to the Service Offerings specified for the Gold Service Offering above, the Service Coverage Period for the Platinum Service Offering is 24 hours a day, seven days a week, 365 days a year.

Plus option: In addition to the Service Offerings specified for the Gold Service Offering above, Customers purchasing the Plus option shall receive the services of a dedicated, but not exclusive, Kronos Technical Account Manager ("TAM") for one production instance of the Software. Customers purchasing the Gold-Plus option shall designate up to one primary and one secondary backup technical contacts ("Technical Contacts") to be the sole contacts with the TAM, while Customers purchasing the Platinum-Plus option shall designate up to two primary and three secondary backup Technical Contacts. Upon request, Customer may designate additional and/or backup Technical Contacts. Customer is required to place all primary Technical Contacts through Kronos product training for the Software covered under this Section B at Customer's expense.

Customers purchasing the Platinum-Plus option shall also receive a one day per year visit to be performed at the Customer location where the Software is installed. During this onsite visit, Kronos shall work with Customer to identify ways to help Customer increase functionality or maximize utilization of the Software in Customer's specific environment. Customer must be utilizing the then-current version of the Software.

10.5 PAYMENT

Customer shall pay annual support charges for the initial term in accordance with the payment terms on the Order Form and for any renewal term upon receipt of invoice. Customer shall pay additional support charges, if any, and time and material charges upon receipt of invoice.

10.6 ADDITION OF SOFTWARE

Additional Software purchased by Customer as per the ordering procedure set out in the agreement during the initial or any renewal term shall be added to the Support Services at the same support option as the then current Software support coverage in place under these terms. Customer agrees to pay the charges for such addition as per the Order.

10.7 RESPONSIBILITIES OF CUSTOMER

Customer agrees (i) to provide Kronos personnel with full, free and safe access to Software for purposes of support, including use of Kronos' standard remote access technology, if required; (ii) to maintain and operate the Software in an environment and according to procedures which conform to the Specifications; and (iii) not to allow support of the Software by anyone other than Kronos without prior written authorization from Kronos. Failure to utilize Kronos' remote access technology may delay Kronos' response and/or resolution to Customer's reported Software problem. If Customer requires the use of a specific remote access technology not specified by Kronos, then Customer must purchase the Plus option to receive support and provide Kronos personnel with full, free and safe access to the remote access hardware and/or software.

10.8 DEFAULT

Customer shall have the right to terminate Kronos support services in the event that Kronos is in breach of the support services warranty set forth below and such breach is not cured within fifteen (15) days after written notice specifying the nature of the breach. In the event of such termination, Kronos shall refund to Customer on a pro-rata basis those pre-paid annual support fees associated with the unused portion of the support term. Kronos reserves the right to terminate or suspend support service in the event the Customer is in default under this Agreement with Kronos and such default is not corrected within fifteen (15) days after written notice. In addition, the support services will terminate and all charges due hereunder will become immediately due and payable in the event that Customer ceases to do business as a going concern or has its assets assigned by law.

10.9 WARRANTY

Kronos warrants that all support services shall be performed in a professional and competent manner.

11. EQUIPMENT SUPPORT SERVICES

The following terms and conditions shall govern the equipment support services provided by Kronos to Customer. Kronos and Customer hereby agree that Kronos shall provide depot equipment repair support services ("Depot Support Services") for Customer's Kronos Equipment ("Product(s)") specified on an Order Form to and from locations within the United States and Puerto Rico pursuant to the following terms and conditions:

11.1 TERM

Equipment Support Services for the Product(s) have a term of one (1) year commencing upon the expiration of the applicable warranty period, as specified in this Section B. Equipment Support Services can be extended for additional one year terms on the anniversary of its commencement date ("Renewal Date") by mutual written agreement of the parties or by Kronos sending Customer an invoice for the applicable renewal term and Customer paying such invoice prior to the commencement of such renewal term. For the initial two (2) renewal years the annual support fee, for the same products and service type, will not increase by more than 4% over the prior year's annual support fee to the extent consistent with the pricing set forth under the Agreement.

11.2 PAYMENT

Customer agrees to pay the Support Charges for the initial term as set forth on the Order Form for each Product listed. Customer agrees that all Products of the same type that are owned by the Customer, including without limitation Customer's "Spare Products" (as defined below), will be subject to this Agreement. Customer agrees that if Customer purchases, during the term of this Agreement, any Products of the same type as those specified on an Order Form, such additional Products shall be subject to this Agreement. Customer agrees to pay a prorated fee for such additional Products and agrees to pay the full annual fee for such additional Products, upon the renewal date. Kronos will invoice Customer for the annual Support Charges each year in advance of the Renewal Date. Customer will pay Kronos within thirty (30) days of receipt of invoice.

11.3 DEPOT SUPPORT SERVICE DESCRIPTION

Upon the failure of installed Equipment, Customer shall notify Kronos of such failure and Kronos will provide remote fault isolation at the FRU (Field Replacement Unit) or subassembly level and attempt to resolve the problem. Those failures determined by Kronos to be Equipment related shall be dispatched to a Kronos Depot Repair Center, and Customer will be provided with a Return Material Authorization Number (RMA) for the failed Equipment if Customer is to return the failed Equipment to Kronos, as reasonably determined by Kronos. Customer must return the failed Equipment with the supplied RMA number. Hours of operation, locations and other information related to Kronos' Depot Repair Centers are available upon request and can be found at <https://customer.kronos.com/contact/contact-phone.aspx> and are subject to change. Return and repair

procedures for failed Equipment shall be provided based on the Depot option - Depot Exchange or Depot Repair - selected by Customer on the applicable Order Form and as specified herein and in Kronos' then-current Support Services Policies. Service packs for the Equipment (as described in subsection (b) below) are included in both Depot Exchange and Depot Repair Support Services.

(i) *Depot Exchange*: Kronos will provide a replacement for the failed Equipment at the FRU or subassembly level on an "advanced exchange" basis, utilizing a carrier of Kronos' choice. Replacement Equipment will be shipped the same day, for delivery to Customer's location as further described in the Support Policies. REPLACEMENT EQUIPMENT MAY BE NEW OR RECONDITIONED. Customer shall specify the address to which the Equipment is to be shipped. All shipments will include the Kronos provided RMA designating the applicable Kronos Depot Repair Center, as the recipient. Customer, upon receipt of the replacement Equipment from Kronos, shall package the defective Equipment in the materials provided by Kronos, with the RMA supplied and promptly return failed Equipment directly to Kronos.

(ii) *Depot Repair*: Upon failure of installed Equipment, Customer shall install a Spare Product to replace the failed Equipment. Customer shall then return the failed Equipment, with the required RMA, to the applicable Kronos Depot Repair Center. Customer shall make reasonable efforts to return the failed Equipment using the same or substantially similar packing materials in which the original Equipment was sent. Customer shall also specify the address to which the repaired Equipment should be return shipped. Upon receipt of the failed Equipment, Kronos shall repair the failed Equipment and ship it, within ten (10) business days after receipt, to Customer. Kronos shall ship the repaired Equipment by regular surface transportation to Customer.

Kronos warrants that all repairs performed under the Agreement shall be performed in a professional and competent manner. In the event of a breach of this warranty, the exclusive remedy of Customer and sole liability of Kronos shall be replacement of the repaired Equipment.

11.4 EQUIPMENT SERVICE PACK SUPPORT SERVICE DESCRIPTION

If Customer purchase the Equipment service packs support, Kronos manufactured terminals specified on an Order, Customer shall be entitled to receive:

(i) Service packs for the Equipment (which may contain system software updates, firmware updates, security updates, and feature enhancements) available for download at Kronos' customer portal; and

(ii) Access to the Kronos Support Services Center for the logging of requests for assistance downloading service packs for the Equipment.

Service packs for the Equipment are not installed by the Kronos Depot Repair Center but are available for download at Kronos' customer portal, provided Customer is maintaining the Equipment under an annual Equipment Support Services plan with Kronos.

Kronos warrants that all service packs and firmware updates provided under this Agreement shall materially perform in accordance with the Kronos published specifications for a period of ninety (90) days after download by Customer. In the event of a breach of this warranty, Customer's exclusive remedy shall be Kronos' repair or replacement of the deficient service pack(s) or firmware update(s), at Kronos' option, provided that Customer's use, installation and maintenance thereof have conformed to the specifications.

11.5 RESPONSIBILITIES OF CUSTOMER

Customer agrees that it shall return failed Products promptly as the failures occur and that it shall not hold failed Products and send failed Product to Kronos in "batches" which shall result in a longer turnaround time and surcharge to Customer. In addition, Customer agrees to:

(a) Maintain the Products in an environment conforming to Kronos' published specifications for such Products;

(b) De-install all failed Products and install all replacement Products in accordance with Kronos' published installation guidelines;

(c) Ensure that the Product(s) are returned to Kronos properly packaged; and

(d) Obtain an RMA before returning any Product to Kronos and place the RMA clearly and conspicuously on the outside of the shipping package. Customer may only return the specific Product authorized by Kronos when issuing the RMA.

11.6 SUPPORT EXCLUSIONS

Depot Support Service does not include the replacement of "consumables". In addition, Depot Support Service does not include the repair of damages, and Customer will not attempt to return damaged Product, resulting from:

(a) Any cause external to the Products including, but not limited to, electrical work, fire, flood, water, wind, lightning, transportation, or any act of God;

(b) Customer's failure to continually provide a suitable installation environment (as indicated in Kronos' published installation guidelines) including, but not limited to, adequate electrical power;

(c) Customer's improper use, relocation, packaging, refinishing, management or supervision of the Product(s) or other failure to use Products in accordance with Kronos' published specifications;

(d) Customer's use of the Products for purposes other than those for which they are designed or the use of accessories or supplies not approved by Kronos;

(e) Government imposed sanctions, rules, regulations or laws preventing the shipment of the Products; or

(f) Customer's repair, attempted repair or modification of the Products.

Professional services provided by Kronos in connection with the installation of any Software or firmware upgrades, if available, and if requested by Customer, are not covered by Depot Support Services. Firmware (including equipment service packs) which may be available to resolve a Product issue is not installed by the Kronos Depot Repair Center but is available for download at Kronos' customer web site provided Customer is maintaining the Product under an annual Depot Support Services plan with Kronos.

11.7 WARRANTY

(a) *Depot Repair and Exchange warranty*: Kronos warrants that all repairs performed under this Section B shall be performed in a professional and competent manner.

(b) *Services Pack support Warranty*: Kronos warrants that all service packs and firmware updates provided under this Section B shall materially perform in accordance with the Kronos published specifications for a period of ninety (90) days after download by Customer. In the event of a breach of this warranty, Customer's remedy shall be Kronos' repair or replacement of the deficient service pack(s) or firmware update(s), at Kronos' option, provided that Customer's use, installation and maintenance thereof have conformed to the specifications.

11.8 LIMITATION OF REMEDIES

To the extent permitted by law, the remedy of Customer and liability of Kronos shall be replacement of the repaired Product.

12. KRONOS SUPPORT SERVICE POLICIES

Kronos' then-current Support Services Policies shall apply to all Support Services purchased and may be accessed at: <http://www.kronos.com/Support/SupportServicesPolicies.htm> ("Support Policies"). In the event of a conflict between the Support Policies and this Agreement, the terms of this Agreement shall prevail.

13. FIRMWARE

Customer may not download firmware updates for the Kronos Equipment unless Customer is maintaining such Equipment under a support plan with Kronos. If Customer is not maintaining the Equipment under a support plan with Kronos, Kronos shall have the right to verify Customer's Kronos Equipment to determine if Customer has downloaded any firmware to which Customer is not entitled.

14. TRAINING POINTS

Training Points which are purchased by Customer may be redeemed for an equivalent value of instructor-led training sessions offered by Kronos. Available Instructor-led sessions are listed at <http://customer.kronos.com> and each session has the Training Points value indicated. Training Points are invoiced when used by the Customer. Points may be redeemed at any time within 12 months of the date of the applicable Order Form, at which time they shall expire. Training Points may not be exchanged for other Kronos products and/or services.

15. KNOWLEDGEPASS EDUCATION SUBSCRIPTION:

The parties hereby agree that the following terms shall apply to Customer's purchase of the Kronos KnowledgePass Education Subscription only, if specified on the Order Form:

Scope: The KnowledgePass Education Subscription is available to customers who are licensing Kronos' Workforce Central and iSeries Timekeeper Software products and who are maintaining such products under a support plan with Kronos. The KnowledgePass Education Subscription provides access via the internet to certain educational offerings provided by Kronos (the "KnowledgePass Content"), including:

- Product and upgrade information for project teams and end users
- Hands-on interactive instruction on common tasks
- Self-paced tutorials covering a range of topics
- Job aids
- Knowledge assessment and reporting tools to measure progress
- Webinars

Term of Subscription: The annual KnowledgePass Education Subscription shall run co-terminously with Customer's Software Support, and shall renew for additional one (1) year terms provided Customer renews its KnowledgePass Education Subscription as provided below.

Payment: Customer shall pay the annual subscription charge for the initial term of the KnowledgePass Education Subscription in accordance with the payment terms on the Order Form. Kronos will send Customer a renewal invoice for renewal of the KnowledgePass Education Subscription at least forty five (45) days prior to expiration of the then current term. KnowledgePass Education Subscription shall renew for an additional one (1) year term if Customer pays such invoice before the end of the initial term or any renewal term.

The KnowledgePass Subscription is available when the Customer subscribes on an annual basis.

Limitations: Customer recognizes and agrees that the KnowledgePass Content is copyrighted by Kronos. Customer is permitted to make copies of the KnowledgePass Content provided in pdf form solely for Customer's internal use and may not disclose such KnowledgePass Content to any third party other than Customer's employees. Customer may not edit, modify, revise, amend, change, alter, customize or vary the KnowledgePass Content without the written consent of Kronos, provided that Customer may download and modify contents of Training Kits solely for Customer's internal use.

Train-the-Trainer Program (TTT): Certification under the Train-the-Trainer Program is valid only for the point release of the Software for which the TTT Program is taken, and covers only the Customer employee who completes the TTT Program.

16. INDEMNIFICATION

Kronos agrees to indemnify Customer and to hold it harmless from and against any and all claims, costs, fees and expenses (including reasonable legal fees) relating to actual or alleged infringement of United States or Canadian patents or copyrights asserted against Customer by virtue of Customer's use of the Software as delivered and maintained by Kronos, provided that: I) Kronos is given prompt written notice of any such claim and has sole control over the investigation, preparation, defense and settlement of such claim; and, II) Customer reasonably cooperates with Kronos in connection with the foregoing and provides Kronos with all information in Customer's possession related to such claim and any further assistance as reasonably requested by Kronos. Kronos will have no obligation to indemnify Customer to the extent any such claim is based on the use of the Software with software or equipment not supplied by Kronos. Should any or all of the Software as delivered and maintained by Kronos become, or in Kronos' reasonable opinion be likely to become, the subject of any such claim, Kronos may at its option: i) procure for Customer the right to continue to use the affected Software as contemplated hereunder; II) replace or modify the affected Software to make its use non-infringing; or III) should such options not be available at reasonable expense, terminate this Agreement with respect to the affected Software upon thirty (30) days prior written notice to Customer. In such event of termination, Customer shall be entitled to a pro-rata refund of all fees paid to Kronos for the affected Software, which refund shall be calculated using a five year straight-line depreciation commencing with the date of the relevant Order. Additionally, Kronos agrees to be liable for tangible property damage or personal injury to the extent caused solely by the negligence or willful misconduct of its employees.

17. LIMITATION OF LIABILITY

CUSTOMER'S EXCLUSIVE REMEDIES AND KRONOS' SOLE LIABILITY FOR ANY KRONOS BREACH OF THIS AGREEMENT ARE EXPRESSLY STATED HEREIN. EXCEPT AS PROVIDED IN THIS AGREEMENT, ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE EXCLUDED.

EXCEPT FOR I) KRONOS' INDEMNIFICATION OBLIGATIONS SET FORTH IN ARTICLE 16 ABOVE; II) CUSTOMER'S CLAIMS FOR TANGIBLE PROPERTY DAMAGE OR PERSONAL INJURY TO THE EXTENT CAUSED BY THE NEGLIGENCE OR WILLFUL MISCONDUCT OF THE OTHER PARTY'S EMPLOYEES, IN NO EVENT SHALL KRONOS' OR ITS PARENTS', SUBSIDIARIES', AFFILIATES', OR THIRD PARTY LICENSOR'S LIABILITY TO A CUSTOMER, HOWSOEVER CAUSED, EXCEED THE VALUE OF THE ORDER WHICH GIVES RISE TO

THE CLAIM, AND IN NO EVENT WILL KRONOS OR ITS PARENTS, SUBSIDIARIES AFFILIATES OR THIRD PARTY LICENSORS BE LIABLE FOR LOST PROFITS, LOST DATA OR ANY OTHER INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF THIS AGREEMENT WHETHER SUCH CLAIM IS BASED ON WARRANTY, CONTRACT, TORT OR THE EXISTENCE, FURNISHING, FUNCTIONING OR CUSTOMER'S SPECIFIC USE OF, OR INABILITY TO SO USE, ANY EQUIPMENT, SOFTWARE OR SERVICES PROVIDED FOR IN THIS AGREEMENT.

18. TERMINATION OF ORDER FORM OR SOW

(a) Termination for breach. For any breach of this Agreement by Kronos in relation with that Customer which cannot be cured by repair, replacement or re-performance, Customer shall have the right to terminate this the Order Form or applicable SOW upon thirty (30) days prior written notice to Kronos, provided Kronos has not cured such breach during such thirty (30) day period. Upon such termination, Customer shall be entitled to pursue its remedies at law or in equity subject to the terms of this Agreement.

(b) Termination for non-appropriation of funds. Should the funding for the services ordered by Customer be discontinued, Customer shall have the right to terminate the Order Form relating to such services ordered upon a 30 days written advance notice to Kronos and can order Kronos to stop the performance of the services upon receipt of the notice. In such event, the Customer agrees to pay for the products delivered and the services performed under the terms of the Agreement prior to the receipt by Kronos of the termination notice.

**SECTION C
CLOUD APPLICATION HOSTING
SUPPLEMENTAL TERMS AND CONDITIONS**

These terms and conditions apply to the cloud services which are identified in the Pricing as the Cloud 2 in the Pricelist Name.

These Application Hosting Supplemental Terms and Conditions are applicable for hosting services ordered by Customer for Kronos Software licensed under Section B of this Agreement.

1. DEFINITIONS

"Application(s)" means those Kronos software applications set forth in the Cloud Hosting SSS which are made accessible for Customer to use under the terms of this Addendum.

"Application Hosting Program" or "Program" means (I) accessibility to the Applications, by means of access to the password protected customer area of the Kronos hosting environment, and (II) all Hosting Related Services.

"Content" means all content Customer, or others acting on behalf of or through Customer, posts or otherwise inputs into the Program, including but not limited to information, data (such as payroll data, vacation time, and hours worked), designs, know-how, logos, text, multimedia images (e.g. graphics, audio and video files), compilations, software programs, third party software, applications, or other materials, or any other Customer content shared or processed on equipment under the control of Kronos.

"Hosting Related Services" means certain services set forth in a Services Scope Statement (SSS) containing hosted related services (the **"Cloud Hosting SSS"**), such as hosting infrastructure, equipment, bandwidth, server monitoring, backup services, reporting services, storage area network (SAN) services, load balancing services, security services, system administration, connectivity services, performance tuning, service pack installation and all professional and/or Cloud Services and maintenance services related to hosting.

"Initial Term" means the initial term of the Program as set forth in the applicable Cloud Hosting SSS.

"Internal Use" means the use of the Program: (i) by Customer's personnel solely for Customer's internal business purposes and (ii) by any authorized employee, agent or contractor of Customer to process information relating to Customer's employees assigned to, or potential employees of, Customer's authorized business unit(s), solely for the internal business purposes of such business unit(s).

"Monthly Service Fee(s)" means the monthly fees described in the Cloud Hosting SSS and set forth on the applicable Order Form..

"Order Form" means the order request form supplied by Kronos and signed by the Parties that lists the fees for the elements of Customer's particular Program.

"Personally Identifiable Data" means information concerning individually identifiable employees of Customer that is protected against disclosure under applicable law or regulation.

"Production Environment" means a permanent environment established for the daily use and maintenance of the Applications in a live environment throughout the term of a Program.

"Service Description" means the detailed service description (including any supplementary service terms) specified in the Cloud Hosting SSS which sets forth the specific Program to be provided to the Customer.

"SLA(s)" means a service level agreement offered by Kronos for the Production Environment and attached to this Section C as **Exhibit A** which contains key service level standards and commitments that apply to the Program as detailed in the Service Description.

"SLA Credit" means the credit calculated in accordance with the SLA and offered by Kronos in the event of outages, interruptions or deficiencies in the delivery of the Program that result in a failure to meet the terms of the applicable SLA.

"Supplier" means any contractor, subcontractor or licensor of Kronos providing software, equipment and/or services to Kronos which are incorporated into or otherwise related to the Program.

"Temporary Environment" means a transient database environment created to serve limited purposes for a limited time period, and identified in the applicable Cloud Hosting SSS as a Temporary Environment.

2. CLOUD HOSTING SERVICES SCOPE STATEMENT

The description of the particular Program ordered by the Customer, the Program term, the Monthly Service Fee rates, and other fees, if any, applicable to the Program are described in the applicable Cloud Hosting SSS and Order Form. Kronos will not change the Monthly Service Fee rates it charges for Customer's existing Program, or the SLA, during the Initial Term. Kronos may change such Monthly Service Fee rates or the associated SLA for a renewal term of the particular Program by notifying Customer at least sixty (60) days prior to the expiration of the then current term. SLAs are only available in a Production Environment. Unless the Cloud Hosting SSS indicates that the Program is to be implemented in a Temporary Environment, the Program will be deemed to be implemented in a Production Environment.

3. AUTHORIZED USE

Customer shall take all reasonable steps to ensure that no unauthorized persons have access to the Program, and to ensure that no persons authorized to have such access shall take any action that would be in violation of this Section C.

4. MAINTENANCE ACCESS

If Kronos, its Suppliers, or the local access provider, as applicable, requires access to Customer sites in order to maintain or repair the Program, Customer shall cooperate in a timely manner and reasonably provide such access and assistance as necessary. As part of Kronos' support services, Kronos will make updates to the Applications available to Customer at no charge as they are released generally to Kronos' customers. Customer agrees to receive those updates automatically as part of the Program. Customer may be required to purchase additional Hosting Related Services to address Infrastructure requirements as released by Kronos for a new version of a particular Application.

5. CUSTOMER REPRESENTATIONS AND WARRANTIES; CUSTOMER OBLIGATIONS

5.1 Customer represents and warrants to Kronos that it has the right to publish and disclose Customer's Content in the Program.

5.2 Customer represents and warrants to Kronos that Customer's Content will not: (a) infringe or violate any third-party right, including (but not limited to) intellectual property, privacy, or publicity rights; (b) be abusive, profane, or offensive to a reasonable person; or (c) be hateful or threatening.

5.3 Customer will, at its own cost and expense, provide all end user equipment, operating systems, and software (including a web browser) not provided by Kronos and needed to access and use the Program. Customer will also provide, at its own cost and expense, all connections from its computer systems to the Program, which shall include all related costs associated with Customer accessing the Program, unless such connectivity services are purchased from Kronos as indicated on the Cloud Hosting SSS and Order Form.

5.4 Customer shall not, and shall not permit any person or entity under Customer's direct or indirect control to: (a) recirculate, republish, distribute or otherwise provide access to the Program to any third party; (b) use the Program on a service bureau, time sharing or any similar basis, or for the benefit of any other person or entity; (c) alter, enhance or make derivative works of the Program; (d) reverse engineer, reverse assemble or decompile, or otherwise attempt to derive source code from, the Program or any software components of the Program; (e) use, or allow the use of, the Program in contravention of any applicable law, or rules or regulations of regulatory or administrative organizations; (f) introduce into the Program any virus or other code or routine intended to disrupt or damage the Program, alter, damage, delete, retrieve or record information about the Program or its users; or, (g) otherwise act in a fraudulent, malicious or negligent manner when using the Program.

6. CONNECTIVITY AND ACCESS

6.1 Customer acknowledges that Customer shall (a) be responsible for securing, paying for, and maintaining connectivity to the Services (including any and all related hardware, software, third party services and related equipment and components); and (b) provide Kronos and Kronos' representatives with such physical or remote access to Customer's computer and network environment as Kronos deems reasonably necessary in order for Kronos to perform its obligations under the Agreement. Customer will make all necessary arrangements as may be required to provide access to Customer's computer and network environment if necessary for Kronos to perform its obligations under the Agreement. Customer agrees that Kronos may audit Customer's use of the Services.

7. FEES AND PAYMENT TERMS

7.1 In consideration of the delivery of the Program, Customer shall pay Kronos the Monthly Services Fee as defined in the applicable Order Form. The Monthly Services Fee shall begin to accrue on the date the Order Form and SSS are signed by the parties, and shall be invoiced annually in advance.

7.2 All fees payable hereunder shall be paid in United States Dollars and sent to the attention of Kronos as specified on the Invoice. Payment terms shall be net 30 days following receipt of invoice.

7.3 SLA Credits, if any, which are due and owing to a Customer under an SLA for a particular month of the Program shall be paid by Kronos in the month following the month in which the SLA Credits were earned.

8. SERVICE LEVEL AGREEMENT

CUSTOMER'S SOLE AND EXCLUSIVE REMEDY IN THE EVENT OF ANY SERVICE OUTAGE, INTERRUPTION OR DEFICIENCY OF SERVICE(S) OR FAILURE BY KRONOS TO MEET THE TERMS OF AN APPLICABLE SLA, SHALL BE THE REMEDIES PROVIDED IN THE SLA; PROVIDED THAT ANY REMEDIES OR CREDITS CONTAINED IN THE SLA ARE NOT AVAILABLE FOR OUTAGES, INTERRUPTIONS OR DEFICIENCIES OCCURRING DURING ANY PERIOD IN WHICH CUSTOMER IS IN BREACH OF THIS ADDENDUM OR THE LICENSE AGREEMENT. KRONOS DISCLAIMS ANY AND ALL OTHER LIABILITIES OR REMEDIES FOR SUCH OUTAGES, INTERRUPTIONS OR DEFICIENCIES OF SERVICES.

9. LIMITATION OF LIABILITY

IN ADDITION TO THE LIMITATIONS SET FORTH IN THE LICENSE AGREEMENT, EXCEPT WITH RESPECT TO LIABILITY ARISING FROM KRONOS' GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, KRONOS DISCLAIMS ANY AND ALL LIABILITY AND SERVICE CREDITS, INCLUDING SUCH LIABILITY RELATED TO A BREACH OF SECURITY OR DISCLOSURE, RESULTING FROM ANY EXTERNALLY INTRODUCED HARMFUL PROGRAM (INCLUDING VIRUSES, TROJAN HORSES, AND WORMS), CUSTOMER'S CONTENT OR APPLICATIONS, THIRD PARTY UNAUTHORIZED ACCESS OF EQUIPMENT OR SOFTWARE OR SYSTEMS, OR MACHINE ERROR.

10. DATA SECURITY

10.1 As part of the Program, Kronos shall provide those administrative, physical, and technical safeguards for protection of the security, confidentiality and integrity of Customer data as described at: <http://www.kronos.com/products/smb-solutions/workforce-central-saas/security-description.aspx> Customer acknowledges that such safeguards endeavor to mitigate security incidents, but such incidents may not be mitigated entirely or rendered harmless. Customer should consider any particular Kronos supplied security-related safeguard as just one tool to be used as part of Customer's overall security strategy and not a guarantee of security. Both parties agree to comply with all applicable privacy or data protection statutes, rules, or regulations governing the respective activities of the parties under the Agreement.

10.2 As between Customer and Kronos, all Personally Identifiable Data is Customer's Confidential Information and will remain the property of Customer. Customer represents that to the best of Customer's knowledge such Personally Identifiable Data supplied to Kronos is accurate. Customer hereby consents to the use, processing or disclosure of Personally Identifiable Data by Kronos and Kronos' Suppliers wherever located only

for the purposes described herein and only to the extent such use or processing is necessary for Kronos to carry out Kronos' duties and responsibilities under this Agreement or as required by law.

10.3 Prior to initiation of the Program and on an ongoing basis thereafter, Customer agrees to provide notice to Kronos of any extraordinary privacy or data protection statutes, rules, or regulations which are or become applicable to Customer's industry and which could be imposed on Kronos as a result of provision of the Program. Customer will ensure that: (a) the transfer to Kronos and storage of any Personally Identifiable Data by Kronos or Kronos' data center is permitted under applicable data protection laws and regulations; and (b) Customer will obtain consents from individuals for such transfer and storage to the extent required under applicable laws and regulations.

11. TERM AND TERMINATION

11.1 At the expiration of the Initial Term, the applicable Program shall automatically renew for successive one year periods unless either party provides notice of its intent not to renew at least sixty (60) days prior to the expiration of the then-current term. Kronos may suspend or terminate the Program upon notice in the event of any breach by Customer of this Section C if such breach is not cured within ten (10) days of the date of Kronos' written notice. No Program interruption shall be deemed to have occurred during, and no Program credits shall be owed for, any authorized suspension of the Program.

11.2 Customer may terminate the Program by written notice at any time during the term of the Addendum if Kronos materially breaches any provision of this Addendum, and such default is not cured within thirty (30) days after receipt of written notice from Customer. In the event of such termination by Customer, Customer shall pay Kronos within thirty (30) days all fees then due and owing for the Program prior to the date of termination.

11.3 Customer may terminate the Program for convenience on no less than ninety (90) days prior written notice to Kronos.

11.4 In the event of termination of the Program by Customer for convenience or by Kronos for cause during the Initial Term, Customer will pay to Kronos any out of pocket expenses incurred by Kronos in terminating the Program plus an early termination fee based on the following calculation: one (1) month of the then-current Monthly Services Fees for every twelve (12) month period (or portion thereof) remaining in the Initial Term. By way of example only, if Customer terminates the Program for convenience with fifteen (15) months remaining in the Initial Term, Customer will be responsible to pay Kronos two (2) months of the applicable Monthly Services Fees.

EXHIBIT A

SERVICE LEVEL AGREEMENT (SLA)

Service Level Agreement: The Services, in a production environment and as described in the Statement of Work (aka Services Scope Statement), are provided with the service levels described in this Exhibit A. SLAs are only applicable to production environments. SLAs will be available upon Customer's signature of Kronos' Go Live Acceptance Form for Customer's production environment.

99.75% Application Availability

Actual Application Availability % = (Monthly Minutes (MM) minus Total Minutes Not Available (TM)) multiplied by 100) and divided by Monthly Minutes (MM), but not including Excluded Events

Service Credit Calculation: An Outage will be deemed to commence when the Applications are unavailable to Customer in Customer's production environment hosted by Kronos and end when Kronos has restored availability of the Services. Failure to meet the 99.75% Application Availability SLA, other than for reasons due to an Excluded Event, will entitle Customer to a credit as follows:

Actual Application Availability % (as measured in a calendar month)	Service Credit to be applied to Customer's monthly invoice for the affected month
<99.75% to 98.75%	10%
<98.75% to 98.25%	15%
<98.25% to 97.75%	25%
<97.75 to 96.75%	35%
<96.75	50%

"Outage" means the accumulated time, measured in minutes, during which Customer is unable to access the Applications for reasons other than an Excluded Event.

"Excluded Event" means any event that results in an Outage and is caused by (a) the acts or omissions of Customer, its employees, customers, contractors or agents; (b) the failure or malfunction of equipment, applications or systems not owned or controlled by Kronos, including without limitation Customer Content, failures or malfunctions resulting from circuits provided by Customer, any inconsistencies or changes in Customer's source environment, including either intentional or accidental connections or disconnections to the environment; (c) Force Majeure events; (d) scheduled or emergency maintenance, alteration or implementation provided during the Maintenance Period defined below; (e) any suspension of the Services in accordance with the terms of the Agreement to which this Exhibit A is attached; (f) the unavailability of required Customer personnel, including as a result of failure to provide Kronos with accurate, current contact information; or (g) using an Application in a manner inconsistent with the product documentation for such Application.

"Maintenance Period" means scheduled maintenance periods established by Kronos to maintain and update the Services, when necessary. During these Maintenance Periods, the Services are available to Kronos to perform periodic maintenance services, which include vital software updates. Kronos will use its commercially reasonable efforts during the Maintenance Period to make the Services available to Customer; however, some changes will require downtime. Kronos will provide notice for planned downtime via an email notice to the primary Customer contact at least one day in advance of any known downtime so planning can be facilitated by Customer.

Currently scheduled Maintenance Periods for the Services are:

Monday through Friday 04:00 am – 06:00 am (U.S. eastern time)
Saturday and Sunday 12:00 am – 06:00 am (U.S. eastern time)

Maintenance Periods include those maintenance periods mutually agreed upon by Customer and Kronos.

"Monthly Minutes (MM)" means the total time, measured in minutes, of a calendar month commencing at 12:00 am of the first day of such calendar month and ending at 11:59 pm of the last day of such calendar month.

"Total Minutes Not Available (TM)" means the total number of minutes during the calendar month that the Services are unavailable as the result of an Outage.

Limitations: Service Credits will not be provided if: (a) Customer is in breach or default under the Agreement at the time the Outage occurred; or (b) the Outage results from an Excluded Event. If Kronos does not provide the appropriate Service Credit as due hereunder, Customer must request the Service Credit within sixty (60) calendar days of the conclusion of the month in which the Service Credit accrues. Customer waives any right to Service Credits not requested within this time period. All performance calculations and applicable Service Credits are based on Kronos records and data unless Customer can provide Kronos with clear and convincing evidence to the contrary.

The Service Level Agreements in this Exhibit, and the related Service Credits, apply on a per production environment basis. For the avoidance of doubt, Outages in one production environment may not be added to Outages in any other production environment for purposes of calculating Service Credits.

Customer acknowledges that Kronos manages its network traffic in part on the basis of Customer's utilization of the Services and that changes in such utilization may impact Kronos' ability to manage network traffic. Therefore, notwithstanding anything else to the contrary, if Customer significantly changes its utilization of the Services than what is contracted with Kronos and such change creates a material and adverse impact on the traffic balance of the Kronos network, as reasonably determined by Kronos, the parties agree to co-operate, in good faith, to resolve the issue.

**SECTION C.1:
APPLICATION HOSTING TERMS AND CONDITIONS .**

**This Section applies only for transactions that involve Kronos hosting for Software licensed under Section B in relation with hosting pricing referred to as CLOUD
This attachment does not apply to CLOUD 2 Items.**

APPLICATION HOSTING SUPPLEMENTAL TERMS AND CONDITIONS

These Application Hosting Supplemental Terms and Conditions are applicable for hosting services ordered by Customer for Kronos Software licensed under Section B of this Agreement using the pricing set up on November 21, 2013.

DEFINITIONS

"Application Hosting Program" or "Program" means (i) accessibility to the commercially available object code version of the Kronos hosted applications, as set forth in the Cloud Services SOW, by means of access to the password protected customer area of the Kronos hosting environment, and (ii) all Hosting Related Services.

"Content" means all content Customer, or others acting on behalf of or through Customer, posts or otherwise inputs into the Program, including but not limited to information, data (such as payroll data, vacation time, and hours worked), designs, know-how, logos, text, multimedia images (e.g. graphics, audio and video files), compilations, software programs, third party software, applications, or other materials, or any other Customer content shared or processed on equipment under the control of Kronos or a Supplier.

"Hosting Related Services" means certain services set forth in a statement of work containing hosted related services (the "Cloud Services SOW"), such as hosting infrastructure, equipment, bandwidth, server monitoring, backup services, reporting services, storage area network (SAN) services, load balancing services, security services, system administration, connectivity services, performance tuning, service pack installation and all professional and/or Cloud Services and maintenance services related to hosting.

"Initial Term" means the initial term for which Kronos shall provide the Program to Customer and as set forth in the applicable Cloud Services SOW executed by Customer.

"Internal Use" means the use of the Program: (i) by Customer's personnel solely for Customer's internal business purposes and (ii) by any authorized employee, agent or contractor of Customer to process information relating to Customer's employees assigned to, or potential employees of, Customer's authorized business unit(s), solely for the internal business purposes of such business unit(s).

"Monthly Service Fee(s)" means the monthly fees described in the Cloud Services SOW and set forth on the applicable Order Form, which shall include all Hosting Related Services fees.

"Order Form" means the order request form supplied by Kronos and signed by the Parties that lists the Startup Fees and Monthly Service Fees for the elements of Customer's particular Program.

"Personally Identifiable Data" means information concerning individually identifiable employees of Customer that is protected against disclosure under applicable law or regulation.

"Production Environment" means a permanent environment established for the daily use and maintenance of the Application in a live environment throughout the term of a Program.

"Services Commencement Date" shall, except as otherwise provided in writing in a Cloud Services SOW or Order Form signed by the parties, mean the earlier of (a) the date the Software is transferred to the hosted environment, as mutually agreed by the parties in writing or (b) 90 days after the Effective Date. Notwithstanding the foregoing, the Services Commencement Date for software hosted in a Temporary Environment shall commence seven (7) days after the Effective Date.

"Service Description" means the detailed service description (including any supplementary service terms) specified in the Cloud Services SOW which sets forth the specific Program to be provided to the Customer.

"SLA(s)" means a service level agreement offered by Kronos for the Production Environment and attached to this Section C.1 as Exhibit A.1 which contains key service maintenance standards and commitments that apply to the Program as detailed in the Service Description.

"SLA Credit" means the credit calculated in accordance with the SLA and offered by Kronos in the event of outages, interruptions or deficiencies in the delivery of the Program that result in a failure to meet the terms of the applicable SLA.

"Supplier" means any contractor, subcontractor or licensor of Kronos providing software, equipment and/or services to Kronos which are incorporated into or otherwise related to the Program.

"Temporary Environment" means a transient database environment created to serve limited purposes for a limited time period, and identified in the applicable Cloud Services SOW as a Temporary Environment.

"Startup Fees" means the one time, customer-specific startup fee as indicated on the Order Form that will be charged to Customer to enable access to the Program.

Cloud Services STATEMENT OF WORK

The description of the particular Program ordered by the Customer, the Program term, the Monthly Service Fee rates, the Startup Fees and other fees, if any, applicable to the Program are described in the applicable Cloud Services SOW and Order Form. Kronos will not change the Monthly Service Fee rates it charges for Customer's existing Program, or the SLA, during the Initial Term. Kronos may change such Monthly Service Fee

rates or the associated SLA for a renewal term of the particular Program by notifying Customer at least sixty (60) days prior to the expiration of the then current term. SLAs are only available in a Production Environment. Unless the Cloud Services SOW indicates that the Program is to be implemented in a Temporary Environment, the Program will be deemed to be implemented in a Production Environment.

Authorized Use

Customer shall take all reasonable steps to ensure that no unauthorized persons have access to the Program, and to ensure that no persons authorized to have such access shall take any action that would be in violation of this section C.1.

MAINTENANCE ACCESS

If Kronos, its Suppliers, or the local access provider, as applicable, requires access to Customer sites in order to maintain or repair the Program, Customer shall cooperate in a timely manner and reasonably provide such access and assistance as necessary.

Customer representations and warranties; Customer obligations

5.1 Customer represents and warrants to Kronos that it has the right to publish and disclose Customer's Content in the Program.

5.2 Customer represents and warrants to Kronos that Customer's Content will not: (a) infringe or violate any third-party right, including (but not limited to) intellectual property, privacy, or publicity rights; (b) be abusive, profane, or offensive to a reasonable person; or (c) be hateful or threatening.

5.3 Customer will, at its own cost and expense, provide all end user equipment, operating systems, and software (including a web browser) not provided by Kronos and needed to access and use the Program in accordance with the technical requirements set forth in the Cloud Services SOW. Customer will also provide, at its own cost and expense, all connections from its computer systems to the Program, which shall include all related costs associated with Customer accessing the Program, unless such connectivity services are purchased from Kronos as indicated on the Cloud Services SOW and Order Form.

5.4 Customer shall not, and shall not permit any person or entity under Customer's direct or indirect control to: (a) recirculate, republish, distribute or otherwise provide access to the Program to any third party; (b) use the Program on a service bureau, time sharing or any similar basis, or for the benefit of any other person or entity; (c) alter, enhance or make derivative works of the Program; (d) reverse engineer, reverse assemble or decompile, or otherwise attempt to derive source code from, the Program or any software components of the Program; (e) use, or allow the use of, the Program in contravention of any federal, state, local, foreign or other applicable law, or rules or regulations of regulatory or administrative organizations; (f) introduce into the Program any virus or other code or routine intended to disrupt or damage the Program, alter, damage, delete, retrieve or record information about the Program or its users; or, (g) otherwise act in a fraudulent, malicious or negligent manner when using the Program.

6. INTERNET ACCESS

6.1 If Customer uses open Internet connectivity or Customer-supplied VPN Internet connections to access the Program, Customer acknowledges that the performance and throughput of the Internet connection cannot be guaranteed by Kronos, and variable connection performance may result in application response variations.

6.2 Customer hereby acknowledges that the Internet is not owned, operated, managed by, or in any way affiliated with Kronos, its Suppliers or any of its affiliates, and that it is a separate network of computers independent of Kronos. Access to the Internet is dependent on numerous factors, technologies and systems, many of which are beyond Kronos' authority and control. Customer acknowledges that Kronos cannot guarantee that the Internet access services chosen by Customer will meet the level of up-time or the level of response time that Customer may need. Customer agrees that its use of the Internet access services and the Internet is solely at its own risk, except as specifically provided in this Section C.1, and is subject to all applicable local, state, national and international laws and regulations.

7. FEES AND PAYMENT TERMS

7.1 In consideration of the delivery of the Program, Customer shall pay Kronos the Monthly Services Fee as defined in the applicable Order Form. The Monthly Services Fee shall begin to accrue on the Services Commencement Date, and shall be invoiced monthly in advance. In addition, Customer shall be billed the Startup Fees and any additional Cloud Hosting startup fees set forth in the applicable Order Form. Customer acknowledges that the billing commencement date does not coincide with implementation completion, final configuration, or go-live.

7.2 All fees payable hereunder shall be paid in United States Dollars and sent to the attention of Kronos as specified on the invoice. Payment terms shall be net 30 days following receipt of invoice. All overdue payments shall bear interest at the lesser of one and one-half percent (1.5%) per month or the maximum rate allowed under applicable law. Customer is responsible for all federal, state or local taxes, duties and customs fees relating to the Program, excluding taxes based on Kronos' income or business privilege.

7.3 SLA Credits, if any, which are due and owing to a Customer under an SLA for a particular month of the Program shall be included in the Monthly Service Fee invoice issued by Kronos for the month following the month in which the SLA Credits were earned.

8. SERVICE LEVEL AGREEMENT

CUSTOMER'S SOLE AND EXCLUSIVE REMEDY IN THE EVENT OF ANY SERVICE OUTAGE, INTERRUPTION OR DEFICIENCY OF SERVICE(S) OR FAILURE BY KRONOS TO MEET THE TERMS OF AN APPLICABLE SLA, SHALL BE THE REMEDIES PROVIDED IN THE SLA; PROVIDED THAT ANY REMEDIES OR CREDITS CONTAINED IN THE SLA ARE NOT AVAILABLE FOR OUTAGES, INTERRUPTIONS OR DEFICIENCIES OCCURRING DURING ANY PERIOD IN WHICH CUSTOMER IS IN BREACH OF THIS SECTION C.1 OR SECTION B. KRONOS DISCLAIMS ANY AND ALL OTHER LIABILITIES OR REMEDIES FOR SUCH OUTAGES, INTERRUPTIONS OR DEFICIENCIES OF SERVICES.

9. LIMITATION OF LIABILITY

IN ADDITION TO THE LIMITATIONS SET FORTH IN THE LICENSE AGREEMENT, EXCEPT WITH RESPECT TO LIABILITY ARISING FROM KRONOS' GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, KRONOS DISCLAIMS ANY AND ALL LIABILITY AND SERVICE CREDITS, INCLUDING SUCH LIABILITY RELATED TO A BREACH OF SECURITY OR DISCLOSURE, RESULTING FROM ANY EXTERNALLY INTRODUCED HARMFUL PROGRAM (INCLUDING VIRUSES, TROJAN HORSES, AND WORMS), CUSTOMER'S CONTENT OR

APPLICATIONS, THIRD PARTY UNAUTHORIZED ACCESS OF EQUIPMENT OR SOFTWARE OR SYSTEMS, OR MACHINE ERROR.

10. DATA SECURITY

10.1 As part of the Program, Kronos shall provide those Kronos security-related services described in the Cloud Services SOW. Customer acknowledges that the security-related services endeavor to mitigate security incidents, but such incidents may not be mitigated entirely or rendered harmless. Customer should consider any particular security-related service as just one tool to be used as part of an overall security strategy and not a guarantee of security. Both parties agree to comply with all applicable privacy or data protection statutes, rules, or regulations governing the respective activities of the parties.

10.2 All Personally Identifiable Data contained in any Software, Equipment or systems supplied by Kronos, or to which Kronos has access to under this Section C.1, as between Kronos and Customer, is Customer's Confidential Information and will remain the property of Customer. Customer hereby consents to the use, processing and/or disclosure of Personally Identifiable Data only for the purposes described herein and to the extent such use or processing is necessary for Kronos to carry out its duties and responsibilities under this Section C.1 or as required by law.

10.3 Prior to initiation of the Program and on an ongoing basis thereafter, Customer agrees to provide notice to Kronos of any extraordinary privacy or data protection statutes, rules, or regulations which are or become applicable to Customer and which could be imposed on Kronos as a result of provision of the Program. Customer will ensure that: (a) the transfer and storage of any Personally Identifiable Data to Kronos and managed by Kronos' or Supplier's data center is legitimate under applicable data protection laws and regulations; and (b) Customer will obtain consent from individuals for such transfer and storage to the extent required under applicable laws and regulations.

10.4 At no cost to Customer, Kronos shall upon (i) request by Customer at any time and (ii) the cessation of the Program, promptly return to Customer, in the format and on the media in use as of the date of the request, all Personally Identifiable Data.

11. TERM AND TERMINATION

11.1 At the expiration of the Initial Term, the applicable Programs shall automatically renew for successive one year periods unless either party provides notice of its intent not to renew at least sixty (60) days prior to the expiration of the then-current term. Kronos may suspend or terminate the Program upon notice in the event of any breach by Customer of this Section C.1. No Program interruption shall be deemed to have occurred during, and no Program credits shall be owed for, any authorized suspension of the Program.

11.2 Customer may terminate the Program by written notice at any time during the term of this Section if Kronos materially breaches any provision of this Section, and such default is not cured within thirty (30) days after receipt of written notice from Customer. In the event of such termination by Customer, Customer shall pay Kronos within thirty (30) days all fees then due and owing for the Program prior to the date of termination.

11.3 Customer may terminate the Program for convenience on no less than ninety (90) days prior written notice to Kronos.

11.4 In the event of termination of the Program by Customer for convenience or by Kronos for cause during the Initial Term, Customer will pay to Kronos any out of pocket expenses incurred by Kronos in terminating the Program plus an early termination fee based on the following calculation: one (1) month of the then-current Monthly Services Fees for every twelve (12) month period (or portion thereof) remaining in the Initial Term. By way of example only, if Customer terminates the Program for convenience with fifteen (15) months remaining in the Initial Term, Customer will be responsible to pay Kronos two (2) months of the then-current Monthly Services Fees.

**EXHIBIT A.1
TO SECTION C.1
SERVICE LEVEL AGREEMENT (SLA)**

Service Level Types: SLAs are only applicable to Production Environments. The Program, in a Production Environment, as described in the Service Description is provided with the following service level:

99.50% Application Availability

Service Levels/Credit Calculation: An Outage will be deemed to commence when Customer opens a case with Kronos Global Support, or Kronos Cloud Services receives an application availability alert. The Outage will be deemed to end when Kronos has restored availability of the Program. Failure to meet the above service levels will entitle Customer to credits as follows.

99.50% Application Availability SLA – Production Environment	
Uptime percentage (as measured in a calendar month)	Affected Service Credit
The amount of the Credit will be determined as follows:	
<99.50% to 98.75%	15%
<98.75% to 98.25%	20%
<98.25% to 97.75%	35%
<97.75 to 96.75%	50%
<96.75	75%

Application Availability SLA% = ((MM-TM)*100) / (MM)

Definitions

"Affected Service" means the monthly fees paid for the hosting of the Program.

"Excluded Event" means any event that adversely impacts the Program that is caused by (a) the acts or omissions of Customer, its employees, customers, contractors or agents; (b) the failure or malfunction of equipment, applications or systems not owned or controlled by Kronos or Supplier; (c) Force Majeure events; (d) scheduled or emergency maintenance, alteration or implementation; (e) any suspension of the Program in accordance with the terms of this Section or License Agreement; (f) the unavailability of required Customer personnel, including as a result of failure to provide Supplier with accurate, current contact information; (g) using the Application in a manner inconsistent with the product documentation; or (h) any other exclusionary circumstance specified in the applicable Cloud Services SOW.

"Monthly Minutes (MM)" means total minutes in which service was scheduled to be available.

"Outage" means the accumulated time during which Customer is unable to establish an active communications connection, measured from beginning to end, between Customer and the Program for reasons other than (a) failures caused by Customer Data; or (b) any Excluded Events.

"Scheduled Maintenance (SM)" means scheduled maintenance periods established by Kronos to provide ample time to maintain and update the applications, when necessary. During these maintenance periods, the applications are available to Kronos to perform periodic services, which include vital software updates. Systems will generally continue to be available to Customer; however, some changes will require planned downtime. Kronos will provide notice for planned downtime via an email notice to our primary Customer contact at least one day in advance of such shutdown/restart so planning can be facilitated by Customer.

When application maintenance is required, current Scheduled Maintenance periods for the applications are:

Monday through Friday	4am – 6am
Saturday and Sunday	12am - 6am

- All times listed are U.S. Eastern Time.
- Kronos' utilization of the above maintenance windows shall not trigger SLA Credits to Customer.

"Total Minutes Not Available" (TM) means the total number of minutes during the calendar month that the Program is unavailable outside of scheduled maintenance windows.

Limitations: Kronos will apply any credits to the Customer account. Credits will not be provided if: (a) Customer is in breach or default under this Section or the Program at the time the Outage occurred and such breach is the cause of the Outage; or (b) it results from an Excluded Event.

In no event will the credits accrued in any calendar month exceed, in the aggregate across all service levels and events, one hundred (100%) of the Invoice amount for the Affected Service.

The Service Level Agreements in this Exhibit, and the related credits listed, apply on a per Program basis. For the avoidance of doubt, Outages, delays, failures, etc. in one Program may not be added to Outages, delays, failures, etc. in any other Program for purposes of calculating SLA credits.

SECTION D
KRONOS WORKFORCE CENTRAL - SOFTWARE AS A SERVICE (SAAS) TERMS AND CONDITIONS

Customer and Kronos agree that the terms and conditions set forth in this Section D shall apply to the Kronos supply of the commercially available version of the Workforce Central SaaS Applications and related services and materials (including applicable documentation) and Equipment (if any) specified on an Order Form. The Applications described on the Order Form shall be delivered by means of Customer's permitted access to the password protected customer area of a Kronos website.

1. DEFINITIONS

"Application(s)" or **"SaaS Application(s)"** means those Kronos software application programs set forth on an Order Form which are made accessible for Customer to use under the terms of this Section D.

"Cloud Services" means those services related to Customer's hosting environment such as hosting infrastructure, equipment, bandwidth, server monitoring, backup services, storage area network (SAN) services, security services, system administration, connectivity services, performance tuning, update installation and maintenance services related thereto. Unless otherwise set forth in a Statement of Work, Cloud Services are described as set forth at: <http://www.kronos.com/products/smb-solutions/workforce-central-saas/implementation-guidelines.aspx>

"Customer Content" means all content Customer, or others acting on behalf of or through Customer, posts or otherwise inputs into the Services.

"Documentation" means technical publications published by Kronos relating to the use of the Services or Applications.

"Equipment" means the Kronos equipment specified on an Order Form.

"Implementation Services" means those services provided by Kronos to set up the hosting environment and configure the Services, including educational services and training. Unless otherwise set forth in a Statement of Work, Kronos' and Customer's implementation responsibilities are described in the Services Implementation Guideline set forth at: <http://www.kronos.com/products/smb-solutions/workforce-central-saas/implementation-guidelines.aspx>. Implementation Services may be provided as forth in Section B.

"Initial Term" means the initial term of the Services as indicated on the Order Form.

"KnowledgePass Content"/"KnowledgePass Education Subscription" have the meanings ascribed in Section 7.5.

"Minimum Contract Value" means the total of all Monthly Service Fees to be invoiced during the Initial Term.

"Monthly Service Fee(s)" means the monthly fees described in an Order Form. Monthly Service Fees include fees for usage of Applications and the Services, Cloud Services as applicable, and Equipment rental, if any. Billing of the Monthly Service Fee(s) commences on the Start Date.

"Order Form" means an order form mutually agreed upon by Kronos and Customer setting forth the items ordered by Customer and to be provided by Kronos, including without limitation the Applications and the prices and fees to be paid by Customer.

"Personally Identifiable Data" means information concerning individually identifiable employees of Customer that is protected against disclosure under applicable law or regulation.

"Services" means (i) accessibility to the commercially available version of the Applications by means of access to the password protected customer area of a Kronos website, (ii) the Equipment purchased or rented hereunder, (iii) the Implementation Services and Cloud Services, and (iv) such other services, items and offerings set forth on an Order Form.

"Start Date" means the date billing commences for the Services (excluding the Implementation Services) as indicated on the applicable Order Form. For any Services ordered by Customer after the date of this Section D which are incremental to Customer's then-existing Services, the Start Date shall be the date the applicable Order Form is executed by Kronos and Customer.

"Statement of Work", "SOW", "Services Scope Statement" and "SSS" are interchangeable terms referring to a written description of the Implementation Services and Cloud Services as mutually agreed upon by Kronos and Customer. An SOW supersedes any implementation guidelines or descriptions on a web page referenced in this Section D.

"Supplier" means any contractor, subcontractor or licensor of Kronos providing software, equipment and/or services to Kronos which are incorporated into or otherwise related to the Program.

"Term" means the Initial Term and any monthly renewals thereafter, as further set forth in Section 2.1.

"Training Points" has the meaning ascribed to it in Section 7.6 below.

2. TERM

2.1 The Services shall commence on the Start Date, and shall continue for the Initial Term or until terminated in accordance with the provisions hereof. At the expiration of the Initial Term, the Term shall automatically renew on a month-to-month basis until terminated in accordance with the provisions hereof. Customer acknowledges that execution of separate third party agreements may be required in order for Customer to use certain add-on features or functionality, including without limitation tax filing services.

2.2 At any time after the Initial Term: (i) Customer may terminate the Services for convenience upon thirty (30) days prior written notice, and (ii) Kronos may terminate the Services for convenience upon ninety (90) days prior written notice.

2.3 Either party may suspend or terminate the Services upon a material breach of this Section D by the other party if such breach is not cured within fifteen (15) days after receipt of written notice. Notwithstanding the foregoing, Kronos may suspend or terminate the Services immediately upon notice in the event of any Customer breach of Sections 3 (Right to Use), 4 (Acceptable Use), or 14 (Confidential Information).

2.4 In the event that either party becomes insolvent, makes a general assignment for the benefit of creditors, is adjudicated a bankrupt or insolvent, commences a case under applicable bankruptcy laws, or files a petition seeking reorganization, the other party may request adequate assurances of future performance. Failure to provide adequate assurances, in the requesting party's reasonable discretion, within ten (10) days of delivery of the request shall entitle the requesting party to terminate the Services immediately upon written notice to the other party.

2.5 If the Services are terminated for any reason:

(a) Customer shall pay Kronos within thirty (30) days of such termination, all fees accrued for the Services prior to the date of termination, provided that if Customer terminates for material breach of this Section D by Kronos, Kronos shall be responsible to refund to Customer unused pre-paid Implementation Service fees, if any;

(b) Customer's right to access and use the Services shall be revoked and be of no further force or effect;

(c) No more than fifteen (15) days after termination or upon Customer's written request at any time during the Term, Kronos will provide to Customer, at no charge to Customer, the Customer Content. After such time period, Kronos shall have no further obligation to store or make available the Customer Content and may delete any or all Customer Content without liability.

(d) Customer agrees to timely return all Kronos-provided materials related to the Services to Kronos at Customer's expense or, alternatively, destroy such materials and provide Kronos with an officer's certification of the destruction thereof; and

(e) all provisions in this Section D, which by their nature are intended to survive termination, shall so survive.

3. FEES AND PAYMENT

3.1 In consideration of the delivery of the Services, Customer shall pay Kronos the Monthly Service Fees, the fees for the Implementation Services and any additional one time or recurring fees for Equipment, Training Points, KnowledgePass Education Subscription and such other Kronos offerings, all as set forth on the Order Form. If Customer and Kronos have signed a Statement of Work for the Implementation Services, Implementation Services such services will be provided and payable in accordance with Section B. All fees payable for the Services shall be sent to the attention of Kronos as specified on the invoice. Unless otherwise indicated on an Order Form, payment for all items shall be due 30 days following date of invoice. Except as expressly set forth in this Section D, all amounts paid to Kronos are non-refundable. Customer acknowledges that fees may be charged to Customer by third parties for add-on features or functionality provided by such third parties.

3.2 If any amount owing under this or any other agreement for Services is thirty (30) or more days overdue, Kronos may, without limiting Kronos' rights or remedies, suspend Services until such amounts are paid in full. Kronos will provide at least seven (7) days' prior written notice that Customer's account is overdue before suspending Services.

3.3 Deleted intentionally.

3.4 Customer agrees that except if Customer terminates for material breach of this Section D by Kronos, if Customer has not paid the Minimum Contract Value to Kronos at the conclusion of the Initial Term or the earlier termination of the Services, whichever is earlier, Kronos shall bill, and Customer shall pay within thirty (30) days of the date of such invoice, the difference between the total Monthly Service Fees then paid by Customer and the Minimum Contract Value, less SLA Credits, if any, that have been earned previously by Customer but not yet credited.

4. RIGHTS TO USE

4.1 Subject to the terms and conditions of the Agreement, Kronos hereby grants Customer a limited, revocable, non-exclusive, non-transferable, non-assignable right to use during the Term and for internal business purposes only: a) the Application(s) and related services, including the Documentation; b) training materials and KnowledgePass Content; and, c) any embedded third party software, libraries, or other components, which are included in the Services, excluding such Third Party software, libraries or other components as are licensed directly from such Third Parties. The Services contain proprietary trade secret technology of Kronos and its Suppliers. Unauthorized use and/or copying of such technology are prohibited by law, including United States and foreign copyright law. Customer shall not reverse compile, disassemble or otherwise convert the applications into uncompiled or unassembled code. Customer shall not use any of the third party software programs (or the data models therein) included in the Services except solely as part of and in connection with the Services.

4.2 Customer acknowledges and agrees that the right to use the Applications is limited based upon the amount of the Monthly Service Fees paid by Customer. Customer agrees to use only the modules and/or features for the number of employees and users as described on the Order Form. Customer agrees not to use any other modules or features nor increase the number of employees and users unless Customer pays for such additional modules, features, employees or users, as the case may be. Customer may not license, relicense or sublicense the Services, or otherwise permit use of the Services (including timesharing or networking use) by any third party. Customer may not provide service bureau or other data processing services that make use of the Services without the express prior written consent of Kronos. No license, right, or interest in any Kronos trademark, trade name, or service mark, or those of Kronos' licensors or Suppliers, is granted hereunder.

4.3 Customer may authorize its third party contractors and consultants to access the Services on an as needed basis, provided Customer: a) abides by its obligations to protect Confidential Information as set forth in this Agreement; b) remains responsible for all such third party usage and compliance with the Agreement; and c) does not provide such access to a competitor of Kronos who provides workforce management services.

4.4 Customer acknowledges and agrees that, as between Customer and Kronos, Kronos retains ownership of all right, title and interest to the Services, all of which are protected by copyright and other intellectual property rights, and that, other than the express rights granted herein and under any other agreement in writing with Customer, Customer shall not obtain or claim any rights in or ownership interest to the Services or Applications or any associated intellectual property rights in any of the foregoing. Customer agrees to comply with all copyright and other intellectual property rights notices contained on or in any information obtained or accessed by Customer through the Services.

4.5 When using and applying the information generated by the Services, Customer is responsible for ensuring that Customer complies with the applicable requirements of federal and state law. If the Services include the Workforce Payroll Applications or Workforce Absence Management Applications: (i) Customer is solely responsible for the content and accuracy of all reports and documents prepared in whole or in part by using these Applications, (ii) using these Applications does not release Customer of any professional obligation concerning the preparation and review of any reports and documents, (iii) Customer does not rely upon Kronos, Best Software, Inc. or these Applications for any advice or guidance regarding compliance with federal and state laws or the appropriate tax treatment of items reflected on such reports or documents, and (iv) Customer will review any calculations made by using these Applications and satisfy itself that those calculations are correct.

5. ACCEPTABLE USE

5.1 Customer shall take all reasonable steps to ensure that no unauthorized persons have access to the Services, and to ensure that no persons authorized to have such access shall take any action that would be in violation of this Section D.

5.2 Customer represents and warrants to Kronos that Customer has the right to publish and disclose the Customer Content in the Services. Customer represents and warrants to Kronos that the Customer Content does not: (a) infringe or violate any third-party right, including but not limited to intellectual property, privacy, or publicity rights, (b) be abusive, profane, or offensive to a reasonable person, or, (c) be hateful or threatening.

5.3 Customer will not (a) use, or allow the use of, the Services in contravention of any federal, state, local, foreign or other applicable law, or rules or regulations of regulatory or administrative organizations; (b) introduce into the Services any virus or other code or routine intended to disrupt or damage the Services, or alter, damage, delete, retrieve or record information about the Services or its users; (c) excessively overload the Kronos systems used to provide the Services; (d) perform any security integrity review, penetration test, load test, denial of service simulation or vulnerability scan; (e) use any tool designed to automatically emulate the actions of a human user (e.g., robots); or, (d) otherwise act in a fraudulent, malicious or negligent manner when using the Services.

6. CONNECTIVITY AND ACCESS

Customer acknowledges that Customer shall (a) be responsible for securing, paying for, and maintaining connectivity to the Services (including any and all related hardware, software, third party services and related equipment and components); and (b) provide Kronos and Kronos' representatives with such physical or remote access to Customer's computer and network environment as Kronos deems reasonably necessary in order for Kronos to perform its obligations under this Section D. Customer will make all necessary arrangements as may be required to provide access to Customer's computer and network environment if necessary for Kronos to perform its obligations under this Section D. Customer agrees that Kronos may audit Customer's use of the Services.

7. IMPLEMENTATION AND SUPPORT

7.1 Implementation Services. Kronos will provide the Implementation Services to Customer. Implementation Services described in an SSS are provided on a time and materials basis, billed monthly as delivered. Implementation Services described in the Services Implementation Guideline are provided on a fixed fee basis. If Customer requests additional implementation Services beyond those described in the SSS, Kronos will create a change order for Customer's review and approval and any additional implementation Services to be provided by Kronos in accordance with Section B. Kronos' configuration of the Applications will be based on information and work flows that Kronos obtains from Customer during the discovery portion of the implementation. Customer shall provide Kronos with necessary configuration-related information in a timely manner to ensure that mutually agreed implementation schedules are met.

7.2 Additional Services. Customer may engage Kronos to provide other services which may be fixed by activity or provided on a time and materials basis as indicated on the applicable Order Form.

7.3 Support. Kronos will provide 24x7 support for the hosting infrastructure, the availability to the hosting environment, and telephone support for the logging of functional problems and user problems. Customer may log questions online via the Kronos Customer Portal. As part of such support, Kronos will make updates to the Services available to Customer at no charge as such updates are released generally to Kronos' customers. Customer agrees that Kronos may install such updates automatically as part of the Services.

7.4 Support Services for Equipment. Provided Customer has purchased support services for the Equipment, the following terms shall apply (support services for rented Equipment are included in the rental fees for such Equipment):

(a) Upon the failure of installed Equipment, Customer shall notify Kronos of such failure and Kronos will provide remote fault isolation at the FRU (Field Replacement Unit) or subassembly level and attempt to resolve the problem. Those failures determined by Kronos to be Equipment related shall be dispatched to a Kronos Depot Repair Center, and Customer will be provided with a Return Material Authorization Number (RMA) for the failed Equipment if Customer is to return the failed Equipment to Kronos, as reasonably determined by Kronos. Customer must return the failed Equipment with the supplied RMA number.

(b) Kronos will provide a replacement for the failed Equipment at the FRU or subassembly level on an "advanced exchange" basis, utilizing a carrier of Kronos' choice. Replacement Equipment will be shipped the same day, for delivery to Customer's location as further described in the Support Policies. REPLACEMENT EQUIPMENT MAY BE NEW OR RECONDITIONED. Customer shall specify the address to which the Equipment is to be shipped. All shipments will include the Kronos provided RMA designating the applicable Kronos Depot Repair Center, as the recipient. Customer, upon receipt of the replacement Equipment from Kronos, shall package the defective Equipment in the materials provided by Kronos, with the RMA supplied and promptly return failed Equipment directly to Kronos.

(c) Customer shall be entitled to receive service packs for the Equipment (which may contain system software updates, firmware updates, security updates, and feature enhancements) available for download at Kronos' customer portal. Service packs for the Equipment are not installed by Kronos.

(d) Kronos warrants that all service packs and firmware updates provided under this Section D shall materially perform in accordance with the Kronos published specifications for a period of ninety (90) days after download by Customer. In the event of a breach of this warranty, Customer's exclusive remedy shall be Kronos' repair or replacement of the deficient service pack(s) or firmware update(s).

(e) Customer agrees that it shall return failed Equipment promptly as the failures occur and that it shall not hold failed Equipment and send failed Equipment to Kronos in "batches" which shall result in a longer turnaround time to Customer. In addition, in all circumstances, Customer agrees to:

(i) Maintain the Equipment in an environment conforming to the Documentation for such Equipment;

(ii) Not perform self-repairs on the Equipment (i.e., replacing components) without prior written authorization from Kronos;

(iii) De-install all failed Equipment and install all replacement Equipment in accordance with Kronos' written installation guidelines;

(iv) Ensure that the Equipment is returned to Kronos properly packaged; and

(v) Obtain an RMA before returning any Equipment to Kronos and place the RMA clearly and conspicuously on the outside of the shipping package. Customer may only return the specific Equipment authorized by Kronos when issuing the RMA.

7.5 KnowledgePass Education Subscription. When KnowledgePass Education Subscription is listed on an Order Form, Kronos will provide Customer with the KnowledgePass Education Subscription. The KnowledgePass Education Subscription provides access to certain educational offerings provided by Kronos (the "KnowledgePass Content"). Customer recognizes and agrees that the KnowledgePass Content is copyrighted by Kronos. Customer is permitted to make copies of the KnowledgePass Content provided in pdf form solely for Customer's internal use. Customer may not disclose such KnowledgePass Content to any third party other than Customer's employees. Customer may not edit, modify, revise, amend, change, alter, customize or vary the KnowledgePass Content without the written consent of Kronos, provided that Customer may download and modify contents of training kits solely for Customer's internal use.

7.6 Training Points. "Training Points" which are purchased by Customer may be redeemed for an equivalent value of instructor-led training sessions

offered by Kronos. Training Points may be redeemed only during the Term at any time no more than twelve (12) months after the date of the applicable Order Form, after which time such Training Points shall expire and be of no value. Training Points may not be exchanged for other Kronos products or services.

7.7 Training Courses. When implementation Services are described in the Services Implementation Guideline rather than an SSS, as part of the Services, for each SaaS application module included in the Services purchased by Customer, Customer's employees shall be entitled to attend, in the quantity indicated, the corresponding training courses set forth at: <http://www.kronos.com/products/smb-solutions/workforce-central-saas/training-guidelines.aspx>

Participation in such training courses is limited to the number of seats indicated for the courses corresponding to the modules forming a part of the Services purchased by Customer.

8. CUSTOMER CONTENT

Customer shall own all Customer Content and posts or other inputs into the Services by Customer or others acting on behalf of or through Customer. Kronos acknowledges that all of the Customer Content is deemed to be the Confidential Information of Customer. Notwithstanding the foregoing, Customer grants Kronos permission to combine Customer's business data with that of other customers in a manner that does not identify the Customer or any individual in order to evaluate and improve the services Kronos offers to customers and to disclose such aggregated information for its customers generally. In addition, Kronos may, but shall have no obligation to, monitor Customer Content from time to time to ensure compliance with this Section D and applicable law.

9. EQUIPMENT

If Customer purchases or rents Equipment from Kronos, a description of such Equipment (model and quantity), the applicable pricing, and delivery terms shall be listed on the Order Form.

9.1 The following terms apply only to Equipment Customer rents from Kronos:

- a) **Rental Term and Warranty Period.** The term of the Equipment rental and the "Warranty Period" for such Equipment shall run coterminously with the Term of the other Services provided under this Section D.
- b) **Insurance.** Customer shall insure the Equipment for an amount equal to the replacement value of the Equipment for loss or damage by fire, theft, and all normal extended coverage at all times. No loss, theft or damage after shipment of the Equipment to Customer shall relieve Customer from Customer's obligations under this Section D.
- c) **Location/Replacement.** Customer shall not make any alterations or remove the Equipment from the place of original installation without Kronos' prior written consent. Kronos shall have the right to enter Customer's premises to inspect the Equipment during normal business hours. Kronos reserves the right, at its sole discretion and at no additional cost to Customer, to replace any Equipment with newer or alternative technology Equipment as long as the replacement Equipment at least provides the same level of functionality as that being replaced.
- d) **Ownership.** All Equipment shall remain the property of Kronos. All Equipment is, and at all times shall remain, separate items of personal property, notwithstanding such Equipment's attachment to other equipment or real property. Customer shall not sell or otherwise encumber the Equipment. Customer shall furnish any assurances, written or otherwise, reasonably requested by Kronos to give full effect to the intent of terms of this paragraph (d).
- e) **Equipment Support.** Kronos shall provide to Customer the Equipment support services described in Section 7.
- f) **Return of Equipment.** Upon termination of the Services, Customer agrees that Customer shall return the Equipment to Kronos within thirty (30) days at Customer's expense. Equipment will be returned to Kronos in the same condition as and when received, reasonable wear and tear excepted. If Customer fails to return Equipment within this time period, upon receiving an invoice from Kronos, Customer shall pay Kronos the then list price of the unreturned Equipment.

9.2 The following terms apply only to Equipment Customer purchases from Kronos:

- a) **Ownership and Warranty Period.** Title to the Equipment shall pass to Customer upon delivery to the carrier. The "Warranty Period" for the Equipment shall be for a period of ninety (90) days from such delivery (unless otherwise required by law).
- b) **Equipment Support.** Kronos shall provide to Customer the Equipment support services described herein if purchased separately by Customer as indicated on the applicable Order Form. If purchased, Equipment support services shall commence upon expiration of the Warranty Period.

10. SERVICE LEVEL AGREEMENT

Kronos shall provide the service levels and associated credits, when applicable, in accordance with the Service Level Agreement attached hereto as Exhibit A and which is hereby incorporated herein by reference. **CUSTOMER'S SOLE AND EXCLUSIVE REMEDY IN THE EVENT OF ANY SERVICE OUTAGE or INTERRUPTION OF THE SERVICES OR FAILURE BY KRONOS TO MEET THE TERMS OF the APPLICABLE service level agreement, SHALL BE THE REMEDIES PROVIDED IN exhibit A.**

11. LIMITED WARRANTY; DISCLAIMERS OF WARRANTY

11.1 Kronos represents and warrants to Customer that the Applications, under normal operation as specified in the documentation and when used as authorized herein, will perform substantially in accordance with such documentation during the Term.

11.2 Kronos' sole obligation and Customer's sole and exclusive remedy for any breach of the foregoing warranty is limited to Kronos' reasonable commercial efforts to correct the non-conforming Services at no additional charge to Customer. In the event that Kronos is unable to correct material deficiencies in the Services arising during the Warranty Period, after using Kronos' commercially reasonable efforts to do so, Customer shall be entitled to terminate the then remaining Term of the Services for cause in accordance with Section 2 above as Customer's sole and exclusive remedy. Kronos' obligations hereunder for breach of warranty are conditioned upon Customer notifying Kronos of the material breach in writing, and providing Kronos with sufficient evidence of such non-conformity to enable Kronos to reproduce or verify the same.

11.3 Kronos warrants to Customer that each item of Equipment shall be free from defects in materials and workmanship during the Warranty Period. In the event of a breach of this warranty, Customer's sole and exclusive remedy shall be Kronos' repair or replacement of the deficient Equipment, at Kronos' option, provided that Customer's use, installation and maintenance thereof have conformed to the documentation for such Equipment. This warranty is extended to Customer only and shall not apply to any Equipment (or parts thereof) in the event of:

- a) damage, defects or malfunctions resulting from misuse, accident, neglect, tampering, (including without limitation modification or replacement of any Kronos components on any boards supplied with the Equipment), unusual physical or electrical stress or causes other than normal and intended use;
- b) failure of Customer to provide and maintain a suitable installation environment, as specified in the published specifications for such Equipment; or

- c) malfunctions resulting from the use of badges or supplies not approved by Kronos.

EXCEPT AS PROVIDED FOR IN THIS SECTION 11, KRONOS HEREBY DISCLAIMS ALL WARRANTIES, CONDITIONS, GUARANTIES AND REPRESENTATIONS RELATING TO THE SERVICES, EXPRESS OR IMPLIED, ORAL OR IN WRITING, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT, AND WHETHER OR NOT ARISING THROUGH A COURSE OF DEALING. THE SERVICES ARE NOT GUARANTEED TO BE ERROR-FREE OR UNINTERRUPTED. EXCEPT AS SPECIFICALLY PROVIDED IN THIS SECTION D OF THIS AGREEMENT, KRONOS MAKES NO WARRANTIES OR REPRESENTATIONS CONCERNING THE COMPATIBILITY OF THE SERVICES, THE SAAS APPLICATIONS OR THE EQUIPMENT NOR ANY RESULTS TO BE ACHIEVED THEREFROM.

12.0 DATA SECURITY

12.1 As part of the Services, Kronos shall provide those administrative, physical, and technical safeguards for protection of the security, confidentiality and integrity of Customer data as described at: <http://www.kronos.com/products/smb-solutions/workforce-central-saas/security-description.aspx>

Customer acknowledges that such safeguards endeavor to mitigate security incidents, but such incidents may not be mitigated entirely or rendered harmless. Customer should consider any particular Kronos supplied security-related safeguard as just one tool to be used as part of Customer's overall security strategy and not a guarantee of security. Both parties agree to comply with all applicable privacy or data protection statutes, rules, or regulations governing the respective activities of the parties under this Section D.

12.2 As between Customer and Kronos, all Personally Identifiable Data is Customer's Confidential Information and will remain the property of Customer. Customer represents that to the best of Customer's knowledge such Personally Identifiable Data supplied to Kronos is accurate. Customer hereby consents to the use, processing or disclosure of Personally Identifiable Data by Kronos and Kronos' Suppliers wherever located only for the purposes described herein and only to the extent such use or processing is necessary for Kronos to carry out Kronos' duties and responsibilities under this Section D or as required by law.

12.3 Prior to initiation of the Services and on an ongoing basis thereafter, Customer agrees to provide notice to Kronos of any extraordinary privacy or data protection statutes, rules, or regulations which are or become applicable to Customer's industry and which could be imposed on Kronos as a result of provision of the Services. Customer will ensure that: (a) the transfer to Kronos and storage of any Personally Identifiable Data by Kronos or Kronos' Supplier's data center is permitted under applicable data protection laws and regulations; and, (b) Customer will obtain consents from individuals for such transfer and storage to the extent required under applicable laws and regulations.

13. INDEMNIFICATION

13.1 Kronos shall defend Customer and its respective directors, officers, and employees (collectively, the "Customer Indemnified Parties"), from and against any and all notices, charges, claims, proceedings, actions, causes of action and suits, brought by a third party (each a "Claim") alleging that the permitted uses of the Services infringe or misappropriate any United States or Canadian copyright or patent and will indemnify and hold harmless the Customer Indemnified Parties against any liabilities, obligations, costs or expenses (including without limitation reasonable attorneys' fees) actually awarded to a third party as a result of such Claim by a court of applicable jurisdiction or as a result of Kronos' settlement of such a Claim. In the event that a final injunction is obtained against Customer's use of the Services by reason of infringement or misappropriation of such copyright or patent, or if in Kronos' opinion, the Services are likely to become the subject of a successful claim of such infringement or misappropriation, Kronos, at Kronos' option and expense, will use commercially reasonable efforts to (a) procure for Customer the right to continue using the Services as provided in this Section D, (b) replace or modify the Services so that the Services become non-infringing but remain substantively similar to the affected Services, and if neither (a) or (b) is commercially feasible, to (c) terminate the Services and the rights granted hereunder after provision of a refund to Customer of the Monthly Service Fees paid by Customer for the infringing elements of the Services covering the period of their unavailability.

13.2 Kronos shall have no liability to indemnify or defend Customer to the extent the alleged infringement is based on: (a) a modification of the Services by anyone other than Kronos; (b) use of the Services other than in accordance with Kronos' documentation for such Service or as authorized by this Section D; (c) use of the Services in conjunction with any data, equipment, service or software not provided by Kronos, where the Services would not otherwise itself be infringing or the subject of the claim; or (d) use of the Services by Customer other than in accordance with the terms of this Section D. Notwithstanding the foregoing, with regard to Infringement claims based upon software created or provided by a licensor to Kronos or Suppliers, Kronos' maximum liability will be to assign to Customer Kronos' or Supplier's recovery rights with respect to such Infringement claims, provided that Kronos or Kronos' Supplier shall use commercially reasonable efforts at Customer's cost to assist Customer in seeking such recovery from such licensor.

13.3 Customer shall be responsible and liable for all damages and cost of Kronos, its suppliers and their officers, directors and employees for all Claims resulting from: (a) employment-related claims arising out of Customer's configuration of the Services; (b) Customer's modification or combination of the Services with other services, software or equipment not furnished by Kronos, provided that such Customer modification or combination is the cause of such infringement and was not authorized by Kronos; or, (c) a claim that the Customer Content infringes in any manner any intellectual property right of any third party, or any of the Customer Content contains any material or information that is obscene, defamatory, libelous, or slanderous violates any person's right of publicity, privacy or personality, or has otherwise caused or resulted in any tort, injury, damage or harm to any other person.

13.4 The Indemnified Party(ies) shall provide written notice to the indemnifying party promptly after receiving notice of such Claim. If the defense of such Claim is materially prejudiced by a delay in providing such notice, the purported indemnifying party shall be relieved from providing such indemnity to the extent of the delay's impact on the defense. The indemnifying party shall have sole control of the defense of any indemnified Claim and all negotiations for its settlement or compromise, provided that such indemnifying party shall not enter into any settlement which imposes any obligations or restrictions on the applicable Indemnified Parties without the prior written consent of the other party. The Indemnified Parties shall cooperate fully, at the indemnifying party's request and expense, with the indemnifying party in the defense, settlement or compromise of any such action. The indemnified party may retain its own counsel at its own expense, subject to the indemnifying party's rights above.

14. LIMITATION OF LIABILITY

14.1 Except as specifically provided in this Section D, Kronos and its suppliers will not be liable for any damages or injuries caused by the use of the services or by any errors, delays, interruptions in transmission, or failures of the services.

14.2 Except for Kronos' indemnification obligations set forth in section 13 above, the total aggregate liability of Kronos or Kronos' suppliers to

customer and/or any third party in connection with this Section D shall be limited to direct damages proven by customer, such direct damages not to exceed an amount equal to the total net payments received by Kronos for the services in the twelve (12) month period immediately preceding the date in which such claim arises.

14.3 Except for Kronos' indemnification obligations set forth in section 13 above, in no event shall Kronos or Kronos' suppliers, their respective affiliates, service providers, or agents be liable to customer or any third party for any incidental, special, punitive, consequential or other indirect damages or for any lost or imputed profits or revenues, lost data or cost of procurement of substitute services resulting from delays, nondeliveries, misdeliveries or services interruption, however caused, arising from or related to the Services, regardless of the legal theory under which such liability is asserted, whether breach of warranty, indemnification, negligence, strict liability or otherwise, and whether liability is asserted in contract, tort or otherwise, and regardless of whether Kronos or supplier has been advised of the possibility of any such liability, loss or damage.

14.4 Except with respect to liability arising from Kronos' gross negligence or willful misconduct, Kronos disclaims any and all liability, including without limitation liability related to a breach of data security and confidentiality obligations, resulting from any externally introduced harmful program (including without limitation viruses, trojan horses, and worms), Customer's content or applications, third party unauthorized access of equipment, SAAS applications or systems, or machine error.

EXHIBIT A

SERVICE LEVEL AGREEMENT (SLA)

Service Level Agreement: The Services, in a production environment and as described in the Statement of Work (aka Services Scope Statement), are provided with the service levels described in this Exhibit A. SLAs are only applicable to production environments. SLAs will be available upon Customer's signature of Kronos' Go Live Acceptance Form for Customer's production environment.

99.75% Application Availability

Actual Application Availability % = (Monthly Minutes (MM) minus Total Minutes Not Available (TM)) multiplied by 100) and divided by Monthly Minutes (MM), but not including Excluded Events

Service Credit Calculation: An Outage will be deemed to commence when the Applications are unavailable to Customer in Customer's production environment hosted by Kronos and end when Kronos has restored availability of the Services. Failure to meet the 99.75% Application Availability SLA, other than for reasons due to an Excluded Event, will entitle Customer to a credit as follows:

Actual Application Availability % (as measured in a calendar month)	Service Credit to be applied to Customer's monthly invoice for the affected month
<99.75% to 98.75%	10%
<98.75% to 98.25%	15%
<98.25% to 97.75%	25%
<97.75 to 96.75%	35%
<96.75	50%

"Outage" means the accumulated time, measured in minutes, during which Customer is unable to access the Applications for reasons other than an Excluded Event.

"Excluded Event" means any event that results in an Outage and is caused by (a) the acts or omissions of Customer, its employees, customers, contractors or agents; (b) the failure or malfunction of equipment, applications or systems not owned or controlled by Kronos, including without limitation Customer Content, failures or malfunctions resulting from circuits provided by Customer, any inconsistencies or changes in Customer's source environment, including either intentional or accidental connections or disconnections to the environment; (c) Force Majeure events; (d) scheduled or emergency maintenance, alteration or implementation provided during the Maintenance Period defined below; (e) any suspension of the Services in accordance with the terms of the Agreement to which this Exhibit A is attached; (f) the unavailability of required Customer personnel, including as a result of failure to provide Kronos with accurate, current contact information; or (g) using an Application in a manner inconsistent with the product documentation for such Application.

"Maintenance Period" means scheduled maintenance periods established by Kronos to maintain and update the Services, when necessary. During these Maintenance Periods, the Services are available to Kronos to perform periodic maintenance services, which include vital software updates. Kronos will use its commercially reasonable efforts during the Maintenance Period to make the Services available to Customer; however, some changes will require downtime. Kronos will provide notice for planned downtime via an email notice to the primary Customer contact at least one day in advance of any known downtime so planning can be facilitated by Customer.

Currently scheduled Maintenance Periods for the Services are:

Monday through Friday 04:00 am – 06:00 am (U.S. eastern time)
 Saturday and Sunday 12:00 am – 06:00 am (U.S. eastern time)

Maintenance Periods include those maintenance periods mutually agreed upon by Customer and Kronos.

"Monthly Minutes (MM)" means the total time, measured in minutes, of a calendar month commencing at 12:00 am of the first day of such calendar month and ending at 11:59 pm of the last day of such calendar month.

"Total Minutes Not Available (TM)" means the total number of minutes during the calendar month that the Services are unavailable as the result of an Outage.

Limitations: Service Credits will not be provided if: (a) Customer is in breach or default under the Agreement at the time the Outage occurred; or (b) the Outage results from an Excluded Event. If Kronos does not provide the appropriate Service Credit as due hereunder, Customer must request the Service Credit within sixty (60) calendar days of the conclusion of the month in which the Service Credit accrues. Customer waives any right to Service Credits not requested within this time period. All performance calculations and applicable Service Credits are based on Kronos records and data unless Customer can provide Kronos with clear and convincing evidence to the contrary.

The Service Level Agreements in this Exhibit, and the related Service Credits, apply on a per production environment basis. For the avoidance of doubt, Outages in one production environment may not be added to Outages in any other production environment for purposes of calculating Service Credits.

Customer acknowledges that Kronos manages its network traffic in part on the basis of Customer's utilization of the Services and that changes in such utilization may impact Kronos' ability to manage network traffic. Therefore, notwithstanding anything else to the contrary, if Customer significantly changes its utilization of the Services than what is contracted with Kronos and such change creates a material and adverse impact on the traffic balance of the Kronos network, as reasonably determined by Kronos, the parties agree to co-operate, in good faith, to resolve the issue.

SECTION E

KRONOS WORKFORCE READY® - SOFTWARE AS A SERVICE (SAAS) TERMS AND CONDITIONS

Customer and Kronos agree that the terms and conditions set forth in this Section E shall apply to the Kronos software application programs and related services and materials (including applicable documentation) and equipment (if any) specified on an Order Form for Workforce Ready (collectively, the "Services"). The Services described on an Order Form shall be delivered by means of Customer's permitted access to the password protected customer area of a Kronos website.

1. TERM

1.1 The Services shall be deemed to start on the earlier of: a) ninety (90) days from Kronos' receipt of the relevant Order Form; or, b) the date Customer is authorized to "go live" with the Services for production purposes, (the "Start Date"), and shall continue indefinitely on a month-to-month basis until terminated in accordance with the provisions hereof (the "Term"). Customer acknowledges that execution of separate third party agreements may be required in order for Customer to "go live" with certain add-on features or functionality, including tax filing services ("Add-on Features"), as identified by Kronos on the Order Form.

1.2 Customer may terminate the Services or the Agreement for convenience upon thirty (30) days prior written notice.

1.3 Either party may suspend or terminate the Services or the Agreement upon a material breach of the Agreement by the other party if such breach is not cured within fifteen (15) days after receipt of written notice. Notwithstanding the foregoing, Kronos may suspend or terminate the Services or the Agreement immediately upon notice in the event of any Customer breach of Sections 3 (License to Use), 4 (Acceptable Use), or Section A.4 (Confidential Information), below.

1.4 In the event that either party becomes insolvent, makes a general assignment for the benefit of creditors, is adjudicated a bankrupt or insolvent, commences a case under applicable bankruptcy laws, files a petition seeking reorganization, the other party may request adequate assurances of future performance. Failure to comply with such request within ten (10) days of delivery of the request shall entitle the requesting party to terminate the Agreement immediately upon written notice to the other.

1.5 If the Agreement is terminated for any reason:

- (a) Customer shall pay Kronos within thirty (30) days all fees accrued for the Services prior to the date of termination, provided that if Customer terminates Kronos for material breach of the Agreement, Kronos shall be responsible to refund to Customer unused pre-paid service fees, if any;
- (b) Customer's right to access and use the Services shall be revoked and be of no further force or effect;
- (c) Within fifteen (15) days of termination Customer will retrieve Customer's historical data in accordance with previously established system access procedures and applicable state and federal laws. After such time period, Kronos shall have no further obligation to store and/or make available Customer's historical data and may delete same. If Customer requires additional data conversion services from Kronos, these services may be contracted from Kronos at Kronos' then published rates.
- (d) Customer agrees to timely return all Kronos-provided materials related to the Services to Kronos at Customer's expense or, alternatively, upon prior written approval of Kronos, provide Kronos with an officer's certification of the destruction thereof; and
- (e) all provisions in the Agreement, which by their nature are intended to survive termination, shall so survive.

2. FEES AND PAYMENT

2.1 In consideration of the delivery of the Services, Customer shall pay Kronos the Setup Fees, the Monthly Service Fees and any additional one time, set-up or recurring fees, all as defined on the Order Form. All fees payable for the Services shall be sent to the address specified on the Kronos invoice. Unless otherwise indicated on an Order Form, payment terms for all items except the Setup Fees shall be net upon receipt of invoice. Except as expressly set forth in this Section E, all amounts paid to Kronos are non-refundable.

2.2 The Setup Fees shall be invoiced upon execution of the Order and shall be due net 30 days following date of invoice. Customer acknowledges that setup fees may be charged to Customer by third parties for Add-on Features. Monthly Service fees shall be based on monthly periods that begin on the Start Date. Monthly Service Fees shall include fees for Equipment rental, if any, as described in Section 8 below. Monthly Service Fees for Services added on or before the 15th day of a given month will be charged for that full monthly period and each monthly period of the Term thereafter; Monthly Service Fees for Services added after the 15th day of a given month will begin to accrue as of the 1st day of the following month and will be charged for each monthly period of the Term thereafter. Monthly Service Fees shall be invoiced promptly following the end of the calendar month in which the Monthly Service Fees were accrued. Kronos will monitor Customer's "Usage" of the Services (as defined below) in order to calculate the Usage portion of the Monthly Service Fees to be charged. Usage of the Services, depending on applicable features, components, or services, shall be priced as identified on the Order Form either on a: (a) per month basis; (b) per active employee (herein "Active Employee") per month usage basis; or, (c) per transaction basis (e.g.: pay statement). For purposes of the Agreement, an employee shall be deemed an Active Employee during any applicable billing period if through the Services: (i) time has been entered for such employee; (ii) records have been included for such employee for the purpose of processing payroll; (iii) records have been included for such employee within an import/export process; (iv) such employee has accessed the Services, regardless of the purpose; (v) benefit time has been accrued for such employee; (vi) human resource reporting has been performed for or on such employee; or, (vii) such employee has been marked as an "Active" status during the period.

2.3 Customer agrees that except in those circumstances in which Customer is entitled to invoke the termination for cause provision set forth in Section 1.3 above, in consideration of Kronos' delivery of the Services on a variable fee basis, Customer agrees to pay Kronos each month during the Term in which charges accrue no less than the minimum monthly fees ("Minimum Monthly Fees") as identified on the Order Form. The Minimum Monthly Fees shall be calculated by Kronos based on Customer's anticipated monthly Usage of the Services plus Equipment rental fees, if any. In the event that Customer does not reach the anticipated Usage upon which the Minimum Monthly Fees was based for any given month during the Term, Customer shall remain responsible for paying the Minimum Monthly Fees for that month. If an Order Form or the Agreement is suspended by Kronos for non-payment or otherwise terminated by Kronos for cause, Customer shall remain liable to pay the applicable Minimum Monthly Fees up to and including the last day of the month in which the effective date of termination occurs.

2.4 If any amount owing under this or any other agreement for Services is 30 or more days overdue, Kronos may, without limiting its other rights and remedies, accelerate unpaid fee obligations under such agreements so that all such obligations become immediately due and payable, and suspend Services until such amounts are paid in full. Kronos will provide at least 7 days' prior notice that Customer's account is overdue before suspending Services.

2.5 Deleted Intentionally.

3. LICENSE TO USE

3.1 Subject to the terms and conditions of this Section E, Kronos hereby grants Customer during the Term a limited, revocable, non-exclusive, non-transferable, non-assignable license to use for internal business purposes only: a) the Kronos application(s) and related services, including applicable Services description documentation and training materials (the "Documentation"); and, b) any embedded third party software, libraries, or other components, which collectively comprise the Services. The Services contain proprietary trade secret technology of Kronos. Unauthorized use and/or copying of such Services are prohibited by law, including United States and foreign copyright law. Customer may use the software included in the Services in object code form only, and shall not reverse compile, disassemble or otherwise convert such software into uncompiled or unassembled code. Customer acknowledges and agrees that the license to use the Services is limited based upon authorized Usage and the amount of the Monthly Service Fees to be paid by Customer. Customer agrees to use only the modules and/or features described on the Order Form. Customer agrees not to use any other modules or features unless Customer has licensed such additional modules or features. Customer may not relicense or sublicense the Services, or otherwise permit use of the Services (including timesharing or networking use) by any third party. Customer may not provide service bureau or other data processing services that make use of the Services without the express prior written consent of Kronos. No license, right, or interest in any Kronos trademark, trade name, or service mark, or those of Kronos' licensors or third party suppliers ("Suppliers"), is granted hereunder.

3.2 Customer may authorize its third party contractors and consultants to access the Services on an as needed basis, provided Customer: a) abides by its obligations to protect confidential information; b) remains responsible for all such third party usage and compliance with this Section E of this Attachment; and c) does not provide such access to a competitor of Kronos who provides workforce management services.

3.3 Customer agrees and acknowledges that Kronos retains ownership of all right, title and interest to the Services, all of which are protected by copyright and other intellectual property rights, and that, other than the express licenses granted herein, Customer shall not obtain or claim any rights in or ownership interest to the Services or any associated intellectual property rights therein. Customer agrees to comply with all copyright and other intellectual property rights notices contained on or in any information obtained or accessed by Customer through the Services.

3.4 Kronos will make updates and upgrades to the Services (tools, utilities, improvements, third party applications, general enhancements) available to Customer at no charge as they are released generally to its customers. Customer agrees to receive those updates automatically as part of the Services. Kronos also may offer new products and/or services to Customer at an additional charge. Customer shall have the option of purchasing such new products and/or services under a separate Order Form.

3.5 Kronos reserves the right to change or discontinue the Services, in whole or in part, including but not limited to, the internet based services, technical support options, and other Services-related policies. Customer's continued use of the Services after Kronos posts or otherwise notifies Customer of any changes indicates Customer's agreement to those changes.

4. ACCEPTABLE USE

4.1 Customer shall take all reasonable steps to ensure that no unauthorized persons have access to the Services, and to ensure that no persons authorized to have such access shall take any action that would be in violation of this Section E.

4.2 Customer represents and warrants to Kronos that Customer has the right to publish and disclose Customer's data and other content ("Customer Content") in connection with the Services. Customer represents and warrants to Kronos that the Customer Content will not: (a) infringe or violate any third-party right, including (but not limited to) intellectual property, privacy, or publicity rights; (b) be abusive, profane, or offensive to a reasonable person; or, (c) be hateful or threatening.

4.3 Customer will not (a) use, or allow the use of, the Services or Customer Content in contravention of any federal, state, local, foreign or other applicable law, or rules or regulations of regulatory or administrative organizations; (b) introduce into the Services any virus or other code or routine intended to disrupt or damage the Services, or alter, damage, delete, retrieve or record information about the Services or its users; (c) excessively overload the Kronos systems used to provide the Services; (d) perform any security integrity review, penetration test, load test, denial of service simulation or vulnerability scan; (e) use any tool designed to automatically emulate the actions of a human user (e.g., robots); or, (d) otherwise act in a fraudulent, malicious or negligent manner when using the Services.

5. CONNECTIVITY AND ACCESS

5.1 Customer acknowledges that it shall (a) be responsible for securing, paying for, and maintaining connectivity to the Services (including any and all related hardware, software, third party services and related equipment and components); (b) provide Kronos and its representatives with such physical or remote access to Customer's computer and network environment as Kronos deems reasonably necessary in order for Kronos to perform its obligations under this Section E of this Agreement. Kronos is hereby (i) granted access to such Customer data to perform its obligations under this Section E of this Agreement and (ii) authorized to audit the number of Active Employee counts or other transactions that have occurred to measure Usage; (iii) make all necessary arrangements as may be required to provide such physical access to Customer's computer and network environment if necessary for Kronos to perform its obligations under this Section E of this Attachment.

5.2 Customer shall be fully responsible for all access requirements imposed by law, rule, regulation or contract in order for Kronos to deliver the Services pursuant to the terms of this Section E of this Agreement. Customer shall provide 30 calendar days advance written notice to Kronos of any change, modification, or reconfiguration of components or elements of the Customer's computer and network environment which may, in any manner, affect Customer's access to the Services.

6. SUPPORT

- a) Implementation. Kronos will configure the Services utilizing scheduled remote resources. Software module configuration will be based on information and work flows obtained from Customer during the discovery portion of the implementation. Customer shall provide Kronos with necessary configuration-related information in a timely manner to ensure that mutually agreed implementation schedules are met. Kronos and Customer's implementation responsibilities are described more specifically in the Services Implementation Guideline set forth at: <http://www.kronos.com/products/workforce-ready/implementation-guidelines.aspx>. In the event of inconsistencies between the Services Implementation Guideline and this Agreement, the Agreement shall prevail.

- b) Depot Exchange Services for Equipment. As needed, Kronos will send a replacement for Equipment rented (in accordance with Section 8 below) on an advance exchange basis by next-business-day delivery, when available. When Customer receives replacement Equipment, Customer shall return the defective unit to Kronos for repair. Equipment support also includes Customer access to Equipment service packs via the Kronos Customer Portal.
- c) Standard Support. Kronos will provide telephone support 8:00 a.m. to 5:00 p.m., local time, Monday – Friday. Customers also shall be provided the capability to log questions online via the Kronos Customer Portal.
- d) Educational Materials and Content. Customer will have access to certain educational materials and content (the "Educational Content") within the Services. Customer recognizes and agrees that the Educational Content is copyrighted by Kronos. Customer is permitted to make copies of the Educational Content provided in "pdf form solely for Customer's internal training purposes and may not disclose such Educational Content to any third party other than Customer's employees. Customer may not edit, modify, revise, amend, change, alter, customize or vary the Educational Content without the written consent of Kronos, provided that Customer may download and modify contents of Training Kits solely for Customer's internal use.

7. CUSTOMER CONTENT

Customer shall own all Customer Content and posts or other inputs into the Services by Customer or others acting on behalf of or through Customer, including but not limited to information, data (such as payroll data, vacation time, and hours worked), logos, text, multimedia images (e.g. graphics, audio and video files), compilations or any other content shared or processed through the Services. Kronos acknowledges that all such Customer Content is deemed to be the Confidential Information of Customer. Notwithstanding the foregoing, Customer grants Kronos permission to combine Customer's business data with that of other Customers in a manner that does not identify the Customer or any individual in order to evaluate and improve the services Kronos offers to customers. In addition, Kronos may, but shall have no obligation to, monitor Customer content from time to time to ensure compliance with this Section E and applicable law.

8. EQUIPMENT RENTAL

If Customer purchases or rents time clocks or other equipment from Kronos, a description of such Equipment (model and quantity) and the applicable pricing shall be listed on the Order Form (the "Equipment"). Delivery terms for the Equipment are FOB shipping point, prepay and add. Customer shall bear all risk of loss or damage while the Equipment is in transit to Customer.

8.1 The following additional terms apply only if Customer rents Equipment from Kronos:

- a) Rental Term and Warranty Period. The term of the Equipment rental and the "Warranty Period" for such Equipment shall run coterminously with the Term of the other Services.
- b) Insurance. Customer shall insure the Equipment for an amount equal to the replacement value of the Equipment for loss or damage by fire, theft, and all normal extended coverage at all times. No loss, theft or damage after shipment of the Equipment to Customer shall relieve Customer from its obligations under this Section E.
- c) Location/Replacement. Customer shall not make any alterations or remove the Equipment from the place of original installation without Kronos' prior written consent. Kronos shall have the right to enter Customer's premises to inspect the Equipment during normal business hours. Kronos reserves the right, at its sole discretion and at no additional cost to Customer, to replace any Equipment with newer or alternative technology Equipment as long as the replacement Equipment at least provides the same level of functionality as that being replaced.
- d) Ownership. All Equipment shall remain the property of Kronos. All Equipment is, and at all times shall remain, separate items of personal property, notwithstanding their attachment to other equipment or real property. Customer shall not sell or otherwise encumber the Equipment. Customer shall furnish any assurances, written or otherwise, reasonably requested by Kronos to give full effect to the intent of terms of this paragraph (d).
- e) Equipment Support. Kronos shall provide to Customer the Equipment support services described in Section 6 above. The cost of such support service shall be included in the Monthly Services Fees.

Return Of Equipment. Upon termination of the Agreement or the applicable Order Form, Customer agrees that Customer shall disconnect, crate and return the Equipment to Kronos within thirty (30) days at Customer's expense. Equipment will be returned to Kronos in the same condition as and when received, reasonable wear and tear excepted. If Customer fails to return Equipment within this time period, Kronos shall invoice Customer for the then list price of the Equipment. Return Of Equipment. Upon termination of the Order Form, Customer agrees that Customer shall disconnect, crate and return the Equipment to Kronos within thirty (30) days at Customer's expense. Equipment will be returned to Kronos in the same condition as and when received, reasonable wear and tear excepted. If Customer fails to return Equipment within this time period, Kronos shall invoice Customer for the then list price of the Equipment.

8.2 The following additional terms apply only if Customer purchases Equipment from Kronos:

- a) Ownership and Warranty Period. Title to the Equipment shall pass to Customer upon delivery to the carrier (FOB – Shipping Point, Prepay and Add). The "Warranty Period" for the Equipment shall be for a period of ninety (90) days from such delivery.
- b) Equipment Support. Kronos shall provide to Customer the Equipment support services described in Section 6 above if purchased separately by Customer as indicated on the applicable Order Form. If purchased, Equipment support services shall commence upon expiration of the Warranty Period.

9. SERVICE LEVEL AGREEMENT

Kronos shall: (a) provide basic support for the services at no additional charge, (b) use commercially reasonable efforts to make the services available 24 hours a day, 7 days a week, except for: (i) planned downtime (when it shall give at least 8 hours notice via the services and shall schedule to the extent practicable during the weekend hours from 6:00 p.m. Friday to 3:00 a.m. Monday, eastern time), or (ii) any unavailability caused by circumstances beyond Kronos' reasonable control, including without limitation, acts of god, acts of government, floods, fires, earthquakes, civil unrest, acts of terror, strikes or other labor problems (other than those involving Kronos employees), internet service provider failures or delays, or denial of service attacks, and (iii) provide services in accordance with applicable laws and government regulations..

10. LIMITED WARRANTY; DISCLAIMERS OF WARRANTY

10.1 Kronos represents and warrants that the Services, under normal operation as specified in the Documentation and when used as authorized herein, will perform substantially in accordance with the Documentation during the Term.

10.2 Kronos' obligation and Customer's remedy for any breach of the above warranty is limited to Kronos' reasonable commercial efforts to correct the non-conforming Services at no additional charge to Customer. In the event that Kronos is unable to correct deficiencies in the

Services, after using its commercially reasonable efforts to do so, Customer shall be entitled to terminate the then remaining term of the Order Form for cause in accordance with Section 1 above as Customer's remedy. Kronos' obligations hereunder for breach of warranty are conditioned upon Customer notifying Kronos of the material breach in writing, and providing Kronos with sufficient evidence of such non-conformity to enable Kronos to reproduce and/or verify the same.

10.3 Kronos warrants that all equipment shall be free from defects in materials and workmanship during the warranty period as described in article 8 above. In the event of a breach of this warranty, customer's exclusive remedy shall be Kronos' repair or replacement of the deficient equipment, at Kronos' option, provided that customer's use, installation and maintenance thereof have conformed to the published specifications for such equipment. This warranty is extended to customer only and shall not apply to any equipment (or parts thereof) in the event of:

- a) damage, defects or malfunctions resulting from misuse, accident, neglect, tampering, (including modification or replacement of any Kronos components on any boards supplied with the Equipment), unusual physical or electrical stress or causes other than normal and intended use;
- b) failure of Customer to provide and maintain a suitable installation environment, as specified in the published specifications for such Equipment; or
- c) malfunctions resulting from the use of badges or supplies not approved by Kronos.

EXCEPT AS WARRANTED IN THIS SECTION 10, KRONOS HEREBY DISCLAIMS ALL WARRANTIES, CONDITIONS, GUARANTIES AND REPRESENTATIONS RELATING TO THE SERVICES, EXPRESS AND IMPLIED, ORAL OR IN WRITING, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT, AND WHETHER OR NOT ARISING THROUGH A COURSE OF DEALING. THE SERVICES ARE NOT GUARANTEED TO BE ERROR-FREE OR UNINTERRUPTED. EXCEPT AS SPECIFICALLY PROVIDED IN THIS AGREEMENT, KRONOS MAKES NO WARRANTIES OR REPRESENTATIONS CONCERNING THE COMPATIBILITY OF SOFTWARE OR EQUIPMENT OR ANY RESULTS TO BE ACHIEVED THEREFROM. KRONOS PROVIDES NO WARRANTY FOR SUPPLIER HARDWARE OR SOFTWARE EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED ON AN ORDER FORM.

11.0 DATA SECURITY

11.1 As part of the Services, Kronos shall provide administrative, physical, and technical safeguards for protection of the security, confidentiality and integrity of Customer data. Customer acknowledges that such safeguards endeavor to mitigate security incidents, but such incidents may not be mitigated entirely or rendered harmless. Customer should consider any particular Kronos supplied security-related safeguard as just one tool to be used as part of Customer's overall security strategy and not a guarantee of security. Both parties agree to comply with all applicable privacy or data protection statutes, rules, or regulations governing the respective activities of the parties under this Section E.

11.2 As between Customer and Kronos, all personally identifiable data contained in any applications or systems supplied by Kronos, or to which Kronos has access to under this Section E ("Personally Identifiable Data") is Customer's Confidential Information and will remain the property of Customer. Customer represents that to the best of its knowledge such Personally Identifiable Data supplied to Kronos is accurate. Customer hereby consents to the use, processing and/or disclosure of Personally Identifiable Data by Kronos and its Suppliers wherever located only for the purposes described herein and only to the extent such use or processing is necessary for Kronos to carry out its duties and responsibilities under this Section E or as required by law.

11.3 Prior to initiation of the Services and on an ongoing basis thereafter, Customer agrees to provide notice to Kronos of any extraordinary privacy or data protection statutes, rules, or regulations which are or become applicable to Customer's industry and which could be imposed on Kronos as a result of provision of the Services. Customer will ensure that: (a) the transfer to Kronos and storage of any Personally Identifiable Data by Kronos or its Supplier's data center, is permitted under applicable data protection laws and regulations; and, (b) Customer will obtain consents from individuals for such transfer and storage to the extent required under applicable laws and regulations.

11.4 Upon the cessation of the Services, Customer shall be afforded the opportunity to retrieve all Personally Identifiable Data in accordance with Section 1.5 above.

12. RESPONSABILITY OF CUSTOMER

12.1 If notified in writing of any action (and all prior related claims) brought against Customer based on a claim that the Services infringe or misappropriate any United States or Canadian copyright or patent, Kronos will indemnify and hold Customer harmless and defend such action at its sole cost and expense and pay all costs including reasonable attorney fees and damages resulting from such claim. Kronos will have sole control of the defense of any such action and all negotiations for its settlement or compromise. Customer will cooperate fully at Kronos' expense with Kronos in the defense, settlement or compromise of any such action. In the event that a final injunction is obtained against Customer's use of the Services by reason of infringement or misappropriation of a United States or Canadian copyright or patent, or if in Kronos' opinion, the Services are likely to become the subject of a successful claim of such infringement or misappropriation, Kronos, at Kronos' option and expense, will use commercially reasonable efforts to (a) procure for Customer the right to continue using the Services as provided in the Agreement, (b) replace or modify the Services so that they become non-infringing but remains substantively similar to the affected Services, and if neither (a) or (b) is commercially feasible, to (c) terminate the Agreement and the rights granted hereunder after provision of a refund to Customer of the set-up fees and Monthly Service Fees paid by Customer for the infringing elements of the Services covering the period of their unavailability.

12.2 Kronos shall have no liability to indemnify or defend Customer to the extent the alleged infringement is based on: (a) a modification of the Services by anyone other than Kronos; (b) use of the Services other than in accordance with the Documentation or as authorized by the Agreement; (c) use of the Services in conjunction with any data, equipment, service or software not provided by Kronos, where the Services would not otherwise itself be infringing or the subject of the claim; or (d) use of the Services by Customer other than in accordance with the terms of the Agreement. Notwithstanding the foregoing, with regard to infringement claims based upon software created or provided by a licensor to Kronos or Suppliers, Kronos' maximum liability will be to assign to Customer Kronos' or Supplier's recovery rights with respect to such infringement claims, (provided that Kronos and/or its Supplier shall use commercially reasonable efforts at Customer's cost to assist Customer in seeking such recovery from such licensor).

12.3 Customer shall be responsible for all cost and expense and pay all costs, including reasonable attorney's fees and damages of Kronos or its

Suppliers, if the action is arising from or relating to: (a) employment-related claims arising out of Customer's configuration of the Services; (b) Customer's modification or combination of the Services with other services, software or equipment not furnished by Kronos, provided that such Customer modification and/or combination is the cause of such infringement and was not authorized by Kronos; or, (c) a claim that the Customer Content infringes in any manner any intellectual property right of any third party, or any of the Customer Content contains any material or information that is obscene, defamatory, libelous, or slanderous violates any person's right of publicity, privacy or personality, or has otherwise caused or resulted in any tort, injury, damage or harm to any other person. Customer will have sole control of the defense of any such action and all negotiations for its settlement or compromise. Kronos will cooperate fully at Customer's expense with Customer in the defense, settlement or compromise of any such action.

13. LIMITATION OF LIABILITY

13.1 EXCEPT AS SPECIFICALLY PROVIDED WITHIN THIS AGREEMENT, KRONOS AND ITS SUPPLIERS WILL NOT BE LIABLE FOR ANY INJURIES CAUSED BY THE USE OF THE SERVICES OR BY ANY ERRORS, DELAYS, INTERRUPTIONS IN TRANSMISSION, OR FAILURES OF THE SERVICES.

13.2 EXCEPT FOR KRONOS' INDEMNIFICATION OBLIGATIONS SET FORTH IN SECTION 12 ABOVE, THE TOTAL AGGREGATE LIABILITY OF KRONOS OR ITS SUPPLIERS TO CUSTOMER AND/OR ANY THIRD PARTY IN CONNECTION WITH THIS AGREEMENT SHALL BE LIMITED TO DIRECT DAMAGES PROVEN BY CUSTOMER, SUCH DIRECT DAMAGES NOT TO EXCEED AN AMOUNT EQUAL TO THE TOTAL NET PAYMENTS RECEIVED BY KRONOS FOR THE SERVICES IN THE TWELVE MONTH PERIOD IMMEDIATELY PRECEDING THE DATE IN WHICH THE CLAIM ARISES.

13.3 IN NO EVENT SHALL KRONOS OR ITS SUPPLIERS, THEIR AFFILIATES, SERVICE PROVIDERS, OR AGENTS BE LIABLE TO CUSTOMER OR ANY THIRD PARTY FOR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES OR FOR ANY LOST OR IMPUTED PROFITS OR REVENUES, LOST DATA OR COST OF PROCUREMENT OF SUBSTITUTE SERVICES RESULTING FROM DELAYS, NONDELIVERIES, MISDELIVERIES OR SERVICES INTERRUPTION, HOWEVER CAUSED, ARISING FROM OR RELATED TO THE SERVICES OR THIS AGREEMENT, REGARDLESS OF THE LEGAL THEORY UNDER WHICH SUCH LIABILITY IS ASSERTED, WHETHER BREACH OF WARRANTY, INDEMNIFICATION, NEGLIGENCE, STRICT LIABILITY OR OTHERWISE, AND WHETHER LIABILITY IS ASSERTED IN CONTRACT, TORT OR OTHERWISE, AND REGARDLESS OF WHETHER KRONOS OR SUPPLIER HAS BEEN ADVISED OF THE POSSIBILITY OF ANY SUCH LIABILITY, LOSS OR DAMAGE.

13.4 EXCEPT WITH RESPECT TO LIABILITY ARISING FROM KRONOS' GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, KRONOS DISCLAIMS ANY AND ALL LIABILITY, INCLUDING SUCH LIABILITY RELATED TO A BREACH OF DATA SECURITY AND CONFIDENTIALITY OBLIGATIONS, RESULTING FROM ANY EXTERNALLY INTRODUCED HARMFUL PROGRAM (INCLUDING VIRUSES, TROJAN HORSES, AND WORMS), CUSTOMER'S CONTENT OR APPLICATIONS, THIRD PARTY UNAUTHORIZED ACCESS OF EQUIPMENT, SOFTWARE OR SYSTEMS, OR MACHINE ERROR

Kronos Contract #14-JLR-003

CONTRACT #14-JLR-003

THIS AGREEMENT, made this 18th day of March, 2014, by and between Harford County Public Schools, hereafter called "Owner" and Kronos Incorporated, a corporation at 297 Billerica Road, in the City of Chelmsford and State of Massachusetts, hereinafter called "Contractor".

WITNESSETH: That for and in consideration of the payments and agreements hereinafter mentioned, to be made and performed by the OWNER, the CONTRACTOR, hereby agrees with the OWNER to commence and complete the services described as follows:

RFP 14-JLR-003: Workforce Management System

Furnish, supply and deliver Workforce Management software in accordance and compliance with all specifications, terms and conditions set forth in RFP #14-JLR-003, and subsequent terms and conditions attached herein.

Hereinafter called the contract, for the period March 18, 2014 through March 17, 2017, and all extra work in connection therewith, under the terms as stated in the General and Special Conditions of the RFP Document; and the related terms and conditions attachment, at his (its or their) own proper cost and expense to furnish all the materials, supplies, and other accessories and services necessary to complete the said project in accordance with the conditions and prices stated in the Final Proposal, all of which are made a part hereof and collectively evidence and constitute the Contract.

This is an indefinite quantity contract with no specific assigned dollar value.

IN WITNESS WHEREOF, the parties to these presents have executed this in the year and day first above mentioned.

Harford County Public Schools

Jeffrey LaPorta
Jeffrey LaPorta, CPPB, Supervisor of Purchasing

3/6/14
Date

Kronos Incorporated
Company Name

John O'Brien
Company Representative Printed Name

Sr. Vice President, Americas
Company Representative Title

[Signature]
Company Representative Signature

2/21/14
Date

KRONOS TERMS AND CONDITIONS FOR PARTICIPATING PUBLIC AGENCIES ADMINISTERED BY US COMMUNITIES (103113V1)

KRONOS TERMS

A PARTICIPATING PUBLIC AGENCY ("CUSTOMER"), BY SIGNING AN ORDER FORM OR PURCHASE ORDER WITH KRONOS INCORPORATED, AGREES TO THE APPLICATION OF THESE TERMS AND CONDITIONS FOR ALL PRODUCTS, SERVICES AND OFFERINGS SET FORTH ON SUCH ORDER FORM (OR PURCHASE ORDER) WHICH REFERENCES THESE TERMS AND CONDITIONS.

SECTION A: GENERAL TERMS AND CONDITIONS. This Section apply for all transactions.

SECTION B: TERMS AND CONDITIONS FOR SOFTWARE LICENSES, SOFTWARE AND EQUIPMENT SUPPORT SERVICES, AND EDUCATIONAL AND PROFESSIONAL SERVICES. This Section apply for all transactions except Workforce Ready and the Workforce Central SaaS offering (not including the professional and educational services governed by this Section).

SECTION C: CLOUD HOSTING SUPPLEMENTAL TERMS AND CONDITIONS . This Section applies only for transactions that involve Kronos hosting for Software licensed under Section B and Identified as CLOUD 2.

SECTION C-1: APPLICATION HOSTING TERMS AND CONDITIONS . This Section applies only for transactions that involve Kronos hosting for Software licensed under Section B and identified as CLOUD.

SECTION D: KRONOS WORKFORCE CENTRAL SAAS TERMS AND CONDITIONS. This Section applies only for Workforce Central transactions in a SaaS environment (except for the related professional and educational services see Section B)

SECTION E: KRONOS WORKFORCE READY SAAS TERMS AND CONDITIONS. This Section applies only for Workforce Ready transactions.

SECTION A: GENERAL TERMS AND CONDITIONS

1. APPLICATION OF THESE TERMS

These terms and conditions apply to each order accepted by Kronos Incorporated ("Kronos") from an eligible Participating Public Agency ("Customer") for all Kronos Equipment, Software, Professional and Educational Services, Support and such other Kronos offerings, as specified on an order form (an "Order").

In addition to the terms set forth in this Section A: General Terms and Condition, the following sections apply for the specific offering referenced:

- (i) Section B shall apply to the Software licenses and purchased Equipment, support services, and professional and educational services;
- (ii) Section C shall apply to the Hosting Services purchased in connection with certain Software licensed under Section B;
- (iii) Section D shall apply to the Workforce Central Saas Orders; and
- (iv) Section E shall apply to the Workforce Ready Saas Order.

All orders are subject to the approval of Kronos' corporate office in Chelmsford, Massachusetts. This Agreement and the Order Form shall supersede the pre-printed terms of any Customer purchase order or other Customer ordering document, and no such Customer pre-printed terms shall apply to the items ordered.

2. APPLICABLE LAWS

This Agreement shall be governed by the state law in which Customer is based, provided however, if such jurisdiction has adopted the Uniform Computer Information Transactions Act (UCITA), or such other similar law, the parties expressly agree to "opt-out" of and not be governed by UCITA or such other similar law. The parties waive the application of the United Nations Commission on International Trade Law and United Nations Convention on Contracts for the International Sale of Goods as to the interpretation or enforcement of this Agreement.

3. EXPORT

Customer acknowledges that the Equipment and Software may be restricted by the United States Government or by the country in which the Equipment or Software is installed from export to certain countries and certain organizations and individuals, and agrees to comply with such laws. Customer agrees to comply with all applicable laws of all of the countries in which the Equipment and Software may be used by Customer. Customer's obligations hereunder shall survive the termination or expiration of the Order Form. Customer must obtain Kronos prior written consent before exporting the Software.

4. CONFIDENTIAL INFORMATION

"Confidential Information" is defined as information that is: i) disclosed between the parties after the date of this Agreement that is considered confidential or proprietary to the disclosing party; and ii) identified as "confidential" at the time of disclosure, or would be reasonably obvious to the receiving party to constitute confidential information because of legends or other markings, by the circumstances of disclosure or the nature of the information itself. Additionally, Customer acknowledges and agrees that the Software (and Software documentation), and the Specifications shall be deemed to be Kronos' Confidential Information and trade secret. Each party shall protect the Confidential Information of the other party with at least the same degree of care and confidentiality, but not less than a reasonable standard of care, which such party utilizes for its own information of similar character that it does not wish disclosed to the public. Neither party shall disclose to third parties (except the parent company or the wholly owned subsidiaries of the receiving party who have a need to know) the other party's Confidential Information, or use it for any purpose not explicitly set forth herein, without the prior written consent of the other party. Notwithstanding the foregoing, a party may disclose Confidential Information to the extent required: (a) to any subsidiary or affiliate of such Party, or (b) to any consultants, contractors, and counsel who have a need to know in connection with the Agreement and who are under obligations of non-disclosure agreement at least as stringent as this section 4, or (c) by law, or by a court or governmental agency, or if necessary in any proceeding to establish rights or obligations under the Agreement; provided, the receiving party shall, unless legally prohibited, provide the disclosing party with reasonable prior written notice sufficient to permit the disclosing party an opportunity to contest such disclosure. If a party commits, or threatens to commit, a breach of this Section 4, the other party shall have the right to seek injunctive relief from a court of competent jurisdiction. The obligation of confidentiality shall survive for three (3) years after the disclosure of such Confidential Information.

This Agreement imposes no obligation upon either party with respect to the other party's Confidential Information which the receiving party can establish by legally sufficient evidence: (a) was rightfully possessed by the receiving party without an obligation to maintain its confidentiality prior to receipt from the disclosing party, (b) is generally known to the public without violation of this Agreement; (c) is obtained by the receiving party in good faith from a third party having the right to disclose it without an obligation with respect to confidentiality; (d) is independently developed by the receiving party without use of the disclosing party's confidential information, which can be shown by tangible evidence.

5. TAXES

If Customer presents to Kronos a validly issued tax-exempt certificate, or other sufficient evidence of tax exemption, Customer shall not be liable for those taxes for which Customer is exempt. Otherwise, Customer agrees to pay all other applicable duties and customs fees relating to this Agreement, as well as all taxes levied or based on the products, services or other charges hereunder, including federal, state and local sales and excise taxes, and any taxes or amount in lieu thereof paid or payable by Kronos, exclusive of taxes based on Kronos net income or business privilege.

6. TRAVEL EXPENSES

Customer agrees to reimburse Kronos for all pre-approved, reasonable and necessary travel incurred by Kronos in the performance of its obligations under this Agreement, provided that such travel complies with the then current Kronos Travel and Expense Policies (such policies are available upon request). Customer further agrees to pay any travel expenses such as airfare, lodging, meals and local transportation, incurred by Kronos in the performance of its obligations under this Agreement provided such expenses comply with the Kronos Travel and Expense Policies. Customer will be billed by Kronos for such travel expenses and payment thereof shall be due net 30.

7. GENERAL

- (a) The invalidity or illegality of any provision of this Agreement shall not affect the validity of any other provision. The parties intend for the remaining unaffected provisions to remain in full force and effect.
- (b) Customer shall not assign this Agreement or the license to the Software without the prior written consent of Kronos and any purported assignment, without such consent, shall be void.
- (c) Neither Party shall be responsible for any failure to perform or delay in performing any of its obligations under this Agreement (other than a failure to comply with payment obligations) where and to the extent that such failure or delay results from an unforeseeable event beyond a party's

reasonable control, including but not limited to, acts of war; acts of nature; earthquake; flood; embargo; riot; sabotage; labor shortage or dispute; changes in government codes, ordinances, laws, rules, regulations or restrictions; failure of the Internet; terrorist acts; failure of data, products or services controlled by any third party, including the providers of communications or network services; utility power failure; material shortages or unavailability or other delay in delivery not resulting from the responsible party's failure to timely place orders therefor, or lack of or delay in transportation (each a "Force Majeure Event").

(d) All notices given under this Agreement shall be in writing and sent postage pre-paid, if to Kronos, to the Kronos address on the Order Form, or if to Customer, to the billing address on the Order Form.

(e) The section headings herein are provided for convenience only and have no substantive effect on the construction of this Agreement.

(f) The parties agree that the Order signed by both parties and expressly reference this Agreement, which is delivered via fax or electronically delivered via email it shall constitute a valid and enforceable agreement.

(g) This Agreement and any information expressly incorporated herein (including information contained in any referenced URL), together with the applicable Order Form, constitute the entire agreement between the parties for the products and services described herein and supersede all prior or contemporaneous representations, negotiations, or other communications between the parties relating to the subject matter of this Agreement. This Agreement may be amended only in writing signed by authorized representatives of both parties. Customer understands and acknowledges that while Kronos may disclose to customers certain confidential information regarding general product development direction, potential future products and/or product enhancements under consideration, Customer is not entitled to any products or product enhancements other than those contained on the Order Form. Customer has not relied on the availability of any future version of the Software or Equipment identified on an Order Form, nor any other future product in executing this Agreement.

(h) Use, duplication, or disclosure by the United States Government is subject to restrictions as set forth in subparagraph (c) (1) (ii) of the Rights in Technical Data and Computer Software clause at DFARS 252.227-7013, or subparagraph (c)(1)(2) of the Commercial Computer Software Restricted Rights clause at FAR 52.227-19, as applicable. Manufacturer/distributor is Kronos Incorporated, 297 Billerica Road, Chelmsford, MA.

(i) The JBoss® Enterprise Middleware components embedded in the Software are subject to the End User License Agreement found at http://www.redhat.com/licenses/jboss_eula.html.

(j) Customer may pay an invoice by credit card if the amount is not greater than \$50,000.00.

SECTION B
TERMS AND CONDITIONS FOR SOFTWARE LICENSES, SOFTWARE AND EQUIPMENT SUPPORT SERVICES,
AND EDUCATIONAL AND PROFESSIONAL SERVICES

This Section B applies to Software licensed, Equipment purchased, support services for Software and Equipment, and educational and professional services, when such items are identified on the Order which expressly references this Agreement.

1. PAYMENT AND DELIVERY

Unless otherwise set forth in this Agreement, payment terms are indicated on the Order Form or other contemporaneous ordering document containing product-specific payment terms signed by the parties. Delivery terms are as stated on the Order Form ("Delivery"). Kronos will invoice Customer for products upon Delivery. Unless otherwise set forth on the Order Form, Professional and Educational Services are provided on a time and materials basis, invoiced monthly as rendered.

2. GENERAL LICENSE TERMS

Kronos owns or has the right to license the Software. The Software and Software documentation are confidential and may not be disclosed to a third party without Kronos' written consent. The Software contains proprietary trade secret technology. Unauthorized use and copying of such Software is prohibited by law, including United States and foreign copyright law. The price Customer pays for a copy of the Software constitutes a license fee that entitles Customer to use the Software as set forth below. Kronos grants to Customer a non-exclusive, nontransferable, perpetual (except as provided herein) license to use the Software. This license may be terminated by Kronos by written notice to Customer upon any material breach of this Agreement by Customer which remains uncured for a period of thirty (30) days after such written notice from Kronos. Upon such termination of this license by Kronos, Customer will have no further right to use the Software and will return the Software media to Kronos and destroy all copies of the Software (and related documentation) in Customer's possession or control. This license is subject to all of the terms of this Section B.

3. FEE BASED LIMITATIONS

Customer recognizes and agrees that the license to use the Software is limited, based upon the amount of the license fee paid by Customer. Limitations, which are set forth on the Order Form, may include the number of employees, simultaneous or active users, Software product modules, Software features, computer model and serial number and partition, and/or the number of telephone lines or terminals to which the Software is permitted to be connected. Customer agrees to: i) use the Software only for the number of employees, simultaneous or active users, computer model, partition and serial number, and/or terminals permitted by the applicable license fee; ii) use only the product modules and/or features permitted by the applicable license fees; and iii) use the Software only in support of Customer's own business. Customer agrees not to increase the number of employees, simultaneous or active users, partitions, terminals, products modules, features, or to upgrade the model, as applicable, unless and until Customer pays the applicable fee for such increase/upgrade. Customer may not relicense or sublicense the Software to, or otherwise permit use of the Software (including timesharing or networking use) by any third party. Customer may not provide service bureau or other data processing services that make use of the Software without the express prior written consent of Kronos.

4. OBJECT CODE ONLY

Customer may use the computer programs included in the Software (the "Programs") in object code form only, and shall not reverse compile, disassemble or otherwise convert the Programs into uncompiled or unassembled code. The Programs include components owned by third parties. Such third party components are deemed to be Software subject to this Section B. Customer shall not use any of the Programs (or the data models therein) except solely as part of and in connection with the Software and as described in the published documentation for such Software.

5. PERMITTED COPIES

Customer may copy the Programs as reasonably necessary to load and execute the Programs and for backup and disaster recovery and testing purposes only, except for additional copies of the Teletime Software and the Kronos iSeries (which must be licensed separately). All copies of the Programs or any part thereof, whether in printed or machine readable form and whether on storage media or otherwise, are subject to all the terms of this license, and all copies of the Programs or any part of the Programs shall include the copyright and proprietary rights notices contained in the Programs as delivered to the Customer.

6. UPDATES

In the event that Kronos supplies Service Packs, Point Releases and Major Releases (including legislative updates if available) of the Software (collectively referred to as "Updates"), such Updates shall be part of the Software and the provisions of this license shall apply to such Updates and to the Software as modified thereby.

7. ACCEPTANCE

For Customer's initial purchase of each Equipment and Software product Kronos shall provide an acceptance test period (the "Test Period") that commences upon installation. Installation shall be defined as: a.) the Equipment, if any, is mounted; b.) the Software is installed on Customer's server(s); and c.) implementation team training, if any, is complete. During the Test Period, Customer shall determine whether the Equipment and Software meet the Kronos published electronic documentation, ("Specifications").

The Test Period shall be for 30 days. If Customer has not given Kronos a written deficiency statement specifying how the Equipment or Software fails to meet the Specifications ("Deficiency Statement") within the Test Period, the Equipment and Software shall be deemed accepted. If Customer provides a Deficiency Statement within the Test Period, Kronos shall have 30 days to correct the deficiency, and Customer shall have an additional 30 days to evaluate the Equipment and Software. If the Equipment or Software does not meet the Specifications at the end of the second 30 day period, either Customer or Kronos may terminate this Agreement. Upon any such termination, Customer shall return all Equipment and Software (and related documentation) to Kronos, and Kronos shall refund any monies paid by Customer to Kronos for the returned Equipment and Software. Neither party shall then have any further liability to the other for the products that were the subject of the Acceptance Test.

8. LIMITED WARRANTY

Kronos warrants that all Kronos Equipment and Software media shall be free from defects in materials and workmanship, for a period of ninety (90) days from Delivery. In the event of a breach of this warranty, Customer's remedy shall be Kronos' repair or replacement of the deficient Equipment and/or Software media, at Kronos' option, provided that Customer's use, installation and maintenance thereof have conformed to the Specifications. This warranty is extended to Customer only and shall not apply to any Equipment (or parts thereof) or Software media in the event of:

- (a) damage, defects or malfunctions resulting from misuse, accident, neglect, tampering, (including modification or replacement of any Kronos components on any boards supplied with the Equipment), unusual physical or electrical stress or causes other than normal and intended use;
- (b) failure of Customer to provide and maintain a suitable installation environment, as specified in the Specifications; or
- (c) malfunctions resulting from the use of badges or supplies not approved by Kronos.

When using and applying the Information generated by Kronos products, Customer is responsible for ensuring that Customer complies with requirements of federal and state law where applicable. If Customer is licensing Workforce Payroll Software or Workforce Absence Management Software: (i) Customer is solely responsible for the content and accuracy of all reports and documents prepared in whole or in part by using such Software, (ii) using such Software does not release Customer of any professional obligation concerning the preparation and review of such reports and documents, (iii) Customer does not rely upon Kronos, Best Software, Inc. or such Software for any advice or guidance regarding compliance with federal (and state laws where applicable) or the appropriate tax treatment of items reflected on such reports or documents, and (iv) Customer will review any calculations made by using such Software and satisfy itself that those calculations are correct.

9. PROFESSIONAL AND EDUCATIONAL SERVICES

(a) ENGAGEMENTS

Unless otherwise indicated on the Order, Professional and Educational Services ("Professional Services") shall be provided on a time and material basis and described in a statement of work. If a dollar limit is stated in the Order Form or any associated statement of work ("SOW"), the limit shall be deemed an estimate for Customer's budgeting and Kronos' resource scheduling purposes. After the dollar limit is expended, Kronos will continue to provide Professional Services on a time and materials basis, if a Change Order or Schedule of Services for continuation of the Professional Services is signed by the parties.

(b) WARRANTY

Kronos warrants that all professional and educational services performed under this Agreement shall be performed in a professional and competent manner. In the event that Kronos breaches this warranty, and Customer so notifies Kronos within 30 days of receipt of invoice for the applicable services, the Customer's remedy and Kronos' liability shall be to re-perform the services which were deficient in a manner so as to conform to the foregoing warranty, at no additional cost to Customer.

(c) KRONOS PROFESSIONAL/EDUCATIONAL SERVICES POLICIES

Kronos' then-current Professional/Educational Services Policies shall apply to all Professional and/or Educational Services purchased under the applicable SOW and may be accessed at: <http://www.kronos.com/Support/ProfessionalServicesEngagementPolicies.htm> ("Professional Services Policies"). In the event of a conflict between the Professional Services Policies and this Agreement, the terms of this Agreement shall prevail.

10. SOFTWARE SUPPORT SERVICES

The following terms and conditions shall govern the Software support services provided by Kronos to Customer.

10.1 SUPPORT OPTIONS

Customer may select from the following Software support purchase options: Gold (or Gold Plus) and Platinum (or Platinum Plus) support ("Service Type"), each providing different service coverage periods and/or service offerings, as specified herein ("Service Offerings") and in the Kronos Support Service Policies (defined below). Customer must purchase the same Service Type for all of the Software specified on the Order Form, (however, if Customer is purchasing support services for Visionware Software, Customer may only purchase Gold Service Type for the Visionware Software). All Updates shall be provided via remote access.

10.2 TERM OF SOFTWARE SUPPORT

Unless otherwise indicated on the Order Form, support service shall commence on the Software Delivery date and shall continue for an initial term of one (1) year. Support service may be renewed for additional one (1) year terms on the anniversary date of its commencement date by mutual written agreement of the parties or by Kronos sending Customer an invoice for the applicable renewal term and Customer paying such invoice prior the commencement of such renewal term. After the one year initial term of this Agreement, the Service Offerings provided and the Service Coverage period are subject to change by Kronos with sixty (60) days advance written notice to Customer. For the initial two (2) renewal years the annual support fee, for the same products and service type, will not increase by more than 4% over the prior year's annual support fee.

10.3 GOLD SERVICE OFFERINGS

Customer shall be entitled to receive:

- (i) Updates for the Software (not including any Software for which Kronos charges a separate license fee), provided that Customer's operating system and equipment meet minimum system configuration requirements, as reasonably determined by Kronos. If Customer requests Kronos to install such Updates or to provide retraining, Customer agrees to pay Kronos for such installation or retraining at Kronos' pricing set forth in this Agreement.
- (ii) Telephone and/or electronic access to the Kronos Global Support Center for the logging of requests for service during the Service Coverage Period. The Service Coverage Period for the Gold Service Offering is 8:00 a.m. to 8:00 p.m., local time, Monday through Friday, excluding Kronos holidays.
- (iii) Web-based support including access to Software documentation, FAQ's, access to Kronos knowledge base, Customer forums, and e-case management. Such offerings are subject to modification by Kronos. Current offerings can be found at <http://www.kronos.com/services/support-services.aspx>.
- (iv) Web-based remote diagnostic technical assistance which may be utilized by Kronos to resolve Software functional problems and user problems during the Service Coverage Period.
- (v) Access to specialized content as and when made available by Kronos such as technical advisories, learning quick tips, brown bag seminars, technical insider tips, SHRM e-Learning, HR Payroll Answerforce and service case studies.

10.4 PLATINUM AND PLUS SERVICE OFFERINGS:

Platinum: In addition to the Service Offerings specified for the Gold Service Offering above, the Service Coverage Period for the Platinum Service Offering is 24 hours a day, seven days a week, 365 days a year.

Plus option: In addition to the Service Offerings specified for the Gold Service Offering above, Customers purchasing the Plus option shall receive the services of a dedicated, but not exclusive, Kronos Technical Account Manager ("TAM") for one production instance of the Software. Customers purchasing the Gold-Plus option shall designate up to one primary and one secondary backup technical contacts ("Technical Contacts") to be the sole contacts with the TAM, while Customers purchasing the Platinum-Plus option shall designate up to two primary and three secondary backup Technical Contacts. Upon request, Customer may designate additional and/or backup Technical Contacts. Customer is required to place all primary Technical Contacts through Kronos product training for the Software covered under this Section B at Customer's expense.

Customers purchasing the Platinum-Plus option shall also receive a one day per year visit to be performed at the Customer location where the Software is installed. During this onsite visit, Kronos shall work with Customer to identify ways to help Customer increase functionality or maximize utilization of the Software in Customer's specific environment. Customer must be utilizing the then-current version of the Software.

10.5 PAYMENT

Customer shall pay annual support charges for the initial term in accordance with the payment terms on the Order Form and for any renewal term upon receipt of invoice. Customer shall pay additional support charges, if any, and time and material charges upon receipt of invoice

10.6 ADDITION OF SOFTWARE

Additional Software purchased by Customer as per the ordering procedure set out in the agreement during the initial or any renewal term shall be added to the Support Services at the same support option as the then current Software support coverage in place under these terms. Customer agrees to pay the charges for such addition as per the Order.

10.7 RESPONSIBILITIES OF CUSTOMER

Customer agrees (i) to provide Kronos personnel with full, free and safe access to Software for purposes of support, including use of Kronos' standard remote access technology, if required; (ii) to maintain and operate the Software in an environment and according to procedures which conform to the Specifications; and (iii) not to allow support of the Software by anyone other than Kronos without prior written authorization from Kronos. Failure to utilize Kronos' remote access technology may delay Kronos' response and/or resolution to Customer's reported Software problem. If Customer requires the use of a specific remote access technology not specified by Kronos, then Customer must purchase the Plus option to receive support and provide Kronos personnel with full, free and safe access to the remote access hardware and/or software.

10.8 DEFAULT

Customer shall have the right to terminate Kronos support services in the event that Kronos is in breach of the support services warranty set forth below and such breach is not cured within fifteen (15) days after written notice specifying the nature of the breach. In the event of such termination, Kronos shall refund to Customer on a pro-rata basis those pre-paid annual support fees associated with the unused portion of the support term. Kronos reserves the right to terminate or suspend support service in the event the Customer is in default under this Agreement with Kronos and such default is not corrected within fifteen (15) days after written notice. In addition, the support services will terminate and all charges due hereunder will become immediately due and payable in the event that Customer ceases to do business as a going concern or has its assets assigned by law.

10.9 WARRANTY

Kronos warrants that all support services shall be performed in a professional and competent manner.

11. EQUIPMENT SUPPORT SERVICES

The following terms and conditions shall govern the equipment support services provided by Kronos to Customer.

Kronos and Customer hereby agree that Kronos shall provide depot equipment repair support services ("Depot Support Services") for Customer's Kronos Equipment ("Product(s)") specified on an Order Form to and from locations within the United States and Puerto Rico pursuant to the following terms and conditions:

11.1 TERM

Equipment Support Services for the Product(s) have a term of one (1) year commencing upon the expiration of the applicable warranty period, as specified in this Section B. Equipment Support Services can be extended for additional one year terms on the anniversary of its commencement date ("Renewal Date") by mutual written agreement of the parties or by Kronos sending Customer an invoice for the applicable renewal term and Customer paying such invoice prior the commencement of such renewal term. For the initial two (2) renewal years the annual support fee, for the same products and service type, will not increase by more than 4% over the prior year's annual support fee to the extent consistent with the pricing set forth under the Agreement.

11.2 PAYMENT

Customer agrees to pay the Support Charges for the initial term as set forth on the Order Form for each Product listed. Customer agrees that all Products of the same type that are owned by the Customer, including without limitation Customer's "Spare Products" (as defined below), will be subject to this Agreement. Customer agrees that if Customer purchases, during the term of this Agreement, any Products of the same type as those specified on an Order Form, such additional Products shall be subject to this Agreement. Customer agrees to pay a prorated fee for such additional Products and agrees to pay the full annual fee for such additional Products, upon the renewal date.

Kronos will invoice Customer for the annual Support Charges each year in advance of the Renewal Date. Customer will pay Kronos within thirty (30) days of receipt of invoice.

11.3 DEPOT SUPPORT SERVICE DESCRIPTION

Upon the failure of installed Equipment, Customer shall notify Kronos of such failure and Kronos will provide remote fault isolation at the FRU (Field Replacement Unit) or subassembly level and attempt to resolve the problem. Those failures determined by Kronos to be Equipment related shall be dispatched to a Kronos Depot Repair Center, and Customer will be provided with a Return Material Authorization Number (RMA) for the failed Equipment if Customer is to return the failed Equipment to Kronos, as reasonably determined by Kronos. Customer must return the failed Equipment with the supplied RMA number. Hours of operation, locations and other information related to Kronos' Depot Repair Centers are available upon request and can be found at <https://customer.kronos.com/contact/contact-phone.aspx> and are subject to change. Return and repair

procedures for failed Equipment shall be provided based on the Depot option - Depot Exchange or Depot Repair - selected by Customer on the applicable Order Form and as specified herein and in Kronos' then-current Support Services Policies. Service packs for the Equipment (as described in subsection (b) below) are included in both Depot Exchange and Depot Repair Support Services.

(i) *Depot Exchange*: Kronos will provide a replacement for the failed Equipment at the FRU or subassembly level on an "advanced exchange" basis, utilizing a carrier of Kronos' choice. Replacement Equipment will be shipped the same day, for delivery to Customer's location as further described in the Support Policies. REPLACEMENT EQUIPMENT MAY BE NEW OR RECONDITIONED. Customer shall specify the address to which the Equipment is to be shipped. All shipments will include the Kronos provided RMA designating the applicable Kronos Depot Repair Center, as the recipient. Customer, upon receipt of the replacement Equipment from Kronos, shall package the defective Equipment in the materials provided by Kronos, with the RMA supplied and promptly return failed Equipment directly to Kronos.

(ii) *Depot Repair*: Upon failure of installed Equipment, Customer shall install a Spare Product to replace the failed Equipment. Customer shall then return the failed Equipment, with the required RMA, to the applicable Kronos Depot Repair Center. Customer shall make reasonable efforts to return the failed Equipment using the same or substantially similar packing materials in which the original Equipment was sent. Customer shall also specify the address to which the repaired Equipment should be return shipped. Upon receipt of the failed Equipment, Kronos shall repair the failed Equipment and ship it, within ten (10) business days after receipt, to Customer. Kronos shall ship the repaired Equipment by regular surface transportation to Customer.

Kronos warrants that all repairs performed under the Agreement shall be performed in a professional and competent manner. In the event of a breach of this warranty, the exclusive remedy of Customer and sole liability of Kronos shall be replacement of the repaired Equipment.

11.4 EQUIPMENT SERVICE PACK SUPPORT SERVICE DESCRIPTION

If Customer purchase the Equipment service packs support, Kronos manufactured terminals specified on an Order, Customer shall be entitled to receive:

(i) Service packs for the Equipment (which may contain system software updates, firmware updates, security updates, and feature enhancements) available for download at Kronos' customer portal; and

(ii) Access to the Kronos Support Services Center for the logging of requests for assistance downloading service packs for the Equipment. Service packs for the Equipment are not installed by the Kronos Depot Repair Center but are available for download at Kronos' customer portal, provided Customer is maintaining the Equipment under an annual Equipment Support Services plan with Kronos.

Kronos warrants that all service packs and firmware updates provided under this Agreement shall materially perform in accordance with the Kronos published specifications for a period of ninety (90) days after download by Customer. In the event of a breach of this warranty, Customer's exclusive remedy shall be Kronos' repair or replacement of the deficient service pack(s) or firmware update(s), at Kronos' option, provided that Customer's use, installation and maintenance thereof have conformed to the specifications.

11.5 RESPONSIBILITIES OF CUSTOMER

Customer agrees that it shall return failed Products promptly as the failures occur and that it shall not hold failed Products and send failed Product to Kronos in "batches" which shall result in a longer turnaround time and surcharge to Customer. In addition, Customer agrees to:

- (a) Maintain the Products in an environment conforming to Kronos' published specifications for such Products;
- (b) De-install all failed Products and install all replacement Products in accordance with Kronos' published installation guidelines;
- (c) Ensure that the Product(s) are returned to Kronos properly packaged; and
- (d) Obtain an RMA before returning any Product to Kronos and place the RMA clearly and conspicuously on the outside of the shipping package. Customer may only return the specific Product authorized by Kronos when issuing the RMA.

11.6 SUPPORT EXCLUSIONS

Depot Support Service does not include the replacement of "consumables". In addition, Depot Support Service does not include the repair of damages, and Customer will not attempt to return damaged Product, resulting from:

- (a) Any cause external to the Products including, but not limited to, electrical work, fire, flood, water, wind, lightning, transportation, or any act of God;
- (b) Customer's failure to continually provide a suitable installation environment (as indicated in Kronos' published installation guidelines) including, but not limited to, adequate electrical power;
- (c) Customer's improper use, relocation, packaging, refinishing, management or supervision of the Product(s) or other failure to use Products in accordance with Kronos' published specifications;
- (d) Customer's use of the Products for purposes other than those for which they are designed or the use of accessories or supplies not approved by Kronos;
- (e) Government imposed sanctions, rules, regulations or laws preventing the shipment of the Products; or
- (f) Customer's repair, attempted repair or modification of the Products.

Professional services provided by Kronos in connection with the installation of any Software or firmware upgrades, if available, and if requested by Customer, are not covered by Depot Support Services. Firmware (including equipment service packs) which may be available to resolve a Product issue is not installed by the Kronos Depot Repair Center but is available for download at Kronos' customer web site provided Customer is maintaining the Product under an annual Depot Support Services plan with Kronos.

11.7 WARRANTY

(a) *Depot Repair and Exchange warranty*: Kronos warrants that all repairs performed under this Section B shall be performed in a professional and competent manner.

(b) *Services Pack support Warranty*: Kronos warrants that all service packs and firmware updates provided under this Section B shall materially perform in accordance with the Kronos published specifications for a period of ninety (90) days after download by Customer. In the event of a breach of this warranty, Customer's remedy shall be Kronos' repair or replacement of the deficient service pack(s) or firmware update(s), at Kronos' option, provided that Customer's use, installation and maintenance thereof have conformed to the specifications.

11.8 LIMITATION OF REMEDIES

To the extent permitted by law, the remedy of Customer and liability of Kronos shall be replacement of the repaired Product.

12. KRONOS SUPPORT SERVICE POLICIES

Kronos' then-current Support Services Policies shall apply to all Support Services purchased and may be accessed at: <http://www.kronos.com/Support/SupportServicesPolicies.htm> ("Support Policies"). In the event of a conflict between the Support Policies and this Agreement, the terms of this Agreement shall prevail.

13. FIRMWARE

Customer may not download firmware updates for the Kronos Equipment unless Customer is maintaining such Equipment under a support plan with Kronos. If Customer is not maintaining the Equipment under a support plan with Kronos, Kronos shall have the right to verify Customer's Kronos Equipment to determine if Customer has downloaded any firmware to which Customer is not entitled.

14. TRAINING POINTS

Training Points which are purchased by Customer may be redeemed for an equivalent value of Instructor-led training sessions offered by Kronos. Available Instructor-led sessions are listed at <http://customer.kronos.com> and each session has the Training Points value indicated. Training Points are invoiced when used by the Customer. Points may be redeemed at any time within 12 months of the date of the applicable Order Form, at which time they shall expire. Training Points may not be exchanged for other Kronos products and/or services.

15. KNOWLEDGEPASS EDUCATION SUBSCRIPTION:

The parties hereby agree that the following terms shall apply to Customer's purchase of the Kronos KnowledgePass Education Subscription only, if specified on the Order Form:

Scope: The KnowledgePass Education Subscription is available to customers who are licensing Kronos' Workforce Central and iSeries Timekeeper Software products and who are maintaining such products under a support plan with Kronos. The KnowledgePass Education Subscription provides access via the internet to certain educational offerings provided by Kronos (the "KnowledgePass Content"), including:

- Product and upgrade information for project teams and end users
- Hands-on interactive instruction on common tasks
- Self-paced tutorials covering a range of topics
- Job aids
- Knowledge assessment and reporting tools to measure progress
- Webinars

Term of Subscription: The annual KnowledgePass Education Subscription shall run co-terminously with Customer's Software Support, and shall renew for additional one (1) year terms provided Customer renews its KnowledgePass Education Subscription as provided below.

Payment: Customer shall pay the annual subscription charge for the initial term of the KnowledgePass Education Subscription in accordance with the payment terms on the Order Form. Kronos will send Customer a renewal invoice for renewal of the KnowledgePass Education Subscription at least forty five (45) days prior to expiration of the then current term. KnowledgePass Education Subscription shall renew for an additional one (1) year term if Customer pays such Invoice before the end of the initial term or any renewal term.

The KnowledgePass Subscription is available when the Customer subscribes on annual basis.

Limitations: Customer recognizes and agrees that the KnowledgePass Content is copyrighted by Kronos. Customer is permitted to make copies of the KnowledgePass Content provided in pdf form solely for Customer's internal use and may not disclose such KnowledgePass Content to any third party other than Customer's employees. Customer may not edit, modify, revise, amend, change, alter, customize or vary the KnowledgePass Content without the written consent of Kronos, provided that Customer may download and modify contents of Training Kits solely for Customer's internal use.

Train-the-Trainer Program (TTT): Certification under the Train-the-Trainer Program is valid only for the point release of the Software for which the TTT Program is taken, and covers only the Customer employee who completes the TTT Program.

16. INDEMNIFICATION

Kronos agrees to indemnify Customer and to hold it harmless from and against any and all claims, costs, fees and expenses (including reasonable legal fees) relating to actual or alleged infringement of United States or Canadian patents or copyrights asserted against Customer by virtue of Customer's use of the Software as delivered and maintained by Kronos, provided that: i) Kronos is given prompt written notice of any such claim and has sole control over the investigation, preparation, defense and settlement of such claim; and, ii) Customer reasonably cooperates with Kronos in connection with the foregoing and provides Kronos with all information in Customer's possession related to such claim and any further assistance as reasonably requested by Kronos. Kronos will have no obligation to indemnify Customer to the extent any such claim is based on the use of the Software with software or equipment not supplied by Kronos. Should any or all of the Software as delivered and maintained by Kronos become, or in Kronos' reasonable opinion be likely to become, the subject of any such claim, Kronos may at its option: i) procure for Customer the right to continue to use the affected Software as contemplated hereunder; ii) replace or modify the affected Software to make its use non-infringing; or iii) should such options not be available at reasonable expense, terminate this Agreement with respect to the affected Software upon thirty (30) days prior written notice to Customer. In such event of termination, Customer shall be entitled to a pro-rata refund of all fees paid to Kronos for the affected Software, which refund shall be calculated using a five year straight-line depreciation commencing with the date of the relevant Order. Additionally, Kronos agrees to be liable for tangible property damage or personal injury caused solely by the negligence or willful misconduct of its employees.

17. LIMITATION OF LIABILITY

CUSTOMER'S EXCLUSIVE REMEDIES AND KRONOS' SOLE LIABILITY FOR ANY KRONOS BREACH OF THIS AGREEMENT ARE EXPRESSLY STATED HEREIN. EXCEPT AS PROVIDED IN THIS AGREEMENT, ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE EXCLUDED.

EXCEPT FOR i) KRONOS' INDEMNIFICATION OBLIGATIONS SET FORTH IN ARTICLE 16 ABOVE; (ii) CUSTOMER'S CLAIMS FOR TANGIBLE PROPERTY DAMAGE OR PERSONAL INJURY TO THE EXTENT CAUSED BY THE NEGLIGENCE OR WILLFUL MISCONDUCT OF THE OTHER PARTY'S EMPLOYEES, IN NO EVENT SHALL KRONOS' OR ITS PARENTS', SUBSIDIARIES', AFFILIATES', OR THIRD PARTY LICENSOR'S LIABILITY TO A CUSTOMER, HOWSOEVER CAUSED, EXCEED THE VALUE OF THE ORDER WHICH GIVES RISE TO

THE CLAIM, AND IN NO EVENT WILL KRONOS OR ITS PARENTS, SUBSIDIARIES AFFILIATES OR THIRD PARTY LICENSORS BE LIABLE FOR LOST PROFITS, LOST DATA OR ANY OTHER INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF THIS AGREEMENT WHETHER SUCH CLAIM IS BASED ON WARRANTY, CONTRACT, TORT OR THE EXISTENCE, FURNISHING, FUNCTIONING OR CUSTOMER'S SPECIFIC USE OF, OR INABILITY TO SO USE, ANY EQUIPMENT, SOFTWARE OR SERVICES PROVIDED FOR IN THIS AGREEMENT.

**SECTION C
CLOUD APPLICATION HOSTING
SUPPLEMENTAL TERMS AND CONDITIONS**

These terms and conditions apply to the cloud services which are identified in the Pricing as the Cloud 2 in the Pricelist Name.

These Application Hosting Supplemental Terms and Conditions are applicable for hosting services ordered by Customer for Kronos Software licensed under Section B of this Agreement.

1. DEFINITIONS

“Application(s)” means those Kronos software applications set forth in the Cloud Hosting SSS which are made accessible for Customer to use under the terms of this Addendum.

“Application Hosting Program” or “Program” means (i) accessibility to the Applications, by means of access to the password protected customer area of the Kronos hosting environment, and (ii) all Hosting Related Services.

“Content” means all content Customer, or others acting on behalf of or through Customer, posts or otherwise inputs into the Program, including but not limited to information, data (such as payroll data, vacation time, and hours worked), designs, know-how, logos, text, multimedia images (e.g. graphics, audio and video files), compilations, software programs, third party software, applications, or other materials, or any other Customer content shared or processed on equipment under the control of Kronos.

“Hosting Related Services” means certain services set forth in a Services Scope Statement (SSS) containing hosted related services (the “Cloud Hosting SSS”), such as hosting infrastructure, equipment, bandwidth, server monitoring, backup services, reporting services, storage area network (SAN) services, load balancing services, security services, system administration, connectivity services, performance tuning, service pack installation and all professional and/or Cloud Services and maintenance services related to hosting.

“Initial Term” means the initial term of the Program as set forth in the applicable Cloud Hosting SSS.

“Internal Use” means the use of the Program: (i) by Customer’s personnel solely for Customer’s internal business purposes and (ii) by any authorized employee, agent or contractor of Customer to process information relating to Customer’s employees assigned to, or potential employees of, Customer’s authorized business unit(s), solely for the internal business purposes of such business unit(s).

“Monthly Service Fee(s)” means the monthly fees described in the Cloud Hosting SSS and set forth on the applicable Order Form..

“Order Form” means the order request form supplied by Kronos and signed by the Parties that lists the fees for the elements of Customer’s particular Program.

“Personally Identifiable Data” means information concerning individually identifiable employees of Customer that is protected against disclosure under applicable law or regulation.

“Production Environment” means a permanent environment established for the daily use and maintenance of the Applications in a live environment throughout the term of a Program.

“Service Description” means the detailed service description (including any supplementary service terms) specified in the Cloud Hosting SSS which sets forth the specific Program to be provided to the Customer.

“SLA(s)” means a service level agreement offered by Kronos for the Production Environment and attached to this Section C as Exhibit A which contains key service level standards and commitments that apply to the Program as detailed in the Service Description.

“SLA Credit” means the credit calculated in accordance with the SLA and offered by Kronos in the event of outages, interruptions or deficiencies in the delivery of the Program that result in a failure to meet the terms of the applicable SLA.

“Supplier” means any contractor, subcontractor or licensor of Kronos providing software, equipment and/or services to Kronos which are incorporated into or otherwise related to the Program.

“Temporary Environment” means a transient database environment created to serve limited purposes for a limited time period, and identified in the applicable Cloud Hosting SSS as a Temporary Environment.

2. CLOUD HOSTING SERVICES SCOPE STATEMENT

The description of the particular Program ordered by the Customer, the Program term, the Monthly Service Fee rates, and other fees, if any, applicable to the Program are described in the applicable Cloud Hosting SSS and Order Form. Kronos will not change the Monthly Service Fee rates it charges for Customer’s existing Program, or the SLA, during the Initial Term. Kronos may change such Monthly Service Fee rates or the associated SLA for a renewal term of the particular Program by notifying Customer at least sixty (60) days prior to the expiration of the then current term. SLAs are only available in a Production Environment. Unless the Cloud Hosting SSS indicates that the Program is to be implemented in a Temporary Environment, the Program will be deemed to be implemented in a Production Environment.

3. AUTHORIZED USE

Customer shall take all reasonable steps to ensure that no unauthorized persons have access to the Program, and to ensure that no persons authorized to have such access shall take any action that would be in violation of this Section C.

4. MAINTENANCE ACCESS

If Kronos, its Suppliers, or the local access provider, as applicable, requires access to Customer sites in order to maintain or repair the Program, Customer shall cooperate in a timely manner and reasonably provide such access and assistance as necessary. As part of Kronos' support services, Kronos will make updates to the Applications available to Customer at no charge as they are released generally to Kronos' customers. Customer agrees to receive those updates automatically as part of the Program. Customer may be required to purchase additional Hosting Related Services to address infrastructure requirements as released by Kronos for a new version of a particular Application.

5. CUSTOMER REPRESENTATIONS AND WARRANTIES; CUSTOMER OBLIGATIONS

5.1 Customer represents and warrants to Kronos that it has the right to publish and disclose Customer's Content in the Program.

5.2 Customer represents and warrants to Kronos that Customer's Content will not: (a) infringe or violate any third-party right, including (but not limited to) intellectual property, privacy, or publicity rights; (b) be abusive, profane, or offensive to a reasonable person; or (c) be hateful or threatening.

5.3 Customer will, at its own cost and expense, provide all end user equipment, operating systems, and software (including a web browser) not provided by Kronos and needed to access and use the Program. Customer will also provide, at its own cost and expense, all connections from its computer systems to the Program, which shall include all related costs associated with Customer accessing the Program, unless such connectivity services are purchased from Kronos as indicated on the Cloud Hosting SSS and Order Form.

5.4 Customer shall not, and shall not permit any person or entity under Customer's direct or indirect control to: (a) recirculate, republish, distribute or otherwise provide access to the Program to any third party; (b) use the Program on a service bureau, time sharing or any similar basis, or for the benefit of any other person or entity; (c) alter, enhance or make derivative works of the Program; (d) reverse engineer, reverse assemble or decompile, or otherwise attempt to derive source code from, the Program or any software components of the Program; (e) use, or allow the use of, the Program in contravention of any applicable law, or rules or regulations of regulatory or administrative organizations; (f) introduce into the Program any virus or other code or routine intended to disrupt or damage the Program, alter, damage, delete, retrieve or record information about the Program or its users; or, (g) otherwise act in a fraudulent, malicious or negligent manner when using the Program.

6. CONNECTIVITY AND ACCESS

6.1 Customer acknowledges that Customer shall (a) be responsible for securing, paying for, and maintaining connectivity to the Services (including any and all related hardware, software, third party services and related equipment and components); and (b) provide Kronos and Kronos' representatives with such physical or remote access to Customer's computer and network environment as Kronos deems reasonably necessary in order for Kronos to perform its obligations under the Agreement. Customer will make all necessary arrangements as may be required to provide access to Customer's computer and network environment if necessary for Kronos to perform its obligations under the Agreement. Customer agrees that Kronos may audit Customer's use of the Services.

7. FEES AND PAYMENT TERMS

7.1 In consideration of the delivery of the Program, Customer shall pay Kronos the Monthly Services Fee as defined in the applicable Order Form. The Monthly Services Fee shall begin to accrue on the date the Order Form and SSS are signed by the parties, and shall be invoiced annually in advance.

7.2 All fees payable hereunder shall be paid in United States Dollars and sent to the attention of Kronos as specified on the invoice. Payment terms shall be net 30 days following receipt of invoice.

7.3 SLA Credits, if any, which are due and owing to a Customer under an SLA for a particular month of the Program shall be paid by Kronos in the month following the month in which the SLA Credits were earned.

8. SERVICE LEVEL AGREEMENT

CUSTOMER'S SOLE AND EXCLUSIVE REMEDY IN THE EVENT OF ANY SERVICE OUTAGE, INTERRUPTION OR DEFICIENCY OF SERVICE(S) OR FAILURE BY KRONOS TO MEET THE TERMS OF AN APPLICABLE SLA, SHALL BE THE REMEDIES PROVIDED IN THE SLA; PROVIDED THAT ANY REMEDIES OR CREDITS CONTAINED IN THE SLA ARE NOT AVAILABLE FOR OUTAGES, INTERRUPTIONS OR DEFICIENCIES OCCURRING DURING ANY PERIOD IN WHICH CUSTOMER IS IN BREACH OF THIS ADDENDUM OR THE LICENSE AGREEMENT. KRONOS DISCLAIMS ANY AND ALL OTHER LIABILITIES OR REMEDIES FOR SUCH OUTAGES, INTERRUPTIONS OR DEFICIENCIES OF SERVICES.

9. LIMITATION OF LIABILITY

IN ADDITION TO THE LIMITATIONS SET FORTH IN THE LICENSE AGREEMENT, EXCEPT WITH RESPECT TO LIABILITY ARISING FROM KRONOS' GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, KRONOS DISCLAIMS ANY AND ALL LIABILITY AND SERVICE CREDITS, INCLUDING SUCH LIABILITY RELATED TO A BREACH OF SECURITY OR DISCLOSURE, RESULTING FROM ANY EXTERNALLY INTRODUCED HARMFUL PROGRAM (INCLUDING VIRUSES, TROJAN HORSES, AND WORMS), CUSTOMER'S CONTENT OR APPLICATIONS, THIRD PARTY UNAUTHORIZED ACCESS OF EQUIPMENT OR SOFTWARE OR SYSTEMS, OR MACHINE ERROR.

10. DATA SECURITY

10.1 As part of the Program, Kronos shall provide those administrative, physical, and technical safeguards for protection of the security, confidentiality and integrity of Customer data as described at: <http://www.kronos.com/products/smb-solutions/workforce-central-saas/security-description.aspx>. Customer acknowledges that such safeguards endeavor to mitigate security incidents, but such incidents may not be mitigated entirely or rendered harmless. Customer should consider any particular Kronos supplied security-related safeguard as just one tool to be used as part of Customer's overall security strategy and not a guarantee of security. Both parties agree to comply with all applicable privacy or data protection statutes, rules, or regulations governing the respective activities of the parties under the Agreement.

10.2 As between Customer and Kronos, all Personally Identifiable Data is Customer's Confidential Information and will remain the property of Customer. Customer represents that to the best of Customer's knowledge such Personally Identifiable Data supplied to Kronos is accurate. Customer hereby consents to the use, processing or disclosure of Personally Identifiable Data by Kronos and Kronos' Suppliers wherever located only

for the purposes described herein and only to the extent such use or processing is necessary for Kronos to carry out Kronos' duties and responsibilities under this Agreement or as required by law.

10.3 Prior to initiation of the Program and on an ongoing basis thereafter, Customer agrees to provide notice to Kronos of any extraordinary privacy or data protection statutes, rules, or regulations which are or become applicable to Customer's industry and which could be imposed on Kronos as a result of provision of the Program. Customer will ensure that: (a) the transfer to Kronos and storage of any Personally Identifiable Data by Kronos or Kronos' data center is permitted under applicable data protection laws and regulations; and (b) Customer will obtain consents from individuals for such transfer and storage to the extent required under applicable laws and regulations.

11. TERM AND TERMINATION

11.1 At the expiration of the Initial Term, the applicable Program shall automatically renew for successive one year periods unless either party provides notice of its intent not to renew at least sixty (60) days prior to the expiration of the then-current term. Kronos may suspend or terminate the Program upon notice in the event of any breach by Customer of this Section C if such breach is not cured within ten (10) days of the date of Kronos' written notice. No Program Interruption shall be deemed to have occurred during, and no Program credits shall be owed for, any authorized suspension of the Program.

11.2 Customer may terminate the Program by written notice at any time during the term of the Addendum if Kronos materially breaches any provision of this Addendum, and such default is not cured within thirty (30) days after receipt of written notice from Customer. In the event of such termination by Customer, Customer shall pay Kronos within thirty (30) days all fees then due and owing for the Program prior to the date of termination.

11.3 Customer may terminate the Program for convenience on no less than ninety (90) days prior written notice to Kronos.

11.4 In the event of termination of the Program by Customer for convenience or by Kronos for cause during the Initial Term, Customer will pay to Kronos any out of pocket expenses incurred by Kronos in terminating the Program plus an early termination fee based on the following calculation: one (1) month of the then-current Monthly Services Fees for every twelve (12) month period (or portion thereof) remaining in the Initial Term. By way of example only, if Customer terminates the Program for convenience with fifteen (15) months remaining in the Initial Term, Customer will be responsible to pay Kronos two (2) months of the applicable Monthly Services Fees.

EXHIBIT A

SERVICE LEVEL AGREEMENT (SLA)

Service Level Agreement: The Services, in a production environment and as described in the Statement of Work (aka Services Scope Statement), are provided with the service levels described in this Exhibit A. SLAs are only applicable to production environments. SLAs will be available upon Customer's signature of Kronos' Go Live Acceptance Form for Customer's production environment.

99.75% Application Availability

Actual Application Availability % = (Monthly Minutes (MM) minus Total Minutes Not Available (TM)) multiplied by 100) and divided by Monthly Minutes (MM), but not including Excluded Events

Service Credit Calculation: An Outage will be deemed to commence when the Applications are unavailable to Customer in Customer's production environment hosted by Kronos and end when Kronos has restored availability of the Services. Failure to meet the 99.75% Application Availability SLA, other than for reasons due to an Excluded Event, will entitle Customer to a credit as follows:

Actual Application Availability % (as measured in a calendar month)	Service Credit to be applied to Customer's monthly invoice for the affected month
<99.75% to 98.75%	10%
<98.75% to 98.25%	15%
<98.25% to 97.75%	25%
<97.75 to 96.75%	35%
<96.75	50%

"Outage" means the accumulated time, measured in minutes, during which Customer is unable to access the Applications for reasons other than an Excluded Event.

"Excluded Event" means any event that results in an Outage and is caused by (a) the acts or omissions of Customer, its employees, customers, contractors or agents; (b) the failure or malfunction of equipment, applications or systems not owned or controlled by Kronos, including without limitation Customer Content, failures or malfunctions resulting from circuits provided by Customer, any inconsistencies or changes in Customer's source environment, including either intentional or accidental connections or disconnections to the environment; (c) Force Majeure events; (d) scheduled or emergency maintenance, alteration or implementation provided during the Maintenance Period defined below; (e) any suspension of the Services in accordance with the terms of the Agreement to which this Exhibit A is attached; (f) the unavailability of required Customer personnel, including as a result of failure to provide Kronos with accurate, current contact information; or (g) using an Application in a manner inconsistent with the product documentation for such Application.

"Maintenance Period" means scheduled maintenance periods established by Kronos to maintain and update the Services, when necessary. During these Maintenance Periods, the Services are available to Kronos to perform periodic maintenance services, which include vital software updates. Kronos will use its commercially reasonable efforts during the Maintenance Period to make the Services available to Customer; however, some changes will require downtime. Kronos will provide notice for planned downtime via an email notice to the primary Customer contact at least one day in advance of any known downtime so planning can be facilitated by Customer.

Currently scheduled Maintenance Periods for the Services are:

Monday through Friday 04:00 am – 06:00 am (U.S. eastern time)
Saturday and Sunday 12:00 am – 06:00 am (U.S. eastern time)

Maintenance Periods include those maintenance periods mutually agreed upon by Customer and Kronos.

"Monthly Minutes (MM)" means the total time, measured in minutes, of a calendar month commencing at 12:00 am of the first day of such calendar month and ending at 11:59 pm of the last day of such calendar month.

"Total Minutes Not Available (TM)" means the total number of minutes during the calendar month that the Services are unavailable as the result of an Outage.

Limitations: Service Credits will not be provided if: (a) Customer is in breach or default under the Agreement at the time the Outage occurred; or (b) the Outage results from an Excluded Event. If Kronos does not provide the appropriate Service Credit as due hereunder, Customer must request the Service Credit within sixty (60) calendar days of the conclusion of the month in which the Service Credit accrues. Customer waives any right to Service Credits not requested within this time period. All performance calculations and applicable Service Credits are based on Kronos records and data unless Customer can provide Kronos with clear and convincing evidence to the contrary.

The Service Level Agreements in this Exhibit, and the related Service Credits, apply on a per production environment basis. For the avoidance of doubt, Outages in one production environment may not be added to Outages in any other production environment for purposes of calculating Service Credits.

Customer acknowledges that Kronos manages its network traffic in part on the basis of Customer's utilization of the Services and that changes in such utilization may impact Kronos' ability to manage network traffic. Therefore, notwithstanding anything else to the contrary, if Customer significantly changes its utilization of the Services than what is contracted with Kronos and such change creates a material and adverse impact on the traffic balance of the Kronos network, as reasonably determined by Kronos, the parties agree to co-operate, in good faith, to resolve the issue.

**SECTION C.1:
APPLICATION HOSTING TERMS AND CONDITIONS .**

**This Section applies only for transactions that involve Kronos hosting for Software licensed under Section B in relation with hosting pricing referred to as CLOUD
This attachment does not apply to CLOUD 2 items.**

APPLICATION HOSTING SUPPLEMENTAL TERMS AND CONDITIONS

These Application Hosting Supplemental Terms and Conditions are applicable for hosting services ordered by Customer for Kronos Software licensed under Section B of this Agreement using the pricing set up on November 21, 2013.

definitions

“Application Hosting Program” or “Program” means (i) accessibility to the commercially available object code version of the Kronos hosted applications, as set forth in the Cloud Services SOW, by means of access to the password protected customer area of the Kronos hosting environment, and (ii) all Hosting Related Services.

“Content” means all content Customer, or others acting on behalf of or through Customer, posts or otherwise inputs into the Program, including but not limited to information, data (such as payroll data, vacation time, and hours worked), designs, know-how, logos, text, multimedia images (e.g. graphics, audio and video files), compilations, software programs, third party software, applications, or other materials, or any other Customer content shared or processed on equipment under the control of Kronos or a Supplier.

“Hosting Related Services” means certain services set forth in a statement of work containing hosted related services (the “Cloud Services SOW”), such as hosting infrastructure, equipment, bandwidth, server monitoring, backup services, reporting services, storage area network (SAN) services, load balancing services, security services, system administration, connectivity services, performance tuning, service pack installation and all professional and/or Cloud Services and maintenance services related to hosting.

“Initial Term” means the initial term for which Kronos shall provide the Program to Customer and as set forth in the applicable Cloud Services SOW executed by Customer.

“Internal Use” means the use of the Program: (i) by Customer’s personnel solely for Customer’s internal business purposes and (ii) by any authorized employee, agent or contractor of Customer to process information relating to Customer’s employees assigned to, or potential employees of, Customer’s authorized business unit(s), solely for the internal business purposes of such business unit(s).

“Monthly Service Fee(s)” means the monthly fees described in the Cloud Services SOW and set forth on the applicable Order Form, which shall include all Hosting Related Services fees.

“Order Form” means the order request form supplied by Kronos and signed by the Parties that lists the Startup Fees and Monthly Service Fees for the elements of Customer’s particular Program.

“Personally Identifiable Data” means information concerning individually identifiable employees of Customer that is protected against disclosure under applicable law or regulation.

“Production Environment” means a permanent environment established for the daily use and maintenance of the Application in a live environment throughout the term of a Program.

“Services Commencement Date” shall, except as otherwise provided in writing in a Cloud Services SOW or Order Form signed by the parties, mean the earlier of (a) the date the Software is transferred to the hosted environment, as mutually agreed by the parties in writing or (b) 90 days after the Effective Date. Notwithstanding the foregoing, the Services Commencement Date for software hosted in a Temporary Environment shall commence seven (7) days after the Effective Date.

“Service Description” means the detailed service description (including any supplementary service terms) specified in the Cloud Services SOW which sets forth the specific Program to be provided to the Customer.

“SLA(s)” means a service level agreement offered by Kronos for the Production Environment and attached to this Section C.1 as Exhibit A.1 which contains key service maintenance standards and commitments that apply to the Program as detailed in the Service Description.

“SLA Credit” means the credit calculated in accordance with the SLA and offered by Kronos in the event of outages, interruptions or deficiencies in the delivery of the Program that result in a failure to meet the terms of the applicable SLA.

“Supplier” means any contractor, subcontractor or licensor of Kronos providing software, equipment and/or services to Kronos which are incorporated into or otherwise related to the Program.

“Temporary Environment” means a transient database environment created to serve limited purposes for a limited time period, and identified in the applicable Cloud Services SOW as a Temporary Environment.

“Startup Fees” means the one time, customer-specific startup fee as indicated on the Order Form that will be charged to Customer to enable access to the Program.

Cloud Services STATEMENT OF WORK

The description of the particular Program ordered by the Customer, the Program term, the Monthly Service Fee rates, the Startup Fees and other fees, if any, applicable to the Program are described in the applicable Cloud Services SOW and Order Form. Kronos will not change the Monthly Service Fee rates it charges for Customer’s existing Program, or the SLA, during the Initial Term. Kronos may change such Monthly Service Fee

rates or the associated SLA for a renewal term of the particular Program by notifying Customer at least sixty (60) days prior to the expiration of the then current term. SLAs are only available in a Production Environment. Unless the Cloud Services SOW indicates that the Program is to be implemented in a Temporary Environment, the Program will be deemed to be implemented in a Production Environment.

Authorized Use

Customer shall take all reasonable steps to ensure that no unauthorized persons have access to the Program, and to ensure that no persons authorized to have such access shall take any action that would be in violation of this section C.1.

MAINTENANCE ACCESS

If Kronos, its Suppliers, or the local access provider, as applicable, requires access to Customer sites in order to maintain or repair the Program, Customer shall cooperate in a timely manner and reasonably provide such access and assistance as necessary.

Customer representations and warranties; Customer obligations

5.1 Customer represents and warrants to Kronos that it has the right to publish and disclose Customer's Content in the Program.

5.2 Customer represents and warrants to Kronos that Customer's Content will not: (a) infringe or violate any third-party right, including (but not limited to) intellectual property, privacy, or publicity rights; (b) be abusive, profane, or offensive to a reasonable person; or (c) be hateful or threatening.

5.3 Customer will, at its own cost and expense, provide all end user equipment, operating systems, and software (including a web browser) not provided by Kronos and needed to access and use the Program in accordance with the technical requirements set forth in the Cloud Services SOW. Customer will also provide, at its own cost and expense, all connections from its computer systems to the Program, which shall include all related costs associated with Customer accessing the Program, unless such connectivity services are purchased from Kronos as indicated on the Cloud Services SOW and Order Form.

5.4 Customer shall not, and shall not permit any person or entity under Customer's direct or indirect control to: (a) recirculate, republish, distribute or otherwise provide access to the Program to any third party; (b) use the Program on a service bureau, time sharing or any similar basis, or for the benefit of any other person or entity; (c) alter, enhance or make derivative works of the Program; (d) reverse engineer, reverse assemble or decompile, or otherwise attempt to derive source code from, the Program or any software components of the Program; (e) use, or allow the use of, the Program in contravention of any federal, state, local, foreign or other applicable law, or rules or regulations of regulatory or administrative organizations; (f) introduce into the Program any virus or other code or routine intended to disrupt or damage the Program, alter, damage, delete, retrieve or record information about the Program or its users; or, (g) otherwise act in a fraudulent, malicious or negligent manner when using the Program.

6. INTERNET ACCESS

6.1 If Customer uses open Internet connectivity or Customer-supplied VPN internet connections to access the Program, Customer acknowledges that the performance and throughput of the Internet connection cannot be guaranteed by Kronos, and variable connection performance may result in application response variations.

6.2 Customer hereby acknowledges that the Internet is not owned, operated, managed by, or in any way affiliated with Kronos, its Suppliers or any of its affiliates, and that it is a separate network of computers independent of Kronos. Access to the internet is dependent on numerous factors, technologies and systems, many of which are beyond Kronos' authority and control. Customer acknowledges that Kronos cannot guarantee that the internet access services chosen by Customer will meet the level of up-time or the level of response time that Customer may need. Customer agrees that its use of the internet access services and the internet is solely at its own risk, except as specifically provided in this Section C.1, and is subject to all applicable local, state, national and international laws and regulations.

7. Fees and payment terms

7.1 In consideration of the delivery of the Program, Customer shall pay Kronos the Monthly Services Fee as defined in the applicable Order Form. The Monthly Services Fee shall begin to accrue on the Services Commencement Date, and shall be invoiced monthly in advance. In addition, Customer shall be billed the Startup Fees and any additional Cloud Hosting startup fees set forth in the applicable Order Form. Customer acknowledges that the billing commencement date does not coincide with implementation completion, final configuration, or go-live.

7.2 All fees payable hereunder shall be paid in United States Dollars and sent to the attention of Kronos as specified on the invoice. Payment terms shall be net 30 days following receipt of invoice. All overdue payments shall bear interest at the lesser of one and one-half percent (1.5%) per month or the maximum rate allowed under applicable law. Customer is responsible for all federal, state or local taxes, duties and customs fees relating to the Program, excluding taxes based on Kronos' income or business privilege.

7.3 SLA Credits, if any, which are due and owing to a Customer under an SLA for a particular month of the Program shall be included in the Monthly Service Fee invoice issued by Kronos for the month following the month in which the SLA Credits were earned.

8. SERVICE LEVEL AGREEMENT

CUSTOMER'S SOLE AND EXCLUSIVE REMEDY IN THE EVENT OF ANY SERVICE OUTAGE, INTERRUPTION OR DEFICIENCY OF SERVICE(S) OR FAILURE BY KRONOS TO MEET THE TERMS OF AN APPLICABLE SLA, SHALL BE THE REMEDIES PROVIDED IN THE SLA; PROVIDED THAT ANY REMEDIES OR CREDITS CONTAINED IN THE SLA ARE NOT AVAILABLE FOR OUTAGES, INTERRUPTIONS OR DEFICIENCIES OCCURRING DURING ANY PERIOD IN WHICH CUSTOMER IS IN BREACH OF THIS SECTION C.1 OR SECTION B. KRONOS DISCLAIMS ANY AND ALL OTHER LIABILITIES OR REMEDIES FOR SUCH OUTAGES, INTERRUPTIONS OR DEFICIENCIES OF SERVICES.

9. Limitation of liability

IN ADDITION TO THE LIMITATIONS SET FORTH IN THE LICENSE AGREEMENT, EXCEPT WITH RESPECT TO LIABILITY ARISING FROM KRONOS' GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, KRONOS DISCLAIMS ANY AND ALL LIABILITY AND SERVICE CREDITS, INCLUDING SUCH LIABILITY RELATED TO A BREACH OF SECURITY OR DISCLOSURE, RESULTING FROM ANY EXTERNALLY INTRODUCED HARMFUL PROGRAM (INCLUDING VIRUSES, TROJAN HORSES, AND WORMS), CUSTOMER'S CONTENT OR

APPLICATIONS, THIRD PARTY UNAUTHORIZED ACCESS OF EQUIPMENT OR SOFTWARE OR SYSTEMS, OR MACHINE ERROR.

10. DATA SECURITY

10.1 As part of the Program, Kronos shall provide those Kronos security-related services described in the Cloud Services SOW. Customer acknowledges that the security-related services endeavor to mitigate security incidents, but such incidents may not be mitigated entirely or rendered harmless. Customer should consider any particular security-related service as just one tool to be used as part of an overall security strategy and not a guarantee of security. Both parties agree to comply with all applicable privacy or data protection statutes, rules, or regulations governing the respective activities of the parties.

10.2 All Personally Identifiable Data contained in any Software, Equipment or systems supplied by Kronos, or to which Kronos has access to under this Section C.1, as between Kronos and Customer, is Customer's Confidential Information and will remain the property of Customer. Customer hereby consents to the use, processing and/or disclosure of Personally Identifiable Data only for the purposes described herein and to the extent such use or processing is necessary for Kronos to carry out its duties and responsibilities under this Section C.1 or as required by law.

10.3 Prior to initiation of the Program and on an ongoing basis thereafter, Customer agrees to provide notice to Kronos of any extraordinary privacy or data protection statutes, rules, or regulations which are or become applicable to Customer and which could be imposed on Kronos as a result of provision of the Program. Customer will ensure that: (a) the transfer and storage of any Personally Identifiable Data to Kronos and managed by Kronos' or Supplier's data center is legitimate under applicable data protection laws and regulations; and (b) Customer will obtain consent from individuals for such transfer and storage to the extent required under applicable laws and regulations.

10.4 At no cost to Customer, Kronos shall upon (i) request by Customer at any time and (ii) the cessation of the Program, promptly return to Customer, in the format and on the media in use as of the date of the request, all Personally Identifiable Data.

11. term and termination

11.1 At the expiration of the Initial Term, the applicable Programs shall automatically renew for successive one year periods unless either party provides notice of its intent not to renew at least sixty (60) days prior to the expiration of the then-current term. Kronos may suspend or terminate the Program upon notice in the event of any breach by Customer of this Section C.1. No Program interruption shall be deemed to have occurred during, and no Program credits shall be owed for, any authorized suspension of the Program.

11.2 Customer may terminate the Program by written notice at any time during the term of this Section if Kronos materially breaches any provision of this Section, and such default is not cured within thirty (30) days after receipt of written notice from Customer. In the event of such termination by Customer, Customer shall pay Kronos within thirty (30) days all fees then due and owing for the Program prior to the date of termination.

11.3 Customer may terminate the Program for convenience on no less than ninety (90) days prior written notice to Kronos.

11.4 In the event of termination of the Program by Customer for convenience or by Kronos for cause during the Initial Term, Customer will pay to Kronos any out of pocket expenses incurred by Kronos in terminating the Program plus an early termination fee based on the following calculation: one (1) month of the then-current Monthly Services Fees for every twelve (12) month period (or portion thereof) remaining in the Initial Term. By way of example only, if Customer terminates the Program for convenience with fifteen (15) months remaining in the Initial Term, Customer will be responsible to pay Kronos two (2) months of the then-current Monthly Services Fees.

**EXHIBIT A.1
TO SECTION C.1
SERVICE LEVEL AGREEMENT (SLA)**

Service Level Types: SLAs are only applicable to Production Environments. The Program, in a Production Environment, as described in the Service Description is provided with the following service level:

99.50% Application Availability

Service Levels/Credit Calculation: An Outage will be deemed to commence when Customer opens a case with Kronos Global Support, or Kronos Cloud Services receives an application availability alert. The Outage will be deemed to end when Kronos has restored availability of the Program. Failure to meet the above service levels will entitle Customer to credits as follows.

99.50% Application Availability SLA – Production Environment	
Uptime percentage (as measured in a calendar month)	Affected Service Credit
The amount of the Credit will be determined as follows:	
<99.50% to 98.75%	15%
<98.75% to 98.25%	20%
<98.25% to 97.75%	35%
<97.75 to 96.75%	50%
<96.75	75%

Application Availability SLA% = ((MM-TM)*100) / (MM)

Definitions

“Affected Service” means the monthly fees paid for the hosting of the Program.

“Excluded Event” means any event that adversely impacts the Program that is caused by (a) the acts or omissions of Customer, its employees, customers, contractors or agents; (b) the failure or malfunction of equipment, applications or systems not owned or controlled by Kronos or Supplier; (c) Force Majeure events; (d) scheduled or emergency maintenance, alteration or implementation; (e) any suspension of the Program in accordance with the terms of this Section or License Agreement; (f) the unavailability of required Customer personnel, including as a result of failure to provide Supplier with accurate, current contact information; (g) using the Application in a manner inconsistent with the product documentation; or (h) any other exclusionary circumstance specified in the applicable Cloud Services SOW.

“Monthly Minutes (MM)” means total minutes in which service was scheduled to be available.

“Outage” means the accumulated time during which Customer is unable to establish an active communications connection, measured from beginning to end, between Customer and the Program for reasons other than (a) failures caused by Customer Data; or (b) any Excluded Events.

“Scheduled Maintenance (SM)” means scheduled maintenance periods established by Kronos to provide ample time to maintain and update the applications, when necessary. During these maintenance periods, the applications are available to Kronos to perform periodic services, which include vital software updates. Systems will generally continue to be available to Customer; however, some changes will require planned downtime. Kronos will provide notice for planned downtime via an email notice to our primary Customer contact at least one day in advance of such shutdown/restart so planning can be facilitated by Customer.

When application maintenance is required, current Scheduled Maintenance periods for the applications are:

Monday through Friday	4am – 6am
Saturday and Sunday	12am - 6am

- All times listed are U.S. Eastern Time.
- Kronos’ utilization of the above maintenance windows shall not trigger SLA Credits to Customer.

“Total Minutes Not Available” (TM) means the total number of minutes during the calendar month that the Program is unavailable outside of scheduled maintenance windows.

Limitations: Kronos will apply any credits to the Customer account. Credits will not be provided if: (a) Customer is in breach or default under this Section or the Program at the time the Outage occurred and such breach is the cause of the Outage; or (b) it results from an Excluded Event.

In no event will the credits accrued in any calendar month exceed, in the aggregate across all service levels and events, one hundred (100%) of the Invoice amount for the Affected Service.

The Service Level Agreements in this Exhibit, and the related credits listed, apply on a per Program basis. For the avoidance of doubt, Outages, delays, failures, etc. in one Program may not be added to Outages, delays, failures, etc. in any other Program for purposes of calculating SLA credits.

SECTION D
KRONOS WORKFORCE CENTRAL - SOFTWARE AS A SERVICE (SAAS) TERMS AND CONDITIONS

Customer and Kronos agree that the terms and conditions set forth in this Section D shall apply to the Kronos supply of the commercially available version of the Workforce Central SaaS Applications and related services and materials (including applicable documentation) and Equipment (if any) specified on an Order Form. The Applications described on the Order Form shall be delivered by means of Customer's permitted access to the password protected customer area of a Kronos website.

1. DEFINITIONS

"Application(s)" or "SaaS Application(s)" means those Kronos software application programs set forth on an Order Form which are made accessible for Customer to use under the terms of this Section D.

"Cloud Services" means those services related to Customer's hosting environment such as hosting infrastructure, equipment, bandwidth, server monitoring, backup services, storage area network (SAN) services, security services, system administration, connectivity services, performance tuning, update installation and maintenance services related thereto. Unless otherwise set forth in a Statement of Work, Cloud Services are described as set forth at: <http://www.kronos.com/products/smb-solutions/workforce-central-saas/implementation-guidlines.aspx>

"Customer Content" means all content Customer, or others acting on behalf of or through Customer, posts or otherwise inputs into the Services.

"Documentation" means technical publications published by Kronos relating to the use of the Services or Applications.

"Equipment" means the Kronos equipment specified on an Order Form.

"Implementation Services" means those services provided by Kronos to set up the hosting environment and configure the Services, including educational services and training. Unless otherwise set forth in a Statement of Work, Kronos' and Customer's implementation responsibilities are described in the Services Implementation Guideline set forth at: <http://www.kronos.com/products/smb-solutions/workforce-central-saas/implementation-guidlines.aspx> Implementation Services may be provided as forth in Section B

"Initial Term" means the initial term of the Services as indicated on the Order Form.

"KnowledgePass Content"/"KnowledgePass Education Subscription" have the meanings ascribed in Section 7.5.

"Minimum Contract Value" means the total of all Monthly Service Fees to be invoiced during the Initial Term.

"Monthly Service Fee(s)" means the monthly fees described in an Order Form. Monthly Service Fees include fees for usage of Applications and the Services, Cloud Services as applicable, and Equipment rental, if any. Billing of the Monthly Service Fee(s) commences on the Start Date.

"Order Form" means an order form mutually agreed upon by Kronos and Customer setting forth the items ordered by Customer and to be provided by Kronos, including without limitation the Applications and the prices and fees to be paid by Customer.

"Personally Identifiable Data" means information concerning individually identifiable employees of Customer that is protected against disclosure under applicable law or regulation.

"Services" means (i) accessibility to the commercially available version of the Applications by means of access to the password protected customer area of a Kronos website, (ii) the Equipment purchased or rented hereunder, (iii) the Implementation Services and Cloud Services, and (iv) such other services, items and offerings set forth on an Order Form.

"Start Date" means the date billing commences for the Services (excluding the implementation Services) as indicated on the applicable Order Form. For any Services ordered by Customer after the date of this Section D which are incremental to Customer's then-existing Services, the Start Date shall be the date the applicable Order Form is executed by Kronos and Customer.

"Statement of Work", "SOW", "Services Scope Statement" and "SSS" are interchangeable terms referring to a written description of the implementation Services and Cloud Services as mutually agreed upon by Kronos and Customer. An SOW supersedes any implementation guidelines or descriptions on a web page referenced in this Section D.

"Supplier" means any contractor, subcontractor or licensor of Kronos providing software, equipment and/or services to Kronos which are incorporated into or otherwise related to the Program.

"Term" means the initial Term and any monthly renewals thereafter, as further set forth in Section 2.1.

"Training Points" has the meaning ascribed to it in Section 7.6 below.

2. TERM

2.1 The Services shall commence on the Start Date, and shall continue for the Initial Term or until terminated in accordance with the provisions hereof. At the expiration of the Initial Term, the Term shall automatically renew on a month-to-month basis until terminated in accordance with the provisions hereof. Customer acknowledges that execution of separate third party agreements may be required in order for Customer to use certain add-on features or functionality, including without limitation tax filing services.

2.2 At any time after the Initial Term: (i) Customer may terminate the Services for convenience upon thirty (30) days prior written notice, and (ii) Kronos may terminate the Services for convenience upon ninety (90) days prior written notice.

2.3 Either party may suspend or terminate the Services upon a material breach of this Section D by the other party if such breach is not cured within fifteen (15) days after receipt of written notice. Notwithstanding the foregoing, Kronos may suspend or terminate the Services immediately upon notice in the event of any Customer breach of Sections 3 (Right to Use), 4 (Acceptable Use), or 14 (Confidential Information).

2.4 In the event that either party becomes insolvent, makes a general assignment for the benefit of creditors, is adjudicated a bankrupt or insolvent, commences a case under applicable bankruptcy laws, or files a petition seeking reorganization, the other party may request adequate assurances of future performance. Failure to provide adequate assurances, in the requesting party's reasonable discretion, within ten (10) days of delivery of the request shall entitle the requesting party to terminate the Services immediately upon written notice to the other party.

2.5 If the Services are terminated for any reason:

- (a) Customer shall pay Kronos within thirty (30) days of such termination, all fees accrued for the Services prior to the date of termination, provided that if Customer terminates for material breach of this Section D by Kronos, Kronos shall be responsible to refund to Customer unused pre-paid Implementation Service fees, if any;
- (b) Customer's right to access and use the Services shall be revoked and be of no further force or effect;
- (c) No more than fifteen (15) days after termination or upon Customer's written request at any time during the Term, Kronos will provide to Customer, at no charge to Customer, the Customer Content. After such time period, Kronos shall have no further obligation to store or make available the Customer Content and may delete any or all Customer Content without liability.
- (d) Customer agrees to timely return all Kronos-provided materials related to the Services to Kronos at Customer's expense or, alternatively, destroy such materials and provide Kronos with an officer's certification of the destruction thereof; and
- (e) all provisions in this Section D, which by their nature are intended to survive termination, shall so survive.

3. FEES AND PAYMENT

3.1 In consideration of the delivery of the Services, Customer shall pay Kronos the Monthly Service Fees, the fees for the Implementation Services and any additional one time or recurring fees for Equipment, Training Points, KnowledgePass Education Subscription and such other Kronos offerings, all as set forth on the Order Form. If Customer and Kronos have signed a Statement of Work for the Implementation Services, Implementation Services such services will be provided and payable in accordance with Section B. All fees payable for the Services shall be sent to the attention of Kronos as specified on the Invoice. Unless otherwise indicated on an Order Form, payment for all items shall be due 30 days following date of invoice. Except as expressly set forth in this Section D, all amounts paid to Kronos are non-refundable. Customer acknowledges that fees may be charged to Customer by third parties for add-on features or functionality provided by such third parties.

3.2 If any amount owing under this or any other agreement for Services is thirty (30) or more days overdue, Kronos may, without limiting Kronos' rights or remedies, suspend Services until such amounts are paid in full. Kronos will provide at least seven (7) days' prior written notice that Customer's account is overdue before suspending Services.

3.3 Deleted Intentionally.

3.4 Customer agrees that except if Customer terminates for material breach of this Section D by Kronos, if Customer has not paid the Minimum Contract Value to Kronos at the conclusion of the Initial Term or the earlier termination of the Services, whichever is earlier, Kronos shall bill, and Customer shall pay within thirty (30) days of the date of such invoice, the difference between the total Monthly Service Fees then paid by Customer and the Minimum Contract Value, less SLA Credits, if any, that have been earned previously by Customer but not yet credited.

4. RIGHTS TO USE

4.1 Subject to the terms and conditions of the Agreement, Kronos hereby grants Customer a limited, revocable, non-exclusive, non-transferable, non-assignable right to use during the Term and for Internal business purposes only: a) the Application(s) and related services, including the Documentation; b) training materials and KnowledgePass Content; and, c) any embedded third party software, libraries, or other components, which are included in the Services, excluding such Third Party software, libraries or other components as are licensed directly from such Third Parties. The Services contain proprietary trade secret technology of Kronos and its Suppliers. Unauthorized use and/or copying of such technology are prohibited by law, including United States and foreign copyright law. Customer shall not reverse compile, disassemble or otherwise convert the applications into uncompiled or unassembled code. Customer shall not use any of the third party software programs (or the data models therein) included in the Services except solely as part of and in connection with the Services.

4.2 Customer acknowledges and agrees that the right to use the Applications is limited based upon the amount of the Monthly Service Fees paid by Customer. Customer agrees to use only the modules and/or features for the number of employees and users as described on the Order Form. Customer agrees not to use any other modules or features nor increase the number of employees and users unless Customer pays for such additional modules, features, employees or users, as the case may be. Customer may not license, sublicense or sublicense the Services, or otherwise permit use of the Services (including timesharing or networking use) by any third party. Customer may not provide service bureau or other data processing services that make use of the Services without the express prior written consent of Kronos. No license, right, or interest in any Kronos trademark, trade name, or service mark, or those of Kronos' licensors or Suppliers, is granted hereunder.

4.3 Customer may authorize its third party contractors and consultants to access the Services on an as needed basis, provided Customer: a) abides by its obligations to protect Confidential Information as set forth in this Agreement; b) remains responsible for all such third party usage and compliance with the Agreement; and c) does not provide such access to a competitor of Kronos who provides workforce management services.

4.4 Customer acknowledges and agrees that, as between Customer and Kronos, Kronos retains ownership of all right, title and interest in the Services, all of which are protected by copyright and other intellectual property rights, and that, other than the express rights granted herein and under any other agreement in writing with Customer, Customer shall not obtain or claim any rights in or ownership interest in the Services or Applications or any associated intellectual property rights in any of the foregoing. Customer agrees to comply with all copyright and other intellectual property rights notices contained on or in any information obtained or accessed by Customer through the Services.

4.5 When using and applying the information generated by the Services, Customer is responsible for ensuring that Customer complies with the applicable requirements of federal and state law. If the Services include the Workforce Payroll Applications or Workforce Absence Management Applications: (i) Customer is solely responsible for the content and accuracy of all reports and documents prepared in whole or in part by using these Applications, (ii) using these Applications does not release Customer of any professional obligation concerning the preparation and review of any reports and documents, (iii) Customer does not rely upon Kronos, Best Software, Inc. or these Applications for any advice or guidance regarding compliance with federal and state laws or the appropriate tax treatment of items reflected on such reports or documents, and (iv) Customer will review any calculations made by using these Applications and satisfy itself that those calculations are correct.

5. ACCEPTABLE USE

5.1 Customer shall take all reasonable steps to ensure that no unauthorized persons have access to the Services, and to ensure that no persons authorized to have such access shall take any action that would be in violation of this Section D.

5.2 Customer represents and warrants to Kronos that Customer has the right to publish and disclose the Customer Content in the Services. Customer represents and warrants to Kronos that the Customer Content does not: (a) infringe or violate any third-party right, including but not limited to intellectual property, privacy, or publicity rights, (b) be abusive, profane, or offensive to a reasonable person, or, (c) be hateful or threatening.

5.3 Customer will not (a) use, or allow the use of, the Services in contravention of any federal, state, local, foreign or other applicable law, or rules or regulations of regulatory or administrative organizations; (b) introduce into the Services any virus or other code or routine intended to disrupt or damage the Services, or alter, damage, delete, retrieve or record information about the Services or its users; (c) excessively overload the Kronos systems used to provide the Services; (d) perform any security integrity review, penetration test, load test, denial of service simulation or vulnerability scan; (e) use any tool designed to automatically emulate the actions of a human user (e.g., robots); or, (d) otherwise act in a fraudulent, malicious or negligent manner when using the Services.

6. CONNECTIVITY AND ACCESS

Customer acknowledges that Customer shall (a) be responsible for securing, paying for, and maintaining connectivity to the Services (including any and all related hardware, software, third party services and related equipment and components); and (b) provide Kronos and Kronos' representatives with such physical or remote access to Customer's computer and network environment as Kronos deems reasonably necessary in order for Kronos to perform its obligations under this Section D. Customer will make all necessary arrangements as may be required to provide access to Customer's computer and network environment if necessary for Kronos to perform its obligations under this Section D. Customer agrees that Kronos may audit Customer's use of the Services.

7. IMPLEMENTATION AND SUPPORT

7.1 Implementation Services. Kronos will provide the Implementation Services to Customer. Implementation Services described in an SSS are provided on a time and materials basis, billed monthly as delivered. Implementation Services described in the Services Implementation Guideline are provided on a fixed fee basis. If Customer requests additional Implementation Services beyond those described in the SSS, Kronos will create a change order for Customer's review and approval and any additional Implementation Services to be provided by Kronos in accordance with Section B. Kronos' configuration of the Applications will be based on information and work flows that Kronos obtains from Customer during the discovery portion of the implementation. Customer shall provide Kronos with necessary configuration-related information in a timely manner to ensure that mutually agreed implementation schedules are met.

7.2 Additional Services. Customer may engage Kronos to provide other services which may be fixed by activity or provided on a time and materials basis as indicated on the applicable Order Form.

7.3 Support. Kronos will provide 24x7 support for the hosting infrastructure, the availability to the hosting environment, and telephone support for the logging of functional problems and user problems. Customer may log questions online via the Kronos Customer Portal. As part of such support, Kronos will make updates to the Services available to Customer at no charge as such updates are released generally to Kronos' customers. Customer agrees that Kronos may install such updates automatically as part of the Services.

7.4 Support Services for Equipment. Provided Customer has purchased support services for the Equipment, the following terms shall apply (support services for rented Equipment are included in the rental fees for such Equipment):

(a) Upon the failure of installed Equipment, Customer shall notify Kronos of such failure and Kronos will provide remote fault isolation at the FRU (Field Replacement Unit) or subassembly level and attempt to resolve the problem. Those failures determined by Kronos to be Equipment related shall be dispatched to a Kronos Depot Repair Center, and Customer will be provided with a Return Material Authorization Number (RMA) for the failed Equipment if Customer is to return the failed Equipment to Kronos, as reasonably determined by Kronos. Customer must return the failed Equipment with the supplied RMA number.

(b) Kronos will provide a replacement for the failed Equipment at the FRU or subassembly level on an "advanced exchange" basis, utilizing a carrier of Kronos' choice. Replacement Equipment will be shipped the same day, for delivery to Customer's location as further described in the Support Policies. REPLACEMENT EQUIPMENT MAY BE NEW OR RECONDITIONED. Customer shall specify the address to which the Equipment is to be shipped. All shipments will include the Kronos provided RMA designating the applicable Kronos Depot Repair Center, as the recipient. Customer, upon receipt of the replacement Equipment from Kronos, shall package the defective Equipment in the materials provided by Kronos, with the RMA supplied and promptly return failed Equipment directly to Kronos.

(c) Customer shall be entitled to receive service packs for the Equipment (which may contain system software updates, firmware updates, security updates, and feature enhancements) available for download at Kronos' customer portal. Service packs for the Equipment are not installed by Kronos.

(d) Kronos warrants that all service packs and firmware updates provided under this Section D shall materially perform in accordance with the Kronos published specifications for a period of ninety (90) days after download by Customer. In the event of a breach of this warranty, Customer's exclusive remedy shall be Kronos' repair or replacement of the deficient service pack(s) or firmware update(s).

(e) Customer agrees that it shall return failed Equipment promptly as the failures occur and that it shall not hold failed Equipment and send failed Equipment to Kronos in "batches" which shall result in a longer turnaround time to Customer. In addition, in all circumstances, Customer agrees to:

(i) Maintain the Equipment in an environment conforming to the Documentation for such Equipment;

(ii) Not perform self-repairs on the Equipment (i.e., replacing components) without prior written authorization from Kronos;

(iii) De-install all failed Equipment and install all replacement Equipment in accordance with Kronos' written installation guidelines;

(iv) Ensure that the Equipment is returned to Kronos properly packaged; and

(v) Obtain an RMA before returning any Equipment to Kronos and place the RMA clearly and conspicuously on the outside of the shipping package. Customer may only return the specific Equipment authorized by Kronos when issuing the RMA.

7.5 KnowledgePass Education Subscription. When KnowledgePass Education Subscription is listed on an Order Form, Kronos will provide Customer with the KnowledgePass Education Subscription. The KnowledgePass Education Subscription provides access to certain educational offerings provided by Kronos (the "KnowledgePass Content"). Customer recognizes and agrees that the KnowledgePass Content is copyrighted by Kronos. Customer is permitted to make copies of the KnowledgePass Content provided in pdf form solely for Customer's internal use. Customer may not disclose such KnowledgePass Content to any third party other than Customer's employees. Customer may not edit, modify, revise, amend, change, alter, customize or vary the KnowledgePass Content without the written consent of Kronos, provided that Customer may download and modify contents of training kits solely for Customer's internal use.

7.6 Training Points. "Training Points" which are purchased by Customer may be redeemed for an equivalent value of instructor-led training sessions

offered by Kronos. Training Points may be redeemed only during the Term at any time no more than twelve (12) months after the date of the applicable Order Form, after which time such Training Points shall expire and be of no value. Training Points may not be exchanged for other Kronos products or services.

7.7 Training Courses. When Implementation Services are described in the Services Implementation Guideline rather than an SSS, as part of the Services, for each SaaS application module included in the Services purchased by Customer, Customer's employees shall be entitled to attend, in the quantity indicated, the corresponding training courses set forth at: <http://www.kronos.com/products/smb-solutions/workforce-central-saas/training-guidelines.aspx>

Participation in such training courses is limited to the number of seats indicated for the courses corresponding to the modules forming a part of the Services purchased by Customer.

8. CUSTOMER CONTENT

Customer shall own all Customer Content and posts or other inputs into the Services by Customer or others acting on behalf of or through Customer. Kronos acknowledges that all of the Customer Content is deemed to be the Confidential Information of Customer. Notwithstanding the foregoing, Customer grants Kronos permission to combine Customer's business data with that of other customers in a manner that does not identify the Customer or any individual in order to evaluate and improve the services Kronos offers to customers and to disclose such aggregated information for its customers generally. In addition, Kronos may, but shall have no obligation to, monitor Customer Content from time to time to ensure compliance with this Section D and applicable law.

9. EQUIPMENT

If Customer purchases or rents Equipment from Kronos, a description of such Equipment (model and quantity), the applicable pricing, and delivery terms shall be listed on the Order Form.

9.1 The following terms apply only to Equipment Customer rents from Kronos:

- a) **Rental Term and Warranty Period.** The term of the Equipment rental and the "Warranty Period" for such Equipment shall run coterminously with the Term of the other Services provided under this Section D.
- b) **Insurance.** Customer shall insure the Equipment for an amount equal to the replacement value of the Equipment for loss or damage by fire, theft, and all normal extended coverage at all times. No loss, theft or damage after shipment of the Equipment to Customer shall relieve Customer from Customer's obligations under this Section D.
- c) **Location/Replacement.** Customer shall not make any alterations or remove the Equipment from the place of original installation without Kronos' prior written consent. Kronos shall have the right to enter Customer's premises to inspect the Equipment during normal business hours. Kronos reserves the right, at its sole discretion and at no additional cost to Customer, to replace any Equipment with newer or alternative technology Equipment as long as the replacement Equipment at least provides the same level of functionality as that being replaced.
- d) **Ownership.** All Equipment shall remain the property of Kronos. All Equipment is, and at all times shall remain, separate items of personal property, notwithstanding such Equipment's attachment to other equipment or real property. Customer shall not sell or otherwise encumber the Equipment. Customer shall furnish any assurances, written or otherwise, reasonably requested by Kronos to give full effect to the intent of terms of this paragraph (d).
- e) **Equipment Support.** Kronos shall provide to Customer the Equipment support services described in Section 7.
- f) **Return of Equipment.** Upon termination of the Services, Customer agrees that Customer shall return the Equipment to Kronos within thirty (30) days at Customer's expense. Equipment will be returned to Kronos in the same condition as and when received, reasonable wear and tear excepted. If Customer fails to return Equipment within this time period, upon receiving an invoice from Kronos, Customer shall pay Kronos the then list price of the unreturned Equipment.

9.2 The following terms apply only to Equipment Customer purchases from Kronos:

- a) **Ownership and Warranty Period.** Title to the Equipment shall pass to Customer upon delivery to the carrier. The "Warranty Period" for the Equipment shall be for a period of ninety (90) days from such delivery (unless otherwise required by law).
- b) **Equipment Support.** Kronos shall provide to Customer the Equipment support services described herein if purchased separately by Customer as indicated on the applicable Order Form. If purchased, Equipment support services shall commence upon expiration of the Warranty Period.

10. SERVICE LEVEL AGREEMENT

Kronos shall provide the service levels and associated credits, when applicable, in accordance with the Service Level Agreement attached hereto as Exhibit A and which is hereby incorporated herein by reference. CUSTOMER'S SOLE AND EXCLUSIVE REMEDY IN THE EVENT OF ANY SERVICE OUTAGE OR INTERRUPTION OF THE SERVICES OR FAILURE BY KRONOS TO MEET THE TERMS OF THE APPLICABLE service level agreement, SHALL BE THE REMEDIES PROVIDED IN exhibit A.

11. LIMITED WARRANTY; DISCLAIMERS OF WARRANTY

11.1 Kronos represents and warrants to Customer that the Applications, under normal operation as specified in the documentation and when used as authorized herein, will perform substantially in accordance with such documentation during the Term.

11.2 Kronos' sole obligation and Customer's sole and exclusive remedy for any breach of the foregoing warranty is limited to Kronos' reasonable commercial efforts to correct the non-conforming Services at no additional charge to Customer. In the event that Kronos is unable to correct material deficiencies in the Services arising during the Warranty Period, after using Kronos' commercially reasonable efforts to do so, Customer shall be entitled to terminate the then remaining Term of the Services for cause in accordance with Section 2 above as Customer's sole and exclusive remedy. Kronos' obligations hereunder for breach of warranty are conditioned upon Customer notifying Kronos of the material breach in writing, and providing Kronos with sufficient evidence of such non-conformity to enable Kronos to reproduce or verify the same.

11.3 Kronos warrants to Customer that each item of Equipment shall be free from defects in materials and workmanship during the Warranty Period. In the event of a breach of this warranty, Customer's sole and exclusive remedy shall be Kronos' repair or replacement of the deficient Equipment, at Kronos' option, provided that Customer's use, installation and maintenance thereof have conformed to the documentation for such Equipment. This warranty is extended to Customer only and shall not apply to any Equipment (or parts thereof) in the event of:

- a) damage, defects or malfunctions resulting from misuse, accident, neglect, tampering, (including without limitation modification or replacement of any Kronos components on any boards supplied with the Equipment), unusual physical or electrical stress or causes other than normal and intended use;
- b) failure of Customer to provide and maintain a suitable installation environment, as specified in the published specifications for such Equipment; or

- c) malfunctions resulting from the use of badges or supplies not approved by Kronos.

EXCEPT AS PROVIDED FOR IN THIS SECTION 11, KRONOS HEREBY DISCLAIMS ALL WARRANTIES, CONDITIONS, GUARANTIES AND REPRESENTATIONS RELATING TO THE SERVICES, EXPRESS OR IMPLIED, ORAL OR IN WRITING, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT, AND WHETHER OR NOT ARISING THROUGH A COURSE OF DEALING. THE SERVICES ARE NOT GUARANTEED TO BE ERROR-FREE OR UNINTERRUPTED. EXCEPT AS SPECIFICALLY PROVIDED IN THIS SECTION D OF THIS AGREEMENT, KRONOS MAKES NO WARRANTIES OR REPRESENTATIONS CONCERNING THE COMPATIBILITY OF THE SERVICES, THE SAAS APPLICATIONS OR THE EQUIPMENT NOR ANY RESULTS TO BE ACHIEVED THEREFROM.

12.0 DATA SECURITY

12.1 As part of the Services, Kronos shall provide those administrative, physical, and technical safeguards for protection of the security, confidentiality and integrity of Customer data as described at: <http://www.kronos.com/products/smb-solutions/workforce-central-saas/security-description.aspx>

Customer acknowledges that such safeguards endeavor to mitigate security incidents, but such incidents may not be mitigated entirely or rendered harmless. Customer should consider any particular Kronos supplied security-related safeguard as just one tool to be used as part of Customer's overall security strategy and not a guarantee of security. Both parties agree to comply with all applicable privacy or data protection statutes, rules, or regulations governing the respective activities of the parties under this Section D.

12.2 As between Customer and Kronos, all Personally Identifiable Data is Customer's Confidential Information and will remain the property of Customer. Customer represents that to the best of Customer's knowledge such Personally Identifiable Data supplied to Kronos is accurate. Customer hereby consents to the use, processing or disclosure of Personally Identifiable Data by Kronos and Kronos' Suppliers wherever located only for the purposes described herein and only to the extent such use or processing is necessary for Kronos to carry out Kronos' duties and responsibilities under this Section D or as required by law.

12.3 Prior to initiation of the Services and on an ongoing basis thereafter, Customer agrees to provide notice to Kronos of any extraordinary privacy or data protection statutes, rules, or regulations which are or become applicable to Customer's industry and which could be imposed on Kronos as a result of provision of the Services. Customer will ensure that: (a) the transfer to Kronos and storage of any Personally Identifiable Data by Kronos or Kronos' Supplier's data center is permitted under applicable data protection laws and regulations; and, (b) Customer will obtain consents from individuals for such transfer and storage to the extent required under applicable laws and regulations.

13. INDEMNIFICATION

13.1 Kronos shall defend Customer and its respective directors, officers, and employees (collectively, the "Customer Indemnified Parties"), from and against any and all notices, charges, claims, proceedings, actions, causes of action and suits, brought by a third party (each a "Claim") alleging that the permitted uses of the Services infringe or misappropriate any United States or Canadian copyright or patent and will indemnify and hold harmless the Customer Indemnified Parties against any liabilities, obligations, costs or expenses (including without limitation reasonable attorneys' fees) actually awarded to a third party as a result of such Claim by a court of applicable jurisdiction or as a result of Kronos' settlement of such a Claim. In the event that a final injunction is obtained against Customer's use of the Services by reason of infringement or misappropriation of such copyright or patent, or if in Kronos' opinion, the Services are likely to become the subject of a successful claim of such infringement or misappropriation, Kronos, at Kronos' option and expense, will use commercially reasonable efforts to (a) procure for Customer the right to continue using the Services as provided in this Section D, (b) replace or modify the Services so that the Services become non-infringing but remain substantively similar to the affected Services, and if neither (a) or (b) is commercially feasible, to (c) terminate the Services and the rights granted hereunder after provision of a refund to Customer of the Monthly Service Fees paid by Customer for the infringing elements of the Services covering the period of their unavailability.

13.2 Kronos shall have no liability to indemnify or defend Customer to the extent the alleged infringement is based on: (a) a modification of the Services by anyone other than Kronos; (b) use of the Services other than in accordance with Kronos' documentation for such Service or as authorized by this Section D; (c) use of the Services in conjunction with any data, equipment, service or software not provided by Kronos, where the Services would not otherwise itself be infringing or the subject of the claim; or (d) use of the Services by Customer other than in accordance with the terms of this Section D. Notwithstanding the foregoing, with regard to infringement claims based upon software created or provided by a licensor to Kronos or Suppliers, Kronos' maximum liability will be to assign to Customer Kronos' or Supplier's recovery rights with respect to such infringement claims, provided that Kronos or Kronos' Supplier shall use commercially reasonable efforts at Customer's cost to assist Customer in seeking such recovery from such licensor.

13.3 Customer shall be responsible and liable for all damages and cost of Kronos, its suppliers and their officers, directors and employees for all Claims resulting from: (a) employment-related claims arising out of Customer's configuration of the Services; (b) Customer's modification or combination of the Services with other services, software or equipment not furnished by Kronos, provided that such Customer modification or combination is the cause of such infringement and was not authorized by Kronos; or, (c) a claim that the Customer Content infringes in any manner any intellectual property right of any third party, or any of the Customer Content contains any material or information that is obscene, defamatory, libelous, or slanderous violates any person's right of publicity, privacy or personality, or has otherwise caused or resulted in any tort, injury, damage or harm to any other person.

13.4 The Indemnified Party(ies) shall provide written notice to the indemnifying party promptly after receiving notice of such Claim. If the defense of such Claim is materially prejudiced by a delay in providing such notice, the purported indemnifying party shall be relieved from providing such indemnity to the extent of the delay's impact on the defense. The indemnifying party shall have sole control of the defense of any indemnified Claim and all negotiations for its settlement or compromise, provided that such indemnifying party shall not enter into any settlement which imposes any obligations or restrictions on the applicable Indemnified Parties without the prior written consent of the other party. The Indemnified Parties shall cooperate fully, at the indemnifying party's request and expense, with the indemnifying party in the defense, settlement or compromise of any such action. The Indemnified party may retain its own counsel at its own expense, subject to the indemnifying party's rights above.

14. LIMITATION OF LIABILITY

14.1 Except as specifically provided in this Section D, Kronos and its suppliers will not be liable for any damages or injuries caused by the use of the services or by any errors, delays, interruptions in transmission, or failures of the services.

14.2 Except for Kronos' indemnification obligations set forth in section 13 above, the total aggregate liability of Kronos or Kronos' suppliers to

customer and/or any third party in connection with this Section D shall be limited to direct damages proven by customer, such direct damages not to exceed an amount equal to the total net payments received by Kronos for the services in the twelve (12) month period immediately preceding the date in which such claim arises.

14.3 Except for Kronos' indemnification obligations set forth in section 13 above, in no event shall Kronos or Kronos' suppliers, their respective affiliates, service providers, or agents be liable to customer or any third party for any incidental, special, punitive, consequential or other indirect damages or for any lost or imputed profits or revenues, lost data or cost of procurement of substitute services resulting from delays, nondeliveries, misdeliveries or services interruption, however caused, arising from or related to the Services, regardless of the legal theory under which such liability is asserted, whether breach of warranty, indemnification, negligence, strict liability or otherwise, and whether liability is asserted in contract, tort or otherwise, and regardless of whether Kronos or supplier has been advised of the possibility of any such liability, loss or damage.

14.4 Except with respect to liability arising from Kronos' gross negligence or willful misconduct, Kronos disclaims any and all liability, including without limitation liability related to a breach of data security and confidentiality obligations, resulting from any externally introduced harmful program (including without limitation viruses, trojan horses, and worms), Customer's content or applications, third party unauthorized access of equipment, SAAS applications or systems, or machine error.

EXHIBIT A

SERVICE LEVEL AGREEMENT (SLA)

Service Level Agreement: The Services, in a production environment and as described in the Statement of Work (aka Services Scope Statement), are provided with the service levels described in this Exhibit A. SLAs are only applicable to production environments. SLAs will be available upon Customer's signature of Kronos' Go Live Acceptance Form for Customer's production environment.

99.75% Application Availability

Actual Application Availability % = (Monthly Minutes (MM) minus Total Minutes Not Available (TM)) multiplied by 100) and divided by Monthly Minutes (MM), but not including Excluded Events

Service Credit Calculation: An Outage will be deemed to commence when the Applications are unavailable to Customer in Customer's production environment hosted by Kronos and end when Kronos has restored availability of the Services. Failure to meet the 99.75% Application Availability SLA, other than for reasons due to an Excluded Event, will entitle Customer to a credit as follows:

Actual Application Availability % (as measured in a calendar month)	Service Credit to be applied to Customer's monthly invoice for the affected month
<99.75% to 98.75%	10%
<98.75% to 98.25%	15%
<98.25% to 97.75%	25%
<97.75 to 96.75%	35%
<96.75	50%

"Outage" means the accumulated time, measured in minutes, during which Customer is unable to access the Applications for reasons other than an Excluded Event.

"Excluded Event" means any event that results in an Outage and is caused by (a) the acts or omissions of Customer, its employees, customers, contractors or agents; (b) the failure or malfunction of equipment, applications or systems not owned or controlled by Kronos, including without limitation Customer Content, failures or malfunctions resulting from circuits provided by Customer, any inconsistencies or changes in Customer's source environment, including either intentional or accidental connections or disconnections to the environment; (c) Force Majeure events; (d) scheduled or emergency maintenance, alteration or implementation provided during the Maintenance Period defined below; (e) any suspension of the Services in accordance with the terms of the Agreement to which this Exhibit A is attached; (f) the unavailability of required Customer personnel, including as a result of failure to provide Kronos with accurate, current contact information; or (g) using an Application in a manner inconsistent with the product documentation for such Application.

"Maintenance Period" means scheduled maintenance periods established by Kronos to maintain and update the Services, when necessary. During these Maintenance Periods, the Services are available to Kronos to perform periodic maintenance services, which include vital software updates. Kronos will use its commercially reasonable efforts during the Maintenance Period to make the Services available to Customer; however, some changes will require downtime. Kronos will provide notice for planned downtime via an email notice to the primary Customer contact at least one day in advance of any known downtime so planning can be facilitated by Customer.

Currently scheduled Maintenance Periods for the Services are:

- Monday through Friday 04:00 am – 06:00 am (U.S. eastern time)
- Saturday and Sunday 12:00 am – 06:00 am (U.S. eastern time)

Maintenance Periods include those maintenance periods mutually agreed upon by Customer and Kronos.

"Monthly Minutes (MM)" means the total time, measured in minutes, of a calendar month commencing at 12:00 am of the first day of such calendar month and ending at 11:59 pm of the last day of such calendar month.

"Total Minutes Not Available (TM)" means the total number of minutes during the calendar month that the Services are unavailable as the result of an Outage.

Limitations: Service Credits will not be provided if: (a) Customer is in breach or default under the Agreement at the time the Outage occurred; or (b) the Outage results from an Excluded Event. If Kronos does not provide the appropriate Service Credit as due hereunder, Customer must request the Service Credit within sixty (60) calendar days of the conclusion of the month in which the Service Credit accrues. Customer waives any right to Service Credits not requested within this time period. All performance calculations and applicable Service Credits are based on Kronos records and data unless Customer can provide Kronos with clear and convincing evidence to the contrary.

The Service Level Agreements in this Exhibit, and the related Service Credits, apply on a per production environment basis. For the avoidance of doubt, Outages in one production environment may not be added to Outages in any other production environment for purposes of calculating Service Credits.

Customer acknowledges that Kronos manages its network traffic in part on the basis of Customer's utilization of the Services and that changes in such utilization may impact Kronos' ability to manage network traffic. Therefore, notwithstanding anything else to the contrary, if Customer significantly changes its utilization of the Services than what is contracted with Kronos and such change creates a material and adverse impact on the traffic balance of the Kronos network, as reasonably determined by Kronos, the parties agree to co-operate, in good faith, to resolve the issue.

SECTION E

KRONOS WORKFORCE READY® - SOFTWARE AS A SERVICE (SAAS) TERMS AND CONDITIONS

Customer and Kronos agree that the terms and conditions set forth in this Section E shall apply to the Kronos software application programs and related services and materials (including applicable documentation) and equipment (if any) specified on an Order Form for Workforce Ready (collectively, the "Services"). The Services described on an Order Form shall be delivered by means of Customer's permitted access to the password protected customer area of a Kronos website.

1. TERM

1.1 The Services shall be deemed to start on the earlier of: a) ninety (90) days from Kronos' receipt of the relevant Order Form; or, b) the date Customer is authorized to "go live" with the Services for production purposes, (the "Start Date"), and shall continue indefinitely on a month-to-month basis until terminated in accordance with the provisions hereof (the "Term"). Customer acknowledges that execution of separate third party agreements may be required in order for Customer to "go live" with certain add-on features or functionality, including tax filing services ("Add-on Features"), as identified by Kronos on the Order Form.

1.2 Customer may terminate the Services or the Agreement for convenience upon thirty (30) days prior written notice.

1.3 Either party may suspend or terminate the Services or the Agreement upon a material breach of the Agreement by the other party if such breach is not cured within fifteen (15) days after receipt of written notice. Notwithstanding the foregoing, Kronos may suspend or terminate the Services or the Agreement immediately upon notice in the event of any Customer breach of Sections 3 (License to Use), 4 (Acceptable Use), or Section A.4 (Confidential Information), below.

1.4 In the event that either party becomes insolvent, makes a general assignment for the benefit of creditors, is adjudicated a bankrupt or insolvent, commences a case under applicable bankruptcy laws, files a petition seeking reorganization, the other party may request adequate assurances of future performance. Failure to comply with such request within ten (10) days of delivery of the request shall entitle the requesting party to terminate the Agreement immediately upon written notice to the other.

1.5 If the Agreement is terminated for any reason:

(a) Customer shall pay Kronos within thirty (30) days all fees accrued for the Services prior to the date of termination, provided that if Customer terminates Kronos for material breach of the Agreement, Kronos shall be responsible to refund to Customer unused pre-paid service fees, if any;

(b) Customer's right to access and use the Services shall be revoked and be of no further force or effect;

(c) Within fifteen (15) days of termination Customer will retrieve Customer's historical data in accordance with previously established system access procedures and applicable state and federal laws. After such time period, Kronos shall have no further obligation to store and/or make available Customer's historical data and may delete same. If Customer requires additional data conversion services from Kronos, these services may be contracted from Kronos at Kronos' then published rates.

(d) Customer agrees to timely return all Kronos-provided materials related to the Services to Kronos at Customer's expense or, alternatively, upon prior written approval of Kronos, provide Kronos with an officer's certification of the destruction thereof; and

(e) all provisions in the Agreement, which by their nature are intended to survive termination, shall so survive.

2. FEES AND PAYMENT

2.1 In consideration of the delivery of the Services, Customer shall pay Kronos the Setup Fees, the Monthly Service Fees and any additional one time, set-up or recurring fees, all as defined on the Order Form. All fees payable for the Services shall be sent to the address specified on the Kronos invoice. Unless otherwise indicated on an Order Form, payment terms for all items except the Setup Fees shall be net upon receipt of invoice. Except as expressly set forth in this Section E, all amounts paid to Kronos are non-refundable.

2.2 The Setup Fees shall be invoiced upon execution of the Order and shall be due net 30 days following date of invoice. Customer acknowledges that setup fees may be charged to Customer by third parties for Add-on Features. Monthly Service fees shall be based on monthly periods that begin on the Start Date. Monthly Service Fees shall include fees for Equipment rental, if any, as described in Section 8 below. Monthly Service Fees for Services added on or before the 15th day of a given month will be charged for that full monthly period and each monthly period of the Term thereafter; Monthly Service Fees for Services added after the 15th day of a given month will begin to accrue as of the 1st day of the following month and will be charged for each monthly period of the Term thereafter. Monthly Service Fees shall be invoiced promptly following the end of the calendar month in which the Monthly Service Fees were accrued. Kronos will monitor Customer's "Usage" of the Services (as defined below) in order to calculate the Usage portion of the Monthly Service Fees to be charged. Usage of the Services, depending on applicable features, components, or services, shall be priced as identified on the Order Form either on a: (a) per month basis; (b) per active employee (herein "Active Employee") per month usage basis; or, (c) per transaction basis (e.g.: pay statement). For purposes of the Agreement, an employee shall be deemed an Active Employee during any applicable billing period if through the Services: (i) time has been entered for such employee; (ii) records have been included for such employee for the purpose of processing payroll; (iii) records have been included for such employee within an import/export process; (iv) such employee has accessed the Services, regardless of the purpose; (v) benefit time has been accrued for such employee; (vi) human resource reporting has been performed for or on such employee; or, (vii) such employee has been marked as an "Active" status during the period.

2.3 Customer agrees that except in those circumstances in which Customer is entitled to invoke the termination for cause provision set forth in Section 1.3 above, in consideration of Kronos' delivery of the Services on a variable fee basis, Customer agrees to pay Kronos each month during the Term in which charges accrue no less than the minimum monthly fees ("Minimum Monthly Fees") as identified on the Order Form. The Minimum Monthly Fees shall be calculated by Kronos based on Customer's anticipated monthly Usage of the Services plus Equipment rental fees, if any. In the event that Customer does not reach the anticipated Usage upon which the Minimum Monthly Fees was based for any given month during the Term, Customer shall remain responsible for paying the Minimum Monthly Fees for that month. If an Order Form or the Agreement is suspended by Kronos for non-payment or otherwise terminated by Kronos for cause, Customer shall remain liable to pay the applicable Minimum Monthly Fees up to and including the last day of the month in which the effective date of termination occurs.

2.4 If any amount owing under this or any other agreement for Services is 30 or more days overdue, Kronos may, without limiting its other rights and remedies, accelerate unpaid fee obligations under such agreements so that all such obligations become immediately due and payable, and suspend Services until such amounts are paid in full. Kronos will provide at least 7 days' prior notice that Customer's account is overdue before suspending Services.

2.5 Deleted Intentionally.

3. LICENSE TO USE

3.1 Subject to the terms and conditions of this Section E, Kronos hereby grants Customer during the Term a limited, revocable, non-exclusive, non-transferable, non-assignable license to use for internal business purposes only: a) the Kronos application(s) and related services, including applicable Services description documentation and training materials (the "Documentation"); and, b) any embedded third party software, libraries, or other components, which collectively comprise the Services. The Services contain proprietary trade secret technology of Kronos. Unauthorized use and/or copying of such Services are prohibited by law, including United States and foreign copyright law. Customer may use the software included in the Services in object code form only, and shall not reverse compile, disassemble or otherwise convert such software into uncompiled or unassembled code. Customer acknowledges and agrees that the license to use the Services is limited based upon authorized Usage and the amount of the Monthly Service Fees to be paid by Customer. Customer agrees to use only the modules and/or features described on the Order Form. Customer agrees not to use any other modules or features unless Customer has licensed such additional modules or features. Customer may not relicense or sublicense the Services, or otherwise permit use of the Services (including timesharing or networking use) by any third party. Customer may not provide service bureau or other data processing services that make use of the Services without the express prior written consent of Kronos. No license, right, or interest in any Kronos trademark, trade name, or service mark, or those of Kronos' licensors or third party suppliers ("Suppliers"), is granted hereunder.

3.2 Customer may authorize its third party contractors and consultants to access the Services on an as needed basis, provided Customer: a) abides by its obligations to protect confidential information; b) remains responsible for all such third party usage and compliance with this Section E of this Attachment; and c) does not provide such access to a competitor of Kronos who provides workforce management services.

3.3 Customer agrees and acknowledges that Kronos retains ownership of all right, title and interest to the Services, all of which are protected by copyright and other intellectual property rights, and that, other than the express licenses granted herein, Customer shall not obtain or claim any rights in or ownership interest to the Services or any associated intellectual property rights therein. Customer agrees to comply with all copyright and other intellectual property rights notices contained on or in any information obtained or accessed by Customer through the Services.

3.4 Kronos will make updates and upgrades to the Services (tools, utilities, improvements, third party applications, general enhancements) available to Customer at no charge as they are released generally to its customers. Customer agrees to receive those updates automatically as part of the Services. Kronos also may offer new products and/or services to Customer at an additional charge. Customer shall have the option of purchasing such new products and/or services under a separate Order Form.

3.5 Kronos reserves the right to change or discontinue the Services, in whole or in part, including but not limited to, the Internet based services, technical support options, and other Services-related policies. Customer's continued use of the Services after Kronos posts or otherwise notifies Customer of any changes indicates Customer's agreement to those changes.

4. ACCEPTABLE USE

4.1 Customer shall take all reasonable steps to ensure that no unauthorized persons have access to the Services, and to ensure that no persons authorized to have such access shall take any action that would be in violation of this Section E.

4.2 Customer represents and warrants to Kronos that Customer has the right to publish and disclose Customer's data and other content ("Customer Content") in connection with the Services. Customer represents and warrants to Kronos that the Customer Content will not: (a) infringe or violate any third-party right, including (but not limited to) intellectual property, privacy, or publicity rights; (b) be abusive, profane, or offensive to a reasonable person; or, (c) be hateful or threatening.

4.3 Customer will not (a) use, or allow the use of, the Services or Customer Content in contravention of any federal, state, local, foreign or other applicable law, or rules or regulations of regulatory or administrative organizations; (b) introduce into the Services any virus or other code or routine intended to disrupt or damage the Services, or alter, damage, delete, retrieve or record information about the Services or its users; (c) excessively overload the Kronos systems used to provide the Services; (d) perform any security integrity review, penetration test, load test, denial of service simulation or vulnerability scan; (e) use any tool designed to automatically emulate the actions of a human user (e.g., robots); or, (d) otherwise act in a fraudulent, malicious or negligent manner when using the Services.

5. CONNECTIVITY AND ACCESS

5.1 Customer acknowledges that it shall (a) be responsible for securing, paying for, and maintaining connectivity to the Services (including any and all related hardware, software, third party services and related equipment and components); (b) provide Kronos and its representatives with such physical or remote access to Customer's computer and network environment as Kronos deems reasonably necessary in order for Kronos to perform its obligations under this Section E of this Agreement. Kronos is hereby (i) granted access to such Customer data to perform its obligations under this Section E of this Agreement and (ii) authorized to audit the number of Active Employee counts or other transactions that have occurred to measure Usage; (iii) make all necessary arrangements as may be required to provide such physical access to Customer's computer and network environment if necessary for Kronos to perform its obligations under this Section E of this Attachment.

5.2 Customer shall be fully responsible for all access requirements imposed by law, rule, regulation or contract in order for Kronos to deliver the Services pursuant to the terms of this Section E of this Agreement. Customer shall provide 30 calendar days advance written notice to Kronos of any change, modification, or reconfiguration of components or elements of the Customer's computer and network environment which may, in any manner, affect Customer's access to the Services.

6. SUPPORT

- a) Implementation. Kronos will configure the Services utilizing scheduled remote resources. Software module configuration will be based on information and work flows obtained from Customer during the discovery portion of the implementation. Customer shall provide Kronos with necessary configuration-related information in a timely manner to ensure that mutually agreed implementation schedules are met. Kronos and Customer's implementation responsibilities are described more specifically in the Services Implementation Guideline set forth at: <http://www.kronos.com/products/workforce-ready/implementation-guidelines.aspx>. In the event of inconsistencies between the Services Implementation Guideline and this Agreement, the Agreement shall prevail.

- b) Depot Exchange Services for Equipment. As needed, Kronos will send a replacement for Equipment rented (in accordance with Section 8 below) on an advance exchange basis by next-business-day delivery, when available. When Customer receives replacement Equipment, Customer shall return the defective unit to Kronos for repair. Equipment support also includes Customer access to Equipment service packs via the Kronos Customer Portal.
- c) Standard Support. Kronos will provide telephone support 8:00 a.m. to 5:00 p.m., local time, Monday – Friday. Customers also shall be provided the capability to log questions online via the Kronos Customer Portal.
- d) Educational Materials and Content. Customer will have access to certain educational materials and content (the "Educational Content") within the Services. Customer recognizes and agrees that the Educational Content is copyrighted by Kronos. Customer is permitted to make copies of the Educational Content provided in ".pdf" form solely for Customer's internal training purposes and may not disclose such Educational Content to any third party other than Customer's employees. Customer may not edit, modify, revise, amend, change, alter, customize or vary the Educational Content without the written consent of Kronos, provided that Customer may download and modify contents of Training Kits solely for Customer's internal use.

7. CUSTOMER CONTENT

Customer shall own all Customer Content and posts or other inputs into the Services by Customer or others acting on behalf of or through Customer, including but not limited to information, data (such as payroll data, vacation time, and hours worked), logos, text, multimedia images (e.g. graphics, audio and video files), compilations or any other content shared or processed through the Services. Kronos acknowledges that all such Customer Content is deemed to be Confidential Information of Customer. Notwithstanding the foregoing, Customer grants Kronos permission to combine Customer's business data with that of other Customers in a manner that does not identify the Customer or any individual in order to evaluate and improve the services Kronos offers to customers. In addition, Kronos may, but shall have no obligation to, monitor Customer content from time to time to ensure compliance with this Section E and applicable law.

8. EQUIPMENT RENTAL

If Customer purchases or rents time clocks or other equipment from Kronos, a description of such Equipment (model and quantity) and the applicable pricing shall be listed on the Order Form (the "Equipment"). Delivery terms for the Equipment are FOB shipping point, prepay and add. Customer shall bear all risk of loss or damage while the Equipment is in transit to Customer.

8.1 The following additional terms apply only if Customer rents Equipment from Kronos:

- a) Rental Term and Warranty Period. The term of the Equipment rental and the "Warranty Period" for such Equipment shall run coterminously with the Term of the other Services.
- b) Insurance. Customer shall insure the Equipment for an amount equal to the replacement value of the Equipment for loss or damage by fire, theft, and all normal extended coverage at all times. No loss, theft or damage after shipment of the Equipment to Customer shall relieve Customer from its obligations under this Section E.
- c) Location/Replacement. Customer shall not make any alterations or remove the Equipment from the place of original installation without Kronos' prior written consent. Kronos shall have the right to enter Customer's premises to inspect the Equipment during normal business hours. Kronos reserves the right, at its sole discretion and at no additional cost to Customer, to replace any Equipment with newer or alternative technology Equipment as long as the replacement Equipment at least provides the same level of functionality as that being replaced.
- d) Ownership. All Equipment shall remain the property of Kronos. All Equipment is, and at all times shall remain, separate items of personal property, notwithstanding their attachment to other equipment or real property. Customer shall not sell or otherwise encumber the Equipment. Customer shall furnish any assurances, written or otherwise, reasonably requested by Kronos to give full effect to the intent of terms of this paragraph (d).
- e) Equipment Support. Kronos shall provide to Customer the Equipment support services described in Section 6 above. The cost of such support service shall be included in the Monthly Services Fees.

Return Of Equipment. Upon termination of the Agreement or the applicable Order Form, Customer agrees that Customer shall disconnect, crate and return the Equipment to Kronos within thirty (30) days at Customer's expense. Equipment will be returned to Kronos in the same condition as and when received, reasonable wear and tear excepted. If Customer fails to return Equipment within this time period, Kronos shall invoice Customer for the then list price of the Equipment. Return Of Equipment. Upon termination of the Order Form, Customer agrees that Customer shall disconnect, crate and return the Equipment to Kronos within thirty (30) days at Customer's expense. Equipment will be returned to Kronos in the same condition as and when received, reasonable wear and tear excepted. If Customer fails to return Equipment within this time period, Kronos shall invoice Customer for the then list price of the Equipment.

8.2 The following additional terms apply only if Customer purchases Equipment from Kronos:

- a) Ownership and Warranty Period. Title to the Equipment shall pass to Customer upon delivery to the carrier (FOB – Shipping Point, Prepay and Add). The "Warranty Period" for the Equipment shall be for a period of ninety (90) days from such delivery.
- b) Equipment Support. Kronos shall provide to Customer the Equipment support services described in Section 6 above if purchased separately by Customer as indicated on the applicable Order Form. If purchased, Equipment support services shall commence upon expiration of the Warranty Period.

9. SERVICE LEVEL AGREEMENT

Kronos shall: (a) provide basic support for the services at no additional charge, (b) use commercially reasonable efforts to make the services available 24 hours a day, 7 days a week, except for: (i) planned downtime (when it shall give at least 8 hours notice via the services and shall schedule to the extent practicable during the weekend hours from 6:00 p.m. Friday to 3:00 a.m. Monday, eastern time), or (ii) any unavailability caused by circumstances beyond Kronos' reasonable control, including without limitation, acts of god, acts of government, floods, fires, earthquakes, civil unrest, acts of terror, strikes or other labor problems (other than those involving Kronos employees), internet service provider failures or delays, or denial of service attacks, and (iii) provide services in accordance with applicable laws and government regulations.

10. LIMITED WARRANTY; DISCLAIMERS OF WARRANTY

10.1 Kronos represents and warrants that the Services, under normal operation as specified in the Documentation and when used as authorized herein, will perform substantially in accordance with the Documentation during the Term.

10.2 Kronos' obligation and Customer's remedy for any breach of the above warranty is limited to Kronos' reasonable commercial efforts to correct the non-conforming Services at no additional charge to Customer. In the event that Kronos is unable to correct deficiencies in the

Services, after using its commercially reasonable efforts to do so, Customer shall be entitled to terminate the then remaining term of the Order Form for cause in accordance with Section 1 above as Customer's remedy. Kronos' obligations hereunder for breach of warranty are conditioned upon Customer notifying Kronos of the material breach in writing, and providing Kronos with sufficient evidence of such non-conformity to enable Kronos to reproduce and/or verify the same.

10.3 Kronos warrants that all equipment shall be free from defects in materials and workmanship during the warranty period as described in article 8 above. In the event of a breach of this warranty, customer's exclusive remedy shall be Kronos' repair or replacement of the deficient equipment, at Kronos' option, provided that customer's use, installation and maintenance thereof have conformed to the published specifications for such equipment. This warranty is extended to customer only and shall not apply to any equipment (or parts thereof) in the event of:

- a) damage, defects or malfunctions resulting from misuse, accident, neglect, tampering, (including modification or replacement of any Kronos components on any boards supplied with the Equipment), unusual physical or electrical stress or causes other than normal and intended use;
- b) failure of Customer to provide and maintain a suitable installation environment, as specified in the published specifications for such Equipment; or
- c) malfunctions resulting from the use of badges or supplies not approved by Kronos.

EXCEPT AS WARRANTED IN THIS SECTION 10, KRONOS HEREBY DISCLAIMS ALL WARRANTIES, CONDITIONS, GUARANTIES AND REPRESENTATIONS RELATING TO THE SERVICES, EXPRESS AND IMPLIED, ORAL OR IN WRITING, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT, AND WHETHER OR NOT ARISING THROUGH A COURSE OF DEALING. THE SERVICES ARE NOT GUARANTEED TO BE ERROR-FREE OR UNINTERRUPTED. EXCEPT AS SPECIFICALLY PROVIDED IN THIS AGREEMENT, KRONOS MAKES NO WARRANTIES OR REPRESENTATIONS CONCERNING THE COMPATIBILITY OF SOFTWARE OR EQUIPMENT OR ANY RESULTS TO BE ACHIEVED THEREFROM. KRONOS PROVIDES NO WARRANTY FOR SUPPLIER HARDWARE OR SOFTWARE EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED ON AN ORDER FORM.

11.0 DATA SECURITY

11.1 As part of the Services, Kronos shall provide administrative, physical, and technical safeguards for protection of the security, confidentiality and integrity of Customer data. Customer acknowledges that such safeguards endeavor to mitigate security incidents, but such incidents may not be mitigated entirely or rendered harmless. Customer should consider any particular Kronos supplied security-related safeguard as just one tool to be used as part of Customer's overall security strategy and not a guarantee of security. Both parties agree to comply with all applicable privacy or data protection statutes, rules, or regulations governing the respective activities of the parties under this Section E.

11.2 As between Customer and Kronos, all personally identifiable data contained in any applications or systems supplied by Kronos, or to which Kronos has access to under this Section E ("Personally Identifiable Data") is Customer's Confidential Information and will remain the property of Customer. Customer represents that to the best of its knowledge such Personally Identifiable Data supplied to Kronos is accurate. Customer hereby consents to the use, processing and/or disclosure of Personally Identifiable Data by Kronos and its Suppliers wherever located only for the purposes described herein and only to the extent such use or processing is necessary for Kronos to carry out its duties and responsibilities under this Section E or as required by law.

11.3 Prior to initiation of the Services and on an ongoing basis thereafter, Customer agrees to provide notice to Kronos of any extraordinary privacy or data protection statutes, rules, or regulations which are or become applicable to Customer's industry and which could be imposed on Kronos as a result of provision of the Services. Customer will ensure that: (a) the transfer to Kronos and storage of any Personally Identifiable Data by Kronos or its Supplier's data center, is permitted under applicable data protection laws and regulations; and, (b) Customer will obtain consents from individuals for such transfer and storage to the extent required under applicable laws and regulations.

11.4 Upon the cessation of the Services, Customer shall be afforded the opportunity to retrieve all Personally Identifiable Data in accordance with Section 1.5 above.

12. RESPONSIBILITY OF CUSTOMER

12.1 If notified in writing of any action (and all prior related claims) brought against Customer based on a claim that the Services infringe or misappropriate any United States or Canadian copyright or patent, Kronos will indemnify and hold Customer harmless and defend such action at its sole cost and expense and pay all costs including reasonable attorney fees and damages resulting from such claim. Kronos will have sole control of the defense of any such action and all negotiations for its settlement or compromise. Customer will cooperate fully at Kronos' expense with Kronos in the defense, settlement or compromise of any such action. In the event that a final Injunction is obtained against Customer's use of the Services by reason of infringement or misappropriation of a United States or Canadian copyright or patent, or if in Kronos' opinion, the Services are likely to become the subject of a successful claim of such infringement or misappropriation, Kronos, at Kronos' option and expense, will use commercially reasonable efforts to (a) procure for Customer the right to continue using the Services as provided in the Agreement, (b) replace or modify the Services so that they become non-infringing but remains substantively similar to the affected Services, and if neither (a) or (b) is commercially feasible, to (c) terminate the Agreement and the rights granted hereunder after provision of a refund to Customer of the set-up fees and Monthly Service Fees paid by Customer for the infringing elements of the Services covering the period of their unavailability.

12.2 Kronos shall have no liability to indemnify or defend Customer to the extent the alleged infringement is based on: (a) a modification of the Services by anyone other than Kronos; (b) use of the Services other than in accordance with the Documentation or as authorized by the Agreement; (c) use of the Services in conjunction with any data, equipment, service or software not provided by Kronos, where the Services would not otherwise itself be infringing or the subject of the claim; or (d) use of the Services by Customer other than in accordance with the terms of the Agreement. Notwithstanding the foregoing, with regard to infringement claims based upon software created or provided by a licensor to Kronos or Suppliers, Kronos' maximum liability will be to assign to Customer Kronos' or Supplier's recovery rights with respect to such infringement claims, (provided that Kronos and/or its Supplier shall use commercially reasonable efforts at Customer's cost to assist Customer in seeking such recovery from such licensor).

12.3 Customer shall be responsible for all cost and expense and pay all costs, including reasonable attorney's fees and damages of Kronos or its

Suppliers, if the action is arising from or relating to: (a) employment-related claims arising out of Customer's configuration of the Services; (b) Customer's modification or combination of the Services with other services, software or equipment not furnished by Kronos, provided that such Customer modification and/or combination is the cause of such infringement and was not authorized by Kronos; or, (c) a claim that the Customer Content infringes in any manner any intellectual property right of any third party, or any of the Customer Content contains any material or information that is obscene, defamatory, libelous, or slanderous violates any person's right of publicity, privacy or personality, or has otherwise caused or resulted in any tort, injury, damage or harm to any other person. Customer will have sole control of the defense of any such action and all negotiations for its settlement or compromise. Kronos will cooperate fully at Customer's expense with Customer in the defense, settlement or compromise of any such action.

13. LIMITATION OF LIABILITY

13.1 EXCEPT AS SPECIFICALLY PROVIDED WITHIN THIS AGREEMENT, KRONOS AND ITS SUPPLIERS WILL NOT BE LIABLE FOR ANY INJURIES CAUSED BY THE USE OF THE SERVICES OR BY ANY ERRORS, DELAYS, INTERRUPTIONS IN TRANSMISSION, OR FAILURES OF THE SERVICES.

13.2 EXCEPT FOR KRONOS' INDEMNIFICATION OBLIGATIONS SET FORTH IN SECTION 12 ABOVE, THE TOTAL AGGREGATE LIABILITY OF KRONOS OR ITS SUPPLIERS TO CUSTOMER AND/OR ANY THIRD PARTY IN CONNECTION WITH THIS AGREEMENT SHALL BE LIMITED TO DIRECT DAMAGES PROVEN BY CUSTOMER, SUCH DIRECT DAMAGES NOT TO EXCEED AN AMOUNT EQUAL TO THE TOTAL NET PAYMENTS RECEIVED BY KRONOS FOR THE SERVICES IN THE TWELVE MONTH PERIOD IMMEDIATELY PRECEDING THE DATE IN WHICH THE CLAIM ARISES.

13.3 IN NO EVENT SHALL KRONOS OR ITS SUPPLIERS, THEIR AFFILIATES, SERVICE PROVIDERS, OR AGENTS BE LIABLE TO CUSTOMER OR ANY THIRD PARTY FOR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES OR FOR ANY LOST OR IMPUTED PROFITS OR REVENUES, LOST DATA OR COST OF PROCUREMENT OF SUBSTITUTE SERVICES RESULTING FROM DELAYS, NONDELIVERIES, MISDELIVERIES OR SERVICES INTERRUPTION, HOWEVER CAUSED, ARISING FROM OR RELATED TO THE SERVICES OR THIS AGREEMENT, REGARDLESS OF THE LEGAL THEORY UNDER WHICH SUCH LIABILITY IS ASSERTED, WHETHER BREACH OF WARRANTY, INDEMNIFICATION, NEGLIGENCE, STRICT LIABILITY OR OTHERWISE, AND WHETHER LIABILITY IS ASSERTED IN CONTRACT, TORT OR OTHERWISE, AND REGARDLESS OF WHETHER KRONOS OR SUPPLIER HAS BEEN ADVISED OF THE POSSIBILITY OF ANY SUCH LIABILITY, LOSS OR DAMAGE.

13.4 EXCEPT WITH RESPECT TO LIABILITY ARISING FROM KRONOS' GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, KRONOS DISCLAIMS ANY AND ALL LIABILITY, INCLUDING SUCH LIABILITY RELATED TO A BREACH OF DATA SECURITY AND CONFIDENTIALITY OBLIGATIONS, RESULTING FROM ANY EXTERNALLY INTRODUCED HARMFUL PROGRAM (INCLUDING VIRUSES, TROJAN HORSES, AND WORMS), CUSTOMER'S CONTENT OR APPLICATIONS, THIRD PARTY UNAUTHORIZED ACCESS OF EQUIPMENT, SOFTWARE OR SYSTEMS, OR MACHINE ERROR

Kronos RFP #14-JLR-003

Addendum I

ADDENDUM #1
Workforce Management System
RFP # 14-JLR-003

TO: ALL BIDDERS
FROM: Jeffrey LaPorta, CPPB, Supervisor of Purchasing
DATE: October 14, 2013

This Addendum is issued in response from prospective bidders' inquiries and to clarify verbiage in the bid document.

1. **CLARIFICATION:** Harford County Public Schools (HCPS) is acting as Lead Agency only for this solicitation. The contract resulting from this solicitation will be a national contracting vehicle for Participating Public Agencies through the U.S. Communities Government Purchasing Alliance ("U.S. Communities").

2. **QUESTION:** Do all of the participating schools share a platform (Avaya/Cisco/ShoreTel etc.)?

ANSWER: Not applicable. See item #1.

3. **CORRECTION:** Under Section I, subsection C. Submittal of Questions, the deadline for submittal of questions is 4:00PM, on October 10, 2013.

4. **QUESTION:** If a vendor has solutions to handle a portion of the requirement, can a proposal for that portion be submitted? (I realize that teaming arrangements can be made to provide a proposal that meets all requirements of the RFP.)

ANSWER: Yes

5. **QUESTION:** The RFP mentions that Harford County Public Schools System does not (at this time) intend to use the services awarded. It begs the question, who will use it, and if not Harford, will the winning vendor have to again provide a proposal to a member organization for the same services/products? Or, does winning this RFP competition serve as a means for member organizations to contact the vendor and negotiate contracts based on the winning proposal? How long does that arrangement remain valid?



ANSWER: See Item #1. No, the winning vendor will not have to provide subsequent proposals to Participating Public Agencies. This RFP will serve as the contracting vehicle. The contract term is three (3) years with the option to renew for two additional one (1) year terms. See RFP page 8, section I.

6. **QUESTION:** Should a separate tab be included to specify different scenarios for other agencies and needs they may have, to show what vendor can offer?

ANSWER: No. Please refer to pg. 17 of the RFP. All items vendor offers can be listed on national pricing sheet.

7. **QUESTION:** How in depth should our pricing scenario be?

ANSWER: Price according to scenario but be advised that you can offer additional options your company/product can provide. However, do not factor in to your pricing scenario the specifics of the ancillary items such as cabling and wiring.

8. **QUESTION:** Have any vendors already demonstrated on site for HCPS?

ANSWER: No

9. **QUESTION:** Which vendors?

ANSWER: Not applicable.

10. **QUESTION:** Did HCPS write this RFP?

ANSWER: Yes

11. **QUESTION:** The vendor decision turnaround is significantly quicker than most RFPs of this size and scope, is there a preferred solution?

ANSWER: No

12. **QUESTION:** Does HCPS prefer Software as a Service or an in-house hardware/software solution?

ANSWER: Because Participating Public Agencies will have varied needs that are specific to their jurisdictions, vendors are encouraged to propose their complete offer of solutions.

13. **QUESTION:** Do you anticipate 50 clocks for this quote?



ANSWER: Not applicable. See item #1.

14. **QUESTION:** Does HCPS anticipate 100% clock usage for employees or would online web activity be preferred for the office personnel?

ANSWER: Not applicable. See item #1.

15. **QUESTION:** Does HCPS have union employees (EE)? How many EE are Union and how many different unions are onsite?

ANSWER: Not applicable. See item #1.

I hereby acknowledge receipt of Addendum #1 dated _____, to Bid #14-JLR-003.

Company

Name (Print or Type)

Authorized Signature

Date

Note: Bidder shall sign and submit Addendum with bid submission. The same person signing Addendum shall sign the Bid Form.

Kronos RFP #14-JLR-003



U.S. COMMUNITIESTM
GOVERNMENT PURCHASING ALLIANCE



REQUEST FOR PROPOSALS
RFP #14-JLR-003

By
Harford County Public Schools
On Behalf of U.S. Communities
Governmental Purchasing Alliance

FOR

Workforce Management System
Including
Time, Attendance, Leave, Scheduling, Payroll Solutions and
Related Products, Services and Systems

Proposals Due: November 7, 2013, 2:30 pm local time (eastern)
Harford County Public Schools Purchasing Department
410-638-4080

THIS SOLICITATION IS MADE BY HARFORD COUNTY PUBLIC SCHOOLS,
MARYLAND ON BEHALF OF THE U.S. COMMUNITIES GOVERNMENT
PURCHASING ALLIANCE

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U.S. COMMUNITIES OVERVIEW

U.S. Communities Government Purchasing Alliance (herein “U.S. Communities”) assists Participating Public Agencies to reduce the cost of purchased goods through strategic sourcing that combines the volumes and the purchasing power of public agencies nationwide. This is accomplished through an award of competitively solicited contracts for high quality products and services by large and well recognized public agencies (herein “Lead Public Agencies”).

A. National Sponsors

U.S. Communities is jointly sponsored by the National Institute of Governmental Purchasing (NIGP), the National Association of Counties (NACo), the National League of Cities (NLC), the Association of School Business Officials International (ASBO) and the United States Conference of Mayors (USCM) (herein “National Sponsors”).

B. Advisory Board

The U.S. Communities Advisory Board is made up of key government purchasing officials from across the United States.

Each Advisory Board Member is expected to actively participate in product bids and selection, participate in policy direction, and share expertise and purchasing innovations.

Current U.S. Communities Advisory Board Members

North Carolina State University, NC	City of Chicago, IL
City of Los Angeles, CA	City of Houston, TX
Cobb County, GA	Los Angeles County, CA
Denver Public Schools, CO	Maricopa County, AZ
Fresno Unified School District, CA	Miami-Dade County, FL
City and County of Denver, CO	Salem-Keizer School District, OR
Emory University, GA	San Diego Unified School District, CA
Fairfax County, VA	City of Seattle, WA
Harford County Public Schools, MD	Great Valley School District, PA
City of Kansas City, MO	Auburn University, AL
Hennepin County, MN	City of San Antonio, TX
Collier County Public Schools, FL	Orange County, NY
Port of Portland, OR	

C. Participating Public Agencies

Today more than 57,000 public agencies utilize U.S. Communities contracts and suppliers to procure over \$1.3 Billion Dollars in products and services annually. Each month more than 400 new public agencies register to participate. The continuing rapid growth of public agency participation is fueled by the program's proven track record of providing public agencies unparalleled value.

The Supplier(s) must communicate directly with any Participating Public Agency concerning the placement of orders, issuance of the purchase order, contractual disputes, invoicing, and payment.

The Harford County Public Schools is acting as "Lead Agent" and contracting agent for this solicitation and for the participating public agencies and shall not be held liable for any costs, damages, expenses, fees, liabilities, etc. incurred by any other participating public agency.

Each Participating Public Agency enters into a Master Intergovernmental Cooperative Purchasing Agreement (MICPA) outlining the terms and conditions that allow access to the Lead Public Agencies' Master Agreements. Under the terms of the MICPA, the procurement by the Participating Public Agency shall be construed to be in accordance with, and governed by, the laws of the state in which the Participating Public Agency resides. A copy of the MICPA is attached as Attachment A.

D. Estimated Volume

The estimated dollar volume of Products and Services purchased under the proposed Master Agreement is \$50 Million Dollars annually. This estimate is based on the anticipated volume of the Lead Public Agency, the U.S. Communities Advisory Board members, and current sales within the U.S. Communities program. While there is no minimum quantity of products required to be purchased under the proposed Master Agreement, Harford County Public Schools and the U.S. Communities Advisory Board Members are committed to utilizing the Master Agreement to the extent possible. The Advisory Board members shall determine if the Master Agreement is of value to their agency, and will promote the Master Agreement among other public agencies nationwide and internationally. The Advisory Board in 2012 purchased more than \$135 Million Dollars of products and services from existing U.S. Communities contracts.

E. Marketing Support

U. S. Communities provides marketing support for each Supplier's products through the following:

- National Sponsors as referenced above.
- State Associations of Counties, Schools and Municipal Leagues.

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- Administrative and marketing personnel that directly promote the U.S. Communities Suppliers to Participating Public Agencies through public agency meetings, direct mail, national publications, annual meetings and a network of K-12, City, County, Higher Education and State Associations.
- U.S. Communities provides Suppliers government sales training, and a host of online marketing and sales management tools to effectively increase sales through U.S. Communities.

F. Evaluation of Proposals

Proposals will be evaluated by the Lead Public Agency in accordance with, and subject to, the relevant statutes, ordinances, rules and regulations that govern its procurement practices.

U.S. Communities Advisory Board members and other Participating Public Agencies will assist the Lead Public Agency in evaluating proposals. The Supplier(s) that respond(s) affirmatively meets the requirements of this Request for Proposal and provides the best overall value will be eligible for a contract award. U.S. Communities reserves the right to make available or not make available Master Agreements awarded by a Lead Public Agency to Participating Public Agencies.

Section I - General Information

A. Introduction

It is the intent of this RFP to solicit sealed proposals from qualified business entities to provide a comprehensive Workforce Management Solution of a broad scope including Time, Attendance, Leave, Scheduling, Payroll Solutions and other Related Products, Services and Solutions.

The method of procurement will be a competitive negotiation via a Request for Proposal (RFP).

Price will not be the sole determinant for the award. As defined by the American Bar Association Model Procurement Code, Competitive Sealed Proposals (RFP) will be evaluated based upon criteria formulated around best value which may include among other criteria: price, quality, performance references, financial information and the ability to successfully supply public entities throughout the United States.

B. Background

This solicitation is being administered by Harford County Public Schools for those public entities that elect to access the Master Agreement through the U.S. Communities Government Purchasing Alliance.

The Harford County Public Schools System (HCPS) is acting as the solicitation Lead Agent only and does not, at this time, intend to use the services awarded. HCPS is administering this solicitation on behalf of U.S. Communities. We invite you learn more about U.S. Communities at www.uscommunities.org.

C. Submittal of Questions

Jeff LaPorta, CPPB, Supervisor of Purchasing, will administer the solicitation process and will be the point of contact for purposes of this Request for Proposal. All questions and inquiries should be emailed to jeff.laporta@hcps.org. All questions should be received by 2:30PM on October 10, 2013. Responses will not be made to telephone, faxed or mailed inquires.

D. Proposal Submission

Two (2) originals and eight (8) copies including ten (10) CD's or flash drives of the Technical Proposal are required, as well as two (2) Price Proposals. Proposals shall be submitted to, Harford County Public Schools, 102 S. Hickory Avenue, Bel Air, Maryland 21014 to the attention of the Purchasing Department no later than November 7, 2013 at 2:30 pm eastern time.

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Technical and Cost Proposals shall be in separate sealed envelopes/containers. Cost Proposals must be submitted on the Bid Form/Price Sheet provided. Proposals must be clearly labeled showing the RFP number, firm's name and address, and the proposal due date on the outside. Late proposals will not be accepted and will be returned unopened. A Register of Proposals will be prepared at the closing time. The Register of Proposals shall be open for inspection after award of the contract.

E. Proposal Acceptance

Proposals including price must remain valid for a period of not less than one hundred (100) days to allow for evaluation, School Board approval and contract execution. Harford County Public Schools reserves the right to accept or reject any or all proposals, waive informalities and select the most favorable proposal that will serve its best interest as well as the best interest of those participating governmental entities.

F. Calendar of Events (Subject to Change)

Event	Date
Issue RFP	September 24, 2013
Pre-Proposal Conference (not mandatory)	October 3, 2013 – 1:00pm EDT, rm 243
Deadline for receipt of questions via email	October 10, 2013 by 4:00pm EDT
Issue Addendum/s (if required)	October 17, 2013
Proposal due date	November 7, 2013 by 2:30pm EDT
Finalist firms notified/interviewed	on or about November 21, 2013
Finalist/s Product Demonstration	week of December 2, 2013
Awardee Notified	week of December 9, 2013
Contract Effective Date	January 1, 2014

G. Incurring RFP Preparation Cost

Harford County Public Schools accepts no responsibility for any expense incurred in the proposal preparation, on-site presentation, mailings, etc.

H. Confidential Information

All proposals become a matter of public record and shall be regarded as Public Records, with the exception of those specific areas in each proposal which are designated by the proposer as “Confidential” or “Proprietary”. Items so marked shall not be disclosed unless disclosure is required under the Open Records Act, of Freedom of Information Act. If such items are requested under these Acts, HCPS will use reasonable efforts to notify the proposer, and it will be the responsibility of the proposer to seek a court order protecting the records, and to defend, indemnify, and hold harmless, HCPS from any claim or action related to its non-disclosure of such information. Offeror cannot label all material as confidential or proprietary.

I. Contract Term

The term of the contract will be for three (3) years following the contract award date (estimated to be January 1, 2014, with the option to renew for two (2) additional one (1) year periods. HCPS reserves the right to ratify both one year renewals at the same time, thus becoming a two year renewal term. Renewals will be by mutual understanding and consent between the Company and Lead Agent.

Any requests for reasonable price adjustments must be submitted sixty (60) days prior to the Contract anniversary date. Requests for adjustment in cost of services must be substantiated and justified and must be approved by the Purchasing Supervisor.

J. Termination for Cause

If the Contractor fails to fulfill its obligations under this contract properly and on time, or otherwise violates any provision of the contract, Harford County Public Schools may terminate the contract with 30 day written notice to the Contractor. HCPS can affirmatively collect damages which may result from the Contractor's breach.

The Contractor agrees to perform work as may be necessary to correct errors, defects, and omissions in the services required under this agreement without undue delays and without cost to HCPS. The acceptance of the work set forth herein by HCPS shall not relieve the Contractor of the responsibility.

K. Responsibility of Contractor

The Contractor shall perform the requirement with that standard of care, skill, and diligence normally provided by a contractor in the performance of similar services.

Notwithstanding any review, approval, acceptance, or payment for the services by HCPS, the Contractor shall be responsible for professional and technical accuracy of its work furnished by the Contractor under this agreement.

L. Compliance With Law

The Contractor hereby represents and warrants:

That it is not in arrears with respect to the payment of any monies due and owing the county or state or federal government, of any department or agency thereof, including but not limited to the payment of taxes and employee benefits, and that it shall not become so in arrears during the term of this agreement.

That it shall comply with all federal, state, and local law, ordinances and legally enforceable rules and regulations applicable to its activities and obligations under this agreement.

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That it shall procure, at its expense, all licenses, permits, insurance, and governmental approval, if any, necessary to the performance of its obligations under this agreement.

M. Disputes

Except as otherwise provided in these contractual documents, any claim, dispute, or other matter in question shall be referred to the Harford County Public Schools Supervisor of Purchasing, who shall decide the issue and provide a written response to the Contractor.

The Contract shall be governed by the laws of the State of Maryland and nothing in this contract shall be interpreted to preclude the parties seeking any and all remedies provided by law. Any dispute resolution shall be according to the laws of, and take place in the courts of the State of Maryland. All protests must be in writing and submitted to the Supervisor of Purchasing. Prior to dispute resolution through the appropriate legal means, i.e. adjudicated by the appropriate Courts, the parties will participate in Alternative Dispute Resolution (ADR), in an attempt to resolve the dispute in accordance with the commercial Rules of the American Arbitration Association in effect at the time. All disputes shall be decided by a single arbitrator. All costs associated with ADR will be borne by the Awarded Contractor.

N. Billing and Payment

Specific to other entities that may access this contract via the Master Agreement payment methods will be entity specific and may include, credit card payment, payment by invoice, or other options including electronic payment. The default method and frequency of payment shall be monthly via procurement card (P-Card). Any unacceptable payment options must be clearly articulated in the technical submission. Please advise in your Technical Proposal if payment via credit card is not acceptable.

O. Multi-Agency Procurement

Harford County Public Schools assumes no authority, liability, or obligation, on behalf of any other public or non-public entity that may use any contract resulting from this Request for Proposal. Any exceptions to this requirement must be specifically noted in the proposal response.

Harford County Public Schools reserves the right to extend the terms and conditions of this contract to any and all other public agencies and school districts. All purchase and payment transactions will be made directly between the contractor and the requesting public agency. HCPS assumes no obligation on behalf of any other agency.

P. About This Document

This document is a Request for Proposal (RFP). It differs from an Invitation for Bid in that it is seeking a solution, as described in the cover page and in the following sections, not a bid or cost quotation meeting specifications for the lowest price. As such, the lowest prices proposed may not guarantee an award recommendation. As defined in the American Bar Association Model Procurement Code, Competitive Sealed Proposals will be evaluated based upon criteria formulated around the most important features of a product or service, of which quality, testing, references, and availability or capability, may be overriding factors, and price may not be determinative in the issuance of a contract or award. The proposal evaluation criteria should be viewed as standards that measure how well a contractor's approach meets the desired requirements. Those criteria that will be used and considered in evaluation for award are set forth in this document.

No negotiations, decisions, or actions shall be initiated by any proposers as a result of any verbal discussion with any Harford County Public Schools member or U.S. Communities staff prior to the opening of proposals in responses to this document. RFP Offerors shall make no contacts – either written or verbal – with any individual other than the individual identified herein during the period beginning with the issuance of this RFP through approval of award. Any attempt by a supplier/proposer to influence a member or members of the aforementioned may be grounds to disqualify the proposal from the proposer from further consideration.

As applicable to the service identified in this solicitation, trade secrets or proprietary information submitted by a supplier/proposer in connection with this solicitation may not be subject to disclosure. Offerors must clearly identify the materials to be protected and state the reasons why protection is necessary.

If awarded, this RFP document in its entirety including attachments, appendices and addendums will become part of the Contract. Harford County Public Schools reserves the right to reject any or all proposals at any time and make necessary arrangements to contract for the services or work described and proposed in the manner most feasible and applicable when in its best interest to do so.

Q. Interpretation

Should any Offeror be in doubt as to the meaning of the statement of work, or anything contained within the solicitation documents, the Offeror will contact the Supervisor of Purchasing in writing and request a clarification or additional information. This clarification may result in the issuing of an Addendum.

R. Waiver of Technicalities

Minor differences in the Specifications or other minor technicalities may be waived at the discretion of the Lead Public Agency.

S. Nondiscrimination

The Contractor shall not discriminate against any person on the basis of race, creed, color, national origin, religion, sex, age, marital status, or mental or physical handicap in connection with performance of this Contract. The Contractor shall comply fully with all provisions of Executive Order 11246, as amended; the Rehabilitation Act of 1973; and the Vietnam Veteran's Readjustment Act of 1974. For assistance or questions regarding compliance contact: U.S. department of Labor at 410-962-3572.

T. Governing Law

Any contract resulting from this solicitation is subject to and will be construed and interpreted under the laws of the State of Maryland.

U. Pre-Proposal Conference

A pre-proposal conference will be held on October 3, 2013 beginning at 1:00 PM EDT. The location will be at the Harford County Public Schools Administration Building, 102 S. Hickory Avenue, Bel Air, MD 21014, 2nd Floor, Room 234.

The conference is not mandatory. Interested proposers are strongly encouraged to attend.

V. Award

It is the intent of HCPS to make a single award. HCPS reserves the right to make multiple awards if it decides it is in the best interest of HCPS and U.S. Communities to accommodate the diverse needs of Participating Public Agencies.

Section II – Performance Work Statement

Outcome

The expected outcome of this proposal is to enter into a contractual relationship on behalf of U.S. Communities, with a business partner who will provide a complete Workforce Management System.

Suppliers are to propose the broadest possible selection of **WORKFORCE MANAGEMENT SYSTEM: INCLUDING TIME, ATTENDANCE, LEAVE, SCHEDULING, PAYROLL SOLUTIONS AND ANY OTHER RELATED PRODUCTS, SERVICES AND SYSTEMS** they offer. The intent of this solicitation is to provide Participating Public Agencies with products, services and solutions to meet their various needs. Therefore, the Suppliers should have demonstrated experience in providing the Products and Services as defined in this Request for Proposal, including but not limited to:

- A. Time, Attendance, Leave, and Scheduling:** This includes a complete workforce management system that will support a Participating Public Agency's goal of improving productivity, controlling labor costs, and more efficiently managing employee workforce.
- B. Payroll:** This includes a solution that will offer pay policy enforcement for enhanced management of and reporting capabilities associated with a payroll system.
- C. Related Products, Services and Systems:** Any additional related products, services or systems offered by Supplier, including but not limited to, Human Resources software, Payroll Services software, Talent Management and Hiring and any other related products, services and systems.

Overview

Offeror is to provide a complete workforce management system (WMS) that will support a Participating Public Agency's goal of improving productivity, controlling labor costs, and more efficiently managing employee workforce. We are seeking a workforce management system that includes the functionality of time and attendance and clocking systems, scheduling and staffing, and a real-time labor management tool.

Should firms jointly work on the response, they are required to designate a single lead firm AND provide examples of where they have successfully installed the conjoined system to include complete descriptions of the installation, lessons learned and client contact information.

The workforce management system should automate the tracking of time and attendance and scheduling for each employee, cost center and business unit within a Participating Public Agency. The system should interface with other systems to provide real-time management tools to support labor management decisions. The system should secure all

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employee data and provide regular back-up of information as well as identify employees through a two entry system of personal PIN, badge swipe, internet, telephone, biometrics, etc. The systems should be able to interface with other systems already in place at the Participating Public Agency.

The primary focus of this RFP is to award a national contract(s), to a supplier(s) that offer the most comprehensive solutions to the above outcome statement.

Proposers are encouraged to detail in their Technical Proposal any related value added services that will benefit contracting agencies.

Scope of Work

The workforce management system can work as an integrated system or independent modules.

1. An important component of the workforce management system is the monitoring of time and attendance. The system needs to be capable of core time and attendance calculations, provide for multiple methods of time capture that are user friendly and intuitive, and provide real-time accurate time and cost allocation capabilities for all employees that float between cost centers and business units. In addition, it must also deal with the complexities of various pay rules and transaction types.

Additionally, the time and attendance component needs to have the ability to track time spent on specific productive (work) activities as well as non-productive (paid time off, education, orientation, etc.) activities. It needs to allow for the creation of custom tasks to track and report on. The system needs to provide accurate calculations of wages consistent with pay rules and regulations for all categories of employees (exempt or non-exempt) and special pays. Time calculations must combine times from all work locations and from all positions to accurately determine overtime.

The system must provide a user friendly and intuitive process for all timekeepers to review and approve time entries and calculated totals on an “on demand” basis and to correct calculated totals at any time during the pay period.

2. The workforce management system should address scheduling and staffing needs. The core scheduling functionality should be user friendly and intuitive. It should provide real-time data, including recorded entry (punch) times and employee hires/transfers/terminations, as well as historical data. Terminated employees should be made inactive from all aspects of the software immediately upon termination. The system should accommodate archiving of old data and hiding it from current view. Different systems may have different needs from the time and attendance component to the scheduling component. Therefore it needs to be capable of same-day multiple assignments, concurrent as well as distinct/singular

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assignments, multiple job codes, and accurate automated labor distributions. This real-time capability needs to accommodate employees that float between cost centers or business units, with clear delineation of employees with different funding sources such as grants.

Critical to the workforce management system is the capability for unit-of-service based staffing decision support that enables efficient workload management, appropriate staffing levels and the ability to make evidenced-based staffing assignment decisions based on workload volume, staff skill and competency levels and other predetermined key indicators.

System functionality should allow employees to request paid time off, swap shifts with other equally trained and competent employees, and to indicate their availability to pick up work opportunities, as well as to receive manager approval via paperless system processes.

An important element of being a real-time system is notification and alerts for overtime, skill shortage, over/under staffing requirements, paid time off, late notices for shift start time, etc.

3. The workforce management system should have standard and customized reporting tools that are user friendly and intuitive. The reporting function needs to report key management indicators such as overtime, paid time off, scheduled and unscheduled absences, non-productive times, orientation, education, etc. The reporting component will provide data analytics to support goals of improving productivity, controlling labor costs, and more efficiently managing employee workforce.

Reports must be available online, in print format, exportable to Excel for analysis, and downloadable for email distribution or pushed to the user via email or other notification from a scheduled process or a triggering event.

Proposal Submission

This RFP requires a two-part submission process. Separate Technical and Price Proposals are to be submitted in sealed envelopes on the date and time stipulated. Two (2) originals and eight (8) copies (total of 10) of the Technical Proposal on CD's or flash drives are required. Two (2) copies of the Cost Proposal are required. The proposal due date is November 7, 2013 at 2:30 pm, eastern. Late proposals will not be accepted and will be returned unopened. A Register of Proposals will be prepared at the closing time and will be available for inspection after award of the Contract.

Definitions

Definitions as used herein:

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- A. The term “solicitation” used in this document means this Request for Proposal (RFP).
- B. The term “offer and “proposal” are used synonymously and mean a response to this solicitation.
- C. The terms “offeror” and “proposer” are synonymous and refer to the entity/business/individual that submits a response to this solicitation.
- D. Harford County Public Schools, Maryland may be referred to as “HCPS”.
- E. The terms “recorded entry” and “punch” are synonymous and refer to the act of swiping, punching or taking similar action to establish attendance.

Specific Information Requested From All Proposal Submitters

Harford County Public Schools may make such investigations deemed necessary to determine the ability of the Offeror to furnish the necessary requirements described herein. The Offeror shall furnish, to Harford County Public Schools, all data and information requested in order to determine the Offerors ability to perform under this RFP. Harford County Public Schools reserves the right to reject any offer if the evidence submitted by, or investigation of, such Offeror fails to satisfy Harford County Public Schools that such Offeror is qualified to carry out the obligations of the contract.

Section III – Evaluation and Selection Process

A. Proposal Overview

Proposals will be received and administered by the Lead Public Agency. Proposals will be evaluated in accordance with, and subject to the relevant statutes, rules and regulations that govern its procurement practices.

U.S. Communities Advisory Board members and other Participating Public Agencies will assist the Lead Public Agency in evaluating the proposals. The evaluation committee will determine the supplier that meets the requirements of the RFP and that offers the best overall value.

The evaluation criteria are set forth below and are intended to be the basis by which each proposal shall be evaluated. This is a two-step evaluation process. Technical Proposals and Price Proposals shall be submitted separately and labeled accordingly. Technical Proposals will be evaluated first. Each technical proposal will be scored by the committee. Based on a final evaluation and scoring of both Technical and Price Proposals a selection for contract award will be made.

B. Specific Conditions

All Offerors shall be primarily engaged in software solutions and shall be actively engaged in this field for over 5 years.

C. Award

The criteria to be used for the proposal evaluation and award include, but are not limited to:

- a) The extent to which Vendor's proposal solution fulfills the Lead Public Agency and Participating Public Agency stated requirements as set out in this RFP.
- b) Vendor's ability to deliver the indicated service in accordance with the specifications set out in this RFP.
- c) Vendor's stability, experience and record of past performance in delivering similar scope services.
- d) Overall cost of Vendor's proposal.

D. Technical Proposal Criteria

Qualifications, Technical Ability and Management Approach

The Offeror must submit the Technical Proposal in a separate binder containing the following information divided by tabs. This information will be considered the minimum content of the proposal. Proposal contents shall be arranged in the same order and identified with headings as presented herein.

Tab A – COVER LETTER: The Offeror will provide a cover letter describing a brief history of the Offeror and its organization. The letter will indicate the principal or officer of the Offeror organization who will be HCPS’s primary point of contact during clarifications or negotiations. This individual must have the authority to clarify and/or negotiate all aspects on the scope of services and solutions on behalf of the Offeror. An officer authorized to bind the Offeror to the terms and conditions of this RFP must sign the cover letter transmitting the proposal.

Tab B – EXECUTIVE SUMMARY: The Offeror will provide an Executive Summary that presents in brief, concise terms a summary level description of the contents of the Proposal.

Tab C – OFFEROR PROFILE: The Offeror must provide a profile of its organization and all other companies who will be providing services through a dealer, distribution or subcontractor arrangement with the Offeror. At a minimum, the Offeror will provide the following information:

- Name of firm submitting proposal
- Main office address, telephone number, fax number
- Primary contact email address and website address
- If a corporation, when and where incorporated
- List any dba’s
- Number of years in business
- Total number of employees
- State acceptance of Procurement Cards as required in Section 1, Paragraph N, Billing & Payment.

Tab D – QUALIFICATIONS:

- a. The Offeror will provide a QUALIFICATION STATEMENT which briefly describes what makes its company uniquely qualified to provide Workforce Management Systems, including any superior qualities its company possesses that would benefit Participating Public Agencies.

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- b. ORGANIZATION AND STAFF EXPERIENCE: The Offeror will describe its qualifications and experience to perform the work described in this RFP. Information about experience should include direct experience for performing Workforce Management Systems within the past 24 months, and the size of those public entities served.
- c. STATEMENT OF WORK QUESTIONNAIRE (pg. 22-29), completed.
- d. Provide a copy of all applicable software license, installation and maintenance/support contracts.

Tab E - REFERENCES:

- a. Provide three (3) references of public agencies where services of similar size and scope have been performed in the last twenty-four (24) months. References must include organization names, addresses, names of contact persons, email address and telephone numbers for such references.

Tab F – SUPPLIER INFORMATION:

- a. Supplier Qualifications (Ref. pages 30-34) Offeror must include a narrative of its understanding and acceptance of the Supplier Commitments.
- b. Completed and signed Supplier Worksheet for National Program Consideration. Supplier Worksheet for National Program Consideration (Ref. page 36).
- c. Supplier Information (Ref. pages 39-42).

Tab G – U.S. COMMUNITIES ADMINISTRATION AGREEMENT, signed unaltered.

Tab H – ADDITIONAL REQUIRED FORMS AND SIGNED ADDENDA:

- a. Provide completed Attachment F, Anti-Bribery Form.
- b. Submit initialed and/or signed Addenda (if applicable).

E. Cost Proposal Criteria

The Offeror must submit the cost proposal, in the form of the Bid Form in a separate sealed envelope, clearly marked, fully supported by cost and pricing data adequate to establish the reasonableness of the proposed fees.

For evaluation purposes, Offeror must submit specific pricing for a Sample Pricing Scenario. Pricing must be reflective of, and based on the National Pricing structure submitted.

Sample Pricing Scenario

BACKGROUND DESCRIPTION: A school district has 5000 employees with 50 schools and administrative buildings. IT technicians service five locations each. With no physical base location, they report directly to one of their five service areas, and will typically report to 3-5 of these locations. These employees should be able to report, or “clock-in” and “clock-out” from multiple work locations within the district. They should be able to tend to related HR functions, such as request leave and verify pay period attendance from multiple locations.

Purpose: The objective is to determine the feasibility of using a third party system as a Time and Attendance solution that will satisfy the needs of this school district. This solution will need to interface with the Lawson system by Infor., Inc. as well as the SmartFind Express substitute management system by ESchool, Inc. The motivation in seeking this solution is to reduce the cost associated with our current process, improve our current process, and support the continued growth of our organization. We are seeking a complete solution that will both accommodate and improve upon our business processes.

Hardware: Proposals should include the cost of hardware necessary (punch terminals, swipe terminals, etc.) to support touch screen technology, biometric technology, and badge swipe technology for employees to “clock in” or “clock out” at 50 locations. Proposals should include a full description of the hardware proposed, as well as all related cabling costs. Proposals should include the option for employees to “clock in” or “clock out” at multiple work locations in the district.

Offeror shall provide a detailed list of all costs associated with the Sample Pricing Scenario on the Bid Form/Price Sheet. **All pricing submitted must be inclusive of all fees and service charges.**

National Pricing

Offeror shall provide a line item summary of all costs associated with the Proposal on the Bid Form/Price Sheet (pg. 79). **All pricing submitted must be inclusive of all fees and service charges.** The below costs shall be included:

- a. Software costs
- b. Hardware costs
- c. Implementation and Connectivity costs
- d. Training costs
 - i. The successful Offeror shall supply all necessary components (software and hardware) to install and implement the system, provide training to Participating Public Agency staff and provide support and maintenance.
 - ii. If the proposed operating system and hardware are not currently part of the Participating Public Agency's support capabilities, provide information and costs on training and support to the Participating Public Agency's Information Systems staff.
- e. Annual support costs, including maintenance costs for hardware and software.
- f. Other costs
 - i. Offerors are encouraged to submit alternates and options which they feel may be beneficial to Participating Public Agencies. These items shall be described with associated costs specified separately.
 - ii. Offeror shall be responsible for including all costs necessary to implement the system. Any costs not specifically identified will be assumed to be included in costs of other identified costs. Adjustments to costs will not be permitted after submission of proposal.
- g. Detail any pricing discounts for volume, i.e. discount breaks for a certain number of employees/users, bundled services, etc.
- h. Provide pricing for any additional related products, services and solutions.

F. Selection and Contract Finalization

Harford County Public Schools reserves the right to terminate negotiation when, in its judgment, negotiations have reached an impasse. The Successful Offeror will be required to execute a contract with Harford County Public Schools and the Contract will include all of the provisions of this RFP, including conditions, attachments and addenda issued.

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Unsuccessful Offerors may request a debriefing meeting concerning the selection process. The debriefing will occur after contract award.

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Section IV - Statement of Work Questionnaire

1.0 DATA COLLECTION

	Requirement	Y	N
1	Data collection terminals should support bar code, magnetic stripe, proximity readers, and biometric capabilities such as finger scan technology.		
2	Data collection terminals should support on-line and offline modes.		
3	In online mode, transactions should be transmitted from the data collection terminal to the database in real time		
4	Data should be stored at the data collection terminal until confirmation of successful transfer is received to prevent data loss. Transactions should be available for exception reporting, on premise reporting and pay rule calculation in real time.		
5	Data at the data collection terminal should be secure and stored in non-volatile memory in off-line mode to prevent data loss in case of power failure.		
6	The solution should accommodate recorded entry rounding to the nearest tenth hour, quarter hour, or actual time for start and stop as well as meals and breaks.		
7	The solution should provide for the prevention of overlapping or redundant recorded entry of beginning and end time entries.		
8	The solution should restrict recorded entry (punching) at the data collection terminal or web-based entry screen during unauthorized times, including early, late, early out, late out, and unscheduled days.		
9	The solution should allow for employees to record entries at multiple locations in the district.		
10	The solution should provide for supervisor override of punch restrictions at the data collection terminal and online.		
11	System should support the assignment of employees to particular data collection terminals, and restrict their ability to enter transactions at other terminals (e.g. in a building other than their assigned building). This restriction should be assigned by employee or employee group.		
12	Employee transfers to different accounts, departments, jobs, or work rules should be validated for that employee at the point of entry.		
13	Employee self-service transactions, such as approving timecard, time off request, review schedule, review recorded entries, and review accrual balances should be available online.		

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1.0 DATA COLLECTION (CONT'D)

	Requirement	Y	N
14	Employee requests for time off at the data collection terminal should be validated against their real-time balances at the point of entry.		
15	To accommodate heavy use periods, employee self-service transactions can be restricted by terminal, terminal group, or time of day for any terminal.		
16	Data collection terminals should be configurable to provide only services and functions that may be unique to the workforce at the terminal location.		
17	Employee self-service capabilities should be available on a PC, kiosk, cellular device, tablet application or through standard web browsers.		
18	The solution should provide support for a system administrator to control functional access by employees. Employees should only be presented with those functions to which they have access, according to their role and needs.		
19	The solution should provide the ability to view immediately the outcome of the rules processing on the time entry web based time card.		
20	The system should provide for real time alerts to timekeeping exceptions, such as approaching overtime, minor rules violations.		

Describe completely how your solution addresses, and satisfies each of the requirements in Section1 on Tab D Section c.

2.0 PAY POLICY ENFORCEMENT AND TIME EVALUATION

	Requirement	Y	N
1	Pay rules should be completely parameter driven and easy to set-up, change, and track without recourse to special programming or other technical skills.		
2	The system should provide for the configuration of an unlimited number of pay rules.		
3	The solution should provide the ability to update user-defined rules and have the changes reflected immediately for time entry and processing.		
4	The solution should provide the ability to define pay rules at the employee, or group level.		
5	The solution should provide the ability to apply rules online at the point of entry, such as activity transfers, job transfers and other changes of status that would result in a different rate or type of pay.		

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2.0 PAY POLICY ENFORCEMENT AND TIME EVALUATION (CONT'D)

	Requirement	Y	N
6	The solution should provide the ability to automatically calculate overtime and other premiums based on the employees' scheduled hours and criteria that is established within the system (e.g. rules based).		
7	The solution should provide the ability to automatically calculate overtime and other premiums based on the employees' actual hours and criteria established within the system (e.g. rules based).		
8	The solution should provide the ability to automatically calculate premiums based on a comparison of the employee's scheduled hours vs. the actual hours worked, and criteria established within the system (e.g. rules based)		
9	The solution should provide the ability to calculate Shift Differential automatically based the time of day an employee works.		
10	The solution should support configurable pay periods for weekly, bi-weekly, semi-monthly and monthly periods. Multiple pay periods for different employee classes should be seamlessly supported in a single database.		
11	The solution should include configurable periods by shift for meal and breaks in accordance with state and federal law whether paid or non-paid and should		
12	The solution should manage holiday pay policies, including holiday pay and apply special rules for hours worked on a holiday. Eligibility rules for holiday pay (work scheduled day before and after, for example) should be automatically enforced.		
13	The solution should provide the ability to enter both hours and amounts for pay codes.		
14	The system should provide the ability to perform multiple overtime calculations based on rules built into the system. Overtime calculations will take into account start and stop times, scheduled hours, type of duty performed.		
15	The system should provide for retroactive pay period adjustments. Those retroactive adjustments can be paid in current pay period or special check run.		
16	The system should allow manager edits, adds, and deletes of any previous pay period data until a predetermined cut-off time.		

2.0 PAY POLICY ENFORCEMENT AND TIME EVALUATION (CONT'D)

	Requirement	Y	N
17	The system should provide the ability to adjust or correct time entries paid in previous pay periods.		
18	The system should support different pay rules for each job or department.		
19	The system should allow for the configuration of an employee's probationary period and different leave availability based on probationary status.		

Describe completely how your solution addresses, and satisfies each of the requirements in Section 2 on Tab D Section c.

3.0 FAMILY MEDICAL LEAVE ACT

	Requirement	Y	N
1	The system must be able to determine an employee's FMLA eligibility.		
2	The system must track FMLA used and FMLA available.		
3	The system must be able to coordinate time off for FMLA with other types of time off so that employees can receive paid leave if needed for eligible FMLA events, or not receive paid leave as determined by employer-defined parameters.		
4	The system should send notification to the employee about FMLA requirements.		
5	The system must support all of the definitions of yearly calculations allowed by the Department of Labor.		

Describe completely how your solution addresses, and satisfies each of the requirements in Section 3 on Tab D Section c.

4.0 APPROVALS

	Requirement	Y	N
1	The system should provide the ability for employees to approve their timesheets. This approval should be available within employee self-service and the data collection terminals		
2	System should allow for user defined text to accompany employee approvals for the purpose of attestation to timecard contents.		
3	The system should provide the ability for Managers/Supervisors to view employee timesheets that require approval (both summary and detailed level).		

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4.0 APPROVALS (CONT'D)

	Requirement	Y	N
4	The system should provide the ability for Managers/Supervisors to approve the employee's leave/attendance time.		
5	The system should provide ability to define a set of comments used to annotate manual changes and other edits of employee records.		
6	Comments should be part of exception reporting capability within the solution.		
7	Free form notes can be attached to any comment to provide more detail associated with the manual change.		
8	The system should provide the ability for an employee to acknowledge their time card if a change has been made by their supervisor or payroll (i.e. added, edited, and deleted items).		
9	The system should provide the ability for a Manager to submit modified time cards without the employee's acknowledgement.		
10	The system should provide an electronic signature for employees to approve their timesheets.		
11	The system should provide an electronic signature for managers to approve time cards for payroll processing.		
12	The system should provide for a pay period lock function for use by payroll to prevent further timecard edits by supervisors or employees.		

Describe completely how your solution addresses, and satisfies each of the requirements in Section 4 on Tab D Section c.

5.0 TIME CARD EDITS

	Requirement	Y	N
1	The system should provide the ability to adjust or correct time entries captured in the current period, but not yet paid.		
2	The system should provide the ability to easily navigate from the error report to the time card to make edits.		
3	The system should provide the ability to define default time entries for earnings, hours, holiday data, and labor distributions and the ability to override and make changes to this default information.		
5	The system should provide a report that details prior period adjustments and corrections.		
6	Allow manager edits for the current pay period but prevent manager edits of the previous pay period after the final previous pay period transmittal has been sent to payroll.		
7	Recalculate all totals immediately after a value is changed.		

5.0 TIME CARD EDITS (CONT'D)

	Requirement	Y	N
8	All historical employee time and attendance information, including any adjustments, should be available online for audit or review purposes.		
9	Allow historical time/attendanc edits by the payroll administrators.		
10	Allow manager to make edits that impact a large group of employees.		
11	Support pay or leave incentives based on user-defined conditions.		
12	Support floating holidays and multiple work calendars.		

Describe completely how your solution addresses, and satisfies each of the requirements in Section 5 on Tab D Section c.

6.0 INTERACTIVE VIEWS AND NAVIGATION

	Requirement	Y	N
1	The system should provide interactive exception and summary views for common tasks or processes with the capability to drill down on specific employee’s records.		
2	The system should provide the ability to perform actions on employee data within the interactive views, such as edits to timecards and schedules, based on security level of requestor.		
3	The system should provide the ability for the user to configure the interactive views with user-defined columns.		
4	The system should provide flexible sort capability within the interactive views.		
5	The system should provide the ability to multi-select employees within the interactive view and perform group edits.		
6	The system should provide the ability to configure interactive views for manager and assign a default view based on manager role.		

Describe completely how your solution addresses, and satisfies each of the requirements in Section 6 on Tab D Section c.

7.0 SCHEDULING

	Requirement	Y	N
1	The system should have the ability to schedule employees with variable work schedules down to the quarter hour.		
2	The system should allow employees to see schedules online or at building terminals.		
3	The system should allow for the scheduling of employees for specific activities or projects.		
4	The system should send out an automatic email notification if a change has been made that impacts the employee’s work schedule within the next 72 hours.		

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7.0 SCHEDULING (CONT'D)

	Requirement	Y	N
5	The system should allow managers or administrators the ability to add or change an entire work group’s schedule online and make the changes visible in real time.		
6	The system should be able to assign work locations as well as work schedules that may be variable and change frequently.		
7	The system should permit employees to request time off and provide a vehicle to notify employees of time off decisions.		

Describe completely how your solution addresses, and satisfies each of the requirements in Section 7 on Tab D Section c.

8.0 MISCELLANEOUS AND REPORTING

	Requirement	Y	N
1	The system should support changes in government regulations which occur over time.		
2	The system should be compatible with Microsoft Outlook and common web browsers and SmartFind Express.		
3	The system should provide email notifications when time cards are due, need review, or are approved. The system should send reminders if time card tasks are not performed in a timely manner.		
4	The system should track absences, tardies, or leaves for review by managers.		
5	The system should include an Analytics Module to show Employee Workforce trends (Absences, Perfect Attendance, etc.) metrics and connection to Improving Student Test Scores. The system should be able to produce reports on attendance, absences, tardies, or leaves by employee group, pay code, or work location. Reports should be able to be exported in multiple formats such as Word, Excel, or PDF. The system should provide a bank of popular or saved searches.		
6	The system should allow managers to assign task codes to employees to ease time entry and ensure time is charged to the correct tasks (i.e. attending a training session).		
7	The system should allow searches on multiple criteria such as type of leave, task code, work group, location, or FML.		
8	The system should allow the importation of data from external sources.		
9	The system should be able to support employees working in multiple jobs or departments during the course of a pay cycle.		
10	The system should provide a mechanism to automatically update employee’s work location, title, assigned job, or rate of pay when changes are made to the HR system.		
11	The system should be able to produce exceptions reports, work comp reports, FML reports, overtime reports, and unpaid leave reports. Reports should be able to be exported into multiple formats and separated by date range, employee work group, location pay code, or status.		

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8.0 MISCELLANEOUS AND REPORTING (CONT'D)

	Requirement	Y	N
12	The system should provide a test environment prior to “going live.”		
13	The system should be able to support single sign-on capabilities and interface with the district’s password and username scheme.		
14	The system should allow system administrators the ability to override system policies.		
15	The system should support basic word processing features such as spell check, word-wrap, copy, cut, and paste.		
16	The system should provide an On-Premise Report to show list of all employees in case emergency, weather event, etc.		

Describe completely how your solution addresses, and satisfies each of the requirements in Section 8 on Tab D Section c.

9.0 PROFESSIONAL SERVICES

	Requirement	Y	N
1	The selected vendor shall provide project management services to ensure the project is completed in a professional manner, software installation is installed on time and on schedule, and data conversion is completed, accurate, and installed on time and on schedule.		
2	The selected vendor should provide consulting services that include but are not limited to data conversion planning, system interface design, new system design, and new system testing, and new system development.		
3	The vendor shall offer and include with its response, an annual support agreement with details on the scope of the support provided.		
4	The vendor shall provide details on the frequency and method of upgrades, patches, or new releases to the software.		
5	The vendor shall provide professional training for the system that includes hands-on practice, training materials, user manuals, webinars, newsletters, user conferences, and online help features. The vendor shall provide information on the training materials and support available for users at multiple levels, with differing levels of experience.		

Describe completely how your solution addresses, and satisfies each of the requirements in Section 9 on Tab D Section c.

Section V – U.S. Communities Supplier Qualifications and Supplier Information

Supplier Qualifications:

Commitments

U.S. Communities views the relationship with an awarded Supplier as an opportunity to provide maximum benefit to both the Participating Public Agencies and to the Supplier.

The successful foundation of the partnership requires commitments from both U.S. Communities and the Supplier. U.S. Communities requires the Supplier to make the four commitments set forth below (Corporate, Pricing, Economy, Sales) to ensure that Supplier is providing the highest level of public benefit to Participating Public Agencies:

(a) **Corporate Commitment.**

(i) The pricing, terms and conditions of the Master Agreement shall, at all times, be Supplier's primary contractual offering of Products and Services to Public Agencies. All of Supplier's direct and indirect marketing and sales efforts to Public Agencies shall demonstrate that the Master Agreement is Supplier's primary offering and not just one of Supplier's contract options.

(ii) Supplier's sales force (including inside, direct and/or authorized dealers, distributors and representatives) shall always present the Master Agreement when marketing Products or Services to Public Agencies.

(iii) Supplier shall advise all Public Agencies that are existing customers of Supplier as to the pricing and other value offered through the Master Agreement.

(iv) Upon authorization by a Public Agency, Supplier shall transition such Public Agency to the pricing, terms and conditions of the Master Agreement.

(v) Supplier shall ensure that the U.S. Communities program and the Master Agreement are actively supported by Supplier's senior executive management.

(vi) Supplier shall provide a national/senior management level representative with the authority and responsibility to ensure that the Supplier's Commitments are maintained at all times. Supplier shall also designate a lead referral contact person who shall be responsible for receiving communications from U.S. Communities concerning new Participating Public Agency registrations and for ensuring timely follow-up by Supplier's staff to requests for contact from Participating Public Agencies. Supplier shall also provide the personnel necessary to implement and support a supplier-based internet web page dedicated to Supplier's U.S. Communities program and linked to U.S. Communities' website and shall implement and support such web page.

(vii) Supplier shall demonstrate in its procurement solicitation response and throughout the term of the Master Agreement that national/senior management fully supports the U.S. Communities program and its commitments and requirements. National/Senior management is defined as the executive(s) with companywide authority.

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(viii) Where Supplier has an existing contract for Products and Services with a state, Supplier shall notify the state of the Master Agreement and transition the state to the pricing, terms and conditions of the Master Agreement upon the state's request. Regardless of whether the state decides to transition to the Master Agreement, Supplier shall primarily offer the Master Agreement to all Public Agencies located within the state.

(b) **Pricing Commitment.**

(i) Supplier represents to U.S. Communities that the pricing offered under the Master Agreement is the lowest overall available pricing (net to purchaser) on Products and Services that it offers to Public Agencies. Supplier's pricing shall be evaluated on either an overall project basis or the Public Agency's actual usage for more frequently purchased Products and Services.

(ii) Contracts Offering Lower Prices. If a pre-existing contract and/or a Public Agency's unique buying pattern provide one or more Public Agencies a lower price than that offered under the Master Agreement, Supplier shall match that lower pricing under the Master Agreement and inform the eligible Public Agencies that the lower pricing is available under the Master Agreement. If an eligible Public Agency requests to be transitioned to the Master Agreement, Supplier shall do so and report the Public Agency's purchases made under the Master Agreement going forward. The price match only applies to the eligible Public Agencies. Below are three examples of Supplier's obligation to match the pricing under Supplier's contracts offering lower prices.

(A) Supplier holds a state contract with lower pricing that is available to all Public Agencies within the state. Supplier would be required to match the lower state pricing under the Master Agreement and make it available to all Public Agencies within the state.

(B) Supplier holds a regional cooperative contract with lower pricing that is available only to the ten cooperative members. Supplier would be required to match the lower cooperative pricing under the Master Agreement and make it available to the ten cooperative members.

(C) Supplier holds a contract with an individual Public Agency. The Public Agency contract does not contain any cooperative language and therefore other Public Agencies are not eligible to utilize the contract. Supplier would be required to match the lower pricing under the Master Agreement and make it available only to the individual Public Agency.

(iii) Deviating Buying Patterns. Occasionally U.S. Communities and Supplier may interact with a Public Agency that has a buying pattern or terms and conditions that considerably deviate from the normal Public Agency buying pattern and terms and conditions, and causes Supplier's pricing under the Master Agreement to be higher than an alternative contract held by Supplier. This could be created by a unique end-user preference or requirements. In the event that this situation occurs, Supplier may address the issue by lowering the price under the Master Agreement on the item(s) causing the large deviation for that Public Agency. Supplier would not be required to lower the price for other Public Agencies.

(iv) Supplier's Options in Responding to a Third Party Procurement

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Solicitation. While it is the objective of U.S. Communities to encourage Public Agencies to piggyback on to the Master Agreement rather than issue their own procurement solicitations, U.S. Communities recognizes that for various reasons some Public Agencies will issue their own solicitations. The following options are available to Supplier when responding to a Public Agency solicitation:

(A) Supplier may opt not to respond to the procurement solicitation. Supplier may make the Master Agreement available to the Public Agency as a comparison to its solicitation responses.

(B) Supplier may respond with the pricing, terms and conditions of the Master Agreement. If Supplier is awarded the contract, the sales would be reported as sales under the Master Agreement.

(C) If competitive conditions require pricing lower than the standard Master Agreement pricing, Supplier may submit lower pricing through the Master Agreement. If Supplier is awarded the contract, the sales would be reported as sales under the Master Agreement. Supplier would not be required to extend the lower price to other Public Agencies.

(D) Supplier may respond to the procurement solicitation with pricing that is higher (net to buyer) than the pricing offered under the Master Agreement. If awarded a contract, Supplier shall still be bound by all obligations set forth in the Administration Agreement, including, without limitation, the requirement to continue to advise the awarding Public Agency of the pricing, terms and conditions of the Master Agreement.

(E) Supplier may respond to the procurement solicitation with pricing that is higher (net to buyer) than the pricing offered under the Master Agreement and if an alternative response is permitted, Supplier may offer the pricing under the Master Agreement as an alternative for consideration.

(c) **Economy Commitment**. Supplier shall demonstrate the benefits, including the pricing advantage, of the Master Agreement over alternative options, including competitive solicitation pricing and shall proactively offer the terms and pricing under the Master Agreement to Public Agencies as a more effective alternative to the cost and time associated with such alternate bids and solicitations.

(d) **Sales Commitment**. Supplier shall market the Master Agreement through Supplier's sales force or dealer network that is properly trained, engaged and committed to offering the Master Agreement as Supplier's primary offering to Public Agencies. Supplier's sales force compensation and incentives shall be greater than or equal to the compensation and incentives earned under other contracts to Public Agencies.

(i) **Supplier Sales**. Supplier shall be responsible for proactive direct sales of Supplier's Products and Services to Public Agencies and the timely follow-up to sales leads identified by U.S. Communities. Use of product catalogs, targeted advertising, direct mail and other sales initiatives are encouraged. All of Supplier's sales materials targeted towards Public Agencies shall include the U.S. Communities logo. U.S. Communities hereby grants to Supplier, during the term of this Agreement, a non-exclusive, revocable, non-transferable, license

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to use the U.S. Communities name, trademark, and logo solely to perform its obligations under this Agreement, and for no other purpose. Any goodwill, rights, or benefits derived from Supplier's use of the U.S. Communities name, trademark, or logo shall inure to the benefit of U.S. Communities. U.S. Communities shall provide Supplier with its logo and the standards to be employed in the use of the logo. During the term of the Agreement, Supplier grants to U.S. Communities an express license to reproduce and use Supplier's name and logo in connection with the advertising, marketing and promotion of the Master Agreement to Public Agencies. Supplier shall assist U.S. Communities by providing camera-ready logos and by participating in related trade shows and conferences. At a minimum, Supplier's sales initiatives shall communicate that (i) the Master Agreement was competitively solicited by the Lead Public Agency, (ii) the Master Agreement provides the best government pricing, (iii) there is no cost to Participating Public Agencies, and (iv) the Master Agreement is a non-exclusive contract.

(ii) Branding and Logo Compliance. Supplier shall be responsible for complying with the U.S. Communities branding and logo standards and guidelines. Prior to use by Supplier, all U.S. Communities related marketing material must be submitted to U.S. Communities for review and approval.

(iii) Sales Force Training. Supplier shall train its national sales force on the Master Agreement and U.S. Communities program. U.S. Communities shall be available to train regional or district managers and generally assist with the education of sales personnel.

(iv) Participating Public Agency Access. Supplier shall establish the following communication links to facilitate customer access and communication:

- (A) A dedicated U.S. Communities internet web-based homepage containing:
 - (1) U.S. Communities standard logo with Founding Co-Sponsors logos;
 - (2) Copy of original procurement solicitation;
 - (3) Copy of Master Agreement including any amendments;
 - (4) Summary of Products and Services pricing;
 - (5) Electronic link to U.S. Communities' online registration page; and
 - (6) Other promotional material as requested by U.S. Communities.
- (B) A dedicated toll-free national hotline for inquiries regarding U.S. Communities.
- (C) A dedicated email address for general inquiries in the following format: uscommunities@(name of supplier).com.

(v) Electronic Registration. Supplier shall be responsible for ensuring that each Public Agency has completed U.S. Communities' online registration process prior to processing the Public Agency's first sales order.

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(vi) Supplier's Performance Review. Upon request by U.S. Communities, Supplier shall participate in a performance review meeting with U.S. Communities to evaluate Supplier's performance of the covenants set forth in this Agreement.

(vii) Supplier Content. Supplier may, from time to time, provide certain graphics, media, and other content to U.S. Communities (collectively "Supplier Content") for use on U.S. Communities websites and for general marketing and publicity purposes. Supplier hereby grants to U.S. Communities and its affiliates a non-exclusive, worldwide, perpetual, free, transferrable, license to reproduce, modify, distribute, publically perform, publically display, and use Supplier Content in connection with U.S. Communities websites and for general marketing and publicity purposes, with the right to sublicense each and every such right. Supplier warrants that: (a) Supplier is the owner of or otherwise has the unrestricted right to grant the rights in and to Supplier Content as contemplated hereunder; and (b) the use of Supplier Content and any other materials or services provided to U.S. Communities as contemplated hereunder will not violate, infringe, or misappropriate the intellectual property rights or other rights of any third party

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U.S. Communities Administration Agreement

The Supplier is required to execute the U.S. Communities Administration Agreement unaltered (attached hereto as Attachment B) prior to the award of the U.S. Communities contract. The Agreement outlines the Supplier's general duties and responsibilities in implementing the U.S. Communities contract.

The executed U.S. Communities Administration Agreement is required to be submitted with the supplier's proposal without exception or alteration. Failure to do so will result in disqualification.

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SUPPLIER WORKSHEET FOR NATIONAL PROGRAM CONSIDERATION
(Must be included with Technical Proposal)

Suppliers are required to meet specific qualifications. Please respond in the spaces provided after each qualification statement below:

- A. State if pricing for all Products/Services offered will be the most competitive pricing offered by your organization to Participating Public Agencies nationally.
YES ___ NO ___
- B. Does your company have the ability to provide service to any Participating Public Agencies in the contiguous 48 states, and the ability to deliver service in Alaska and Hawaii?
YES ___ NO ___
- C. Does your company have a national sales force, dealer network or distributor with the ability to call on Participating Public Agencies in all 35 U.S. states?
YES ___ NO ___
- D. Did your company have sales greater than \$100 million last year in the United States?
YES ___ NO ___
- E. Does your company have existing capacity to provide toll-free telephone and state of the art electronic, facsimile and internet ordering and billing?
YES ___ NO ___
- F. Will your company assign a dedicated Senior Management level Account Manager to support the resulting U.S. Communities program contract?
YES ___ NO ___
- G. Does your company agree to respond to all agency referrals from U.S. Communities within 2 business days?
YES ___ NO ___
- H. Does your company maintain records of your overall Participating Public Agencies' sales that you can and will share with U.S. Communities to monitor program implementation progress?
YES ___ NO ___
- I. Will your company commit to the following program implementation schedule?
YES ___ NO ___
- J. Will the U.S. Communities program contract be your lead public offering to Participating Public Agencies?
YES ___ NO ___

Submitted by: _____

(Printed Name)

(Signature)

(Title)

(Date)

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New Supplier Implementation Checklist		Target Completion After Award
1. First Conference Call		One Week
	Discuss expectations Establish initial contact people & roles Outline kickoff plan Establish WebEx training date	
2. Second Conference Call		One Week
	Review Contract Commitments	
3. Executed Legal Documents		One Week
	U.S. Communities Administration Agreement Lead Public Agency agreement signed	
4. Supplier Login Established		One Week
	Complete Supplier Set Up form Complete user account & user ID form	
5. Initial Sr. Management Meeting		Two Weeks
	Implementation Process Progress U.S. Communities & Supplier Organizational Overview Supplier Manager to review and further discuss commitments	
6. Initial National Account Manager (NAM) & Staff Training Meetings		Two Weeks
	Discuss expectations, roles & responsibilities Introduce and review web-based tools Review process & expectations with NAM and lead referral person	
7. Review Top Joint Target Opportunities		Four Weeks
	Top 10 local contracts Review top U.S. Communities Participating Public Agencies (PPA)	
8. Program Contact Requirements		One Week
	Supplier contacts communicated to U.S. Communities Staff Dedicated email Dedicated toll free number Dedicated fax number	
9. Web Development		
	Initiate IT contact	One Week
	Initiate E-Commerce Conversation	One Week
	Begin Website construction	Two Weeks
	Website final edit	Five Weeks
	Product upload to U.S. Communities site	Five Weeks
10. Sales Training & Roll Out		
	Program Manager (PM) briefing - Coordinate with NAM	Five Weeks
	Initial remote WebEx training for all sales - Coordinate with NAM	Three Weeks

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Establish 90-day face-to-face training plan/strategy session for all sales –with NAM & PM	Two Weeks
Top 10 metro areas - Coordinate with NAM & PM	Four Weeks
Initiate contact with Advisory Board (AB) members	Four Weeks
11. Marketing	Six Weeks
General announcement	
1 Page Summary with Supplier contacts	
Branding of program	
Supplier handbook	
Announcement to AB and Sponsors	

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SUPPLIER INFORMATION

Please respond to the following requests for information about your company:

Company

1. Total number and location of sales persons employed by your company in the United States;

Example:

NUMBER OF SALES REPRESENTATIVES	CITY	STATE
13	Phoenix	AZ
6	Tucson	AZ
10	Los Angeles	CA
12	San Francisco	CA
6	San Diego	CA
5	Sacramento	CA
3	Fresno	CA
	Etc.	Etc.
Total: 366		

2. Number and location of distribution outlets in the United States (if applicable);
3. Number and location of support centers (if applicable);
4. Annual sales for 2010, 2011 and 2012 in the United States; Sales reporting should be segmented into the following categories:

SUPPLIER ANNUAL SALES IN THE UNITED STATE FOR 2010, 2011, AND 2012			
Segment	2010 Sales	2011 Sales	2012 Sales
Cities			
Counties			
K-12 (Pubic/Private)			
Higher Education (Public/Private)			
States			
Other Public Sector and Nonprofits			
Federal			
Private Sector			
Total Supplier Sales			

5. Submit your current Federal Identification Number and latest Dun & Bradstreet report.

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6. Provide a list with contact information of your company's ten largest public agency customers. U.S. Communities Advisory Board Members are to be excluded from the list provided. Provide a list with contact information of five public agency customers that your company has lost in the last twelve months.
7. Identify all other companies that will be involved in the Workforce Management Systems provided to the end user.
8. If applicable, describe your company's ability to do business with manufacturer, dealer, distribution or service organizations that are small or MWBE businesses as defined by the Small Business Administration.

Marketing

1. Outline your company's plan for marketing the Products to state and local government agencies nationwide.
2. Explain how your company will educate its national sales force about the Master Agreement.
3. Explain how your company will market and transition the Master Agreement into the primary offering to Participating Public Agencies.
4. Explain how your company plans to market the Master Agreement to existing government customers and transition these customers to the Master Agreement. Please provide the amount of purchases of existing public agency clients that your company will transition to the U.S. Communities contract for the initial three years of the contract in the following format within your proposal.
 - a. \$_____.00 will be transitioned in year one.
 - b. \$_____.00 will be transitioned in year two.
 - c. \$_____.00 will be transitioned in year three.
5. Please submit the resume of the person your company proposes to serve as the National Accounts Manager. Additionally, provide the resume for each person that will be dedicated full time to U.S. Communities account management along with key executive personnel that will be supporting the program.

Products, Services and Systems

1. Provide a description of the Products, Services and Systems to be provided by the major product category set forth in Section II, Performance Work Statement of the RFP. The primary objective is for each Supplier to provide its complete product, service and solutions offerings so that Participating Public Agencies may order a range of product as appropriate for their needs.

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2. Provide a description of any Related Products, Services and Systems offered by Supplier. Include any associated costs in Supplier's Cost Proposal.
3. Describe any special programs that your company offers that will improve customers' ability to access Products, Services or other innovative strategies.
4. Describe the capacity of your company to broaden the scope of the contract and keep the product offerings current and ensure that latest products, standards and technology for Workforce Management System: Including Time, Attendance, Leave, Scheduling and any Other Related Products, Services and Systems.

Quality

1. Describe your company's customer support capabilities. Include information on whether any functions of customer support are in-house or outsourced.
2. Describe your company's abilities to assist with recommendations on the development of a disaster recovery plan for Participating Public Agencies. Include any previous experience, contingency plans, alternatives and issues related to continuing system operations in the event of an extended total system outage.
3. Describe your company's quality control processes.
4. Describe your problem escalation process.
5. How are customer complaints measured and categorized? What processes are in place to know that a problem has been resolved?
6. Describe and provide any product or service warranties.

Administration

1. Describe your company's capacity to employ EDI, telephone, ecommerce, with a specific proposal for processing orders under the Master Agreement. State which forms of ordering allow the use of a procurement card and the accepted banking (credit card) affiliation.
2. Provide a listing of any existing multi-state cooperative purchasing program contracts held by your company, if any, and provide the entity's name(s) and a description of the type of contract held.
3. Describe the capacity of your company to report monthly sales under the Master Agreement by Participating Public Agency within each U.S. state.
4. Describe the capacity of your company to provide management reports, i.e. commodity histories, procurement card histories, green spend, etc. for each Participating Public Agency.

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5. Please provide any suggested improvements and alternatives for doing business with your company that will make this arrangement more cost effective for your company and Participating Public Agencies.

Financial Statements

The Supplier shall include an audited income statement and balance sheet from the most recent reporting period in its proposal.

National Staffing Plan

A staffing plan is required which describes the Supplier's proposed staff distribution to implement and manage this contract throughout the term of the contract. The staffing plan should indicate a chart that partitions the time commitment of each professional staff member across the proposed tasks and a timeline of each member's involvement throughout the contract. It is mandatory that this section identify the key personnel who are to be engaged in this contract, their relationship to the contracting organization, and amount of time to be devoted to the contract.

Environmental

1. Provide a brief description of any company environmental initiatives, including your company's environmental strategy, your investment in being an environmentally preferable product leader, and any resources dedicated to your environmental strategy.
2. Describe your company's process for defining green products or sustainable processes.

Additional Information

Please use this opportunity to describe any/all other features, advantages and benefits of your organization that you feel will provide additional value and benefit to a Participating Public Agency.

ATTACHMENT A

MASTER INTERGOVERNMENTAL COOPERATIVE PURCHASING AGREEMENT

This Master Intergovernmental Cooperative Purchasing Agreement (“Agreement”) is made between certain government agencies that execute a Lead Public Agency Certificate (collectively, “Lead Public Agencies”) to be appended and made a part hereof and other government agencies (“Participating Public Agencies”) that agree to the terms and conditions hereof through the U.S. Communities registration process and made a part hereof.

RECITALS

WHEREAS, after a competitive solicitation and selection process by Lead Public Agencies, in compliance with their own policies, procedures, rules and regulations, a number of suppliers (each, a “Contract Supplier”) have entered into Master Agreements with Lead Public Agencies to provide a variety of goods, products and services based on national and international volumes (herein “Products and Services”);

WHEREAS, Master Agreements are made available by Lead Public Agencies through U.S. Communities and provide that Participating Public Agencies may purchase Products and Services on the same terms, conditions and pricing as the Lead Public Agency, subject to any applicable local purchasing ordinances and the laws of the State of purchase;

WHEREAS, the parties desire to comply with the requirements and formalities of the Intergovernmental Cooperation Act as may be applicable to the laws of the State of purchase;

WHEREAS, the parties hereto desire to conserve resources and reduce procurement cost;

WHEREAS, the parties hereto desire to improve the efficiency, effectiveness and economy of the procurement of necessary Products and Services;

NOW, THEREFORE, in consideration of the mutual promises contained in this Agreement, and of the mutual benefits to result, the parties agree as follows:

1. That each party will facilitate the cooperative procurement of Products and Services.
2. That the procurement of Products and Services subject to this Agreement shall be conducted in accordance with and subject to the relevant statutes, ordinances, rules and regulations that govern each party’s procurement practices.
3. That the cooperative use of solicitations obtained by a party to this Agreement shall be in accordance with the Terms and Conditions of the Solicitation, except as modification of those terms and conditions is otherwise allowed or required by applicable law.
4. That the Lead Public Agencies will make available, upon reasonable request and subject to convenience, information which may assist in improving the effectiveness, efficiency and economy of Participating Public Agencies’ procurement of Products and Services.
5. That the Participating Public Agency will make timely payments to the Contract Supplier for Products and Services received in accordance with the Terms and Conditions of the procurement. Payment, inspections and acceptance of Products and Services ordered by the Participating Public Agency shall be the exclusive obligation of such Participating Public Agency. Disputes between the Participating Public Agency and Contract Supplier are to be resolved in accord with the law and venue rules of the State of purchase.

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6. The Participating Public Agency shall not use this Agreement as a method for obtaining additional concessions or reduced prices for similar products or services.
7. The Participating Public Agency shall be responsible for the ordering of Products and Services under this Agreement. A Lead Public Agency shall not be liable in any fashion for any violation by a Participating Public Agency, and the Participating Public Agency shall hold the Lead Public Agency harmless from any liability that may arise from action or inaction of the Participating Public Agency.
8. The exercise of any rights or remedies by the Participating Public Agency shall be the exclusive obligation of such Participating Public Agency.
9. This Agreement shall remain in effect until termination by a party giving thirty (30) days prior written notice to U.S. Communities at 2033 N. Main Street, Suite 700, Walnut Creek, CA 94596.
10. This Agreement shall become effective after execution of the Lead Public Agency Certificate or Participating Public Agency registration, as applicable.

ATTACHMENT B
ADMINISTRATION AGREEMENT

This ADMINISTRATION AGREEMENT (“Agreement”) is made as of _____, by and between U.S. COMMUNITIES GOVERNMENT PURCHASING ALLIANCE (“U.S. Communities”) and _____ (“Supplier”).

RECITALS

WHEREAS, _____ (“Lead Public Agency”) has entered into a certain Master Agreement dated as of _____, referenced as Agreement No. _____, by and between Lead Public Agency and Supplier (as amended from time to time in accordance with the terms thereof, the “Master Agreement”) for the purchase of _____ (the “Products and Services”);

WHEREAS, the Master Agreement provides that any state, county, city, special district, local government, school district, private K-12 school, technical or vocational school, higher education institution (including community colleges, colleges and universities, both public and private), other government agency or nonprofit organization (each a “Public Agency” and collectively, “Public Agencies”) may purchase Products and Services at the prices indicated in the Master Agreement upon prior registration with U.S. Communities, in which case the Public Agency becomes a “Participating Public Agency”;

WHEREAS, U.S. Communities has the administrative and legal capacity to administer purchases under the Master Agreement to Participating Public Agencies;

WHEREAS, U.S. Communities serves as the administrative agent for Lead Public Agency and other lead public agencies in connection with other master agreements offered by U.S. Communities;

WHEREAS, Lead Public Agency desires U.S. Communities to proceed with administration of the Master Agreement on the same basis as other master agreements;

WHEREAS, “U.S. Communities Government Purchasing Alliance” is a trade name licensed by U.S. Communities Purchasing & Finance Agency; and

WHEREAS, U.S. Communities and Supplier desire to enter into this Agreement to make available the Master Agreement to Participating Public Agencies.

NOW, THEREFORE, in consideration of the payments to be made hereunder and the mutual covenants contained in this Agreement, U.S. Communities and Supplier hereby agree as follows:

ARTICLE I

GENERAL TERMS AND CONDITIONS

1.1 The Master Agreement, attached hereto as Exhibit A and incorporated herein by reference as though fully set forth herein, and the terms and conditions contained therein shall apply to this Agreement except as expressly changed or modified by this Agreement.

1.2 U.S. Communities shall be afforded all of the rights, privileges and indemnifications afforded to Lead Public Agency under the Master Agreement, and such rights, privileges and indemnifications shall accrue and

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apply with equal effect to U.S. Communities under this Agreement including, without limitation, Supplier's obligation to provide insurance and certain indemnifications to Lead Public Agency.

1.3 Supplier shall perform all duties, responsibilities and obligations required under the Master Agreement in the time and manner specified by the Master Agreement.

1.4 U.S. Communities shall perform all of its duties, responsibilities and obligations as administrator of purchases under the Master Agreement as set forth herein, and Supplier acknowledges that U.S. Communities shall act in the capacity of administrator of purchases under the Master Agreement.

1.5 With respect to any purchases made by Lead Public Agency or any Participating Public Agency pursuant to the Master Agreement, U.S. Communities (a) shall not be construed as a dealer, re-marketer, representative, partner, or agent of any type of Supplier, Lead Public Agency or such Participating Public Agency, (b) shall not be obligated, liable or responsible (i) for any orders made by Lead Public Agency, any Participating Public Agency or any employee of Lead Public Agency or a Participating Public Agency under the Master Agreement, or (ii) for any payments required to be made with respect to such order, and (c) shall not be obligated, liable or responsible for any failure by a Participating Public Agency to (i) comply with procedures or requirements of applicable law, or (ii) obtain the due authorization and approval necessary to purchase under the Master Agreement. U.S. Communities makes no representations or guaranties with respect to any minimum purchases required to be made by Lead Public Agency, any Participating Public Agency, or any employee of Lead Public Agency or a Participating Public Agency under this Agreement or the Master Agreement.

ARTICLE II

TERM OF AGREEMENT

2.1 This Agreement is effective as of _____ and shall terminate upon termination of the Master Agreement or any earlier termination in accordance with the terms of this Agreement, provided, however, that the obligation to pay all amounts owed by Supplier to U.S. Communities through the termination of this Agreement and all indemnifications afforded by Supplier to U.S. Communities shall survive the term of this Agreement.

ARTICLE III

REPRESENTATIONS AND COVENANTS

3.1 U.S. Communities views the relationship with Supplier as an opportunity to provide benefits to both Public Agencies and Supplier. The successful foundation of the relationship requires certain representations and covenants from both U.S. Communities and Supplier.

3.2 U.S. Communities' Representations and Covenants.

(a) Marketing. U.S. Communities shall proactively market the Master Agreement to Public Agencies using resources such as a network of major sponsors including the National League of Cities (NLC), National Association of Counties (NACo), United States Conference of Mayors (USCM), Association of School Business Officials (ASBO) and National Institute of Governmental Purchasing (NIGP) (collectively, the "Founding Co-Sponsors") and individual state-level sponsors. In addition, the U.S. Communities staff shall enhance Supplier's marketing efforts through meetings with Public Agencies, participation in key events and tradeshow and by providing online tools to Supplier's sales force.

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(b) Training and Knowledge Management Support. U.S. Communities shall provide support for the education, training and engagement of Supplier's sales force as provided herein. Through its staff (each, a "Program Manager" and collectively, the "Program Managers"), U.S. Communities shall conduct training sessions with Supplier and shall conduct calls jointly with Supplier to Public Agencies. U.S. Communities shall also provide Supplier with access to U.S. Communities' private intranet website which provides presentations, documents and information to assist Supplier's sales force in effectively promoting the Master Agreement.

3.3 Supplier's Representations and Covenants. Supplier hereby represents and covenants as follows in order to ensure that Supplier is providing the highest level of public benefit to Participating Public Agencies (such representations and covenants are sometimes referred to as "Supplier's Commitments" and are comprised of the Corporate Commitment, Pricing Commitment, Economy Commitment and Sales Commitment):

(a) Corporate Commitment.

(i) The pricing, terms and conditions of the Master Agreement shall, at all times, be Supplier's primary contractual offering of Products and Services to Public Agencies. All of Supplier's direct and indirect marketing and sales efforts to Public Agencies shall demonstrate that the Master Agreement is Supplier's primary offering and not just one of Supplier's contract options.

(ii) Supplier's sales force (including inside, direct and/or authorized dealers, distributors and representatives) shall always present the Master Agreement when marketing Products or Services to Public Agencies.

(iii) Supplier shall advise all Public Agencies that are existing customers of Supplier as to the pricing and other value offered through the Master Agreement.

(iv) Upon authorization by a Public Agency, Supplier shall transition such Public Agency to the pricing, terms and conditions of the Master Agreement.

(v) Supplier shall ensure that the U.S. Communities program and the Master Agreement are actively supported by Supplier's senior executive management.

(vi) Supplier shall provide a national/senior management level representative with the authority and responsibility to ensure that the Supplier's Commitments are maintained at all times. Supplier shall also designate a lead referral contact person who shall be responsible for receiving communications from U.S. Communities concerning new Participating Public Agency registrations and for ensuring timely follow-up by Supplier's staff to requests for contact from Participating Public Agencies. Supplier shall also provide the personnel necessary to implement and support a supplier-based internet web page dedicated to Supplier's U.S. Communities program and linked to U.S. Communities' website and shall implement and support such web page.

(vii) Supplier shall demonstrate in its procurement solicitation response and throughout the term of the Master Agreement that national/senior management fully supports the U.S. Communities program and its commitments and requirements. National/Senior management is defined as the executive(s) with companywide authority.

(viii) Where Supplier has an existing contract for Products and Services with a state, Supplier shall notify the state of the Master Agreement and transition the state to the pricing, terms and conditions of the Master Agreement upon the state's request. Regardless of whether the state decides to transition to the Master Agreement, Supplier shall primarily offer the Master Agreement to all Public Agencies located within the state.

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(b) **Pricing Commitment.**

(i) Supplier represents to U.S. Communities that the pricing offered under the Master Agreement is the lowest overall available pricing (net to purchaser) on Products and Services that it offers to Public Agencies. Supplier's pricing shall be evaluated on either an overall project basis or the Public Agency's actual usage for more frequently purchased Products and Services.

(ii) **Contracts Offering Lower Prices.** If a pre-existing contract and/or a Public Agency's unique buying pattern provide one or more Public Agencies a lower price than that offered under the Master Agreement, Supplier shall match that lower pricing under the Master Agreement and inform the eligible Public Agencies that the lower pricing is available under the Master Agreement. If an eligible Public Agency requests to be transitioned to the Master Agreement, Supplier shall do so and report the Public Agency's purchases made under the Master Agreement going forward. The price match only applies to the eligible Public Agencies. Below are three examples of Supplier's obligation to match the pricing under Supplier's contracts offering lower prices.

(A) Supplier holds a state contract with lower pricing that is available to all Public Agencies within the state. Supplier would be required to match the lower state pricing under the Master Agreement and make it available to all Public Agencies within the state.

(B) Supplier holds a regional cooperative contract with lower pricing that is available only to the ten cooperative members. Supplier would be required to match the lower cooperative pricing under the Master Agreement and make it available to the ten cooperative members.

(C) Supplier holds a contract with an individual Public Agency. The Public Agency contract does not contain any cooperative language and therefore other Public Agencies are not eligible to utilize the contract. Supplier would be required to match the lower pricing under the Master Agreement and make it available only to the individual Public Agency.

(iii) **Deviating Buying Patterns.** Occasionally U.S. Communities and Supplier may interact with a Public Agency that has a buying pattern or terms and conditions that considerably deviate from the normal Public Agency buying pattern and terms and conditions, and causes Supplier's pricing under the Master Agreement to be higher than an alternative contract held by Supplier. This could be created by a unique end-user preference or requirements. In the event that this situation occurs, Supplier may address the issue by lowering the price under the Master Agreement on the item(s) causing the large deviation for that Public Agency. Supplier would not be required to lower the price for other Public Agencies.

(iv) **Supplier's Options in Responding to a Third Party Procurement Solicitation.** While it is the objective of U.S. Communities to encourage Public Agencies to piggyback on to the Master Agreement rather than issue their own procurement solicitations, U.S. Communities recognizes that for various reasons some Public Agencies will issue their own solicitations. The following options are available to Supplier when responding to a Public Agency solicitation:

(A) Supplier may opt not to respond to the procurement solicitation. Supplier may make the Master Agreement available to the Public Agency as a comparison to its solicitation responses.

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(B) Supplier may respond with the pricing, terms and conditions of the Master Agreement. If Supplier is awarded the contract, the sales would be reported as sales under the Master Agreement.

(C) If competitive conditions require pricing lower than the standard Master Agreement pricing, Supplier may submit lower pricing through the Master Agreement. If Supplier is awarded the contract, the sales would be reported as sales under the Master Agreement. Supplier would not be required to extend the lower price to other Public Agencies.

(D) Supplier may respond to the procurement solicitation with pricing that is higher (net to buyer) than the pricing offered under the Master Agreement. If awarded a contract, Supplier shall still be bound by all obligations set forth in this Section 3.3, including, without limitation, the requirement to continue to advise the awarding Public Agency of the pricing, terms and conditions of the Master Agreement.

(E) Supplier may respond to the procurement solicitation with pricing that is higher (net to buyer) than the pricing offered under the Master Agreement and if an alternative response is permitted, Supplier may offer the pricing under the Master Agreement as an alternative for consideration.

(c) **Economy Commitment.** Supplier shall demonstrate the benefits, including the pricing advantage, of the Master Agreement over alternative options, including competitive solicitation pricing and shall proactively offer the terms and pricing under the Master Agreement to Public Agencies as a more effective alternative to the cost and time associated with such alternate bids and solicitations.

(d) **Sales Commitment.** Supplier shall market the Master Agreement through Supplier's sales force or dealer network that is properly trained, engaged and committed to offering the Master Agreement as Supplier's primary offering to Public Agencies. Supplier's sales force compensation and incentives shall be greater than or equal to the compensation and incentives earned under other contracts to Public Agencies.

(i) **Supplier Sales.** Supplier shall be responsible for proactive direct sales of Supplier's Products and Services to Public Agencies and the timely follow-up to sales leads identified by U.S. Communities. Use of product catalogs, targeted advertising, direct mail and other sales initiatives are encouraged. All of Supplier's sales materials targeted towards Public Agencies shall include the U.S. Communities logo. U.S. Communities hereby grants to Supplier, during the term of this Agreement, a non-exclusive, revocable, non-transferable, license to use the U.S. Communities name, trademark, and logo solely to perform its obligations under this Agreement, and for no other purpose. Any goodwill, rights, or benefits derived from Supplier's use of the U.S. Communities name, trademark, or logo shall inure to the benefit of U.S. Communities. U.S. Communities shall provide Supplier with its logo and the standards to be employed in the use of the logo. During the term of the Agreement, Supplier grants to U.S. Communities an express license to reproduce and use Supplier's name and logo in connection with the advertising, marketing and promotion of the Master Agreement to Public Agencies. Supplier shall assist U.S. Communities by providing camera-ready logos and by participating in related trade shows and conferences. At a minimum, Supplier's sales initiatives shall communicate that (i) the Master Agreement was competitively solicited by the Lead Public Agency, (ii) the Master Agreement provides the best government pricing, (iii) there is no cost to Participating Public Agencies, and (iv) the Master Agreement is a non-exclusive contract.

(ii) **Branding and Logo Compliance.** Supplier shall be responsible for complying with the U.S. Communities branding and logo standards and guidelines. Prior to use by Supplier, all U.S. Communities related marketing material must be submitted to U.S. Communities for review and approval.

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(iii) Sales Force Training. Supplier shall train its national sales force on the Master Agreement and U.S. Communities program. U.S. Communities shall be available to train regional or district managers and generally assist with the education of sales personnel.

(iv) Participating Public Agency Access. Supplier shall establish the following communication links to facilitate customer access and communication:

(A) A dedicated U.S. Communities internet web-based homepage
containing:

- (1) U.S. Communities standard logo with Founding Co-Sponsors logos;
- (2) Copy of original procurement solicitation;
- (3) Copy of Master Agreement including any amendments;
- (4) Summary of Products and Services pricing;
- (5) Electronic link to U.S. Communities' online registration page; and
- (6) Other promotional material as requested by U.S. Communities.

(B) A dedicated toll-free national hotline for inquiries regarding U.S. Communities.

(C) A dedicated email address for general inquiries in the following format: uscommunities@(name of supplier).com.

(v) Electronic Registration. Supplier shall be responsible for ensuring that each Public Agency has completed U.S. Communities' online registration process prior to processing the Public Agency's first sales order.

(vi) Supplier's Performance Review. Upon request by U.S. Communities, Supplier shall participate in a performance review meeting with U.S. Communities to evaluate Supplier's performance of the covenants set forth in this Agreement.

(vii) Supplier Content. Supplier may, from time to time, provide certain graphics, media, and other content to U.S. Communities (collectively "Supplier Content") for use on U.S. Communities websites and for general marketing and publicity purposes. Supplier hereby grants to U.S. Communities and its affiliates a non-exclusive, worldwide, perpetual, free, transferrable, license to reproduce, modify, distribute, publically perform, publically display, and use Supplier Content in connection with U.S. Communities websites and for general marketing and publicity purposes, with the right to sublicense each and every such right. Supplier warrants that: (a) Supplier is the owner of or otherwise has the unrestricted right to grant the rights in and to Supplier Content as contemplated hereunder; and (b) the use of Supplier Content and any other materials or services provided to U.S. Communities as contemplated hereunder will not violate, infringe, or misappropriate the intellectual property rights or other rights of any third party

3.4 Breach of Supplier's Representations and Covenants. The representations and covenants set forth in this Agreement are the foundation of the relationship between U.S. Communities and Supplier. If Supplier is found to be in violation of, or non-compliance with, one or more of the representations and covenants set forth in this Agreement, Supplier shall have ninety (90) days from the notice of default to cure such violation or non-compliance and, if Supplier fails to cure such violation or non-compliance within such notice period, it shall be

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deemed a cause for immediate termination of the Master Agreement at Lead Public Agency's sole discretion or this Agreement at U.S. Communities' sole discretion.

3.5 Indemnity. Supplier hereby agrees to indemnify and defend U.S. Communities, and its parent companies, subsidiaries, affiliates, shareholders, member, manager, officers, directors, employees, agents, and representatives from and against any and all claims, costs, proceedings, demands, losses, damages, and expenses (including, without limitation, reasonable attorney's fees and legal costs) of any kind or nature, arising from or relating to, any actual or alleged breach of any of Supplier's representations, warranties, or covenants in this Agreement.

ARTICLE IV

PRICING AUDITS

4.1 Supplier shall, at Supplier's sole expense, maintain an accounting of all purchases made by Lead Public Agency and Participating Public Agencies under the Master Agreement. U.S. Communities and Lead Public Agency each reserve the right to audit the accounting for a period of three (3) years from the time such purchases are made. This audit right shall survive termination of this Agreement for a period of one (1) year from the effective date of termination. U.S. Communities shall have the authority to conduct random audits of Supplier's pricing that is offered to Participating Public Agencies at U.S. Communities' sole cost and expense. Notwithstanding the foregoing, in the event that U.S. Communities is made aware of any pricing being offered to Participating Public Agencies that is materially inconsistent with the pricing under the Master Agreement, U.S. Communities shall have the ability to conduct an extensive audit of Supplier's pricing at Supplier's sole cost and expense. U.S. Communities may conduct the audit internally or may engage a third-party auditing firm. In the event of an audit, the requested materials shall be provided in the format and at the location designated by Lead Public Agency or U.S. Communities.

ARTICLE V

FEES & REPORTING

5.1 Administrative Fees. Supplier shall pay to U.S. Communities a monthly administrative fee based upon the total sales price of all purchases shipped and billed pursuant to the Master Agreement, excluding taxes, in the amount of two percent (2%) of aggregate purchases made during each calendar month (individually and collectively, "Administrative Fees"). Supplier's annual sales shall be measured on a calendar year basis. All Administrative Fees shall be payable in U.S. Dollars and shall be made by wire to U.S. Communities, or its designee or trustee as may be directed in writing by U.S. Communities. Administrative Fees shall be due and payable within thirty (30) days of the end of each calendar month for purchases shipped and billed during such calendar month. U.S. Communities agrees to pay to Lead Public Agency five percent (5%) of all Administrative Fees received from Supplier to help offset Lead Public Agency's costs incurred in connection with managing the Master Agreement nationally.

5.2 Sales Reports. Within thirty (30) days of the end of each calendar month, Supplier shall deliver to U.S. Communities an electronic accounting report, in the format prescribed by Exhibit B, attached hereto, summarizing all purchases made under the Master Agreement during such calendar month ("Sales Report"). All purchases indicated in the Sales Report shall be denominated in U.S. Dollars. All purchases shipped and billed pursuant to the Master Agreement for the applicable calendar month shall be included in the Sales Report. U.S. Communities reserves the right upon reasonable advance notice to Supplier to change the prescribed report format to accommodate the distribution of the Administrative Fees to its program sponsors and state associations.

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(a) Monthly Sales Reports shall include all sales reporting under the Master Agreement, and a breakout of Environmental Preferable (Green) sales reporting. Supplier must make reasonable attempts at filling in all required information and contact U.S. Communities with a plan to correct any deficiencies of data field population.

(b) Submitted reports shall be verified by U.S. Communities against its registration database. Any data that is inconsistent with the registration database shall be changed prior to processing.

5.3 Exception Reporting/Sales Reports Audits. U.S. Communities or its designee may, at its sole discretion, compare Supplier’s Sales Reports with Participating Public Agency records or other sales analysis performed by Participating Public Agencies, sponsors, advisory board members or U.S. Communities staff. If there is a material discrepancy between the Sales Report and such records or sales analysis as determined by U.S. Communities, U.S. Communities shall notify Supplier in writing and Supplier shall have thirty (30) days from the date of such notice to resolve the discrepancy to U.S. Communities’ reasonable satisfaction. Upon resolution of the discrepancy, Supplier shall remit payment to U.S. Communities’ trustee within fifteen (15) calendar days. Any questions regarding an exception report should be directed to U.S. Communities in writing to reporting@uscommunities.org. If Supplier does not resolve the discrepancy to U.S. Communities’ reasonable satisfaction within thirty (30) days, U.S. Communities shall have the right to engage outside services to conduct an independent audit of Supplier’s reports and Supplier shall be obligated to reimburse U.S. Communities for any and all costs and expenses incurred in connection with such audit.

5.4 Online Reporting. Within sixty (60) days of the end of each calendar quarter, U.S. Communities shall provide online reporting to Supplier containing Supplier’s sales reporting for such calendar quarter. Supplier shall contact U.S. Communities within fifteen (15) days of receiving notification of the online reporting and report to U.S. Communities any concerns or disputes regarding the reports, including but not limited to concerns regarding the following:

Report Name	Follow up with U.S. Communities
5 Qtr Drop Sales Analysis	Financial & Reporting Manager
Zero States Sales Report	Program Manager
Registered Agency Without Sales Report	Program Manager

Supplier shall have access to the above reports through the U.S. Communities intranet website. The following additional reports are also available to Supplier and are useful in resolving reporting issues and enabling Supplier to better manage its Master Agreement:

- (i) Agency Sales by Population/Enrollment Report
- (ii) Hot Prospect Sales Report
- (iii) New Lead Sales Report
- (iv) State Comparison Sales Report
- (v) Advisory Board Usage Report
- (vi) Various Agency Type Comparison Reports
- (vii) Sales Report Builder

5.5 Supplier’s Failure to Provide Reports or Pay Administrative Fees. Failure to provide a Sales Report or pay Administrative Fees within the time and in the manner specified herein shall be regarded as a material breach under this Agreement and if not cured within thirty (30) days of written notice to Supplier, shall be deemed a cause for termination of the Master Agreement at Lead Public Agency’s sole discretion or this Agreement at U.S. Communities’ sole discretion. All Administrative Fees not paid within thirty (30) days of the end of the previous calendar month shall bear interest at the rate of one and one-half percent (1.5%) per month until paid in full.

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6.8 Modifications. This Agreement may not be effectively amended, changed, modified, altered or terminated without the prior written consent of the parties hereto.

6.9 Governing Law; Arbitration. This Agreement will be governed by and interpreted in accordance with the laws of the State of California without regard to any conflict of laws principles. Any dispute, claim, or controversy arising out of or relating to this Agreement or the breach, termination, enforcement, interpretation or validity thereof, including the determination of the scope or applicability of this dispute resolution clause, shall be determined by arbitration in Walnut Creek, California, before one (1) arbitrator. The arbitration shall be administered by JAMS pursuant to its Comprehensive Arbitration Rules and Procedures. Judgment on the award may be entered in any court having jurisdiction. This clause shall not preclude parties from seeking provisional remedies in aid of arbitration from a court of appropriate jurisdiction. The prevailing party will be entitled to recover its reasonable attorneys' fees and arbitration costs from the other party. The arbitration award shall be final and binding. Each party commits that prior to commencement of arbitration proceedings, the parties shall submit the dispute to JAMS for mediation. The parties will cooperate with JAMS and with one another in selecting a mediator from JAMS panel of neutrals, and in promptly scheduling the mediation proceedings. The parties covenant that they will participate in the mediation in good faith, and that they will share equally in its costs. The mediation will be conducted by each party designating a duly authorized officer or other representative to represent the party with the authority to bind the party, and that the parties agree to exchange informally such information as is reasonably necessary and relevant to the issues being mediated. All offers, promises, conduct, and statements, whether oral or written, made in the course of the mediation by any of the parties, their agents, employees, experts, and attorneys, and by the mediator or any JAMS employees, are confidential, privileged, and inadmissible for any purpose, including impeachment, in any arbitration or other proceeding involving the parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the mediation. If the dispute is not resolved within thirty (30) days from the date of the submission of the dispute to mediation (or such later date as the parties may mutually agree in writing), the administration of the arbitration shall proceed. The mediation may continue, if the parties so agree, after the appointment of the arbitrator. Unless otherwise agreed by the parties, the mediator shall be disqualified from serving as arbitrator in the case. The pendency of a mediation shall not preclude a party from seeking provisional remedies in aid of the arbitration from a court of appropriate jurisdiction, and the parties agree not to defend against any application for provisional relief on the ground that a mediation is pending.

6.10 Successors and Assigns. This Agreement shall inure to the benefit of and shall be binding upon U.S. Communities, Supplier and any successor and assign thereto; subject, however, to the limitations contained herein.

[Remainder of Page Intentionally Left Blank – Signatures Follow]

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IN WITNESS WHEREOF, U.S. Communities has caused this Agreement to be executed in its name and Supplier has caused this Agreement to be executed in its name, all as of the date first written above.

U.S. Communities:

U.S. COMMUNITIES GOVERNMENT PURCHASING ALLIANCE

By _____

Name: _____

Title: _____

Supplier:

By _____

Name: _____

Title: _____

RFP – Workforce Management System
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EXHIBIT A

MASTER AGREEMENT

(Harford County Public Schools Master Agreement/Contract to be attached at time of award.)

RFP – Workforce Management System
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EXHIBIT B

SALES REPORT FORMAT

Appendix B - US (Data Format)													
Sales Report Template													
TIN	Supplier ID	Account No.	Agency Name	Dept Name	Address	City	State	Zip	Agency Type	Year	Qtr	Month	Amount
956000735	160	89518997	CITY OF LA/MGMT EMPL SVCS	Purchasing	555 RAMIREZ ST STE 312	LOS ANGELES	CA	90012	20	2012	2	5	1525.50
956000222	160	34868035	LOS ANGELES COUNTY	Facilities	350 S FIGUEROA ST STE 700	LOS ANGELES	CA	90071	30	2012	2	5	1603.64
956000735	160	89496461	CITY OF LAVEN/IRON AFFAIR	Purchasing	555 RAMIREZ ST STE 312	LOS ANGELES	CA	90012	20	2012	2	5	1625.05
956000735	160	89374835	CITY OF LA/COMMUNITY DEV	Purchasing	555 RAMIREZ ST STE 312	LOS ANGELES	CA	90012	20	2012	2	5	45090.79
066002010	160	328NA0001053	GROTON TOWN OF PUBLIC WORKS	Water	123 A St	GROTON	CT	06340	20	2012	2	5	318.00
066001854	160	328NA0001051	GROTON CITY OF	Administration	123 A St	GROTON	CT	06340	20	2012	2	5	212.00

SALES REPORT DATA FORMAT					
Column Name	Required	Data Type	Length	Example	Comment
TIN	Optional	Text	9	956000735	No Dash, Do not omit leading zero.
Supplier ID	Yes	Number	3	111	See Supplier ID Table Below
Account No.	Optional	Text	25 max		Depends on supplier account no.
Agency Name	Yes	Text	255 max		Los Angeles County
Dept Name	Optional	Text	255 max		Purchasing Dept
Address	Yes	Text	255 max		
City	Yes	Text	255 max	Los Angeles	Must be a valid City name
State	Yes	Text	2	CA	
Zip	Yes	Text	5	90071	No Dash, Do not omit leading zero, Valid zip code
Agency Type	Yes	Number	2	30	See Agency Type Table Below
Year	Yes	Number	4	2010	
Qtr	Yes	Number	1	4	
Month	Yes	Number	2	12	
Amount	Yes	Number	variable	45090.79	Two digit decimal point, no \$ sign or commas

Agency Type Table	
Agency Type ID	Agency Type Description
10	K-12
11	Community College
12	College and University
20	City
21	City Special District
22	Consolidated City/County
30	County
31	County Special District
40	Federal
41	Crown Corporations
50	Housing Authority
80	State Agency
81	Independent Special District
82	Non-Profit
84	Other

ATTACHMENT C
STATE NOTICE ADDENDUM

Pursuant to certain state notice provisions the following public agencies and political subdivisions of the referenced public agencies are eligible to access the contract award made pursuant to this solicitation. Public agencies and political subdivisions are hereby given notice of the foregoing request for proposal for purposes of complying with the procedural requirements of said statutes:

Nationwide:

http://www.usa.gov/Agencies/Local_Government/Cities.shtml

Other states:

State of Oregon, State of Hawaii, State of Washington

State: HI

Account Type: HI Counties, Cities, Colleges

Hawaii County
Honolulu County
Kauai County
Maui County
Kalawao County
Aiea
Anahola
Barbers Point N A S
Camp H M Smith
Captain Cook
Eleele
Ewa Beach
Fort Shafter
Haiku
Hakalau
Haleiwa
Hana
Hanalei
Hanamaulu
Hanapepe
Hauula
Hawaii National Park
Hawaiian Ocean View
Hawi
Hickam AFB
Hilo

Holualoa
Honaunau
Honokaa
Honolulu
Honomu
Hoolehua
Kaaawa
Kahuku
Kahului
Kailua
Kailua Kona
Kalaheo
Kalaupapa
Kamuela
Kaneohe
Kapaa
Kapaau
Kapolei
Kaumakani
Kaunakakai
Kawela Bay
Keaau
Kealakekua
Kealia
Keauhou
Kekaha
Kihei
Kilauea
Koloa
Kualapuu

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Kula	Puunene
Kunia	Schofield Barracks
Kurtistown	Tripler Army Medical Center
Lahaina	Volvano
Laie	Wahiawa
Lanai City	Waialua
Laupahoehoe	Waianae
Lawai	Waikoloa
Lihue	Wailuku
M C B H Kaneohe Bay	Waimanalo
Makawao	Waimea
Makaweli	Waipahu
Maunaloa	Wake Island
Mililani	Wheeler Army Airfield
Mountain View	Brigham Young University - Hawaii
Naalehu	Chaminade University of Honolulu
Ninole	Hawaii Business College
Ocean View	Hawaii Pacific University
Ookala	Hawaii Technology Institute
Paaupuu	Heald College - Honolulu
Paauiilo	Remington College - Honolulu Campus
Pahala	University of Phoenix - Hawaii Campus
Pahoa	Hawaii Community College
Paia	Honolulu Community College
Papaaloa	Kapiolani Community College
Papaikou	Kauai Community College
Pearl City	Leeward Community College
Pearl Harbor	Maui Community College
Pepeekeo	University of Hawaii at Hilo
Princeville	University of Hawaii at Manoa
Pukalani	Windward Community College

RFP – Workforce Management System
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AgencyName

State: HI (106 records)

Account Type: K-12 (13 records)

ST JOHN THE BAPTIST
Waimanalo Elementary and Intermediate School
Kailua High School
PACIFIC BUDDHIST ACADEMY
HAWAII TECHNOLOGY ACADEMY
CONGREGATION OF CHRISTIAN BROTHERS OF HAWAII, INC.
MARYKNOLL SCHOOL
ISLAND SCHOOL
KE KULA O S. M. KAMAKAU
KAMEHAMEHA SCHOOLS
HANAHAU`OLI SCHOOL
EMMANUAL LUTHERAN SCHOOL
Our Savior Lutheran School

Account Type: County (3 records)

BOARD OF WATER SUPPLY
MAUI COUNTY COUNCIL
Honolulu Fire Department

Account Type: Non-Profit (61 records)

Naalehu Assembly of God
University of the Nations
outrigger canoe club
One Kalakaua
Native Hawaiian Hospitality Association
St. Theresa School
Hawaii Peace and Justice
Kauai Youth Basketball Association
NA HALE O MAUI
LEEWARD HABITAT FOR HUMANITY
WAIANAE COMMUNITY OUTREACH
NA LEI ALOHA FOUNDATION
HAWAII FAMILY LAW CLINIC DBA ALA KUOLA
BUILDING INDUSTRY ASSOCIATION OF HAWAII
UNIVERSITY OF HAWAII FEDERAL CREDIT UNION
LANAKILA REHABILITATION CENTER INC.
POLYNESIAN CULTURAL CENTER
CTR FOR CULTURAL AND TECH INTERCHNG BETW
EAST AND WEST

BISHOP MUSEUM
ALCOHOLIC REHABILITATION SVS OF HI INC DBA
HINA MAUKA
ASSOCIATION OF OWNERS OF KUKUI PLAZA
MAUI ECONOMIC DEVELOPMENT BOARD
NETWORK ENTERPRISES, INC.
HONOLULU HABITAT FOR HUMANITY
ALOHACARE
ORI ANUENUE HALE, INC.
IUPAT, DISTRICT COUNCIL 50
GOODWILL INDUSTRIES OF HAWAII, INC.
HAROLD K.L. CASTLE FOUNDATION
MAUI ECONOMIC OPPORTUNITY, INC.
EAH, INC.
PARTNERS IN DEVELOPMENT FOUNDATION
HABITAT FOR HUMANITY MAUI
W. M. KECK OBSERVATORY
HAWAII EMPLOYERS COUNCIL
HAWAII STATE FCU
MAUI COUNTY FCU
PUNAHOU SCHOOL
YMCA OF HONOLULU
EASTER SEALS HAWAII
AMERICAN LUNG ASSOCIATION
Hawaii Area Committee
St. Francis Medical Center
READ TO ME INTERNATIONAL FOUNDATION
MAUI FAMILY YMCA
WAILUKU FEDERAL CREDIT UNION
ST. THERESA CHURCH
HALE MAHAOLU
Hawaii Island Humane Society
First United Methodist Church
AOAO Royal Capitol Plaza
MARINE SURF WAIKIKI, INC.
Hawaii Health Connector
Hawaii Carpenters Market Recovery Program Fund
Puu Heleakala Community Association
Saint Louis School
Kailua Racquet Club, Ltd.
Homewise Inc.
Hawaii Baptist Academy
prod test kindly ignore HI - DP
Kroc Center Hawaii

Account Type: College and University (7)

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records)

ARGOSY UNIVERSITY
HAWAII PACIFIC UNIVERSITY
UNIVERSITY OF HAWAII AT MANOA
RESEARCH CORPORATION OF THE UNIVERSITY OF HAWAII
BRIGHAM YOUNG UNIVERSITY - HAWAII
University Clinical Research and Association
CHAMINADE UNIVERSITY OF HONOLULU

Account Type: Other (5 records)

Hawaii Information Consortium
TURTLE BAY RESORT GOLF CLUB
Leeward Community Church
Queen Emma Gardens AOA

Account Type: City (1 record)

COUNTY OF MAUI

Account Type: Community College (2 records)

Honolulu Community College
COLLEGE OF THE MARSHALL ISLANDS

Account Type: State Agency (11 records)

DOT Airports Division Hilo International Airport
Judiciary - State of Hawaii
STATE OF HAWAII, DEPT. OF EDUCATION
ADMIN. SERVICES OFFICE
SOH- JUDICIARY CONTRACTS AND PURCH
STATE DEPARTMENT OF DEFENSE
HAWAII CHILD SUPPORT ENFORCEMENT AGENCY
HAWAII HEALTH SYSTEMS CORPORATION
HAWAII AGRICULTURE RESEARCH CENTER
STATE OF HAWAII
Third Judicial Circuit - State of Hawaii

Account Type: Consolidated City/County (1 record)

CITY AND COUNTY OF HONOLULU

Account Type: Federal (2 records)

US Navy
Defense Information System Agency

State: OR (1,048 records)

Account Type: K-12 (197 records)

VALLEY CATHOLIC SCHL
Bethel School District #52
St. Therese Parish/School
Portland YouthBuilders
Wallowa County ESD
Fern Ridge School District 28J
MOLALLA RIVER ACADEMY
HIGH DESERT EDUCATION SERVICE DISTRICT
SOUTHWEST CHARTER SCHOOL
WHITEAKER MONTESSORI SCHOOL
CASCADES ACADEMY OF CENTRAL OREGON
NEAH-KAH-NIE DISTRICT NO.56
INTER MOUNTAIN ESD
STANFIELD SCHOOL DISTRICT
LA GRANDE SCHOOL DISTRICT
CASCADE SCHOOL DISTRICT
DUFUR SCHOOL DISTRICT NO.29
hillsboro school district
GASTON SCHOOL DISTRICT 511J
BEAVERTON SCHOOL DISTRICT
COUNTY OF YAMHILL SCHOOL DISTRICT 29
WILLAMINA SCHOOL DISTRICT
MCMINNVILLE SCHOOL DISTRICT NO.40
Sheridan School District 48J
THE CATLIN GABEL SCHOOL
NORTH WASCO CTY SCHOOL DISTRICT 21 - CHENOWITH
CENTRAL CATHOLIC HIGH SCHOOL
CANYONVILLE CHRISTIAN ACADEMY
GEN CONF OF SDA CHURCH WESTERN OR
PORTLAND ADVENTIST ACADEMY
OUR LADY OF THE LAKE SCHOOL
NYSSA SCHOOL DISTRICT NO. 26
ARLINGTON SCHOOL DISTRICT NO. 3
LIVINGSTONE ADVENTIST ACADEMY
Santiam Canyon SD 129J
WEST HILLS COMMUNITY CHURCH
BANKS SCHOOL DISTRICT
WILLAMETTE EDUCATION SERVICE DISTRICT
BAKER COUNTY SCHOOL DIST. 16J - MALHEUR ESD
HARNEY EDUCATION SERVICE DISTRICT
GREATER ALBANY PUBLIC SCHOOL DISTRICT

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LAKE OSWEGO SCHOOL DISTRICT 7J
SOUTHERN OREGON EDUCATION SERVICE DISTRICT
SILVER FALLS SCHOOL DISTRICT
St Helens School District
DAYTON SCHOOL DISTRICT NO.8
Amity School District 4-J
SCAPPOOSE SCHOOL DISTRICT 1J
REEDSPORT SCHOOL DISTRICT
FOREST GROVE SCHOOL DISTRICT
DAVID DOUGLAS SCHOOL DISTRICT
LOWELL SCHOOL DISTRICT NO.71
TIGARD-TUALATIN SCHOOL DISTRICT
SHERWOOD SCHOOL DISTRICT 88J
RAINIER SCHOOL DISTRICT
NORTH CLACKAMAS SCHOOL DISTRICT
MONROE SCHOOL DISTRICT NO.1J
CHILDPEACE MONTESSORI
HEAD START OF LANE COUNTY
HARNEY COUNTY SCHOOL DIST. NO.3
NESTUCCA VALLEY SCHOOL DISTRICT NO.101
ARCHBISHOP FRANCIS NORBERT BLANCHET SCHOOL
LEBANON COMMUNITY SCHOOLS NO.9
MT.SCOTT LEARNING CENTERS
SEVEN PEAKS SCHOOL
DE LA SALLE N CATHOLIC HS
MULTISENSORY LEARNING ACADEMY
MITCH CHARTER SCHOOL
REALMS CHARTER SCHOOL
BAKER SCHOOL DISTRICT 5-J
PHILOMATH SCHOOL DISTRICT
CLACKAMAS EDUCATION SERVICE DISTRICT
CANBY SCHOOL DISTRICT
OREGON TRAIL SCHOOL DISTRICT NO.46
WEST LINN WILSONVILLE SCHOOL DISTRICT
MOLALLA RIVER SCHOOL DISTRICT NO.35
ESTACADA SCHOOL DISTRICT NO.108
GLADSTONE SCHOOL DISTRICT
ASTORIA SCHOOL DISTRICT 1C
SEASIDE SCHOOL DISTRICT 10
NORTHWEST REGIONAL EDUCATION SERVICE DISTRICT
VERNONIA SCHOOL DISTRICT 47J
SOUTH COAST EDUCATION SERVICE DISTRICT

COOS BAY SCHOOL DISTRICT NO.9
COOS BAY SCHOOL DISTRICT
NORTH BEND SCHOOL DISTRICT 13
COQUILLE SCHOOL DISTRICT 8
MYRTLE POINT SCHOOL DISTRICT NO.41
BANDON SCHOOL DISTRICT
BROOKING HARBOR SCHOOL DISTRICT NO.17-C
REDMOND SCHOOL DISTRICT
DESCHUTES COUNTY SD NO.6 - SISTERS SD
DOUGLAS EDUCATION SERVICE DISTRICT
ROSEBURG PUBLIC SCHOOLS
GLIDE SCHOOL DISTRICT NO.12
SOUTH UMPQUA SCHOOL DISTRICT #19
YONCALLA SCHOOL DISTRICT NO.32
ELKTON SCHOOL DISTRICT NO.34
DOUGLAS COUNTY SCHOOL DISTRICT 116
HOOD RIVER COUNTY SCHOOL DISTRICT
PHOENIX-TALENT SCHOOL DISTRICT NO.4
CENTRAL POINT SCHOOL DISTRICT NO. 6
JACKSON CO SCHOOL DIST NO.9
ROGUE RIVER SCHOOL DISTRICT NO.35
MEDFORD SCHOOL DISTRICT 549C
CULVER SCHOOL DISTRICT NO.
JEFFERSON COUNTY SCHOOL DISTRICT 509-J
GRANTS PASS SCHOOL DISTRICT 7
LOST RIVER JR/SR HIGH SCHOOL
KLAMATH FALLS CITY SCHOOLS
LANE COUNTY SCHOOL DISTRICT 4J
SPRINGFIELD SCHOOL DISTRICT NO.19
CRESWELL SCHOOL DISTRICT
SOUTH LANE SCHOOL DISTRICT 45J3
LANE COUNTY SCHOOL DISTRICT 69
SIUSLAW SCHOOL DISTRICT
SWEET HOME SCHOOL DISTRICT NO.55
LINN CO. SCHOOL DIST. 95C - SCIO SD
ONTARIO MIDDLE SCHOOL
GERVAIS SCHOOL DIST. #1
NORTH SANTIAM SCHOOL DISTRICT 29J
JEFFERSON SCHOOL DISTRICT
SALEM-KEIZER PUBLIC SCHOOLS
MT. ANGEL SCHOOL DISTRICT NO.91
MARION COUNTY SCHOOL DISTRICT 103 -
WASHINGTON ES
MORROW COUNTY SCHOOL DISTRICT
MULTNOMAH EDUCATION SERVICE DISTRICT

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GRESHAM-BARLOW SCHOOL DISTRICT
DALLAS SCHOOL DISTRICT NO. 2
CENTRAL SCHOOL DISTRICT 13J
St. Mary Catholic School
CROSSROADS CHRISTIAN SCHOOL
ST. ANTHONY SCHOOL
HERITAGE CHRISTIAN SCHOOL
BEND-LA PINE SCHOOL DISTRICT
GLENDALE SCHOOL DISTRICT
LINCOLN COUNTY SCHOOL DISTRICT
PORTLAND PUBLIC SCHOOLS
REYNOLDS SCHOOL DISTRICT
CENTENNIAL SCHOOL DISTRICT
NOBEL LEARNING COMMUNITIES
St. Stephen's Academy
Salem-Keizer 24J
McKay High School
Pine Eagle Charter School
Waldo Middle School
hermiston school district
Clear Creek Middle School
Marist High School
Victory Academy
Vale School District No. 84
St. Mary School
Junction City High School
Three Rivers School District
Pedee School
Fern Ridge School District
Ppmc Education Committee
JESUIT HIGH SCHL EXEC OFC
LASALLE HIGH SCHOOL
Southwest Christian School
Stayton Christian School
Willamette Christian School
Westside Christian High School
CS LEWIS ACADEMY
Portland America School
Forest Hills Lutheran School
Sunrise Preschool
Mosier Community School
Koreducators Lep High
Warrenton Hammond School District
Sutherlin School District

Malheur Elementary School District
Ontario School District
Parkrose School District 3
Riverdale School District 51J
Tillamook School District
Trinity Lutheran Church and School
Siletz Valley School
Madeleine School
South Columbia Family School
Helix School District
Corvallis School District 509J
Falls City School District #57
Portland Christian Schools
Muddy Creek Charter School
Yamhill Carlton School District
ABIQUA SCHL
Imbler School District #11
monument school
St. Paul School District
L'Etoille French Immersion School
Marist Catholic High School
Ukiah School District 80R
North Powder Charter School
French American School
Mastery Learning Institute
North Lake School District 14

Account Type: County (44 records)

GILLIAM COUNTY OREGON
HOUSING AUTHORITY OF CLACKAMAS COUNTY
UMATILLA COUNTY, OREGON
MULTNOMAH LAW LIBRARY
clackamas county
CLATSOP COUNTY
COLUMBIA COUNTY, OREGON
coos county
CROOK COUNTY ROAD DEPARTMENT
CURRY COUNTY OREGON
DESCHUTES COUNTY
GILLIAM COUNTY
GRANT COUNTY, OREGON
HARNEY COUNTY SHERIFFS OFFICE
HOOD RIVER COUNTY
jackson county

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josephine county
klamath county
LANE COUNTY
LINN COUNTY
MARION COUNTY , SALEM, OREGON
MULTNOMAH COUNTY
SHERMAN COUNTY
WASCO COUNTY
YAMHILL COUNTY
WALLOWA COUNTY
ASSOCIATION OF OREGON COUNTIES
NAMI LANE COUNTY
BENTON COUNTY
DOUGLAS COUNTY
JEFFERSON COUNTY
LAKE COUNTY
LINCOLN COUNTY
POLK COUNTY
UNION COUNTY
WASHINGTON COUNTY
MORROW COUNTY
NORCOR Juvenile Detention
Tillamook County Estuary
Job Council
Mckenzie Personnel Services
Columbia Basin Care Facility
BAKER CNTY GOVT
TILLAMOOK CNTY

Account Type: Non-Profit (453 records)

Mt Emily Safe Center
Salem First Presbyterian Church
Rolling Hills Baptist Church
Baker Elks
Gates Community Church of Christ
PIP Corps LLC
Turtle Ridge Wildlife Center
Grande Ronde Model Watershed Foundation
Western Environmental Law Center
Mercy Flights, Inc.
HHoly Trinity Greek Orthodox Cathedral
MECOP Inc.
Beaverton Christians Church
Oregon Humanities

St. Pius X School
Community Connection of Northeast Oregon, Inc.
Living Opportunities, Inc.
Coos Art Museum
OETC
Blanchet House of Hospitality
Merchants Exchange of Portland, Oregon
Coalition for a Livable Future
Central Oregon Visitors Association
Sorooptimist International of Gold Beach, OR
Real Life Christian Church
Delphian School
AVON
Human Solutions, Inc.
The Wallace Medical Concern
Boys & Girls Club of Salem, Marion & Polk
Counties
The Ross Ragland Theater and Cultural Center
Cascade Health Solutions
Umpqua Community Health Center
ALZHEIMERS NETWORK OF OREGON
NATIONAL WILD TURKEY FEDERATION
TILLAMOOK ESTUARIES PARTNERSHIP
LIFEWORKS NW
COLLEGE HOUSING NORTHWEST
PARALYZED VETERANS OF AMERICA
Independent Development Enterprise Alliance
MID-WILLAMETTE VALLEY COMMUNITY ACTION
AGENCY, INC
HALFWAY HOUSE SERVICES, INC.
REDMOND PROFICIENCY ACADEMY
OHSU FOUNDATION
SHELTERCARE
PRINGLE CREEK SUSTAINABLE LIVING CENTER
PACIFIC INSTITUTES FOR RESEARCH
Mental Health for Children, Inc.
The Dreaming Zebra Foundation
LAUREL HILL CENTER
THE OREGON COMMUNITY FOUNDATION
OCHIN
WE CARE OREGON
SE WORKS
ENTERPRISE FOR EMPLOYMENT AND EDUCATION
OMNIMEDIX INSTITUTE
PORTLAND BUSINESS ALLIANCE

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GATEWAY TO COLLEGE NATIONAL NETWORK
FOUNDATIONS FOR A BETTER OREGON
GOAL ONE COALITION
ATHENA LIBRARY FRIENDS ASSOCIATION
Coastal Family Health Center
CENTER FOR COMMUNITY CHANGE
STAND FOR CHILDREN
ST. VINCENT DEPAUL OF LANE COUNTY
EAST SIDE FOURSQUARE CHURCH
CORVALLIS MOUNTAIN RESCUE UNIT
InventSuccess
SHERIDAN JAPANESE SCHOOL FOUNDATION
MOSAIC CHURCH
HOUSING AUTHORITY OF LINCOLN COUNTY
RENEWABLE NORTHWEST PROJECT
INTERNATIONAL SUSTAINABLE DEVELOPMENT
FOUNDATION
CONSERVATION BIOLOGY INSTITUTE
THE NATIONAL ASSOCIATION OF CREDIT
MANAGEMENT-OREGON, INC.
BLACHLY LANE ELECTRIC COOPERATIVE
MORNING STAR MISSIONARY BAPTIST CHURCH
NORTHWEST FOOD PROCESSORS ASSOCIATION
INDEPENDENT INSURANCE AGENTS AND BROKERS
OF OREGON
OREGON EDUCATION ASSOCIATION
HEARING AND SPEECH INSTITUTE INC
SALEM ELECTRIC
MORRISON CHILD AND FAMILY SERVICES
JUNIOR ACHIEVEMENT
CENTRAL BIBLE CHURCH
MID COLUMBIA MEDICAL CENTER-GREAT 'N
SMALL
TRILLIUM FAMILY SERVICES, INC.
YWCA SALEM
PORTLAND ART MUSEUM
SAINT JAMES CATHOLIC CHURCH
SOUTHERN OREGON HUMANE SOCIETY
VOLUNTEERS OF AMERICA OREGON
CENTRAL DOUGLAS COUNTY FAMILY YMCA
METROPOLITAN FAMILY SERVICE
OREGON MUSUEM OF SCIENCE AND INDUSTRY
FIRST UNITARIAN CHURCH
ST. ANTHONY CHURCH
Good Shepherd Medical Center

Salem Academy
ST VINCENT DE PAUL
OUTSIDE IN
UNITED CEREBRAL PALSY OF OR AND SW WA
WILLAMETTE VIEW INC.
PORTLAND HABILITATION CENTER, INC.
OREGON STATE UNIVERSITY ALUMNI
ASSOCIATION
ROSE VILLA, INC.
NORTHWEST LINE JOINT APPRENTICESHIP &
TRAINING COMMITTEE
BOYS AND GIRLS CLUBS OF PORTLAND
METROPOLITAN AREA
Oregon Research Institute
WILLAMETTE LUTHERAN HOMES, INC
LANE MEMORIAL BLOOD BANK
PORTLAND JEWISH ACADEMY
LANECO FEDERAL CREDIT UNION
GRANT PARK CHURCH
ST. MARYS OF MEDFORD, INC.
US CONFERENCE OF MENONNITE BRETHREN
CHURCHES
FAITHFUL SAVIOR MINISTRIES
OREGON CITY CHURCH OF THE NAZARENE
OREGON COAST COMMUNITY ACTION
NORTHWEST REGIONAL EDUCATIONAL
LABORATORY
COMMUNITY ACTION TEAM, INC.
EUGENE SYMPHONY ASSOCIATION, INC.
STAR OF HOPE ACTIVITY CENTER INC.
SPARC ENTERPRISES
SOUTHERN OREGON CHILD AND FAMILY COUNCIL,
INC.
SALEM ALLIANCE CHURCH
Lane Council of Governments
FORD FAMILY FOUNDATION
TRAILS CLUB
NEWBERG FRIENDS CHURCH
WOODBURN AREA CHAMBER OF COMMERCE
CONTEMPORARY CRAFTS MUSEUM AND GALLERY
CITY BIBLE CHURCH
OREGON LIONS SIGHT & HEARING FOUNDATION
PORTLAND WOMENS CRISIS LINE
THE SALVATION ARMY - CASCADE DIVISION
WILLAMETTE FAMILY
WHITE BIRD CLINIC

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GOODWILL INDUSTRIES OF LANE AND SOUTH
COAST COUNTIES
PLANNED PARENTHOOD OF SOUTHWESTERN
OREGON
HOUSING NORTHWEST
OREGON ENVIRONMENTAL COUNCIL
LOAVES & FISHES CENTERS, INC.
FAITH CENTER
Bob Belloni Ranch, Inc.
GOOD SHEPHERD COMMUNITIES
SACRED HEART CATHOLIC DAUGHTERS
HELP NOW! ADVOCACY CENTER
TENAS ILLAHEE CHILDCARE CENTER
SUNRISE ENTERPRISES
LOOKING GLASS YOUTH AND FAMILY SERVICES
SERENITY LANE
EAST HILL CHURCH
LA GRANDE UNITED METHODIST CHURCH
COAST REHABILITATION SERVICES
Edwards Center Inc
ALVORD-TAYLOR INDEPENDENT LIVING SERVICES
NEW HOPE COMMUNITY CHURCH
KLAMATH HOUSING AUTHORITY
QUADRIPLEGICS UNITED AGAINST DEPENDENCY,
INC.
SPONSORS, INC.
COLUMBIA COMMUNITY MENTAL HEALTH
ADDICTIONS RECOVERY CENTER, INC
METRO HOME SAFETY REPAIR PROGRAM
OREGON SUPPORTED LIVING PROGRAM
SOUTH COAST HOSPICE, INC.
ALLFOURONE/CRESTVIEW CONFERENCE CTR.
The International School
REBUILDING TOGETHER - PORTLAND INC.
PENDLETON ACADEMIES
PACIFIC FISHERY MANAGEMENT COUNCIL
DOGS FOR THE DEAF, INC.
PUBLIC DEFENDER SERVICES OF LANE COUNTY,
INC.
EMMAUS CHRISTIAN SCHOOL
DELIGHT VALLEY CHURCH OF CHRIST
SAINT CATHERINE OF SIENA CHURCH
PORT CITY DEVELOPMENT CENTER
VIRGINIA GARCIA MEMORIAL HEALTH CENTER
CENTRAL CITY CONCERN

CANBY FOURSQUARE CHURCH
EMERALD PUD
VERMONT HILLS FAMILY LIFE CENTER
BENTON HOSPICE SERVICE
INTERNATIONAL SOCIETY FOR TECHNOLOGY IN
EDUCATION
COMMUNITY CANCER CENTER
OPEN MEADOW ALTERNATIVE SCHOOLS, INC.
CASCADIA BEHAVIORAL HEALTHCARE
WILD SALMON CENTER
BROAD BASE PROGRAMS INC.
SUNNYSIDE FOURSQUARE CHURCH
TRAINING EMPLOYMENT CONSORTIUM
RELEVANT LIFE CHURCH
211INFO
SONRISE CHURCH
LIVING WAY FELLOWSHIP
Women's Safety & Resource Center
SEXUAL ASSAULT RESOURCE CENTER
IRCO
NORTHWEST YOUTH CORPS
TILLAMOOK CNTY WOMENS CRISIS CENTER
SECURITY FIRST CHILD DEVELOPMENT CENTER
CLASSROOM LAW PROJECT
YOUTH GUIDANCE ASSOC.
PREGNANCY RESOUCCE CENTERS OF GRETER
PORTLAND
ELMIRA CHURCH OF CHRIST
JASPER MOUNTAIN
ACUMENTRA HEALTH
WORKSYSTEMS INC
COVENANT CHRISTIAN HOOD RIVER
OREGON DONOR PROGRAM
NAMI OREGON
OLIVET BAPTIST CHURCH
SILVERTON AREA COMMUNITY AID
CONFEDERATED TRIBES OF GRAND RONDE
CENTRAL OREGON COMMUNITY ACTION AGENCY
NETWORK
CATHOLIC COMMUNITY SERVICES
NEW AVENUES FOR YOUTH INC
LA CLINICA DEL CARINO FAMILY HEALTH CARE
CENTER
DECISION SCIENCE RESEARCH INSTITUTE, INC.
WESTERN STATES CENTER

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HIV ALLIANCE, INC
PARTNERSHIPS IN COMMUNITY LIVING, INC.
FANCONI ANEMIA RESEARCH FUND INC.
BLIND ENTERPRISES OF OREGON
OREGON BALLET THEATRE
SMART
All God's Children International
FARMWORKER HOUSING DEV CORP
UMPQUA COMMUNITY DEVELOPMENT
CORPORATION
REGIONAL ARTS AND CULTURE COUNCIL
THE EARLY EDUCATION PROGRAM, INC.
MACDONALD CENTER
EVERGREEN AVIATION MUSEUM AND CAP.
MICHAEL KING.
SELF ENHANCEMENT INC.
FRIENDS OF THE CHILDREN
SOUTH LANE FAMILY NURSERY DBA FAMILY
RELIEF NURSE
COMMUNITY VETERINARY CENTER
PORTLAND SCHOOLS FOUNDATION
SUSTAINABLE NORTHWEST
OREGON DEATH WITH DIGNITY
BIRCH COMMUNITY SERVICES, INC.
BAY AREA FIRST STEP, INC.
OSLC COMMUNITY PROGRAMS
EN AVANT, INC.
ASHLAND COMMUNITY HOSPITAL
NORTHWEST ENERGY EFFICIENCY ALLIANCE
BONNEVILLE ENVIRONMENTAL FOUNDATION
SUMMIT VIEW COVENANT CHURCH
SALMON-SAFE INC.
BETHEL CHURCH OF GOD
PROVIDENCE HOOD RIVER MEMORIAL HOSPITAL
SAINT ANDREW NATIVITY SCHOOL
BARLOW YOUTH FOOTBALL
SPOTLIGHT THEATRE OF PLEASANT HILL
FAMILIES FIRST OF GRANT COUNTY, INC.
TOUCHSTONE PARENT ORGANIZATION
CANCER CARE RESOURCES
CASCADIA REGION GREEN BUILDING COUNCIL
SHERMAN DEVELOPMENT LEAGUE, INC.
SCIENCEWORKS
WORD OF LIFE COMMUNITY CHURCH
SOCIAL VENTURE PARTNERS PORTLAND

OREGON PROGRESS FORUM
CENTER FOR RESEARCH TO PRACTICE
WESTERN RIVERS CONSERVANCY
UNITED WAY OF THE COLUMBIA WILLAMETTE
EUGENE BALLET COMPANY
EAST WEST MINISTRIES INTERNATIONAL
SISKIYOU INITIATIVE
EDUCATIONAL POLICY IMPROVEMENT CENTER
North Pacific District of Foursquare Churches
CATHOLIC CHARITIES
FIRST CHURCH OF THE NAZARENE
WESTSIDE BAPTIST CHURCH
Little Promises Children's Program
UNION GOSPEL MISSION
GRACE BAPTIST CHURCH
COMMUNITY ACTION ORGANIZATION
OUTSIDE IN
MAKING MEMORIES BREAST CANCER
FOUNDATION, INC.
ELAW
COMMUNITY HEALTH CENTER, INC
Greater Portland INC
Boys & Girls Club of Corvallis
Southeast Uplift Neighborhood Coalition
First United Presbyterian Church
PDX Wildlife
Jackson-Josephine 4-C Council
Childswork Learning Center
New Artists Performing Arts Productions, Inc.
Relief Nursery
Viking Sal Senior Center
Boys and Girls Club of the rogue valley
DrupalCon Inc., DBA Drupal Association
Albany Partnership for Housing and Community
Development
Dress for Success Oregon
Beaverton Rock Creek Foursquare Church
St Paul Catholic Church
St Mary's Catholic School and Parish
Polk Soil and Water Conservation District
Street Ministry
La Grande Church of the Nazarene
Spruce Villa, Inc.
House of Prayer for All Nations
Sacred Heart Catholic Church

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African American Health Coaliton, Inc.	Portland Christian Center
Happy Canyon Company	Church Extension Plan
Village Home Education Resource Center	Occu Afghanistan Relief Effort
Monet's Children's Circle	EUGENE FAMILY YMCA
Cascade Housing Association	Christ The King Parish and School
Dayspring Fellowship	Congregation Neveh Shalom
Northwest Habitat Institute	Newberg Christian Church
First Baptist Church	First United Methodist Church
The Nature Conservancy, Willamette Valley Field Office	Zion Lutheran Church
Portland Community Reinvestment Initiatives, Inc.	Hoodview Christian Church
GeerCrest Farm & Historical Society	Southwest Bible Church
College United Methodist Church	Community Works Inc
NEDCO	Masonic Lodge Pearl 66
Salem Evangelical Church	Molalla Nazarene Church
Daystar Education, Inc.	Transition Projects, Inc
Oregon Social Learning Center	St Michaels Episcopal Church
Pain Society of Oregon	Saint Johns Catholich Church
environmental law alliance worldwide	Access Inc
Community in Action	Step Forward Activities Inc
Safe Harbors	Lane Arts Council
Pacific Classical Ballet	Community Learning Center
Depaul Industries	Old Mill Center for Children and Families
African American Health Coalition	Sunny Oaks Inc
Ministerio International Casa	Little Flower Development Center
Jesus Prayer Book	Hospice Center Bend La Pine
Workforce Northwest Inc	P E C I
Coalition Of Community Health	Westside Foursquare Church
New Paradise Worship Center	Relief Nursery Inc
River Network	Morning Star Community Church
CCI Enterprises Inc	MULTNOMAH DEFENDERS INC
Oregon Nurses Association	Providence Health System
GOODWILL INDUSTRIES OF THE COLUMBIA WILLAMETTE	Holy Trinity Catholic Church
Mount Angel Abbey	Holy Redeemer Catholic Church
YMCA OF ASHLAND	Alliance Bible Church
YMCA OF COLUMBIA-WILLAMETTE ASSOCIATION SERVICES	Mid Columbia Childrens Council
Multnomah Law Library	HUMANE SOCIETY OF REDMOND
Friends Of Tryon Creek State P	Intergral Youth Services
Ontrack Inc.	Our Redeemer Lutheran Church
Calvin Presbyterian Church	Kbps Public Radio
HOLT INTL CHILD	Skyball Salem Keizer Youth Bas
St John The Baptist Catholic	Open Technology Center
Portland Foursquare Church	Grace Chapel
	CHILDREN'S MUSEUM 2ND
	Oregon District 7 Little League

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Portland Schools Alliance
My Fathers House
Solid Rock
West Chehalem Friends Church
Eugene Creative Care
Guide Dogs For The Blind
Children Center At Trinity
St. Katherine's Catholic Church
Scottish Rite
THE NEXT DOOR
NATIONAL PSORIASIS FOUNDATION
NEW BEGINNINGS CHRISTIAN CENTER
HIGHLAND UNITED CHURCH OF CHRIST
OREGON REPERTORY SINGERS
HIGHLAND HAVEN
FAIR SHARE RESEARCH AND EDUCATION FUND
First Baptist Church of Enterprise
Oregon Nikkei Endowment
Eastern Oregon Alcoholism Foundation
Grantmakers for Education
The ALS Association Oregon and SW Washington Chapter
Children's Relief Nursery
Energy Trust of Oregon
Oregon Psychoanalytic Center
Store to Door
Depaul Industries
Union County Economic Development Corp.
Camelto Theatre Company
Camp Fire Columbia
TAKE III OUTREACH
Sandy Seventh-day Adventist Church
A FAMILY FOR EVERY CHILD
1000 FRIENDS OF OREGON
NAMI of Washington County
Temple Beth Israel
Albertina Kerr Centers
St. Matthew Catholic School
Serendipity Center Inc
Center for Family Development
West Salem Foursquare Church
Ashland Art Center
Apostolic Church of Jesus Christ
DOUGLAS FOREST PROTECTIVE
Oregon Lyme Disease Network

Ecotrust
SPECIAL MOBILITY SERVICES
Ronald McDonald House Charities of Oregon & Southwest Washington
Center for Human Development
DePaul Treatment Centers, Inc.
Mission Increase Foundation
Portland Japanese Garden
The Madeleine Parish
The Tucker-Maxon Oral School
Southwest Neighborhoods, Inc
Wallowa Valley Center For Wellness
Portland Oregon Visitors Association
Southern Oregon Project Hope
Our United Villages
Samaritan Health Services Inc.
Kilchis House
Grace Lutheran School
Western Mennonite School

Account Type: College and University (28 records)

Oregon State University
Treasure Valley Community College
Unviersity of Oregon
OREGON UNIVERSITY SYSTEM
WESTERN STATES CHIROPRACTIC COLLEGE
GEORGE FOX UNIVERSITY
LEWIS AND CLARK COLLEGE
PACIFIC UNIVERSITY
REED COLLEGE
WILLAMETTE UNIVERSITY
LINFIELD COLLEGE
MULTNOMAH BIBLE COLLEGE
NORTHWEST CHRISTIAN COLLEGE
NATIONAL COLLEGE OF NATURAL MEDICINE
BLUE MOUNTAIN COMMUNITY COLLEGE
PORTLAND STATE UNIV.
CLACKAMAS COMMUNITY COLLEGE
MARYLHURST UNIVERSITY
OREGON HEALTH AND SCIENCE UNIVERSITY
BIRTHINGWAY COLLEGE OF MIDWIFERY
pacific u
UNIVERSITY OF OREGON
CONCORDIA UNIV

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Marylhurst University
Corban College
Oregon Center For Advanced T
Beta Omega Alumnae
Oregon Institute of Technology

Account Type: Other (45 records)

Clackamas River Water Providers
eickhoff dev co inc
The Klamath Tribe
Life Flight Network LLC
COVENANT RETIREMENT COMMUNITIES
PENTAGON FEDERAL CREDIT UNION
SAIF CORPORATION
GREATER HILLSBORO AREA CHAMBER OF
COMMERCE
LANE ELECTRIC COOPERATIVE
USAGENCIES CREDIT UNION
DOUGLAS ELECTRIC COOPERATIVE, INC.
ROGUE FEDERAL CREDIT UNION
PACIFIC CASCADE FEDERAL CREDIT UNION
PACIFIC STATES MARINE FISHERIES COMMISSION
LOCAL GOVERNMENT PERSONNEL INSTITUTE
MID COLUMBIA COUNCIL OF GOVERNMENTS
CLACKAMAS RIVER WATER
GRANTS PASS MANAGEMENT SERVICES, DBA
SPIRIT WIRELESS
Clatskanie People's Utility District
Heartfelt Obstetrics & Gynecology
Coquille Economic Development Corporation
CITY/COUNTY INSURANCE SERVICE
PIONEER COMMUNITY DEVELOPMENT
Cornerstone Association Inc
COMMUNITY CYCLING CENTER
NPKA
Shangri La
Portland Impact
Eagle Fern Camp
NORTHWEST VINTAGE CAR AND MOTORCYCLE
K Churchill Estates
Cvalco
KLAMATH FAMILY HEAD START
RIVER CITY DANCERS
Oregon Permit Technical Association
KEIZER EAGLES AERIE 3895

Pgma/Cathie Bourne
Astra
CSC HEAD START
Beit Hallel
Oregon Public Broadcasting
Halsey-Shedd Fire District
crescent grove cemetery
EOU - NEOAHEC

Account Type: City Special District (21 records)

Molalla Rural Fire Protection District
MONMOUTH - INDEPENDENCE NETWORK
MALIN COMMUNITY PARK AND RECREATION
DISTRICT
TILLAMOOK PEOPLES UTILITY DISTRICT
GLADSTONE POLICE DEPARTMENT
GOLD BEACH POLICE DEPARTMENT
THE NEWPORT PARK AND RECREATION CENTER
RIVERGROVE WATER DISTRICT
WEST VALLEY HOUSING AUTHORITY
TUALATIN VALLEY FIRE & RESCUE
GASTON RURAL FIRE DEPARTMENT
CITY COUNTY INSURANCE SERVICES
METRO
Roseburg Police Department
SOUTH SUBURBAN SANITARY DISTRICT
OAK LODGE SANITARY DISTRICT
SOUTH FORK WATER BOARD
SUNSET EMPIRE PARK AND RECREATION
SPRINGFIELD UTILITY BOARD
Tillamook Urban Renewal Agency
Boardman Rural Fire Protection District

Account Type: Independent Special District (43 records)

Silverton Fire District
Lewis and Clark Rural Fire Protection District
Rainbow Water District
Illinois Valley Fire District
PORT OF TILLAMOOK BAY
TRI-COUNTY HEALTH CARE SAFETY NET
ENTERPRISE
METROPOLITAN EXPOSITION-RECREATION
COMMISSION
REGIONAL AUTOMATED INFORMATION NETWORK

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OAK LODGE WATER DISTRICT
THE PORT OF PORTLAND
WILLAMALANE PARK AND RECREATION DISTRICT
TUALATIN VALLEY WATER DISTRICT
UNION SOIL & WATER CONSERVATION DISTRICT
LANE EDUCATION SERVICE DISTRICT
TUALATIN HILLS PARK AND RECREATION DISTRICT
PORT OF SIUSLAW
CHEHALEM PARK AND RECREATION DISTRICT
PORT OF ST HELENS
LANE TRANSIT DISTRICT
CENTRAL OREGON INTERGOVERNMENTAL
COUNCIL
HOODLAND FIRE DISTRICT NO.74
WEST MULTNOMAH SOIL AND WATER
CONSERVATION DISTRICT
SALEM AREA MASS TRANSIT DISTRICT
Banks Fire District #13
KLAMATH COUNTY 9-1-1
GLENDALE RURAL FIRE DISTRICT
COLUMBIA 911 COMMUNICATIONS DISTRICT
NW POWER POOL
Lowell Rural Fire Protection District
TriMet Transit
Estacada Rural Fire District
Keizer Fire District
State Accident Insurance Fund Corporation
Bend Metro Park & Recreation District
La Pine Park & Recreation District
Siuslaw Public Library District
Columbia River Fire & Rescue
Seal Rock Water District
Rockwood Water P.U.D.
Tillamook Fire District
Tillamook County Transportation Dist
Central Lincoln People's Utility District
Jefferson Park and Recreation

Account Type: City (130 records)

Brookings Fire / Rescue
City of Veneta
CITY OF DAMASCUS
Hermiston Fire & Emergency Svcs
CEDAR MILL COMMUNITY LIBRARY
CITY OF LAKE OSWEGO

EUGENE WATER & ELECTRIC BOARD
LEAGUE OF OREGON CITIES
CITY OF SANDY
CITY OF ASTORIA OREGON
CITY OF BEAVERTON
CITY OF BOARDMAN
CITY OF CANBY
CITY OF CANYONVILLE
CITY OF CENTRAL POINT POLICE DEPARTMENT
CITY OF CLATSKANIE
CITY OF CONDON
CITY OF COOS BAY
CITY OF CORVALLIS
CITY OF CRESWELL
CITY OF ECHO
CITY OF ESTACADA
CITY OF EUGENE
CITY OF FAIRVIEW
CITY OF GEARHART
CITY OF GOLD HILL
CITY OF GRANTS PASS
CITY OF GRESHAM
CITY OF HILLSBORO
CITY OF HOOD RIVER
CITY OF JOHN DAY
CITY OF KLAMATH FALLS
CITY OF LA GRANDE
CITY OF MALIN
CITY OF MCMINNVILLE
CITY OF HALSEY
CITY OF MEDFORD
CITY OF MILL CITY
CITY OF MILWAUKIE
CITY OF MORO
CITY OF MOSIER
CITY OF NEWBERG
CITY OF OREGON CITY
CITY OF PILOT ROCK
CITY OF POWERS
RAINIER POLICE DEPARTMENT
CITY OF REEDSPORT
CITY OF RIDDLE
CITY OF SCAPPOOSE
CITY OF SEASIDE

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CITY OF SILVERTON
CITY OF STAYTON
City of Troutdale
CITY OF TUALATIN, OREGON
CITY OF WARRENTON
CITY OF WEST LINN/PARKS
CITY OF WOODBURN
CITY OF TIGARD, OREGON
CITY OF AUMSVILLE
CITY OF PORT ORFORD
CITY OF EAGLE POINT
CITY OF WOOD VILLAGE
St. Helens, City of
CITY OF WINSTON
CITY OF COBURG
CITY OF NORTH PLAINS
CITY OF GERVAIS
CITY OF YACHATS
FLORENCE AREA CHAMBER OF COMMERCE
PORTLAND DEVELOPMENT COMMISSION
CITY OF CANNON BEACH OR
CITY OF ST. PAUL
CITY OF ADAIR VILLAGE
CITY OF WILSONVILLE
HOUSING AUTHORITY OF THE CITY OF SALEM
CITY OF HAPPY VALLEY
CITY OF SHADY COVE
CITY OF LAKESIDE
CITY OF MILLERSBURG
CITY OF GATES
KEIZER POLICE DEPARTMENT
CITY OF DUNDEE
CITY OF AURORA
THE CITY OF NEWPORT
CITY OF ALBANY
CITY OF ASHLAND
CITY OF LEBANON
CITY OF PORTLAND
CITY OF SALEM
CITY OF SPRINGFIELD
CITY OF BURNS
CITY OF COTTAGE GROVE
CITY OF DALLAS
CITY OF FALLS CITY

CITY OF PHOENIX
CITY OF PRAIRIE CITY
CITY OF REDMOND
CITY OF SHERWOOD
City of junction city
City of Florence
City of Dayton
City of Monmouth
City of Philomath
City of Sheridan
Seaside Public Library
City of Yoncalla
La Grande Police Department
Cove City Hall
Woodburn City Of
NW PORTLAND INDIAN HEALTH BOARD
Portland Patrol Services
City Of Bend
City Of Coquille
City Of Molalla
City Of North Bend
Columbia Gorge Community
City of St. Helens
City of North Powder
Toledo Police Department
City of Independence
City of Baker City
CITY OF SWEETHOME
DESCHUTES PUBLIC LIBRARY
City of Ontario
North Lincoln Fire & Rescue #1
CITY OF LINCOLN CITY
City of Milton-Freewater
City of Forest Grove
City Govrnment
City of Mt. Angel
Account Type: County Special District (27 records)
Netarts-Oceanside RFPD
UIUC
Rogue River Fire District
Tillamook County Emergency Communications District
Southern Coos Hospital

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Oregon Cascades West Council of Governments
MULTONAH COUNTY DRAINAGE DISTRICT #1
PORT OF BANDON
OR INT'L PORT OF COOS BAY
MID-COLUMBIA CENTER FOR LIVING
DESCHUTES COUNTY RFPD NO.2
YOUNGS RIVER LEWIS AND CLARK WATER DISTRICT
HOUSING AUTHORITY AND COMMUNITY SERVICES AGENCY
CENTRAL OREGON IRRIGATION DISTRICT
MARION COUNTY FIRE DISTRICT #1
COLUMBIA RIVER PUD
SANDY FIRE DISTRICT NO. 72
BAY AREA HOSPITAL DISTRICT
NEAH KAH NIE WATER DISTRICT
PORT OF UMPQUA
EAST MULTNOMAH SOIL AND WATER CONSERVANCY
Benton Soil & Water Conservation District
DESCHUTES PUBLIC LIBRARY SYSTEM
CLEAN WATER SERVICES
Crooked River Ranch Rural Fire Protection District
PARROTT CREEK CHILD & FAM
South Lane County Fire And Rescue

Account Type: Community College (14 records)

CENTRAL OREGON COMMUNITY COLLEGE
UMPQUA COMMUNITY COLLEGE
LANE COMMUNITY COLLEGE
MT. HOOD COMMUNITY COLLEGE
LINN-BENTON COMMUNITY COLLEGE
SOUTHWESTERN OREGON COMMUNITY COLLEGE
PORTLAND COMMUNITY COLLEGE
CHEMEKETA COMMUNITY COLLEGE
ROGUE COMMUNITY COLLEGE
COLUMBIA GORGE COMMUNITY COLLEGE
TILLAMOOK BAY COMMUNITY COLLEGE
KLAMATH COMMUNITY COLLEGE DISTRICT
OREGON COMMUNITY COLLEGE ASSOCIATION
Oregon Coast Community College

Account Type: State Agency (33 records)

Oregon Forest Resources Institute
Office of the Ong Term Care Ombudsman

Oregon State Lottery
OREGON TOURISM COMMISSION
OREGON STATE POLICE
OFFICE OF THE STATE TREASURER
OREGON DEPT. OF EDUCATION
SEIU LOCAL 503, OPEU
OREGON DEPARTMENT OF FORESTRY
OREGON STATE DEPT OF CORRECTIONS
OREGON CHILD DEVELOPMENT COALITION
OFFICE OF MEDICAL ASSISTANCE PROGRAMS
OREGON OFFICE OF ENERGY
OREGON STATE BOARD OF NURSING
BOARD OF MEDICAL EXAMINERS
OREGON LOTTERY
OREGON BOARD OF ARCHITECTS
SANTIAM CANYON COMMUNICATION CENTER
OREGON DEPT OF TRANSPORTATION
OREGON TRAVEL INFORMATION COUNCIL
OREGON DEPARTMENT OF EDUCATION
DEPARTMENT OF ADMINISTRATIVE SERVICES
Oregon Tradeswomen
Oregon Convention Center
OREGON SCHL BRDS ASSOCIAT
OREGON DEPARTMENT OF HUMAN SERVICES
CARE OREGON
Kdrv Channel 12
Central Oregon Home Health and Hos
Oregon Health Care Quality Cor
Opta Oregon Permit Technician
HOUSING DEVELOPING CORP
STATE OF OREGON

Account Type: Consolidated City/County (2 records)

City of Carlton
City of Pendleton Convention Center

Account Type: Federal (6 records)

US FISH AND WILDLIFE SERVICE
Bonneville Power Administration
Oregon Army National Guard
USDA Forest Service
Yellowhawk Tribal Health Center
ANGELL JOB CORPS

Account Type: Housing Authority (5 records)

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Coquille Indian Housing Authority
HOUSING AUTHORITY OF PORTLAND
NORTH BEND CITY- COOS/URRY HOUSING
AUTHORITY
MARION COUNTY HOUSING AUTHORITY
Housing Authority of Yamhill County

State: WA (1 record)

Account Type: College and University (1 record)

WALLA WALLA COLLEGE

ATTACHMENT D
ARRA STANDARD TERMS AND CONDITIONS ADDENDUM
FOR CONTRACTS AND GRANTS

If any purchase made under the Master Agreement is funded in whole or in part by Federal Emergency Management Agency (“FEMA”) grants, Contractor shall comply with all federal laws and regulations applicable to the receipt of FEMA grants, including, but not limited to the contractual procedures set forth in Title 44 of the Code of Federal Regulations, Part 13 (“44 CFR 13”).

In addition, Contractor agrees to the following specific provisions:

1. Pursuant to 44 CFR 13.36(i)(1), District is entitled to exercise all administrative, contractual, or other remedies permitted by law to enforce Contractor’s compliance with the terms of this Master Agreement, including but not limited to those remedies set forth at 44 CFR 13.43.
2. Pursuant to 44 CFR 13.36(i)(2), District may terminate the Master Agreement for cause or convenience in accordance with the procedures set forth in the Master Agreement and those provided by 44 CFR 13.44.
3. Pursuant to 44 CFR 13.36(i)(3)-(6)(12), and (13), Contractor shall comply with the following federal laws:
 - a. Executive Order 11246 of September 24, 1965, entitled “Equal Employment Opportunity,” as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor (“DOL”) regulations (41 CFR Ch. 60);
 - b. Copeland “Anti-Kickback” Act (18 U.S.C. 874), as supplemented in DOL regulations (29 CFR Part 3);
 - c. Davis-Bacon Act (40 U.S.C. 276a-276a-7) as supplemented by DOL regulations (29 CFR Part 5);
 - d. Section 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by DOL regulations (29 CFR Part 5);
 - e. Section 306 of the Clean Air Act (42 U.S.C. 1857(h), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15); and
 - f. Mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871).
4. Pursuant to 44 CFR 13.36(i)(7), Contractor shall comply with FEMA requirements and regulations pertaining to reporting, including but not limited to those set forth at 44 CFR 40 and 41.
5. Pursuant to 44 CFR 13.36(i)(8), Contractor agrees to the following provisions regarding patents:

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a. All rights to inventions and/or discoveries that arise or are developed, in the course of or under this Agreement, shall belong to the District and be disposed of in accordance with District policy. The District, at its own discretion, may file for patents in connection with all rights to any such inventions and/or discoveries.

6. Pursuant to 44 CFR 13.36(i)(9), Contractor agrees to the following provisions, regarding copyrights:

a. If this Agreement results in any copyrightable material or inventions, in accordance with 44 CFR 13.34, FEMA reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish or otherwise use, for Federal Government purposes:

- (1) The copyright in any work developed under a grant or contract; and
- (2) Any rights of copyright to which a grantee or a contractor purchases ownership with grant support.

7. Pursuant to 44 CFR 13.36(i)(10), Contractor shall maintain any books, documents, papers, and records of the Contractor which are directly pertinent to this Master Agreement. At any time during normal business hours and as often as District deems necessary, Contractor shall permit District, FEMA, the Comptroller General of United States, or any of their duly authorized representatives to inspect and photocopy such records for the purpose of making audit, examination, excerpts, and transcriptions.

8. Pursuant to 44 CFR 13.36(i)(11), Contractor shall retain all required records for three years after FEMA or District makes final payments and all other pending matters are closed. In addition, Contractor shall comply with record retention requirements set forth in 44 CFR 13.42.

ATTACHMENT E
COMMUNITY DEVELOPMENT BLOCK GRANT ADDENDUM

Purchases made under this contract may be partially or fully funded with federal grant funds. Funding for this work may include Federal Funding sources, including Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development. When such funding is provided, Contractor shall comply with all terms, conditions and requirements enumerated by the grant funding source, as well as requirements of the State statutes for which the contract is utilized, whichever is the more restrictive requirement. When using Federal Funding, Contractor shall comply with all wage and latest reporting provisions of the Federal Davis-Bacon Act. HUD-4010 Labor Provisions also applies to this contract.

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ATTACHMENT F

HARFORD COUNTY PUBLIC SCHOOLS

Barbara Canavan, Interim Superintendent

102 S. Hickory Ave, Bel Air, Maryland 21014

**CERTIFICATION REGARDING U.S. GOVERNMENT
DEBARMENT, SUSPENSION, INELIGIBILITY, AND VOLUNTARY EXCLUSION**

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 34 CFR, part 85, Section 85.510, Participants' responsibilities. The regulations were published as Part VII of the May 26, 1988, Federal Register (pages 19160-19211).

- (1) The prospective participant certifies, by submission of this proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
- (2) Where the prospective participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Name and Title of Authorized Agency/Organization Representative

Signature

Date

Agency/Organization

Above certification instituted by the U. S. Department of Education for all grantees and subgrantees as of fiscal year 1990.

ANTI-BRIBERY AFFIDAVIT

I HEREBY CERTIFY that:

- 1. I am the _____ and the duly authorized representative of the firm of whose address is _____, and that I possess the legal authority to make this affidavit on behalf of myself and the firm for which I am acting.
- 2. Except as described in paragraph 3 below, neither I, nor to the best of my knowledge, the above firm, nor any of its officers, directors or partners, or any of its employees directly involved in obtaining contracts with the state or any county, bi-county, or multi-county agency, or subdivision of the State have been convicted of, or have pleaded nolo contendere to a charge of, or have during the course of an official investigation or other proceeding admitted in writing or under oath acts or omissions committed after July 1, 1977, which constitute bribery, attempted bribery, or conspiracy to bribe under the provisions of Article 27 of the Annotated Code of Maryland or under the laws of any state or federal government.
- 3. (State "none" or, as appropriate, list any conviction, plea, or admission described in paragraph 2 above, with the date; court, official, or administrative body; and the sentence or disposition, if any. _____)

I acknowledge that this affidavit is to be furnished to the requesting agency, to the Secretary of Budget and Fiscal Planning of Maryland, and where appropriate, to the Board of Public Works and the Attorney General under §16-202, S.F. of the Annotated Code of Maryland. I acknowledge that, if the representations set forth in this affidavit are not true and correct, the State may terminate any contract awarded and take any other appropriate action. I further acknowledge that I am executing this affidavit in compliance with §16-203, S.F. of the Annotated Code of Maryland, which provides that certain persons who have been convicted of or have admitted to bribery, attempted bribery, or conspiracy to bribe may be disqualified, either by operation of law or after a hearing, from entering into contracts with the State or any of its agencies or subdivisions.

I do solemnly declare and affirm under the penalties of perjury that the contents of this affidavit are true and correct.

Witness

Signature

Date

RFP – Workforce Management System
 #14-JLR-003

BID FORM/PRICE SHEET	
<i>SECTION A</i>	
<i>Pricing</i>	
DESCRIPTION OF PRODUCT/SERVICE	COST
<i>(Insert additional lines as appropriate to adequately itemize all costs.)</i>	
Software	
Hardware	
Implementation & Connectivity	
Training Costs (if applicable)	
Interface to/from payroll system	
Other costs: (itemized)	
Total Initial Cost	\$
Annual license fee (if applicable)	\$
Annual Support/Maintenance Year 1	\$
Annual Support/Maintenance Year 2	
Annual Support/Maintenance Year 3	
Annual Support/Maintenance Year 4	
Annual Support/Maintenance Year 5	
Total Cost of Ownership	\$
Discounts for volume (i.e. price breaks for number of employees, etc.)	
Any additional pricing incentives, discounts or rebates such as for large volume purchases, bundled services, etc.)	

BID FORM/PRICE SHEET (CONT'D)	
<i>SECTION A Pricing Cont'd</i>	
DESCRIPTION OF PRODUCT/SERVICE	COST
<i>(Insert additional lines as appropriate to adequately itemize all costs.)</i>	
Any additional pricing discounts for the purchase of services for groups of Participating Public Agencies in a local geographic area that desire to combine requirements, i.e. local city, county, school district, housing authority, transit authority, etc.	
Detail pricing for any related products, services and solutions:	

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BID FORM/PRICE SHEET (CONT'D)	
<i>SECTION B</i>	
<i>Sample Pricing Scenario</i>	
<i>Using the pricing submitted in Section A, provide itemized costs for all items necessary to perform work in the Sample Pricing Scenario described in Section III, Paragraph E of the Cost Proposal Criteria.</i>	
DESCRIPTION OF PRODUCT/SERVICE	COST
<i>(Insert additional lines as appropriate to adequately itemize all costs.)</i>	
Software	
Hardware	
Implementation	
Training (daily rate)	
Other Costs:	
Total	\$

BID FORM/PRICE SHEET (CONT'D)

SECTION C
Signature Page

Signature

Company

Name (Print or type)

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Kronos RFP #14-JLR-003

Technical Proposal



Kronos Incorporated
297 Billerica Road
Chelmsford, MA 01824

phone +1 978 250 9800
fax +1 978 367 5900
url www.kronos.com

November 7, 2013

Mr. Jeff LaPorta
CPPB, Supervisor of Purchasing
Harford County Public Schools / U.S. Communities
102 S. Hickory Ave.
Bel Air, MD 21014

Subject: Technical Proposal - Workforce Management System

Dear Mr. LaPorta,

Enclosed with this letter is Kronos Incorporated's Technical Proposal response to the Harford County Public Schools / U.S. Communities Workforce Management System RFP. Thank you for the opportunity to submit a response.

In review of the needs of the Harford County Public Schools (HCPS) and U.S. Communities, Kronos understands the needs of organizations such as yours in seeking a workforce management system that includes the functionality of time and attendance and clocking systems, scheduling and staffing, and a real-time labor management tool. We have addressed each of your requirements and provided supporting information of our company, product, and services as evidence that Kronos is the only vendor who can meet the varying workforce management needs of all U.S. Communities agencies.

Kronos is a single-source provider and global leader in workforce management solutions that enable organizations to control labor costs, minimize compliance risk, and improve workforce productivity. Tens of thousands of organizations of all sizes and complexities --including over 2,000 Federal, Public Sector and Higher Education entities — use Kronos time and attendance, scheduling, absence management, HR and payroll, hiring, and labor analytics applications. These organizations have turned to Kronos because they know they can trust us to provide solutions that work.

In regards to our history, Kronos® Incorporated was founded by Mark S. Ain in 1977. His vision was to automate the employee timekeeping process by integrating microprocessor technology into time clocks. After working through a series of prototypes, it was in 1979 that Kronos delivered and patented the first microprocessor-based time clock which automatically recorded, totalled, and reported employee hours. This patented technology evolved into PC, client/server and Web-based solutions for labor management. Today, 30 million people use Kronos solutions every day. Kronos has 3,635 employees dedicated to providing the services you expect from your workforce management system provider.

Thank you for your time and consideration of the Kronos Workforce Central solution. Please note that this offer to Harford County Public Schools / U.S. Communities is valid for 100 days from the date on the cover page of this proposal. Greg Smith, Vice President, Public Sector and Education, will be your point of contact for clarifications and negotiations for this proposal. Should you have any questions or need further explanation, please feel free to contact him directly by telephone at (978) 244-6324 or by email at GSmith@kronos.com.

Sincerely,

A handwritten signature in blue ink, appearing to read "John O'Brien", written over a light blue circular stamp.

John O'Brien
Senior Vice President of Sales, North America
Kronos Incorporated



**U.S. Communities
Harford County Public Schools**

Workforce Management System

November 7, 2013 2:30pm

Kronos Incorporated
297 Billerica Road
Chelmsford, MA 01824
www.kronos.com

Greg Smith
Vice President, Public Sector and Education
Phone: (978) 244-6324
Email: GSmith@kronos.com

TECHNICAL PROPOSAL

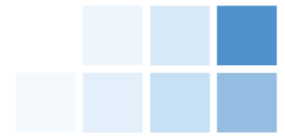
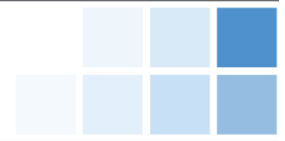


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Tab B – EXECUTIVE SUMMARY

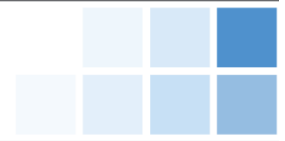
Under the scrutiny of the public eye, public sector organizations operate with tight budgets and complex workforce management rules that are designed to ensure that quality services are provided at a minimal cost to the taxpayers. Leading these organizations are fiscally responsible individuals who have sworn an oath to uphold the rules that govern these public organizations and to provide leadership for the employees who are expected to operate within them. As a public sector organization there is no room for error, particularly in the realm of workforce management. Harford County Public School System (HCPS) and U.S. Communities require an experienced and trusted vendor who has proven to provide workforce management solutions and services within the public sector.

With Kronos as your trusted partner, member agencies will benefit from proven and versatile solutions that minimize risk. Kronos has submitted our response with the understanding that HCPS and U.S. Communities have a need for a contracting vehicle for workforce management that must fit the needs of a wide variety of public sector/education organizations. In addition to our experience, Kronos has provided details on the proposed solutions, services, and pricing that supports the company's qualifications that HCPS and U.S. Communities can depend on.

Proposed Solutions

Presented within our response Kronos is proposing **three** primary public sector market solutions:

- **Workforce Central** - Workforce Central is our flagship product designed for organizations with more complicated pay rules, organizational structures and deployments. Available as an on-premises installation or SaaS, the product is robust enough in functionality and applications to meet the needs of any size and complexity. Kronos proposes Workforce Central for HCPS and all U.S. Communities agencies who can benefit from this solution set. For details on Workforce Central please see [Tab F – SUPPLIER INFORMATION – Supplier Information – Products Services and Systems, Requirement 1.](#)
- **Workforce Ready** - Workforce Ready is a full product suite designed for smaller organizations or those with less complexity. Combining full functionality with low cost all in a SaaS environment, Workforce Ready has become the staple for the public sector. Kronos proposes Workforce Ready for all U.S. Communities agencies who can benefit from this solution set. For details on Workforce Ready please see [Tab F – SUPPLIER INFORMATION – Supplier Information – Products Services and Systems, Requirement 2.](#)
- **Workforce TeleStaff** - Workforce TeleStaff is a unique scheduling application for public safety officials that allow chiefs, supervisors, administrators and managers to easily build and modify rosters as well as to automate the labor-intensive manual bidding process. Available as an on-premises installation, Workforce TeleStaff easily integrates with both Workforce Central and Workforce Ready. Kronos proposes Workforce TeleStaff for all U.S. Communities' agencies who can benefit from this solution set. For details on Workforce TeleStaff please see [Tab F – SUPPLIER INFORMATION – Supplier Information – Products Services and Systems, Requirement 2.](#)

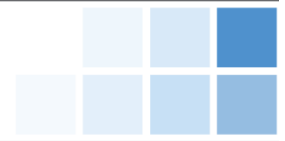


Proposed Experience and Services

Kronos has been a global leader in workforce management solutions for over 35 years and our public sector customers represent some of our longest-standing customers. To date, Kronos has implemented timekeeping and related solutions in over 2,000 public agencies. Our experience with the public sector spans across Federal, State, Local, and Public Education. These customers vary in size from the small(30 employees) to the large(30,000 employees), proving how scalable and flexible Kronos solutions really are. In addition to the customer references provided within the proposal, Kronos has included several Customer Success Stories to provide further insight to how Kronos has helped our customers with workforce management. For further details on experience, please refer to Tab C – OFFEROR PROFILE.

Reflective of the experience in the public sector, Kronos has proposed the following services in support of the company's commitment to HCPS and U.S. Communities:

- **Professional Services** - Kronos has the resources, infrastructure, and processes necessary to provide the best customer implementations in the industry. With thousands of successful customers in virtually all industries and hundreds of skilled service personnel, Kronos continues to serve as a trusted partner providing enterprise workforce management implementations that work. For details, please see our response in Tab D – QUALIFICATIONS – Qualifications Statement – Organization and Staff Experience.
- **Change Management Services** – Introducing and managing change in the public sector is a challenging endeavor. Kronos provides our customers change management services that complement product implementation. For instance, in support of your defined scope of work, change management will be critical to ensure the organization is ready for change. For details, please see our response in Tab D – QUALIFICATIONS – Qualifications Statement – Organization and Staff Experience.
- **Global Support Services** - The Kronos Global Support Gold, Gold Plus, Platinum, and Platinum Plus plans are designed to provide increasing levels of support, depending on your business-specific requirements. Our dedicated support teams give you the direction you need to keep your Kronos solution running smoothly and continually returning value. For details on our support offerings, please see our response in Tab F – SUPPLIER INFORMATION – Supplier Information – Quality – Requirement 1.
- **Educational Services** - Kronos Educational Services will work with HCPS, U.S. Communities, and each U.S. Communities participating agency that chooses to use this contract. With this commitment, we will help define an education strategy to train the implementation, functional and technical project team members and end users. Kronos provides learning paths for our solution to assist in defining the appropriate training for each employee role. For details, please see our response in Tab D – QUALIFICATIONS – Qualifications Statement – Organization and Staff Experience.



Proposed Pricing

Public agencies require flexibility in a product, service, or even payment method. Kronos is committed to these requests. Due to our unique and incredibly solid financial position, Kronos is able to work directly with our clients to provide financial options that are typically unavailable by other vendors. Kronos offers a variety of financial options including back loading finance options, leasing, or evenly distributed payments throughout a defined period of time. Kronos is committed to working with each individual participating agency to find the most cost effective solution that meets your needs.

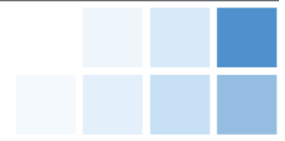
Presented within our response Kronos has provided a cost proposal that outlines the cost factors for our services and each of our three primary workforce management solutions: Workforce Central, Workforce Ready and Workforce TeleStaff. Please refer to our Cost Proposal for details.

Summary

With Kronos as your trusted partner, member agencies will benefit from proven and versatile solutions that minimize risk. Our solutions solve the workforce management requirements presented in the RFP, including the need for time and attendance, scheduling, staffing and reporting.

Kronos is the only vendor in the workforce management space that can be trusted with a contract like this. With Kronos you will find:

- A Proven and Trusted Partner: With over 2,000 implementations in the Public Sector Kronos has an unparalleled track record of success that is at least 10x any other vendor.
- Proven and Versatile Solutions that Minimize Risk for Larger, More Complex Organizations: For Public Sector entities that are larger in size or need more in depth functionality, Workforce Central offers the modules and robustness they need.
- Flexibility and Low Cost for Less Complex Organizations: For smaller or simpler implementation environments, Workforce Ready offers a state of the art platform and solution.
- Vendor Stability and Product Innovation: Kronos is the market leader and uses that position that offer unmatched financial flexibility and product development.



Tab C – OFFEROR PROFILE

Kronos – A Trusted Partner

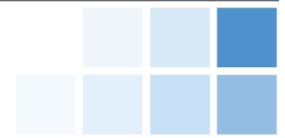
Kronos Incorporated, a Massachusetts company, provides a suite of solutions that help organizations minimize risk, control labor costs and improve productivity. Kronos Incorporated's solutions, which include time and attendance, scheduling, absence management, human resources, payroll, and labor analytics, are designed for a wide range of organizations from single-site to large multi-site enterprises.

For over 35 years, Kronos has helped State and Local Government entities tackle their workforce challenges. Today over 35 States, 1,500 cities/counties, 300 School Districts, 200 Higher Education Institutions, and 70 Federal Agencies use Kronos Solutions. Universally, over thirty million people depend on Kronos every day. With an average customer size of 1,500 employees, Kronos services organizations of all sizes; with customers as small as 30 employees up to our largest customer having 300,000 employees. For the purposes of a master contract to be used by multiple sized entities of varying needs and complexities, Kronos is the only vendor broad enough and deep enough for U.S. Communities to be able to stand behind.

Depth in Public Sector and Education

Four years ago Kronos made a significant organizational change in response to our customers' requests to better meet their needs. At that time Kronos reorganized into 5 business units with one of those units comprised of all State, Local, Higher Education, K-12 and Federal organizations. Our customers demanded that we have a company division solely dedicated to the public sector and we responded. This division now brings unique public sector expertise that is demonstrated throughout our engagement with customers. This expertise is evident starting with the presales process continuing all the way through to post implementation support. In addition, Kronos offers unique public sector focused solutions in training and change management services designed to recognize the specific challenges that public agencies face in the rollout of software solutions.

For instance, the City of Jackson was faced with some very real challenges related specifically to FLSA compliance. In the midst of a Department of Labor audit, they sought out the assistance of Kronos to not only automate their workforce management, but also to assist them with changing their culture. Through the utilization of Kronos' change management services the City of Jackson maximized their utilization of the Kronos solution and ensured that there would be complete employee adoption. Kronos also provided an audit of the employee classifications which the City believed needed adjustment. Finally, Kronos helped to develop a communication strategy for both the end users and the City's constituents. The City has only been live on the Kronos solution for a short time and has already seen a significant decrease in overtime costs. In just the overtime reduction that the City has realized, the implementation of Kronos has nearly paid for itself.

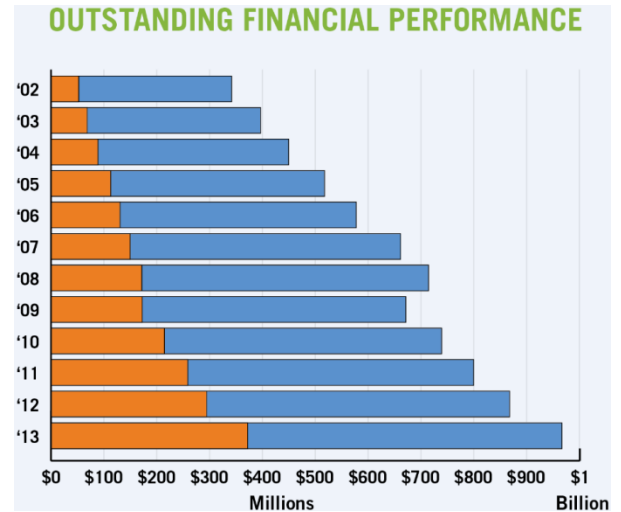


Company Stability and Product Innovation

Financial Stability

Kronos is very proud of our long track record of financial performance and are well positioned financially to continue to invest in our products to better service our customers.

Kronos has been in business for over 35 years, focused solely on assisting entities with their workforce management. Through 2007, Kronos was a publically traded company on the NASDAQ stock exchange and were second only to Microsoft for the longest track record of profitable revenue growth (-20 years) among all publically traded software companies. In 2007, Kronos went private through a leveraged buyout led by the top tier private equity firm of Hellman & Friedman. It is very important to note that since going private we have continued to grow our revenues to \$968M in our most recent fiscal year that ended on September 30, 2013. This is while also increasing our investment in product development each year including \$90M in fiscal 2012 and \$101M in most recent FY2013.



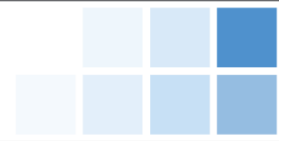
In summary, Kronos has grown our revenues, profitability and cash flows while increasing our investments in product development as a private company through a very challenging economic period. This pattern of financial performance demonstrates the depth of our financial position.

Product Innovation

Kronos' technology strategy is to lower customers' cost and risk. The technology philosophy and roadmap for Workforce Central, as well as all of our solutions, mandates that each new release has to support security and reliability standards, improve serviceability and productivity, and provide expandability and performance. These objectives must be met while also minimizing technology risk and resting on an easy-to-use platform. Subsequent service packs and releases are focused on supporting a guided user experience through an enhanced user interface and mobile computing.

Embracing the responsibility of being the undisputed marketing leader, Kronos continues to innovate. Kronos believes that to maintain our industry leadership, investment must be deep in product development, adoption of leading technology, and attention to customer needs. Kronos continues to spend about 8% of revenues on research & development, including dedicated scalability, performance, and reliability teams. This equates to more than \$100 million in investment spending which is at least 2x our closest competitors' annual revenues! Kronos workforce mobile applications and its new user interface each won awards recognizing achievements in technology innovation.

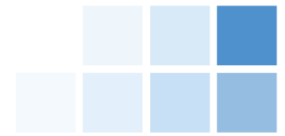
- In September 2013 Ventana Research recognized Kronos as an innovator in Mobile. The Technology Innovation awards recognize vendors that are visionaries and develop applications and technology to drive productivity and efficiency for their customers. Kronos is a Technology Innovation winner in the Mobile Technology category for its robust suite of mobile solutions that



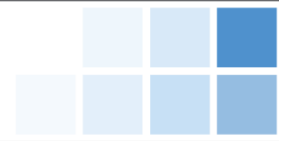
connect managers and employees to their Kronos workforce management solution on a variety of mobile phones and tablet devices.

- Kronos Workforce Mobile applications won the 2011 TekTonic award from *HRO Today* under the category of Best Workforce Management Solution (time/attendance). *HRO Today* is a human resource publication that focuses on issues affecting the outsourced human resource services market. Each year, *HRO Today* presents the TekTonic award to companies with ground shaking innovations in HR software and technology.
- The new Kronos user interface won the Hot Companies and Best Products award in the division of Best IT Products and Services under the category of Solutions for Enterprise from leading information technology and advisory resource *Network Products Guide*. The awards recognize exceptional achievements in the IT industry from companies all over the world.

Kronos Incorporated	
Name of firm submitting proposal	Kronos Incorporated
Main office address, telephone number, fax number	297 Billerica Rd. Chelmsford, MA 01824 Phone: (978) 250-9800 Fax: (978) 367-5900
Primary contact email address and website address	Greg Smith GSmith@kronos.com www.kronos.com
If a corporation, when and where incorporated	Kronos was incorporated on October 31, 1977 in Massachusetts
List any dba's	<p>Kronos Acquisition Corporation (Kronos Acquisition) (fka Seahawk Acquisition) and Seahawk Merger Sub Corporation (Seahawk Merger Sub), a wholly owned subsidiary of Kronos Acquisition, were formed on March 21, 2007 for purposes of acquiring Kronos Incorporated.</p> <p>Kronos Parent Corporation (fka Seahawk Acquisition Holdings Corporation) was formed on June 5, 2007 and acquired all of the outstanding stock of Kronos Acquisition.</p> <p>On June 8, 2007, shareholders of Kronos Incorporated approved and adopted the Agreement and Plan of Merger, dated as of March 22, 2007 (the Merger Agreement), by and among Kronos Acquisition, Seahawk Merger Sub and Kronos Incorporated. The acquisition of Kronos Incorporated (the Merger), which was completed on June 11, 2007, was primarily financed by Hellman & Friedman Capital Partners VI, L.P. (H&F) and JMI Equity Fund V, L.P. (JMI), the Company's private equity sponsors. Under the terms of the Merger Agreement, Seahawk Merger Sub was merged with and into Kronos Incorporated, with Kronos Incorporated continuing as the surviving</p>



	corporation. Upon completion of the Merger, Kronos Incorporated became a wholly owned subsidiary of Kronos Acquisition.
Number of years in business	Kronos has been in business for over 35 years.
Total number of employees	3,661
State acceptance of Procurement Cards as required in Section 1, Paragraph N, Billing & Payment.	All orders under \$10,000 can be purchased via a procurement card. Kronos accepts Master Card, Visa and American Express.



Tab D – QUALIFICATIONS

Qualifications Statement

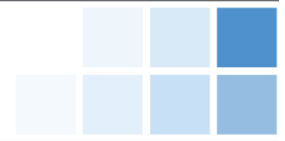
The Offeror will provide a QUALIFICATION STATEMENT which briefly describes what makes its company uniquely qualified to provide Workforce Management Systems, including any superior qualities its company possesses that would benefit Participating Public Agencies.

As the market leader for 35 years, Kronos has the resources, infrastructure, and processes necessary to provide the best implementations in the industry. Kronos' public sector strategy embraces the unique issues faced by public agencies and delivers on solutions meant to deal with budget shortfalls and increased efficiency measures. Further, with more than 2,000 city, county, state, and federal organizations, Kronos has extensive experience providing proven and versatile solutions that minimize risk for any size and type of organization. Our qualifications are outlined by:

- **Company**
- **Public Sector**
- **Product**
- **Services**

Company Qualifications

- Kronos has been providing time and attendance software and related services since 1979 and was the first company to automate the time and attendance collection process using personal computer technology.
- Our maintenance contract retention rate is consistently greater than 95% each year.
- Innovative: Kronos' award-winning products are ushering in the next generation of workforce management. Kronos' user interface, mobile products and revolutionary hardware have redefined the industry and set a new standard for workforce management solutions.
- Reliable: Workforce management vendors come and go, but Kronos has been around since 1977. The company continues to thrive and recently achieved its 100th consecutive quarter of profitability. Kronos' products and people have stood the test of time.
- Market Share: Outside experts estimate Kronos market share to be between 60 and 75% depending on the vertical market.
- Customer-focus: For the 13th consecutive year, Kronos was recognized by Omega Management Group Corp. with its NorthFace ScoreBoard Award in the areas of implementation, support, and business relationship services. Omega presents the NorthFace ScoreBoard Award annually to organizations that consistently exceed customer expectations during the preceding year, as rated by their customers. In recognition for 2013, Kronos is one of only two companies to receive this prestigious award 13 years in a row.



Public Sector Qualifications

For a master contract it's important to choose a vendor who understands the unique challenges the public sector faces. The Kronos for Public Sector solutions, either through Workforce Central or Workforce Ready, addresses those complex labor issues found in government and educational institutions.

Automating the process around these functions ensures compliance with bargaining agreements and labor laws, generates operational efficiencies, and reduces labor costs. Kronos has 35 years' experience working with public sector and education entities as well as, a dedicated sales, presales, services and support staff for public sector and education. Kronos' track record includes more than 2,000 public sector customers and our public safety scheduling application manages employees in 800 public safety organizations. In the past 24 months alone, Kronos has booked over 1,300 independent new and upgrade projects in the public sector, a testament to our commitment and ability to provide workforce management solutions in the public sector.

Kronos addresses the needs of its public sector customers in many ways. We recognize the scrutiny government agencies are under to keep costs low, remain transparent and accountable, and continue a high-level of service to the public. Kronos enables public sector entities to control labor costs, minimize compliance risks, and improve workforce productivity. Our delivery of high quality information – information that is granular, real-time, and comprehensive – is instrumental in making quality decisions and understanding the impact of the workforce on the organization and its missions. Further, Kronos helps customers manage various union policies through automated procedures, enabling government agencies to uniformly apply labor and union contracts across their workforce. One centralized database improves compliance with state, federal, and union regulations and provides a comprehensive audit trail.

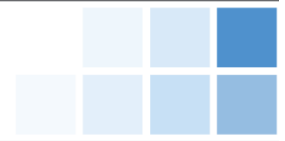
Customer Success Story

In the midst of negative budget impacts, the **City of Houston's** officials were faced with an environment in which they had to make fiscally responsible information technology (IT) investment choices while preparing for and thinking of the long-term sustainability of the city. The city's overarching philosophy is to constantly better itself as well as continually reform and improve operations and the way they conduct business. Administrators believed by utilizing the Kronos Workforce Cen solution there was a path to operational cost savings, control over labor costs, and greater transparency. City officials were interested in some very specific payroll capabilities that would enable the execution of process best practices. For instance, they were trying to reduce the number of paper forms in the leave management process and hoped to automate leave requests and the scheduling function. They also sought assistance with tracking Family and Medical Leave Act (FMLA) and workers' compensation.

Product Qualifications

Kronos workforce management solutions are configured not customized.

Customers recognize this approach as one of the primary benefits in partnering with Kronos. The technology built into Kronos solutions offers configuration options designed to accommodate the most challenging workforce management scenarios. This provides each of our customers with security, stability, and the power to rely on a workforce management solution that is dependable, easily to upgrade, and cost effective.



Among the primary reasons Kronos does not customize its products is the increased risk that accompanies customization. In addition, the cost and complexity of upgrading increases exponentially in a customized environment. Finally, customization undermines the best practices built into the software. Reliance on customization is often a symptom of bigger problems, including a solution’s mismatch with a company’s requirements or a lack of project controls during implementation.

With Kronos, customers rely on a proven solution that is 100% configurable. The advantages of a configurable solution lie in the ability for customers to have the power and control over their workforce management solution. Having this security is a contributing factor on why organizations look to Kronos for a workforce management partner.

Product Development

In FY2013 Kronos allocated \$101M in research and development. With continued investment year after year, Kronos Engineering provides the tools our customers need to help them control labor costs, minimize compliance risk, and improve workforce productivity.

To develop the suite of software applications that provide a Global Workforce Management Solution to its customers, Kronos Engineering uses state-of-the-art practices and mature processes to ensure quality and reliability. These practices and processes make up the Kronos Software Development Lifecycle (SDLC).

At the core of the Kronos development cycle is the practice of Agile development. This practice is based on iterative development, where requirements and solutions evolve through collaboration within self-organizing and tightly integrated teams. Agile practices allow for frequent inspection and adaptation, team structures that encourage close teamwork, self-organization and accountability, a set of engineering best practices intended to allow for rapid delivery of high-quality software, and a business approach that aligns development with customer needs and company goals. Supporting the Agile development process is the Scrum project management framework, which clarifies roles and responsibilities within the team and also provides a structured organizational approach.

Agile and Scrum practices, as well as Kronos Engineering Standards, are used for all Kronos software development—including major releases, service packs and emergency patches.

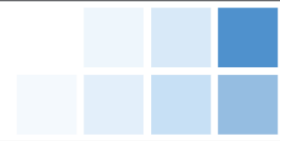
Customer Success Story

Auburn University has implemented Kronos for use with all 9,000 non-faculty university employees with full integration to Banner. Various time capture methods are being used including approximately 165 Kronos 4500 terminals installed throughout the campus. The implementation of automated time-off requests at the terminal as well as on a computer terminal has eliminated the need for a paper time off request form.

Services Qualifications

Professional Services

Kronos has the resources, infrastructure, and processes necessary to provide the best customer implementations in the industry. With thousands of successful customers in virtually all industries, Kronos continues to serve as a trusted partner providing enterprise workforce management implementations that



work. In fact, within the public sector, Kronos implemented either Workforce Central or Workforce Ready for over 354 customers in FY2012 and over 488 customers in FY2013, respectively.

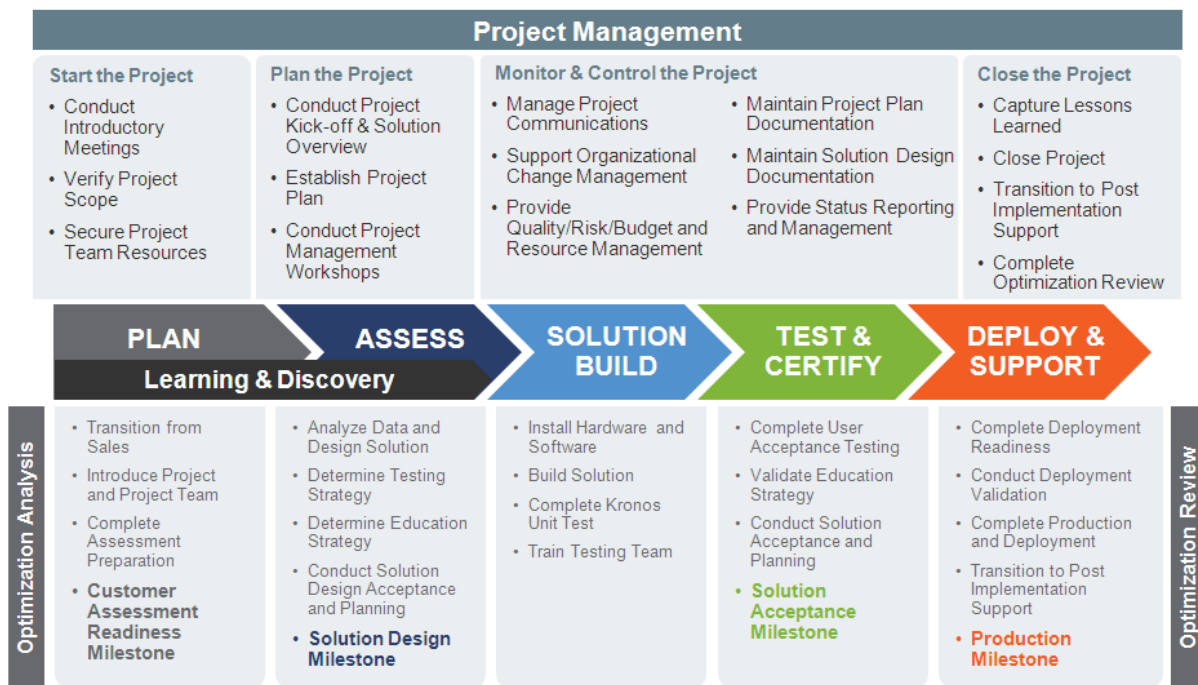
Kronos provides comprehensive implementation assistance including PMI-certified Project Managers, highly skilled Application Consultants, and certified Technology Consultants. In addition, Kronos provides other advisory services including experts in industry best practices, change management, and training planning and deployment. Because of this breadth of experience, our staff can provide valuable insight into how to optimize your Kronos solution.

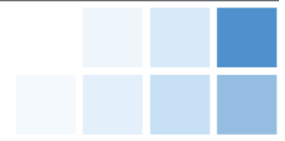
For HCPS and U.S. Communities, Kronos will follow our proven Momentum Methodology approach for all implementation projects. Momentum is an integrated, end-to-end suite of processes and tools that assists in driving the implementation. It is the foundation on which our projects are based, and brings together best practices and project methods from over 35 years of labor management implementation experience. This methodology, developed by hundreds of Kronos consulting professionals, allows us to deliver consistent and measurable results – on time, and on budget.

The phases of the Momentum Methodology are:

- **Plan**
- **Assess**
- **Build**
- **Test & Certify**
- **Deploy & Support**

The 5 phases are key transition points in the project life cycle. The activities within each Phase are high-level groupings of tasks to be performed and the basis for developing the overall project schedule. Configuration, Reports, Interfaces, Documentation and Training are included. At the conclusion of each Phase, the overall Project Plan is evaluated based on results from the previous activities. The diagram below provides an overview of the Momentum Methodology.





Each phase contains key milestones, activities and tasks that will help HCPS and U.S. Communities stakeholders make informed decisions at each check point and provide the foundation for decisions and efforts of subsequent phases.

Our recent implementation projects include City of Albuquerque, City of Greensboro, Dartmouth College, Prince William County Park Authority, Town of Lexington, City of Cape Coral, Clemson University, University of Kentucky, Leon County Schools, State of Alabama, Renton Police (WA), Gilbert Unified School District, and Citrus County Sheriff/Fire Department (FL).

Change Management for Public Sector

Kronos understands that in the public sector there is a far greater need to focus on the people aspect of major change initiatives. There is a long standing culture that exists within the public sector that historically has been resistant to change initiatives. By focusing on the systematic management of employee engagement and adoption of new technology, business processes, and policies it will help employees to embrace, adopt and utilize this change in their day to day work.

The purpose of change management is to help your organization prepare for and plan your Kronos implementation before any changes occur—a key to gaining user acceptance, controlling costs, and ensuring the smoothest possible deployment of the new system. Effective change management will also help your organization use the Kronos implementation as a mechanism for change so that your staff members readily adopt and use the new system.

Our goal is to create a relationship that is characterized by the following elements:

- **Partnership.** A shared sense of purpose and collaboration, working together as a team to implement the solution.
- **Open and Ongoing Communication.** We intend to provide ample opportunities for communication between and across layers of project organization.
- **Teamwork.** Working together is a key part of our partnership approach. We will jointly form integrated teams to ensure that all facets of the application, the environment and the users are represented.
- **Tracking to the Overall Goals and Objectives.** It is important to maintain focus on the overall goals and objectives of the project and the need to interface with other systems.

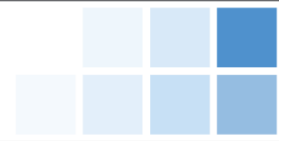
Global Support Services

For over 35 years, the Kronos Global Support team has provided a wealth of experience supporting our products. We offer 9x5 “Gold” support, and 24x7 “Platinum” support, plus an optional dedicated Technical Account Manager with our “Gold Plus” and “Platinum Plus” support plans. For details on our support offerings please see [Tab F – SUPPLIER INFORMATION – Supplier Information – Quality – Requirement 1.](#)



Educational Services

Ensuring employee adoption and acceptance of your Kronos system is vital. Educating the workforce on the software plays a major role in its adoption and acceptance. Kronos Educational Services will work with HCPS and U.S. Communities to define an education strategy to train the implementation, functional and technical project team members and end users. Kronos provides learning paths for our solution to assist in defining the appropriate training for each employee role utilizing the best practices of other public sector entities.. Kronos offers a proven knowledge transfer methodology and has trained hundreds of thousands of users on our solution via: Kronos Certified Instructor led training offered onsite or in the Kronos virtual classroom, private, on-site training at our customer facilities, and KnowledgePass, our online self-paced learning portal. KnowledgePass assists organizations in delivering on-demand training resources appropriate to specific employee roles. KnowledgePass provides a wide variety of on-demand learning options such as job aids, web-based tutorials, step-action tables and three minute simulations through KnowledgePass.



Organization and Staff Experience

The Offeror will describe its qualifications and experience to perform the work described in this RFP. Information about experience should include direct experience for performing Workforce Management Systems within the past 24 months, and the size of those public entities served.

Kronos is focused on delivering the experience our customers expect. The following is a brief summary of the organization and staff experience in:

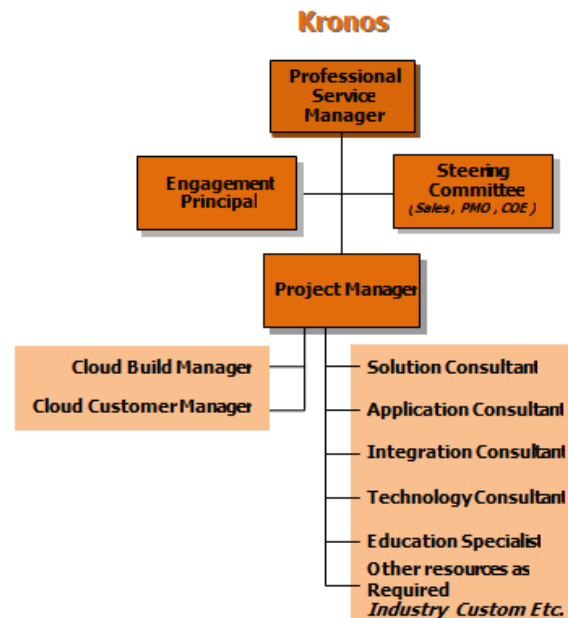
- Professional Services
- Kronos Global Support

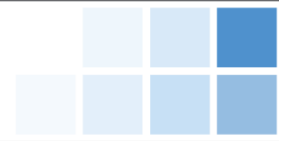
Professional Services

Elaborating on our professional services described in our Qualifications Statement above, Kronos has the resources, infrastructure, and processes necessary to provide the best client implementations for the public sector. We implement effectively, both locally and globally, saving our customers time and money. We can respond quickly at the local level, and also with appropriate resources for the largest enterprise customers. We have 4 local training centers and over 800 services personnel, many times the entire workforce of most of our competitors. With a strong professional services support base Kronos, in the past 24 months, booked over 1300 independent new and upgrade projects in the public sector including projects such as the Douglas County School District (3,500 licenses), Arkansas Department of Highway and Transportation (4,000 licenses), Grandville Public School System (100 licenses), and the City of Salem (2,500 licenses).

Project Managers keep projects organized from start to finish, maintaining implementation schedules and keeping customers well informed of our progress. Application Consultants are configuration experts and are versed in industry best practices. Instructors bring best practices to bear to help customers get productive quickly. The majority of our Service professionals are certified by the Project Management Institute and/or the American Payroll Association, and have industry technical certifications from companies such as Cisco, Microsoft and Oracle.

The Kronos Public Sector Team consists of 25 individuals fully dedicated to implementing Kronos solutions for public sector customers. The Public Sector has implemented the full suite of Kronos products for small, medium, and large enterprises, including advanced functionality for tracking projects and grants, and data analytics. Our solution consultants and project managers are experts in the unique labor management and pay rules common to public sector entities, and have successfully integrated the Kronos solution with top tier ERP systems such as SAP and Oracle while also bringing that same level of



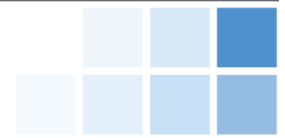


expertise to smaller and less complex organizations. We have provided functional resumes by position title that demonstrate the qualifications, background, skills, and experience levels, which are typical of our implementation team members. Please see [Tab F – SUPPLIER INFORMATION – Supplier Information – Additional Information – Kronos Project Team](#) for a detailed listing of functional resumes.

Global Support Services

Elaborating on our Global Support Services described in our Qualifications Statement above, The Kronos Global Support (KGS) staff consists of Support Engineers, Senior Specialists, and Account managers that team to provide the highest level of support that the industry has to offer. The KGS organization is staffed to maintain our response time goals, and staffing levels will vary based on market dynamics. Kronos' average response time for incoming customer support calls is 90 seconds or less, and over 60% of software issues are resolved in one business day.

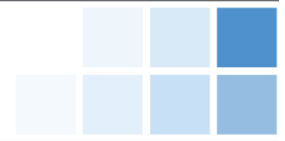
KGS is staffed by over 300 experienced service professionals that handle approximately 12,000 cases per month from more than 20,000 customers with active software maintenance contracts. This equates to an approximate 100:1 ratio (200 direct support staff to 20,000 customers). Through our Platinum Plus support plan, a customer would receive 24/7 priority support access to a dedicated Technical Account Manager with high-level Kronos application and technical expertise. In effect, this program is designed to deliver an intimate 5:1 customer to support staff ratio and is recommended for organizations with large and diverse employee populations.



Statement of Work Questionnaire

1.0 DATA COLLECTION

	Requirement	Y	N
1	Data collection terminals should support bar code, magnetic stripe, proximity readers, and biometric capabilities such as finger scan technology.	X	
2	Data collection terminals should support on-line and offline modes.	X	
3	In online mode, transactions should be transmitted from the data collection terminal to the database in real time	X	
4	Data should be stored at the data collection terminal until confirmation of successful transfer is received to prevent data loss. Transactions should be available for exception reporting, on premise reporting and pay rule calculation in real time.	X	
5	Data at the data collection terminal should be secure and stored in non-volatile memory in off-line mode to prevent data loss in case of power failure.	X	
6	The solution should accommodate recorded entry rounding to the nearest tenth hour, quarter hour, or actual time for start and stop as well as meals and breaks.	X	
7	The solution should provide for the prevention of overlapping or redundant recorded entry of beginning and end time entries.	X	
8	The solution should restrict recorded entry (punching) at the data collection terminal or web-based entry screen during unauthorized times, including early, late, early out, late out, and unscheduled days.	X	
9	The solution should allow for employees to record entries at multiple locations in the district.	X	
10	The solution should provide for supervisor override of punch restrictions at the data collection terminal and online.	X	
11	System should support the assignment of employees to particular data collection terminals, and restrict their ability to enter transactions at other terminals (e.g. in a building other than their assigned building). This restriction should be assigned by employee or employee group.	X	



1.0 DATA COLLECTION (CONT'D)

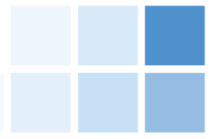
	Requirement	Y	N
12	Employee transfers to different accounts, departments, jobs, or work rules should be validated for that employee at the point of entry.	X	
13	Employee self-service transactions, such as approving timecard, time off request, review schedule, review recorded entries, and review accrual balances should be available online.	X	
14	Employee requests for time off at the data collection terminal should be validated against their real-time balances at the point of entry.	X	
15	To accommodate heavy use periods, employee self-service transactions can be restricted by terminal, terminal group, or time of day for any terminal.	X	
16	Data collection terminals should be configurable to provide only services and functions that may be unique to the workforce at the terminal location.	X	
17	Employee self-service capabilities should be available on a PC, kiosk, cellular device, tablet application or through standard web browsers.	X	
18	The solution should provide support for a system administrator to control functional access by employees. Employees should only be presented with those functions to which they have access, according to their role and needs.	X	
19	The solution should provide the ability to view immediately the outcome of the rules processing on the time entry web based time card.	X	
20	The system should provide for real time alerts to timekeeping exceptions, such as approaching overtime, minor rules violations.	X	

Describe completely how your solution addresses, and satisfies each of the requirements in Section 1 on Tab D Section c.

The InTouch and 4500 terminals work with both the Workforce Central and Workforce Ready solutions.

Workforce InTouch

The Kronos InTouch terminal supports bar code, magnetic stripe and proximity cards as well as integrated biometric verification or identification. The InTouch can be operated in online and real-time communication or automatically switch to offline modes. All collected transactions are verified before they are erased from clock memory. Punch transactions (shift, meal, break, etc.) can be rounded to any even increment of an hour. Schedule restrictions can prevent unauthorized punch attempts by employees whom are too early or late or are not scheduled. Clock assignments will prevent employees from being



able to punch at terminals for which they are not assigned. Supervisors can be given access to the InTouch to perform overrides of the default system rules.

The InTouch supports department transfers so that employees can change which department, job or work rule they will be working in for that shift. Employees are also given a complete array of employee self-service activities such as viewing and approving their timecard, reviewing punch entries, schedules and accrual balances. Employees can also perform time off requests through their employee self service options. These requests are validated against the employees work rules at the point of entry. Each of these above self service transactions can be automatically scheduled to be turned on or off during peak shift changes throughout the day.



In addition to the Kronos InTouch, employees can access these same functions via a PC, kiosk, cellular phone, tablet application or through a standard web browser. Access control can be configured so that employees are only given the access to specific modes of access and only certain functions within each of these modes of access.



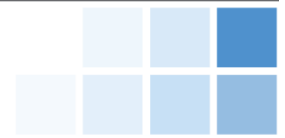
All data is processed in real-time so punch transactions which may result in overtime are calculated immediately. Alerts to exceptions or to potential overtime are also generated in real-time and sent to managers and/or employees as such.

Please see [Tab F – SUPPLIER INFORMATION – Supplier Information – Additional Information - InTouch Brochure](#) for more information on the Kronos InTouch data collection terminal.

Kronos 4500 Badge Terminal

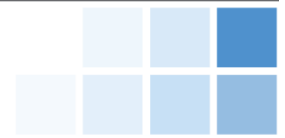
The Kronos 4500 is the easy-to-use, “swipe-and-go” badge terminal — capable of reading a variety of badge types — that serves as a distributed data-collection point for employee time and attendance information. With the ability to automatically recognize in, out, and break transactions, the Kronos 4500 badge terminal forwards these transactions in real time to the central database that feeds the suite of Kronos workforce management applications. And with device-initiated protocol, you can collect workforce data over the open Internet without security concerns or a VPN.

Please see [Tab F – SUPPLIER INFORMATION – Supplier Information – Products, Services, and Systems – Kronos 4500 Badge Terminal](#) for more information.



2.0 PAY POLICY ENFORCEMENT AND TIME EVALUATION

	Requirement	Y	N
1	Pay rules should be completely parameter driven and easy to set-up, change, and track without recourse to special programming or other technical skills.	X	
2	The system should provide for the configuration of an unlimited number of pay rules.	X	
3	The solution should provide the ability to update user-defined rules and have the changes reflected immediately for time entry and processing.	X	
4	The solution should provide the ability to define pay rules at the employee, or group level.	X	
5	The solution should provide the ability to apply rules online at the point of entry, such as activity transfers, job transfers and other changes of status that would result in a different rate or type of pay.	X	
6	The solution should provide the ability to automatically calculate overtime and other premiums based on the employees' scheduled hours and criteria that is established within the system (e.g. rules based).	X	
7	The solution should provide the ability to automatically calculate overtime and other premiums based on the employees' actual hours and criteria established within the system (e.g. rules based).	X	
8	The solution should provide the ability to automatically calculate premiums based on a comparison of the employee's scheduled hours vs. the actual hours worked, and criteria established within the system (e.g. rules based)	X	
9	The solution should provide the ability to calculate Shift Differential automatically based the time of day an employee works.	X	
10	The solution should support configurable pay periods for weekly, bi-weekly, semi-monthly and monthly periods. Multiple pay periods for different employee classes should be seamlessly supported in a single database.	X	
11	The solution should include configurable periods by shift for meal and breaks in accordance with state and federal law whether paid or non-paid and should	X	



2.0 PAY POLICY ENFORCEMENT AND TIME EVALUATION (CONT'D)

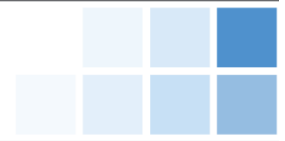
	Requirement	Y	N
12	The solution should manage holiday pay policies, including holiday pay and apply special rules for hours worked on a holiday. Eligibility rules for holiday pay (work scheduled day before and after, for example) should be automatically enforced.	X	
13	The solution should provide the ability to enter both hours and amounts for pay codes.	X	
14	The system should provide the ability to perform multiple overtime calculations based on rules built into the system. Overtime calculations will take into account start and stop times, scheduled hours, type of duty performed.	X	
15	The system should provide for retroactive pay period adjustments. Those retroactive adjustments can be paid in current pay period or special check run.	X	
16	The system should allow manager edits, adds, and deletes of any previous pay period data until a predetermined cut-off time.	X	
17	The system should provide the ability to adjust or correct time entries paid in previous pay periods.	X	
18	The system should support different pay rules for each job or department.	X	
19	The system should allow for the configuration of an employee's probationary period and different leave availability based on probationary status.	X	

Describe completely how your solution addresses, and satisfies each of the requirements in Section 2 on Tab D Section c.

The Kronos Workforce Central and Workforce Ready solutions can both manage the requirements within this section.

Workforce Central

Specifically, Workforce Central utilizes parameter driven configuration for which to create all of the setup parameters. There is no limit to the number of rules which can be configured within the application. Updating of these parameters will prompt a real-time re-processing of these rules.



- Rules can be configured and assigned to an individual employee or to a group of employees and can be different for each job or department. All transactions performed within the application are done at the point of entry and in real-time fashion.
- Rule parameters for pay policies such as overtime, pay premiums and shift differentials can be calculated in a multitude of means such as hours in a day, hours in a week, hours outside of an employee's schedule, worked performed in a specific department or work performed in a specific job. Pay periods can be of any length and type. There is no limit to the number of pay period types which can be configured in a single database.
- Holiday pay is calculated using days configured in a holiday table which predefines all of the holidays within an organization. If an employee works on a configured holiday, special pay practices will be initiated should eligibility requirements be met. Meals and breaks can be configured in accordance with local, state and federal pay policies.
- Timecard entries for pay code transactions can be performed in both hours and amounts of time (full day, half day, etc). Retroactive pay code adjustments can be made by users with the correct access. The system can be configured to allow manager edits, adds and deletes of any previous pay period data until a predetermined cut-off time. Historical pay adjustments can be enabled to give the ability to adjust or correct time entries paid in previous pay periods. An employee's probationary status can be checked prior to any request for leave.

Please see [Tab F – SUPPLIER INFORMATION – Supplier Information – Additional Information – Workforce Timekeeper](#) for more information.

Workforce Ready

Workforce Ready Time Keeping gives you the information and automation tools you need, when you need them. You can streamline time tracking with automated collection of time and attendance information. Automate the conversion of worked hours to payroll. And enforce your pay and work rules.

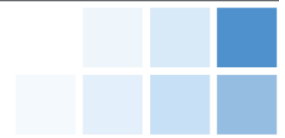
- Track and manage your true labor costs with flexible pay rules that you determine
- Maintain compliance and payroll accuracy with timecard management
- Manage exceptions – early/late arrivals, absences, long or missed breaks, overtime, or missed punches

Absence management built in. With Accrual management, information such as eligibility, tenure, hours worked is readily available. Accruals are seamlessly synchronized with Workforce Ready HR and Workforce Ready Payroll. Employees and managers can use self-service to automate time-off requests and communicate openly.

Track rates. Workforce Ready tracks rates across locations, regions, and global. Multipliers for special rate conditions and effective dating help you assess the impact of changes before running payroll.

Reports. Create reports using advanced filtering or custom columns. Check projections by viewing budgeted vs. actual hours worked, while including billable and non-billable rates. Share freely with exports to just about any format you want.

Please see [Tab F – SUPPLIER INFORMATION – Supplier Information – Additional Information – Workforce Ready Datasheet](#) for more information.



3.0 FAMILY MEDICAL LEAVE ACT

	Requirement	Y	N
1	The system must be able to determine an employee’s FMLA eligibility.	X	
2	The system must track FMLA used and FMLA available.	X	
3	The system must be able to coordinate time off for FMLA with other types of time off so that employees can receive paid leave if needed for eligible FMLA events, or not receive paid leave as determined by employer-defined parameters.	X	
4	The system should send notification to the employee about FMLA requirements.	X	
5	The system must support all of the definitions of yearly calculations allowed by the Department of Labor.	X	

Describe completely how your solution addresses, and satisfies each of the requirements in Section 3 on Tab D Section c.

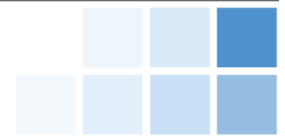
The Kronos Workforce Central and Workforce Ready solutions can both manage the requirements within this section.

Workforce Central

Kronos Workforce Central Leave is a comprehensive FMLA tool which enables HR and benefits administrators to approve and track all types of leave requests. Eligibility checks are performed based on the employee’s FMLA history and work hours. Once FMLA is granted, it is tracked for continuous or intermittent usage as well as availability for future leave options. FMLA events can run concurrent with non-FMLA events to determine paid leave versus unpaid leave availability. Notifications are sent out at to leave status, FMLA document requirements and due dates as well as impending certification requirements. All types of yearly calculations calendars as allowed by the Department of Labor can be configured.

Workforce Ready

Workforce Ready Leave is a comprehensive FMLA tool which enables HR and benefits administrators to approve and track all types of leave requests. Eligibility checks are performed based on the employee’s FMLA history and work hours. Once FMLA is granted, it is tracked for continuous or intermittent usage as well as availability for future leave options. FMLA events can run concurrent with non-FMLA events to determine paid leave versus unpaid leave availability. DOL documents are automatically generated based on the type of request.

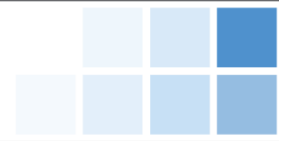


4.0 APPROVALS

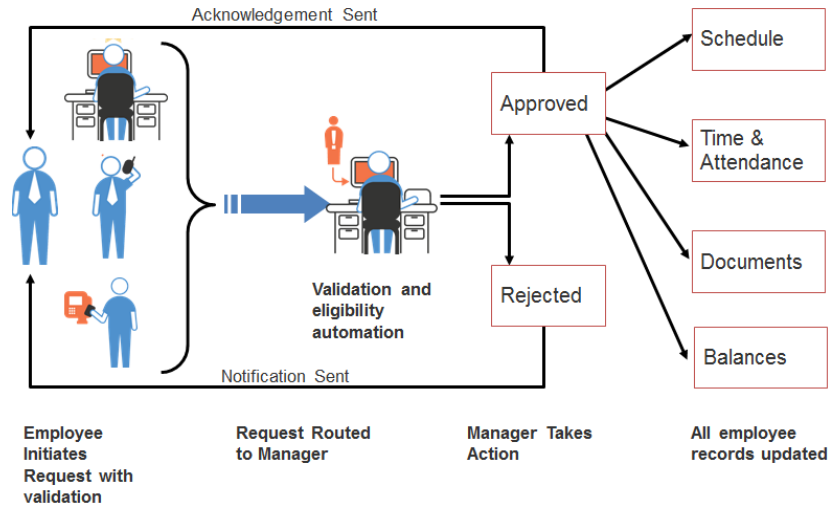
	Requirement	Y	N
1	The system should provide the ability for employees to approve their timesheets. This approval should be available within employee self-service and the data collection terminals	X	
2	System should allow for user defined text to accompany employee approvals for the purpose of attestation to timecard contents.	X	
3	The system should provide the ability for Managers/Supervisors to view employee timesheets that require approval (both summary and detailed level).	X	
4	The system should provide the ability for Managers/Supervisors to approve the employee's leave/attendance time.	X	
5	The system should provide ability to define a set of comments used to annotate manual changes and other edits of employee records.	X	
6	Comments should be part of exception reporting capability within the solution.	X	
7	Free form notes can be attached to any comment to provide more detail associated with the manual change.	X	
8	The system should provide the ability for an employee to acknowledge their time card if a change has been made by their supervisor or payroll (i.e. added, edited, and deleted items).	X	
9	The system should provide the ability for a Manager to submit modified time cards without the employee's acknowledgement.	X	
10	The system should provide an electronic signature for employees to approve their timesheets.	X	
11	The system should provide an electronic signature for managers to approve time cards for payroll processing.	X	
12	The system should provide for a pay period lock function for use by payroll to prevent further timecard edits by supervisors or employees.	X	

Describe completely how your solution addresses, and satisfies each of the requirements in Section 4 on Tab D Section c.

The Kronos Workforce Central and Workforce Ready solutions can both manage the requirements within this section.



Time Off Request Workflow



Workforce Central

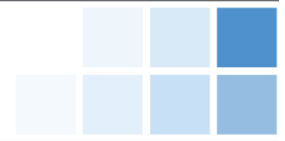
Employees can be given access to approve their own timesheets through any one of a number of methods as defined in [Section 1.0 Data Collection](#) above.

- Employees can also be prompted with user defined text while attesting to and electronically signing their own timecards.
- Managers can be alerted to and then view employee timesheets which require approval. Managers can then electronically approve an employee's leave and/or attendance time.
- Comments with free form text fields can be chosen from a predefined list to denote manual changes made to exceptions within an employee time record.
- Employees can be automatically alerted to and acknowledge changes to their timecards after their approval. Managers can also submit timecards without an employee's acknowledgement.
- System administrators can periodically lock historical pay periods to prevent further timecard edits by managers or employees.

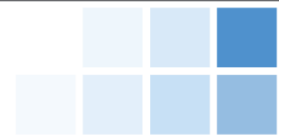
Workforce Ready

Just like Workforce Central, employees can be given access to approve their own timesheets through any one of a number of methods as defined in [Section 1.0 Data Collection](#) above.

- Employees can also be prompted with user defined text while attesting to and electronically signing their own timecards.
- Managers can be alerted to and then view employee timesheets which require approval. Managers can then electronically approve an employee's leave and/or attendance time.
- Comments with free form text fields can be chosen from a predefined list to denote manual changes made to exceptions within an employee time record.



- Employees can request changes to their timecard to their managers
- Employees can be automatically alerted to and acknowledge changes to their timecards after their approval. Managers can also submit timecards without an employee's acknowledgement.
- System administrators can periodically lock historical pay periods to prevent further timecard edits by managers or employees.

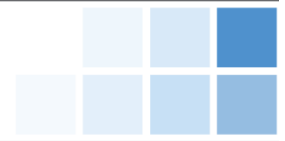


5.0 TIME CARD EDITS

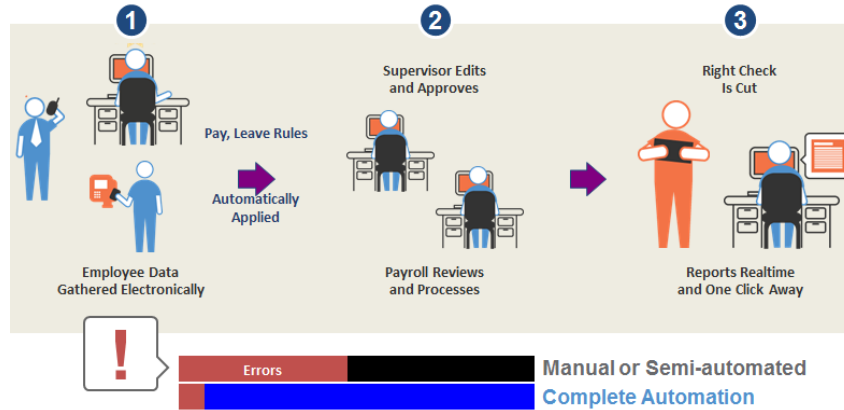
	Requirement	Y	N
1	The system should provide the ability to adjust or correct time entries captured in the current period, but not yet paid.	X	
2	The system should provide the ability to easily navigate from the error report to the time card to make edits.	X	
3	The system should provide the ability to define default time entries for earnings, hours, holiday data, and labor distributions and the ability to override and make changes to this default information.	X	
5	The system should provide a report that details prior period adjustments and corrections.	X	
6	Allow manager edits for the current pay period but prevent manager edits of the previous pay period after the final previous pay period transmittal has been sent to payroll.	X	
7	Recalculate all totals immediately after a value is changed.	X	
8	All historical employee time and attendance information, including any adjustments, should be available online for audit or review purposes.	X	
9	Allow historical time/attendance edits by the payroll administrators.	X	
10	Allow manager to make edits that impact a large group of employees.	X	
11	Support pay or leave incentives based on user-defined conditions.	X	
12	Support floating holidays and multiple work calendars.	X	

Describe completely how your solution addresses, and satisfies each of the requirements in Section 5 on Tab D Section c.

The Kronos Workforce Central and Workforce Ready solutions can both manage the requirements within this section.



Complete Automation Eliminates Errors – Immediate Savings



Workforce Central

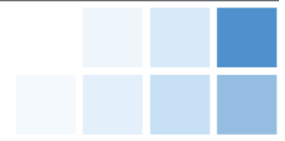
Kronos Workforce Central enables the ability to adjust or correct time entries captured in the current period but not yet paid. It does this by identifying exceptions or deviations to timecard rules and alerting managers through online error reports. Managers can click on the exception and the system will take them to the area of the timecard which requires editing. Default entries can be configured so that earnings, hours, holiday data and labor transfers are pre-populated but can also be easily modified by users with the correct functional access privileges.

The Timecard Audit Trail report will detail all prior period adjustments and corrections. All edits are also available within the timecard audit tab. Manager edits can be prevented after data has been sent to payroll. The Workforce Central rules engine will automatically recalculate totals after any data element is modified. Historical pay period adjustments can be limited to payroll administrators. Group edit functionality can be given to managers or payroll administrators to enable them to enter data for large groups of employees. The system supports the configuration of pay and leave incentives for specific groups of employees as well as the configuration of floating holiday accruals and different work calendars.

Workforce Ready

Workforce Ready enables the ability to adjust or correct time entries captured in the current period but not yet paid. It does this by identifying exceptions or deviations to timecard rules and alerting managers through online error reports. Managers can click on the exception and the system will take them to the area of the timecard which requires editing. Default entries can be configured so that earnings, hours, holiday data and labor transfers are pre-populated but can also be easily modified by users with the correct functional access privileges.

The Timecard Audit Trail report will detail all prior period adjustments and corrections. All edits are also available within the timecard audit tab. Manager edits can be prevented after data has been sent to payroll. The Workforce Ready rules engine will automatically recalculate totals after any data element is modified.



6.0 INTERACTIVE VIEWS AND NAVIGATION

	Requirement	Y	N
1	The system should provide interactive exception and summary views for common tasks or processes with the capability to drill down on specific employee's records.	X	
2	The system should provide the ability to perform actions on employee data within the interactive views, such as edits to timecards and schedules, based on security level of requestor.	X	
3	The system should provide the ability for the user to configure the interactive views with user-defined columns.	X	
4	The system should provide flexible sort capability within the interactive views.	X	
5	The system should provide the ability to multi-select employees within the interactive view and perform group edits.	X	
6	The system should provide the ability to configure interactive views for manager and assign a default view based on manager role.	X	

Describe completely how your solution addresses, and satisfies each of the requirements in Section 6 on Tab D Section c.

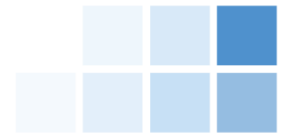
The Kronos Workforce Central and Workforce Ready solutions can both manage the requirements within this section.

Workforce Central

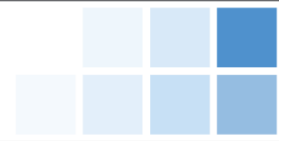
For navigation, Kronos provides a tool called “The Navigator” that provides a user-friendly interface for users. It enables guided decision making for managers and users of Kronos Workforce Central. It provides interactive exception and summary views for common tasks such as timecard exceptions (missing punches, unexcused absences) and prompts the manager to drill down into these exceptions for immediate correction. Navigator views can be leveraged for timecard and scheduling functions and will follow the security level of the requestor. Users can configure these interactive views with their own specific user-defined columns. Group edit functionality can allow users with the correct functional access to perform multi-select edits on large groups of employees. Users can then sort on these columns.

Workforce Ready

Easy to define dashboards are used in Workforce Ready for employee, managers and administrators. Dashboard can be modified by the user or locked down so standard views would be deployed to the workforce. Using the existing security managers would only have visibility to the employee information within their department.



Dashboards can include exceptions, reports, graphs, external urls, hyperlinks, quicklinks to other parts of the application, on premise views, time off requests, ACA summary and more.



7.0 SCHEDULING

	Requirement	Y	N
1	The system should have the ability to schedule employees with variable work schedules down to the quarter hour.	X	
2	The system should allow employees to see schedules online or at building terminals.	X	
3	The system should allow for the scheduling of employees for specific activities or projects.	X	
4	The system should send out an automatic email notification if a change has been made that impacts the employee's work schedule within the next 72 hours.	X	
5	The system should allow managers or administrators the ability to add or change an entire work group's schedule online and make the changes visible in real time.	X	
6	The system should be able to assign work locations as well as work schedules that may be variable and change frequently.	X	
7	The system should permit employees to request time off and provide a vehicle to notify employees of time off decisions.	X	

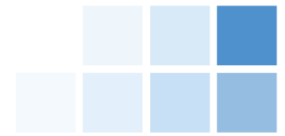
Describe completely how your solution addresses, and satisfies each of the requirements in Section 7 on Tab D Section c.

The Kronos Workforce Central Workforce Ready solutions can both manage requirements 1-3 and 5-7 within this section. Workforce TeleStaff can manage requirements 1-7.

Workforce Central

Workforce Central and Workforce Ready gives managers the flexibility to easily schedule their employees with variable work schedules down to the quarter hour or even down to the minute. Employees can view their schedules, and any recent updates to it, from any one of the data collection options described in [Section 1.0: Data Collection](#) above. Schedules can be setup to staff employees into specific activities or projects.

Group schedules can be modified wholesale or in piece by using the schedule editor functions. These changes can be referenced in real-time by employees and managers. Schedules can contain work locations and can be easily modified as these locations change. Workforce Central's notifications engine will enable employees to request time off, validate that request on the point of entry, notify managers of the request and automatically notify employees of the time off decision.

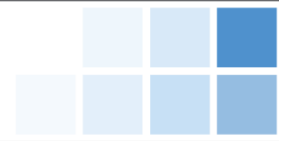


Workforce Ready

Workforce Ready gives managers the flexibility to easily schedule their employees with variable work schedules down to the quarter hour. Employees can view their schedules, and any recent updates to it, from any one of the data collection options described in [Section 1.0: Data Collection](#) above. Schedules can be setup to staff employees into specific activities or projects. Approved time off request will automatically appear in the schedule so no conflict will occur.

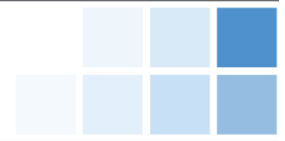
Workforce TeleStaff

Using Workforce TeleStaff, any changes to an employee's schedule can be automatically emailed to that employee. These notifications can be configured so that employees are notified if the change occurs within the next 72 hours of the shift which was modified.



8.0 MISCELLANEOUS AND REPORTING

	Requirement	Y	N
1	The system should support changes in government regulations which occur over time.	X	
2	The system should be compatible with Microsoft Outlook and common web browsers and SmartFind Express.	X	
3	The system should provide email notifications when time cards are due, need review, or are approved. The system should send reminders if time card tasks are not performed in a timely manner.	X	
4	The system should track absences, tardies, or leaves for review by managers.	X	
5	The system should include an Analytics Module to show Employee Workforce trends (Absences, Perfect Attendance, etc.) metrics and connection to Improving Student Test Scores. The system should be able to produce reports on attendance, absences, tardies, or leaves by employee group, pay code, or work location. Reports should be able to be exported in multiple formats such as Word, Excel, or PDF. The system should provide a bank of popular or saved searches.	X	
6	The system should allow managers to assign task codes to employees to ease time entry and ensure time is charged to the correct tasks (i.e. attending a training session).	X	
7	The system should allow searches on multiple criteria such as type of leave, task code, work group, location, or FML.	X	
8	The system should allow the importation of data from external sources.	X	
9	The system should be able to support employees working in multiple jobs or departments during the course of a pay cycle.	X	
10	The system should provide a mechanism to automatically update employee's work location, title, assigned job, or rate of pay when changes are made to the HR system.	X	
11	The system should be able to produce exceptions reports, work comp reports, FML reports, overtime reports, and unpaid leave reports. Reports should be able to be exported into multiple formats and separated by date range, employee work group, location pay code, or status.	X	



8.0 MISCELLANEOUS AND REPORTING (CONT'D)

	Requirement	Y	N
12	The system should provide a test environment prior to “going live.”	X	
13	The system should be able to support single sign-on capabilities and interface with the district’s password and username scheme.	X	
14	The system should allow system administrators the ability to override system policies.	X	
15	The system should support basic word processing features such as spell check, word-wrap, copy, cut, and paste.	X	
16	The system should provide an On-Premise Report to show list of all employees in case emergency, weather event, etc.	X	

Describe completely how your solution addresses, and satisfies each of the requirements in Section 8 on Tab D Section c.

The Kronos Workforce Central and Workforce Ready solutions can both manage the requirements within this section.

Workforce Central

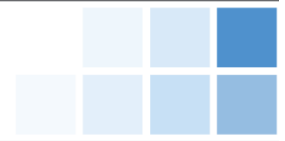
The Kronos Customer Portal can automatically alert to changes in government regulations which may affect work and leave policies. Kronos Workforce Central can be configured to be in compliance with these regulations.

Workforce Central is compatible with any SMTP-compliant mail service which includes Microsoft Exchange/Outlook. Workforce Central also supports a wide variety of web browsers. For a list of the supported platforms and configurations, please reference Tab F – SUPPLIER INFORMATION – Supplier Information - Additional Information – Workforce Central Technical Datasheet.

Using Workforce Integration Manager (WIM), data can be easily exported or imported using a wide array of disparate means. Employee demographics data (work location, title, assigned job, rate of pay, etc) is automatically transmitted using WIM. Payroll data is also extracted using WIM. WIM can also be leveraged for other systems. One example of this is with substitute tracking applications. Substitute staffing data and teacher sick calls can be imported into the Workforce Central database to ensure a single repository of such information.

Additional features include:

- Email notifications and reporting can be automatically sent out to employees and managers for a variety of reasons such as when time card approvals are due or overdue.
- The system tracks all absences, tardies and leaves for managerial review.
- Workforce Analytics provides the ability to extract, transform and load data related to any number of metrics.



- Analytic dashboards can be designed to show a correlation between increasing student test scores and decreasing teacher absenteeism rates.
- The system ships with 120-160 preconfigured RDLC reports.
- Reports can be exportable in multiple formats such as Microsoft Word, Excel or PDF formats. A favorite report list can also be configured by the individual user so that their most popular reports and saved searches can be accessed easily.

In the same manner as tracking activities and projects, the system can track time spent on certain tasks such as time spent doing training. Employees can work in more than one job or perform more than one task during a particular pay cycle. Hyperfinds are user generated queries which enable users to easily create, save and run searches using Boolean logic. These queries can enable users to run searches and filter employees on specific criteria such as leave status, pay status, task code, work group, etc.

The Kronos Professional Services team will setup a separate environment to test all system functions (work and pay rules, integration points, UI access) prior to going live. This test system can remain in place after go live to conduct additional testing going forward. Workforce Central supports single sign on via Active Directory or LDAP. While there isn't a spell check function, other basic text editing features are available within Workforce Central. Users can perform cut/copy/paste functions throughout the application and in freeform text fields, word wrap functionality is omnipresent.

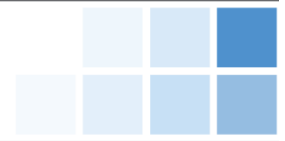
Since Workforce Central processes transactions in real-time, on-premise reporting is accurate and up-to-the-minute. If a manager or administrator needs to see a list of who is currently punched into work, the On Premise report is an interactive screen which will show which employees are here and who has yet to show up. Contact information columns can also be included on the On Premises list so that the manager have all of the necessary information to get in touch with an employee should they need to.

Workforce Ready

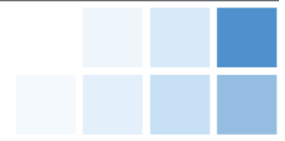
The Workforce Ready application utilizes an open SQL command based reporting tool to allow for a range of dates reporting, single date reporting and a variety of other date options. There are criteria parameters associated with each of the 50 +Standard Reports. All reports can be easily modified or changed and exported to csv, html, pdf, or xls output formats.

Some of these features are:

- Over 50+ Built-in, Standard reports.
- Create custom/ad hoc reports.
- Export to 5 Formats (CSV, Excel, PDF, HTML, XML).
- Daily Email Summary Report.
- Report Saving & Sharing with Quick Link access.
- In/Out Dot Board(On Premise View).
- Exception reporting.
- Time off calendar.



- Dynamic, Drill-down capabilities.
- Security profile settings for defining access.
- Permanent, detailed audit trail.



9.0 PROFESSIONAL SERVICES

	Requirement	Y	N
1	The selected vendor shall provide project management services to ensure the project is completed in a professional manner, software installation is installed on time and on schedule, and data conversion is completed, accurate, and installed on time and on schedule.	X	
2	The selected vendor should provide consulting services that include but are not limited to data conversion planning, system interface design, new system design, and new system testing, and new system development.	X	
3	The vendor shall offer and include with its response, an annual support agreement with details on the scope of the support provided.	X	
4	The vendor shall provide details on the frequency and method of upgrades, patches, or new releases to the software.	X	
5	The vendor shall provide professional training for the system that includes hands-on practice, training materials, user manuals, webinars, newsletters, user conferences, and online help features. The vendor shall provide information on the training materials and support available for users at multiple levels, with differing levels of experience.	X	

Describe completely how your solution addresses, and satisfies each of the requirements in Section 9 on Tab D Section c.

Because every organization is different, Kronos crafts implementation plans that accommodate your specific infrastructure and resources which accommodates your unique needs, and facilitates the success of your project.

We have provided complete details and supporting information on our implementation and support processes within our response. Please see Tab D – QUALIFICATIONS – Qualifications Statement under the heading “Services Qualifications.”



Kronos License, Installation and Maintenance Support Contracts

KRONOS TERMS

A PARTICIPATING PUBLIC AGENCY (“CUSTOMER”), BY SIGNING AN ORDER FORM OR PURCHASE ORDER WITH KRONOS INCORPORATED, AGREES TO THE APPLICATION OF THESE TERMS AND CONDITIONS FOR ALL PRODUCTS, SERVICES AND OFFERINGS SET FORTH ON SUCH ORDER FORM (OR PURCHASE ORDER) WHICH REFERENCES THESE TERMS AND CONDITIONS.

- SECTION A: [GENERAL TERMS AND CONDITIONS](#). This Section applies for all transactions.
- SECTION B: **TERMS AND CONDITIONS FOR SOFTWARE LICENSES, SOFTWARE AND EQUIPMENT SUPPORT SERVICES, AND EDUCATIONAL AND PROFESSIONAL SERVICES.** This Section apply for all transactions except Workforce Ready and the Workforce Central SaaS offering (not including the professional and educational services governed by this Section).
- SECTION C: **CLOUD HOSTING SUPPLEMENTAL TERMS AND CONDITIONS** . This Section applies only for transactions that involve Kronos hosting for Software licensed under Section B.
- SECTION D: [KRONOS WORKFORCE CENTRAL SAAS TERMS AND CONDITIONS](#). This Section applies only for Workforce Central transactions in a SaaS environment (except for the related professional and educational services see Section B)
- SECTION E: [KRONOS WORKFORCE READY SAAS TERMS AND CONDITIONS](#). This Section applies only for Workforce Ready transactions.

SECTION A: GENERAL TERMS AND CONDITIONS

1. APPLICATION OF THESE TERMS

These terms and conditions apply to each order accepted by Kronos Incorporated ("Kronos") from an eligible Participating Public Agency ("Customer") for all Kronos Equipment, Software, Professional and Educational Services, Support and such other Kronos offerings, as specified on an order form (an "Order").

In addition to the terms set forth in this Section A: General Terms and Condition, the following sections apply for the specific offering referenced:

- (i) Section B shall apply to the Software licenses and purchased Equipment, support services, and professional and educational services,
- (ii) Section C shall apply to the Hosting Services purchased in connection with certain Software licensed under Section B,
- (iii) Section D shall apply to the Workforce Central Saas Orders; and
- (iv) Section E shall apply to the Workforce Ready Saas Order.

All orders are subject to the approval of Kronos' corporate office in Chelmsford, Massachusetts. This Agreement and the Order Form shall supersede the pre-printed terms of any Customer purchase order or other Customer ordering document, and no such Customer pre-printed terms shall apply to the items ordered.

2. APPLICABLE LAWS

This Agreement shall be governed by the state law in which Customer is based, provided however, if such jurisdiction has adopted the Uniform Computer Information Transactions Act (UCITA), or such other similar law, the parties expressly agree to "opt-out" of and not be governed by UCITA or such other similar law. The parties waive the application of the United Nations Commission on International Trade Law and United Nations Convention on Contracts for the International Sale of Goods as to the interpretation or enforcement of this Agreement.

3. EXPORT

Customer acknowledges that the Equipment and Software may be restricted by the United States Government or by the country in which the Equipment or Software is installed from export to certain countries and certain organizations and individuals, and agrees to comply with such laws. Customer agrees to comply with all applicable laws of all of the countries in which the Equipment and Software may be used by Customer. Customer's obligations hereunder shall survive the termination or expiration of the Order Form. Customer must obtain Kronos prior written consent before exporting the Software.

4. CONFIDENTIAL INFORMATION

"Confidential Information" is defined as information that is: i) disclosed between the parties after the date of this Agreement that is considered confidential or proprietary to the disclosing party; and ii) identified as "confidential" at the time of disclosure, or would be reasonably obvious to the receiving party to constitute confidential information because of legends or other markings, by the circumstances of disclosure or the nature of the information itself. Additionally, Customer acknowledges and agree that the Software (and Software documentation), and the Specifications shall be deemed to be Kronos' Confidential Information and trade secret. Each party shall protect the Confidential Information of the other party with at least the same degree of care and confidentiality, but not less than a reasonable standard of care, which such party utilizes for its own information of similar character that it does not wish disclosed to the public. Neither party shall disclose to third parties (except the parent company or the wholly owned subsidiaries of the receiving party who have a need to know) the other party's Confidential Information, or use it for any purpose not explicitly set forth herein, without the prior written consent of the other party. Notwithstanding the foregoing, a party may disclose Confidential Information to the extent required: (a) to any subsidiary or affiliate of such Party, or (b) to any consultants, contractors, and counsel who have a need to know in connection with the Agreement and who are under obligations of non-disclosure agreement at least as stringent as this section 4, or (c) by law, or by a court or governmental agency, or if necessary in any proceeding to establish rights or obligations under the Agreement; provided, the receiving party shall, unless legally prohibited, provide the disclosing party with reasonable prior written notice sufficient to permit the disclosing party an opportunity to contest such disclosure. If a party commits, or threatens to commit, a breach of this Section 4, the other party shall have the right to seek injunctive relief from a court of competent jurisdiction. The obligation of confidentiality shall survive for three (3) years after the disclosure of such Confidential Information.

This Agreement imposes no obligation upon either party with respect to the other party's Confidential Information which the receiving party can establish by legally sufficient evidence: (a) was rightfully possessed by the receiving party without an obligation to maintain its confidentiality prior to receipt from the disclosing party, (b) is generally known to the public without violation of this Agreement; (c) is obtained by the receiving party in good faith from a third party having the right to disclose it without an obligation with respect to confidentiality; (d) is independently developed by the receiving party without use of the disclosing party's confidential information, which can be shown by tangible evidence.

5. TAXES

If Customer presents to Kronos a validly issued tax-exempt certificate, or other sufficient evidence of tax exemption, Customer shall not be liable for those taxes for which Customer is exempt. Otherwise, Customer agrees to pay all other applicable duties and customs fees relating to this Agreement, as well as all taxes levied or based on the products, services or other charges hereunder, including federal, state and local sales and excise taxes, and any taxes or amount in lieu thereof paid or payable by Kronos, exclusive of taxes based on Kronos net income or business privilege.

6. TRAVEL EXPENSES

Customer agrees to reimburse Kronos for all reasonable and necessary travel incurred by Kronos in the performance of its obligations under this Agreement, provided that such travel complies with the then current Kronos Travel and Expense Policies. Customer further agrees to pay any travel expenses such as airfare, lodging, meals and local transportation, incurred by Kronos in the performance of its obligations under this Agreement provided such expenses comply with the Kronos Travel and Expense Policies. Customer will be billed by Kronos for such travel expenses and payment thereof shall be due net 30.

7. GENERAL

(a) The invalidity or illegality of any provision of this Agreement shall not affect the validity of any other provision. The parties intend for the remaining unaffected provisions to remain in full force and effect.

(b) Customer shall not assign this Agreement or the license to the Software without the prior written consent of Kronos and any purported assignment, without such consent, shall be void.

(c) Neither Party shall be responsible for any failure to perform or delay in performing any of its obligations under this Agreement (other than a failure to comply with payment obligations) where and to the extent that such failure or delay results from an unforeseeable event beyond a party's

reasonable control, including but not limited to, acts of war; acts of nature; earthquake; flood; embargo; riot; sabotage; labor shortage or dispute; changes in government codes, ordinances, laws, rules, regulations or restrictions; failure of the Internet; terrorist acts; failure of data, products or services controlled by any third party, including the providers of communications or network services; utility power failure; material shortages or unavailability or other delay in delivery not resulting from the responsible party's failure to timely place orders therefor, or lack of or delay in transportation (each a "Force Majeure Event").

(d) All notices given under this Agreement shall be in writing and sent postage pre-paid, if to Kronos, to the Kronos address on the Order Form, or if to Customer, to the billing address on the Order Form.

(e) The section headings herein are provided for convenience only and have no substantive effect on the construction of this Agreement.

(f) The parties agree that the Order signed by both parties and expressly reference this Agreement, which is delivered via fax or electronically delivered via email it shall constitute a valid and enforceable agreement.

(g) This Agreement and any information expressly incorporated herein (including information contained in any referenced URL), together with the applicable Order Form, constitute the entire agreement between the parties for the products and services described herein and supersede all prior or contemporaneous representations, negotiations, or other communications between the parties relating to the subject matter of this Agreement. This Agreement may be amended only in writing signed by authorized representatives of both parties. Customer understands and acknowledges that while Kronos may disclose to customers certain confidential information regarding general product development direction, potential future products and/or product enhancements under consideration, Customer is not entitled to any products or product enhancements other than those contained on the Order Form. Customer has not relied on the availability of any future version of the Software or Equipment identified on an Order Form, nor any other future product in executing this Agreement.

(h) Use, duplication, or disclosure by the United States Government is subject to restrictions as set forth in subparagraph (c) (1) (ii) of the Rights in Technical Data and Computer Software clause at DFARS 252.227-7013, or subparagraph (c)(1)(2) of the Commercial Computer Software Restricted Rights clause at FAR 52.227-19, as applicable. Manufacturer/distributor is Kronos Incorporated, 297 Billerica Road, Chelmsford, MA.

(i) The JBoss® Enterprise Middleware components embedded in the Software are subject to the End User License Agreement found at http://www.redhat.com/licenses/jboss_eula.html.

SECTION B
TERMS AND CONDITIONS FOR SOFTWARE LICENSES, SOFTWARE AND EQUIPMENT SUPPORT SERVICES,
AND EDUCATIONAL AND PROFESSIONAL SERVICES

This Section B applies to Software licensed, Equipment purchased, support services for Software and Equipment, and educational and professional services, when such items are identified on the Order which expressly references this Agreement.

1. PAYMENT AND DELIVERY

Unless otherwise set forth in this Agreement, payment terms are indicated on the Order Form or other contemporaneous ordering document containing product-specific payment terms signed by the parties. Delivery terms are as stated on the Order Form ("Delivery"). Kronos will invoice Customer for products upon Delivery. Unless otherwise set forth on the Order Form, Professional and Educational Services are provided on a time and materials basis, invoiced monthly as rendered.

2. GENERAL LICENSE TERMS

Kronos owns or has the right to license the Software. The Software and Software documentation are confidential and may not be disclosed to a third party without Kronos' written consent. The Software contains proprietary trade secret technology. Unauthorized use and copying of such Software is prohibited by law, including United States and foreign copyright law. The price Customer pays for a copy of the Software constitutes a license fee that entitles Customer to use the Software as set forth below. Kronos grants to Customer a non-exclusive, nontransferable, perpetual (except as provided herein) license to use the Software. This license may be terminated by Kronos by written notice to Customer upon any material breach of this Agreement by Customer which remains uncured for a period of thirty (30) days after such written notice from Kronos. Upon such termination of this license by Kronos, Customer will have no further right to use the Software and will return the Software media to Kronos and destroy all copies of the Software (and related documentation) in Customer's possession or control. This license is subject to all of the terms of this Section B.

3. FEE BASED LIMITATIONS

Customer recognizes and agrees that the license to use the Software is limited, based upon the amount of the license fee paid by Customer. Limitations, which are set forth on the Order Form, may include the number of employees, simultaneous or active users, Software product modules, Software features, computer model and serial number and partition, and/or the number of telephone lines or terminals to which the Software is permitted to be connected. Customer agrees to: i) use the Software only for the number of employees, simultaneous or active users, computer model, partition and serial number, and/or terminals permitted by the applicable license fee; ii) use only the product modules and/or features permitted by the applicable license fees; and iii) use the Software only in support of Customer's own business. Customer agrees not to increase the number of employees, simultaneous or active users, partitions, terminals, products modules, features, or to upgrade the model, as applicable, unless and until Customer pays the applicable fee for such increase/upgrade. Customer may not relicense or sublicense the Software to, or otherwise permit use of the Software (including timesharing or networking use) by any third party. Customer may not provide service bureau or other data processing services that make use of the Software without the express prior written consent of Kronos.

4. OBJECT CODE ONLY

Customer may use the computer programs included in the Software (the "Programs") in object code form only, and shall not reverse compile, disassemble or otherwise convert the Programs into uncompiled or unassembled code. The Programs include components owned by third parties. Such third party components are deemed to be Software subject to this Section B. Customer shall not use any of the Programs (or the data models therein) except solely as part of and in connection with the Software and as described in the published documentation for such Software.

5. PERMITTED COPIES

Customer may copy the Programs as reasonably necessary to load and execute the Programs and for backup and disaster recovery and testing purposes only, except for additional copies of the Teletime Software and the Kronos iSeries (which must be licensed separately). All copies of the Programs or any part thereof, whether in printed or machine readable form and whether on storage media or otherwise, are subject to all the terms of this license, and all copies of the Programs or any part of the Programs shall include the copyright and proprietary rights notices contained in the Programs as delivered to the Customer.

6. UPDATES

In the event that Kronos supplies Service Packs, Point Releases and Major Releases (including legislative updates if available) of the Software (collectively referred to as "Updates"), such Updates shall be part of the Software and the provisions of this license shall apply to such Updates and to the Software as modified thereby.

7. ACCEPTANCE

For Customer's initial purchase of each Equipment and Software product Kronos shall provide an acceptance test period (the "Test Period") that commences upon Installation. Installation shall be defined as: a.) the Equipment, if any, is mounted; b.) the Software is installed on Customer's server(s); and c.) implementation team training, if any, is complete. During the Test Period, Customer shall determine whether the Equipment and Software meet the Kronos published electronic documentation, ("Specifications").

The Test Period shall be for 30 days. If Customer has not given Kronos a written deficiency statement specifying how the Equipment or Software fails to meet the Specifications ("Deficiency Statement") within the Test Period, the Equipment and Software shall be deemed accepted. If Customer provides a Deficiency Statement within the Test Period, Kronos shall have 30 days to correct the deficiency, and Customer shall have an additional 30 days to evaluate the Equipment and Software. If the Equipment or Software does not meet the Specifications at the end of the second 30 day period, either Customer or Kronos may terminate this Agreement. Upon any such termination, Customer shall return all Equipment and Software (and related documentation) to Kronos, and Kronos shall refund any monies paid by Customer to Kronos for the returned Equipment and Software. Neither party shall then have any further liability to the other for the products that were the subject of the Acceptance Test.

8. LIMITED WARRANTY

Kronos warrants that all Kronos Equipment and Software media shall be free from defects in materials and workmanship, for a period of ninety (90) days from Delivery. In the event of a breach of this warranty, Customer's remedy shall be Kronos' repair or replacement of the deficient Equipment and/or Software media, at Kronos' option, provided that Customer's use, installation and maintenance thereof have conformed to the Specifications. This warranty is extended to Customer only and shall not apply to any Equipment (or parts thereof) or Software media in the event of:

- (a) damage, defects or malfunctions resulting from misuse, accident, neglect, tampering, (including modification or replacement of any Kronos components on any boards supplied with the Equipment), unusual physical or electrical stress or causes other than normal and intended use;
- (b) failure of Customer to provide and maintain a suitable installation environment, as specified in the Specifications; or
- (c) malfunctions resulting from the use of badges or supplies not approved by Kronos.

When using and applying the information generated by Kronos products, Customer is responsible for ensuring that Customer complies with requirements of federal and state law where applicable. If Customer is licensing Workforce Payroll Software or Workforce Absence Management Software: (i) Customer is solely responsible for the content and accuracy of all reports and documents prepared in whole or in part by using such Software, (ii) using such Software does not release Customer of any professional obligation concerning the preparation and review of such reports and documents, (iii) Customer does not rely upon Kronos, Best Software, Inc. or such Software for any advice or guidance regarding compliance with federal (and state laws where applicable) or the appropriate tax treatment of items reflected on such reports or documents, and (iv) Customer will review any calculations made by using such Software and satisfy itself that those calculations are correct.

9. PROFESSIONAL AND EDUCATIONAL SERVICES

(a) ENGAGEMENTS

Unless otherwise indicated on the Order, Professional and Educational Services ("Professional Services") shall be provided on a time and material basis and described in a statement of work. If a dollar limit is stated in the Order Form or any associated statement of work ("SOW"), the limit shall be deemed an estimate for Customer's budgeting and Kronos' resource scheduling purposes. After the dollar limit is expended, Kronos will continue to provide Professional Services on a time and materials basis, if a Change Order or Schedule of Services for continuation of the Professional Services is signed by the parties.

(b) WARRANTY

Kronos warrants that all professional and educational services performed under this Agreement shall be performed in a professional and competent manner. In the event that Kronos breaches this warranty, and Customer so notifies Kronos within 30 days of receipt of invoice for the applicable services, the Customer's remedy and Kronos' liability shall be to re-perform the services which were deficient in a manner so as to conform to the foregoing warranty, at no additional cost to Customer.

(c) KRONOS PROFESSIONAL/EDUCATIONAL SERVICES POLICIES

Kronos' then-current Professional/Educational Services Policies shall apply to all Professional and/or Educational Services purchased under the applicable SOW and may be accessed at: <http://www.kronos.com/Support/ProfessionalServicesEngagementPolicies.htm> ("Professional Services Policies"). In the event of a conflict between the Professional Services Policies and this Agreement, the terms of this Agreement shall prevail.

10. SOFTWARE SUPPORT SERVICES

The following terms and conditions shall govern the Software support services provided by Kronos to Customer.

10.1 SUPPORT OPTIONS

Customer may select from the following Software support purchase options: Gold (or Gold Plus) and Platinum (or Platinum Plus) support ("Service Type"), each providing different service coverage periods and/or service offerings, as specified herein ("Service Offerings") and in the Kronos Support Service Policies (defined below). Customer must purchase the same Service Type for all of the Software specified on the Order Form, (however, if Customer is purchasing support services for Visionware Software, Customer may only purchase Gold Service Type for the Visionware Software). All Updates shall be provided via remote access.

10.2 TERM OF SOFTWARE SUPPORT

Unless otherwise indicated on the Order Form, support service shall commence on the Software Delivery date and shall continue for an initial term of one (1) year. Support service may be renewed for additional one (1) year terms on the anniversary date of its commencement date by mutual written agreement of the parties or by Kronos sending Customer an invoice for the applicable renewal term and Customer paying such invoice prior the commencement of such renewal term. After the one year initial term of this Agreement, the Service Offerings provided and the Service Coverage period are subject to change by Kronos with sixty (60) days advance written notice to Customer. For the initial two (2) renewal years the annual support fee, for the same products and service type, will not increase by more than 4% over the prior year's annual support fee.

10.3 GOLD SERVICE OFFERINGS

Customer shall be entitled to receive:

- (i) Updates for the Software (not including any Software for which Kronos charges a separate license fee), provided that Customer's operating system and equipment meet minimum system configuration requirements, as reasonably determined by Kronos. If Customer requests Kronos to install such Updates or to provide retraining, Customer agrees to pay Kronos for such installation or retraining at Kronos' pricing set forth in this Agreement.
- (ii) Telephone and/or electronic access to the Kronos Global Support Center for the logging of requests for service during the Service Coverage Period. The Service Coverage Period for the Gold Service Offering is 8:00 a.m. to 8:00 p.m., local time, Monday through Friday, excluding Kronos holidays.
- (iii) Web-based support including access to Software documentation, FAQ's, access to Kronos knowledge base, Customer forums, and e-case management. Such offerings are subject to modification by Kronos. Current offerings can be found at <http://www.kronos.com/services/support-services.aspx>.
- (iv) Web-based remote diagnostic technical assistance which may be utilized by Kronos to resolve Software functional problems and user problems during the Service Coverage Period.
- (v) Access to specialized content as and when made available by Kronos such as technical advisories, learning quick tips, brown bag seminars, technical insider tips, SHRM e-Learning, HR Payroll Answerforce and service case studies.

10.4 PLATINUM AND PLUS SERVICE OFFERINGS:

Platinum: In addition to the Service Offerings specified for the Gold Service Offering above, the Service Coverage Period for the Platinum Service Offering is 24 hours a day, seven days a week, 365 days a year.

Plus option: In addition to the Service Offerings specified for the Gold Service Offering above, Customers purchasing the Plus option shall receive the services of a dedicated, but not exclusive, Kronos Technical Account Manager ("TAM") for one production instance of the Software. Customers purchasing the Gold-Plus option shall designate up to one primary and one secondary backup technical contacts ("Technical Contacts") to be the sole contacts with the TAM, while Customers purchasing the Platinum-Plus option shall designate up to two primary and three secondary backup Technical Contacts. Upon request, Customer may designate additional and/or backup Technical Contacts. Customer is required to place all primary Technical Contacts through Kronos product training for the Software covered under this Section B at Customer's expense.

Customers purchasing the Platinum-Plus option shall also receive a one day per year visit to be performed at the Customer location where the Software is installed. During this onsite visit, Kronos shall work with Customer to identify ways to help Customer increase functionality or maximize utilization of the Software in Customer's specific environment. Customer must be utilizing the then-current version of the Software.

10.5 PAYMENT

Customer shall pay annual support charges for the initial term in accordance with the payment terms on the Order Form and for any renewal term upon receipt of invoice. Customer shall pay additional support charges, if any, and time and material charges upon receipt of invoice

10.6 ADDITION OF SOFTWARE

Additional Software purchased by Customer as per the ordering procedure set out in the agreement during the initial or any renewal term shall be added to the Support Services at the same support option as the then current Software support coverage in place under these terms. Customer agrees to pay the charges for such addition as per the Order.

10.7 RESPONSIBILITIES OF CUSTOMER

Customer agrees (i) to provide Kronos personnel with full, free and safe access to Software for purposes of support, including use of Kronos' standard remote access technology, if required; (ii) to maintain and operate the Software in an environment and according to procedures which conform to the Specifications; and (iii) not to allow support of the Software by anyone other than Kronos without prior written authorization from Kronos. Failure to utilize Kronos' remote access technology may delay Kronos' response and/or resolution to Customer's reported Software problem. If Customer requires the use of a specific remote access technology not specified by Kronos, then Customer must purchase the Plus option to receive support and provide Kronos personnel with full, free and safe access to the remote access hardware and/or software.

10.8 DEFAULT

Customer shall have the right to terminate Kronos support services in the event that Kronos is in breach of the support services warranty set forth below and such breach is not cured within fifteen (15) days after written notice specifying the nature of the breach. In the event of such termination, Kronos shall refund to Customer on a pro-rata basis those pre-paid annual support fees associated with the unused portion of the support term. Kronos reserves the right to terminate or suspend support service in the event the Customer is in default under this Agreement with Kronos and such default is not corrected within fifteen (15) days after written notice. In addition, the support services will terminate and all charges due hereunder will become immediately due and payable in the event that Customer ceases to do business as a going concern or has its assets assigned by law.

10.9 WARRANTY

Kronos warrants that all support services shall be performed in a professional and competent manner.

11. EQUIPMENT SUPPORT SERVICES

The following terms and conditions shall govern the equipment support services provided by Kronos to Customer.

Kronos and Customer hereby agree that Kronos shall provide depot equipment repair support services ("Depot Support Services") for Customer's Kronos Equipment ("Product(s)") specified on an Order Form to and from locations within the United States and Puerto Rico pursuant to the following terms and conditions:

11.1 TERM

Equipment Support Services for the Product(s) have a term of one (1) year commencing upon the expiration of the applicable warranty period, as specified in this Section B. Equipment Support Services can be extended for additional one year terms on the anniversary of its commencement date ("Renewal Date") by mutual written agreement of the parties or by Kronos sending Customer an invoice for the applicable renewal term and Customer paying such invoice prior the commencement of such renewal term. For the initial two (2) renewal years the annual support fee, for the same products and service type, will not increase by more than 4% over the prior year's annual support fee to the extent consistent with the pricing set forth under the Agreement.

11.2 PAYMENT

Customer agrees to pay the Support Charges for the initial term as set forth on the Order Form for each Product listed. Customer agrees that all Products of the same type that are owned by the Customer, including without limitation Customer's "Spare Products" (as defined below), will be subject to this Agreement. Customer agrees that if Customer purchases, during the term of this Agreement, any Products of the same type as those specified on an Order Form, such additional Products shall be subject to this Agreement. Customer agrees to pay a prorated fee for such additional Products and agrees to pay the full annual fee for such additional Products, upon the renewal date. Kronos will invoice Customer for the annual Support Charges each year in advance of the Renewal Date. Customer will pay Kronos within thirty (30) days of receipt of invoice.

11.3 DEPOT SUPPORT SERVICE DESCRIPTION

Upon the failure of installed Equipment, Customer shall notify Kronos of such failure and Kronos will provide remote fault isolation at the FRU (Field Replacement Unit) or subassembly level and attempt to resolve the problem. Those failures determined by Kronos to be Equipment related shall be dispatched to a Kronos Depot Repair Center, and Customer will be provided with a Return Material Authorization Number (RMA) for the failed Equipment if Customer is to return the failed Equipment to Kronos, as reasonably determined by Kronos. Customer must return the failed Equipment with the supplied RMA number. Hours of operation, locations and other information related to Kronos' Depot Repair Centers are available upon request and can be found at <https://customer.kronos.com/contact/contact-phone.aspx> and are subject to change. Return and repair

procedures for failed Equipment shall be provided based on the Depot option - Depot Exchange or Depot Repair - selected by Customer on the applicable Order Form and as specified herein and in Kronos' then-current Support Services Policies. Service packs for the Equipment (as described in subsection (b) below) are included in both Depot Exchange and Depot Repair Support Services.

(i) *Depot Exchange*: Kronos will provide a replacement for the failed Equipment at the FRU or subassembly level on an "advanced exchange" basis, utilizing a carrier of Kronos' choice. Replacement Equipment will be shipped the same day, for delivery to Customer's location as further described in the Support Policies. REPLACEMENT EQUIPMENT MAY BE NEW OR RECONDITIONED. Customer shall specify the address to which the Equipment is to be shipped. All shipments will include the Kronos provided RMA designating the applicable Kronos Depot Repair Center, as the recipient. Customer, upon receipt of the replacement Equipment from Kronos, shall package the defective Equipment in the materials provided by Kronos, with the RMA supplied and promptly return failed Equipment directly to Kronos.

(ii) *Depot Repair*: Upon failure of installed Equipment, Customer shall install a Spare Product to replace the failed Equipment. Customer shall then return the failed Equipment, with the required RMA, to the applicable Kronos Depot Repair Center. Customer shall make reasonable efforts to return the failed Equipment using the same or substantially similar packing materials in which the original Equipment was sent. Customer shall also specify the address to which the repaired Equipment should be return shipped. Upon receipt of the failed Equipment, Kronos shall repair the failed Equipment and ship it, within ten (10) business days after receipt, to Customer. Kronos shall ship the repaired Equipment by regular surface transportation to Customer.

Kronos warrants that all repairs performed under the Agreement shall be performed in a professional and competent manner. In the event of a breach of this warranty, the exclusive remedy of Customer and sole liability of Kronos shall be replacement of the repaired Equipment.

11.4 EQUIPMENT SERVICE PACK SUPPORT SERVICE DESCRIPTION

If Customer purchase the Equipment service packs support, Kronos manufactured terminals specified on an Order, Customer shall be entitled to receive:

(i) Service packs for the Equipment (which may contain system software updates, firmware updates, security updates, and feature enhancements) available for download at Kronos' customer portal; and

(ii) Access to the Kronos Support Services Center for the logging of requests for assistance downloading service packs for the Equipment.

Service packs for the Equipment are not installed by the Kronos Depot Repair Center but are available for download at Kronos' customer portal, provided Customer is maintaining the Equipment under an annual Equipment Support Services plan with Kronos.

Kronos warrants that all service packs and firmware updates provided under this Agreement shall materially perform in accordance with the Kronos published specifications for a period of ninety (90) days after download by Customer. In the event of a breach of this warranty, Customer's exclusive remedy shall be Kronos' repair or replacement of the deficient service pack(s) or firmware update(s), at Kronos' option, provided that Customer's use, installation and maintenance thereof have conformed to the specifications.

11.5 RESPONSIBILITIES OF CUSTOMER

Customer agrees that it shall return failed Products promptly as the failures occur and that it shall not hold failed Products and send failed Product to Kronos in "batches" which shall result in a longer turnaround time and surcharge to Customer. In addition, Customer agrees to:

(a) Maintain the Products in an environment conforming to Kronos' published specifications for such Products;

(b) De-install all failed Products and install all replacement Products in accordance with Kronos' published installation guidelines;

(c) Ensure that the Product(s) are returned to Kronos properly packaged; and

(d) Obtain an RMA before returning any Product to Kronos and place the RMA clearly and conspicuously on the outside of the shipping package.

Customer may only return the specific Product authorized by Kronos when issuing the RMA.

11.6 SUPPORT EXCLUSIONS

Depot Support Service does not include the replacement of "consumables". In addition, Depot Support Service does not include the repair of damages, and Customer will not attempt to return damaged Product, resulting from:

(a) Any cause external to the Products including, but not limited to, electrical work, fire, flood, water, wind, lightning, transportation, or any act of God;

(b) Customer's failure to continually provide a suitable installation environment (as indicated in Kronos' published installation guidelines) including, but not limited to, adequate electrical power;

(c) Customer's improper use, relocation, packaging, refinishing, management or supervision of the Product(s) or other failure to use Products in accordance with Kronos' published specifications;

(d) Customer's use of the Products for purposes other than those for which they are designed or the use of accessories or supplies not approved by Kronos;

(e) Government imposed sanctions, rules, regulations or laws preventing the shipment of the Products; or

(f) Customer's repair, attempted repair or modification of the Products.

Professional services provided by Kronos in connection with the installation of any Software or firmware upgrades, if available, and if requested by Customer, are not covered by Depot Support Services. Firmware (including equipment service packs) which may be available to resolve a Product issue is not installed by the Kronos Depot Repair Center but is available for download at Kronos' customer web site provided Customer is maintaining the Product under an annual Depot Support Services plan with Kronos.

11.7 WARRANTY

(a) Depot Repair and Exchange warranty: Kronos warrants that all repairs performed under this Section B shall be performed in a professional and competent manner.

(b) Services Pack support Warranty: Kronos warrants that all service packs and firmware updates provided under this Section B shall materially perform in accordance with the Kronos published specifications for a period of ninety (90) days after download by Customer. In the event of a breach of this warranty, Customer's remedy shall be Kronos' repair or replacement of the deficient service pack(s) or firmware update(s), at Kronos' option, provided that Customer's use, installation and maintenance thereof have conformed to the specifications.

11.8 LIMITATION OF REMEDIES

To the extent permitted by law, the remedy of Customer and liability of Kronos shall be replacement of the repaired Product.

12. KRONOS SUPPORT SERVICE POLICIES

Kronos' then-current Support Services Policies shall apply to all Support Services purchased and may be accessed at: <http://www.kronos.com/Support/SupportServicesPolicies.htm> ("Support Policies"). In the event of a conflict between the Support Policies and this Agreement, the terms of this Agreement shall prevail.

13. FIRMWARE

Customer may not download firmware updates for the Kronos Equipment unless Customer is maintaining such Equipment under a support plan with Kronos. If Customer is not maintaining the Equipment under a support plan with Kronos, Kronos shall have the right to verify Customer's Kronos Equipment to determine if Customer has downloaded any firmware to which Customer is not entitled.

14. TRAINING POINTS

Training Points which are purchased by Customer may be redeemed for an equivalent value of instructor-led training sessions offered by Kronos. Available instructor-led sessions are listed at <http://customer.kronos.com> and each session has the Training Points value indicated. Training Points are invoiced when used by the Customer. Points may be redeemed at any time within 12 months of the date of the applicable Order Form, at which time they shall expire. Training Points may not be exchanged for other Kronos products and/or services.

15. KNOWLEDGEPASS EDUCATION SUBSCRIPTION:

The parties hereby agree that the following terms shall apply to Customer's purchase of the Kronos KnowledgePass Education Subscription only, if specified on the Order Form:

Scope: The KnowledgePass Education Subscription is available to customers who are licensing Kronos' Workforce Central and iSeries Timekeeper Software products and who are maintaining such products under a support plan with Kronos. The KnowledgePass Education Subscription provides access via the internet to certain educational offerings provided by Kronos (the "KnowledgePass Content"), including:

- Product and upgrade information for project teams and end users
- Hands-on interactive instruction on common tasks
- Self-paced tutorials covering a range of topics
- Job aids
- Knowledge assessment and reporting tools to measure progress
- Webinars

Term of Subscription: The annual KnowledgePass Education Subscription shall run co-terminously with Customer's Software Support, and shall renew for additional one (1) year terms provided Customer renews its KnowledgePass Education Subscription as provided below.

Payment: Customer shall pay the annual subscription charge for the initial term of the KnowledgePass Education Subscription in accordance with the payment terms on the Order Form. Kronos will send Customer a renewal invoice for renewal of the KnowledgePass Education Subscription at least forty five (45) days prior to expiration of the then current term. KnowledgePass Education Subscription shall renew for an additional one (1) year term if Customer pays such invoice before the end of the initial term or any renewal term.

The KnowledgePass Subscription is available when the Customer subscribe on annual basis.

Limitations: Customer recognizes and agrees that the KnowledgePass Content is copyrighted by Kronos. Customer is permitted to make copies of the KnowledgePass Content provided in *pdf form solely for Customer's internal use and may not disclose such KnowledgePass Content to any third party other than Customer's employees. Customer may not edit, modify, revise, amend, change, alter, customize or vary the KnowledgePass Content without the written consent of Kronos, provided that Customer may download and modify contents of Training Kits solely for Customer's internal use.

Train-the-Trainer Program (TTT): Certification under the Train-the-Trainer Program is valid only for the point release of the Software for which the TTT Program is taken, and covers only the Customer employee who completes the TTT Program.

16. INDEMNIFICATION

Kronos agrees to indemnify Customer and to hold it harmless from and against any and all claims, costs, fees and expenses (including reasonable legal fees) relating to actual or alleged infringement of United States or Canadian patents or copyrights asserted against Customer by virtue of Customer's use of the Software as delivered and maintained by Kronos, provided that: i) Kronos is given prompt written notice of any such claim and has sole control over the investigation, preparation, defense and settlement of such claim; and, ii) Customer reasonably cooperates with Kronos in connection with the foregoing and provides Kronos with all information in Customer's possession related to such claim and any further assistance as reasonably requested by Kronos. Kronos will have no obligation to indemnify Customer to the extent any such claim is based on the use of the Software with software or equipment not supplied by Kronos. Should any or all of the Software as delivered and maintained by Kronos become, or in Kronos' reasonable opinion be likely to become, the subject of any such claim, Kronos may at its option: i) procure for Customer the right to continue to use the affected Software as contemplated hereunder; ii) replace or modify the affected Software to make its use non-infringing; or iii) should such options not be available at reasonable expense, terminate this Agreement with respect to the affected Software upon thirty (30) days prior written notice to Customer. In such event of termination, Customer shall be entitled to a pro-rata refund of all fees paid to Kronos for the affected Software, which refund shall be calculated using a five year straight-line depreciation commencing with the date of the relevant Order. Additionally, Kronos agrees to be liable for tangible property damage or personal injury caused solely by the negligence or willful misconduct of its employees.

17. LIMITATION OF LIABILITY

CUSTOMER'S EXCLUSIVE REMEDIES AND KRONOS' SOLE LIABILITY FOR ANY KRONOS BREACH OF THIS AGREEMENT ARE EXPRESSLY STATED HEREIN. EXCEPT AS PROVIDED IN THIS AGREEMENT, ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE EXCLUDED.

EXCEPT FOR i) KRONOS' INDEMNIFICATION OBLIGATIONS SET FORTH IN ARTICLE 16 ABOVE; (II) CUSTOMER'S CLAIMS FOR TANGIBLE PROPERTY DAMAGE OR PERSONAL INJURY TO THE EXTENT CAUSED BY THE NEGLIGENCE OR WILLFUL MISCONDUCT OF THE OTHER PARTY'S EMPLOYEES, IN NO EVENT SHALL KRONOS' OR ITS PARENTS', SUBSIDIARIES', AFFILIATES', OR THIRD PARTY LICENSOR'S LIABILITY TO A CUSTOMER, HOWSOEVER CAUSED, EXCEED THE VALUE OF THE ORDER WHICH GIVES RISE TO

THE CLAIM, AND IN NO EVENT WILL KRONOS OR ITS PARENTS, SUBSIDIARIES AFFILIATES OR THIRD PARTY LICENSORS BE LIABLE FOR LOST PROFITS, LOST DATA OR ANY OTHER INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF THIS AGREEMENT WHETHER SUCH CLAIM IS BASED ON WARRANTY, CONTRACT, TORT OR THE EXISTENCE, FURNISHING, FUNCTIONING OR CUSTOMER'S SPECIFIC USE OF, OR INABILITY TO SO USE, ANY EQUIPMENT, SOFTWARE OR SERVICES PROVIDED FOR IN THIS AGREEMENT.

**SECTION C
CLOUD APPLICATION HOSTING
SUPPLEMENTAL TERMS AND CONDITIONS**

These Application Hosting Supplemental Terms and Conditions are applicable for hosting services ordered by Customer for Kronos Software licensed under Section B of this Agreement.

1. DEFINITIONS

“Application(s)” means those Kronos software applications set forth in the Cloud Hosting SSS which are made accessible for Customer to use under the terms of this Addendum.

“Application Hosting Program” or “Program” means (i) accessibility to the Applications, by means of access to the password protected customer area of the Kronos hosting environment, and (ii) all Hosting Related Services.

“Content” means all content Customer, or others acting on behalf of or through Customer, posts or otherwise inputs into the Program, including but not limited to information, data (such as payroll data, vacation time, and hours worked), designs, know-how, logos, text, multimedia images (e.g. graphics, audio and video files), compilations, software programs, third party software, applications, or other materials, or any other Customer content shared or processed on equipment under the control of Kronos.

“Hosting Related Services” means certain services set forth in a Services Scope Statement (SSS) containing hosted related services (the **“Cloud Hosting SSS”**), such as hosting infrastructure, equipment, bandwidth, server monitoring, backup services, reporting services, storage area network (SAN) services, load balancing services, security services, system administration, connectivity services, performance tuning, service pack installation and all professional and/or Cloud Services and maintenance services related to hosting.

“Initial Term” means the initial term of the Program as set forth in the applicable Cloud Hosting SSS.

“Internal Use” means the use of the Program: (i) by Customer’s personnel solely for Customer’s internal business purposes and (ii) by any authorized employee, agent or contractor of Customer to process information relating to Customer’s employees assigned to, or potential employees of, Customer’s authorized business unit(s), solely for the internal business purposes of such business unit(s).

“Monthly Service Fee(s)” means the monthly fees described in the Cloud Hosting SSS and set forth on the applicable Order Form..

“Order Form” means the order request form supplied by Kronos and signed by the Parties that lists the fees for the elements of Customer’s particular Program.

“Personally Identifiable Data” means information concerning individually identifiable employees of Customer that is protected against disclosure under applicable law or regulation.

“Production Environment” means a permanent environment established for the daily use and maintenance of the Applications in a live environment throughout the term of a Program.

“Service Description” means the detailed service description (including any supplementary service terms) specified in the Cloud Hosting SSS which sets forth the specific Program to be provided to the Customer.

“SLA(s)” means a service level agreement offered by Kronos for the Production Environment and attached to this Section C as **Exhibit A** which contains key service level standards and commitments that apply to the Program as detailed in the Service Description.

“SLA Credit” means the credit calculated in accordance with the SLA and offered by Kronos in the event of outages, interruptions or deficiencies in the delivery of the Program that result in a failure to meet the terms of the applicable SLA.

“Supplier” means any contractor, subcontractor or licensor of Kronos providing software, equipment and/or services to Kronos which are incorporated into or otherwise related to the Program.

“Temporary Environment” means a transient database environment created to serve limited purposes for a limited time period, and identified in the applicable Cloud Hosting SSS as a Temporary Environment.

2. CLOUD HOSTING SERVICES SCOPE STATEMENT

The description of the particular Program ordered by the Customer, the Program term, the Monthly Service Fee rates, and other fees, if any, applicable to the Program are described in the applicable Cloud Hosting SSS and Order Form. Kronos will not change the Monthly Service Fee rates it charges for Customer’s existing Program, or the SLA, during the Initial Term. Kronos may change such Monthly Service Fee rates or the associated SLA for a renewal term of the particular Program by notifying Customer at least sixty (60) days prior to the expiration of the then current term. SLAs are only available in a Production Environment. Unless the Cloud Hosting SSS indicates that the Program is to be implemented in a Temporary Environment, the Program will be deemed to be implemented in a Production Environment.

3. AUTHORIZED USE

Customer shall take all reasonable steps to ensure that no unauthorized persons have access to the Program, and to ensure that no persons authorized to have such access shall take any action that would be in violation of this Section C.

4. MAINTENANCE ACCESS

If Kronos, its Suppliers, or the local access provider, as applicable, requires access to Customer sites in order to maintain or repair the Program, Customer shall cooperate in a timely manner and reasonably provide such access and assistance as necessary. As part of Kronos’ support services, Kronos will make updates to the Applications available to Customer at no charge as they are released generally to Kronos’ customers.

Customer agrees to receive those updates automatically as part of the Program. Customer may be required to purchase additional Hosting Related Services to address infrastructure requirements as released by Kronos for a new version of a particular Application.

5. CUSTOMER REPRESENTATIONS AND WARRANTIES; CUSTOMER OBLIGATIONS

5.1 Customer represents and warrants to Kronos that it has the right to publish and disclose Customer's Content in the Program.

5.2 Customer represents and warrants to Kronos that Customer's Content will not: (a) infringe or violate any third-party right, including (but not limited to) intellectual property, privacy, or publicity rights; (b) be abusive, profane, or offensive to a reasonable person; or (c) be hateful or threatening.

5.3 Customer will, at its own cost and expense, provide all end user equipment, operating systems, and software (including a web browser) not provided by Kronos and needed to access and use the Program. Customer will also provide, at its own cost and expense, all connections from its computer systems to the Program, which shall include all related costs associated with Customer accessing the Program, unless such connectivity services are purchased from Kronos as indicated on the Cloud Hosting SSS and Order Form.

5.4 Customer shall not, and shall not permit any person or entity under Customer's direct or indirect control to: (a) recirculate, republish, distribute or otherwise provide access to the Program to any third party; (b) use the Program on a service bureau, time sharing or any similar basis, or for the benefit of any other person or entity; (c) alter, enhance or make derivative works of the Program; (d) reverse engineer, reverse assemble or decompile, or otherwise attempt to derive source code from, the Program or any software components of the Program; (e) use, or allow the use of, the Program in contravention of any applicable law, or rules or regulations of regulatory or administrative organizations; (f) introduce into the Program any virus or other code or routine intended to disrupt or damage the Program, alter, damage, delete, retrieve or record information about the Program or its users; or, (g) otherwise act in a fraudulent, malicious or negligent manner when using the Program.

6. CONNECTIVITY AND ACCESS

6.1 Customer acknowledges that Customer shall (a) be responsible for securing, paying for, and maintaining connectivity to the Services (including any and all related hardware, software, third party services and related equipment and components); and (b) provide Kronos and Kronos' representatives with such physical or remote access to Customer's computer and network environment as Kronos deems reasonably necessary in order for Kronos to perform its obligations under the Agreement. Customer will make all necessary arrangements as may be required to provide access to Customer's computer and network environment if necessary for Kronos to perform its obligations under the Agreement. Customer agrees that Kronos may audit Customer's use of the Services.

7. FEES AND PAYMENT TERMS

7.1 In consideration of the delivery of the Program, Customer shall pay Kronos the Monthly Services Fee as defined in the applicable Order Form. The Monthly Services Fee shall begin to accrue on the date the Order Form and SSS are signed by the parties, and shall be invoiced annually in advance.

7.2 All fees payable hereunder shall be paid in United States Dollars and sent to the attention of Kronos as specified on the invoice. Payment terms shall be net 30 days following receipt of invoice.

7.3 SLA Credits, if any, which are due and owing to a Customer under an SLA for a particular month of the Program shall be paid by Kronos in the month following the month in which the SLA Credits were earned.

8. SERVICE LEVEL AGREEMENT

CUSTOMER'S SOLE AND EXCLUSIVE REMEDY IN THE EVENT OF ANY SERVICE OUTAGE, INTERRUPTION OR DEFICIENCY OF SERVICE(S) OR FAILURE BY KRONOS TO MEET THE TERMS OF AN APPLICABLE SLA, SHALL BE THE REMEDIES PROVIDED IN THE SLA; PROVIDED THAT ANY REMEDIES OR CREDITS CONTAINED IN THE SLA ARE NOT AVAILABLE FOR OUTAGES, INTERRUPTIONS OR DEFICIENCIES OCCURRING DURING ANY PERIOD IN WHICH CUSTOMER IS IN BREACH OF THIS ADDENDUM OR THE LICENSE AGREEMENT. KRONOS DISCLAIMS ANY AND ALL OTHER LIABILITIES OR REMEDIES FOR SUCH OUTAGES, INTERRUPTIONS OR DEFICIENCIES OF SERVICES.

9. LIMITATION OF LIABILITY

IN ADDITION TO THE LIMITATIONS SET FORTH IN THE LICENSE AGREEMENT, EXCEPT WITH RESPECT TO LIABILITY ARISING FROM KRONOS' GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, KRONOS DISCLAIMS ANY AND ALL LIABILITY AND SERVICE CREDITS, INCLUDING SUCH LIABILITY RELATED TO A BREACH OF SECURITY OR DISCLOSURE, RESULTING FROM ANY EXTERNALLY INTRODUCED HARMFUL PROGRAM (INCLUDING VIRUSES, TROJAN HORSES, AND WORMS), CUSTOMER'S CONTENT OR APPLICATIONS, THIRD PARTY UNAUTHORIZED ACCESS OF EQUIPMENT OR SOFTWARE OR SYSTEMS, OR MACHINE ERROR.

10. DATA SECURITY

10.1 As part of the Program, Kronos shall provide those administrative, physical, and technical safeguards for protection of the security, confidentiality and integrity of Customer data as described at: <http://www.kronos.com/products/smb-solutions/workforce-central-saas/security-description.aspx>. Customer acknowledges that such safeguards endeavor to mitigate security incidents, but such incidents may not be mitigated entirely or rendered harmless. Customer should consider any particular Kronos supplied security-related safeguard as just one tool to be used as part of Customer's overall security strategy and not a guarantee of security. Both parties agree to comply with all applicable privacy or data protection statutes, rules, or regulations governing the respective activities of the parties under the Agreement.

10.2 As between Customer and Kronos, all Personally Identifiable Data is Customer's Confidential Information and will remain the property of Customer. Customer represents that to the best of Customer's knowledge such Personally Identifiable Data supplied to Kronos is accurate. Customer hereby consents to the use, processing or disclosure of Personally Identifiable Data by Kronos and Kronos' Suppliers wherever located only for the purposes described herein and only to the extent such use or processing is necessary for Kronos to carry out Kronos' duties and responsibilities under this Agreement or as required by law.

10.3 Prior to initiation of the Program and on an ongoing basis thereafter, Customer agrees to provide notice to Kronos of any extraordinary privacy

or data protection statutes, rules, or regulations which are or become applicable to Customer's industry and which could be imposed on Kronos as a result of provision of the Program. Customer will ensure that: (a) the transfer to Kronos and storage of any Personally Identifiable Data by Kronos or Kronos' data center is permitted under applicable data protection laws and regulations; and (b) Customer will obtain consents from individuals for such transfer and storage to the extent required under applicable laws and regulations.

11. TERM AND TERMINATION

11.1 At the expiration of the Initial Term, the applicable Program shall automatically renew for successive one year periods unless either party provides notice of its intent not to renew at least sixty (60) days prior to the expiration of the then-current term. Kronos may suspend or terminate the Program upon notice in the event of any breach by Customer of this Section C if such breach is not cured within ten (10) days of the date of Kronos' written notice. No Program interruption shall be deemed to have occurred during, and no Program credits shall be owed for, any authorized suspension of the Program.

11.2 Customer may terminate the Program by written notice at any time during the term of the Addendum if Kronos materially breaches any provision of this Addendum, and such default is not cured within thirty (30) days after receipt of written notice from Customer. In the event of such termination by Customer, Customer shall pay Kronos within thirty (30) days all fees then due and owing for the Program prior to the date of termination.

11.3 Customer may terminate the Program for convenience on no less than ninety (90) days prior written notice to Kronos.

11.4 In the event of termination of the Program by Customer for convenience or by Kronos for cause during the Initial Term, Customer will pay to Kronos any out of pocket expenses incurred by Kronos in terminating the Program plus an early termination fee based on the following calculation: one (1) month of the then-current Monthly Services Fees for every twelve (12) month period (or portion thereof) remaining in the Initial Term. By way of example only, if Customer terminates the Program for convenience with fifteen (15) months remaining in the Initial Term, Customer will be responsible to pay Kronos two (2) months of the applicable Monthly Services Fees.

EXHIBIT A

SERVICE LEVEL AGREEMENT (SLA)

Service Level Agreement: The Services, in a production environment and as described in the Statement of Work (aka Services Scope Statement), are provided with the service levels described in this Exhibit A. SLAs are only applicable to production environments. SLAs will be available upon Customer's signature of Kronos' Go Live Acceptance Form for Customer's production environment.

99.75% Application Availability

Actual Application Availability % = (Monthly Minutes (MM) minus Total Minutes Not Available (TM)) multiplied by 100 and divided by Monthly Minutes (MM), but not including Excluded Events

Service Credit Calculation: An Outage will be deemed to commence when the Applications are unavailable to Customer in Customer's production environment hosted by Kronos and end when Kronos has restored availability of the Services. Failure to meet the 99.75% Application Availability SLA, other than for reasons due to an Excluded Event, will entitle Customer to a credit as follows:

Actual Application Availability % (as measured in a calendar month)	Service Credit to be applied to Customer's monthly invoice for the affected month
<99.75% to 98.75%	10%
<98.75% to 98.25%	15%
<98.25% to 97.75%	25%
<97.75 to 96.75%	35%
<96.75	50%

"Outage" means the accumulated time, measured in minutes, during which Customer is unable to access the Applications for reasons other than an Excluded Event.

"Excluded Event" means any event that results in an Outage and is caused by (a) the acts or omissions of Customer, its employees, customers, contractors or agents; (b) the failure or malfunction of equipment, applications or systems not owned or controlled by Kronos, including without limitation Customer Content, failures or malfunctions resulting from circuits provided by Customer, any inconsistencies or changes in Customer's source environment, including either intentional or accidental connections or disconnections to the environment; (c) Force Majeure events; (d) scheduled or emergency maintenance, alteration or implementation provided during the Maintenance Period defined below; (e) any suspension of the Services in accordance with the terms of the Agreement to which this Exhibit A is attached; (f) the unavailability of required Customer personnel, including as a result of failure to provide Kronos with accurate, current contact information; or (g) using an Application in a manner inconsistent with the product documentation for such Application.

"Maintenance Period" means scheduled maintenance periods established by Kronos to maintain and update the Services, when necessary. During these Maintenance Periods, the Services are available to Kronos to perform periodic maintenance services, which include vital software updates. Kronos will use its commercially reasonable efforts during the Maintenance Period to make the Services available to Customer; however, some changes will require downtime. Kronos will provide notice for planned downtime via an email notice to the primary Customer contact at least one day in advance of any known downtime so planning can be facilitated by Customer.

Currently scheduled Maintenance Periods for the Services are:
Monday through Friday 04:00 am – 06:00 am (U.S. eastern time)
Saturday and Sunday 12:00 am – 06:00 am (U.S. eastern time)

Maintenance Periods include those maintenance periods mutually agreed upon by Customer and Kronos.

"Monthly Minutes (MM)" means the total time, measured in minutes, of a calendar month commencing at 12:00 am of the first day of such calendar month and ending at 11:59 pm of the last day of such calendar month.

"Total Minutes Not Available (TM)" means the total number of minutes during the calendar month that the Services are unavailable as the result of an Outage.

Limitations: Service Credits will not be provided if: (a) Customer is in breach or default under the Agreement at the time the Outage occurred; or (b) the Outage results from an Excluded Event. If Kronos does not provide the appropriate Service Credit as due hereunder, Customer must request the Service Credit within sixty (60) calendar days of the conclusion of the month in which the Service Credit accrues. Customer waives any right to Service Credits not requested within this time period. All performance calculations and applicable Service Credits are based on Kronos records and data unless Customer can provide Kronos with clear and convincing evidence to the contrary.

The Service Level Agreements in this Exhibit, and the related Service Credits, apply on a per production environment basis. For the avoidance of doubt, Outages in one production environment may not be added to Outages in any other production environment for purposes of calculating Service Credits.

Customer acknowledges that Kronos manages its network traffic in part on the basis of Customer's utilization of the Services and that changes in such utilization may impact Kronos' ability to manage network traffic. Therefore, notwithstanding anything else to the contrary, if Customer significantly changes its utilization of the Services than what is contracted with Kronos and such change creates a material and adverse impact on the traffic balance of the Kronos network, as reasonably determined by Kronos, the parties agree to co-operate, in good faith, to resolve the issue.

SECTION D
KRONOS WORKFORCE CENTRAL - SOFTWARE AS A SERVICE (SAAS) TERMS AND CONDITIONS

Customer and Kronos agree that the terms and conditions set forth in this Section D shall apply to the Kronos supply of the commercially available version of the Workforce Central SaaS Applications and related services and materials (including applicable documentation) and Equipment (if any) specified on an Order Form. The Applications described on the Order Form shall be delivered by means of Customer's permitted access to the password protected customer area of a Kronos website.

1. DEFINITIONS

"Application(s)" or **"SaaS Application(s)"** means those Kronos software application programs set forth on an Order Form which are made accessible for Customer to use under the terms of this Section D.

"Cloud Services" means those services related to Customer's hosting environment such as hosting infrastructure, equipment, bandwidth, server monitoring, backup services, storage area network (SAN) services, security services, system administration, connectivity services, performance tuning, update installation and maintenance services related thereto. Unless otherwise set forth in a Statement of Work, Cloud Services are described as set forth at: <http://www.kronos.com/products/smb-solutions/workforce-central-saas/implementation-guidlines.aspx>

"Customer Content" means all content Customer, or others acting on behalf of or through Customer, posts or otherwise inputs into the Services.

"Documentation" means technical publications published by Kronos relating to the use of the Services or Applications.

"Equipment" means the Kronos equipment specified on an Order Form.

"Implementation Services" means those services provided by Kronos to set up the hosting environment and configure the Services, including educational services and training. Unless otherwise set forth in a Statement of Work, Kronos' and Customer's implementation responsibilities are described in the Services Implementation Guideline set forth at: <http://www.kronos.com/products/smb-solutions/workforce-central-saas/implementation-guidlines.aspx> Implementation Services may be provided as forth in Section B

"Initial Term" means the initial term of the Services as indicated on the Order Form.

"KnowledgePass Content"/"KnowledgePass Education Subscription" have the meanings ascribed in Section 7.5.

"Minimum Contract Value" means the total of all Monthly Service Fees to be invoiced during the Initial Term.

"Monthly Service Fee(s)" means the monthly fees described in an Order Form. Monthly Service Fees include fees for usage of Applications and the Services, Cloud Services as applicable, and Equipment rental, if any. Billing of the Monthly Service Fee(s) commences on the Start Date.

"Order Form" means an order form mutually agreed upon by Kronos and Customer setting forth the items ordered by Customer and to be provided by Kronos, including without limitation the Applications and the prices and fees to be paid by Customer.

"Personally Identifiable Data" means information concerning individually identifiable employees of Customer that is protected against disclosure under applicable law or regulation.

"Services" means (i) accessibility to the commercially available version of the Applications by means of access to the password protected customer area of a Kronos website, (ii) the Equipment purchased or rented hereunder, (iii) the Implementation Services and Cloud Services, and (iv) such other services, items and offerings set forth on an Order Form.

"Start Date" means the date billing commences for the Services (excluding the Implementation Services) as indicated on the applicable Order Form. For any Services ordered by Customer after the date of this Section D which are incremental to Customer's then-existing Services, the Start Date shall be the date the applicable Order Form is executed by Kronos and Customer.

"Statement of Work", "SOW", "Services Scope Statement" and "SSS" are interchangeable terms referring to a written description of the Implementation Services and Cloud Services as mutually agreed upon by Kronos and Customer. An SOW supersedes any implementation guidelines or descriptions on a web page referenced in this Section D.

"Supplier" means any contractor, subcontractor or licensor of Kronos providing software, equipment and/or services to Kronos which are incorporated into or otherwise related to the Program.

"Term" means the Initial Term and any monthly renewals thereafter, as further set forth in Section 2.1.

"Training Points" has the meaning ascribed to it in Section 7.6 below.

2. TERM

2.1 The Services shall commence on the Start Date, and shall continue for the Initial Term or until terminated in accordance with the provisions hereof. At the expiration of the Initial Term, the Term shall automatically renew on a month-to-month basis until terminated in accordance with the provisions hereof. Customer acknowledges that execution of separate third party agreements may be required in order for Customer to use certain add-on features or functionality, including without limitation tax filing services.

2.2 At any time after the Initial Term: (i) Customer may terminate the Services for convenience upon thirty (30) days prior written notice, and (ii) Kronos may terminate the Services for convenience upon ninety (90) days prior written notice.

2.3 Either party may suspend or terminate the Services upon a material breach of this Section D by the other party if such breach is not cured within fifteen (15) days after receipt of written notice. Notwithstanding the foregoing, Kronos may suspend or terminate the Services immediately upon notice in the event of any Customer breach of Sections 3 (Right to Use), 4 (Acceptable Use), or 14 (Confidential Information).

2.4 In the event that either party becomes insolvent, makes a general assignment for the benefit of creditors, is adjudicated a bankrupt or

insolvent, commences a case under applicable bankruptcy laws, or files a petition seeking reorganization, the other party may request adequate assurances of future performance. Failure to provide adequate assurances, in the requesting party's reasonable discretion, within ten (10) days of delivery of the request shall entitle the requesting party to terminate the Services immediately upon written notice to the other party.

2.5 If the Services are terminated for any reason:

- (a) Customer shall pay Kronos within thirty (30) days of such termination, all fees accrued for the Services prior to the date of termination, provided that if Customer terminates for material breach of this Section D by Kronos, Kronos shall be responsible to refund to Customer unused pre-paid Implementation Service fees, if any;
- (b) Customer's right to access and use the Services shall be revoked and be of no further force or effect;
- (c) No more than fifteen (15) days after termination or upon Customer's written request at any time during the Term, Kronos will provide to Customer, at no charge to Customer, the Customer Content. After such time period, Kronos shall have no further obligation to store or make available the Customer Content and may delete any or all Customer Content without liability.
- (d) Customer agrees to timely return all Kronos-provided materials related to the Services to Kronos at Customer's expense or, alternatively, destroy such materials and provide Kronos with an officer's certification of the destruction thereof; and
- (e) all provisions in this Section D, which by their nature are intended to survive termination, shall so survive.

3. FEES AND PAYMENT

3.1 In consideration of the delivery of the Services, Customer shall pay Kronos the Monthly Service Fees, the fees for the Implementation Services and any additional one time or recurring fees for Equipment, Training Points, KnowledgePass Education Subscription and such other Kronos offerings, all as set forth on the Order Form. If Customer and Kronos have signed a Statement of Work for the Implementation Services, Implementation Services such services will be provided and payable in accordance with Section B. All fees payable for the Services shall be sent to the attention of Kronos as specified on the invoice. Unless otherwise indicated on an Order Form, payment for all items shall be due 30 days following date of invoice. Except as expressly set forth in this Section D, all amounts paid to Kronos are non-refundable. Customer acknowledges that fees may be charged to Customer by third parties for add-on features or functionality provided by such third parties.

3.2 If any amount owing under this or any other agreement for Services is thirty (30) or more days overdue, Kronos may, without limiting Kronos' rights or remedies, suspend Services until such amounts are paid in full. Kronos will provide at least seven (7) days' prior written notice that Customer's account is overdue before suspending Services.

3.3 After the later of (i) one (1) year after the effective date of this Section D, or (ii) expiration of the Initial Term, Kronos may change the Monthly Service Fee rates no more frequently than once per calendar year by notifying Customer in writing at least sixty (60) days prior to the effective date of such rate increase in compliance with the terms of the Agreement and the pricing.

3.4 Customer agrees that except if Customer terminates for material breach of this Section D by Kronos, if Customer has not paid the Minimum Contract Value to Kronos at the conclusion of the Initial Term or the earlier termination of the Services, whichever is earlier, Kronos shall bill, and Customer shall pay within thirty (30) days of the date of such invoice, the difference between the total Monthly Service Fees then paid by Customer and the Minimum Contract Value, less SLA Credits, if any, that have been earned previously by Customer but not yet credited.

4. RIGHTS TO USE

4.1 Subject to the terms and conditions of the Agreement, Kronos hereby grants Customer a limited, revocable, non-exclusive, non-transferable, non-assignable right to use during the Term and for internal business purposes only: a) the Application(s) and related services, including the Documentation; b) training materials and KnowledgePass Content; and, c) any embedded third party software, libraries, or other components, which are included in the Services, excluding such Third Party software, libraries or other components as are licensed directly from such Third Parties. The Services contain proprietary trade secret technology of Kronos and its Suppliers. Unauthorized use and/or copying of such technology are prohibited by law, including United States and foreign copyright law. Customer shall not reverse compile, disassemble or otherwise convert the applications into uncompiled or unassembled code. Customer shall not use any of the third party software programs (or the data models therein) included in the Services except solely as part of and in connection with the Services.

4.2 Customer acknowledges and agrees that the right to use the Applications is limited based upon the amount of the Monthly Service Fees paid by Customer. Customer agrees to use only the modules and/or features for the number of employees and users as described on the Order Form. Customer agrees not to use any other modules or features nor increase the number of employees and users unless Customer pays for such additional modules, features, employees or users, as the case may be. Customer may not license, relicense or sublicense the Services, or otherwise permit use of the Services (including timesharing or networking use) by any third party. Customer may not provide service bureau or other data processing services that make use of the Services without the express prior written consent of Kronos. No license, right, or interest in any Kronos trademark, trade name, or service mark, or those of Kronos' licensors or Suppliers, is granted hereunder.

4.3 Customer may authorize its third party contractors and consultants to access the Services on an as needed basis, provided Customer: a) abides by its obligations to protect Confidential Information as set forth in this Agreement; b) remains responsible for all such third party usage and compliance with the Agreement; and c) does not provide such access to a competitor of Kronos who provides workforce management services.

4.4 Customer acknowledges and agrees that, as between Customer and Kronos, Kronos retains ownership of all right, title and interest to the Services, all of which are protected by copyright and other intellectual property rights, and that, other than the express rights granted herein and under any other agreement in writing with Customer, Customer shall not obtain or claim any rights in or ownership interest to the Services or Applications or any associated intellectual property rights in any of the foregoing. Customer agrees to comply with all copyright and other intellectual property rights notices contained on or in any information obtained or accessed by Customer through the Services.

4.5 When using and applying the information generated by the Services, Customer is responsible for ensuring that Customer complies with the applicable requirements of federal and state law. If the Services include the Workforce Payroll Applications or Workforce Absence Management Applications: (i) Customer is solely responsible for the content and accuracy of all reports and documents prepared in whole or in part by using these Applications, (ii) using these Applications does not release Customer of any professional obligation concerning the preparation and review of any reports and documents, (iii) Customer does not rely upon Kronos, Best Software, Inc. or these Applications for any advice or guidance regarding compliance with federal and state laws or the appropriate tax treatment of items reflected on such reports or documents, and (iv) Customer will review any calculations made by using these Applications and satisfy itself that those calculations are correct.

5. ACCEPTABLE USE

5.1 Customer shall take all reasonable steps to ensure that no unauthorized persons have access to the Services, and to ensure that no persons

authorized to have such access shall take any action that would be in violation of this Section D.

5.2 Customer represents and warrants to Kronos that Customer has the right to publish and disclose the Customer Content in the Services. Customer represents and warrants to Kronos that the Customer Content does not: (a) infringe or violate any third-party right, including but not limited to intellectual property, privacy, or publicity rights, (b) be abusive, profane, or offensive to a reasonable person, or, (c) be hateful or threatening.

5.3 Customer will not (a) use, or allow the use of, the Services in contravention of any federal, state, local, foreign or other applicable law, or rules or regulations of regulatory or administrative organizations; (b) introduce into the Services any virus or other code or routine intended to disrupt or damage the Services, or alter, damage, delete, retrieve or record information about the Services or its users; (c) excessively overload the Kronos systems used to provide the Services; (d) perform any security integrity review, penetration test, load test, denial of service simulation or vulnerability scan; (e) use any tool designed to automatically emulate the actions of a human user (e.g., robots); or, (d) otherwise act in a fraudulent, malicious or negligent manner when using the Services.

6. CONNECTIVITY AND ACCESS

Customer acknowledges that Customer shall (a) be responsible for securing, paying for, and maintaining connectivity to the Services (including any and all related hardware, software, third party services and related equipment and components); and (b) provide Kronos and Kronos' representatives with such physical or remote access to Customer's computer and network environment as Kronos deems reasonably necessary in order for Kronos to perform its obligations under this Section D. Customer will make all necessary arrangements as may be required to provide access to Customer's computer and network environment if necessary for Kronos to perform its obligations under this Section D. Customer agrees that Kronos may audit Customer's use of the Services.

7. IMPLEMENTATION AND SUPPORT

7.1 Implementation Services. Kronos will provide the Implementation Services to Customer. Implementation Services described in an SSS are provided on a time and materials basis, billed monthly as delivered. Implementation Services described in the Services Implementation Guideline are provided on a fixed fee basis. If Customer requests additional Implementation Services beyond those described in the SSS, Kronos will create a change order for Customer's review and approval and any additional Implementation Services to be provided by Kronos in accordance with Section B. Kronos' configuration of the Applications will be based on information and work flows that Kronos obtains from Customer during the discovery portion of the implementation. Customer shall provide Kronos with necessary configuration-related information in a timely manner to ensure that mutually agreed implementation schedules are met.

7.2 Additional Services. Customer may engage Kronos to provide other services which may be fixed by activity or provided on a time and materials basis as indicated on the applicable Order Form.

7.3 Support. Kronos will provide 24x7 support for the hosting infrastructure, the availability to the hosting environment, and telephone support for the logging of functional problems and user problems. Customer may log questions online via the Kronos Customer Portal. As part of such support, Kronos will make updates to the Services available to Customer at no charge as such updates are released generally to Kronos' customers. Customer agrees that Kronos may install such updates automatically as part of the Services.

7.4 Support Services for Equipment. Provided Customer has purchased support services for the Equipment, the following terms shall apply (support services for rented Equipment are included in the rental fees for such Equipment):

(a) Upon the failure of installed Equipment, Customer shall notify Kronos of such failure and Kronos will provide remote fault isolation at the FRU (Field Replacement Unit) or subassembly level and attempt to resolve the problem. Those failures determined by Kronos to be Equipment related shall be dispatched to a Kronos Depot Repair Center, and Customer will be provided with a Return Material Authorization Number (RMA) for the failed Equipment if Customer is to return the failed Equipment to Kronos, as reasonably determined by Kronos. Customer must return the failed Equipment with the supplied RMA number.

(b) Kronos will provide a replacement for the failed Equipment at the FRU or subassembly level on an "advanced exchange" basis, utilizing a carrier of Kronos' choice. Replacement Equipment will be shipped the same day, for delivery to Customer's location as further described in the Support Policies. REPLACEMENT EQUIPMENT MAY BE NEW OR RECONDITIONED. Customer shall specify the address to which the Equipment is to be shipped. All shipments will include the Kronos provided RMA designating the applicable Kronos Depot Repair Center, as the recipient. Customer, upon receipt of the replacement Equipment from Kronos, shall package the defective Equipment in the materials provided by Kronos, with the RMA supplied and promptly return failed Equipment directly to Kronos.

(c) Customer shall be entitled to receive service packs for the Equipment (which may contain system software updates, firmware updates, security updates, and feature enhancements) available for download at Kronos' customer portal. Service packs for the Equipment are not installed by Kronos.

(d) Kronos warrants that all service packs and firmware updates provided under this Section D shall materially perform in accordance with the Kronos published specifications for a period of ninety (90) days after download by Customer. In the event of a breach of this warranty, Customer's exclusive remedy shall be Kronos' repair or replacement of the deficient service pack(s) or firmware update(s).

(e) Customer agrees that it shall return failed Equipment promptly as the failures occur and that it shall not hold failed Equipment and send failed Equipment to Kronos in "batches" which shall result in a longer turnaround time to Customer. In addition, in all circumstances, Customer agrees to:

- (i) Maintain the Equipment in an environment conforming to the Documentation for such Equipment;
- (ii) Not perform self-repairs on the Equipment (i.e., replacing components) without prior written authorization from Kronos;
- (iii) De-install all failed Equipment and install all replacement Equipment in accordance with Kronos' written installation guidelines;
- (iv) Ensure that the Equipment is returned to Kronos properly packaged; and
- (v) Obtain an RMA before returning any Equipment to Kronos and place the RMA clearly and conspicuously on the outside of the shipping package. Customer may only return the specific Equipment authorized by Kronos when issuing the RMA.

7.5 KnowledgePass Education Subscription. When KnowledgePass Education Subscription is listed on an Order Form, Kronos will provide Customer with the KnowledgePass Education Subscription. The KnowledgePass Education Subscription provides access to certain educational offerings provided by Kronos (the "KnowledgePass Content"). Customer recognizes and agrees that the KnowledgePass Content is copyrighted by Kronos. Customer is permitted to make copies of the KnowledgePass Content provided in *pdf form solely for Customer's internal use. Customer may not disclose such KnowledgePass Content to any third party other than Customer's employees. Customer may not edit, modify, revise, amend, change, alter, customize or vary the KnowledgePass Content without the written consent of Kronos, provided that Customer may download and modify contents of training kits solely for Customer's internal use.

7.6 Training Points. "Training Points" which are purchased by Customer may be redeemed for an equivalent value of instructor-led training sessions offered by Kronos. Training Points may be redeemed only during the Term at any time no more than twelve (12) months after the date of the applicable Order Form, after which time such Training Points shall expire and be of no value. Training Points may not be exchanged for other Kronos products or services.

7.7 Training Courses. When Implementation Services are described in the Services Implementation Guideline rather than an SSS, as part of the Services, for each SaaS application module included in the Services purchased by Customer, Customer's employees shall be entitled to attend, in the quantity indicated, the corresponding training courses set forth at: <http://www.kronos.com/products/smb-solutions/workforce-central-saas/training-guidelines.aspx>

Participation in such training courses is limited to the number of seats indicated for the courses corresponding to the modules forming a part of the Services purchased by Customer.

8. CUSTOMER CONTENT

Customer shall own all Customer Content and posts or other inputs into the Services by Customer or others acting on behalf of or through Customer. Kronos acknowledges that all of the Customer Content is deemed to be the Confidential Information of Customer. Notwithstanding the foregoing, Customer grants Kronos permission to combine Customer's business data with that of other customers in a manner that does not identify the Customer or any individual in order to evaluate and improve the services Kronos offers to customers and to disclose such aggregated information for its customers generally. In addition, Kronos may, but shall have no obligation to, monitor Customer Content from time to time to ensure compliance with this Section D and applicable law.

9. EQUIPMENT

If Customer purchases or rents Equipment from Kronos, a description of such Equipment (model and quantity), the applicable pricing, and delivery terms shall be listed on the Order Form.

9.1 The following terms apply only to Equipment Customer rents from Kronos:

- a) **Rental Term and Warranty Period.** The term of the Equipment rental and the "Warranty Period" for such Equipment shall run coterminously with the Term of the other Services provided under this Section D.
- b) **Insurance.** Customer shall insure the Equipment for an amount equal to the replacement value of the Equipment for loss or damage by fire, theft, and all normal extended coverage at all times. No loss, theft or damage after shipment of the Equipment to Customer shall relieve Customer from Customer's obligations under this Section D.
- c) **Location/Replacement.** Customer shall not make any alterations or remove the Equipment from the place of original installation without Kronos' prior written consent. Kronos shall have the right to enter Customer's premises to inspect the Equipment during normal business hours. Kronos reserves the right, at its sole discretion and at no additional cost to Customer, to replace any Equipment with newer or alternative technology Equipment as long as the replacement Equipment at least provides the same level of functionality as that being replaced.
- d) **Ownership.** All Equipment shall remain the property of Kronos. All Equipment is, and at all times shall remain, separate items of personal property, notwithstanding such Equipment's attachment to other equipment or real property. Customer shall not sell or otherwise encumber the Equipment. Customer shall furnish any assurances, written or otherwise, reasonably requested by Kronos to give full effect to the intent of terms of this paragraph (d).
- e) **Equipment Support.** Kronos shall provide to Customer the Equipment support services described in Section 7.
- f) **Return of Equipment.** Upon termination of the Services, Customer agrees that Customer shall return the Equipment to Kronos within thirty (30) days at Customer's expense. Equipment will be returned to Kronos in the same condition as and when received, reasonable wear and tear excepted. If Customer fails to return Equipment within this time period, upon receiving an invoice from Kronos, Customer shall pay Kronos the then list price of the unreturned Equipment.

9.2 The following terms apply only to Equipment Customer purchases from Kronos:

- a) **Ownership and Warranty Period.** Title to the Equipment shall pass to Customer upon delivery to the carrier. The "Warranty Period" for the Equipment shall be for a period of ninety (90) days from such delivery (unless otherwise required by law).
- b) **Equipment Support.** Kronos shall provide to Customer the Equipment support services described herein if purchased separately by Customer as indicated on the applicable Order Form. If purchased, Equipment support services shall commence upon expiration of the Warranty Period.

10. SERVICE LEVEL AGREEMENT

Kronos shall provide the service levels and associated credits, when applicable, in accordance with the Service Level Agreement attached hereto as Exhibit A and which is hereby incorporated herein by reference. **CUSTOMER'S SOLE AND EXCLUSIVE REMEDY IN THE EVENT OF ANY SERVICE OUTAGE OR INTERRUPTION OF THE SERVICES OR FAILURE BY KRONOS TO MEET THE TERMS OF THE APPLICABLE service level agreement, SHALL BE THE REMEDIES PROVIDED IN exhibit A.**

11. LIMITED WARRANTY; DISCLAIMERS OF WARRANTY

11.1 Kronos represents and warrants to Customer that the Applications, under normal operation as specified in the documentation and when used as authorized herein, will perform substantially in accordance with such documentation during the Term.

11.2 Kronos' sole obligation and Customer's sole and exclusive remedy for any breach of the foregoing warranty is limited to Kronos' reasonable commercial efforts to correct the non-conforming Services at no additional charge to Customer. In the event that Kronos is unable to correct material deficiencies in the Services arising during the Warranty Period, after using Kronos' commercially reasonable efforts to do so, Customer shall be entitled to terminate the then remaining Term of the Services for cause in accordance with Section 2 above as Customer's sole and exclusive remedy. Kronos' obligations hereunder for breach of warranty are conditioned upon Customer notifying Kronos of the material breach in writing, and providing Kronos with sufficient evidence of such non-conformity to enable Kronos to reproduce or verify the same.

11.3 Kronos warrants to Customer that each item of Equipment shall be free from defects in materials and workmanship during the Warranty Period. In the event of a breach of this warranty, Customer's sole and exclusive remedy shall be Kronos' repair or replacement of the deficient Equipment, at Kronos' option, provided that Customer's use, installation and maintenance thereof have conformed to the documentation for such Equipment. This warranty is extended to Customer only and shall not apply to any Equipment (or parts thereof) in the event of:

- a) damage, defects or malfunctions resulting from misuse, accident, neglect, tampering, (including without limitation modification or replacement of any Kronos components on any boards supplied with the Equipment), unusual physical or electrical stress or causes other than normal and intended use;
- b) failure of Customer to provide and maintain a suitable installation environment, as specified in the published specifications for such

Equipment; or

c) malfunctions resulting from the use of badges or supplies not approved by Kronos.

EXCEPT AS PROVIDED FOR IN THIS SECTION 11, KRONOS HEREBY DISCLAIMS ALL WARRANTIES, CONDITIONS, GUARANTIES AND REPRESENTATIONS RELATING TO THE SERVICES, EXPRESS OR IMPLIED, ORAL OR IN WRITING, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT, AND WHETHER OR NOT ARISING THROUGH A COURSE OF DEALING. THE SERVICES ARE NOT GUARANTEED TO BE ERROR-FREE OR UNINTERRUPTED. EXCEPT AS SPECIFICALLY PROVIDED IN THIS SECTION D OF THIS AGREEMENT, KRONOS MAKES NO WARRANTIES OR REPRESENTATIONS CONCERNING THE COMPATIBILITY OF THE SERVICES, THE SAAS APPLICATIONS OR THE EQUIPMENT NOR ANY RESULTS TO BE ACHIEVED THEREFROM.

12.0 DATA SECURITY

12.1 As part of the Services, Kronos shall provide those administrative, physical, and technical safeguards for protection of the security, confidentiality and integrity of Customer data as described at: <http://www.kronos.com/products/smb-solutions/workforce-central-saas/security-description.aspx>

Customer acknowledges that such safeguards endeavor to mitigate security incidents, but such incidents may not be mitigated entirely or rendered harmless. Customer should consider any particular Kronos supplied security-related safeguard as just one tool to be used as part of Customer's overall security strategy and not a guarantee of security. Both parties agree to comply with all applicable privacy or data protection statutes, rules, or regulations governing the respective activities of the parties under this Section D.

12.2 As between Customer and Kronos, all Personally Identifiable Data is Customer's Confidential Information and will remain the property of Customer. Customer represents that to the best of Customer's knowledge such Personally Identifiable Data supplied to Kronos is accurate. Customer hereby consents to the use, processing or disclosure of Personally Identifiable Data by Kronos and Kronos' Suppliers wherever located only for the purposes described herein and only to the extent such use or processing is necessary for Kronos to carry out Kronos' duties and responsibilities under this Section D or as required by law.

12.3 Prior to initiation of the Services and on an ongoing basis thereafter, Customer agrees to provide notice to Kronos of any extraordinary privacy or data protection statutes, rules, or regulations which are or become applicable to Customer's industry and which could be imposed on Kronos as a result of provision of the Services. Customer will ensure that: (a) the transfer to Kronos and storage of any Personally Identifiable Data by Kronos or Kronos' Supplier's data center is permitted under applicable data protection laws and regulations; and, (b) Customer will obtain consents from individuals for such transfer and storage to the extent required under applicable laws and regulations.

13. INDEMNIFICATION

13.1 Kronos shall defend Customer and its respective directors, officers, and employees (collectively, the "Customer Indemnified Parties"), from and against any and all notices, charges, claims, proceedings, actions, causes of action and suits, brought by a third party (each a "Claim") alleging that the permitted uses of the Services infringe or misappropriate any United States or Canadian copyright or patent and will indemnify and hold harmless the Customer Indemnified Parties against any liabilities, obligations, costs or expenses (including without limitation reasonable attorneys' fees) actually awarded to a third party as a result of such Claim by a court of applicable jurisdiction or as a result of Kronos' settlement of such a Claim. In the event that a final injunction is obtained against Customer's use of the Services by reason of infringement or misappropriation of such copyright or patent, or if in Kronos' opinion, the Services are likely to become the subject of a successful claim of such infringement or misappropriation, Kronos, at Kronos' option and expense, will use commercially reasonable efforts to (a) procure for Customer the right to continue using the Services as provided in this Section D, (b) replace or modify the Services so that the Services become non-infringing but remain substantively similar to the affected Services, and if neither (a) or (b) is commercially feasible, to (c) terminate the Services and the rights granted hereunder after provision of a refund to Customer of the Monthly Service Fees paid by Customer for the infringing elements of the Services covering the period of their unavailability.

13.2 Kronos shall have no liability to indemnify or defend Customer to the extent the alleged infringement is based on: (a) a modification of the Services by anyone other than Kronos; (b) use of the Services other than in accordance with Kronos' documentation for such Service or as authorized by this Section D; (c) use of the Services in conjunction with any data, equipment, service or software not provided by Kronos, where the Services would not otherwise itself be infringing or the subject of the claim; or (d) use of the Services by Customer other than in accordance with the terms of this Section D. Notwithstanding the foregoing, with regard to infringement claims based upon software created or provided by a licensor to Kronos or Suppliers, Kronos' maximum liability will be to assign to Customer Kronos' or Supplier's recovery rights with respect to such infringement claims, provided that Kronos or Kronos' Supplier shall use commercially reasonable efforts at Customer's cost to assist Customer in seeking such recovery from such licensor.

13.3 Customer shall be responsible and liable for all damages and cost of Kronos, its suppliers and their officers, directors and employees for all Claims resulting from : (a) employment-related claims arising out of Customer's configuration of the Services; (b) Customer's modification or combination of the Services with other services, software or equipment not furnished by Kronos, provided that such Customer modification or combination is the cause of such infringement and was not authorized by Kronos; or, (c) a claim that the Customer Content infringes in any manner any intellectual property right of any third party, or any of the Customer Content contains any material or information that is obscene, defamatory, libelous, or slanderous violates any person's right of publicity, privacy or personality, or has otherwise caused or resulted in any tort, injury, damage or harm to any other person.

13.4 The Indemnified Party(ies) shall provide written notice to the indemnifying party promptly after receiving notice of such Claim. If the defense of such Claim is materially prejudiced by a delay in providing such notice, the purported indemnifying party shall be relieved from providing such indemnity to the extent of the delay's impact on the defense. The indemnifying party shall have sole control of the defense of any indemnified Claim and all negotiations for its settlement or compromise, provided that such indemnifying party shall not enter into any settlement which imposes any obligations or restrictions on the applicable Indemnified Parties without the prior written consent of the other party. The Indemnified Parties shall cooperate fully, at the indemnifying party's request and expense, with the indemnifying party in the defense, settlement or compromise of any such action. The indemnified party may retain its own counsel at its own expense, subject to the indemnifying party's rights above.

14. LIMITATION OF LIABILITY

14.1 Except as specifically provided in this Section D, Kronos and its suppliers will not be liable for any damages or injuries caused by the use of the services or by any errors, delays, interruptions in transmission, or failures of the services.

14.2 Except for Kronos' indemnification obligations set forth in section 13 above, the total aggregate liability of Kronos or Kronos' suppliers to customer and/or any third party in connection with this Section D shall be limited to direct damages proven by customer, such direct damages not to exceed an amount equal to the total net payments received by Kronos for the services in the twelve (12) month period immediately preceding the date in which such claim arises.

14.3 Except for Kronos' indemnification obligations set forth in section 13 above, in no event shall Kronos or Kronos' suppliers, their respective affiliates, service providers, or agents be liable to customer or any third party for any incidental, special, punitive, consequential or other indirect damages or for any lost or imputed profits or revenues, lost data or cost of procurement of substitute services resulting from delays, nondeliveries, misdeliveries or services interruption, however caused, arising from or related to the Services, regardless of the legal theory under which such liability is asserted, whether breach of warranty, indemnification, negligence, strict liability or otherwise, and whether liability is asserted in contract, tort or otherwise, and regardless of whether Kronos or supplier has been advised of the possibility of any such liability, loss or damage.

14.4 Except with respect to liability arising from Kronos' gross negligence or willful misconduct, Kronos disclaims any and all liability, including without limitation liability related to a breach of data security and confidentiality obligations, resulting from any externally introduced harmful program (including without limitation viruses, trojan horses, and worms), Customer's content or applications, third party unauthorized access of equipment, SAAS applications or systems, or machine error.

EXHIBIT A

SERVICE LEVEL AGREEMENT (SLA)

KRONOS' THEN-CURRENT SLA WILL BE PROVIDED AT TIME OF ORDER. AS OF 31ST OCTOBER 2013, KRONOS' SLAs ARE AS SET FORTH IN EXHIBIT A TO SECTION C OF THIS AGREEMENT.

SECTION E

KRONOS WORKFORCE READY® - SOFTWARE AS A SERVICE (SAAS) TERMS AND CONDITIONS

Customer and Kronos agree that the terms and conditions set forth in this Section E shall apply to the Kronos software application programs and related services and materials (including applicable documentation) and equipment (if any) specified on an Order Form for Workforce Ready (collectively, the "Services"). The Services described on an Order Form shall be delivered by means of Customer's permitted access to the password protected customer area of a Kronos website.

1. TERM

1.1 The Services shall be deemed to start on the earlier of: a) ninety (90) days from Kronos' receipt of the relevant Order Form; or, b) the date Customer is authorized to "go live" with the Services for production purposes, (the "Start Date"), and shall continue indefinitely on a month-to-month basis until terminated in accordance with the provisions hereof (the "Term"). Customer acknowledges that execution of separate third party agreements may be required in order for Customer to "go live" with certain add-on features or functionality, including tax filing services ("Add-on Features"), as identified by Kronos on the Order Form.

1.2 Customer may terminate the Services or the Agreement for convenience upon thirty (30) days prior written notice.

1.3 Either party may suspend or terminate the Services or the Agreement upon a material breach of the Agreement by the other party if such breach is not cured within fifteen (15) days after receipt of written notice. Notwithstanding the foregoing, Kronos may suspend or terminate the Services or the Agreement immediately upon notice in the event of any Customer breach of Sections 3 (License to Use), 4 (Acceptable Use), or Section A.4 (Confidential Information), below.

1.4 In the event that either party becomes insolvent, makes a general assignment for the benefit of creditors, is adjudicated a bankrupt or insolvent, commences a case under applicable bankruptcy laws, files a petition seeking reorganization, the other party may request adequate assurances of future performance. Failure to comply with such request within ten (10) days of delivery of the request shall entitle the requesting party to terminate the Agreement immediately upon written notice to the other.

1.5 If the Agreement is terminated for any reason:

(a) Customer shall pay Kronos within thirty (30) days all fees accrued for the Services prior to the date of termination, provided that if Customer terminates Kronos for material breach of the Agreement, Kronos shall be responsible to refund to Customer unused pre-paid service fees, if any;

(b) Customer's right to access and use the Services shall be revoked and be of no further force or effect;

(c) Within fifteen (15) days of termination Customer will retrieve Customer's historical data in accordance with previously established system access procedures and applicable state and federal laws. After such time period, Kronos shall have no further obligation to store and/or make available Customer's historical data and may delete same. If Customer requires additional data conversion services from Kronos, these services may be contracted from Kronos at Kronos' then published rates.

(d) Customer agrees to timely return all Kronos-provided materials related to the Services to Kronos at Customer's expense or, alternatively, upon prior written approval of Kronos, provide Kronos with an officer's certification of the destruction thereof; and

(e) all provisions in the Agreement, which by their nature are intended to survive termination, shall so survive.

2. FEES AND PAYMENT

2.1 In consideration of the delivery of the Services, Customer shall pay Kronos the Setup Fees, the Monthly Service Fees and any additional one time, set-up or recurring fees, all as defined on the Order Form. All fees payable for the Services shall be sent to the address specified on the Kronos invoice. Unless otherwise indicated on an Order Form, payment terms for all items except the Setup Fees shall be net upon receipt of invoice. Except as expressly set forth in this Section E, all amounts paid to Kronos are non-refundable.

2.2 The Setup Fees shall be invoiced upon execution of the Order and shall be due net 30 days following date of invoice. Customer acknowledges that setup fees may be charged to Customer by third parties for Add-on Features. Monthly Service fees shall be based on monthly periods that begin on the Start Date. Monthly Service Fees shall include fees for Equipment rental, if any, as described in Section 8 below. Monthly Service Fees for Services added on or before the 15th day of a given month will be charged for that full monthly period and each monthly period of the Term thereafter; Monthly Service Fees for Services added after the 15th day of a given month will begin to accrue as of the 1st day of the following month and will be charged for each monthly period of the Term thereafter. Monthly Service Fees shall be invoiced promptly following the end of the calendar month in which the Monthly Service Fees were accrued. Kronos will monitor Customer's "Usage" of the Services (as defined below) in order to calculate the Usage portion of the Monthly Service Fees to be charged. Usage of the Services, depending on applicable features, components, or services, shall be priced as identified on the Order Form either on a: (a) per month basis; (b) per active employee (herein "Active Employee") per month usage basis; or, (c) per transaction basis (e.g.: pay statement). For purposes of the Agreement, an employee shall be deemed an Active Employee during any applicable billing period if through the Services: (i) time has been entered for such employee; (ii) records have been included for such employee for the purpose of processing payroll; (iii) records have been included for such employee within an import/export process; (iv) such employee has accessed the Services, regardless of the purpose; (v) benefit time has been accrued for such employee; (vi) human resource reporting has been performed for or on such employee; or, (vii) such employee has been marked as an "Active" status during the period.

2.3 Customer agrees that except in those circumstances in which Customer is entitled to invoke the termination for cause provision set forth in Section 1.3 above, in consideration of Kronos' delivery of the Services on a variable fee basis, Customer agrees to pay Kronos each month during the Term in which charges accrue no less than the minimum monthly fees ("Minimum Monthly Fees") as identified on the Order Form. The Minimum Monthly Fees shall be calculated by Kronos based on Customer's anticipated monthly Usage of the Services plus Equipment rental fees, if any. In the event that Customer does not reach the anticipated Usage upon which the Minimum Monthly Fees was based for any given month during the Term, Customer shall remain responsible for paying the Minimum Monthly Fees for that month. If an Order Form or the Agreement is suspended by Kronos for non-payment or otherwise terminated by Kronos for cause, Customer shall remain liable to pay the applicable Minimum Monthly Fees up to and including the last day of the month in which the effective date of termination occurs.

2.4 If any amount owing under this or any other agreement for Services is 30 or more days overdue, Kronos may, without limiting its other rights and remedies, accelerate unpaid fee obligations under such agreements so that all such obligations become immediately due and payable, and suspend Services until such amounts are paid in full. Kronos will provide at least 7 days' prior notice that Customer's account is overdue before suspending Services.

2.5 Kronos may change the Monthly Service Fee rates no more than once per calendar year by notifying Customer at least sixty (60) days prior to the effective date of such rate increase.

3. LICENSE TO USE

3.1 Subject to the terms and conditions of this Section E, Kronos hereby grants Customer during the Term a limited, revocable, non-exclusive, non-transferable, non-assignable license to use for internal business purposes only: a) the Kronos application(s) and related services, including applicable Services description documentation and training materials (the "Documentation"); and, b) any embedded third party software, libraries, or other components, which collectively comprise the Services. The Services contain proprietary trade secret technology of Kronos. Unauthorized use and/or copying of such Services are prohibited by law, including United States and foreign copyright law. Customer may use the software included in the Services in object code form only, and shall not reverse compile, disassemble or otherwise convert such software into uncompiled or unassembled code. Customer acknowledges and agrees that the license to use the Services is limited based upon authorized Usage and the amount of the Monthly Service Fees to be paid by Customer. Customer agrees to use only the modules and/or features described on the Order Form. Customer agrees not to use any other modules or features unless Customer has licensed such additional modules or features. Customer may not relicense or sublicense the Services, or otherwise permit use of the Services (including timesharing or networking use) by any third party. Customer may not provide service bureau or other data processing services that make use of the Services without the express prior written consent of Kronos. No license, right, or interest in any Kronos trademark, trade name, or service mark, or those of Kronos' licensors or third party suppliers ("Suppliers"), is granted hereunder.

3.2 Customer may authorize its third party contractors and consultants to access the Services on an as needed basis, provided Customer: a) abides by its obligations to protect confidential information; b) remains responsible for all such third party usage and compliance with this Section E of this Attachment; and c) does not provide such access to a competitor of Kronos who provides workforce management services.

3.3 Customer agrees and acknowledges that Kronos retains ownership of all right, title and interest to the Services, all of which are protected by copyright and other intellectual property rights, and that, other than the express licenses granted herein, Customer shall not obtain or claim any rights in or ownership interest to the Services or any associated intellectual property rights therein. Customer agrees to comply with all copyright and other intellectual property rights notices contained on or in any information obtained or accessed by Customer through the Services.

3.4 Kronos will make updates and upgrades to the Services (tools, utilities, improvements, third party applications, general enhancements) available to Customer at no charge as they are released generally to its customers. Customer agrees to receive those updates automatically as part of the Services. Kronos also may offer new products and/or services to Customer at an additional charge. Customer shall have the option of purchasing such new products and/or services under a separate Order Form.

3.5 Kronos reserves the right to change or discontinue the Services, in whole or in part, including but not limited to, the Internet based services, technical support options, and other Services-related policies. Customer's continued use of the Services after Kronos posts or otherwise notifies Customer of any changes indicates Customer's agreement to those changes.

4. ACCEPTABLE USE

4.1 Customer shall take all reasonable steps to ensure that no unauthorized persons have access to the Services, and to ensure that no persons authorized to have such access shall take any action that would be in violation of this Section E.

4.2 Customer represents and warrants to Kronos that Customer has the right to publish and disclose Customer's data and other content ("Customer Content") in connection with the Services. Customer represents and warrants to Kronos that the Customer Content will not: (a) infringe or violate any third-party right, including (but not limited to) intellectual property, privacy, or publicity rights; (b) be abusive, profane, or offensive to a reasonable person; or, (c) be hateful or threatening.

4.3 Customer will not (a) use, or allow the use of, the Services or Customer Content in contravention of any federal, state, local, foreign or other applicable law, or rules or regulations of regulatory or administrative organizations; (b) introduce into the Services any virus or other code or routine intended to disrupt or damage the Services, or alter, damage, delete, retrieve or record information about the Services or its users; (c) excessively overload the Kronos systems used to provide the Services; (d) perform any security integrity review, penetration test, load test, denial of service simulation or vulnerability scan; (e) use any tool designed to automatically emulate the actions of a human user (e.g., robots); or, (d) otherwise act in a fraudulent, malicious or negligent manner when using the Services.

5. CONNECTIVITY AND ACCESS

5.1 Customer acknowledges that it shall (a) be responsible for securing, paying for, and maintaining connectivity to the Services (including any and all related hardware, software, third party services and related equipment and components); (b) provide Kronos and its representatives with such physical or remote access to Customer's computer and network environment as Kronos deems reasonably necessary in order for Kronos to perform its obligations under this Section E of this Agreement. Kronos is hereby (i) granted access to such Customer data to perform its obligations under this Section E of this Agreement and (ii) authorized to audit the number of Active Employee counts or other transactions that have occurred to measure Usage ; (iii) make all necessary arrangements as may be required to provide such physical access to Customer's computer and network environment if necessary for Kronos to perform its obligations under this Section E of this Attachment.

5.2 Customer shall be fully responsible for all access requirements imposed by law, rule, regulation or contract in order for Kronos to deliver the Services pursuant to the terms of this Section E of this Agreement. Customer shall provide 30 calendar days advance written notice to Kronos of any change, modification, or reconfiguration of components or elements of the Customer's computer and network environment which may, in any manner, affect Customer's access to the Services.

6. SUPPORT

- a) Implementation. Kronos will configure the Services utilizing scheduled remote resources. Software module configuration will be based on information and work flows obtained from Customer during the discovery portion of the implementation. Customer shall provide Kronos with necessary configuration-related information in a timely manner to ensure that mutually agreed implementation schedules are met. Kronos and Customer's implementation responsibilities are described more specifically in the Services Implementation Guideline set forth at: <http://www.kronos.com/products/workforce-ready/implementation-guidelines.aspx>. In the event of inconsistencies between the Services Implementation Guideline and this Agreement, the Agreement shall prevail.
- b) Depot Exchange Services for Equipment. As needed, Kronos will send a replacement for Equipment rented (in accordance with Section 8 below) on an advance exchange basis by next-business-day delivery, when available. When Customer receives replacement

Equipment, Customer shall return the defective unit to Kronos for repair. Equipment support also includes Customer access to Equipment service packs via the Kronos Customer Portal.

- c) Standard Support. Kronos will provide telephone support 8:00 a.m. to 5:00 p.m., local time, Monday – Friday. Customers also shall be provided the capability to log questions online via the Kronos Customer Portal.
- d) Educational Materials and Content. Customer will have access to certain educational materials and content (the “Educational Content”) within the Services. Customer recognizes and agrees that the Educational Content is copyrighted by Kronos. Customer is permitted to make copies of the Educational Content provided in *pdf form solely for Customer’s internal training purposes and may not disclose such Educational Content to any third party other than Customer’s employees. Customer may not edit, modify, revise, amend, change, alter, customize or vary the Educational Content without the written consent of Kronos, provided that Customer may download and modify contents of Training Kits solely for Customer’s internal use.

7. CUSTOMER CONTENT

Customer shall own all Customer Content and posts or other inputs into the Services by Customer or others acting on behalf of or through Customer, including but not limited to information, data (such as payroll data, vacation time, and hours worked), logos, text, multimedia images (e.g. graphics, audio and video files), compilations or any other content shared or processed through the Services. Kronos acknowledges that all such Customer Content is deemed to be the Confidential Information of Customer. Notwithstanding the foregoing, Customer grants Kronos permission to combine Customer’s business data with that of other Customers in a manner that does not identify the Customer or any individual in order to evaluate and improve the services Kronos offers to customers. In addition, Kronos may, but shall have no obligation to, monitor Customer content from time to time to ensure compliance with this Section E and applicable law.

8. EQUIPMENT RENTAL

If Customer purchases or rents time clocks or other equipment from Kronos, a description of such Equipment (model and quantity) and the applicable pricing shall be listed on the Order Form (the “Equipment”). Delivery terms for the Equipment are FOB shipping point, prepay and add. Customer shall bear all risk of loss or damage while the Equipment is in transit to Customer.

8.1 The following additional terms apply only if Customer rents Equipment from Kronos:

- a) Rental Term and Warranty Period. The term of the Equipment rental and the “Warranty Period” for such Equipment shall run coterminously with the Term of the other Services.
- b) Insurance. Customer shall insure the Equipment for an amount equal to the replacement value of the Equipment for loss or damage by fire, theft, and all normal extended coverage at all times. No loss, theft or damage after shipment of the Equipment to Customer shall relieve Customer from its obligations under this Section E.
- c) Location/Replacement. Customer shall not make any alterations or remove the Equipment from the place of original installation without Kronos’ prior written consent. Kronos shall have the right to enter Customer’s premises to inspect the Equipment during normal business hours. Kronos reserves the right, at its sole discretion and at no additional cost to Customer, to replace any Equipment with newer or alternative technology Equipment as long as the replacement Equipment at least provides the same level of functionality as that being replaced.
- d) Ownership. All Equipment shall remain the property of Kronos. All Equipment is, and at all times shall remain, separate items of personal property, notwithstanding their attachment to other equipment or real property. Customer shall not sell or otherwise encumber the Equipment. Customer shall furnish any assurances, written or otherwise, reasonably requested by Kronos to give full effect to the intent of terms of this paragraph (d).
- e) Equipment Support. Kronos shall provide to Customer the Equipment support services described in Section 6 above. The cost of such support service shall be included in the Monthly Services Fees.

Return Of Equipment. Upon termination of the Agreement or the applicable Order Form, Customer agrees that Customer shall disconnect, crate and return the Equipment to Kronos within thirty (30) days at Customer’s expense. Equipment will be returned to Kronos in the same condition as and when received, reasonable wear and tear excepted. If Customer fails to return Equipment within this time period, Kronos shall invoice Customer for the then list price of the Equipment. Upon termination of the Order Form, Customer agrees that Customer shall disconnect, crate and return the Equipment to Kronos within thirty (30) days at Customer’s expense. Equipment will be returned to Kronos in the same condition as and when received, reasonable wear and tear excepted. If Customer fails to return Equipment within this time period, Kronos shall invoice Customer for the then list price of the Equipment.

8.2 The following additional terms apply only if Customer purchases Equipment from Kronos:

- a) Ownership and Warranty Period. Title to the Equipment shall pass to Customer upon delivery to the carrier (FOB – Shipping Point, Prepay and Add). The “Warranty Period” for the Equipment shall be for a period of ninety (90) days from such delivery.
- b) Equipment Support. Kronos shall provide to Customer the Equipment support services described in Section 6 above if purchased separately by Customer as indicated on the applicable Order Form. If purchased, Equipment support services shall commence upon expiration of the Warranty Period.

9. SERVICE LEVEL AGREEMENT

Kronos shall: (a) provide basic support for the services at no additional charge, (b) use commercially reasonable efforts to make the services available 24 hours a day, 7 days a week, except for: (i) planned downtime (when it shall give at least 8 hours notice via the services and shall schedule to the extent practicable during the weekend hours from 6:00 p.m. Friday to 3:00 a.m. Monday, eastern time), or (ii) any unavailability caused by circumstances beyond Kronos’ reasonable control, including without limitation, acts of god, acts of government, floods, fires, earthquakes, civil unrest, acts of terror, strikes or other labor problems (other than those involving Kronos employees), internet service provider failures or delays, or denial of service attacks, and (iii) provide services in accordance with applicable laws and government regulations..

10. LIMITED WARRANTY; DISCLAIMERS OF WARRANTY

10.1 Kronos represents and warrants that the Services, under normal operation as specified in the Documentation and when used as authorized herein, will perform substantially in accordance with the Documentation during the Term.

10.2 Kronos’ obligation and Customer’s remedy for any breach of the above warranty is limited to Kronos’ reasonable commercial efforts to correct the non-conforming Services at no additional charge to Customer. In the event that Kronos is unable to correct deficiencies in the Services, after using its commercially reasonable efforts to do so, Customer shall be entitled to terminate the then remaining term of the Order Form for cause in accordance with Section 1 above as Customer’s remedy. Kronos’ obligations hereunder for breach of warranty are conditioned

upon Customer notifying Kronos of the material breach in writing, and providing Kronos with sufficient evidence of such non-conformity to enable Kronos to reproduce and/or verify the same.

10.3 Kronos warrants that all equipment shall be free from defects in materials and workmanship during the warranty period as described in article 8 above. In the event of a breach of this warranty, customer's exclusive remedy shall be Kronos' repair or replacement of the deficient equipment, at Kronos' option, provided that customer's use, installation and maintenance thereof have conformed to the published specifications for such equipment. This warranty is extended to customer only and shall not apply to any equipment (or parts thereof) in the event of:

- a) damage, defects or malfunctions resulting from misuse, accident, neglect, tampering, (including modification or replacement of any Kronos components on any boards supplied with the Equipment), unusual physical or electrical stress or causes other than normal and intended use;
- b) failure of Customer to provide and maintain a suitable installation environment, as specified in the published specifications for such Equipment; or
- c) malfunctions resulting from the use of badges or supplies not approved by Kronos.

EXCEPT AS WARRANTED IN THIS SECTION 10, KRONOS HEREBY DISCLAIMS ALL WARRANTIES, CONDITIONS, GUARANTIES AND REPRESENTATIONS RELATING TO THE SERVICES, EXPRESS AND IMPLIED, ORAL OR IN WRITING, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT, AND WHETHER OR NOT ARISING THROUGH A COURSE OF DEALING. THE SERVICES ARE NOT GUARANTEED TO BE ERROR-FREE OR UNINTERRUPTED. EXCEPT AS SPECIFICALLY PROVIDED IN THIS AGREEMENT, KRONOS MAKES NO WARRANTIES OR REPRESENTATIONS CONCERNING THE COMPATIBILITY OF SOFTWARE OR EQUIPMENT OR ANY RESULTS TO BE ACHIEVED THEREFROM. KRONOS PROVIDES NO WARRANTY FOR SUPPLIER HARDWARE OR SOFTWARE EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED ON AN ORDER FORM.

11.0 DATA SECURITY

11.1 As part of the Services, Kronos shall provide administrative, physical, and technical safeguards for protection of the security, confidentiality and integrity of Customer data. Customer acknowledges that such safeguards endeavor to mitigate security incidents, but such incidents may not be mitigated entirely or rendered harmless. Customer should consider any particular Kronos supplied security-related safeguard as just one tool to be used as part of Customer's overall security strategy and not a guarantee of security. Both parties agree to comply with all applicable privacy or data protection statutes, rules, or regulations governing the respective activities of the parties under this Section E.

11.2 As between Customer and Kronos, all personally identifiable data contained in any applications or systems supplied by Kronos, or to which Kronos has access to under this Section E ("Personally Identifiable Data") is Customer's Confidential Information and will remain the property of Customer. Customer represents that to the best of its knowledge such Personally Identifiable Data supplied to Kronos is accurate. Customer hereby consents to the use, processing and/or disclosure of Personally Identifiable Data by Kronos and its Suppliers wherever located only for the purposes described herein and only to the extent such use or processing is necessary for Kronos to carry out its duties and responsibilities under this Section E or as required by law.

11.3 Prior to initiation of the Services and on an ongoing basis thereafter, Customer agrees to provide notice to Kronos of any extraordinary privacy or data protection statutes, rules, or regulations which are or become applicable to Customer's industry and which could be imposed on Kronos as a result of provision of the Services. Customer will ensure that: (a) the transfer to Kronos and storage of any Personally Identifiable Data by Kronos or its Supplier's data center, is permitted under applicable data protection laws and regulations; and, (b) Customer will obtain consents from individuals for such transfer and storage to the extent required under applicable laws and regulations.

11.4 Upon the cessation of the Services, Customer shall be afforded the opportunity to retrieve all Personally Identifiable Data in accordance with Section 1.5 above.

12. RESPONSABILITY OF CUSTOMER

12.1 If notified in writing of any action (and all prior related claims) brought against Customer based on a claim that the Services infringe or misappropriate any United States or Canadian copyright or patent, Kronos will indemnify and hold Customer harmless and defend such action at its sole cost and expense and pay all costs including reasonable attorney fees and damages resulting from such claim. Kronos will have sole control of the defense of any such action and all negotiations for its settlement or compromise. Customer will cooperate fully at Kronos' expense with Kronos in the defense, settlement or compromise of any such action. In the event that a final injunction is obtained against Customer's use of the Services by reason of infringement or misappropriation of a United States or Canadian copyright or patent, or if in Kronos' opinion, the Services are likely to become the subject of a successful claim of such infringement or misappropriation, Kronos, at Kronos' option and expense, will use commercially reasonable efforts to (a) procure for Customer the right to continue using the Services as provided in the Agreement, (b) replace or modify the Services so that they become non-infringing but remains substantively similar to the affected Services, and if neither (a) or (b) is commercially feasible, to (c) terminate the Agreement and the rights granted hereunder after provision of a refund to Customer of the set-up fees and Monthly Service Fees paid by Customer for the infringing elements of the Services covering the period of their unavailability.

12.2 Kronos shall have no liability to indemnify or defend Customer to the extent the alleged infringement is based on: (a) a modification of the Services by anyone other than Kronos; (b) use of the Services other than in accordance with the Documentation or as authorized by the Agreement; (c) use of the Services in conjunction with any data, equipment, service or software not provided by Kronos, where the Services would not otherwise itself be infringing or the subject of the claim; or (d) use of the Services by Customer other than in accordance with the terms of the Agreement. Notwithstanding the foregoing, with regard to infringement claims based upon software created or provided by a licensor to Kronos or Suppliers, Kronos' maximum liability will be to assign to Customer Kronos' or Supplier's recovery rights with respect to such infringement claims, (provided that Kronos and/or its Supplier shall use commercially reasonable efforts at Customer's cost to assist Customer in seeking such recovery from such licensor).

12.3 Customer shall be responsible for all cost and expense and pay all costs, including reasonable attorney's fees and damages of Kronos or its Suppliers, if the action is arising from or relating to: (a) employment-related claims arising out of Customer's configuration of the Services; (b) Customer's modification or combination of the Services with other services, software or equipment not furnished by Kronos, provided that such

Customer modification and/or combination is the cause of such infringement and was not authorized by Kronos; or, (c) a claim that the Customer Content infringes in any manner any intellectual property right of any third party, or any of the Customer Content contains any material or information that is obscene, defamatory, libelous, or slanderous violates any person's right of publicity, privacy or personality, or has otherwise caused or resulted in any tort, injury, damage or harm to any other person. Customer will have sole control of the defense of any such action and all negotiations for its settlement or compromise. Kronos will cooperate fully at Customer's expense with Customer in the defense, settlement or compromise of any such action.

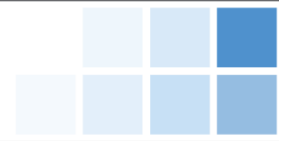
13. LIMITATION OF LIABILITY

13.1 EXCEPT AS SPECIFICALLY PROVIDED WITHIN THIS AGREEMENT, KRONOS AND ITS SUPPLIERS WILL NOT BE LIABLE FOR ANY INJURIES CAUSED BY THE USE OF THE SERVICES OR BY ANY ERRORS, DELAYS, INTERRUPTIONS IN TRANSMISSION, OR FAILURES OF THE SERVICES.

13.2 EXCEPT FOR KRONOS' INDEMNIFICATION OBLIGATIONS SET FORTH IN SECTION 12 ABOVE, THE TOTAL AGGREGATE LIABILITY OF KRONOS OR ITS SUPPLIERS TO CUSTOMER AND/OR ANY THIRD PARTY IN CONNECTION WITH THIS AGREEMENT SHALL BE LIMITED TO DIRECT DAMAGES PROVEN BY CUSTOMER, SUCH DIRECT DAMAGES NOT TO EXCEED AN AMOUNT EQUAL TO THE TOTAL NET PAYMENTS RECEIVED BY KRONOS FOR THE SERVICES IN THE TWELVE MONTH PERIOD IMMEDIATELY PRECEDING THE DATE IN WHICH THE CLAIM ARISES.

13.3 IN NO EVENT SHALL KRONOS OR ITS SUPPLIERS, THEIR AFFILIATES, SERVICE PROVIDERS, OR AGENTS BE LIABLE TO CUSTOMER OR ANY THIRD PARTY FOR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES OR FOR ANY LOST OR IMPUTED PROFITS OR REVENUES, LOST DATA OR COST OF PROCUREMENT OF SUBSTITUTE SERVICES RESULTING FROM DELAYS, NONDELIVERIES, MISDELIVERIES OR SERVICES INTERRUPTION, HOWEVER CAUSED, ARISING FROM OR RELATED TO THE SERVICES OR THIS AGREEMENT, REGARDLESS OF THE LEGAL THEORY UNDER WHICH SUCH LIABILITY IS ASSERTED, WHETHER BREACH OF WARRANTY, INDEMNIFICATION, NEGLIGENCE, STRICT LIABILITY OR OTHERWISE, AND WHETHER LIABILITY IS ASSERTED IN CONTRACT, TORT OR OTHERWISE, AND REGARDLESS OF WHETHER KRONOS OR SUPPLIER HAS BEEN ADVISED OF THE POSSIBILITY OF ANY SUCH LIABILITY, LOSS OR DAMAGE.

13.4 EXCEPT WITH RESPECT TO LIABILITY ARISING FROM KRONOS' GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, KRONOS DISCLAIMS ANY AND ALL LIABILITY, INCLUDING SUCH LIABILITY RELATED TO A BREACH OF DATA SECURITY AND CONFIDENTIALITY OBLIGATIONS, RESULTING FROM ANY EXTERNALLY INTRODUCED HARMFUL PROGRAM (INCLUDING VIRUSES, TROJAN HORSES, AND WORMS), CUSTOMER'S CONTENT OR APPLICATIONS, THIRD PARTY UNAUTHORIZED ACCESS OF EQUIPMENT, SOFTWARE OR SYSTEMS, OR MACHINE ERROR



Tab E – REFERENCES

Provide three (3) references of public agencies where services of similar size and scope have been performed in the last twenty-four (24) months. References must include organization names, addresses, names of contact persons, email address and telephone numbers for such references.

References for U.S. Communities

Arkansas Highway & Transportation Dept	
Contact Name	Crystal Woods
Contact Title	HR Director
Contact Address	10324 Interstate 30, Little Rock, Arkansas 72209
Email Address	Creystal.Woods@arkansashighways.com
Telephone Number	(501) 569-2076

Clemson University	
Contact Name	Kathi Shivar
Contact Title	HR Manager
Contact Address	Clemson, South Carolina 29634
Email Address	MCGUFFM@clemson.edu
Telephone Number	864-710-6274

Charlotte-Mecklenburg Schools	
Contact Name	Kay Hall
Contact Title	Business Systems Technology Director
Contact Address	P.O. Box 30035, Charlotte, NC 28230
Email Address	k.hall@cms.k12.nc.us
Telephone Number	980-343-2892
Customer Testimonial	Please see the <u>Charlotte-Mecklenburg Schools Testimonial</u> provided below for additional details about how Kronos has helped this organization.



Charlotte-Mecklenburg Schools Testimonial

Charlotte-Mecklenburg Schools Improves Productivity and Compliance with Automated Kronos Solution

Kronos for Education | CASE STUDY



EMPLOYEES: 19,000

INDUSTRY: Public education

PRODUCTS:

Workforce Timekeeper™
Workforce Leave™
Kronos 4500 Touch ID™
biometric terminals

Charlotte-Mecklenburg Schools (CMS) provides academic instruction, rigor, and support to more than 143,000 students in grades K-12 at 159 schools throughout the cities and towns of Mecklenburg County, North Carolina. Located in the Charlotte region, the school system is one of the top 25 school districts in the country and includes a diverse mix of students from 160 countries and various cultural and ethnic backgrounds. CMS is one of the largest employers in the county, with approximately 19,000 teachers, support staff, and administrators, who include a mix of salaried and hourly employees. It is known for hiring quality teachers at low-performing schools to help keep students engaged in learning.

CHALLENGES

- Hourly employees tracked their time on paper timesheets and often listed the same hours each day, which didn't provide an accurate record of actual time worked
- Payroll coordinators spent considerable time ensuring all paper timesheets were approved by departments or principals
- Keying of employee time into the payroll system was time-consuming and led to errors that required reissuing corrected paychecks
- Tracking the time and correctly compensating employees with multiple jobs with different pay codes was tedious
- Comp time was tracked on paper, causing potential errors and inaccurate records

SOLUTION

- An automated workforce management system that accurately tracks all employee time, streamlines the payroll process, and provides employees with visibility into their regular and leave time information

BENEFITS

- Hourly employees clock in and out at biometric terminals at the beginning and end of the day and at lunch, providing an accurate record of actual time worked
- The school district is now confident that all hourly employees are paid more accurately for time worked, reducing compliance concerns
- Accurate accountability of employees' time has led to a \$1,000 daily payroll reduction in child nutrition services, a total of \$160,000 in yearly savings
- Operational efficiencies in recording and verifying time in just the building services department have increased by 50 percent, netting savings of 1,040 hours and \$224,640 annually
- Processing time for payroll staff has been reduced from approximately 100 hours per payroll to approximately 30 hours per payroll
- Using job and pay codes, the system tracks the time and correctly calculates the pay of employees with multiple jobs

*"We're able to get time to payroll **much more efficiently now**. The approval process doesn't take as long as it used to with paper."*

Mike Martin,
Director of Payroll,
Charlotte-Mecklenburg Schools

THE STORY – CHARLOTTE-MECKLENBURG SCHOOLS

Hourly employees at CMS tracked their time on paper timesheets, often listing the same time every day, even if they arrived late or left early. Each school's payroll coordinator was responsible for collecting approved timesheets from department heads or the principal and then keying the information into the district's ERP system. Keying errors occurred, requiring corrected paychecks. Comp time of hourly employees was tracked on paper, a time-consuming and inexact process. For hourly employees who hold multiple jobs or work at multiple sites, tracking different pay codes and assigning the expense to the correct location was challenging.

CMS wanted a workforce management solution that could provide an accurate accounting of all hourly employee hours, automated leave management, accurate tracking of the attendance policy's point system, a biometric time clock option, and a mobile option for future use by off-site employees. Following a review of solutions, CMS chose the Kronos® Workforce Central® suite. Using the automated workforce management solution, the school system is more confident that employees are paid correctly for actual time worked, it is in compliance with FLSA requirements, it has better control of labor costs, and its streamlined payroll process has improved productivity.

Accurate time and pay: better labor cost control and compliance

With hourly employees now clocking in and out at biometric time clocks at the beginning and end of the day and at lunch, CMS has an accurate record of each employee's time. Suspected time abuse from buddy punching and badge swiping is no longer a concern.

"Now we have a better comfort level as far as paying employees for what they have worked," says Mike Martin, director of payroll. "And any prior FLSA concerns about paying employees accurately are no longer an issue."

Labor costs have been reduced, too. With more accurate time tracking, payroll for just the child nutrition services department has dropped by \$1,000 every serving day, for a reduction of \$160,000 annually.

Increased accountability and productivity

Department heads and principals view and approve their employees' time online in the Kronos solution, which integrates with the district's ERP system. Payroll coordinators can quickly see who has not approved their payroll and alert them.

"We're able to get time to payroll much more efficiently now," says Martin. "The approval process doesn't take as long as it used to with paper."

Before, if a timesheet went missing, payroll coordinators shouldered this responsibility. "The automated system puts the responsibility on the employee, not the administrator," notes Kay Hall, director of business systems, about employees now viewing their hours worked at the time clock. The result has been a streamlined payroll process and fewer corrected paychecks — as well as nearly \$110,000 saved each year in paper costs. Building services alone reduced its paper consumption from two mail bins per week to just a two-inch stack.

The cost of time spent recording and verifying time in building services also has been reduced, from \$450,840 annually to \$224,640, a 50 percent increase in operational efficiency and a gain of more than 1,040 hours in added productivity.

Payroll processing used to take payroll staff approximately 100 hours per payroll cycle. With the automated Kronos solution, the process takes approximately 30 hours. "The day or so that my staff is freed up allows them to do other tasks, such as analyzing payroll data," shares Martin.

Improved job and pay code tracking

Another added benefit is the automated solution's ability to accurately track the time of employees who perform multiple jobs or work at multiple sites. Some teaching assistants also work in an after-school program, and some custodians work at more than one school. "This allows us to more accurately track their time at different pay rates and correctly process it for wage and hour and labor distribution by location," explains Martin.

Leave module to bring added efficiencies

To gain further workforce management efficiencies, CMS plans to implement its Kronos absence management module. Currently, absence and leave time are tracked on paper at each school and then keyed into the Kronos system. This process will be far easier with the automated system, and hourly employees, who can now see their leave balances as of the last pay period at the time clock, will be able to access real-time leave information at the clock.

With its automated workforce management solution, Charlotte-Mecklenburg Schools has more time to focus on the district's mission: maximizing the academic achievement of every student.



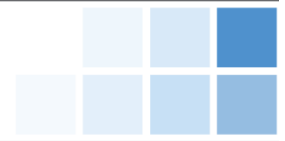
Kronos Incorporated 297 Billerica Road Chelmsford, MA 01824 +1 800 225 1561 +1 978 250 9800 www.kronos.com

More information about Kronos customer success stories may be found at www.kronos.com/resources.

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PS0129-USv1



Local References for HCPS

In addition to our three references above, Kronos has provided below an additional three local references for HCPS:

Maryland National Capital Parks and Planning	
Contact Name	Tracey Harris
Contact Title	Kronos Program Manager, Office of the CIO
Contact Address	6611 Kenilworth Ave Suite 402 Riverdale MD, 20737
Email Address	Tracey.Harris@MNCPPC.ORG
Telephone Number	(301) 454-1751
Customer Testimonial	Please see the <u>Maryland-National Capital Testimonial</u> provided below for additional details about how Kronos has helped this organization.

Baltimore County Schools	
Contact Name	Patrick M. Atchison
Contact Title	Project Manager
Contact Address	6901 Charles Street Towson, MD 21204
Email Address	patchison@bcps.org
Telephone Number	(410) 887-4105 Ext. 384

Montgomery County, MD	
Contact Name	Heather R. Black
Contact Title	Sr. Project Manager, Dept Technology Services
Contact Address	51 Monroe St., Suite 300 Rockville, MD 20850
Email Address	Heather.Black@montgomerycountymd.gov
Telephone Number	(240) 777 2986



Maryland National Capital Testimonial

Maryland-National Park and Planning Commission Enjoys Benefits of Kronos Cloud Services

Kronos for Government | CASE STUDY



EMPLOYEES: 6,000

INDUSTRY: Parks and planning commission

PRODUCTS:

Workforce Timekeeper™
Workforce Employee™
Workforce Manager™
Workforce InTouch® terminals
Kronos® 4500™ terminals

Created in 1927, The Maryland-National Capital Park and Planning Commission (M-NCPPC) oversees the development and protection of natural resources in Montgomery and Prince George's counties, which border the District of Columbia. M-NCPPC's mission is to manage physical growth and plan communities; protect and steward natural, cultural, and historic resources; and provide leisure and recreational experiences. M-NCPPC employs nearly 6,000 people, including salaried exempt and nonexempt career employees, members of four collective bargaining units, and term contract and seasonal employees.

CHALLENGES

- Dated workforce management solution that soon would no longer be supported and lacked the latest tools to leverage operational efficiencies and savings
- Data center with older servers that had reached the end of their lifecycle and required replacement

SOLUTION

- An automated workforce management solution hosted in the cloud that provides access to the latest tools for increasing productivity, controlling labor costs, and mitigating compliance concerns

BENEFITS

- Cloud-based services deliver fast access to the latest solution upgrades and workforce management tools for improved productivity and labor cost savings
- Migrating to Kronos in the cloud, rather than hosting the solution on site, will save M-NCPPC 26 percent in operational costs over five years
- Kronos in the cloud delivers a high level of operational support and solution expertise not typically available in house
- Kronos Cloud Services provide reliable access to workforce data, even during a natural disaster

"When we compared the cost of migrating to the Kronos Cloud, it was less expensive to migrate, and it frees up IT staff to work on other initiatives."

Tracey Harris
IT Systems Manager,
The Maryland-National Capital Park
and Planning Commission

THE STORY — THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

As a public agency, The Maryland-National Capital Park and Planning Commission (M-NCPPC) is continuously on the lookout for cost savings in its operational programs. M-NCPPC has been using Kronos workforce management solutions since 1997 and needed to upgrade because the version it was using would no longer be supported. After talking with Kronos customers who were using Kronos cloud-based services and comparing these costs to that of hosting its Kronos solution on site, M-NCPPC chose Kronos in the cloud.

“Our Kronos solution is a critical business application, and we were confident that Kronos would be able to provide the operational support we need for our Kronos infrastructure,” says Tracey Harris, IT systems manager. “We had migrated our email to the cloud, which created confidence, and felt that with Kronos managing its own product we couldn’t go wrong. We were right.”

Disasters affirm value of cloud services

Two weeks before crossover to the cloud, M-NCPPC’s Kronos database server crashed during a critical time in the payroll process and was down for four days, reinforcing the importance of having reliable access to data. M-NCPPC stopped using its in-house Kronos solution on a Friday and began using cloud-based services the following Monday. The smooth switch to the new solution and its many upgrade features has been “absolutely wonderful,” shares Harris.

Within six weeks of M-NCPPC crossing over to Kronos in the cloud, Superstorm Sandy hit the East Coast, knocking out power for days at many businesses and residences. Kronos Cloud Services were out for only an hour, while M-NCPPC’s on-site systems were down longer. “The notification and communication plan were phenomenal, so we had no downtime,” notes Harris. “Going to the Kronos Cloud has definitely proved to be worth the investment.”

Cloud services deliver cost savings

Also figuring into the decision was the need to reduce the volume of servers in M-NCPPC’s data center or build another center. The added cost, as well as staff needed to maintain the infrastructure, didn’t seem feasible. The commission conducted a cost-of-ownership study that reviewed upgrading its Kronos solution and the cost of hosting the solution on site versus in the Kronos Cloud. M-NCPPC discovered that cloud-based services would save the organization 26 percent over five years.

“When we compared the cost of migrating to the Kronos Cloud, it was less expensive to migrate, and it frees up IT staff to work on other initiatives,” Harris explains. “The people and services at Kronos are the experts when it comes to managing their products. Incorporating these resources enhances the quality of our Kronos program.” In addition, using cloud services has allowed the organization to shift IT staff to its ERP system implementation.

Latest upgrade features readily available in the cloud

For M-NCPPC staff, moving to the cloud provides efficient and cost-effective access to the latest Kronos solution upgrades as they are released. Effective dating of pay rule assignments is one of the upgrade features that payroll staff is enjoying, says Harris. With a variety of pay rules and policies, automatically applying pay policies consistently and on the correct effective date is a huge time saver that also helps with compliance.

Other upgrade benefits, notes Harris, include automated record updates and reporting capabilities. Particularly popular are time detail, audit, and accrual reports. Following Sandy, M-NCPPC could access information for FEMA reporting with just a few clicks.

While upgrading, M-NCPPC also added intuitive InTouch clocks. “Moving to InTouch clocks has been a major success because of cross-punching capability,” says Harris. “We can enable another clock in a device group to accept nonhome employee punches. Employees can swipe or punch in their badge number, a valuable feature when traveling employees leave their badge at their primary work location or at home.” Employees also can see prior punches right at the clock, and with cloud services, managers can approve employee time from home.

Looking ahead

As the commission seeks to further leverage its Kronos solution in the cloud, Harris says that following ERP implementation they will roll out time-off requests and delegation approval, features executive staff is eager to use. Deploying the Kronos mobile solution for traveling employees also is being considered.

Going to Kronos in the cloud sustains M-NCPPC’s operational productivity while enhancing its IT services and keeping its budget firmly on the ground.



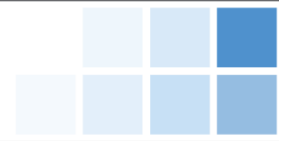
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PS0186-USv1



Tab F – SUPPLIER INFORMATION

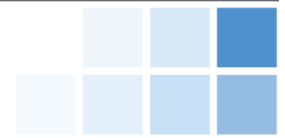
Supplier Qualifications

Supplier Qualifications (Ref. pages 30-34) Offeror must include a narrative of its understanding and acceptance of the Supplier Commitments.

Kronos is submitting its proposal with its the Kronos Terms and Conditions attached to this proposal and hereby incorporated by reference (the “Kronos Agreement”). See Tab D – QUALIFICATIONS – Kronos License, Installation and Maintenance Support Contracts. Kronos proposes to use these terms and conditions in the Kronos Agreement as well as the Administrative Agreement contained in this RFP to provide the proposed products and services. Kronos understands that Harford County Public Schools, as Lead Agency, and other participating agencies may have certain statutory mandates. The attached Kronos Agreement will allow the flexibility to take those statutes into consideration. If awarded business by HCPS and U.S. Communities, Kronos is willing to negotiate necessary and reasonable changes to its standard terms and conditions to address such additional statutory mandates that would be acceptable to both parties.

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- For Section I – General Information, Paragraph I - 1. Travel expenses will be charge separately as per our proposed terms; and 2. Payment methods and terms are set out in the attached proposed terms and conditions.
- For Attachment D – ARRA Standard Terms and Conditions Addendum for Contract and Grants, Kronos has reviewed the additional terms outline in Attachment D and can accept certain terms with the exception relating to ownership, copyrights and license rights (sections 5 and 6 of the Attachment D). Kronos provides standard Software under standard license terms and different standard configuration professional services, consequently Kronos do not expect to transfer any intellectual property rights to the applicable Public Agency. We are confident that both parties can negotiate terms that will ensure that the Public Agency can use the Software in accordance with the appropriate license rights while protecting Kronos intellectual property rights.



Kronos License, Installation and Maintenance Support Contracts

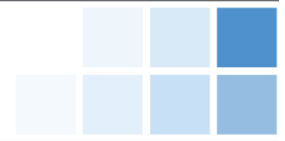
Kronos has provided our terms and conditions. Please see Tab D – QUALIFICATIONS – Kronos License, Installation and Maintenance Support Contracts. We have outlined below the solutions and terms identified in their corresponding sections. These terms are also referenced in our Cost Proposal.

KRONOS TERMS AND CONDITIONS FOR PARTICIPATING PUBLIC AGENCIES ADMINISTERED BY US COMMUNITIES (103113V1)

KRONOS TERMS

A PARTICIPATING PUBLIC AGENCY (“CUSTOMER”), BY SIGNING AN ORDER FORM OR PURCHASE ORDER WITH KRONOS INCORPORATED, AGREES TO THE APPLICATION OF THESE TERMS AND CONDITIONS FOR ALL PRODUCTS, SERVICES AND OFFERINGS SET FORTH ON SUCH ORDER FORM (OR PURCHASE ORDER) WHICH REFERENCES THESE TERMS AND CONDITIONS.

- SECTION A:** [GENERAL TERMS AND CONDITIONS](#). This Section applies for all transactions.
- SECTION B:** **TERMS AND CONDITIONS FOR SOFTWARE LICENSES, SOFTWARE AND EQUIPMENT SUPPORT SERVICES, AND EDUCATIONAL AND PROFESSIONAL SERVICES.** This Section apply for all transactions except Workforce Ready and the Workforce Central SaaS offering (not including the professional and educational services governed by this Section).
- SECTION C:** [CLOUD HOSTING SUPPLEMENTAL TERMS AND CONDITIONS](#) . This Section applies only for transactions that involve Kronos hosting for Software licensed under Section B.
- SECTION D:** [KRONOS WORKFORCE CENTRAL SAAS TERMS AND CONDITIONS](#). This Section applies only for Workforce Central transactions in a SaaS environment (except for the related professional and educational services see Section B)
- SECTION E:** [KRONOS WORKFORCE READY SAAS TERMS AND CONDITIONS](#). This Section applies only for Workforce Ready transactions.



Supplier Worksheet for National Program Consideration

RFP – Workforce Management System
#14-JLR-003

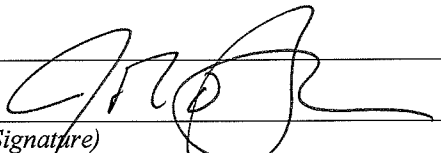
SUPPLIER WORKSHEET FOR NATIONAL PROGRAM CONSIDERATION
(Must be included with Technical Proposal)

Suppliers are required to meet specific qualifications. Please respond in the spaces provided after each qualification statement below:

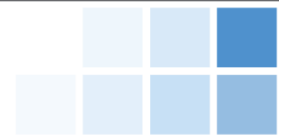
- A. State if pricing for all Products/Services offered will be the most competitive pricing offered by your organization to Participating Public Agencies nationally.
YES X NO ___
- B. Does your company have the ability to provide service to any Participating Public Agencies in the contiguous 48 states, and the ability to deliver service in Alaska and Hawaii?
YES X NO ___
- C. Does your company have a national sales force, dealer network or distributor with the ability to call on Participating Public Agencies in all 35 U.S. states?
YES X NO ___
- D. Did your company have sales greater than \$100 million last year in the United States?
YES X NO ___
- E. Does your company have existing capacity to provide toll-free telephone and state of the art electronic, facsimile and internet ordering and billing?
YES X NO ___
- F. Will your company assign a dedicated Senior Management level Account Manager to support the resulting U.S. Communities program contract?
YES X NO ___
- G. Does your company agree to respond to all agency referrals from U.S. Communities within 2 business days?
YES X NO ___
- H. Does your company maintain records of your overall Participating Public Agencies' sales that you can and will share with U.S. Communities to monitor program implementation progress?
YES X NO ___
- I. Will your company commit to the following program implementation schedule?
YES X NO ___
- J. Will the U.S. Communities program contract be your lead public offering to Participating Public Agencies?
YES X NO ___

Submitted by:
John O'Brien
(Printed Name)

Senior Vice President, Americas
(Title)


(Signature)

10/29/2013
(Date)



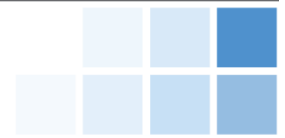
Supplier Information

Please respond to the following requests for information about your company:

Company

1. Total number and location of sales persons employed by your company in the United States;

NUMBER OF SALES REPRESENTATIVES	STATE
1	Alabama
6	Arizona
19	California
8	Colorado
3	Connecticut
15	Florida
4	Georgia
1	Hawaii
13	Illinois
4	Indiana
2	Iowa
1	Kansas
2	Kentucky
1	Maine
3	Maryland
20	Massachusetts
4	Michigan
5	Minnesota
1	Missouri
4	New Hampshire
11	New Jersey
4	New York
8	North Carolina



11	Ohio
3	Oklahoma
1	Oregon
7	Pennsylvania
3	South Carolina
3	Tennessee
17	Texas
5	Virginia
5	Washington
4	Wisconsin
Total: 199	-

2. Number and location of distribution outlets in the United States (if applicable);

Kronos is headquartered in Chelmsford, Massachusetts. Kronos has 53 offices in North America, serving customers in all 50 states, as well as 19 international offices. Our products are also sold through a network of offices, subsidiaries, and distributors to more than 130 countries to over 30 million users. Kronos has international subsidiaries in Australia, Brazil, Canada, China, France, Germany, India, Latin America, Spain, and the United Kingdom.

Locations of these offices include Massachusetts, Missouri, Texas, Pennsylvania, Minnesota, Colorado, Georgia, Oregon, New Jersey, Maryland, Ohio, Indiana, California, Florida, Kansas, New York, and Illinois. Below is a sample listing of our offices:

Kronos Headquarters
297 Billerica Rd.
Chelmsford, MA 01824

Hiring Solutions Group
9525 SW Gemini Drive
Beaverton, OR 97008

Labor Analytics Solutions Group
5404 Cypress Center Drive, Suite 140
Tampa, FL 33609

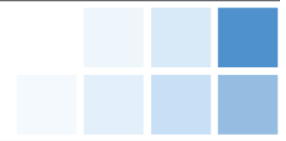
Kronos iSeries Solutions Group
814 North Nolan River Road
Cleburne, TX 76033

Kronos TeleStaff Solutions Group
50 Corporate Park
Irvine, CA 92606

Indianapolis Technology Center
101 West Washington Street, Suite 900
Indianapolis, IN 46204

3. Number and location of support centers (if applicable);

The Kronos Global Support Center is located in Chelmsford, MA. In addition, Kronos has two Workforce Ready support offices: one is located in Branchburg, NJ and another in Chesterfield, MO.



4. Annual sales for 2010, 2011 and 2012 in the United States; Sales reporting should be segmented into the following categories:

Our reporting does not allow for the breakout of cities/counties and states but are combined in our systems as “local government.”

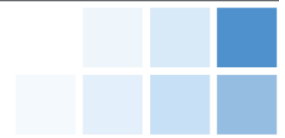
SUPPLIER ANNUAL SALES IN THE UNITED STATES FOR 2010, 2011, AND 2012			
Segment	2010 Sales	2011 Sales	2012 Sales
Cities	*Combined w/States	*Combined w/States	*Combined w/States
Counties	*Combined w/States	*Combined w/States	*Combined w/States
K-12 (Public/Private)	\$13,206,000	\$11,169,000	\$11,353,000
Higher Education (Public/Private)	\$9,554,000	\$11,297,000	\$11,678,000
States (Combined with Cities/Counties)	*\$29,518,164	*\$30,138,327	*\$46,444,132
Other Public Sector and Nonprofits	\$5,229,000	\$6,898,000	\$7,535,000
Federal	\$19,789,000	\$14,264,000	\$14,345,000
Private Sector	\$560,388,127	\$600,645,110	\$644,575,616
Total Supplier Sales	\$637,684,291	\$674,411,437	\$735,930,748

*Kronos tracks our City, County and State segments together. For purposes of our response, please see our numbers in the States line for combined sales for all Cities, Counties and States segments.

5. Submit your current Federal Identification Number and latest Dun & Bradstreet report.

Kronos Federal Identification Number: 04-2640942

Kronos cannot distribute its Dun & Bradstreet report as it would violate our agreement with Dunn & Bradstreet. Kronos’ Dun & Bradstreet number is 09-427-3653. You can obtain a credit report for Kronos from their website: www.dnb.com.



6. Provide a list with contact information of your company’s ten largest public agency customers. U.S. Communities Advisory Board Members are to be excluded from the list provided. Provide a list with contact information of five public agency customers that your company has lost in the last twelve months.

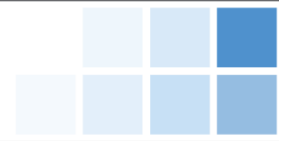
Our largest Federal Agencies:

United States Department of Agriculture	
Contact Name	Indu Garg
Contact Title	Director
Contact Email Address	Indu.garg@usda.gov
Telephone Number	202-720-4963

United States Department of Commerce	
Contact Name	James Hoebel
Contact Title	Human Resources Specialist
Contact Email Address	JHoebel@doc.gov
Telephone Number	202-482-6372

United States Department of Justice	
Contact Name	Terry Cook
Contact Title	Deputy Chief Human Capital Officer
Contact Email Address	Terrence.cook@usdoj.gov
Telephone Number	202-616-6375

United States Department of Veteran’s Affairs	
Contact Name	Jonathan Lambert
Contact Title	Deputy Director, Office of Financial Business Operations
Contact Email Address	Jonathan.lambert@va.gov
Telephone Number	202-461-6173



Our largest customers in the State/Local./Higher Ed and K-12 market:

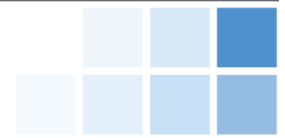
Chicago Public Schools	
Contact Name	Karl Kemp
Contact Title	Payroll Business Analyst
Contact Email Address	kkemp@cps.k12.il.us
Telephone Number	773-553-5477

Cornell University	
Contact Name	Vicky L. Mikula
Contact Title	Assistant Director, Commercial Applications
Contact Email Address	vm57@cornell.edu
Telephone Number	607-255-9637

State of West Virginia	
Contact Name	Glen Gainer
Contact Title	State Auditor
Contact Email Address	glen.gainer@wvsao.gov
Telephone Number	304-558-2261

County of San Diego	
Contact Name	Kathleen Nishida
Contact Title	Information Technology
Contact Email Address	Kathleen.Nishida@sdcounty.ca.gov
Telephone Number	619-531-4967

County of Santa Clara, CA	
Contact Name	Steve Conrad
Contact Title	Senior Fiscal Services Manager
Contact Email Address	Steve.Conrad@fin.sccgov.org
Telephone Number	408-918-1903



Charlotte Mecklenburg Board of Education, NC	
Contact Name	Kay Hall
Contact Title	Business Systems Technology Director
Contact Email Address	k.hall@cms.k12.nc.us
Telephone Number	980-343-2892

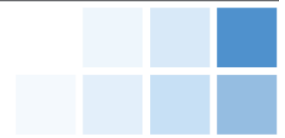
New York City Housing Authority	
Contact Name	Vincent Papia
Contact Title	Sr. Deputy Director
Contact Email Address	Vincent.papia@nycha.nyc.gov
Telephone Number	212-306-3068

New York City Transit Authority	
Contact Name	Gail Williams
Contact Email Address	Gail.williams@nyct.com
Telephone Number	646-252-6526

:

City of Atlanta, GA	
Contact Name	Kim Bolarinwa
Contact Title	GF Enterprise Apps Director
Contact Email Address	KBolarinwa@AtlantaGa.Gov
Telephone Number	404-330-6110

Clemson University	
Contact Name	Kathi Shivar
Contact Title	HR Manager
Contact Email Address	MCGUFFM@clemson.edu
Telephone Number	864-710-6274



Below is a list of five public agency customers that Kronos has lost in the last twelve months:

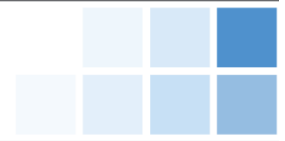
City of Corpus Christi	
Contact Name	Bertha Garcia
Contact Title	SW Licensing
Contact Email Address	BerthaG@cctexas.com
Telephone Number	361-826-3783

Des Moines Independent School District	
Contact Name	Nicholas Lenhardt
Contact Title	Controller
Contact Email Address	Nicholas.Lenhardt@dmschools.org
Telephone Number	515-242-7911

County of Montgomery, Ohio	
Contact Name	Rosalind Bertolo
Contact Title	Management and Systems Liaison
Contact Email Address	bertolor@mcoho.org
Telephone Number	937-496-3027

Metropolitan Water Reclamation District of Greater Chicago	
Contact Name	Jackie Torres
Contact Title	Director of Finance
Contact Email Address	Jacqueline.Torres@mwrldgc.dst.il.us
Telephone Number	312-751-6500

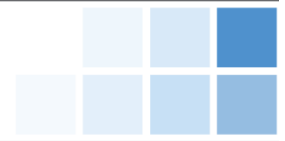
Paradise Valley Unified School District No.69	
Contact Name	Laurent Felten
Contact Title	Business Manager
Contact Email Address	lfelten@pvschools.net
Telephone Number	602-449-2033



7. **Identify all other companies that will be involved in the Workforce Management Systems provided to the end user.**

Kronos understands that delivering value to our clients through alliances depends on an unwavering commitment to mutually successful business relationships. That commitment, combined with our uncompromising dedication to delivery excellence, enables us to provide value to Harford and U.S. Communities by utilizing partners who bring unique business value. Kronos has established relationships with the following partners in the public sector and education market each of whom may be utilized in a specific participating agency's implementation:

- **Bronner:** Founded in 1987, Bronner, a WBE company, is a unique professional services firm focused exclusively on government and the public sector. Consultants and subject matter experts selected to join Bronner come from a range of backgrounds, including high-ranking positions within government, professional services firms, not-for-profit organizations and private industry.
- **CherryRoad Technologies:** Nearly three decades ago, CherryRoad Technologies Inc. set out to perform system integration services that not only elevated the benchmark in the consulting landscape, but that also set a precedent by focusing on the importance of customer satisfaction particularly in the public sector market. Committed to providing unparalleled service, Cherry Road is dedicated to forging close-knit, long-lasting relationships with their clients, building an exceptional team of the best and brightest employees, and making the CherryRoad name synonymous with successful solutions – on-time and on-budget.
- **Workforce Insight:** Workforce Insight is a leading provider of strategic workforce management consulting and implementation services. The Workforce Insight partnership brings strong in-house Kronos expertise to joint projects. Collectively, Workforce Insights helps clients transform their operations through optimal practices, change management, and strategic roadmaps that align workforce strategy and technology with organizational goals. Using their patented Navigator technology, clients achieve immediate labor cost savings and efficiency gains while building the framework for sustainable improvement as they redefine their strategic vision.
- **ACS/Xerox:** Xerox provides experienced and certified professionals that understand business needs and issues related to Workforce Management (WFM). Xerox provides process-focused consulting services to improve performance and enhance delivery.
- **TAP Consultants:** TAP Consultants, a MWBE company, is an agile group of time and attendance professionals with over 25 years of experience configuring, deploying, and supporting Kronos systems. TAP Consultants has partnered with Kronos to offer industry best practices. Our consultants have first-hand experience working in the various industries we serve and they bring that working experience to every project we engage.

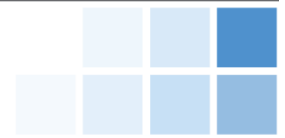


- Vantage Solutions, LLC:** Vantage Solutions, a MWBE company, focuses on helping public sector organizations understand the boundaries of regulatory requirements. Vantage Solutions’ multi-disciplinary, comprehensive understanding paired with their strategic methodology to every business challenge helps clients achieve business success through their people.

8. **If applicable, describe your company’s ability to do business with manufacturer, dealer, distribution or service organizations that are small or MWBE businesses as defined by the Small Business Administration.**

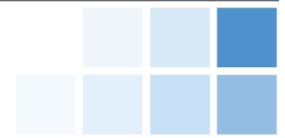
In addition to our partners listed in Requirement 7 above, Kronos has an established supplier diversity program. An outline of this program is provided below:

Objective	Description
Mission	To develop a growing portfolio of viable, competitive minority and women-owned business which will enable Kronos to increasingly utilize a supplier base which truly reflects the diversity of our customer base.
Goal	A proactive business process that seeks to provide suppliers equal access to purchasing opportunities. It promotes supplier participation reflective of Kronos diverse Customer base and diverse business community.
Contact	procurement@kronos.com
Memberships	<ul style="list-style-type: none"> Greater New England Minority Supplier Development Council
Definition of Minority & Woman-Owned Business	<ul style="list-style-type: none"> Physically located in the United States. Owned, Operated and Controlled by Minority Group members or Non- minority Women who are U.S. citizens. Minority group members: Asian-Pacific Americans, Asian-Indian Americans, Black Americans, Hispanic Americans, and Native Americans. Ownership must be at least 51%. Certified by NMSDC, WBENC, or other generally recognized certifying body.
Why Does Kronos Participate In This Supplier Diversity Program?	<ul style="list-style-type: none"> Support our current customer base Attracts new customers Consistent with our core values Gives back to the communities we serve Complies with Regulatory requirements Minority and Women-owned businesses growth is trending up

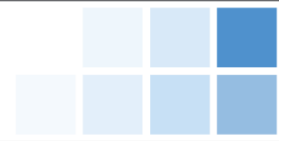


Elements Of A Successful Supplier Diversity Program	<ul style="list-style-type: none"> • Executive commitment & involvement • Formal Policy • Dedicated Staff and Action Plan • Budget • Buyer Training and Accountability • Tracking and Reporting system • Internal and External Communications
Supplier Diversity Development Continuum	<ul style="list-style-type: none"> • Identify- Purchasing Needs Assessment, Business Opportunities • Select- Company Requirements, Specific to scope of work • Corporate Awareness • Assess- Supplier Capability, Structure of the Opportunity • Develop- Mentoring, Fostering Relationships
Finding Minority and Women Owned Suppliers	<ul style="list-style-type: none"> • Directories, Tradeshow, Industry Contacts • www.NMSDCUS.org • www.BBENC.org • www.DiversityInfoResources.com • www.MBDA.gov

Vendor Diversity Partners – Sample List		
Access Destination Services	Hardware Specialty Co Inc.	Rickenbacker Resources, Inc.
Adtech Systems Inc.	HIQ Computers	Sab Solutions, Inc.
Advance Consulting Inc.	I-Biz Software, Inc.	Saddleback Signs
Alston Hunt Floyd & Ing.	Icims.Com	Skyline Displays Of Mass, Inc.
Am Coffee & Vending	Inmagic Inc.	Skyline Massachusetts
Amy Tananbaum	In-Site Art Consulting Group, Inc.	Software Ag USA, Inc.
Angie Moralez	Intelligent Office	Springboard Inc.
Aquent LLC	James L Floyd	Stewart Monderer Design Inc.
Audimation Services Inc.	Kevin Boyko	Swervepoint LLC
B Direct Marketing Communications	KGA Inc.	Techexcel Inc.



Barbara Anne Mcgrath, M.D.	Kickapoo Traditional Tribe Of Texas	The Humor Potential DBA Loretta Laroche & Co.
Blue Sage Consulting Inc.	Kinsley And Associates LLC	The Write Connection Inc.
CADD Edge, Inc.	M2sys Technology	Transperfect Staffing LLC
Communication Partners	Mapping Analytics LLC	Transperfect Translations International, Inc.
Computer Resource Team Inc.	Mass Communications, Inc.	Tropicana Casino & Resort
Creative Concepts, Inc.	Nashoba Temporaries Inc.	Ultimate Treasure Hunts, LLC
Delorey Contract Interiors Inc.	Operating Tech Electronics Inc.	Universal City Development Partners Ltd
Ellen Michaels Presents, Inc.	Pacific Northwest Software Quality Conference	Universal Software Corp
Employment Law Training Inc.	Paradigm Infotech Inc.	Uptime Business Products
Executive Forum Consulting	Peterson Party Center Inc.	Vacovec Mayotte & Singer, LLP
French And Associates	Precision Task Group Inc.	Vanderhouwen & Associates, Inc.
Group Restoration	Priority Building Services	Wildfire Interactive, Inc.
Groupware Technology Inc.	Q Enterprises Inc. DBA Human Sustainability Institute	Worldcom Exchange Inc.
Hands On Technology Transfer Inc.	Racepoint Group Inc.	Worldrelo Inc.
Hannaford And Dumas Corp	Reliable Fire Equipment Company	



Marketing

1. Outline your company's plan for marketing the Products to state and local government agencies nationwide.

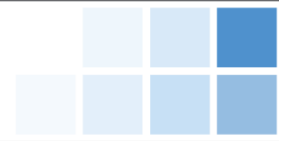
Kronos employs a large marketing division that is dedicated to state government, local government, and education organizations across the country. Kronos' longevity in the public sector space, along with broad marketing experience, has allowed us to create a rich and highly customized marketing plan for the public sector that includes:

- Advertising across major print and radio mediums, including public sector-specific venues.
- Search engine marketing.
- Quarterly campaign programs that reach nearly 100,000 contacts and drive both awareness and leads.
- Press releases for significant news.
- Customer videos and testimonials.
- Customer case studies.
- Analyst interviews, including joint marketing activity with the analyst community.
- Collateral production.
- Social media (Blogs, Tweets, Facebook and LinkedIn).
- Joint research, with published results, in collaboration with organizations like *Governing's* Research Institute and the Center for Digital Education.
- Sponsorship and participation in major organizational events that touch the audiences to whom we drive messaging.
- Participation on association leadership boards such as NASPE and CUPA-HR.
- Webinars.
- User groups meetings.
- Customer Advisory Boards (CABs).

2. Explain how your company will educate its national sales force about the Master Agreement.

Kronos takes the education of its sales force very seriously as this is the backbone to successfully promote U.S. Communities in the marketplace. Training regarding U.S. Communities would include but not be limited to:

- One day meeting with U.S. Communities to train public sector and education Sales Executives on the promotion, advantage, and details surrounding a master contract with U.S. Communities.
- The application of Kotter's Change management process in training presales and sales executives to insure adoption.



- Sales Executives outside of Public Sector and Education, will be offered 3 - 90 minute Webinar training sessions to become familiar with US Communities and the contract.
- A dedicated Kronos representative appointed to manage business development including ongoing creation of training materials as needed.
- Reference materials made available through a “playbook” citing vital information about the US Communities contract. Respectfully, US Communities will need to contribute to the content.
- US Communities training included in all future New Hire training formats.

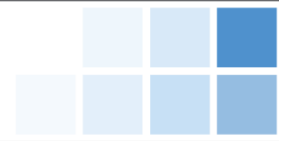
Kronos has 5 distinct areas managed by Public Sector Directors responsible for their geography. An internal Business Development representative would orchestrate meetings with each of the sales executives in an area with the corresponding U.S. Communities partner. Discussions would include current customer negotiations and active potential customer engagements. In addition, it will be important to discuss leveraging existing U.S. Communities relationships in the geographical area for potential new projects as well as existing clients.

3. Explain how your company will market and transition the Master Agreement into the primary offering to Participating Public Agencies.

After initial training on the U.S. Communities master agreement is complete, the following will be implemented to further position Kronos/U.S. Communities:

- U.S. Communities logo added to all presentations.
- Positioning paragraph at forefront of proposal responses encouraging organizations to utilize the U.S. Communities contract.
- Sales Executives will lead with the U.S. Communities master agreement ahead of other buying vehicles or before entering into terms and conditions negotiations with the client.
- U.S. Communities logo placed on the Public Sector and Education web pages of Kronos.com.
- Issue press release announcing agreement followed by a second release within a year announcing some new customer engagements utilizing U.S. Communities.

Kronos will continue to look for joint marketing efforts with U.S. Communities through membership organizations such as: U.S. Conference of Mayors (USCM), International City/County Management Association (ICMA), College and University Professional Association – Human Resources (CUPA-HR), National Association of State Personnel Executives (NASPE), National Association of State Chief Administrators (NASCA), EDUCAUSE, Government Finance Officer Associations (GFOA), National League of Cities (NLC), Association of School Business Officers (ASBO), and International Public Management Association – Human Resources (IPMA-HR).... Additionally, Kronos participates in marketing opportunities with third-party government and education thought-leaders such as: Governing Magazine, EfficentGov.com, and Praetorian Group.



4. Explain how your company plans to market the Master Agreement to existing government customers and transition these customers to the Master Agreement. Please provide the amount of purchases of existing public agency clients that your company will transition to the U.S. Communities contract for the initial three years of the contract in the following format within your proposal.

Kronos sends out maintenance renewal license 60 days ahead of their renewal date and will notify customers during that renewal process that U.S. Communities is an option for that to renew their maintenance through.

Regarding new business opportunities for existing customers, Kronos will provide U.S. Communities as an option in a similar fashion to what is defined in the previous question.

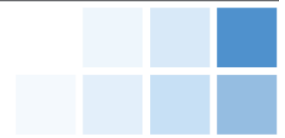
In review of the information requested below, it is too early in this venture to accurately provide the amount of purchases transitioned for each of the first three years of the contract. Kronos will work with U.S. Communities in establishing these numbers once more is learned during our discovery process.

- a. \$ TBD .00 will be transitioned in year one.
- b. \$ TBD .00 will be transitioned in year two.
- c. \$ TBD .00 will be transitioned in year three.

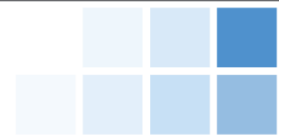
5. Please submit the resume of the person your company proposes to serve as the National Accounts Manager. Additionally, provide the resume for each person that will be dedicated full time to U.S. Communities account management along with key executive personnel that will be supporting the program.

Provided below is the resume for Greg Smith, Kronos Vice President for Public Sector. Given the strategic importance of the U.S. Communities relationship Greg, as the leader of the public sector sales vertical, will serve as the primary Business Owner for Kronos. In review of the request for the account management and key executive personnel resumes, it is too early in this venture to define this team. Our initial plan is to dedicate one business development person to work under Greg and manage the relationship.

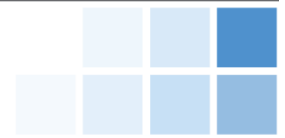
<p>Greg Smith Vice President, Public Sector 4 Omni Way Chelmsford, MA 01824</p>	
<p>Kronos Professional Experience</p>	<p><u>Kronos Incorporated 2000-present, a \$960 million workforce management software company</u></p> <p>Vice President, Public Sector October 2009 to present</p> <p>Kronos reorganized around 5 business units and I am responsible for the company’s financial performance in the Public Sector, which includes all government, education, and federal organizations.</p> <ul style="list-style-type: none"> • 2012 results were 122% of revenue target and 116% of profit goal.



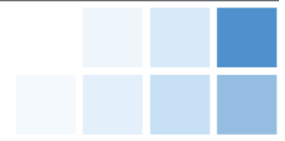
	<ul style="list-style-type: none"> • Public Sector generated almost half of the new business for the company in fiscal 2012. • Division has grown over 45% since inception in 2009 with more than 30 different million dollar + projects generated, including the largest project in the history of Kronos. <p>Area and Divisional Vice President, 2008 to October 2009</p> <ul style="list-style-type: none"> • Responsible for Retail division in addition to Eastern Area Midmarket and Enterprise organizations with total revenue responsibility over \$100 million and 100 personnel • Retail, Federal and Enterprise teams exceeded financial objectives for fiscal 2008 each by over 10%. • Multimillion contracts signed at Macys, Ahold, Social Security Administration, <p>Vice President, Enterprise and Global Accounts 2006 to 2008</p> <ul style="list-style-type: none"> • Led division responsible for all Enterprise and Global Accounts including direct P & L responsibility for over \$130 million in annualized revenue. • Exceeded revenue and profit targets both years by effectively deploying resources and creating new account relationships. • Developed and executed global program that enabled success of major company initiative. Created Global Account program to support company directive of growing multinationally. • Penetrated GE and GM multinationally as well as other Fortune 100 accounts to create multimillion dollar engagements. <p>Vice President, National Accounts 2004 to 2006</p> <ul style="list-style-type: none"> • Led organization which penetrated and managed largest multinational organizations. • Generated strong financial results by attaining 126% of P & L budget in first year; 106% for second year. • Restructured existing organization leading to 20% year over year growth by driving greater focus and productivity. • Developed significant relationships with new and existing organizations that represented multi-million dollars in annual revenue. • Created \$11 million Retail organization in a growing and strategic market. Established this vertically focused team from the ground up and exceeded revenue and P & L targets annually. <p>Vice President, Eastern Area Sales 2002 to 2004</p> <ul style="list-style-type: none"> • Directed Eastern Area Operations which included 7 Regional offices with direct P & L responsibility for more than \$140 million in revenue • Exceeded financial metrics in bottom line margin contribution. • Effectively drove change netting in year over year revenue growth by successfully reorganizing and restructuring area for greater focus. • Critical component of corporate team which developed, implemented and rolled out a new “go to” market strategy for the company. • Integral part of largest customer engagement in history of company.
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	<p>Gathered and developed necessary internal resources to ensure success of engagement.</p> <ul style="list-style-type: none"> • Initiated and executed strategic plan to enter previously untapped market by building and executing on the plan to penetrate the Federal market. This division now accounts for over \$12 million in revenue and \$7.5 million in margin. <p>Regional Director/General Manager Northeast 2000 to 2002</p> <ul style="list-style-type: none"> • Led Northeast Division which included all sales, marketing, engineering, technical and administration personnel. • Generated strong financial performance by exceeding revenue and margin targets both years in position. • Successfully turned around the second worst performing Division in fiscal 2000 to become the Number 1 Division for the company. • Regional Director of the Year in 2002.
<p>Professional Experience</p>	<p><u>Avnet Inc/Marshall Industries 1994 to 2000, an \$11 billion computer, software and semiconductor distributor</u></p> <p>Regional Director 1998 to 2000</p> <ul style="list-style-type: none"> • Responsible for all P and L functions including sales, operations, and engineering services for 7 offices in the Northeast and Eastern Canada. • Drove revenue growth by 9% to over \$200 million in a declining market. • Strategically and effectively deployed over 125 personnel from 5 separate divisions by introducing cross functional engagements. • Formulated strategic customer focused program that was modeled by corporation after implementation. <p>General Manager 1994 to 1998</p> <ul style="list-style-type: none"> • Led \$100 million plus Division consisting of marketing, sales, technical and engineering personnel as included managers from multiple disciplines. • Generated extraordinary financial growth by increasing revenue 50% in 4 years to \$113 million. • Exceeded company financial objectives by having divisional pretax profits 30 % greater than overall company returns. • Effectively managed costs while driving revenue by having operating costs consistently 1% to 2% points lower than other divisions of comparable size. • Successfully developed, created and implemented a revised Sales organizational structure to address the growing diversity of our customers and to deploy resources adequately. • Early adopter of internet/extranet solutions by implementing an internally developed web based order agent system. <p><u>Future Electronics 1989-1994, a \$3 billion privately held semiconductor distributor</u></p>



	<p>General Manager 1991 to 1994</p> <ul style="list-style-type: none"> • Lead \$27 million Division • Generated extraordinary financial returns by doubling revenue in 3 years with minimal headcount addition. • Pioneered company efforts selling inventory management systems utilizing PC based EDI system. • General Manager of the Year in 1993. <p>Operations Manager 1990 to 1991</p> <ul style="list-style-type: none"> • Responsible for operations, business development, telemarketing, product marketing, and telemarketing of a \$20 million Division. • Created and developed new internal pricing models. • Restructured commodity marketing teams to more adequately address customer issues. <p>Area Manager 1989 to 1990</p> <ul style="list-style-type: none"> • Staffed and effectively deployed newly created \$3 million strategically focused organization. • Oversaw significant revenue growth at Digital Equipment and Data General by personally managing these relationships. <p><u>Projections Unlimited Inc 1983-1989, a specialty electronics organization</u></p> <p>Branch Manager 1986 to 1989</p> <ul style="list-style-type: none"> • Created, staffed, and deployed new division to \$5 million in revenue in just 3 years. • Developed and executed on Business Plan for this new division. <p>Account Manager 1983 to 1986</p> <ul style="list-style-type: none"> • Number one Sales Executive for 2 years at this specialty distributor. • Developed unpenetrated territories and turned them into top performing areas.
<p>Education and Other Relevant Experience</p>	<p>Masters of Science, Organizational Management, Northeastern University, January 2013.</p> <p>AEA/Stanford University Executive Institute, Stanford University. August 2008</p> <p>BS, Business Administration, California State University, Long Beach, GPA: 3.6. 1982</p> <p>President, Board of Directors, Lazarus House, Lawrence, MA</p> <p>Elder, First Presbyterian Church, Ipswich</p> <p>Guest lecturer, Bentley College</p>



Products, Services and Systems

1. **Provide a description of the Products, Services and Systems to be provided by the major product category set forth in Section II, Performance Work Statement of the RFP. The primary objective is for each Supplier to provide its complete product, service and solutions offerings so that Participating Public Agencies may order a range of product as appropriate for their needs.**

Kronos proposes **three** workforce management solutions for U.S. Communities each to be used depending on the needs of the participating agency. These solutions are:

- **Workforce Central**
- **Workforce Ready**
- **Workforce TeleStaff**

Specific to Harford County Public Schools, we would recommend **Workforce Central** based on the knowledge obtained so far.

Workforce Central

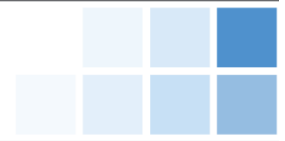
Workforce Central is a proven and versatile group of solutions that minimize risk for larger, more complex organizations within the U.S. Communities network. Customers may deploy this solution onsite. In addition, Kronos offers a Cloud Hosting service for customers who choose to outsource the IT management of the Kronos applications to the Kronos data center. Cloud Hosted customers may purchase, lease or subscribe to our Software as a Service (SaaS) hosted offering for Workforce Central.

The Workforce Central suite provides unmatched functionality, streamlined workflow technology, and an easy-to-use, intuitive interface that can be tailored to the needs of each user. But the real power of the Workforce Central suite lies in its closely integrated system of time and attendance, scheduling, human resources and payroll applications. The Workforce Central suite's ability to share employee-centric information - profile information, labor data, accrual balances, pay codes, and more - across all its applications is a prime advantage to manage the complexities that surround timekeeping and scheduling. This enables HCPS and U.S. Communities not only to efficiently manage the employee workforce, but to report on the activities surrounding these processes.

At the core of our ability to deliver consistent results is the foundation of how our software is built. All of our products are made to be as broadly configurable as possible. This philosophy coupled with our extensive experience assures that there will likely be no customization necessary.

Customer Success Story

The **City of Cleveland** has 30 different unions and they have configured all of the union pay rules in the Kronos Time, Leave and Attendance Rules Engine. The configuration abilities of our solution allow public sector customers with similar complex Unions and Collective Bargaining Agreements to add, modify, or delete the pay rules and policies within the Kronos Rules Engine in a timely way.



Kronos is one of the only vendors to offer a user-friendly application configuration interface for the ever changing business rules and other key configuration issues, defined by varying and complex union and collective bargaining agreements.

Furthermore, Kronos customers can rapidly make changes to the Kronos system as changes in the law or legislation occur.

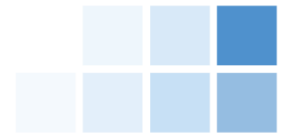
The Workforce Central Suite is the comprehensive solution for managing the workforce. Workforce Central provides complete automation, high-quality information and is easy to own.

CORE PRODUCT FOR WORKFORCE CENTRAL:

Workforce Timekeeper®	
Overview	<p>Workforce Timekeeper streamlines the management, collection, and distribution of employee hours, making manual timesheets a thing of the past. Workforce Timekeeper has a robust pay rules engine that applies complex work and pay rules accurately and consistently throughout your organization. By eliminating the need to calculate this information manually, Workforce Timekeeper saves your payroll staff considerable time, and reduces the risk of costly payroll inflation errors. It also reduces unauthorized absences, and enables your managers to reduce costly overtime by effectively managing labor resources in real time.</p> <p>Among our customers who utilize this solution include the City of Houston, TX; City of Cleveland, OH; City of Tulsa, OK; County of Boulder, CO; Chicago Public Schools, IL.</p>

MODULES AVAILABLE IN THE WORKFORCE CENTRAL SUITE TO WORK IN CONJUNCTION WITH WORKFORCE TIMEKEEPER:

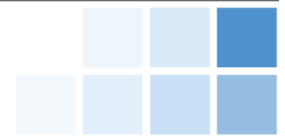
Workforce Manager®	
Overview	<p>Workforce Manager adds key capabilities designed to empower your managers. Workforce Manager streamlines routine time and labor tasks, such as approving timecards or leave requests, and enabling managers to create, maintain, and edit schedules in real time. It also facilitates common human resources functions, including hiring and performance reviews.</p> <p>Workforce Manager further enables management by exception, a significant time saver in that it alerts managers to the issues that require immediate attention, such as an employee approaching the overtime threshold. Workforce Manager provides managers with rich visibility into their staff, including skills, experience, and completed training, all of which is essential to helping them optimize the workforce: placing the right employees with the right skills in the right place at the right time, every time.</p>



Workforce Employee®	
Overview	<p>Workforce Employee is the intuitive, browser-based interface your employees use when entering time and labor data and accessing human resources and payroll information and processes. It allows them to view hours worked, approve timecards, or enter shift preferences and availability. Employees also use Workforce Employee to view work schedules and current and projected leave balances.</p> <p>Beyond time and labor, employees use Workforce Employee to view payroll information, such as earnings history and tax withholding, and make changes to payroll preferences like direct deposit. Workforce Employee provides convenient Web access to a breadth of human resources information as well, including available training, job openings, and benefits enrollment.</p> <p>Employees can use Workforce Employee to make changes to personal information, enroll in benefits or training programs, or simply to answer questions. It empowers employees with information and tools to do their jobs more efficiently and more effectively. And it enables them to manage their own human resources and payroll information, which lessens the administrative burden on human resources and payroll staff as well as managers.</p>

Workforce Absence Manager®	
Overview	<p>Workforce Absence Manager improves overall performance with better control of all employee absences: partial shift absences, scheduled, and unscheduled absences. Track, manage and enforce attendance and leave policies consistently. And it provides the right tools to cost-effectively manage state, federal, and union compliance.</p>

Workforce Scheduler®	
Overview	<p>Workforce Scheduler provides the tools you need to plan staff coverage - by shift, by employee, or by job description - and react with speed and effectiveness when unforeseen circumstances put productivity at risk. Workforce Scheduler allows you to configure scheduling rules that enforce critical staffing policies and monitor compliance with federal regulations and union rules. With it, you spend less time on administrative tasks and more time improving employee performance and customer satisfaction.</p>



Workforce Activities	
Overview	<p>Workforce Activities enables real-time tracking of activity data for individual employees and teams. Workforce Activities reconciles direct and indirect labor to time paid, and enables you to compare productivity against standards. Workforce Activities also eliminates the process of manually entering job-costing data into ERP systems. Going beyond weekly or daily reporting, Workforce Activities provides up-to-the-minute information so that your managers can adjust to the shifting demands of a production environment.</p>

Kronos Timecard Attestation	
Overview	<p>Kronos Timecard Attestation gives a complete automation of time reporting under OMB A-87a regulations.</p>

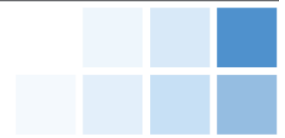
Workforce Record Manager	
Overview	<p>Workforce Record Manager is a comprehensive, powerful archiving application that helps you move data effortlessly from one Workforce Central database to another. It also provides the robust functionality you need to create optimum archiving processes. As a result, overall data management can be improved, which helps reduce risk and save time and money while empowering your IS department to focus on key strategic initiatives.</p>

Workforce Integration Manager	
Overview	<p>Workforce Integration Manager is a data configuration and conversion tool that allows you to quickly and reliably convert workforce management data into the appropriate format for a target application.</p> <p>Workforce Central adds value to analytical and decision-support applications by expanding access to labor and other key business data. WIM offers extensive data manipulation and conversion capabilities for the most complex interface requirements. You can transfer data fields, such as employee ID and total worked hours, directly from your Kronos system to a destination system. Source data, like employee names or numbers, can be concatenated or parsed to meet import requirements.</p> <p>If your payroll or ERP system needs data that is stored in more than one system, the WIM interface can run SQL queries to extract information from a number of individual sources.</p>

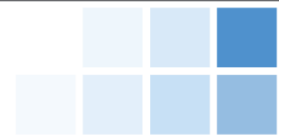


Workforce Analytics	
Overview	<p>Workforce Analytics consolidates operational, financial, and workforce data and inputs it into Web-based dashboards, views, and reports for instant visibility into overtime, absenteeism, productivity, and labor to grants.</p> <p>Workforce Analytics will help HCPS and U.S. Communities identify areas of labor waste, helping management make good decisions about the workforce. It will also aid by reducing paper time and effort reporting, streamlining fund/grant expenditure & reimbursement reporting, and billable services process.</p> <p>Kronos Analytics for Public Sector will provide granular labor details associated with grants/programs and interfacing summarized data with ERP solutions. Also, the solution will provide centralized reporting on leave liabilities and analysis on absenteeism.</p> <p>Kronos Public Sector analytics can be used as a source to help determine actual labor costs associated with county initiatives enabling performance based management and feeding budget preparation processes with comprehensive data.</p>

Workforce HR®	
Overview	<p>Workforce HR is a powerful approach to efficiently and strategically managing issues of human resources, benefits, performance and compensation. It strategically aligns the workforce to the work, engages employees and frontline managers, and ultimately optimizes your workforce. Workforce HR achieves all of this by helping your organization manage the hiring process, streamline benefits administration, alleviate regulatory compliance, conduct reviews and approval cycles, control payroll processes, and more.</p> <p>Key capabilities include:</p> <ul style="list-style-type: none"> • Compensation planning: Measure and analyze an employee's total compensation — direct and indirect. Import industry compensation data and maintain pay equity by calculating and applying geographic pay differentials and merit-based pay guidelines. • Performance management: Assign and track individual goals that contribute to achieving aligned organizational objectives and then configure an automated yet flexible and confidential process for each performance review and approval cycle.



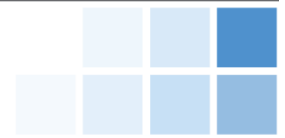
	<ul style="list-style-type: none"> • Automated notifications: Send instant notifications to managers and key departments to facilitate a new hire's network access, office space, training, payroll information and more. • Complete benefits administration: Determine employee program eligibility, analyze associated costs through rapid calculations, and streamline open enrollment via self-service. • Compliance with government regulations: Monitor your organization's compliance over time with a wide variety of regulations efficiently. • Accurate payroll processing: Ensure the consistent application of your organization's pay rules, streamline time consuming manual processes, eliminate data discrepancies, and costly payroll inflation. • Powerful point-in-time reporting: Run more than 150 reports, from EEO analysis to benefits coverage, or create custom reports. • Employee training: Track employees' skills, manage their participation in training programs, and help them develop professionally. • Essential applicant management: Create job requisitions and capture candidate information easily, including resumes, skills, and more. Search for qualified candidates easily with automated screening capabilities, then easily transition applicants into new hires with no duplicate data entry. • Greater control over staffing budgets: Manage costs while monitoring headcount by defining full-time equivalent (FTE) budgets. • Group edit: Complete information edits and updates for large employee groups. • Employee survey tool: Poll employees easily on workplace issues. • Employee and manager self-service: Engage employees by letting them manage their own information, and supply managers with real-time information for quicker and better decision making. Integrated platform: Eliminate duplicate data entry and disparate system maintenance by running your HR and payroll systems on a single web-based platform, for lower TCO. Workforce HR and Payroll save time, eliminate costs, and increase your organization's ability to align employees' and managers' performance with
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	your strategic objectives.
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Workforce Payroll®	
Overview	<p>Workforce Payroll specifically guides you through setting up earnings and deductions, so you can quickly and easily streamline your payroll. In addition, it enables you to override deductions, earnings, and withholdings during the payroll process and it simplifies quarter and year-end processing and reporting for maximum efficiency and insight. You have complete control over the entire payroll process, from source to gross.</p> <p>Also, you'll enjoy powerful payroll functionality without the steep learning curves and costs that usually accompany implementing a new in-house payroll system. Workforce Payroll offers the following leading features;</p> <ul style="list-style-type: none"> • Payroll calendar • On-demand checks with and without gross-up • Customized check formatting • More than 50 standard reports and custom reporting capabilities • Federal, state, and local tax support • Auto timesheet function • Payroll analytical tool • Standard interface with general ledger accounting system

Workforce Mobile	
Overview	<p>Workforce Mobile gives you a mobile connection to your Workforce Central system. This means your workforce can complete common administrative tasks right on their mobile devices. This on-the-go access means your workforce is able to instantly engage, make effective decisions, take action, and move on. It's mobile workforce management. And it will fundamentally change the way your workforce interacts and connects with your organization.</p> <p>Workforce Mobile enables access for BlackBerry®, iPhone®, Android™ users. The Kronos Workforce Mobile solution</p> <ul style="list-style-type: none"> • Workforce Mobile Employee allows employees to punch from phone with GPS, approve timecard, and request time-off. • Workforce Mobile Manager allows managers to review



	basic timecard exceptions, manage time card approvals, and manage time-off requests.
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Workforce Tablet	
Overview	Workforce Tablet provides constant mobile access to Workforce Central through the Apple® iPad®.

Workforce TeleTime®	
Overview	Workforce TeleTime leverages the convenience and accessibility of the telephone to collect time and labor information from employees on the move. Workforce TeleTime provides a solution for these employees and managers, whether they telecommute, work in multiple facilities, travel frequently, or just don't have access to a data collection terminal or the Web. These employees can use this interactive touchtone application for a range of time and labor transactions.

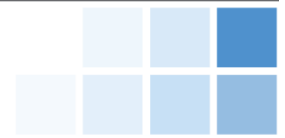
Workforce Ready

Workforce Ready is an alternative SaaS approach to workforce management that is designed for smaller organizations with less complex needs.

Workforce Ready is the cloud-based workforce management solution that fully automates the necessary, and often labor intensive business processes with consistent, real-time employee data. Workforce Ready provides an economical, SaaS solution that is designed for smaller organizations with less complex needs. Our cloud-based solution is built for your budget and can grow with your organization.

Workforce Ready offers:

- **Fully Integrated.** HR – Timekeeping – Scheduling – Payroll – Hiring – and more. All in one seamless suite sharing a common user interface, database, and workflows.
- **Modular.** You can mix and match Workforce Ready modules. Buy what you require today and then add more when you're ready.
- **Real-time Information.** This is dynamic real-time information — not legacy-latent data. Get real-time visibility. Conduct “calculations as you go.” Use deep-dive analysis so you can make decisions based on facts, not guesswork.
- **Cloud-based.** It's a SaaS-based solution, so Kronos manages it for you. No headaches getting up and running. No more worrying about IT resources. And no more software updates.



- **Easy access.** On the go – out of the office – just access the Workforce Ready mobile app and make decisions whenever you need to.
- **Loaded with value.** Bundled per-employee-per-month (PEPM) fees mean no surprises. You pay only for what you use, which means more value. And as we continue to invest in the technology, you reap the benefits.

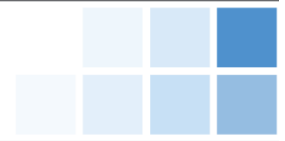
For more information on Workforce Ready, please see [Tab F – SUPPLIER INFORMATION – Additional Information – Workforce Ready Datasheet](#).

CORE SOLUTION FOR WORKFORCE READY:

Workforce Ready Time Keeping	
Overview	<p>Workforce Ready Time Keeping provides automated collection of time and attendance information. It can automate the conversion of worked hours to payroll and enforce pay and work rules. Among our customers who utilize this solution include the El Dorado Irrigation District, CA; City of Green, OH; Township of Blendon, OH; Town of Hillsborough, CA; Gaylord Community Schools, MI.</p> <p>Workforce Ready Time Keeping includes:</p> <ul style="list-style-type: none"> • Workforce Ready Scheduling feature aids in reducing overtime as well as over or under scheduling. • Workforce Ready Leave Manager module automates the enforcement and tracking of federal, state and employer-specific leave policies and requirements for a variety of qualified leave types, including FMLA. • Workforce Ready Accruals enforces absence-related policies related to time off and accruals — including federal, state, and organization leave requirements.

MODULES AVAILABLE IN THE WORKFORCE READY SUITE TO WORK IN CONJUNCTION WITH WORKFORCE TIMEKEEPER:

Workforce Ready HR	
Overview	<p>Workforce Ready HR module offers a comprehensive end-to-end HR solution to stay up-to-date and compliant with employee records, performance management, and asset management.</p> <p>Workforce Ready HR includes:</p> <ul style="list-style-type: none"> • Workforce Ready Hiring provides applicant tracking, screening and hiring, and onboarding for the ultimate recruiting tool.



Workforce Ready Payroll	
Overview	<p>Workforce Ready Payroll simplifies the entire payroll process with quick access to payroll data, self-service for employees to view paystubs, and accurate, in-depth reporting options.</p> <p>Optional module for Workforce Ready Payroll:</p> <ul style="list-style-type: none"> • Kronos Tax and Payment Solutions complement the Workforce Ready Payroll application with tax filing, garnishment processing, and distribution of checks and payroll documentation.

Workforce Ready ACA Manager	
Overview	<p>Workforce Ready ACA Manager provides proactive management of ACA compliance strategy across the entire workforce. It has the tools to effectively manage regular and variable hour employees' benefit compliance, along with applicable reporting.</p>

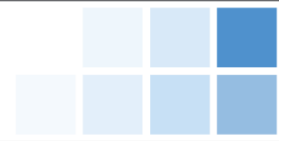
Workforce Ready Mobile	
Overview	<p>Workforce Ready Mobile, available for both the Apple® iPhone® and Android® platforms, allows managers and employees to address common tasks quickly and easily on their mobile device of choice. No additional licenses needed.</p>

Workforce TeleStaff

Workforce TeleStaff is an automated, rules based scheduling tool designed for the public sector.

Kronos Workforce TeleStaff is the time-tested and proven automated scheduling solution that public safety organizations around the country rely on. Kronos Workforce TeleStaff optimizes the scheduling, communications, and deployment of public safety and public sector personnel as well as other critical resources. Whether it is staffing the daily roster, deploying for a major disaster, coordinating off-duty work, or managing employee time, Kronos Workforce TeleStaff is uniquely designed to deliver. Packed with features that include the ability to pre-build schedules and rosters, track employee certifications and qualifications, send notifications over the telephone and email, manage complex overtime rules, and conduct automated bidding. Further, Workforce TeleStaff is an open architecture, hybrid solution of Web and installed technologies. TeleStaff offers an ideal solution of Web, touch-tone telephone and intranet access for all users within the organization.

For more information about Workforce TeleStaff, please see [Tab F – SUPPLIER INFORMATION – Additional Information – Workforce TeleStaff Datasheet](#).



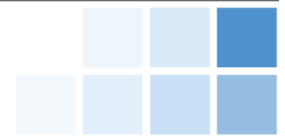
As an alternative vendor hosted approach to Workforce Scheduling for public sector, Kronos proposes our Workforce TeleStaff solution for U.S. Communities:

Workforce TeleStaff	
Overview	<p>Workforce TeleStaff is an automated public safety scheduling solution that optimizes the scheduling, communications, and deployment of Law Enforcement, Corrections, Fire, and EMS.</p> <p>Since its initial release in 1997, TeleStaff has been the leading automated scheduling solution for the public sector industry. The technology and innovation behind TeleStaff will allow you to eliminate time and save money by enabling your organization to automate complex and labor-intensive workforce scheduling tasks, while increasing the capacity for strategic and tactical management of mission critical operations.</p> <p>TeleStaff was the first-to-market public sector scheduling solution that truly redefined the way public sector manages staffing by merging telephony and scheduling capabilities into one system to solve scheduling and communication problems that plague operations.</p> <p>Designed to eliminate paper-based, manual and error-prone staffing processes inherent to the public sector, TeleStaff is able to automate workforce management processes – allowing command staff, employees, first responders and other critical resources to divert their attention to their mission critical work at hand.</p> <p>Among our customers who utilize this solution include the City of Los Angeles, Dept of Transportation; City of Cleveland Fire Dept; City & County of Denver Police and Fire Depts.; City of Tulsa Police, Fire, and Public Safety Communications Depts.; County of Broward 911 and Sheriff Depts.</p>

Workforce InTouch

IN TOUCH TERMINALS CAN BE SOLD WITH EITHER WORKFORCE CENTRAL OR WORKFORCE READY.

Kronos InTouch™	
Overview	<p>Kronos InTouch extends your capabilities to improve productivity. It's built to be used as a multi-purpose tool that works for you 24/7, even when it's not tracking punches. Our time clock's open and secure platform allows you to display virtually any content directly to the device at any time. Use InTouch to play a video message. Check your sales and census data. Or conduct a quick employee survey. You're limited only by your imagination.</p> <p>The Kronos InTouch has taken the design cues from today's most</p>

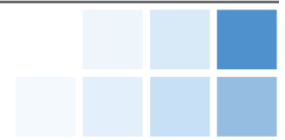


	<p>intuitive consumer electronics to make our time clock easy to use for you and your employees. The modern design and simplicity of Kronos InTouch allows instant engagement, and action through intuition.</p> <p>InTouch was designed for today's cloud-centric computing environments, with device-initiated communications capabilities that allow the clock to work over the open Internet and through firewalls while protecting your data using SSL encryption. So even if your goals take you to the height of cloud technology, we'll help you get there. And one of the most powerful and unique capabilities of InTouch is its ability to be monitored and controlled from a remote location. Voice over Internet Protocol (VoIP) phone support allows employees to quickly re-report a problem right from the clock so a representative can then remote monitor and control the device to troubleshoot and correct any issues.</p> <p>Use the embedded browser on InTouch to access information directly from your internal systems. Or build a native application using the Kronos InTouch Developers Kit. You and more than 40,000 other Kronos customers can share your solutions on the InTouch App Exchange. It's the industry's first and only application exchange devoted exclusively to improving the productivity of your frontline workforce.</p>
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Kronos 4500 Badge Terminal

KRONOS 4500 TERMINALS CAN BE SOLD WITH EITHER WORKFORCE CENTRAL OR WORKFORCE READY.

Kronos 4500 Badge Terminal™	
<p>Overview</p>	<p>The Kronos 4500 is an easy-to-own data collection solution that matches the precise needs of your organization. You can configure the terminals remotely to fit your payroll and personnel needs. And as your organization changes, the Kronos 4500 can be easily updated to meet future needs.</p> <ul style="list-style-type: none"> • Easy installation: Setup is a breeze with on-screen configuration. Not to mention Power-over-Ethernet (PoE) networking, which eliminates the need for you to install a power line and outlet for each Kronos 4500 terminal. • Centralized management: Workforce Device Manager™ takes care of all administrative and management functions with a user-friendly interface that makes terminal management virtually plug-and-play. Choose from a variety of methods to manage your terminals, such as assigning employees and terminals to organizational groups,



	<p>managing employee access, and collecting employee data.</p> <ul style="list-style-type: none"> • Built-in flash memory: In case of emergency, the 4500 terminal has you covered. You won't lose data during network or power outages. And an optional backup battery provides full employee and supervisor functionality.
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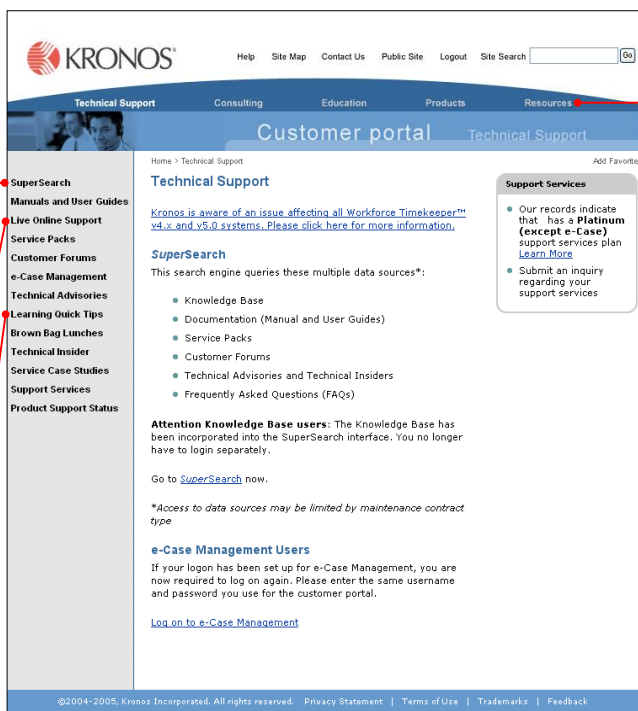
2. Provide a description of any Related Products, Services and Systems offered by Supplier. Include any associated costs in Supplier's Cost Proposal.

Because the intended use of this proposal is for a Master Contract for agencies of varying size and complexity to use, all appropriate products for a Master Contract have been included in Requirement 1 of this section.

3. Describe any special programs that your company offers that will improve customers' ability to access Products, Services or other innovative strategies.

The Kronos Customer Portal

The Customer Portal is Kronos' service and support website. This comprehensive portal provides tools and resources to help you get the most out of your Kronos solution. As a complement to your support plan, this site helps to answer specific technical questions and in the process, makes the Kronos solution easier to maintain. The on-demand tools in this portal make it possible to access documentation, communicate with colleagues via forums, and get your questions answered quickly.

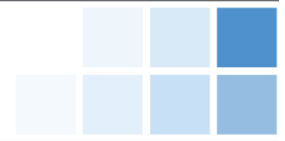


SuperSearch
Search through thousands of possible answers to your technical questions. Our SuperSearch tool analyzes and indexes multiple Kronos data sources, including our knowledge base and customer forums, to help you find answers quickly.

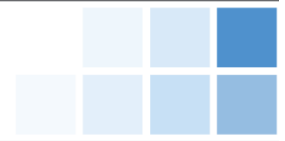
Live Online Support
This screen-sharing application enables support representatives to remotely view your computer. With it, Kronos Technical Support Engineers can communicate and solve your technical issues in real time.

Learning Quick Tips
These mini-training modules provide recommendations on how to perform specific tasks pertaining to your Kronos application.

On the Resources Menu...
SHRM eLearning provides access to human resources training right from your desktop. Continue your career development with online mini-courses presented by SHRM® and facilitated by industry experts.
HR/Payroll Answerforce™ is a resource center for the latest HR tools and information. This comprehensive tool delivers up-to-date human resources, employee benefits, compensation, employment, and regulatory information from the Bureau of National Affairs (BNA), a leading industry authority.



- **SuperSearch.** The SuperSearch tool enables you to search multiple data sources with one search criteria. It has an easy-to-use interface that enables you to tab between sources. With SuperSearch, you can search for resolutions to your technical problems or refine your issue when preparing to speak to a Kronos Global Support engineer. The search engine queries these data sources:
 - Knowledge Base.
 - Customer forums.
 - Documentation (manuals and user guides).
 - Technical Advisories.
 - Technical Insider.
 - Service packs.
 - Frequently asked questions (FAQs).
- **Knowledge base.** A repository of error code descriptions, common solutions, and explanations of issues with Kronos products, maintained by Kronos support engineers. The knowledge base can assist you in problem solving.
- **Manuals and User Guides.** Online access to complete documentation for most of Kronos' products.
- **Live Online Support.** A web-based screen-sharing application that enables Kronos support engineers to view your issue remotely and help you solve problems in real time.
- **Service packs (updates, patches, legislative updates).** Your support contract entitles you to the latest available product version upgrades, updates, enhancements, and documentation released during your current contract period.
- **Customer Forums.** A unique opportunity to connect with other Kronos customers and to benefit from their experiences. Organized by product platform and using threaded messaging, the forums allow you to post questions to other forum visitors or add comments to someone else's query. These forums are hosted by Kronos in multiple cities around the United States.
- **e-Case Management.** Think of e-Case management as an electronic version of our phone support. It enables you to describe the support issue you are experiencing, track ongoing progress of open cases, and monitor steps taken toward resolution. You can also use e-Case Management to submit additional information to our support engineers as you learn more about your issue or try recommended actions. This tool maintains records of all past cases, so you will be able to research your previous cases and resolutions. The e-Case management tool is available 24 hours a day, 7 days a week. Cases logged after business hours will be handled the following business morning. There are no limits or restrictions to the number of cases that you can open. Since the e-Case Management documents are always available, you can return to your case for reference or for follow up questions anytime that is convenient for you. Stay informed about the progress of your e-case through automated email updates. Every time our engineers update your case,



you receive the update via email. You don't have to call to get status—all correspondences are delivered to your inbox.

- **Technical advisories.** Technical advisories provide the latest updates on software patches, security concerns, and special considerations. These advisories enable you to leverage the knowledge and expertise of our support experts to resolve your issues quickly and accurately.
- **Learning Quick Tips.** Pre-recorded, mini-training modules that provide advice on how to perform specific tasks pertaining to your Kronos application.
- **Brown Bag Lunches.** Live virtual workshops covering a variety of hot topics.
- **Technical Insider.** A set of technical bulletins that give you access to best practices, procedures, and tools from our engineers.
- **Service Case Studies.** Studies that help you gain an in-depth understanding of technology and how Kronos applications incorporate that technology.
- **Support Services.** Provides detailed descriptions of the support services available to you through Kronos' support plans. You also have the opportunity to contact Kronos for additional information.
- **Product Support Status.** Lists the current support status of Kronos products. When you select a product family from the pull-down menu, you see a complete history of the product, the current version, and which product Kronos is currently selling and supporting. Customers researching an upgrade can find the migration path here.
- **Email updates.** From the Customer Portal, you can sign up for service pack alerts and technical advisories delivered by email.

KronosWorks

Since 1997, Kronos has hosted an annual worldwide user conference called KronosWorks where customers have the opportunity to develop valuable new business relationships, learn new skills, get the latest on industry trends and technologies, and to learn how to make the most of Kronos solution(s). Among the advantages include the opportunity for customers to network, gain knowledge through industry-specific technical training sessions, hear about the latest Kronos solutions, and learn from Kronos experts.

Held over 2 ½ days, KronosWorks 2012 had over 1,500 attendees and over 120 sessions each designed to help customers make the most of their workforce management investment.

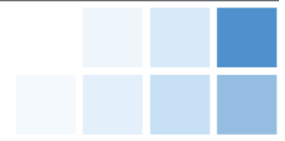
4. **Describe the capacity of your company to broaden the scope of the contract and keep the product offerings current and ensure that latest products, standards and technology for Workforce Management System: Including Time, Attendance, Leave, Scheduling and any Other Related Products, Services and Systems.**

Kronos offers the industry's most technologically advanced products. In 2013, Kronos invested over 101 million dollars on research and development. Kronos expects the trend for increased



spending to continue, reflecting the Company's commitment to sustained market leadership by enhancing existing products and developing new products.

Specifically, our product development efforts are focused on enhancing the capabilities and increasing the performance of our existing products. Kronos takes seriously the responsibility of being the market leader and also focuses on creating and driving the next generation of workforce management products. Kronos also invests heavily in developing new products and standard interfaces to third-party products on a timely basis to meet the increasingly sophisticated needs of our customers. We intend to continue to commit substantial resources to enhance and extend our product lines and develop interfaces to third-party products. We continually seek to further enhance our product offerings and to develop new products and interfaces, including products for the human capital management market.



Quality

1. Describe your company's customer support capabilities. Include information on whether any functions of customer support are in-house or outsourced.

For over 35 years, the Kronos Global Support team continues to offer a wealth of experience supporting our products, from the most fundamental to the most challenging. This experience is the basis for a model that enables us to offer a variety of support services options that enables you to decide which features matter most to your organization and select the plan that best meets your requirements. That way, you get just the right level of support to keep your Kronos applications performing at their peak for faster return on your investment in workforce management technology. We offer 9x5 “Gold” support, and 24x7 “Platinum” support, plus an optional dedicated Technical Account Manager with our “Gold Plus” and “Platinum Plus” support plans.

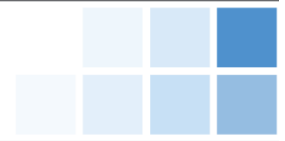
The Kronos Global Support Gold, Gold Plus, Platinum, and Platinum Plus plans are designed to provide increasing levels of support, depending on your business-specific requirements. Information tools available via our Customer Portal website complement the telephone, email, and desktop streaming support to which you'll have access under each plan. Kronos' support services plans entitle all customers to the latest available product version upgrades, updates and enhancements, and documentation released during the contract period.

All customer support plans are supported only by Kronos in-house and staffed by over 300 support personnel. Further, each plan is backed by resources that help you protect your investment and support your goal of improving business performance.

Gold Support Plan

With the Gold Support Plan, your organization receives:

- Software Assurance – patches, service packs, upgrades, legislative updates.
- Coverage during standard business hours: 5:00 a.m. – 5:00 p.m. local time Monday through Friday.
- Unlimited case (incident) generation and management.
- Case escalation, resolution, and confirmation.
- Proactive emails and news messaging.
- Online access via the customer portal to:
 - eCase: web-based case logging and tracking.
 - Comprehensive, searchable knowledge base.
 - Customer forums.
 - System documentation.
 - Technical tips and FAQs.



Platinum Support Plan

This plan provides all the services included with Gold Support, along with:

- 24/7/365 access to our most senior support engineers.
- Faster response times for high-priority cases.

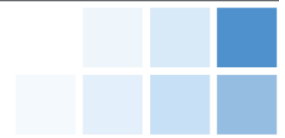
Plus Support Plan (TAM)

Plus Support, which can be purchased with the Gold or Platinum Support plans, delivers the added benefit of a dedicated, senior-level Technical Account Manager (TAM) assigned to your account. Providing expertise gained through years of software industry experience, multiple technical certifications, and extensive training on Kronos products, your TAM will:

- Pre-test software patches and upgrades (including legislative and compliance updates) prior to implementation.
- Serve as your single point of contact for in-depth technical know-how and business domain knowledge.
- Facilitate rapid case resolution to maximize system availability and boost end-user productivity.
- Offer insight into support issues experienced by other Kronos customers, helping you avoid the same problems.
- Advocate for your organization's interests by sharing your feedback and requests with Kronos product development.
- Participate in your organization's regularly scheduled support meetings, providing feedback and sharing best practices with support staff.
- Help you prepare for HR/payroll events such as open enrollment and year-end (W-2) processing.

2. Describe your company's abilities to assist with recommendations on the development of a disaster recovery plan for Participating Public Agencies. Include any previous experience, contingency plans, alternatives and issues related to continuing system operations in the event of an extended total system outage.

For on-premises installations, Kronos does not dictate specific plans to our customers; instead we offer industry standard capabilities which can be integrated into your company's specific Disaster Recovery Plan. The Workforce Central system utilizes the prescribed database recovery techniques of the supported Oracle and Microsoft SQL Server databases. For our vendor-hosted offerings, the backup processing site is always active and stands ready for our customers. The Workforce Ready solution provides backups every 5 minutes of the production server and the disaster recovery site. Should data need to be restored the down time would be minimal.



3. Describe your company's quality control processes.

Kronos Incorporated is committed to creating an environment where quality is more than a goal: it is our way of doing business. Through the contributions of individuals and teams, we will strive to meet your requirements by maintaining a Corporate Quality System and continuously improving our performance.

- **Production.** Kronos Incorporated has developed a quality management system to better satisfy the needs of its customers and to improve management of the company. The Quality System complies with the international standard ISO 9001:2000, covering the production of the company's product.
- **Implementation.** Kronos uses a proven, structured implementation methodology called Momentum. Regardless of the scope of the project, we approach it in the same careful, structured way. Our method consists of five phases: Plan, Assess, Solution Build, Test & Certify, and Deploy & Support.

This disciplined five-phase approach ensures a coordinated handoff between Kronos groups and ensures the successful delivery of your frontline labor-management solution. The Kronos implementation team will guide you through the different phases, and follow formal procedures for handoff at the end of each phase, including the final handoff to **Kronos Support Services**. Each handoff is an opportunity for you to evaluate the implementation process and determine its success in adhering to your goals.

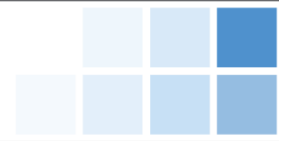
A formal Project Plan and Statement of Work will clearly outline timelines, milestones, and responsibilities. This becomes the road map for monitoring the implementation against your goals. To ensure the project is administered correctly, the Kronos Project Manager will constantly manage to the project plan and the budget. The Kronos Enterprise Services Manager is the key executive responsible for the project success.

Executives from Kronos and your organization along with a Working Steering Committee will review the project status and remove any roadblocks to the project success. The Client Solutions Partner, a member of your account management team, will monitor the implementation to ascertain that your requirements are being met. When the implementation has concluded and the software is in live production, Kronos will perform a post-implementation quality review to analyze the implementation, and determine next steps for successful use of the software. These numerous quality control checks and balances promote a high quality, successful implementation.

4. Describe your problem escalation process.

Support Guidelines

Kronos Global Support is committed to respond to all customer service requests within a certain period of time based on support contract type and the priority of the service request. For the Kronos Gold Support Plan High Priority requests are addressed within 2 hours, Medium Priority within 4 hours, and Low Priority within 8 hours. For the Kronos Platinum Support Plan High Priority requests are addressed within 1 hour, Medium Priority within 4 hours, and Low Priority within 8 hours.



Response time is defined from the time a case is logged by Kronos Global Support until an Engineer talks to or attempts to contact the customer. All response times are business hours. The above are only guidelines and may be modified, for a particular incident, based on joint agreement between the customer and Kronos (e.g., if a Gold support customer's case is logged at 4:55 p.m., local time, with a "Medium Priority" designation, Kronos would respond before 8:55 a.m., local time, the next business day (Monday – Friday) for Gold Support customers).

Kronos' Global Support organization responds to customer support calls in an average of 90 seconds or less. The Kronos Global Support customer service center is engineered to make your service call a successful one in the fastest time possible. Callers that register with their Solution ID are automatically routed to the support group queue specific to their product. Kronos utilizes a Priority based support focus. Customers with the most critical request will be serviced in accordance with the following guidelines:

- **Priority High:** a critical Customer problem such as the Software is “down” and Customer cannot utilize the Software, will have a response time of two business hours or less.
- **Priority Medium:** a serious Customer problem which impacts Customer’s ability to utilize the Software effectively will have a response time of four business hours or less.
- **Priority Low:** a non-critical problem with an acceptable workaround will have a response time of one business day or less.

Response times are from the time a call is received by Kronos’ Global Support Center until a Kronos service representative contacts the Customer to begin service.

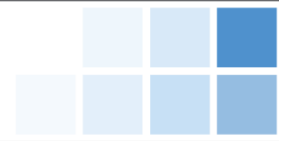
Critical Outages

Kronos Global Support will provide continuous effort on all high priority events through either bug identification, the development of a workaround or problem resolution. If this effort goes beyond normal hours, the case may be passed to the after hours team or to the mission critical support engineer on duty. On-going continuous effort may also be dependent on the customer's ability to provide a resource to work with the Kronos Global Support engineer during this period. Support outside the scope of the services agreement is billable.

Technical Escalation

The KGS escalation process is driven by multiple factors including case priority. Our goal is to resolve your issue in the timeframe required to meet your business needs. The general process flow in Kronos Global Support is:

- Level 1 Technical Support
- Level 2 Technical Support
- Post Release Services



If the issue cannot be resolved by KGS and the customer is running an engineering-supported version of the Kronos product, then KGS will escalate the issue to the appropriate product engineering group.

Management Escalation

Customers may ask to speak to a Kronos manager at any time if they have any issue with the level of service they are receiving with a specific case or service in general.

The problem resolution process can vary depending on the nature and severity of the problem, but Kronos does have a formal escalation policy in place that addresses these types of issues. If an anomaly persists and all reasonable steps have been taken to resolve the customer issue in Kronos Global Support, the case (including all technical details) will be reviewed with the Escalation team. If necessary, a formal handoff will take place to the Escalation team, who at that point takes ownership of the account and the issue reported, and is responsible for working the issue to closure.

The Escalation team utilizes whatever Kronos resources are necessary to move the issue forward as quickly as possible. If the problem is product related, the issue is presented to Engineering as a formal Product Action Request (PAR). The PAR is evaluated and prioritized according to the criteria for escalation listed above, and a plan is developed to address the issue. The severity of the issue will determine the action plan, which could be the release of an escalation patch, or inclusion of the fix in the next regularly scheduled support release for the product, depending on the severity of the issue, and the timing of product releases.

5. How are customer complaints measured and categorized? What processes are in place to know that a problem has been resolved?

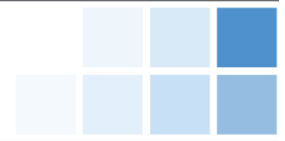
All customer activity is tracked in our CRM package, Amdocs, which allows us to capture all activity related to every customer call. Our support engineers enter notes reflecting all activity associated with the case. Priority is based on the urgency of the issue, and activity aging is tracked through standard management reports. All issues are categorized by product and product function, and can be quantified in that fashion. Analysis is based on the aforementioned qualification of product and product function, as well as a root cause categorization that is identified in each case upon closure. All reports can be run by customer or by all customers, for any period of time under consideration.

6. Describe and provide any product or service warranties.

All warranties are outlined in the Kronos Sales, Software License and Services Agreement and the Kronos Workforce ready Software as a Service Terms and Conditions provided in **Tab D – Qualifications** of the Kronos Technical Proposal.

Workforce Central – Limited Warranty

Kronos warrants that all Kronos Equipment and Software media shall be free from defects in materials and workmanship, for a period of ninety (90) days from Delivery. In the event of a



breach of this warranty, Customer's exclusive remedy shall be Kronos' repair or replacement of the deficient Equipment and/or Software media, at Kronos' option, provided that Customer's use, installation and maintenance thereof have conformed to the Specifications. This warranty is extended to Customer only and shall not apply to any Equipment (or parts thereof) or Software media in the event of:

- (a) damage, defects or malfunctions resulting from misuse, accident, neglect, tampering, (including modification or replacement of any Kronos components on any boards supplied with the Equipment), unusual physical or electrical stress or causes other than normal and intended use;
- (b) failure of Customer to provide and maintain a suitable installation environment, as specified in the Specifications; or
- (c) malfunctions resulting from the use of badges or supplies not approved by Kronos.

When using and applying the information generated by Kronos products, Customer is responsible for ensuring that Customer complies with the applicable requirements of federal and state law. If Customer is licensing Workforce Payroll Software or Workforce Absence Management Software:

- (i) Customer is solely responsible for the content and accuracy of all reports and documents prepared in whole or in part by using such Software, (ii) using such Software does not release Customer of any professional obligation concerning the preparation and review of such reports and documents, (iii) Customer does not rely upon Kronos, Best Software, Inc. or such Software for any advice or guidance regarding compliance with federal and state laws or the appropriate tax treatment of items reflected on such reports or documents, and (iv) Customer will review any calculations made by using such Software and satisfy itself that those calculations are correct.

Kronos Professional and Educational Services warranty

(c) WARRANTY

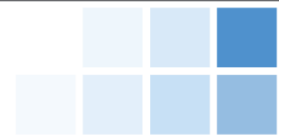
Kronos warrants that all professional and educational services performed under this Agreement shall be performed in a professional and competent manner. In the event that Kronos breaches this warranty, and Customer so notifies Kronos within 30 days of receipt of invoice for the applicable services, the Customer's sole remedy and Kronos' exclusive liability shall be to re-perform the services which were deficient in a manner so as to conform to the foregoing warranty, at no additional cost to Customer.

Workforce Ready – Limited Warranty

10. LIMITED WARRANTY; DISCLAIMERS OF WARRANTY

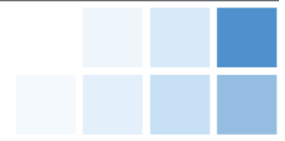
10.1 Kronos represents and warrants that the Services, under normal operation as specified in the Documentation and when used as authorized herein, will perform substantially in accordance with the Documentation during the Term.

10.2 Kronos' sole obligation and Customer's exclusive remedy for any breach of the above warranty is limited to Kronos' reasonable commercial efforts to correct the non-conforming Services at no additional charge to Customer. In the event that Kronos is unable to correct deficiencies in the Services, after using its commercially reasonable efforts to do so, Customer shall be entitled to terminate the then remaining term of the Agreement for cause in accordance



with Section 1 above as Customer's exclusive remedy. Kronos' obligations hereunder for breach of warranty are conditioned upon Customer notifying Kronos of the material breach in writing, and providing Kronos with sufficient evidence of such non-conformity to enable Kronos to reproduce and/or verify the same.

10.3 EXCEPT AS WARRANTED IN THIS SECTION 10, KRONOS HEREBY DISCLAIMS ALL WARRANTIES, CONDITIONS, GUARANTIES AND REPRESENTATIONS RELATING TO THE SERVICES, EXPRESS AND IMPLIED, ORAL OR IN WRITING, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT, AND WHETHER OR NOT ARISING THROUGH A COURSE OF DEALING. THE SERVICES ARE NOT GUARANTEED TO BE ERROR-FREE OR UNINTERRUPTED. EXCEPT AS SPECIFICALLY PROVIDED IN THIS AGREEMENT, KRONOS MAKES NO WARRANTIES OR REPRESENTATIONS CONCERNING THE COMPATIBILITY OF SOFTWARE OR EQUIPMENT OR ANY RESULTS TO BE ACHIEVED THEREFROM. KRONOS PROVIDES NO WARRANTY FOR SUPPLIER HARDWARE OR SOFTWARE EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED ON AN ORDER FORM.



Administration

- 1. Describe your company's capacity to employ EDI, telephone, ecommerce, with a specific proposal for processing orders under the Master Agreement. State which forms of ordering allow the use of a procurement card and the accepted banking (credit card) affiliation.**

Kronos does not use EDI technology, telephone ordering or e-commerce at this time.

All orders can be processed by sending a copy of the signed Order Form and/or Purchase Order (and applicable documents) to USCOOrders@kronos.com or by emailing your assigned local Sales Support Specialist.

All orders under \$10,000 can be purchased via a procurement card. Kronos accepts Master Card, Visa and American Express.

- 2. Provide a listing of any existing multi-state cooperative purchasing program contracts held by your company, if any, and provide the entity's name(s) and a description of the type of contract held.**

Kronos does not currently have a multi-state cooperative purchasing program contracts.

- 3. Describe the capacity of your company to report monthly sales under the Master Agreement by Participating Public Agency within each U.S. state.**

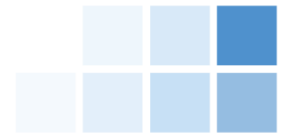
Kronos will send monthly sales reports under the Master Agreement in the suggested format for each participating public agency within each U.S. state.

- 4. Describe the capacity of your company to provide management reports, i.e. commodity histories, procurement card histories, green spend, etc. for each Participating Public Agency.**

Kronos will provide management reports upon request; however please note that management reports will be limited to information that Kronos would consider public information. Kronos cannot release information that would be considered private and confidential.

- 5. Please provide any suggested improvements and alternatives for doing business with your company that will make this arrangement more cost effective for your company and Participating Public Agencies.**

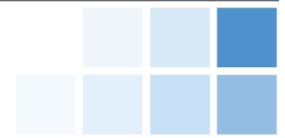
Kronos has no additional improvements to the process at this time.



Financial Statements

The Supplier shall include an audited income statement and balance sheet from the most recent reporting period in its proposal.

Kronos has provided our FY2012 audited financial statements with our proposal. Please note that Kronos considers our audited financial statements confidential and have sealed them in a separate envelope accompanying our proposal. Please see the enclosed sealed envelope provided with this proposal, entitled: **Kronos FY2012 Audited Financial Statements – CONFIDENTIAL**.



National Staffing Plan

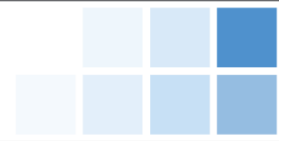
A staffing plan is required which describes the Supplier’s proposed staff distribution to implement and manage this contract throughout the term of the contract. The staffing plan should indicate a chart that partitions the time commitment of each professional staff member across the proposed tasks and a timeline of each member’s involvement throughout the contract. It is mandatory that this section identify the key personnel who are to be engaged in this contract, their relationship to the contracting organization, and amount of time to be devoted to the contract.

Kronos has over 55 offices in North America, serving customers in all 50 states. Kronos currently has 3,635 employees worldwide. In addition, Kronos has over 900 personnel dedicated to providing customer services. It would be our intent to leverage those qualified resources closest to member Agencies for any projects that fall under the U.S. Communities contract.

The following is a representation of the typical project team roles and their anticipated monthly FTE equivalent. Most agencies utilizing the U.S. Communities contract would have similar percentages for their individual projects. The percentages are generally true for Workforce Central, Workforce Ready, and Workforce TeleStaff implementations. Subsequent in this document is our estimated service engagement for Harford County which would bear percentages similar to those found in the graph.

Role	Estimated Monthly Kronos Resource (FTE%)					
	1	2	3	4	5	6
Project Manager	51%	29%	26%	19%	19%	19%
Workforce Timekeeper Solutions Consultant	30%	31%	25%	28%	23%	15%
Workforce Timekeeper Application Consultant	13%	48%	38%	15%	10%	10%
Workforce Leave Solutions Consultant	8%	11%	10%	5%	5%	4%
Workforce Leave Application Consultant	4%	14%	5%	3%	3%	3%
Workforce Attendance Solutions Consultant	6%	9%	6%	5%	5%	4%
Workforce Attendance Application Consultant	4%	11%	5%	3%	3%	3%
Workforce Accruals Solutions Consultant	6%	10%	5%	5%	5%	4%
Workforce Accruals Application Consultant	4%	11%	3%	3%	3%	3%
Integration Consultant	10%	25%	10%	5%	4%	4%
Technical Consultant	3%	18%	10%	3%	3%	3%

All roles identified above are Kronos direct employees.



Environmental

- 1. Provide a brief description of any company environmental initiatives, including your company's environmental strategy, your investment in being an environmentally preferable product leader, and any resources dedicated to your environmental strategy.**

Kronos supports our environmental initiatives by establishing company-wide programs such as our Rideshare Program, Cleaning Services and Recycling, Printing/Copying reduction, Manufacturing/Service Logistics recycling, and Cafeteria consumables. We continue to be committed to support our environment. In fact, our top three environmental initiatives are:

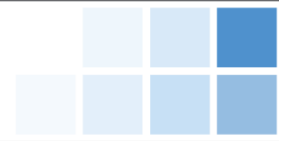
- Electricity consumption: we have recently re-commissioned our buildings to further reduce our consumption.
- Waste: we have a recycling program in place that directs all metals, electronics and papers to a certified recycler.
- Cleaning chemicals: our cleaning vendors uses "green" cleaning chemicals in our Chelmsford Campus.

- 2. Describe your company's process for defining green products or sustainable processes.**

Kronos is making continuous strides in making our Chelmsford campus more environmentally friendly.

In fact, we received the Gold Seal of Approval from the Town of Chelmsford's Greener Chelmsford Initiative. We were the first business to qualify for the award by satisfying all 15 requirements set forth by the town. Some of the measures we took to earn the gold seal of approval include: switching to energy-efficient light bulbs; adjusting lighting schedules and temperatures; building a recycling program; and undergoing an energy audit.

We're continually innovating in many areas to become "A Greener Kronos." Our efforts has reduced the company's CO2 emissions by 11% for a reduction of 407 tons. To put that in perspective, that reduction is equal to annual greenhouse gas emissions from 164 passenger vehicles or carbon sequestered by 22,979 tree seedlings grown for 10 years. We will continue to make enhancements to further reduce our carbon footprint with a goal to be recognized in the state-wide Leadership Circle.



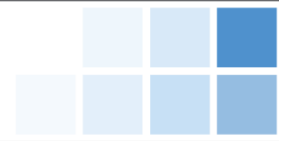
Additional Information

Please use this opportunity to describe any/all other features, advantages and benefits of your organization that you feel will provide additional value and benefit to a Participating Public Agency.

Kronos Project Team

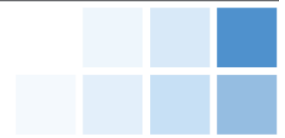
Kronos will provide a team of consultants who have experience in similar deployments to provide best practices advice and guidance to ensure a tailored, successful implementation plan and approach are carried out.

Professional Services Manager – Public Sector	
Position Summary	Responsible for planning, organizing and managing a Professional Services team within a region or area. This position will have total responsibility for all implementations for their assigned region or area and will include the management of all Project Manager and Application Consultant resources that are dedicated to Implementations. The PSM has a dual role in driving a high level of customer satisfaction on implementations while ensuring efficient use of Kronos resources.
Principal Responsibilities	<p>The PSM will have responsibility for the entire implementation process from the sale through successfully meeting the agreed upon customers criteria for success. This will involve working closely with the sales organization to ensure the proper expectation is set with the customer, along with an appropriate level of professional services sold. The PSM will ensure the proper skill sets, tools, and processes are utilized to ensure high quality implementations while optimizing Kronos resources. On a daily basis the PSM will:</p> <ul style="list-style-type: none"> • Direct the delivery of implementation services with a high level of customer satisfaction and in a profitable manner. • Manage the revenue stream for all professional services generated within the region or area to ensure targets are met. • Analyze industry data and identify and secure business opportunities while looking for, proposing, and generating new implementation services. • Assist the Region or Area Service Manager in implementing corporate service programs. • Ensure a thorough understanding of customer expectations through meetings with sales and discussions of contractual details with the customer at the planning meetings. • Ensure the PM's and Implementation AC's are properly trained and prepared to project manage and install all Kronos products. • Coach and become directly involved in resolving prolonged or unusual installation system problems and coordinate the problem escalation necessary to resolve these issues at the area or corporate level. • Review the effectiveness of present AC's skills and proficiency to deliver a total and quality installation project and establish and implement a written development plan for each implementation AC. • Review the effectiveness of present PM's skills and proficiency to deliver professional project management and establish and implement a



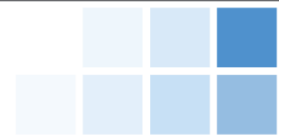
	<p>written development plan for each PM.</p> <ul style="list-style-type: none"> • Ensure the PM's follow all corporate and local implementation processes to ensure a high quality efficient implementations. • Contact customers to ensure the level of services provided are exceeding or meeting customer needs. • Assist the RSM with recruitment, selection, training, development and evaluation of service personnel in the office. • Ensure that all services performed beyond those agreed upon in the contract are billed to the customer. • Work on addressing customer issues on a timely basis. • Resolve any employee issue on a timely basis.
Qualifications	<ul style="list-style-type: none"> • Bachelor's degree or equivalent in a Business, Computer Sciences or related field • 8 plus years' experience in systems integration/project management work • 4 years of supervisory or management experience. • Demonstrated proficiency in supervision / management in a similar software / hardware applications environment.

Project Manager – Public Sector	
Position Summary	The Project Manager is a critical focal point to Public Sector customers. The PM is expected to manage all project aspects and resources in order to ensure timely, efficient, successful implementations. Additionally, mentoring of internal team members is required.
Principal Responsibilities	<ul style="list-style-type: none"> • Assign a wide range of tasks based on skills, experience, and availability; clearly communicates task priorities, helping personnel adjust workload as needed. • Prepare project plans/schedules, reports and budgets. • Track and monitor all deliverables, calendars and meetings as necessary. • Set performance goals for project team or work unit. • Monitor project and/or personnel performance, checking actual performance against planned performance to ensure technical, schedule, and budget goals are met or exceeded. • Collect inputs and prepare weekly and monthly status reports as required. • Explain any deviations from planned budgets and schedules. In addition, prepare and support quarterly management reviews. • Provide technical and leadership guidance and direction to personnel to ensure proper, timely completion of work. • In addition, provide personnel with timely, constructive, and actionable feedback that increases individual and team effectiveness. • Anticipate problems or situations that could affect the team. • Assess the potential impact on own and others' work, and develop and execute the best work solution. • Manage escalated situations as proactively as possible, involving



	<p>management as needed.</p> <ul style="list-style-type: none"> • Interact frequently with team, management and customers to define project requirements and identify solutions consistent with defined terms, methodology, policy, and regulations. • Develop strong customer relationships as ‘trusted advisor’ at project management, payroll manager, and senior management levels. • Strong attention to detail as well as ability to function strategically within account; proactively look at ‘big picture’ for project/customer short and long term goals; identify and drive additional revenue opportunities within account. • Proven ability to manage multiple concurrent projects within customer, tying them all together with strategic vision and focus.
Qualifications	<ul style="list-style-type: none"> • Bachelor’s Degree • Strong leadership skills with the ability to work as part of a project team. • 7+ years of project management work experience required • 5+ years of work experience in a Public Sector environment • Experience managing large software implementation projects required • Broad knowledge of labor management, HR / Payroll, ERP, or similar domain product/systems strongly preferred • Experience managing an implementation team highly desirable • Strong experience scheduling, preparing presentations and status reports. • Superb written and oral communication skills required (e.g., proficient in Microsoft PowerPoint and Word). Experience with Microsoft Project a plus.

Solution Consultant – Public Sector	
Position Summary	<p>The Solutions Consultant will work in highly complex technical Public Sector environments requiring a multi-product solutions as well as product integration and custom solutions. Responsible for providing consultative and technical support to Public Sector customers and internal resources, utilizing the defined implementation process and efficiently managing internal and external resources to meet the project milestones.</p>
Principal Responsibilities	<ul style="list-style-type: none"> • Preparation of detailed analysis of business processes, including client interviews, current flow validation, and development of automated flow charts detailing process steps, hand offs and decision points. • Providing technical on-site applications support to customers, answering complex questions on function and usage of product. • Serving as primary support liaison between company and customer, conveying customer feedback to product development staff. • Providing consultative and technical support to Kronos Application Consultants through working on projects, mentorship and in-house education. • Maintain a high level of enterprise competence, coordinate development and assignments as well as identify, capture and share expertise. • Providing both pre-sales and service support where domain or product

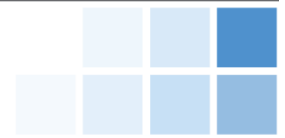


	expertise does not exist within the organization.
Qualifications	<ul style="list-style-type: none"> • Bachelor’s Degree • Excellent verbal and written communication skills. • 5+ years of work experience in a Public Sector environment • Consulting / customer interface experience required • Software applications implementation experience required • Broad knowledge of labor management, HR / Payroll, ERP, or similar domain product/systems preferred • Solid interpersonal skills to interface with co-workers and customers. • Ability to manage specific tasks to completion with minimal direction. • Ability to collaborate with clients and have strong desire to excel.

Application Consultant – Public Sector	
Position Summary	Work in a team environment at customer’s sites to implement, enhance and support products/services that Kronos sells to its customers. Apply the Momentum Methodology and the Consultative Approach with our customers. Works closely with the Kronos Project Managers to complete tasks delegated by the Project Managers in support of system implementations, though may operate independently given the service provided.
Principal Responsibilities	<ul style="list-style-type: none"> • Implement data collection devices • Implement software in multi-vendor environments • Perform business rule analysis • Configure software applications • Conduct application orientation for customers • Analyze enhanced requirements and creating process documentation, diagrams and feature specifications • Business process requirements gathering • Understand and configuring software interfacing products • Consult customers on system configuration, industry specific features and system processes and procedures • Troubleshoot complex customer environments
Qualifications	<ul style="list-style-type: none"> • Bachelor’s degree or equivalent in Computer Science or related field • 5+ years’ experience in the implementation of workforce management software solutions in a Public Sector environment. • Customer requirements gathering • Facilitating workshops and creating design documents • Experience with multiple operating systems • Experience in the utilization of Oracle & SQL relational databases at a programming and/or Admin level • Direct experience in implementing web-based technologies • Demonstrated communication skills – written and verbal – targeted at executive levels of the organization (internal and external) • Expertise in enterprise level application workflow solutions

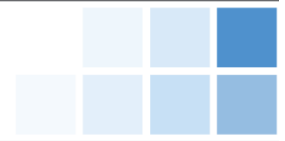


Technology Consultant – Public Sector	
Position Summary	The successful applicant will demonstrate how they can apply their skills acquired as a seasoned, experienced professional with a full understanding of industry practices and company policies and procedures. They will be expected to resolve a wide range of issues through imaginative as well as practical evaluation of identifiable factors. They will demonstrate good judgment in selecting methods and techniques for obtaining solutions. They will possess strong consultative abilities and communication skills which they will leverage to tie their technical recommendations to business benefits and process change. After initial training they normally require little instruction on their day-to-day work.
Principal Responsibilities	<ul style="list-style-type: none"> • Installs, tests, documents, and troubleshoots Workforce Central software installations • Delivers technology service offerings to Workforce Central customers • Consults on designing system architecture and provides hardware recommendations • Reviews performance optimization and best practices • Delivers technical application of service packs and upgrades • Communicates effectively to both technical and non-technical individuals at various levels of customer organizations, as well as internally. • Uses consultative techniques and skills in their consulting services delivery
Qualifications	<ul style="list-style-type: none"> • BS/BA degree in Computer Science or related discipline or equivalent experience • Minimum of 10 years related work experience (ideally in a consulting or project-centric role). • Must have at least 10 years work experience with the below mentioned technologies. • Complex system architecture design • Excellent programming knowledge in Pl/SQL and Oracle DB database structures • Installation, configuration and maintenance of SQL 2005, SQL 2008, Oracle 10g, Oracle 11g databases. • Perform upgrade of database from SQL 2005 to SQL 2008 / oracle 10g to Oracle 11g. • Must have Good knowledge of database table structures, relationships, data types. • Must have good experience in requirement gathering and analysis. • Ability to design tables, user functions, stored procedures, views etc. • Ability to take backup, restore, copy database from one server to another server. • Ability to tune SQL queries, including indexing best practices, hints, SQL query formation, and optimization tools etc.



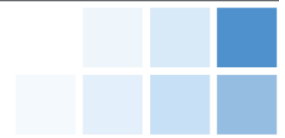
	<ul style="list-style-type: none"> • Sound knowledge on Windows 2003 / Windows 2008 OS and troubleshooting • Ability to install, configure and troubleshoot of IIS, Apache. • VMware (ESX and Workstation) • Knowledge of WAN and LAN network architecture, potential issues, and troubleshooting tools and techniques • Disaster Recovery Planning
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Integration Consultant – Public Sector	
Position Summary	As part of Integration Central, the Integration Consultant will work with implementation team to provide support around integration requirements for the Kronos Full Suite.
Principal Responsibilities	<ul style="list-style-type: none"> • Resources will have to be able to communicate clearly and be able to read specs. • Work closely with Project Managers and Integration Team Leader (or be the team lead), communicating and understanding goals required to complete required tasks on time and budget. • Work in fairly complex technology environments requiring a multi-product solution, as well as product integration, solutions. • The position requires experience with Kronos or competitive products, providing some domain expertise. • Experience with Kronos WIM, Kronos Connect • IC must be comfortable linking database values to our integration module
Qualifications	<ul style="list-style-type: none"> • Bachelor's degree or equivalent in Computer Science or related field • 8-12 Years' experience in the implementation of Kronos Integration solutions • Experience utilizing PC application software (MS Office) • Be self-sufficient/motivated but be able to work as part of a team • Ability to manage an integration team on a project • Ability to translate requirements into working re-usable solutions • Be able to do Integration assessments for Interfaces for mid to large projects • Demonstrated strong communication/consulting skills – written and verbal (internal and external facing) • Travel up to 25% • Domain expert in at least one of the verticals as Retail, Healthcare, Manufacturing, Public Sector, Service and Distribution • Expertise in SQL and/or Oracle • For complex interfaces, resources with the ability to create and read stored procedures, select statement and write parameters, complex joins and create views. • Other development languages (.NET, JAVA, VB, C++) are a big plus for integration work for third party integration and very complex integration that goes above and beyond WIM and database

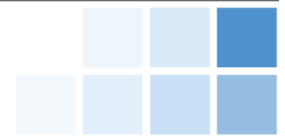


	<ul style="list-style-type: none"> • Development tools (for example source control, defect tracking tools, etc.)
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Training Specialist – Public Sector	
Position Summary	Responsible for performing in-house training on products for customer’s and region’s personnel. Provide formal training by using courseware developed or approved by corporate for delivery to customer’s and service personnel.
Principal Responsibilities	<ul style="list-style-type: none"> • Perform in-house training for customers using corporate developed or certified courseware (referred to as formal courseware in the remainder of this document). • Perform in-house training for Kronos employees using formal courseware.. • Identify and work with the corporate training department to develop new course materials to meet field requirements. • Interface with region’s sales organization to ensure understanding of training product offerings and to promote sales of education • Provide product training to employees as required and approved by Management. • Customize formal courseware as required to meet customer specifications as approved by management • Schedule and coordinate all local training to meet the needs of the region in an efficient and timely manner. • Function as primary contact for all training related activities, materials, and correspondence for the region. • Keep current on new products, industry trends, and customers training needs. • Achieve and maintain certification in specific courses as directed by management • Solicit course evaluations and continually develop skills to improved teaching and training methods. • Assist management with determining specific product training plans for the field service personnel in the region. • Load Kronos software, connect terminals, and provide basic maintenance of regional training center • Provide after hour availability as required to meet business requirements. • Perform administrative tasks as required to support the business.
Qualifications	<ul style="list-style-type: none"> • Four year college graduate or equivalent experience with 4-6 years’ experience in training in a similar environment. • Demonstrated proficiency in training delivery and support of many software applications in multiple environments. • Basic knowledge of Windows and NT operating systems. • Training skills, excellent customer relations/communication, time management, and organizational skills are required.

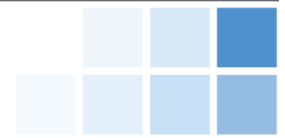


Cloud Build Manager – Public Sector	
Position Summary	The Cloud Build Manager is an integral part of the Cloud Services team responsible for supporting and delivering exceptional service for Cloud customer implementations. This role works extensively with external and internal stakeholders to ensure technical readiness of customer to begin utilizing their Workforce Central application in a Cloud hosted environment.
Principal Responsibilities	<ul style="list-style-type: none"> • Create and drives infrastructure sourcing and installation plan for each implementation, ensuring all Cloud QA standards are met along the way. • Respond to customer queries and handle infrastructure concerns. • Manage Core Tech and IT and the PS project team to complete the build book so that the environments can be provisioned in a timely fashion. • Coordination and communication of the release of environments to the implementation project team. • Strong and effective communication with the IT team and the PS project team. • Coordination of the install events, configuration management and go live planning with the PS project team and the IT team. • Lead discussions about clock communications, connectivity, access and architecture with the customer • Quickly escalate changes in the use case to the PS project team and the Core Tech and IT teams. • Create a hosting operations document for each customer, negotiating services such as planned outage windows and maintenance. • Lead customer transition to Cloud Customer Manager.
Qualifications	<ul style="list-style-type: none"> • Master’s Degree or four-year degree within either business or industry related field • Possess a blend of customer management, technical project management, and technical infrastructure skills. • Excellent consulting, communication and documentation skills. • Minimum 5-7 years of related experience including IT operational/development experience including program management type roles. • Knowledge of change management and configuration management practices. • Broad understanding of IT planning, architecting, engineering, and operations across multiple disciplines • Direct experience with data center migrations • Facilitate and manage resources from multiple teams and multiple vendors • Understand hosting operations of single and multi-tenant enterprise application infrastructure • Strong attention to detail required ensuring effective planning, implementation and execution. • Have strong relationship building skills to effectively work in all areas of



	<p>the business to successfully perform the required duties.</p> <ul style="list-style-type: none"> • Familiar with Windows operating systems, Oracle and SQL database usage, and general data center infrastructure including Servers, Connectivity, Architecture, Disk and Tape Storage, Backup methodologies, and Disaster Recovery • Computer Science, Engineering, Electronics, MIS, Telecommunications, IT disciplines or Business Administration • PMP and ITIL Certification is a plus. • Multilingual in any of the following languages (Chinese, Portuguese, French, German, Spanish) • SAS70 / SOC-1 / SOC-2 compliance
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Customer Cloud Manager – Public Sector	
Position Summary	<p>The Cloud Customer Manager is responsible for relationship and account management for Kronos Cloud Customers. By focusing on strategic involvement and customer advocacy, the CCM serves as a single point of contact for all non-technical cloud based initiatives. The CCM ensures high customer retention rates and ultimately strives for outstanding customer satisfaction. Innovative problem resolution strategies are used to manage issues as they arise in the lifecycle of a Cloud Customer. The CCM also assists in identifying opportunities to position Kronos products or services to advance the customer’s business function and to help drive incremental revenue</p>
Principal Responsibilities	<ul style="list-style-type: none"> • Responsible for customer relationship and driving improved satisfaction leading to Cloud customer references • Contacts customer base regularly and serves as customer advocate internally. Assists in resolving post-sales non-technical customer inquiries relating to products and/or Cloud services • Demonstrates strong relationship building skills to effectively work with and influence internal and external stakeholders • Effectively solves routine and complex problems – able to utilize specialized knowledge and analytical skills to gather, analyze, and review information; provides concise and useful summaries, determines appropriate resolution, including presenting results and recommendations to Customers, Sales and Kronos Management • Responsible for gathering and organizing regular reports for customer Business Reviews as well as internal management audiences • Coordination of project based service delivery as well as the internal processes and documentation required for those projects • Assists Cloud Managers in the preparation of forecasts and other business intelligence reports • Looks for opportunities to expand Kronos footprint and service offerings • Develop strong competence with the various internal tools and procedures used to accomplish the job • Provides ideas to improve internal processes and participates in mentoring and leadership for other team members as needed



<p>Qualifications</p>	<ul style="list-style-type: none"> • BS/BA degree and/or a minimum of 3 years related work experience. • Minimum of 3 years of Customer Management, Project management, Application Consulting or Solution Services Consulting work experience. • Minimum of 3 years of hosting, subscription, and ongoing application lifecycle management experience. • Experience interacting with Enterprise level, Fortune 500+ customers. • Strong presentation development and writing skills (e.g., proficient in Microsoft PowerPoint and Word) with experience scheduling, preparing presentations and status reports. • Strong organizational and leadership skills with the ability to work independently and as part of a team. • Demonstrated work achievement in complex, diversified settings and experience working with a geographically distributed team with different cultures. • Multilingual a plus (Spanish, Portuguese, Chinese, French). • Has the ability to work under pressure, shows creativity and must welcome challenges.
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Workforce Central Technical Datasheet

Time and Labor Technical Data Sheet

Kronos Workforce Central labor management solutions constitute a web-based enterprise suite of applications designed to maximize workforce productivity while minimizing the impact on IT. The advantage of the product platform lies in its ability to match the needs of the users with a broad range of employee interaction devices: Web browsers, data collection terminals, biometrics, telephony, personal digital assistants (PDAs), and more.

Platform portability

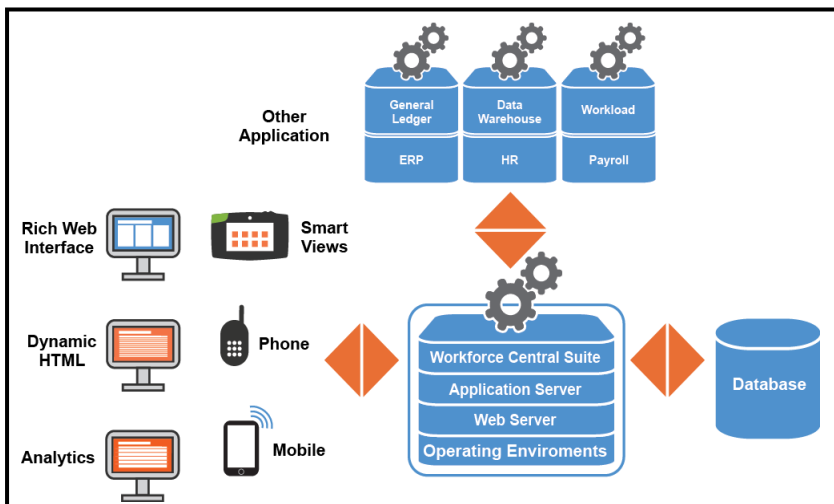
The Workforce Central labor management architecture follows an industry-standard model using the Java 2 Enterprise Edition (J2EE) for Web applications to provide an extensive set of scalable platform options to customers. The J2EE platform enables the application to run on a broad set of operating systems and application servers. This open and portable approach to application development is also apparent in the supported database products, Microsoft SQL Server and Oracle.

Three-tier architecture

From an IT perspective, Kronos' labor management solutions are structured in three-tier application architecture. This architecture unlocks the real power of the Kronos solution, to be deployed quickly and integrated cost-effectively within an existing IT infrastructure.

Client tier: In the client tier, customers have access to multiple types of interfaces to interact with Kronos applications. Based on the role of the users, Kronos provides access via telephony, PDAs, data terminals (including SmartViews), dynamic html, rich web interfaces (Ajax, Flash, java applets), and portals that leverage the most suitable technology to meet users' specific needs. Web pages and applets connect to the Web-based Workforce Central Application Server.

Application tier: The J2EE application server implements the major parts of the application, including the application logic, performing the real work of the application. The Web server resides on this tier, awaiting browser requests that are passed to Workforce Central. The application tier also includes a business rules engine Web service that optimizes the application server by offloading computationally intensive work for faster response. At the heart of this Web service is the Workforce Totalizer, a robust rules engine designed around an object-oriented model. The Workforce Totalizer executes the Workforce Central business rules in real time. The advantage to this approach is its ability to provide payroll managers and supervisors with real-time calculated data to support decision making and data modeling.



Database tier: The database server efficiently stores and retrieves all application data. The database configuration has many dependencies, including the number of employee records in the database, the number of clients, the number of pay periods to be stored, and configuration of the storage subsystem.

The technology details contained in this document describe the following products in the Kronos® Workforce Central® suite:

- Workforce Timekeeper® 7
- Workforce Employee™ 7
- Workforce Manager™ 7
- Workforce Mobile™ 7
- Workforce Tablet™ 7
- Workforce Accruals® 7
- Workforce Scheduler™ 7
- Workforce Absence Manager™ 7
- Workforce Activities™ 7
- Kronos Touch ID™ Software
- Workforce Integration Manager™ 7
- Workforce Record Manager™ 7
- Workforce Device Manager™ 7
- Workforce Forecast Manager™ 7
- Workforce Operations Planner™ 7
- Workforce Analytics™ 7

Data collection and self-service

Workforce Central supports four general categories of users: administrators charged with configuration and setup, employees, frontline managers who directly manage employees and human resource and payroll specialists who centrally manage the corporate payroll and pay policies. Managers and specialists have very similar requirements; they are the real power users of a labor management application.

Considering the makeup of today's workforce, labor management applications must leverage the most appropriate technology to deliver a user interface equipped to meet the individual needs and work style of the user. A web-based technology approach provides a strong foundation for this degree of flexibility, but a closer look at the needs of the user often reveals more complex requirements. The distinct advantage of Kronos architecture is its ability to match the right technology approach with the usage model for each type of user and the strengths of a wide range of interaction devices.

For self-service employees who will be entering time and attendance data and checking their leave balances, a Web browser is all that is required for access. To protect the privacy of an employee's data and to increase the overall security of the solution, these connections to the Web server can be configured to use either the HTTP or the HTTPS protocol. The HTTPS protocol uses the Secure Sockets Layer (SSL) cryptographic protocol. Connections over HTTPS use encryption and require a server certificate from VeriSign or another certificate authority.

Managers and payroll specialists responsible for the time and attendance records of large numbers of employees need a highly interactive, rich user interface that doesn't slow them down. To meet these needs, the Kronos solution utilizes Java applets. Applets are downloaded only once when first accessed and run in the Sun™ Java runtime environment™ (JRE) plug-in. Only those Java applets necessary to perform the tasks associated with a particular user role are downloaded to the client. As a result, very small packets of actual data are being transmitted, keeping the bandwidth requirements for the Workforce Central application very low. Most users of the application can take advantage of a pure HTML deployment designed for self-service access.

Workforce Mobile

The Kronos® Workforce Mobile™ solution gives you a mobile connection to your Workforce Central® system. This means your workforce can complete common administrative tasks right on their mobile devices. Wherever managers are, they can easily see and rapidly respond to potential workforce management issues via Workforce Mobile Manager, through Workforce Mobile Employee, employees can perform their time management tasks when they need to, where they need to.

This on-the-go access means your workforce is able to instantly engage, make effective decisions, take action, and move on. It's mobile workforce management. And it will fundamentally

Workforce Tablet

The Kronos® Workforce Tablet™ solution provides managers with constant mobile access to their Workforce Central® system — all through the simple, convenient, and compelling user experience offered by today's tablet devices.¹ With the combined capabilities of Workforce Tablet and Apple® iPad® capabilities, Kronos delivers the power of a back-office PC to managers who don't work in the back office. Managers can easily record and access real-time labor data and streamline decision making by staying constantly connected to Workforce Central.

On-the-go access allows managers to maximize productivity for themselves and your employees by making critical workforce management decisions instantly — from the shop floor, across the building, or when traveling.

Workforce Analytics

Workforce Analytics products allow customers to solve vital workforce problems using strategic information delivery. Workforce Analytics gives an aggregate view of the workforce, allowing executives and managers to find the departments and facilities that are using best practices and those that need to improve. They can monitor the progress of the whole organization toward goals and find and redirect groups that are not meeting targets. Through the calculation of over one hundred key workforce metrics, Workforce Analytics transforms operational data into strategic intelligence.

Security of confidential data

Workforce Central supports LDAP and Microsoft Active Directory for password authentication for organizations to centralize the maintenance of passwords. And, to facilitate controlled access via once-per-session authentication, Workforce Central supports single sign-on capability for both SiteMinder® and SAML enabled environments. To reduce the impact on help desks, Kronos provides automated password reset. Workforce Central also supports SSL for added security at the customer's option. User access rights are defined in the Workforce Central access control profiles.

Integration with existing infrastructure

Kronos offers tools to support integration with critical business systems such as payroll, HR, patient information systems, and other back-office applications. Certified interfaces to major ERP systems, such as SAP, facilitate connections to existing data sources and repositories, further improving the return on investment.

The flexible and configurable Workforce Integration Manager™ integration tool contains components for interface processing and interface development. Workforce Integration Manager uses industry-standard technologies to import data from a variety of sources, files, and tables and to output data into many different file formats or directly to other relational database management systems. Batch transfer of tables from HR or payroll systems can be accomplished by using table-based import utilities provided within the Workforce Central applications. Workforce Integration Manager Interfaces help expand the use of your labor management data by making it accessible to other applications in the formats they require.

Extensibility support with XML API toolkit

Enterprise organizations desire tight integration with critical business applications resulting in data synchronization. Other organizations may require adherence to customer-specific user-interface standards. The SOAP-based XML API delivers this flexibility through views of business objects to facilitate the extension of business rules and validation of data. This open user interface supports unique customer needs while protecting the application integrity through a stable, reliable interface.

System administration

Workforce Central provides a number of capabilities for busy IT managers to perform system administration functions anytime and anywhere, a distinct advantage when their business takes them away from their primary locations. System administrators are pushed automatic notifications if scheduled events or servers fail. System performance metrics, such as active users logged on, can be monitored remotely, and system tasks and events can be scheduled at a convenient time when system usage is low. System status instrumentation, health data, and performance assessment data are provided for easy integration into leading monitoring and management applications.

VMware and Microsoft Hyper-V virtualization

Most Workforce Central 7 applications can be run on VMware® and Microsoft Hyper-V® virtual machines. Virtualization is a software technology that makes it possible to run multiple operating systems and applications on the same computer at the same time, increasing hardware utilization and flexibility. By using virtualization software, an IT department can transform, or “virtualize”, the hardware resources of an x86-based computer — including the CPU, RAM, hard disk, and network controller — to create several fully functional virtual machines that can each run its own operating system and applications just like a real computer. (Note: Workforce Analytics™ products are not supported on virtualized environments.)

Workforce Worksheets

You can access Workforce Genie® data and a number of Workforce Central data reports from Microsoft Excel® 2007 or 2010 by using the Workforce Worksheet plug-in.

Supported technology

Desktop requirements					
Browser			Operating System		
Vendor	Product	Version	Vendor	Product	Version
Microsoft	Internet Explorer	8 (32 bit), 9, and 10 (32 & 64 bit)	Microsoft	Windows 8 - 64-bit (Desktop Mode only)	
				Windows 7 - 32-bit and 64-bit	
				Windows XP - 32-bit	SP2
				Windows Server 2008 - 64-bit only	
Mozilla	Firefox 32-bit	Version 17 or higher		Windows Server 2008 R2 - 64 bit	
Apple ♦	Safari	6	Apple ♦	Mac OS-X 10.7 & 10.8	

Note: For Safari browser/OS X clients, JRE is provided by Oracle

Firefox does not support HRMS Admin

IE10 – Compatibility mode must be turned off and not supported by Analytics

CPU	Intel-based Pentium 4 or AMD equivalent; 2 GHz+ recommended
RAM	2GB minimum (required for Navigator framework) 4GB recommended
Cache	256KB/L2 recommended
Display	1,024 x 768 with 256 Color Recommended; Minimum graphics memory: 128 MB
Network Protocol	HTTP or HTTPS
Network Bandwidth	LAN Connection: Gigabit network recommended WAN Connection: Fractional T1 or (T1+ recommended)

Workforce Timekeeper v7 requires Cookies to be enabled and Active-X controls must be permitted.

Navigator user interface			
Vendor	Product	Version	Operating System
Adobe	Flash	11.1+	Same as supported Browsers

Only required if Workforce Navigator is used.

Java Plug-in			
Vendor	Product	Version	Operating System
Oracle	Java Plug-in (JRE)	Supports JRE 1.7 Family with a minimum of JRE 1.7.0_21 (ships with product)	Same as supported Browsers

Mobile	
Device type	Platform
Apple	iOS 3.1 & up (iPhone), iOS 3.1.1 & up (iPod touch) iOS 4.2 & up (iPad)
Android	OS 2.x & up
BlackBerry	OS 4.5.0 & up, OS 4.6.0 & up, OS 5.0.0 & up, OS 6.0.0 & up
Nokia	Series 40 3rd Edition & up, Series 40 5th Edition & up Series 60 3rd Edition Feature Pack 1 & up Series 60 5th Edition & up

Tablet	
Device type	Platform
Apple	iOS 5.1 up (iPad)

Server Virtualization		
All components of Workforce Central and Analytics can be run on VM with following exceptions. Teletime 6 (Classic), Teletime-IP 7 cannot be run on a VM. Workforce Central Database server tier can be on a VM for customer sizes up to 5,000 employees. Customer sizes larger than 5,000 employees are recommended to use a physical server. Analytics Database server needs to be physical server for all customer sizes.		
Vendor	Product	Operating System
Microsoft	Hyper-V	Microsoft Windows Server 2008 R2
VMware	VSphere v5+ ESXi Hypervisor v4.1+	Microsoft Windows Server 2008 – 64 Bit Microsoft Windows Server 2008 R2 – 64 Bit

Desktop Virtualization			
Citrix Version	Platform Operating System	Citrix Version	Platform Operating System
XenApp v5	Microsoft Windows 2008 Server	XenApp v6	Microsoft Windows 2008 Server 64-Bit
		XenApp v6	Microsoft Windows 2008 R2 Server 64-Bit

Microsoft Terminal Server is also supported.

Web Server			Operating System		
Vendor	Product	Version	Vendor	Product	Version
Microsoft	IIS	V7.0	Microsoft	Windows Server 2008 - 64-bit	
		V 7.5		Windows Server 2008 R2 - 64 bit	
Apache ♦	Web Server	v2.4.3	Microsoft	Windows Server 2008 - 64-bit	
				Windows Server 2008 R2 - 64 bit	
			Oracle/Sun	Solaris (SPARC)	10 & 11
			Novell	SUSE Linux Enterprise	11
			IBM	AIX (pSeries)	6.1 & 7.1

Application Server			Operating System		
Vendor	Product	Version	Vendor	Product	Version
JBoss	EAP	V6.0	Microsoft	Windows Server 2008 - 64-bit	

Application Server			Operating System		
Vendor	Product	Version	Vendor	Product	Version
				Windows Server 2008 R2 - 64 bit	
			Oracle/Sun ♦	Solaris (SPARC)	10 & 11
			Novell ♦	SUSE Enterprise Linux	11
			IBM ♦	AIX (pSeries)	6.1 & 7.1

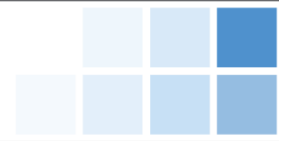
Application Server Workforce Analytics			Operating System		
Vendor	Product	Version	Vendor	Product	Version
Apache	Tomcat	v6.0.32	Microsoft	Windows Server 2008 - 64-bit	
MicroStrategy	MicroStrategy	v9.2.1		Windows Server 2008 R2 - 64 bit	

Workforce Analytics Office Add-in			Operating System		
Vendor	Product	Version	Vendor	Product	Version
Microsoft	Office Professional and Enterprise	2010	Microsoft	Windows 8 - 64-bit	
		2007 SP2		Windows 7 - 32-bit and 64-bit	
		2003 SP3		Windows XP	SP3

Database Server Technology Support	
Database	Operating System
Oracle 10gR2 (10.2.0.1), 11gR1 (11.1.0) and 11gR2 (11.2) 32-bit and 64-bit ♦	All operating systems that Oracle supports for these database versions
Microsoft SQL Server 2005 - 32-bit and 64-Bit Microsoft SQL Server 2008 - 32-bit and 64-Bit Microsoft SQL Server 2008 R2 - 64 bit Microsoft SQL Server 2012 - 64 bit ❖ Standard, Workgroups, Small Business, and Enterprise editions only	All operating systems that Microsoft supports for these database versions

♦ Not supported with HRMS

❖ Not supported by Analytics



Workforce Ready Datasheet



Kronos® Workforce Ready™

for small and midsize businesses



How can you best grow in today's tough economic climate?

“A key strategy in the current economic climate for most organizations is getting better utilization from people to increase workforce productivity and performance.”

HRO Today, March 2012

Staying competitive is complex.

Your workforce management solution shouldn't have to be.

Let's face it. As a small to midsize business, you're continually trying to get the most from every available resource. But, a vital asset that offers potential, savings and productivity is often overlooked — your workforce. To reach full potential you need clear and actionable info from your workforce management data. And you need access to that data whenever you want — in real time.

Kronos Workforce Ready

One platform. One interface. One employee record.

Workforce Ready is the cloud-based solution that allows today's small to midsize businesses to gain a competitive advantage with consistent, real-time employee data. Giving you the single-source access you need — across time and attendance, HR, payroll, and more — to make better, more informed decisions.

- No more maintaining multiple systems. Just one platform, across all applications so you can ***improve workforce productivity, lower labor costs, and reduce compliance risk.***
- When we say “real time,” we mean it. Real-time attendance information to minimize compliance risk. Real-time payroll to track costs as they occur. Real-time access to all your HR data so you can make smart decisions *fast*.
- This is enterprise-class power at a price that's easy on your budget. No more sacrificing features or being boxed in by individual point products.

Enterprise-class power. Simplified.

FULLY INTEGRATED. HR. Timekeeping. Scheduling. Payroll. Hiring. And more. All in one seamless suite sharing a common user interface, database, and workflows.

MODULAR. Need only one app — like time and attendance? No problem. You can mix and match Workforce Ready modules at will. Buy what you require today. Then add more when you're ready.

REAL-TIME INFORMATION. This is dynamic real-time information — not legacy-latent data. Get real-time visibility. Conduct “calculations as you go.” Use deep-dive analysis so you can make decisions based on facts, not guesswork.

CLOUD-BASED. It's a SaaS-based solution, so Kronos manages it for you. No headaches getting up and running. No more worrying about IT resources. And no more software updates.

EASY ACCESS. On the go. Out of the office. Just access the Workforce Ready mobile app and make decisions whenever you need to.

LOADED WITH VALUE. Bundled per-employee-per-month (PEPM) fees mean no surprises. You pay only for what you use. Which means more value. And as we continue to invest in the technology, you reap the benefits.



Time & Attendance with Workforce Ready

Control and reduce your labor costs — automate with Kronos.

Workforce Ready Time Keeping gives you the information and automation tools you need, when you need them. You can streamline your time tracking with automated collection of time and attendance information. Automate the conversion of worked hours to payroll. And enforce your pay and work rules by knowing who is doing what, when, and why.

- Track and manage your true labor costs with flexible pay rules that you determine
- Maintain compliance and payroll accuracy with timecard management
- Manage exceptions – early/late arrivals, absences, long or missed breaks, overtime, or missed punches

Absence management built in. Accruals management is at your fingertips — eligibility, tenure, hours worked, and more. Accruals are seamlessly synchronized with Workforce Ready HR and Workforce Ready Payroll. Your employees and managers can use self-service to automate time-off requests and communicate openly.

Track rates on your terms. Need to track rates across locations, regions, or even globally within your organization? Multipliers for special rate conditions and effective dating help you assess the impact of changes before running payroll.

Reports — any way you want. Create your own reports using advanced filtering or custom columns. Check projections by viewing budgeted vs. actual hours worked, while including billable and nonbillable rates. Share freely with exports to just about any format you want.



Payroll with Workforce Ready

A powerful payroll engine to keep your workforce humming.

Looking for value in an integrated payroll engine? Look no further than Workforce Ready Payroll.

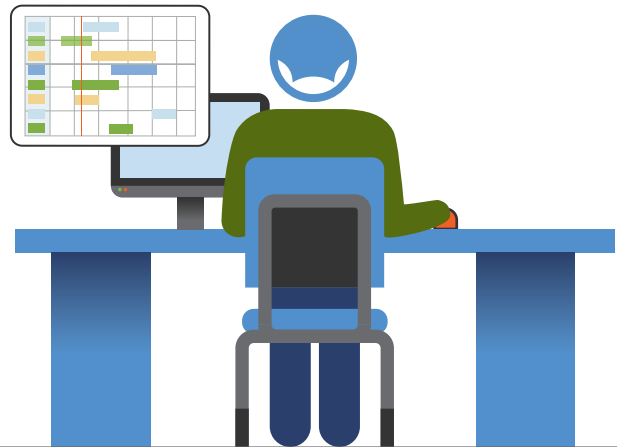
Calculations as you go mean no more waiting! Our payroll engine is continuously processing payroll and has it ready at the click of a button — no extra processing is needed. Want to see the final pay statements for employees? Just click.

- **Quick access to the data you need to process payroll correctly**
- **Notifications let multiple people work on payroll at the same time without causing issues**
- **No pre-processing steps — payroll is continually updated in real time**

Continuous calculations. You always know what your people are doing and what you're paying them at any moment in time. Our versatile pay rules engine makes it a breeze to determine pay associated with regular and overtime hours. Shift differentials, order of importance, location, and more — any number of scenarios can be supported. And you can change rates anytime during the pay period.

Global tax identification. Are your employees spread throughout different regions with different tax structures? No problem. Simply import information directly from local taxing authorities to confirm the local taxes that apply to your employees.

Know before you go. Every payroll has unique scenarios that can be difficult to handle, like levying deductions, multiple child support issues, union calculations, or nonstandard tax circumstances. Workforce Ready eliminates the guesswork by identifying and accommodating them before payroll goes to print.



Scheduling with Workforce Ready

Schedule the right employees at the right time — *every time*.

Need to replace someone who's called in sick? Find an employee to fill an extra shift this Thursday? Or have you actually overscheduled, which means you're about to pay someone needlessly? No problem. With Workforce Ready Time Keeping, these types of challenges can disappear in a heartbeat.

- Reduce labor costs by avoiding costly overtime as well as reducing both overstaffing and understaffing
- Do all this while adhering to your company scheduling policies — consistently
- Use dynamic *on-the-fly* scheduling to easily change schedules daily, as needed

Understand your job costs. Are some employees scheduled to work in multiple labor buckets throughout a day? Kronos offers visibility into “assumed job costing” to ensure that each employee is paid the appropriate rate per labor bucket — without the need to punch multiple times.

Manage coverage with ease. Employee schedules are displayed by employee for a given user-defined time frame. So it's easy to spot overlaps and exceptions — and manage them for minimal disruption to the workflow.

Simplify the employee experience. Self-service allows employees to view their schedule, location, department, job, etc., right from the timesheet.



Absence Management with Workforce Ready

Minimize the impact of absences on your business.

When an employee is absent, either planned or unplanned, it can have an enormous impact on your organization, creating ripples across the workforce that impact productivity and even morale. Workforce Ready Time Keeping includes an array of absence management capabilities to control and mitigate absenteeism in your workforce.

- **Enforce your absence-related policies related to time off and accruals — including federal, state, and company leave requirements**
- **Confirm each employee's eligibility for paid and unpaid leave based on vacation, sick time, and other criteria you define**
- **Use customizable disciplinary action letter templates to work directly with problem employees**

Stay alert. Are absent employees creating potential policy violations and productivity issues within your workforce? Our automated alerts will flag potential issues and problem areas. Kronos monitors your absenteeism so you don't have to.

Flexible accruals management. Manage your accruals in a fair and consistent manner based on eligibility, tenure, hours worked, and other criteria according to your policies. Accruals are seamlessly synchronized with Workforce Ready HR and Workforce Ready Payroll. This collaborative environment reduces errors and holes in coverage.

Self-service keeps everyone communicating. Managers and employees can keep the lines of communication wide open — always a healthy thing. They'll also avoid the errors that can accompany the manual tracking of accruals.



HR with Workforce Ready

End-to-end HR for today's high-productivity workforce.

From new hires to employee management to retirement planning, Workforce Ready HR offers a comprehensive end to end HR solution that's amazingly easy to use. Your employees, managers, and HR administrators will stay up to date and compliant.

- **Employee records** — track demographics and benefits packages as employees transfer from one site or department to another
- **Performance management** — review employees and allow employees to review their own performances in an automated, multitier process
- **Asset management** — track usage of your key company assets including software licenses, computers, and vehicles

Role-based self-service creates a collaborative environment.

For employees: Includes access to I-9 and W-4 forms, direct deposit enrollment, policy handbooks, pay statements, benefits statements, complete compensation histories, W-2s, and more.

For managers: Lets you initiate job postings automatically using predefined requirements and descriptions for the specific position or job. Conduct background checks and skills assessments. Manage new hires and terminations, Modify base compensation, job/position, and employee full-time/part-time status. And conduct multitier performance management reviews based on competencies, goals, and core values.



Hiring with Workforce Ready

Select and onboard the best-fit employees for your business.

A quality workforce starts with quality employees. Can you really afford to hire the wrong ones? Take the guesswork out of employee selection with the hiring tools available in Workforce Ready HR. We can help you screen, hire, and onboard candidates most likely to be productive — the best-fit employees who will perform better and stay on the job longer.

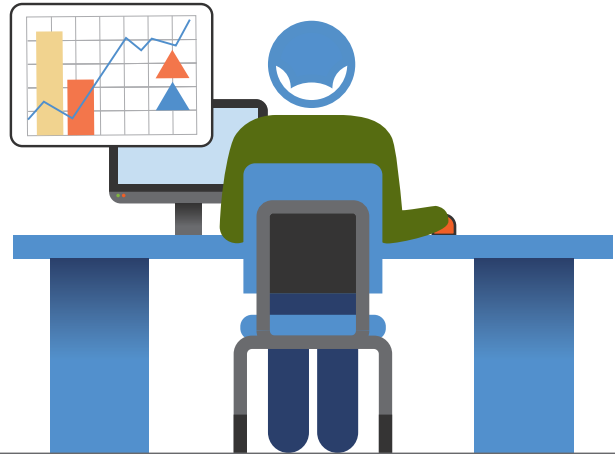
- **Applicant tracking** — perform online applicant searches and track your candidates
- **Screening and selection** — use hiring tools to make the right employment choices
- **Onboarding** — define eligibility, track premiums, submit W-4 and I-9 forms electronically, enable self-service enrollment, and manage your automated payroll deductions

Keep track of your applicants. Perform online applicant searches and track your candidates with in-depth applicant tracking features. Integrated reports give you easy access to everything you need from a single screen — sourcing strategies, applicant pools, active requisitions, and more.

Hire the right people for the right job. Use Kronos to evaluate applicants based on objective criteria, not guesswork or subjectivity. Choose the best-fit employees your business deserves.

Speed time to productivity. Accelerate the entire onboarding process. Define benefits eligibility, track premiums, submit W-4 and I-9 forms electronically, enable self-service open enrollment, and manage payroll deductions. The faster you onboard your new hires, the faster they become productive.

Need a compelling recruiting tool to attract best-fit candidates to your company? Add interactive workflows between you and your job applicants with *Workforce Ready HR's recruiting capabilities*.



Analytics with Workforce Ready

The insight you need to succeed.

What's the root cause of your absenteeism? Why does your workforce productivity differ from one department to the next? What are the cost trends associated with overtime?

Anyone can give you data. What you need is actionable information that leads to insight about what's working, what isn't, and what you can do about it. Information that leads to *answers*.

- **Diagnostic views of key labor metrics**
- **Point-and-click reporting to identify areas of cost-saving, innovation, and/or growth**
- **Standard reports and views for isolating problem areas and improving them in a continuous quality improvement loop — easy to export and share**

**Make decisions based on knowledge, not guesswork.
And make them collaboratively.**

Our information-rich dashboards provide you with intuitive reports and decision tools so you can gain insight into key performance indicators across your organization. Workforce management is a collaborative journey requiring open information sharing. We wouldn't have it any other way.

- Predefined and configurable reports that are easy to understand and use
- Easy sharing across the organization so you can socialize insight across all key decision makers
- Role-based views, filters, and report access so everyone has access to the information he or she needs

Kronos helps small to midsize businesses across a variety of industries manage their most valuable, and expensive, strategic asset — their workforce. How? By giving them the real-time workforce information they need to help control labor costs. Minimize compliance risk. And improve workforce productivity. All in a single value-priced solution run in the cloud. One platform, one user experience, and one employee record.

Our time and attendance, scheduling, absence management, HR and payroll, hiring, and labor analytics solutions, along with strategic services, give Kronos customers the edge they need to compete in the global marketplace. With thousands of installations in organizations of all sizes, we're proving **workforce management doesn't have to be so hard.**

Put Kronos Workforce Ready to work for you:
[+1 800 225 1561](tel:+18002251561) | kronos.com/workforceready



TIME & ATTENDANCE

SCHEDULING

ABSENCE MANAGEMENT

HR & PAYROLL

HIRING

LABOR ANALYTICS



Workforce TeleStaff Datasheet

KRONOS WORKFORCE TELESTAFF FEATURES AND BENEFITS

Optimized Scheduling, Deployment, and Communication.

That's Kronos Workforce TeleStaff.

Every mission starts with finding, qualifying, contacting, and deploying first responders and other critical resources. And manual, paper-based systems won't get the job done. They waste valuable time, energy, and money. Contribute to compliance risks. And hinder reliable and accurate communications. But with Kronos® Workforce TeleStaff™, these problems are a thing of the past.

Workforce TeleStaff pairs rules-based scheduling with communication capabilities to optimize on-scene arrival. Whether it is staffing the daily roster, deploying for a major disaster, coordinating off-duty work, or managing employee time, Workforce TeleStaff is uniquely designed to deliver. With this time-tested solution, you gain workforce scheduling features unlike any other vendor offering in the public safety and utilities markets.

Key Benefits

- > **CONTROL** labor costs
- > **MINIMIZE** compliance risk
- > **IMPROVE** workforce productivity
- > **OPEN** the lines of communication

Features	Benefits
Scheduling/Roster	
Pre-builds schedules and rosters	Makes creating schedules and rosters based on shift requirements quick and easy
Delivers comprehensive employee scheduling	Empowers managers to effortlessly staff employees to positions and shifts, even in the most complex scheduling environments
Provides a real-time daily roster	Displays in real time who is working a regular-duty shift (plus any working or nonworking exceptions, such as overtime, training, sick leave, vacation, etc.), and provides an at-a-glance view of employee qualifications and certifications
Supports many organization levels	Maintains all organizational scheduling data within a single solution, leading to greater collaboration among departments and increased productivity across the entire organization
Tracks employee certifications and qualifications	Helps managers track necessary data for proper staffing and helps ensure compliance
Automatically generates staffing alarms when staffing levels fall below requirements	Helps ensure that proper coverage is maintained
Offers a multi-user solution	Supports an unlimited number of users and can assign permission and security levels for individuals or groups
100% web-based solution	Provides employees and managers full functionality access to their schedules and the ability to expedite work tasks
Employs a patented rules-based staffing engine	Automates the most complicated scheduling rules, saving significant time and effort

Features	Benefits
Relays scheduling communications automatically	Saves valuable time for managers by generating schedule-driven notifications to employees (who can be prompted to respond) by telephone, email, mobile device, tablet, pager, intranet, and internet
Supports different union or business rules for various departments, groups, or scenarios	Helps ensure scheduling compliance while offering the utmost flexibility
Validates staffing decisions against rules	Consistently applies rules when scheduling employees, granting leave, or processing time-off requests, helping ensure compliance
Supports multiple shifts, rotating posts, positions, future assignments, and promotions	Allows staffing personnel and employees to view current and future schedules based on shift or assignment changes that will occur
Allows employees to indicate the days, shifts, or events for which they are available to work extra-duty assignments	Simplifies staffing extra-duty work and assignments by allowing employees greater control over their schedules while improving morale
Automatically assigns shifts and staffs employees for work	Saves valuable time helping managers assign shifts, automatically considering availability, skills, time off, and more
Allows employees to submit time-off requests via telephone, email, mobile device, tablet, intranet, and internet	Streamlines the workflow for employee requests and approvals based on policies and business culture, and saves employees and managers countless hours by automating requests and approvals while enforcing policies and rules
Finds and contacts employees to fulfill staffing needs	Virtually eliminates manual outbound staff scheduling calls and allows for concurrent calls to be conducted
Offers real-time view of past, present, and future scheduling data and other relevant staffing details	Allows users access to the most up-to-date scheduling data at all times throughout the day
Schedules employees to secondary employment	Offers a full view of the organization's staffing at all times for planned and unplanned event staffing
Displays schedules by employee, department, shift, day, week, month, and year and into the future	Flexible roster views make it easy to access necessary specific staffing data fast
Identifies and avoids overstaffing	Eliminates costly scheduling errors
Supports "can act as" staffing	Saves costs by staffing positions with personnel who have multiple abilities
Manages shift, assignment, and vacation bid processes*	Eliminates manual bid processes and helps employees balance work and personal life priorities, as they have more control over their work and vacation schedules
Offers a fast-find capability for people and groups	Easily locates specific employees or groups in just a few clicks
Provides drag-and-drop capabilities	Easily moves employees and reassigns shifts instantly
Maintains in-depth employee profiles	Keeps data such as ID, shift, contact methods, pay rate, seniority, attributes, DOB, and much more on each employee record
Mobile compatibility with tablet and smart phones	Gives your workforce access to complete common administrative tasks and allows employees to perform their scheduling management tasks when they need to, where they need to; managers can easily access real-time data and streamline decision making by staying constantly connected

Features	Benefits
Provides roster check-in capabilities for roll call	Allows employees to manually check in from the roster, ensuring an accurate, easy, and secure roll call process
Database consolidation	Allows two or more entities to exist in a single database while keeping each group's people and staffing information separate
Provides compatibility with common international system date formatting DD/MM/YYYY	Allows agencies to use date formatting standard for their country or region, including Australia, Canada, most European countries, and some areas of Asia
Supports multiple time zones	Easily cross schedule or schedule personnel working in different time zones
Notification	
Integrates built-in communication capabilities with scheduling functionality	Eliminates manual phone calls and expedites scheduling of employees, requiring no additional effort by managers
Tracks multiple contact numbers and methods	Offers flexible communication methods for staffing positions and relaying other work information
Makes the right contact based on the situation	Allows for the right staff members to be contacted in the right order and staffed for virtually any situation
Supports bidirectional exchange of information	Allows employees to can accept/deny work and make requests by phone
Sends communications to employees relating to work offers to fill vacancies, emergency recall, assignment changes, and other activities or events	Improves operational effectiveness by automating communications, linking scheduling-driven data, and relaying important messages pertaining to work, helping ensure compliance and appropriate staffing
Allows employees to specify contact methods	Ensures best contact method and receipt of notification
Captures and reports sent notifications and employee responses	Confirms receipt of all outbound messages via a time and date stamp for auditing purposes
Sends custom messages on the fly	Communicates information rapidly to specific groups, employees, or the entire organization by telephone, email, mobile device, tablet, pager, intranet, and internet

Features	Benefits
Overtime	
Automatically assigns overtime positions based on rules, reducing risk of noncompliance	Balances rules, employee schedules, and organizational needs when making overtime staffing decisions
Automatically validates staffing decisions	Consistently applies overtime rules when scheduling employees, granting leave, or processing time-off requests
Identifies who's eligible for overtime	Displays who is off duty, not fatigued, can be held over, or has signed up, ensuring accurate staffing
Creates entitlement lists	Generates lists based on unlimited entitlement variables
Notifies in entitlement order	Offers work fairly and by entitlement rules, helping to ensure compliance
Offers overtime by touch-tone phone, email, text, intranet, and internet	Ensures overtime positions are filled efficiently
Tracks overtime activity	Tracks all overtime actions by employee for audit purposes
Allows employee overtime sign-up	Improves morale by empowering employees; saves time and expedites staffing
Pre-approves or suppresses overtime	Helps control labor costs
Tracks overtime labor hours by work codes	Instantly shows number of hours worked per employee, department, and organization by user-defined work codes
Emergency Response	
Finds and contacts employees by telephone, email, mobile device, tablet, pager, intranet, and internet	Uses multiple communication methods for faster scheduling and deployment
Automatically backfills vacant positions	Maintains staffing levels during emergency response
Supports command-post scheduling via the Web	Manages staff and scheduling at the scene
Allows for custom messaging	Sends instant communications such as incident and situational updates to employees
Tracks hours related to emergency response and pre-populates built-in FEMA reporting module	Expedites reimbursement processes with government agencies, including FEMA, for declared emergencies

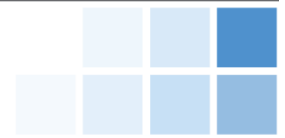
Features	Benefits
Tracking of Time and Leave	
Manages complex leave and benefit accruals	Automates functions relating to time tracking, leave, and accruals by delivering an end-to-end manager and employee self-service system that expedites approvals, maintains staffing coverage, and allows organizations to easily measure how time is spent so it can be efficiently managed and justified at all times
Uses unlimited work codes	Manages organization-defined working and nonworking codes such as overtime, vacation, move-ups, shift-differential pay, time trades, and more; accurately tracks codes within a centralized system
Calculates and tracks time balances of unused time, time off, comp time, sick time, vacation, and leave	Easily recognizes absence trends and patterns, and applies rules to decisions regarding time away from work
Incorporates compliance regulations via rules	Maintains compliance with federal and state labor laws, collective bargaining agreements, and other organization policies
Supports unique leave policies	Automatically enforces leave and time-off rules through customer-specific product configuration
Tracks and logs all leave and time-off events	Provides audit trail in event of grievance or audit
Provides employee and manager self-service	Provides access to real-time leave balances, minimizes requests to managers, and increases employee satisfaction
Delivers self-service reporting	Employees have access to their own personal history reports that detail time and accrual bank activity; provides several standard reports
Produces operational labor and cost reports	Displays trends and helps monitor employees' time and leave events as well as where labor costs are spent and why for greater workforce insight
Compliance	
Supports user-defined compliance rules	Incorporates rules associated with collective bargaining agreements, regulations, and policies for enforced compliance
Applies rules when making staffing decisions	Consistently validates staffing decisions against rules when granting leave and processing time-off requests
Creates structured staffing and approval processes	Encourages adherence to a framework of practices for your workforce while defining roles and responsibilities for scheduling decision makers
Tracks every scheduling event	Offers an audit trail showing every transaction within the system

Features	Benefits
Self-Service	
Provides employee self-serve access	Using a telephone, mobile device, tablet, intranet, or internet, employees process requests, review notifications and messages, view schedules, and change profile information based on authority level
Supports configured roles-based security	Allows organizations to define responsibilities for groups and individuals according to hierarchy and user responsibilities
Provides user access by telephone, mobile device, tablet, intranet, and internet	Gives flexible system access points from anywhere, at anytime
Allows employees to sign up for overtime	Enables supervisors to approve or deny in one system; improves employee satisfaction
Allows employees to enter work preferences	Helps employees balance work and personal life priorities, and ensures correct staffing
Allows employees to conduct shift trades	Leverages scheduling tasks and improves employee satisfaction
Deployment	
On-premise	Enables IT departments to install, manage, and maintain their applications
Kronos Private Cloud	Kronos manages all IT-related functions from hosting, installations, and upgrades to backups and load balancing
Integration	
Integrates with third-party CAD and RMS solutions	Transfers roster data automatically or on demand, eliminating redundant data entry and ensuring accuracy
Integrates with third-party HR/payroll solutions	Finalizes pay reports, which can be transferred in dozens of formats to be sent automatically or on demand to payroll systems; accepts data from HR systems, including employee information, accrual balances, certifications, and more, eliminating redundant data entry and reducing errors
Integrates with third-party time and labor management solutions	Populates an organization's time and labor management system automatically or on demand so that punch, swipe, or other login data can be compared against the most current schedule; no-show, overtime, and other relevant data can be accepted from the time and labor system so that attendance data remains synchronized
Services and Support	
Delivers accelerated implementation and deployment	Delivers a uniquely tailored solution within 90 days from project kickoff for a faster return on investment
Provides extensive training services	Offers vendor-hosted, web-based, or on-site training services
Offers 24/7/365 technical support	Provides access to highly trained and dedicated product support specialists around the clock via a toll-free support line

Features	Benefits
Reporting	
Offers extensive labor and management reports	Provides 10 standard reports that analyze a variety of dynamic information relating to labor data and costs for better decision making and in-depth insight into operations
Continually records a database of scheduling activities and events	Captures real-time organizational scheduling data, maintaining a comprehensive archive for auditing purposes
Allows reports to be viewed, shared, printed, or emailed on demand	Gives flexibility in obtaining and viewing reports
Contains FEMA report module	Expedites recovery of reimbursement funds for FEMA-declared emergencies
Provides Custom Reporting module*	Expands reporting capabilities beyond canned reports

*Automated Bidding and Custom Reporting are add-on modules.





Workforce Timekeeper Datasheet

KEY BENEFITS

- Reduce payroll inflation, errors, and overtime to control labor costs
- Centrally enforce labor laws and union rules for improved compliance
- Automate time-consuming administrative tasks to increase staff productivity
- Gain real-time visibility into timekeeping data for better decision making
- Increase employee satisfaction and user adoption rates

Automate Time and Attendance Tracking for Bottom-Line Results

Labor is your organization's most valuable asset and its most controllable expense. Yet many organizations still rely on manual, semiautomated, or disparate systems to track employee time and attendance. These outdated approaches make it difficult to manage labor expenses or gain visibility into trends and activities that could be costing you money. That's why, for effective workforce management and accurate conversion of labor hours to payroll, error-prone spreadsheets, inconsistent data, and stale reports just won't cut it anymore.

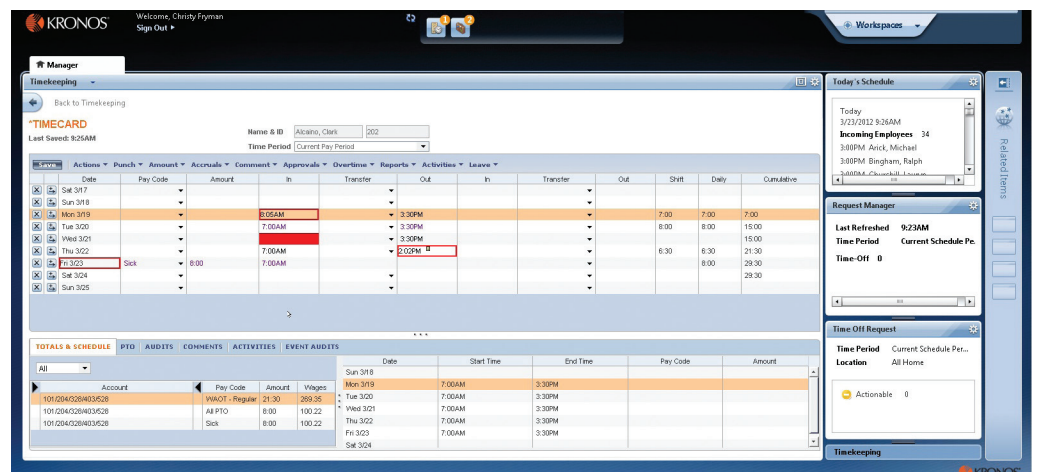
Kronos® Workforce Timekeeper™ enables you to identify, manage, and control employee time and attendance data for bottom-line results. Used by organizations of all sizes around the globe, Workforce Timekeeper consistently applies work and pay rules to reduce payroll inflation, errors, and overtime. It enforces and tracks complex compliance requirements such as labor laws and union rules. And it reduces time-consuming administrative tasks so your staff can focus on value-added activities. This intuitive, easy-to-own solution completely automates timekeeping processes to help you control labor costs, manage compliance risk, and improve workforce productivity.

Control labor costs with complete automation

Workforce Timekeeper stores time and attendance data in a single, centralized platform that drives automated workforce processes and provides quick, easy access to meaningful labor information. A configurable business rules engine automatically applies complex work and pay rules at the time of punch to help reduce payroll inflation and eliminate manual errors for better control of labor costs.

With Workforce Timekeeper, your supervisors have seamless access to the real-time data they need to manage labor costs effectively. Learn an employee is tardy while there's still time to react. Adjust staffing levels, control punch-ins and punch-outs, and avoid unnecessary overtime costs. And quickly identify issues and variances so you can manage dynamically changing workforce needs without exceeding your labor budget.

Kronos Workforce Timekeeper



The screenshot displays the Kronos Workforce Timekeeper interface. At the top, it shows the user's name 'Christy Fryman' and a 'Sign Out' button. The main area is titled 'TIMECARD' and shows a list of punch-in and punch-out times for employee Alexio, Clark (ID: 002). The table includes columns for Date, Pay Code, Amount, Comment, Approvals, Overtime, Reports, Activities, and Leave. A 'TOTALS & SCHEDULE' section at the bottom provides a summary of hours worked and wages. The sidebar on the right shows 'Today's Schedule' with a list of employees and their current status, and a 'Request Manager' section for time-off requests.

Date	Pay Code	Amount	Comment	Approvals	Overtime	Reports	Activities	Leave
Sat 3/17								
Sun 3/18								
Mon 3/19			8:00AM		3:30PM			
Tue 3/20			7:00AM		3:30PM			
Wed 3/21			7:00AM		3:30PM			
Thu 3/22			7:00AM		3:30PM			
Fri 3/23	Sick	8.00						
Sat 3/24			7:00AM					
Sun 3/25								

Minimize compliance risk with consistent policy enforcement

Create a culture of compliance with centralized labor policy control that keeps pace with changing regulations. Workforce Timekeeper consistently enforces federal, state, and local labor laws; collective bargaining agreements; and corporate policies across the organization and backs it all up with a complete audit trail. Are managers using the correct pay rate for each job? Are employees taking all required meal breaks? Workforce Timekeeper's automated enforcement eliminates subjective interpretation of pay rules and policies, promotes fair treatment of all employees, and minimizes the time you spend monitoring compliance and mitigating risk. The payoff? Fewer employee grievances and less costly litigation.

Increase workforce productivity with intuitive tools

Workforce Timekeeper provides managers and employees with all the tools they need for accurate timekeeping in one convenient system and offers multiple data collection options, including time clocks, web browsers, and mobile solutions, for recording time transactions. The system leverages configurable work rules to quickly identify labor issues and guide managers to an appropriate resolution. Role-based views show critical data just as you need it. Tailored ad-hoc query tools enable you to select the right set of employees in seconds. And on-demand reporting lets you see the big-picture perspective or drill down into the details for improved decision making.

By automating manual, time-consuming processes and simplifying reconciliation of labor hours to payroll, Workforce Timekeeper lets busy supervisors manage by exception instead of reviewing every employee timecard. Combine that with guided workflows and visible alerts, and a few minutes is all it takes to find and correct missed punches, respond to time-off requests, and flag and approve overtime. With actionable information at their fingertips, your supervisors will reach new levels of productivity and effectiveness — focusing more time on business goals and less time on administrative tasks.

Improve employee satisfaction with instant engagement

Workforce Timekeeper delivers a consumer-centric user experience that increases employee satisfaction and drives high adoption rates. Convenient web-based or mobile self-service functionality instantly engages the entire workforce and gives employees greater access and control. Employees can see hours worked, check accruals, ask for time off and schedule changes, view earnings and benefits, and more — at work, from home, or on the road. No more waiting around for answers to routine questions, submitting paper forms, or tracking down managers to make simple requests.

Delivering rich functionality through an intuitive, easy-to-navigate interface, Workforce Timekeeper simplifies timekeeping tasks so managers get more done faster and employees can count on a perfect paycheck. Tabbed viewing allows you to move seamlessly from one task to the next and pivot to related items through a visible panel. Built-in scheduling lets you create and edit daily employee schedules based on start times and in-punches. And summarized views provide all supporting information needed to process employee requests in a single window.

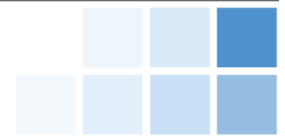
Part of a total workforce management solution

Workforce Timekeeper is an integral component of the Kronos Workforce Central® suite, a total workforce management solution that also addresses scheduling, absence management, HR/payroll, hiring, and labor analytics. Kronos provides configurable, easy-to-own solutions that make complete automation and high-quality information a reality. Flexible deployment options that fit your budget and resources. And exceptional services that unlock the value of your investment and deliver the experience you expect — delivered on premise or in the cloud.



Kronos Incorporated 297 Billerica Road Chelmsford, MA 01824 +1 800 225 1561 +1 978 250 9800 www.kronos.com

More information about Kronos customer success stories may be found at www.kronos.com/resources.



InTouch Brochure

Kronos[®] InTouch[™]





Intuitive. Integrated. Kronos InTouch.

Built for today's modern workforce.

Over the last 10 years the world of workforce management has fundamentally changed — from single-point solutions to integrated workforce management suites that can be deployed on site or in the cloud. But time clocks, a fundamental tool used to track and manage the workforce, weren't keeping up with, well ... the times.

Until now.

The Kronos InTouch provides an unrivaled user experience that reshapes the way you think about — and the way employees interact with — your workforce management system. All through a simple touch-screen time clock designed to meet your needs of tomorrow, today.

Welcome to intuitive. Welcome to integrated. Welcome to InTouch.

16-0843 B 355 of 390

If the Kronos InTouch looks familiar, it should.

We've taken the design cues from today's most intuitive consumer electronics to make our time clock easy to use for you and your employees. It's innovation at its best.

Even the basics of employee self-service have been simplified. From clocking in with a quick scan of a badge, to selecting your language of choice. Entries are instantly verified for accuracy. And with biometric identification capabilities, "buddy punching" can be prevented to help control labor costs associated with inflated payroll.

The modern design and simplicity of Kronos InTouch allows instant engagement, and action through intuition. Which translates to faster employee adoption, less wasted time, and improved productivity. Simple. Yes. Too easy? Never.



Can it really be
this easy?

The Kronos InTouch integrates seamlessly with your workforce management suite, allowing employees to easily check accrual balances, request time off, or view schedules. Managers spend less time on administrative duties and more time on critical workforce tasks.

That same power of integration also means Kronos InTouch is smart enough to know whether an employee is logging in or logging out, preventing unapproved time before or after scheduled shifts and potentially inaccurate punch records. Integration also means employees can view and confirm their timecards in real time. And with the Department of Labor's increased scrutiny of hourly employee records, InTouch becomes an important tool for recording employee time and defending against potential class-action lawsuits.

With seamless integration, InTouch provides real-time self service and guided decisions that increase workforce productivity. Do more. Achieve more. All with an innovative time clock built for today's workforce.

Ready to **do more**
with integration that's seamless?

Sometimes
you can
achieve more
by doing less.

Reach beyond
your goals and
Kronos will
be there to
help you
achieve them.

InTouch was designed for today's cloud-centric computing environments, with device-initiated communications capabilities that allow the clock to work over the open Internet and through firewalls. All while protecting your data using SSL encryption. So even if your goals take you to the height of cloud technology, we'll help you get there.

Cloud-based applications demand secure devices that can be accessed anytime and from anywhere. And one of the most powerful and unique capabilities of InTouch is its ability to be monitored and controlled from a remote location. Voice over Internet Protocol (VoIP) phone support allows employees to quickly report a problem right from the clock so a representative can then remote monitor and control the device to troubleshoot and correct any issues.

Today's devices demand communication capabilities that keep information flowing. And to keep your business running efficiently. Even when you're in the cloud, you're never too far out of reach for InTouch.

Who says
the clouds are out of reach?



Kronos InTouch extends your capabilities to improve productivity. It's built to be used as a multi-purpose tool that works for you 24/7, even when it's not tracking punches. Our time clock's open and secure platform allows you to display virtually any content directly to the device at any time. Use InTouch to play a video message. Check your sales and census data. Or conduct a quick employee survey. You're limited only by your imagination.

Use the embedded browser on InTouch to access information directly from your internal systems. Or build a native application using the Kronos InTouch Developers Kit. You and more than 20,000 other Kronos customers can share your solutions on the InTouch App Exchange. It's the industry's first and only application exchange devoted exclusively to improving the productivity of your frontline workforce.

Push your boundaries. Find out what a multi-purpose time clock is capable of. The extensible nature of InTouch allows you to imagine where you want to go. And then takes you there.

Want to
extend your capabilities
beyond boundaries?

Provide your team with a tool that allows them to work beyond their boundaries, and you promote productivity.

For over
30 years
we've built
a reputation
on providing
the industry's
most robust
and durable
time clocks.

We know your employees can be working in some of the toughest, grimmest environments out there. But your toughest work environments are our classrooms.

We've taken what we've learned from our customers and built the InTouch to withstand more than a few hard knocks. Our InTouch design team has gone to great lengths to use only the most proven and durable technology out there.

We're not afraid to get down and dirty. We welcome the daily punishment your team can deliver. Rest assured we've built InTouch to meet your needs and perform flawlessly. For years to come.

Enrolled in the
**school of
hard knocks?**



Large 7" touchscreen with wide VGA full-color LCD

A simple, intuitive, and unrivaled user experience that delivers an unprecedented level of functionality for faster adoption and improved productivity.

Optional biometric identification and verification for increased payroll accuracy

Prevent employees from buddy punching, or take a leap forward in security. InTouch incorporates biometric technology to validate an employee's identity without easy-to-lose badges or PINs.

Supports all major badge formats, including new smart card readers

You want choices? InTouch allows employees to punch in based on the system that works best for them and your organization.

Language selections support employee preferences

InTouch was designed from the ground up to be multilingual, with multiple languages supported simultaneously.

Slim-profile enclosure with battery pack expansion option for power outage protection

While the touchscreen may be big, the terminal itself is anything but. Just like the powerful technologies we carry around in our pockets, it's durable and reliable, and yet easy on the eyes.

Easy-to-understand LED indicator

Using the badge technology of your choice, each punch is instantly processed and accompanied by an audible tone and a bright light indicator for quick interpretation.

User interface	<p>7" color wVGA Ruggedized, 5-wire resistive touch-screen Multi-color LED indicator Speaker Microphone</p>
Integrated readers	<p>Integrated bar code badge reader Integrated magnetic stripe card reader Integrated HID or EM proximity card reader Integrated iClass or MiFare smart card reader</p>
Communications	<p>10/100 Mbps auto-sensing Ethernet with DHCP, SSL, IPV4, and IPV6 support</p>
CPU type	<p>TI OMAP 3500</p>
Memory size	<p>2GB Flash, 512MB RAM</p>
Power	<p>100-240V, 1.5A max, internal or external transformer Integrated power over Ethernet</p>
Environment	<p>Operating temperature: 0° to 40° Celsius Storage temperature: -20° to 70° Celsius Humidity: 10%–95% noncondensing</p>
Dimensions	<p>10.75" wide x 6" high x 4" deep (standard configuration) 10.75" wide x 6" high x 2" deep (slim configuration)</p>
Enclosure	<p>Rugged polycarbonate/ABS resin</p>
Shipping weight	<p>5 lbs.</p>
Options	<p>Integrated biometric identification and/or verification module External proximity reader External linear imager bar code scanner Direct AC wiring Backup battery Universal relay</p>

Kronos helps organizations across a variety of industries manage their most valuable, and expensive, strategic asset — their workforce. How? By giving them the tools and services they need to help them control labor costs. Minimize compliance risk. And improve workforce productivity. The easy-to-own workforce management solutions and services from Kronos make complete automation and high-quality information a reality and deliver the experience our customers expect.

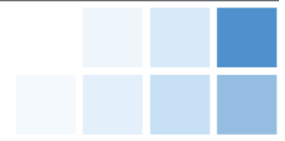
Our time and attendance, scheduling, absence management, HR and payroll, hiring, and labor analytics solutions, along with strategic services, give Kronos customers the edge they need to compete in the global marketplace. With thousands of installations in organizations of all sizes — including over half the Fortune 1000® — we're proving **workforce management doesn't have to be so hard.**

Put Kronos InTouch to work for you:

+1 800 225 1561 | kronos.com/intouch



Kronos Incorporated 297 Billerica Road Chelmsford, MA 01824
+1 800 225 1561 +1 978 250 9800 www.kronos.com



Tab G – U.S. COMMUNITIES ADMINISTRATION AGREEMENT

U.S. COMMUNITIES ADMINISTRATION AGREEMENT, signed unaltered.

Kronos has signed the U.S. Communities Administration Agreement and has provided it below.

ATTACHMENT B
ADMINISTRATION AGREEMENT

This ADMINISTRATION AGREEMENT (“Agreement”) is made as of _____, by and between U.S. COMMUNITIES GOVERNMENT PURCHASING ALLIANCE (“U.S. Communities”) and _____ (“Supplier”).

RECITALS

WHEREAS, _____ (“Lead Public Agency”) has entered into a certain Master Agreement dated as of _____, referenced as Agreement No. _____, by and between Lead Public Agency and Supplier (as amended from time to time in accordance with the terms thereof, the “Master Agreement”) for the purchase of _____ (the “Products and Services”);

WHEREAS, the Master Agreement provides that any state, county, city, special district, local government, school district, private K-12 school, technical or vocational school, higher education institution (including community colleges, colleges and universities, both public and private), other government agency or nonprofit organization (each a “Public Agency” and collectively, “Public Agencies”) may purchase Products and Services at the prices indicated in the Master Agreement upon prior registration with U.S. Communities, in which case the Public Agency becomes a “Participating Public Agency”;

WHEREAS, U.S. Communities has the administrative and legal capacity to administer purchases under the Master Agreement to Participating Public Agencies;

WHEREAS, U.S. Communities serves as the administrative agent for Lead Public Agency and other lead public agencies in connection with other master agreements offered by U.S. Communities;

WHEREAS, Lead Public Agency desires U.S. Communities to proceed with administration of the Master Agreement on the same basis as other master agreements;

WHEREAS, “U.S. Communities Government Purchasing Alliance” is a trade name licensed by U.S. Communities Purchasing & Finance Agency; and

WHEREAS, U.S. Communities and Supplier desire to enter into this Agreement to make available the Master Agreement to Participating Public Agencies.

NOW, THEREFORE, in consideration of the payments to be made hereunder and the mutual covenants contained in this Agreement, U.S. Communities and Supplier hereby agree as follows:

ARTICLE I

GENERAL TERMS AND CONDITIONS

1.1 The Master Agreement, attached hereto as Exhibit A and incorporated herein by reference as though fully set forth herein, and the terms and conditions contained therein shall apply to this Agreement except as expressly changed or modified by this Agreement.

1.2 U.S. Communities shall be afforded all of the rights, privileges and indemnifications afforded to Lead Public Agency under the Master Agreement, and such rights, privileges and indemnifications shall accrue and

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apply with equal effect to U.S. Communities under this Agreement including, without limitation, Supplier's obligation to provide insurance and certain indemnifications to Lead Public Agency.

1.3 Supplier shall perform all duties, responsibilities and obligations required under the Master Agreement in the time and manner specified by the Master Agreement.

1.4 U.S. Communities shall perform all of its duties, responsibilities and obligations as administrator of purchases under the Master Agreement as set forth herein, and Supplier acknowledges that U.S. Communities shall act in the capacity of administrator of purchases under the Master Agreement.

1.5 With respect to any purchases made by Lead Public Agency or any Participating Public Agency pursuant to the Master Agreement, U.S. Communities (a) shall not be construed as a dealer, re-marketer, representative, partner, or agent of any type of Supplier, Lead Public Agency or such Participating Public Agency, (b) shall not be obligated, liable or responsible (i) for any orders made by Lead Public Agency, any Participating Public Agency or any employee of Lead Public Agency or a Participating Public Agency under the Master Agreement, or (ii) for any payments required to be made with respect to such order, and (c) shall not be obligated, liable or responsible for any failure by a Participating Public Agency to (i) comply with procedures or requirements of applicable law, or (ii) obtain the due authorization and approval necessary to purchase under the Master Agreement. U.S. Communities makes no representations or guaranties with respect to any minimum purchases required to be made by Lead Public Agency, any Participating Public Agency, or any employee of Lead Public Agency or a Participating Public Agency under this Agreement or the Master Agreement.

ARTICLE II

TERM OF AGREEMENT

2.1 This Agreement is effective as of _____ and shall terminate upon termination of the Master Agreement or any earlier termination in accordance with the terms of this Agreement, provided, however, that the obligation to pay all amounts owed by Supplier to U.S. Communities through the termination of this Agreement and all indemnifications afforded by Supplier to U.S. Communities shall survive the term of this Agreement.

ARTICLE III

REPRESENTATIONS AND COVENANTS

3.1 U.S. Communities views the relationship with Supplier as an opportunity to provide benefits to both Public Agencies and Supplier. The successful foundation of the relationship requires certain representations and covenants from both U.S. Communities and Supplier.

3.2 U.S. Communities' Representations and Covenants.

(a) Marketing. U.S. Communities shall proactively market the Master Agreement to Public Agencies using resources such as a network of major sponsors including the National League of Cities (NLC), National Association of Counties (NACo), United States Conference of Mayors (USCM), Association of School Business Officials (ASBO) and National Institute of Governmental Purchasing (NIGP) (collectively, the "Founding Co-Sponsors") and individual state-level sponsors. In addition, the U.S. Communities staff shall enhance Supplier's marketing efforts through meetings with Public Agencies, participation in key events and tradeshows and by providing online tools to Supplier's sales force.

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(b) Training and Knowledge Management Support. U.S. Communities shall provide support for the education, training and engagement of Supplier's sales force as provided herein. Through its staff (each, a "Program Manager" and collectively, the "Program Managers"), U.S. Communities shall conduct training sessions with Supplier and shall conduct calls jointly with Supplier to Public Agencies. U.S. Communities shall also provide Supplier with access to U.S. Communities' private intranet website which provides presentations, documents and information to assist Supplier's sales force in effectively promoting the Master Agreement.

3.3 Supplier's Representations and Covenants. Supplier hereby represents and covenants as follows in order to ensure that Supplier is providing the highest level of public benefit to Participating Public Agencies (such representations and covenants are sometimes referred to as "Supplier's Commitments" and are comprised of the Corporate Commitment, Pricing Commitment, Economy Commitment and Sales Commitment):

(a) Corporate Commitment.

(i) The pricing, terms and conditions of the Master Agreement shall, at all times, be Supplier's primary contractual offering of Products and Services to Public Agencies. All of Supplier's direct and indirect marketing and sales efforts to Public Agencies shall demonstrate that the Master Agreement is Supplier's primary offering and not just one of Supplier's contract options.

(ii) Supplier's sales force (including inside, direct and/or authorized dealers, distributors and representatives) shall always present the Master Agreement when marketing Products or Services to Public Agencies.

(iii) Supplier shall advise all Public Agencies that are existing customers of Supplier as to the pricing and other value offered through the Master Agreement.

(iv) Upon authorization by a Public Agency, Supplier shall transition such Public Agency to the pricing, terms and conditions of the Master Agreement.

(v) Supplier shall ensure that the U.S. Communities program and the Master Agreement are actively supported by Supplier's senior executive management.

(vi) Supplier shall provide a national/senior management level representative with the authority and responsibility to ensure that the Supplier's Commitments are maintained at all times. Supplier shall also designate a lead referral contact person who shall be responsible for receiving communications from U.S. Communities concerning new Participating Public Agency registrations and for ensuring timely follow-up by Supplier's staff to requests for contact from Participating Public Agencies. Supplier shall also provide the personnel necessary to implement and support a supplier-based internet web page dedicated to Supplier's U.S. Communities program and linked to U.S. Communities' website and shall implement and support such web page.

(vii) Supplier shall demonstrate in its procurement solicitation response and throughout the term of the Master Agreement that national/senior management fully supports the U.S. Communities program and its commitments and requirements. National/Senior management is defined as the executive(s) with companywide authority.

(viii) Where Supplier has an existing contract for Products and Services with a state, Supplier shall notify the state of the Master Agreement and transition the state to the pricing, terms and conditions of the Master Agreement upon the state's request. Regardless of whether the state decides to transition to the Master Agreement, Supplier shall primarily offer the Master Agreement to all Public Agencies located within the state.

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(b) **Pricing Commitment.**

(i) Supplier represents to U.S. Communities that the pricing offered under the Master Agreement is the lowest overall available pricing (net to purchaser) on Products and Services that it offers to Public Agencies. Supplier's pricing shall be evaluated on either an overall project basis or the Public Agency's actual usage for more frequently purchased Products and Services.

(ii) **Contracts Offering Lower Prices.** If a pre-existing contract and/or a Public Agency's unique buying pattern provide one or more Public Agencies a lower price than that offered under the Master Agreement, Supplier shall match that lower pricing under the Master Agreement and inform the eligible Public Agencies that the lower pricing is available under the Master Agreement. If an eligible Public Agency requests to be transitioned to the Master Agreement, Supplier shall do so and report the Public Agency's purchases made under the Master Agreement going forward. The price match only applies to the eligible Public Agencies. Below are three examples of Supplier's obligation to match the pricing under Supplier's contracts offering lower prices.

(A) Supplier holds a state contract with lower pricing that is available to all Public Agencies within the state. Supplier would be required to match the lower state pricing under the Master Agreement and make it available to all Public Agencies within the state.

(B) Supplier holds a regional cooperative contract with lower pricing that is available only to the ten cooperative members. Supplier would be required to match the lower cooperative pricing under the Master Agreement and make it available to the ten cooperative members.

(C) Supplier holds a contract with an individual Public Agency. The Public Agency contract does not contain any cooperative language and therefore other Public Agencies are not eligible to utilize the contract. Supplier would be required to match the lower pricing under the Master Agreement and make it available only to the individual Public Agency.

(iii) **Deviating Buying Patterns.** Occasionally U.S. Communities and Supplier may interact with a Public Agency that has a buying pattern or terms and conditions that considerably deviate from the normal Public Agency buying pattern and terms and conditions, and causes Supplier's pricing under the Master Agreement to be higher than an alternative contract held by Supplier. This could be created by a unique end-user preference or requirements. In the event that this situation occurs, Supplier may address the issue by lowering the price under the Master Agreement on the item(s) causing the large deviation for that Public Agency. Supplier would not be required to lower the price for other Public Agencies.

(iv) **Supplier's Options in Responding to a Third Party Procurement Solicitation.** While it is the objective of U.S. Communities to encourage Public Agencies to piggyback on to the Master Agreement rather than issue their own procurement solicitations, U.S. Communities recognizes that for various reasons some Public Agencies will issue their own solicitations. The following options are available to Supplier when responding to a Public Agency solicitation:

(A) Supplier may opt not to respond to the procurement solicitation. Supplier may make the Master Agreement available to the Public Agency as a comparison to its solicitation responses.

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(B) Supplier may respond with the pricing, terms and conditions of the Master Agreement. If Supplier is awarded the contract, the sales would be reported as sales under the Master Agreement.

(C) If competitive conditions require pricing lower than the standard Master Agreement pricing, Supplier may submit lower pricing through the Master Agreement. If Supplier is awarded the contract, the sales would be reported as sales under the Master Agreement. Supplier would not be required to extend the lower price to other Public Agencies.

(D) Supplier may respond to the procurement solicitation with pricing that is higher (net to buyer) than the pricing offered under the Master Agreement. If awarded a contract, Supplier shall still be bound by all obligations set forth in this Section 3.3, including, without limitation, the requirement to continue to advise the awarding Public Agency of the pricing, terms and conditions of the Master Agreement.

(E) Supplier may respond to the procurement solicitation with pricing that is higher (net to buyer) than the pricing offered under the Master Agreement and if an alternative response is permitted, Supplier may offer the pricing under the Master Agreement as an alternative for consideration.

(c) **Economy Commitment.** Supplier shall demonstrate the benefits, including the pricing advantage, of the Master Agreement over alternative options, including competitive solicitation pricing and shall proactively offer the terms and pricing under the Master Agreement to Public Agencies as a more effective alternative to the cost and time associated with such alternate bids and solicitations.

(d) **Sales Commitment.** Supplier shall market the Master Agreement through Supplier's sales force or dealer network that is properly trained, engaged and committed to offering the Master Agreement as Supplier's primary offering to Public Agencies. Supplier's sales force compensation and incentives shall be greater than or equal to the compensation and incentives earned under other contracts to Public Agencies.

(i) **Supplier Sales.** Supplier shall be responsible for proactive direct sales of Supplier's Products and Services to Public Agencies and the timely follow-up to sales leads identified by U.S. Communities. Use of product catalogs, targeted advertising, direct mail and other sales initiatives are encouraged. All of Supplier's sales materials targeted towards Public Agencies shall include the U.S. Communities logo. U.S. Communities hereby grants to Supplier, during the term of this Agreement, a non-exclusive, revocable, non-transferable, license to use the U.S. Communities name, trademark, and logo solely to perform its obligations under this Agreement, and for no other purpose. Any goodwill, rights, or benefits derived from Supplier's use of the U.S. Communities name, trademark, or logo shall inure to the benefit of U.S. Communities. U.S. Communities shall provide Supplier with its logo and the standards to be employed in the use of the logo. During the term of the Agreement, Supplier grants to U.S. Communities an express license to reproduce and use Supplier's name and logo in connection with the advertising, marketing and promotion of the Master Agreement to Public Agencies. Supplier shall assist U.S. Communities by providing camera-ready logos and by participating in related trade shows and conferences. At a minimum, Supplier's sales initiatives shall communicate that (i) the Master Agreement was competitively solicited by the Lead Public Agency, (ii) the Master Agreement provides the best government pricing, (iii) there is no cost to Participating Public Agencies, and (iv) the Master Agreement is a non-exclusive contract.

(ii) **Branding and Logo Compliance.** Supplier shall be responsible for complying with the U.S. Communities branding and logo standards and guidelines. Prior to use by Supplier, all U.S. Communities related marketing material must be submitted to U.S. Communities for review and approval.

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(iii) Sales Force Training. Supplier shall train its national sales force on the Master Agreement and U.S. Communities program. U.S. Communities shall be available to train regional or district managers and generally assist with the education of sales personnel.

(iv) Participating Public Agency Access. Supplier shall establish the following communication links to facilitate customer access and communication:

(A) A dedicated U.S. Communities internet web-based homepage containing:

- (1) U.S. Communities standard logo with Founding Co-Sponsors logos;
- (2) Copy of original procurement solicitation;
- (3) Copy of Master Agreement including any amendments;
- (4) Summary of Products and Services pricing;
- (5) Electronic link to U.S. Communities' online registration page; and
- (6) Other promotional material as requested by U.S. Communities.

(B) A dedicated toll-free national hotline for inquiries regarding U.S. Communities.

(C) A dedicated email address for general inquiries in the following format: uscommunities@(name of supplier).com.

(v) Electronic Registration. Supplier shall be responsible for ensuring that each Public Agency has completed U.S. Communities' online registration process prior to processing the Public Agency's first sales order.

(vi) Supplier's Performance Review. Upon request by U.S. Communities, Supplier shall participate in a performance review meeting with U.S. Communities to evaluate Supplier's performance of the covenants set forth in this Agreement.

(vii) Supplier Content. Supplier may, from time to time, provide certain graphics, media, and other content to U.S. Communities (collectively "Supplier Content") for use on U.S. Communities websites and for general marketing and publicity purposes. Supplier hereby grants to U.S. Communities and its affiliates a non-exclusive, worldwide, perpetual, free, transferrable, license to reproduce, modify, distribute, publically perform, publically display, and use Supplier Content in connection with U.S. Communities websites and for general marketing and publicity purposes, with the right to sublicense each and every such right. Supplier warrants that: (a) Supplier is the owner of or otherwise has the unrestricted right to grant the rights in and to Supplier Content as contemplated hereunder; and (b) the use of Supplier Content and any other materials or services provided to U.S. Communities as contemplated hereunder will not violate, infringe, or misappropriate the intellectual property rights or other rights of any third party

3.4 Breach of Supplier's Representations and Covenants. The representations and covenants set forth in this Agreement are the foundation of the relationship between U.S. Communities and Supplier. If Supplier is found to be in violation of, or non-compliance with, one or more of the representations and covenants set forth in this Agreement, Supplier shall have ninety (90) days from the notice of default to cure such violation or non-compliance and, if Supplier fails to cure such violation or non-compliance within such notice period, it shall be

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deemed a cause for immediate termination of the Master Agreement at Lead Public Agency's sole discretion or this Agreement at U.S. Communities' sole discretion.

3.5 Indemnity. Supplier hereby agrees to indemnify and defend U.S. Communities, and its parent companies, subsidiaries, affiliates, shareholders, member, manager, officers, directors, employees, agents, and representatives from and against any and all claims, costs, proceedings, demands, losses, damages, and expenses (including, without limitation, reasonable attorney's fees and legal costs) of any kind or nature, arising from or relating to, any actual or alleged breach of any of Supplier's representations, warranties, or covenants in this Agreement.

ARTICLE IV

PRICING AUDITS

4.1 Supplier shall, at Supplier's sole expense, maintain an accounting of all purchases made by Lead Public Agency and Participating Public Agencies under the Master Agreement. U.S. Communities and Lead Public Agency each reserve the right to audit the accounting for a period of three (3) years from the time such purchases are made. This audit right shall survive termination of this Agreement for a period of one (1) year from the effective date of termination. U.S. Communities shall have the authority to conduct random audits of Supplier's pricing that is offered to Participating Public Agencies at U.S. Communities' sole cost and expense. Notwithstanding the foregoing, in the event that U.S. Communities is made aware of any pricing being offered to Participating Public Agencies that is materially inconsistent with the pricing under the Master Agreement, U.S. Communities shall have the ability to conduct an extensive audit of Supplier's pricing at Supplier's sole cost and expense. U.S. Communities may conduct the audit internally or may engage a third-party auditing firm. In the event of an audit, the requested materials shall be provided in the format and at the location designated by Lead Public Agency or U.S. Communities.

ARTICLE V

FEES & REPORTING

5.1 Administrative Fees. Supplier shall pay to U.S. Communities a monthly administrative fee based upon the total sales price of all purchases shipped and billed pursuant to the Master Agreement, excluding taxes, in the amount of two percent (2%) of aggregate purchases made during each calendar month (individually and collectively, "Administrative Fees"). Supplier's annual sales shall be measured on a calendar year basis. All Administrative Fees shall be payable in U.S. Dollars and shall be made by wire to U.S. Communities, or its designee or trustee as may be directed in writing by U.S. Communities. Administrative Fees shall be due and payable within thirty (30) days of the end of each calendar month for purchases shipped and billed during such calendar month. U.S. Communities agrees to pay to Lead Public Agency five percent (5%) of all Administrative Fees received from Supplier to help offset Lead Public Agency's costs incurred in connection with managing the Master Agreement nationally.

5.2 Sales Reports. Within thirty (30) days of the end of each calendar month, Supplier shall deliver to U.S. Communities an electronic accounting report, in the format prescribed by Exhibit B, attached hereto, summarizing all purchases made under the Master Agreement during such calendar month ("Sales Report"). All purchases indicated in the Sales Report shall be denominated in U.S. Dollars. All purchases shipped and billed pursuant to the Master Agreement for the applicable calendar month shall be included in the Sales Report. U.S. Communities reserves the right upon reasonable advance notice to Supplier to change the prescribed report format to accommodate the distribution of the Administrative Fees to its program sponsors and state associations.

RFP – Workforce Management System
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(a) Monthly Sales Reports shall include all sales reporting under the Master Agreement, and a breakout of Environmental Preferable (Green) sales reporting. Supplier must make reasonable attempts at filling in all required information and contact U.S. Communities with a plan to correct any deficiencies of data field population.

(b) Submitted reports shall be verified by U.S. Communities against its registration database. Any data that is inconsistent with the registration database shall be changed prior to processing.

5.3 Exception Reporting/Sales Reports Audits. U.S. Communities or its designee may, at its sole discretion, compare Supplier's Sales Reports with Participating Public Agency records or other sales analysis performed by Participating Public Agencies, sponsors, advisory board members or U.S. Communities staff. If there is a material discrepancy between the Sales Report and such records or sales analysis as determined by U.S. Communities, U.S. Communities shall notify Supplier in writing and Supplier shall have thirty (30) days from the date of such notice to resolve the discrepancy to U.S. Communities' reasonable satisfaction. Upon resolution of the discrepancy, Supplier shall remit payment to U.S. Communities' trustee within fifteen (15) calendar days. Any questions regarding an exception report should be directed to U.S. Communities in writing to reporting@uscommunities.org. If Supplier does not resolve the discrepancy to U.S. Communities' reasonable satisfaction within thirty (30) days, U.S. Communities shall have the right to engage outside services to conduct an independent audit of Supplier's reports and Supplier shall be obligated to reimburse U.S. Communities for any and all costs and expenses incurred in connection with such audit.

5.4 Online Reporting. Within sixty (60) days of the end of each calendar quarter, U.S. Communities shall provide online reporting to Supplier containing Supplier's sales reporting for such calendar quarter. Supplier shall contact U.S. Communities within fifteen (15) days of receiving notification of the online reporting and report to U.S. Communities any concerns or disputes regarding the reports, including but not limited to concerns regarding the following:

Report Name	Follow up with U.S. Communities
5 Qtr Drop Sales Analysis	Financial & Reporting Manager
Zero States Sales Report	Program Manager
Registered Agency Without Sales Report	Program Manager

Supplier shall have access to the above reports through the U.S. Communities intranet website. The following additional reports are also available to Supplier and are useful in resolving reporting issues and enabling Supplier to better manage its Master Agreement:

- (i) Agency Sales by Population/Enrollment Report
- (ii) Hot Prospect Sales Report
- (iii) New Lead Sales Report
- (iv) State Comparison Sales Report
- (v) Advisory Board Usage Report
- (vi) Various Agency Type Comparison Reports
- (vii) Sales Report Builder

5.5 Supplier's Failure to Provide Reports or Pay Administrative Fees. Failure to provide a Sales Report or pay Administrative Fees within the time and in the manner specified herein shall be regarded as a material breach under this Agreement and if not cured within thirty (30) days of written notice to Supplier, shall be deemed a cause for termination of the Master Agreement at Lead Public Agency's sole discretion or this Agreement at U.S. Communities' sole discretion. All Administrative Fees not paid within thirty (30) days of the end of the previous calendar month shall bear interest at the rate of one and one-half percent (1.5%) per month until paid in full.

ARTICLE VI

MISCELLANEOUS

6.1 Entire Agreement. This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the subject matter hereof, and no other agreement, statement, or promise relating to the subject matter of this Agreement which is not contained herein shall be valid or binding.

6.2 Attorney's Fees. If any action at law or in equity is brought to enforce or interpret the provisions of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees and costs in addition to any other relief to which such party may be entitled.

6.3 Assignment.

(a) Supplier. Neither this Agreement nor any rights or obligations hereunder shall be assignable by Supplier without prior written consent of U.S. Communities, and any assignment without such consent shall be void.

(b) U.S. Communities. This Agreement and any rights or obligations hereunder may be assigned by U.S. Communities in U.S. Communities' sole discretion, to an existing or newly established legal entity that has the authority and capacity to perform U.S. Communities' obligations hereunder.

6.4 Notices. All reports, notices or other communications given hereunder shall be delivered by first-class mail, postage prepaid, or overnight delivery requiring signature on receipt to the addresses as set forth below. U.S. Communities may, by written notice delivered to Supplier, designate any different address to which subsequent reports, notices or other communications shall be sent.

U.S. Communities: U.S. Communities
2999 Oak Road, Suite 710
Walnut Creek, California 94597
Attn: Program Manager Administration

Supplier: _____

Attn: U.S. Communities Program Manager

6.5 Severability. If any provision of this Agreement shall be deemed to be, or shall in fact be, illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

6.6 Waiver. Any failure of a party to enforce, for any period of time, any of the provisions under this Agreement shall not be construed as a waiver of such provisions or of the right of said party thereafter to enforce each and every provision under this Agreement.

6.7 Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

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6.8 Modifications. This Agreement may not be effectively amended, changed, modified, altered or terminated without the prior written consent of the parties hereto.

6.9 Governing Law; Arbitration. This Agreement will be governed by and interpreted in accordance with the laws of the State of California without regard to any conflict of laws principles. Any dispute, claim, or controversy arising out of or relating to this Agreement or the breach, termination, enforcement, interpretation or validity thereof, including the determination of the scope or applicability of this dispute resolution clause, shall be determined by arbitration in Walnut Creek, California, before one (1) arbitrator. The arbitration shall be administered by JAMS pursuant to its Comprehensive Arbitration Rules and Procedures. Judgment on the award may be entered in any court having jurisdiction. This clause shall not preclude parties from seeking provisional remedies in aid of arbitration from a court of appropriate jurisdiction. The prevailing party will be entitled to recover its reasonable attorneys' fees and arbitration costs from the other party. The arbitration award shall be final and binding. Each party commits that prior to commencement of arbitration proceedings, the parties shall submit the dispute to JAMS for mediation. The parties will cooperate with JAMS and with one another in selecting a mediator from JAMS panel of neutrals, and in promptly scheduling the mediation proceedings. The parties covenant that they will participate in the mediation in good faith, and that they will share equally in its costs. The mediation will be conducted by each party designating a duly authorized officer or other representative to represent the party with the authority to bind the party, and that the parties agree to exchange informally such information as is reasonably necessary and relevant to the issues being mediated. All offers, promises, conduct, and statements, whether oral or written, made in the course of the mediation by any of the parties, their agents, employees, experts, and attorneys, and by the mediator or any JAMS employees, are confidential, privileged, and inadmissible for any purpose, including impeachment, in any arbitration or other proceeding involving the parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the mediation. If the dispute is not resolved within thirty (30) days from the date of the submission of the dispute to mediation (or such later date as the parties may mutually agree in writing), the administration of the arbitration shall proceed. The mediation may continue, if the parties so agree, after the appointment of the arbitrator. Unless otherwise agreed by the parties, the mediator shall be disqualified from serving as arbitrator in the case. The pendency of a mediation shall not preclude a party from seeking provisional remedies in aid of the arbitration from a court of appropriate jurisdiction, and the parties agree not to defend against any application for provisional relief on the ground that a mediation is pending.

6.10 Successors and Assigns. This Agreement shall inure to the benefit of and shall be binding upon U.S. Communities, Supplier and any successor and assign thereto; subject, however, to the limitations contained herein.

[Remainder of Page Intentionally Left Blank – Signatures Follow]

RFP – Workforce Management System
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IN WITNESS WHEREOF, U.S. Communities has caused this Agreement to be executed in its name and Supplier has caused this Agreement to be executed in its name, all as of the date first written above.

U.S. Communities:

U.S. COMMUNITIES GOVERNMENT PURCHASING ALLIANCE

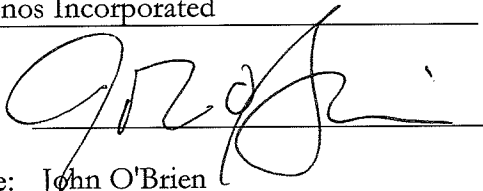
By _____

Name: _____

Title: _____

Supplier:

Kronos Incorporated

By  _____

Name: John O'Brien

Title: Senior Vice President, Americas

RFP – Workforce Management System
#14-JLR-003

EXHIBIT A

MASTER AGREEMENT

(Harford County Public Schools Master Agreement/Contract to be attached at time of award.)

RFP – Workforce Management System
 #14-JLR-003

EXHIBIT B

SALES REPORT FORMAT

Appendix B - US (Data Format)

Sales Report Template													
TIN	Supplier ID	Account No.	Agency Name	Dept Name	Address	City	State	Zip	Agency Type	Year	Qtr	Month	Amount
956000735	160	89518997	CITY OF LA/MGMT EMPL SVCS	Purchasing	555 RAMIREZ ST STE 312	LOS ANGELES	CA	90012	20	2012	2	5	1525.50
956000222	160	34888035	LOS ANGELES COUNTY	Facilities	350 S FIGUEROA ST STE 700	LOS ANGELES	CA	90071	30	2012	2	5	1603.64
956000735	160	89496461	CITY OF LA/ENVIRON AFFAIR	Purchasing	555 RAMIREZ ST STE 312	LOS ANGELES	CA	90012	20	2012	2	5	1625.05
956000735	160	89374835	CITY OF LA/COMMUNITY DEV	Purchasing	555 RAMIREZ ST STE 312	LOS ANGELES	CA	90012	20	2012	2	5	45090.79
066002010	160	328NA0001053	GROTON TOWN OF PUBLIC WORKS	Water	123 A ST	GROTON	CT	06340	20	2012	2	5	318.00
066001854	160	328NA0001051	GROTON CITY OF	Administration	123 A ST	GROTON	CT	06340	20	2012	2	5	212.00

SALES REPORT DATA FORMAT					
Column Name	Required	Data Type	Length	Example	Comment
TIN	Optional	Text	9	956000735	No Dash, Do not omit leading zero.
Supplier ID	Yes	Number	3	111	See Supplier ID Table Below
Account No.	Optional	Text	25 max		Depends on supplier account no.
Agency Name	Yes	Text	255 max	Los Angeles County	
Dept Name	Optional	Text	255 max	Purchasing Dept	
Address	Yes	Text	255 max		
City	Yes	Text	255 max	Los Angeles	Must be a valid City name
State	Yes	Text	2	CA	
Zip	Yes	Text	5	90071	No Dash, Do not omit leading zero, Valid zip code
Agency Type	Yes	Number	2	30	See Agency Type Table Below
Year	Yes	Number	4	2010	
Qtr	Yes	Number	1	4	
Month	Yes	Number	2	12	
Amount	Yes	Number	variable	45090.79	Two digit decimal point, no \$ sign or commas

Agency Type Table	
Agency Type ID	Agency Type Description
10	K-12
11	Community College
12	College and University
20	City
21	City Special District
22	Consolidated City/County
30	County
31	County Special District
40	Federal
41	Crown Corporations
50	Housing Authority
80	State Agency
81	Independent Special District
82	Non-Profit
84	Other



Tab H – ADDITIONAL REQUIRED FORMS AND SIGNED ADDENDA

a. Provide completed Attachment F, Anti-Bribery Form.

Please see below for our signed Attachment F, Anti-Bribery Form.

b. Submit initialed and/or signed Addenda (if applicable).

Please see below for our signed Addenda.

RFP – Workforce Management System
#14-JLR-003

ATTACHMENT F

HARFORD COUNTY PUBLIC SCHOOLS

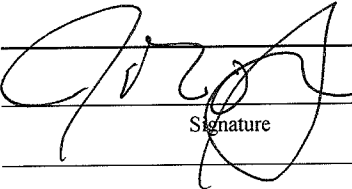
Barbara Canavan, Interim Superintendent

102 S. Hickory Ave, Bel Air, Maryland 21014

**CERTIFICATION REGARDING U.S. GOVERNMENT
DEBARMENT, SUSPENSION, INELIGIBILITY, AND VOLUNTARY EXCLUSION**

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 34 CFR, part 85, Section 85.510, Participants' responsibilities. The regulations were published as Part VII of the May 26, 1988, Federal Register (pages 19160-19211).

- (1) The prospective participant certifies, by submission of this proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
- (2) Where the prospective participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

 John O'Brien, Senior Vice President, Americas
Name and Title of Authorized Agency/Organization Representative
10/29/2013
Date
Kronos Incorporated
Agency/Organization

Above certification instituted by the U. S. Department of Education for all grantees and subgrantees as of fiscal year 1990.


ANTI-BRIBERY AFFIDAVIT

I HEREBY CERTIFY that:

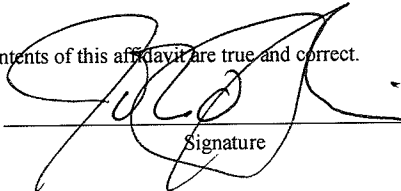
1. I am the Senior Vice President, Americas and the duly authorized representative of the firm of whose address is 297 Billerica Road, Chelmsford, MA 01824, and that I possess the legal authority to make this affidavit on behalf of myself and the firm for which I am acting.
2. Except as described in paragraph 3 below, neither I, nor to the best of my knowledge, the above firm, nor any of its officers, directors or partners, or any of its employees directly involved in obtaining contracts with the state or any county, bi-county, or multi-county agency, or subdivision of the State have been convicted of, or have pleaded nolo contendere to a charge of, or have during the course of an official investigation or other proceeding admitted in writing or under oath acts or omissions committed after July 1, 1977, which constitute bribery, attempted bribery, or conspiracy to bribe under the provisions of Article 27 of the Annotated Code of Maryland or under the laws of any state or federal government.
3. (State "none" or, as appropriate, list any conviction, plea, or admission described in paragraph 2 above, with the date; court, official, or administrative body; and the sentence or disposition, if any. None)

I acknowledge that this affidavit is to be furnished to the requesting agency, to the Secretary of Budget and Fiscal Planning of Maryland, and where appropriate, to the Board of Public Works and the Attorney General under §16-202, S.F. of the Annotated Code of Maryland. I acknowledge that, if the representations set forth in this affidavit are not true and correct, the State may terminate any contract awarded and take any other appropriate action. I further acknowledge that I am executing this affidavit in compliance with §16-203, S.F. of the Annotated Code of Maryland, which provides that certain persons who have been convicted of or have admitted to bribery, attempted bribery, or conspiracy to bribe may be disqualified, either by operation of law or after a hearing, from entering into contracts with the State or any of its agencies or subdivisions.

I do solemnly declare and affirm under the penalties of perjury that the contents of this affidavit are true and correct.



Witness



Signature

10/29/2013
Date

ADDENDUM #1
Workforce Management System
RFP # 14-JLR-003

TO: ALL BIDDERS
FROM: Jeffrey LaPorta, CPPB, Supervisor of Purchasing
DATE: October 14, 2013

This Addendum is issued in response from prospective bidders' inquiries and to clarify verbiage in the bid document.

1. **CLARIFICATION:** Harford County Public Schools (HCPS) is acting as Lead Agency only for this solicitation. The contract resulting from this solicitation will be a national contracting vehicle for Participating Public Agencies through the U.S. Communities Government Purchasing Alliance ("U.S. Communities").

2. **QUESTION:** Do all of the participating schools share a platform (Avaya/Cisco/ShoreTel etc.)?

ANSWER: Not applicable. See item #1.

3. **CORRECTION:** Under Section I, subsection C. Submittal of Questions, the deadline for submittal of questions is 4:00PM, on October 10, 2013.

4. **QUESTION:** If a vendor has solutions to handle a portion of the requirement, can a proposal for that portion be submitted? (I realize that teaming arrangements can be made to provide a proposal that meets all requirements of the RFP.)

ANSWER: Yes

5. **QUESTION:** The RFP mentions that Harford County Public Schools System does not (at this time) intend to use the services awarded. It begs the question, who will use it, and if not Harford, will the winning vendor have to again provide a proposal to a member organization for the same services/products? Or, does winning this RFP competition serve as a means for member organizations to contact the vendor and negotiate contracts based on the winning proposal? How long does that arrangement remain valid?

ANSWER: See Item #1. No, the winning vendor will not have to provide subsequent proposals to Participating Public Agencies. This RFP will serve as the contracting vehicle. The contract term is three (3) years with the option to renew for two additional one (1) year terms. See RFP page 8, section I.

6. **QUESTION:** Should a separate tab be included to specify different scenarios for other agencies and needs they may have, to show what vendor can offer?

ANSWER: No. Please refer to pg. 17 of the RFP. All items vendor offers can be listed on national pricing sheet.

7. **QUESTION:** How in depth should our pricing scenario be?

ANSWER: Price according to scenario but be advised that you can offer additional options your company/product can provide. However, do not factor in to your pricing scenario the specifics of the ancillary items such as cabling and wiring.

8. **QUESTION:** Have any vendors already demonstrated on site for HCPS?

ANSWER: No

9. **QUESTION:** Which vendors?

ANSWER: Not applicable.

10. **QUESTION:** Did HCPS write this RFP?

ANSWER: Yes

11. **QUESTION:** The vendor decision turnaround is significantly quicker than most RFPs of this size and scope, is there a preferred solution?

ANSWER: No

12. **QUESTION:** Does HCPS prefer Software as a Service or an in-house hardware/software solution?

ANSWER: Because Participating Public Agencies will have varied needs that are specific to their jurisdictions, vendors are encouraged to propose their complete offer of solutions.

13. **QUESTION:** Do you anticipate 50 clocks for this quote?



HARFORD COUNTY
PUBLIC SCHOOLS

Inspire • Prepare • Achieve

Barbara P. Canavan, Interim Superintendent of Schools
102 S. Hickory Avenue, Bel Air, Maryland 21014
Office: 410-838-7300 • www.hcps.org • fax: 410-893-2478

Purchasing Department

ANSWER: Not applicable. See item #1.

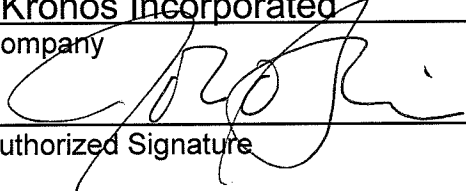
14. **QUESTION:** Does HCPS anticipate 100% clock usage for employees or would online web activity be preferred for the office personnel?

ANSWER: Not applicable. See item #1.

15. **QUESTION:** Does HCPS have union employees (EE)? How many EE are Union and how many different unions are onsite?

ANSWER: Not applicable. See item #1.

I hereby acknowledge receipt of Addendum #1 dated 10/14/2013, to Bid #14-JLR-003.

Kronos Incorporated
Company

Authorized Signature

John O'Brien
Name (Print or Type)
10/29/2013
Date

Note: Bidder shall sign and submit Addendum with bid submission. The same person signing Addendum shall sign the Bid Form.

Kronos RFP #14-JLR-003

Cost Proposal



Public Sector Pricebook - rev2015 - Submitted 2/26/2016

* Discount is based on quantities purchased at one time, not cumulative *ee referenced below is an abbreviation for employee (i.e. 1-100ee is 1 to 100 employees)

Item Description	Pricelist Name	List Price	Discount %	Final Price	Discount %	Final Price	Discount %	Final Price
Workforce Central								
WORKFORCE TIMEKEEPER V7 or V8	Workforce	\$ 59.00	39%	\$ 35.99	41%	\$ 34.81	43%	\$ 33.63
WORKFORCE MANAGER V7 or V8	Workforce	\$ 462.00	39%	\$ 281.82	41%	\$ 272.58	43%	\$ 263.34
WORKFORCE ACTIVITIES V7 or V8	Workforce	\$ 70.00	39%	\$ 42.70	41%	\$ 41.30	43%	\$ 39.90
WORKFORCE ANALYTICS FOR Public Sector V7 or V8	Workforce	\$ 80.00	39%	\$ 48.80	41%	\$ 47.20	43%	\$ 45.60
WORKFORCE SCHEDULER V7 or V8	Workforce	\$ 65.00	39%	\$ 39.65	41%	\$ 38.35	43%	\$ 37.05
WORKFORCE RECORD MANAGER V7	Workforce	\$ 6.00	39%	\$ 3.66	41%	\$ 3.54	43%	\$ 3.42
WORKFORCE ENTERPRISE ARCHIVE V8 (REPLACES WORKFORCE RECORD MANAGER V7)	Workforce	\$ 6.00	39%	\$ 3.66	41%	\$ 3.54	43%	\$ 3.42
WORKFORCE ABSENCE MANAGER V7 OR V8	Workforce	\$ 51.00	39%	\$ 31.11	41%	\$ 30.09	43%	\$ 29.07
WORKFORCE INTEGRATION MANAGER V7 OR V8	Workforce	\$ 13.00	39%	\$ 7.93	41%	\$ 7.67	43%	\$ 7.41
WORKFORCE ANALYTICS V7 OR V8	Workforce	\$ 55.00	39%	\$ 33.55	41%	\$ 32.45	43%	\$ 31.35
WORKFORCE EMPLOYEE V7 OR V8	Workforce	\$ 40.00	39%	\$ 24.40	41%	\$ 23.60	43%	\$ 22.80
WORKFORCE ATTESTATION TOOL KIT V7 OR V8	Workforce	\$ 15.00	39%	\$ 9.15	41%	\$ 8.85	43%	\$ 8.55
WORKFORCE LEAVE V7 OR V8	Workforce	\$ 46.00	39%	\$ 28.06	41%	\$ 27.14	43%	\$ 26.22
WORKFORCE ATTENDANCE V7 OR V8	Workforce	\$ 23.00	39%	\$ 14.03	41%	\$ 13.57	43%	\$ 13.11
WORKFORCE ACCRUALS V7 OR V8	Workforce	\$ 23.00	39%	\$ 14.03	41%	\$ 13.57	43%	\$ 13.11
WORKFORCE MOBILE MANAGER V7 OR V8	Workforce	\$ 65.00	39%	\$ 39.65	41%	\$ 38.35	43%	\$ 37.05
WORKFORCE TABLET V7 OR V8	Workforce	\$ 99.00	39%	\$ 60.39	41%	\$ 58.41	43%	\$ 56.43
WORKFORCE MOBILE EMPLOYEE V7 OR V8	Workforce	\$ 8.00	39%	\$ 4.88	41%	\$ 4.72	43%	\$ 4.56
Workforce HR/PR Administrator V7 OR V8	Workforce	\$ 420.00	39%	\$ 256.20	41%	\$ 247.80	43%	\$ 239.40
Workforce HR V7 OR V8	Workforce	\$ 68.25	39%	\$ 41.63	41%	\$ 40.27	43%	\$ 38.90
Workforce Payroll V7 OR V8	Workforce	\$ 68.25	39%	\$ 41.63	41%	\$ 40.27	43%	\$ 38.90
Workforce Employee HR/PR V7 OR V8	Workforce	\$ 36.75	39%	\$ 22.42	41%	\$ 21.68	43%	\$ 20.95
Workforce Manager HR/PR V7 OR V8	Workforce	\$ 210.00	39%	\$ 128.10	41%	\$ 123.90	43%	\$ 119.70
Workforce Payroll ADP Interface V7 OR V8(Site License)	Workforce	\$ 7,500.00	39%	\$ 4,575.00	41%	\$ 4,425.00	43%	\$ 4,275.00
Workforce Payroll Ceridian Interface V7 OR V8 (Site License)	Workforce	\$ 25,000.00	39%	\$ 15,250.00	41%	\$ 14,750.00	43%	\$ 14,250.00
QUICK TIME STAMP OFFLINE V7 OR V8	Workforce	\$ 25.00	39%	\$ 15.25	41%	\$ 14.75	43%	\$ 14.25
Workforce Budgeting V7 or V8	Workforce	\$ 65.00	39%	\$ 39.65	41%	\$ 38.35	43%	\$ 37.05
Workforce Task Management V7 or V8	Workforce	\$ 45.00	39%	\$ 27.45	41%	\$ 26.55	43%	\$ 25.65
Workforce Tips & Tokes V7 or V8	Workforce	\$ 20.00	39%	\$ 12.20	41%	\$ 11.80	43%	\$ 11.40
Workforce Forecast Manager for Healthcare V7 or V8	Workforce	\$ 9.00	39%	\$ 5.49	41%	\$ 5.31	43%	\$ 5.13
Workforce Workload Manager for Healthcare V7 or V8	Workforce	\$ 35.00	39%	\$ 21.35	41%	\$ 20.65	43%	\$ 19.95
Workforce Target Intelligence for Healthcare V7 or V8	Workforce	\$ 20.00	39%	\$ 12.20	41%	\$ 11.80	43%	\$ 11.40
Technical Account Management TIMEKEEPER V7 OR V8 (one TAM per Solution)	Workforce TAM	\$ 65,000.00	39%	\$ 39,650.00	41%	\$ 38,350.00	43%	\$ 37,050.00
Timelink Direct Edition Server V5 For Intouch	Workforce	\$ 16,985.00	39%	\$ 10,360.85	41%	\$ 10,021.15	43%	\$ 9,681.45
Timelink Direct Edition Workforce Access License For Intouch	Workforce	\$ 17.00	39%	\$ 10.37	41%	\$ 10.03	43%	\$ 9.69
Timelink Direct Edition Weblock User License For Intouch	Workforce	\$ 15.00	39%	\$ 9.15	41%	\$ 8.85	43%	\$ 8.55
Timelink Connector For Intouch - Generic	Workforce	\$ -	39%	\$ -	41%	\$ -	43%	\$ -
Timelink Connector For Intouch - Sap Cats 2000+ Users	Workforce	\$ -	39%	\$ -	41%	\$ -	43%	\$ -
Timelink Connector For Intouch - Sap Cats Under 2000 Users	Workforce	\$ -	39%	\$ -	41%	\$ -	43%	\$ -
Timelink Connector For Intouch - Sap Pdc Hr 2000+ Users	Workforce	\$ -	39%	\$ -	41%	\$ -	43%	\$ -
Timelink Connector For Intouch - Sap Pdc Hr Under 2000 Users	Workforce	\$ -	39%	\$ -	41%	\$ -	43%	\$ -
Timelink Connector For Intouch - Sap Pdc Hr /Pp 2000+ Users	Workforce	\$ -	39%	\$ -	41%	\$ -	43%	\$ -
Timelink Connector For Intouch - Sap Pdc Hr /Pp Under 2000 Users	Workforce	\$ -	39%	\$ -	41%	\$ -	43%	\$ -
Workforce Central SaaS								
Workforce Timekeeper v7 or v8 - per employee per month (Timekeeper, Employee, Manager, Integration Manager, Mobile Employee and Mobile Manager) * Timekeeper to Manager Ratio is 10:1	SaaS	\$ 5.00	48%	\$ 2.60	52%	\$ 2.40	56%	\$ 2.20
Managers for Workforce Central v7 or v8 - per Mgr per month (Capacity Increase Add/On)	SaaS	\$ 3.00	48%	\$ 1.56	52%	\$ 1.44	56%	\$ 1.32
Workforce Accruals v7 or v8 - per employee per month (Capacity Increase Add/On)	SaaS	\$ 1.00	48%	\$ 0.52	52%	\$ 0.48	56%	\$ 0.44
Quick Time Stamp Offline v7 or v8 - per employee per month (Capacity Increase Add/On)	SaaS	\$ 0.50	48%	\$ 0.26	52%	\$ 0.24	56%	\$ 0.22
Workforce Attestation v7 or v8 - per employee per month (Capacity Increase Add/On)	SaaS	\$ 0.50	48%	\$ 0.26	52%	\$ 0.24	56%	\$ 0.22
Workforce Record Manager v7 - per employee per month (Capacity Increase Add/On)	SaaS	\$ 0.30	48%	\$ 0.16	52%	\$ 0.14	56%	\$ 0.13
Workforce Enterprise Archive v8 - per emp per month (Capacity Increase Add/On) - Replaces WFC Record Mgr v7	SaaS	\$ 0.30	48%	\$ 0.16	52%	\$ 0.14	56%	\$ 0.13
Workforce Scheduler v7 or v8 - per employee per month (Capacity Increase Add/On)	SaaS	\$ 2.50	48%	\$ 1.30	52%	\$ 1.20	56%	\$ 1.10
Workforce Analytics for Public Sector v7 or v8 - per employee per month (Capacity Increase Add/On)	SaaS	\$ 2.50	48%	\$ 1.30	52%	\$ 1.20	56%	\$ 1.10
Workforce Analytics v7 or v8 - per employee per month (Capacity Increase Add/On)	SaaS	\$ 2.50	48%	\$ 1.30	52%	\$ 1.20	56%	\$ 1.10
Workforce Activities v7 or v8 - per employee per month (Capacity Increase Add/On)	SaaS	\$ 2.50	48%	\$ 1.30	52%	\$ 1.20	56%	\$ 1.10
Workforce Absence Manager v7 or v8 - per employee per month (Capacity Increase Add/On)	SaaS	\$ 2.50	48%	\$ 1.30	52%	\$ 1.20	56%	\$ 1.10
Workforce Attendance v7 or v8 - per employee per month (Capacity Increase Add/On)	SaaS	\$ 1.00	48%	\$ 0.52	52%	\$ 0.48	56%	\$ 0.44
Workforce Tablet v7 or v8 - per employee per month (Capacity Increase Add/On)	SaaS	\$ 1.00	48%	\$ 0.52	52%	\$ 0.48	56%	\$ 0.44
WORKFORCE TELESTAFF INSTITUTION FOCUS V4 OR V5 per employee per month (Capacity Increase Add/On)	SaaS	\$ 5.00	48%	\$ 2.60	52%	\$ 2.40	56%	\$ 2.20
WORKFORCE TELESTAFF GLOBAL ACCESS V4 OR V5 per employee per month (Capacity Increase Add/On)	SaaS	\$ 0.75	48%	\$ 0.39	52%	\$ 0.36	56%	\$ 0.33
WORKFORCE TELESTAFF GATEWAY MANAGER V4 OR V5 per month (Capacity Increase Add/On)	SaaS	\$ 1.00	48%	\$ 0.52	52%	\$ 0.48	56%	\$ 0.44
WORKFORCE TELESTAFF GATEWAY MANAGER V4 OR V5 interface to WFC V6/V7/V8	SaaS	\$ 150.00	48%	\$ 78.00	52%	\$ 72.00	56%	\$ 66.00
WORKFORCE TELESTAFF CONTACT MANAGER V4 OR V5 per employee per month (Capcity Increase Add/On)	SaaS	\$ -	48%	\$ -	52%	\$ -	56%	\$ -
WORKFORCE TELESTAFF BIDDING V4 OR V5 per employee per month (Capacity Increase Add/On)	SaaS	\$ 0.50	48%	\$ 0.26	52%	\$ 0.24	56%	\$ 0.22
WORKFORCE INTEGRATION MANAGER V7 OR V8 TO TELESTAFF V2/V4/V5	SaaS	\$ 2.00	48%	\$ 1.04	52%	\$ 0.96	56%	\$ 0.88
WORKFORCE TELETIME IP V7 or V8, BASE SYSTEM, 5 LINES - per month	SaaS	\$ 1,000.00	48%	\$ 520.00	52%	\$ 480.00	56%	\$ 440.00
WORKFORCE TELETIME IP V7 or V8, ADD'L LINE, LINES 6-10 - per month	SaaS	\$ 150.00	48%	\$ 78.00	52%	\$ 72.00	56%	\$ 66.00
WORKFORCE TELETIME IP V7 or V8, ADD'L LINE, LINES 11+ - per month	SaaS	\$ 50.00	48%	\$ 26.00	52%	\$ 24.00	56%	\$ 22.00



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WORKFORCE TELETIME IP V7 or V8, BASE SYSTEM, 5 LINES, 2ND LANGUAGE - per month	SaaS	\$ 150.00	48%	\$ 78.00	52%	\$ 72.00	56%	\$ 66.00
WORKFORCE TELETIME IP V7 or V8, ADD'L LINE, LINES 6-10, 2ND LANGUAGE - per month	SaaS	\$ 15.00	48%	\$ 7.80	52%	\$ 7.20	56%	\$ 6.60
WORKFORCE TELETIME IP V7 or V8, ADD'L LINE, LINES 11+, 2ND LANGUAGE - per month	SaaS	\$ 7.50	48%	\$ 3.90	52%	\$ 3.60	56%	\$ 3.30
WORKFORCE TELETIME IP V7 or V8, BASE SYSTEM, 5 LINES, 3RD LANGUAGE - per month	SaaS	\$ 150.00	48%	\$ 78.00	52%	\$ 72.00	56%	\$ 66.00
WORKFORCE TELETIME IP V7 or V8, ADD'L LINE, LINES 6-10, 3RD LANGUAGE - per month	SaaS	\$ 15.00	48%	\$ 7.80	52%	\$ 7.20	56%	\$ 6.60
WORKFORCE TELETIME IP V7 or V8, ADD'L LINE, LINES 11+, 3RD LANGUAGE - per month	SaaS	\$ 7.50	48%	\$ 3.90	52%	\$ 3.60	56%	\$ 3.30
Workforce Human Resources	SaaS	\$ 5.00	48%	\$ 2.60	52%	\$ 2.40	56%	\$ 2.20
Workforce Payroll (includes Workforce HR/Payroll Admin v7, Workforce HR/Payroll Employee v7 and Workforce HR/Payroll Manager)	SaaS	\$ 5.00	48%	\$ 2.60	52%	\$ 2.40	56%	\$ 2.20
Workforce Telestaff Enterprise	SaaS	\$ 5.00	48%	\$ 2.60	52%	\$ 2.40	56%	\$ 2.20
Workforce Telestaff Contact Manager	SaaS	\$ 0.50	48%	\$ 0.26	52%	\$ 0.24	56%	\$ 0.22
Workforce Telestaff Institution Focus	SaaS	\$ 0.75	48%	\$ 0.39	52%	\$ 0.36	56%	\$ 0.33
Workforce Telestaff Global Access	SaaS	\$ 1.00	48%	\$ 0.52	52%	\$ 0.48	56%	\$ 0.44
Workforce Telestaff Gateway Manager (Site License Qty 1)	SaaS	\$ 150.00	48%	N/A	N/A	N/A	N/A	N/A

Item Description	Pricelist Name	List Price	Discount %	Final Price
Workforce Ready				
Workforce Ready Time Keeping Per Employee Per Month	Workforce Ready	\$ 5.00	37%	\$ 3.15
Workforce Ready Accruals Per Employee Per Month	Workforce Ready	\$ 1.00	37%	\$ 0.63
Workforce Ready Payroll Pay Statements Per Employee Per Month	Workforce Ready	\$ 5.00	37%	\$ 3.15
Workforce Ready HR Per Employee Per Month	Workforce Ready	\$ 5.00	37%	\$ 3.15
Workforce Ready ACA Manager Per Employee Per Month	Workforce Ready	\$ 0.50	37%	\$ 0.32
Workforce Ready Leave Per Employee Per Month	Workforce Ready	\$ 1.50	37%	\$ 0.95
Mastertax Admin License	Workforce Ready	\$ 70.00	37%	\$ 44.10
Mastertax Employee Licenses (per 40 EE)	Workforce Ready	\$ 7.00	37%	\$ 4.41
Mastertax Year End Fee License (per 40 EE)	Workforce Ready	\$ 10.00	37%	\$ 6.30
Kronos WFR InTouch, Standard Enclosure, w/ Bar Code Badge Reader - monthly rental fee	Workforce Ready	\$ 150.00	37%	\$ 94.50
Kronos WFR InTouch, Standard Enclosure, w/ Mag Stripe Card Reader - monthly rental fee	Workforce Ready	\$ 150.00	37%	\$ 94.50
Kronos WFR InTouch, Standard Enclosure, w/ HID Prox Reader - monthly rental fee	Workforce Ready	\$ 160.00	37%	\$ 100.80

Item Description	Pricelist Name	List Price	Discount %	Final Price	Discount %	Final Price	Discount %	Final Price
Workforce Telestaff					5,000-9,999ee		≥10,000ee +	
TELESTAFF ENTERPRISE V2, V4 or V5	Telestaff	\$ 140.00	39%	\$ 85.40	41%	\$ 82.60	43%	\$ 79.80
TELESTAFF AUCTIONS V2	Telestaff	\$ 50.00	39%	\$ 30.50	41%	\$ 29.50	43%	\$ 28.50
TELESTAFF BIDDING V4 OR V5 - (FORMERLY TELESTAFF AUCTIONS V2)	Telestaff	\$ 50.00	39%	\$ 30.50	41%	\$ 29.50	43%	\$ 28.50
TELESTAFF DATABASE SYBASE LICENSE - BASE SERVER	Telestaff	\$ 125.00	39%	\$ 76.25	41%	\$ 73.75	43%	\$ 71.25
TELESTAFF DATABASE SYBASE LICENSE - CONCURRENT LICENSE	Telestaff	\$ 125.00	39%	\$ 76.25	41%	\$ 73.75	43%	\$ 71.25
TELESTAFF DATABASE SYBASE LICENSE - CPU	Telestaff	\$ 2,500.00	39%	\$ 1,525.00	41%	\$ 1,475.00	43%	\$ 1,425.00
TELESTAFF WEB TIMECARD V2	Telestaff	\$ 2,500.00	39%	\$ 1,525.00	41%	\$ 1,475.00	43%	\$ 1,425.00
TELESTAFF GATEWAY MANAGER V2, V4 OR V5	Telestaff	\$ 5,000.00	39%	\$ 3,050.00	41%	\$ 2,950.00	43%	\$ 2,850.00
TELESTAFF REPORTING V2 & V4 (INCLUDED WITH THE SOFTWARE KIT FOR V4.1 AND BEYOND)	Telestaff	\$ 5,000.00	39%	\$ 3,050.00	41%	\$ 2,950.00	43%	\$ 2,850.00
TELESTAFF ENTERPRISE V2, V4 or V5	Telestaff	\$ 140.00	39%	\$ 85.40	41%	\$ 82.60	43%	\$ 79.80
TELESTAFF WEB ACCESS V2 - TSG HOSTED	Telestaff	\$ 19.61	39%	\$ 11.96	41%	\$ 11.57	43%	\$ 11.18
TELESTAFF INSTITUTION FOCUS V2, V4 OR V5	Telestaff	\$ 20.00	39%	\$ 12.20	41%	\$ 11.80	43%	\$ 11.40
TELESTAFF GATEWAY V2 /F TO WFC V6/V7	Telestaff	\$ -	39%	\$ -	41%	\$ -	43%	\$ -
WORKFORCE TELESTAFF GLOBAL ACCESS V4 OR V5	Telestaff	\$ 25.00	39%	\$ 15.25	41%	\$ 14.75	43%	\$ 14.25
WORKFORCE TELESTAFF CONTACT MANAGER V4 OR V5	Telestaff	\$ 15.00	39%	\$ 9.15	41%	\$ 8.85	43%	\$ 8.55

Item Description	Pricelist Name	List Price	Discount %	Final Price	Discount %	Final Price	Discount %	Final Price
Aspect Voxeo					≤4,999 ee	5,000-9,999ee	≥10,000ee +	
ASPECT VOXEO PROPHECY LICENSE PER PORT (Platinum Support Only)	Aspect Voxeo	\$ 2,500.00	39%	\$ 1,525.00	41%	\$ 1,475.00	43%	\$ 1,425.00
ASPECT VOXEO PROPHECY SERVICE - USAGE-ASPECT (Per Minute Pricing Based on Usage - Invoices Monthly in Arrears)	Aspect Voxeo	\$ 0.13	1%	\$ 0.12	1%	\$ 0.12	1%	\$ 0.12

Item Description	Pricelist Name	List Price	Discount %	Final Price	Discount %	Final Price	Discount %	Final Price
Hardware *Discounts are based on # of Terminals per transaction					1-24 Terminals	25-49 Terminals	50 + Terminals	
KRONOS INTOUCH H2 Standard Enclosure, with Bar Code Badge Reader	Hardware	\$ 3,595.00	27%	\$ 2,624.35	32%	\$ 2,444.60	36%	\$ 2,300.80
KRONOS INTOUCH 9000 H2, STANDARD, MIFARE SMART CARD	Hardware	\$ 4,395.00	27%	\$ 3,208.35	32%	\$ 2,988.60	36%	\$ 2,812.80
KRONOS INTOUCH 9000 H2, STANDARD, MAG	Hardware	\$ 3,745.00	27%	\$ 2,733.85	32%	\$ 2,546.60	36%	\$ 2,396.80
KRONOS INTOUCH 9000 H2, STANDARD, CLASS SMART CARD	Hardware	\$ 4,395.00	27%	\$ 3,208.35	32%	\$ 2,988.60	36%	\$ 2,812.80
KRONOS INTOUCH 9000 H2, STANDARD, HID PROX	Hardware	\$ 4,295.00	27%	\$ 3,135.35	32%	\$ 2,920.60	36%	\$ 2,748.80
KRONOS INTOUCH 9000 H2, SLIM, MIFARE SMART CARD	Hardware	\$ 4,395.00	27%	\$ 3,208.35	32%	\$ 2,988.60	36%	\$ 2,812.80
KRONOS INTOUCH 9000 H2, SLIM, MAG	Hardware	\$ 3,745.00	27%	\$ 2,733.85	32%	\$ 2,546.60	36%	\$ 2,396.80
KRONOS INTOUCH 9000 H2, SLIM, CLASS SMART CARD	Hardware	\$ 4,295.00	27%	\$ 3,135.35	32%	\$ 2,920.60	36%	\$ 2,748.80
KRONOS INTOUCH 9000 H2, SLIM, HID PROX	Hardware	\$ 4,295.00	27%	\$ 3,135.35	32%	\$ 2,920.60	36%	\$ 2,748.80
KRONOS INTOUCH H3 Standard Enclosure, with Bar Code Badge Reader	Hardware	\$ 3,595.00	27%	\$ 2,624.35	32%	\$ 2,444.60	36%	\$ 2,300.80
KRONOS INTOUCH H3, Standard Enclosure, with Magnetic Stripe Card Reader	Hardware	\$ 3,745.00	27%	\$ 2,733.85	32%	\$ 2,546.60	36%	\$ 2,396.80
KRONOS INTOUCH H3, Standard Enclosure, with HID Proximity Card Reader	Hardware	\$ 4,295.00	27%	\$ 3,135.35	32%	\$ 2,920.60	36%	\$ 2,748.80
KRONOS INTOUCH H3, Standard Enclosure, with EM4102 Proximity Card Reader	Hardware	\$ 4,295.00	27%	\$ 3,135.35	32%	\$ 2,920.60	36%	\$ 2,748.80
KRONOS INTOUCH H3, Standard Enclosure, with Smart Card Reader	Hardware	\$ 4,395.00	27%	\$ 3,208.35	32%	\$ 2,988.60	36%	\$ 2,812.80
KRONOS INTOUCH H3, Slim Enclosure, with Magnetic Stripe Card Reader	Hardware	\$ 3,745.00	27%	\$ 2,733.85	32%	\$ 2,546.60	36%	\$ 2,396.80
KRONOS INTOUCH H3, Slim Enclosure, with HID Proximity Card Reader	Hardware	\$ 4,295.00	27%	\$ 3,135.35	32%	\$ 2,920.60	36%	\$ 2,748.80
KRONOS INTOUCH H3, Slim Enclosure, with EM4102 Proximity Card Reader	Hardware	\$ 4,295.00	27%	\$ 3,135.35	32%	\$ 2,920.60	36%	\$ 2,748.80
KRONOS INTOUCH H3, Slim Enclosure, with Smart Card Reader	Hardware	\$ 4,395.00	27%	\$ 3,208.35	32%	\$ 2,988.60	36%	\$ 2,812.80
4500, FULL, NUM, PROX, EXP MEMORY	Hardware	\$ 3,995.00	27%	\$ 2,916.35	32%	\$ 2,716.60	36%	\$ 2,556.80
4500, FULL, NUM, MAG, EXP MEMORY	Hardware	\$ 3,445.00	27%	\$ 2,514.85	32%	\$ 2,342.60	36%	\$ 2,204.80
4500, FULL, NUM, B/C, EXP MEMORY	Hardware	\$ 3,295.00	27%	\$ 2,405.35	32%	\$ 2,240.60	36%	\$ 2,108.80
4500, FULL, A/N, PROX, EXP MEMORY	Hardware	\$ 3,995.00	27%	\$ 2,916.35	32%	\$ 2,716.60	36%	\$ 2,556.80
4500, FULL, A/N, MAG, EXP MEMORY	Hardware	\$ 3,445.00	27%	\$ 2,514.85	32%	\$ 2,342.60	36%	\$ 2,204.80



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4500, FULL, A/N, B/C, EXP MEMORY		Hardware	\$ 3,295.00	27%	\$ 2,405.35	32%	\$ 2,240.60	36%	\$ 2,108.80
Kronos Hardware Accessories and Spare Parts		Hardware	Variable	27%	Variable	32%	Variable	36%	Variable
Item Description	Pricelist Name	List Price	Discount %	Final Price					
Workflow Teletime									
WORKFORCE TELETIME IP V7 & V8, BASE SYSTEM, 5 LINES	Teletime IP Software	\$ 20,000.00	10%	\$ 18,000.00					
WORKFORCE TELETIME IP V7, ADD'L LINE (LINES 6-10)	Teletime IP Software	\$ 3,000.00	10%	\$ 2,700.00					
WORKFORCE TELETIME IP V7 & V8, ADD'L LINE (LINES 11+)	Teletime IP Software	\$ 1,000.00	10%	\$ 900.00					
WORKFORCE TELETIME IP V7 & V8, BASE SYSTEM, 5 LINES, 2ND LANGUAGE	Teletime IP Software	\$ 3,000.00	10%	\$ 2,700.00					
WORKFORCE TELETIME IP V7 & V8, ADD'L LINE (LINES 6-10), 2ND LANGUAGE	Teletime IP Software	\$ 300.00	10%	\$ 270.00					
WORKFORCE TELETIME IP V7 & V8, ADD'L LINE (LINES 11+), 2ND LANGUAGE	Teletime IP Software	\$ 150.00	10%	\$ 135.00					
WORKFORCE TELETIME IP V7 & V8, BASE SYSTEM, 5 LINES, 3RD LANGUAGE	Teletime IP Software	\$ 3,000.00	10%	\$ 2,700.00					
WORKFORCE TELETIME IP V7 & V8, ADD'L LINE (LINES 6-10), 3RD LANGUAGE	Teletime IP Software	\$ 3,000.00	10%	\$ 2,700.00					
WORKFORCE TELETIME IP V7 & V8, ADD'L LINE (LINES 11+), 3RD LANGUAGE	Teletime IP Software	\$ 150.00	10%	\$ 135.00					
WORKFORCE TELETIME IP V7 & V8, FAILOVER SYSTEM, 5 LINES	Teletime IP Software	\$ 10,000.00	10%	\$ 9,000.00					
WORKFORCE TELETIME IP V7 & V8, FAILOVER ADD'L LINE (LINES 6+)	Teletime IP Software	\$ 250.00	10%	\$ 225.00					
Workflow iSeries									
			<4,999 ee		5,000-9,999ee			≥10,000ee +	Final Price
ISERIES v7 TIMEKEEPER	iSeries Software	\$ 40.00	39%	\$ 24.40	41%	\$ 23.60	43%	\$ 22.80	
ISERIES v7 MANAGER	iSeries Software	\$ 65.00	10%	\$ 58.50	41%	\$ 38.35	43%	\$ 37.05	
ISERIES v7 EMPLOYEE	iSeries Software	\$ 25.00	10%	\$ 22.50	41%	\$ 14.75	43%	\$ 14.25	
ISERIES v7 ABSENCE MANAGEMENT	iSeries Software	\$ 60.00	10%	\$ 54.00	41%	\$ 35.40	43%	\$ 34.20	
ISERIES v7 ACCRUALS	iSeries Software	\$ 20.00	10%	\$ 18.00	41%	\$ 11.80	43%	\$ 11.40	
ISERIES v7 SCHEDULER	iSeries Software	\$ 40.00	10%	\$ 36.00	41%	\$ 23.60	43%	\$ 22.80	
ISERIES v7 ACTIVITIES	iSeries Software	\$ 40.00	10%	\$ 36.00	41%	\$ 23.60	43%	\$ 22.80	
ISERIES v7 DEBIT	iSeries Software	\$ 20.00	10%	\$ 18.00	41%	\$ 11.80	43%	\$ 11.40	
ISERIES v7 ACCESS	iSeries Software	\$ 20.00	10%	\$ 18.00	41%	\$ 11.80	43%	\$ 11.40	
Professional Services									
Professional Services (Cost per Hour) Blended Rate	Professional Services	\$ 200.00	10%	\$ 180.00					
Professional Services Billing Roles - Project Manager	Professional Services	\$ 200.00	10%	\$ 180.00					
Professional Services Billing Role - Application Consultant	Professional Services	\$ 200.00	10%	\$ 180.00					
Professional Services Billing Role - Technical Consultant	Professional Services	\$ 215.00	16%	\$ 180.00					
Professional Services Billing Role - Education Consultant	Professional Services	\$ 200.00	10%	\$ 180.00					
Professional Services Billing Role - Integration Consultant	Professional Services	\$ 200.00	10%	\$ 180.00					
Professional Services Billing Role - Solution Consultant	Professional Services	\$ 200.00	10%	\$ 180.00					
Professional Services Billing Role - Solution Developer	Professional Services	\$ 225.00	20%	\$ 180.00					
Workforce Ready Setup Fee Timekeeping Tier 1 (1-100ee)	Workforce Ready Services	\$ 3,000.00	10%	\$ 2,700.00					
Workforce Ready Setup Fee Timekeeping Tier 2 (101-500ee)	Workforce Ready Services	\$ 5,000.00	10%	\$ 4,500.00					
Workforce Ready Setup Fee Timekeeping Tier 3 (501-1000ee)	Workforce Ready Services	\$ 20,000.00	10%	\$ 18,000.00					
Workforce Ready Setup Fee Timekeeping Tier 4 (1,001 - 2,500ee)	Workforce Ready Services	\$ 50,000.00	10%	\$ 45,000.00					
Workforce Ready Setup Fee Accruals/LeaveTier 1 (1-100ee)	Workforce Ready Services	\$ 1,000.00	10%	\$ 900.00					
Workforce Ready Setup Fee Accruals/LeaveTier 2 (101-500ee)	Workforce Ready Services	\$ 1,250.00	10%	\$ 1,125.00					
Workforce Ready Setup Fee Accruals/Leave Tier 3 (501-1000ee)	Workforce Ready Services	\$ 5,000.00	10%	\$ 4,500.00					
Workforce Ready Setup Fee Accruals/Leave Tier 4 (1,000 - 2,500ee)	Workforce Ready Services	\$ 12,500.00	10%	\$ 11,250.00					
Workforce Ready Setup Fee Payroll Tier 1 (1-100ee)	Workforce Ready Services	\$ 3,000.00	10%	\$ 2,700.00					
Workforce Ready Setup Fee Payroll Tier 2 (101-500ee)	Workforce Ready Services	\$ 5,000.00	10%	\$ 4,500.00					
Workforce Ready Setup Fee Payroll Tier 3 (501-1000ee)	Workforce Ready Services	\$ 20,000.00	10%	\$ 18,000.00					
Workforce Ready Setup Fee Payroll Tier 4 (1,000 - 2,500ee)	Workforce Ready Services	\$ 50,000.00	10%	\$ 45,000.00					
Workforce Ready Setup Fee HR Tier 1 (1-100ee)	Workforce Ready Services	\$ 3,000.00	10%	\$ 2,700.00					
Workforce Ready Setup Fee HR Tier 2 (101-500ee)	Workforce Ready Services	\$ 5,000.00	10%	\$ 4,500.00					
Workforce Ready Setup Fee HR Tier 3 (101-500ee)	Workforce Ready Services	\$ 20,000.00	10%	\$ 18,000.00					
Workforce Ready Setup Fee HR Tier 4 (1,000 - 2,500ee)	Workforce Ready Services	\$ 50,000.00	10%	\$ 45,000.00					
Workforce Ready Tax Filing Admin Setup Fee - per Admin	Workforce Ready Services	\$ 3,000.00	10%	\$ 2,700.00					
Workforce Ready Tax Filing One Time Setup Fee	Workforce Ready Services	\$ 500.00	10%	\$ 450.00					
Item Description	Pricelist Name	List Price	Discount %	Final Price					
Training									
Training Points	Training	\$ 1.00	10%	\$ 0.90					
Knowledge Pass 0-150ee	Training	\$ 525.00	10%	\$ 472.50					
Knowledge Pass 151-299ee	Training	\$ 945.00	10%	\$ 850.50					
Knowledge Pass 300-349ee	Training	\$ 1,575.00	10%	\$ 1,417.50					
Knowledge Pass 350-399ee	Training	\$ 1,850.00	10%	\$ 1,665.00					
Knowledge Pass 400-1500ee	Training	\$ 2,100.00	10%	\$ 1,890.00					
Knowledge Pass 1501-2500ee	Training	\$ 4,200.00	10%	\$ 3,780.00					
Knowledge Pass 2501-5000ee	Training	\$ 7,875.00	10%	\$ 7,087.50					
Knowledge Pass 5001-20000ee	Training	\$ 9,975.00	10%	\$ 8,977.50					
Knowledge Pass 20000+ee	Training	\$ 22,000.00	10%	\$ 19,800.00					
Cloud									
Item Description	Pricelist Name	List Price	Discount %	Final Price					
Cloud Hosting WFC Monthly Fee (WFC Monthly Fee are for the Workforce Central Suite Products)									
Cloud Hosting WFC Monthly Fee 0 - 750 EE	Cloud	\$ 1,500.00	0%	\$ 1,500.00					
Cloud Hosting WFC Monthly Fee 751 - 1500 EE	Cloud	\$ 2,100.00	0%	\$ 2,100.00					
Cloud Hosting WFC Monthly Fee 1501 - 2500 EE	Cloud	\$ 2,700.00	0%	\$ 2,700.00					
Cloud Hosting WFC Monthly Fee 2501 - 5000 EE	Cloud	\$ 3,800.00	0%	\$ 3,800.00					
Cloud Hosting WFC Monthly Fee 5001 - 6250 EE	Cloud	\$ 5,200.00	0%	\$ 5,200.00					
Cloud Hosting WFC Monthly Fee 6251 - 7500 EE	Cloud	\$ 6,500.00	0%	\$ 6,500.00					



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Cloud Hosting WFC Monthly Fee 7501 - 10,000 EE	Cloud	\$	8,000.00	0%	\$	8,000.00
Cloud Hosting WFC Monthly Fee 10,001 - 15,000 EE	Cloud	\$	12,140.00	0%	\$	12,140.00
Cloud Hosting WFC Monthly Fee 15,001 - 20,000 EE	Cloud	\$	15,140.00	0%	\$	15,140.00
Cloud Hosting WFC 12 Month Contract Term Startup Fee				0%	\$	-
Cloud Hosting WFC 12 Month Contract Term Startup Fee 0 - 750 EE	Cloud	\$	4,050.00	0%	\$	4,050.00
Cloud Hosting WFC 112 Month Contract Term Startup Fee 751 - 1500 EE	Cloud	\$	5,670.00	0%	\$	5,670.00
Cloud Hosting WFC 12 Month Contract Term Startup Fee 1501 - 2500 EE	Cloud	\$	7,290.00	0%	\$	7,290.00
Cloud Hosting WFC 12 Month Contract Term Startup Fee 2501 - 5000 EE	Cloud	\$	10,260.00	0%	\$	10,260.00
Cloud Hosting WFC 112 Month Contract Term Startup Fee 5001 - 6250 EE	Cloud	\$	14,040.00	0%	\$	14,040.00
Cloud Hosting WFC 12 Month Contract Term Startup Fee 6251 - 7500 EE	Cloud	\$	17,550.00	0%	\$	17,550.00
Cloud Hosting WFC 12 Month Contract Term Startup Fee 7501 - 10,000 EE	Cloud	\$	21,600.00	0%	\$	21,600.00
Cloud Hosting WFC 112 Month Contract Term Startup Fee 10,001 - 15,000 EE	Cloud	\$	35,100.00	0%	\$	35,100.00
Cloud Hosting WFC 12 Month Contract Term Startup Fee 15,001 - 20,000 EE	Cloud	\$	43,200.00	0%	\$	43,200.00
Cloud Hosting WFC 24 Mo Startup Fee				0%	\$	-
Cloud Hosting WFC 24 Month Contract Term Startup Fee 0 - 750 EE	Cloud	\$	2,700.00	0%	\$	2,700.00
Cloud Hosting WFC 24 Month Contract Term Startup Fee 751 - 1500 EE	Cloud	\$	3,780.00	0%	\$	3,780.00
Cloud Hosting WFC 24 Month Contract Term Startup Fee 1501 - 2500 EE	Cloud	\$	4,860.00	0%	\$	4,860.00
Cloud Hosting WFC 24 Month Contract Term Startup Fee 2501 - 5000 EE	Cloud	\$	6,840.00	0%	\$	6,840.00
Cloud Hosting WFC 24 Month Contract Term Startup Fee 5001 - 6250 EE	Cloud	\$	9,360.00	0%	\$	9,360.00
Cloud Hosting WFC 24 Month Contract Term Startup Fee 6251 - 7500 EE	Cloud	\$	11,700.00	0%	\$	11,700.00
Cloud Hosting WFC 24 Month Contract Term Startup Fee 7501 - 10,000 EE	Cloud	\$	14,400.00	0%	\$	14,400.00
Cloud Hosting WFC 24 Month Contract Term Startup Fee 10,001 - 15,000 EE	Cloud	\$	23,400.00	0%	\$	23,400.00
Cloud Hosting WFC 24 Month Contract Term Startup Fee 15,001 - 20,000 EE	Cloud	\$	28,800.00	0%	\$	28,800.00
Cloud Hosting WFC 36 Mo Startup Fee Cloud				0%	\$	-
Cloud Hosting WFC 36 Month Contract Term Startup Fee 0 - 750 EE	Cloud	\$	1,350.00	0%	\$	1,350.00
Cloud Hosting WFC 36 Month Contract Term Mo Startup Fee 751 - 1500 EE	Cloud	\$	1,890.00	0%	\$	1,890.00
Cloud Hosting WFC 36 Month Contract Term Startup Fee 1501 - 2500 EE	Cloud	\$	2,430.00	0%	\$	2,430.00
Cloud Hosting WFC 36 Month Contract Term Startup Fee 2501 - 5000 EE	Cloud	\$	3,420.00	0%	\$	3,420.00
Cloud Hosting WFC 36 Month Contract Term Startup Fee 5001 - 6250 EE	Cloud	\$	4,680.00	0%	\$	4,680.00
Cloud Hosting WFC 36 Month Contract Term Startup Fee 6251 - 7500 EE	Cloud	\$	5,850.00	0%	\$	5,850.00
Cloud Hosting WFC 36 Month Contract Term Startup Fee 7501 - 10,000 EE	Cloud	\$	7,200.00	0%	\$	7,200.00
Cloud Hosting WFC 36 Month Contract Term Startup Fee 10,001 - 15,000 EE	Cloud	\$	11,700.00	0%	\$	11,700.00
Cloud Hosting WFC 36 Month Contract Term Startup Fee 15,001 - 20,000 EE	Cloud	\$	14,400.00	0%	\$	14,400.00
Cloud Hosting WFC Add Analytics Monthly Fee						
Cloud Hosting WFC Add Analytics Monthly Fee 0 - 750 EE	Cloud	\$	1,500.00	0%	\$	1,500.00
Cloud Hosting WFC Add Analytics Monthly Fee 751 - 1500 EE	Cloud	\$	2,000.00	0%	\$	2,000.00
Cloud Hosting WFC Add Analytics Monthly Fee 1501 - 2500 EE	Cloud	\$	2,000.00	0%	\$	2,000.00
Cloud Hosting WFC Add Analytics Monthly Fee 2501 - 5000 EE	Cloud	\$	3,250.00	0%	\$	3,250.00
Cloud Hosting WFC Add Analytics Monthly Fee 5001 - 6250 EE	Cloud	\$	3,600.00	0%	\$	3,600.00
Cloud Hosting WFC Add Analytics Monthly Fee 6251 - 7500 EE	Cloud	\$	3,600.00	0%	\$	3,600.00
Cloud Hosting WFC Add Analytics Monthly Fee 7501 - 10,000 EE	Cloud	\$	3,900.00	0%	\$	3,900.00
Cloud Hosting WFC Add Analytics Monthly Fee 10,001 - 15,000 EE	Cloud	\$	4,250.00	0%	\$	4,250.00
Cloud Hosting WFC Add Analytics Monthly Fee 15,001 - 20,000 EE	Cloud	\$	4,500.00	0%	\$	4,500.00
Cloud Hosting WFC Add Record Manager Monthly Fee Cloud						
Cloud Hosting WFC Add Record Manager Monthly Fee 0 - 750 EE	Cloud	\$	700.00	0%	\$	700.00
Cloud Hosting WFC Add Record Manager Monthly Fee 751 - 1500 EE	Cloud	\$	750.00	0%	\$	750.00
Cloud Hosting WFC Add Record Manager Monthly Fee 1501 - 2500 EE	Cloud	\$	750.00	0%	\$	750.00
Cloud Hosting WFC Add Record Manager Monthly Fee 2501 - 5000 EE	Cloud	\$	900.00	0%	\$	900.00
Cloud Hosting WFC Add Record Manager Monthly Fee 5001 - 6250 EE	Cloud	\$	1,000.00	0%	\$	1,000.00
Cloud Hosting WFC Add Record Manager Monthly Fee 6251 - 7500 EE	Cloud	\$	1,000.00	0%	\$	1,000.00
Cloud Hosting WFC Add Record Manager Monthly Fee 7501 - 10,000 EE	Cloud	\$	1,250.00	0%	\$	1,250.00
Cloud Hosting WFC Add Record Manager Monthly Fee 10,001 - 15,000 EE	Cloud	\$	1,500.00	0%	\$	1,500.00
Cloud Hosting WFC Add Record Manager Monthly Fee 15,001 - 20,000 EE	Cloud	\$	1,750.00	0%	\$	1,750.00
Cloud Hosting Teletime up to 96 Ports						
Cloud Hosting Teletime 4 Port Monthly Fee	Cloud	\$	1,585.00	0%	\$	1,585.00
Cloud Hosting Teletime 4 Port 12 Mo Startup Fee	Cloud	\$	4,278.00	0%	\$	4,278.00
Cloud Hosting Teletime 4 Port 24 Mo Startup Fee	Cloud	\$	2,852.00	0%	\$	2,852.00
Cloud Hosting Teletime 4 Port 36 Mo Startup Fee	Cloud	\$	1,426.00	0%	\$	1,426.00
Cloud Hosting Teletime 8 Port Monthly Fee	Cloud	\$	1,685.00	0%	\$	1,685.00
Cloud Hosting Teletime 8 Port 12 Mo Startup Fee	Cloud	\$	4,551.00	0%	\$	4,551.00
Cloud Hosting Teletime 8 Port 24 Mo Startup Fee	Cloud	\$	3,034.00	0%	\$	3,034.00
Cloud Hosting Teletime 8 Port 36 Mo Startup Fee	Cloud	\$	1,517.00	0%	\$	1,517.00
Cloud Hosting Teletime 24 Port Monthly Fee	Cloud	\$	1,955.00	0%	\$	1,955.00
Cloud Hosting Teletime 24 Port 12 Mo Startup Fee	Cloud	\$	5,280.00	0%	\$	5,280.00
Cloud Hosting Teletime 24 Port 24 Mo Startup Fee	Cloud	\$	3,520.00	0%	\$	3,520.00
Cloud Hosting Teletime 24 Port 36 Mo Startup Fee	Cloud	\$	1,760.00	0%	\$	1,760.00
Cloud Hosting Teletime 48 Port Monthly Fee	Cloud	\$	2,428.00	0%	\$	2,428.00
Cloud Hosting Teletime 48 Port 12 Mo Startup Fee	Cloud	\$	6,558.00	0%	\$	6,558.00
Cloud Hosting Teletime 48 Port 24 Mo Startup Fee	Cloud	\$	4,372.00	0%	\$	4,372.00
Cloud Hosting Teletime 48 Port 36 Mo Startup Fee	Cloud	\$	2,186.00	0%	\$	2,186.00
Cloud Hosting Teletime 72 Port Monthly Fee	Cloud	\$	4,382.00	0%	\$	4,382.00
Cloud Hosting Teletime 72 Port 12 Mo Startup Fee	Cloud	\$	11,832.00	0%	\$	11,832.00
Cloud Hosting Teletime 72 Port 24 Mo Startup Fee	Cloud	\$	7,888.00	0%	\$	7,888.00
Cloud Hosting Teletime 72 Port 36 Mo Startup Fee	Cloud	\$	3,994.00	0%	\$	3,994.00
Cloud Hosting Teletime 96 Port Monthly Fee	Cloud	\$	4,855.00	0%	\$	4,855.00



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Cloud Hosting Teletime 96 Port 12 Mo Startup Fee	Cloud	\$	13,110.00	0%	\$	13,110.00
Cloud Hosting Teletime 96 Port 24 Mo Startup Fee	Cloud	\$	8,740.00	0%	\$	8,740.00
Cloud Hosting Teletime 96 Port 36 Mo Startup Fee	Cloud	\$	4,370.00	0%	\$	4,370.00
Cloud Hosting TeleTime Server R720 Monthly Fee	Cloud	\$	950.00	0%	\$	950.00
Cloud Hosting TeleTime Server R720 Start up Fee	Cloud	\$	855.00	0%	\$	855.00
Cloud Hosting Dialogic BD 4 Port Analog Monthly Fee	Cloud	\$	66.00	0%	\$	66.00
Cloud Hosting Dialogic BD 4 Port Analog Start up Fee	Cloud	\$	59.40	0%	\$	59.40
Cloud Hosting Dialogic BD 24 Port Digital Monthly Fee	Cloud	\$	297.00	0%	\$	297.00
Cloud Hosting Dialogic BD 24 Port Digital Start up Fee	Cloud	\$	267.30	0%	\$	267.30
Cloud Hosting CT Bus Cable Monthly Fee	Cloud	\$	7.00	0%	\$	7.00
Cloud Hosting CT Bus Cable Start up Fee	Cloud	\$	6.30	0%	\$	6.30
Cloud Hosting T1 Cross Connect Monthly Fee	Cloud	\$	176.00	0%	\$	176.00
Cloud Hosting T1 Cross Connect Start up Fee	Cloud	\$	158.40	0%	\$	158.40
Cloud Hosting Analog Cross Connect Monthly Fee	Cloud	\$	36.00	0%	\$	36.00
Cloud Hosting Analog Cross Connect Start up Fee	Cloud	\$	32.40	0%	\$	32.40
Cloud Hosting Teletime IP	Cloud					
Cloud Hosting Teletime IP First 25 Lines Fee Per Month	Cloud	\$	1,500.00	0%	\$	1,500.00
Cloud Hosting Teletime IP Additional 25 Lines Fee Per Month	Cloud	\$	500.00	0%	\$	500.00
Cloud Hosting WFC Add App Server Monthly Fee	Cloud					
Cloud Hosting WFC Add App Server Monthly Fee 5001 - 6250 EE	Cloud	\$	1,000.00	0%	\$	1,000.00
Cloud Hosting WFC Add App Server Monthly Fee 6251 - 7500 EE	Cloud	\$	1,000.00	0%	\$	1,000.00
Cloud Hosting WFC Add App Server Monthly Fee 7501 - 10,000 EE	Cloud	\$	1,000.00	0%	\$	1,000.00
Cloud Hosting WFC Add App Server Monthly Fee 10,001 - 15,000 EE	Cloud	\$	1,000.00	0%	\$	1,000.00
Cloud Hosting WFC Add App Server Monthly Fee 15,001 - 20,000 EE	Cloud	\$	1,000.00	0%	\$	1,000.00
Cloud Hosting WFC Add Non Prod Monthly Fee	Cloud					
Cloud Hosting WFC Add Non Prod Monthly Fee 0 - 750 EE	Cloud	\$	700.00	0%	\$	700.00
Cloud Hosting WFC Add Non Prod Monthly Fee 751 - 1500 EE	Cloud	\$	750.00	0%	\$	750.00
Cloud Hosting WFC Add Non Prod Monthly Fee 1501 - 2500 EE	Cloud	\$	750.00	0%	\$	750.00
Cloud Hosting WFC Add Non Prod Monthly Fee 2501 - 5000 EE	Cloud	\$	900.00	0%	\$	900.00
Cloud Hosting WFC Add Non Prod Monthly Fee 5001 - 6250 EE	Cloud	\$	1,000.00	0%	\$	1,000.00
Cloud Hosting WFC Add Non Prod Monthly Fee 6251 - 7500 EE	Cloud	\$	1,000.00	0%	\$	1,000.00
Cloud Hosting WFC Add Non Prod Monthly Fee 7501 - 10,000 EE	Cloud	\$	1,250.00	0%	\$	1,250.00
Cloud Hosting WFC Add Non Prod Monthly Fee 10,001 - 15,000 EE	Cloud	\$	1,500.00	0%	\$	1,500.00
Cloud Hosting WFC Add Non Prod Monthly Fee 15,001 - 20,000 EE	Cloud	\$	1,750.00	0%	\$	1,750.00
Cloud Hosting WFC Disaster Recovery Monthly Fee (for 1-20,000ee)	Cloud					
Cloud Hosting WFC Disaster Recovery Monthly Fee 0 - 750 EE	Cloud	\$	1,100.00	0%	\$	1,100.00
Cloud Hosting WFC Disaster Recovery Monthly Fee 751 - 1500 EE	Cloud	\$	1,200.00	0%	\$	1,200.00
Cloud Hosting WFC Disaster Recovery Monthly Fee 1501 - 2500 EE	Cloud	\$	1,200.00	0%	\$	1,200.00
Cloud Hosting WFC Disaster Recovery Monthly Fee 2501 - 5000 EE	Cloud	\$	1,600.00	0%	\$	1,600.00
Cloud Hosting WFC Disaster Recovery Monthly Fee 5001 - 6250 EE	Cloud	\$	2,600.00	0%	\$	2,600.00
Cloud Hosting WFC Disaster Recovery Monthly Fee 6251 - 7500 EE	Cloud	\$	2,600.00	0%	\$	2,600.00
Cloud Hosting WFC Disaster Recovery Monthly Fee 7501 - 10,000 EE	Cloud	\$	3,200.00	0%	\$	3,200.00
Cloud Hosting WFC Disaster Recovery Monthly Fee 10,001 - 15,000 EE	Cloud	\$	4,000.00	0%	\$	4,000.00
Cloud Hosting WFC Disaster Recovery Monthly Fee 15,001 - 20,000 EE	Cloud	\$	4,800.00	0%	\$	4,800.00
Cloud Hosting WFC Disaster Recovery 12 Mo Startup Fee Cloud	Cloud					
Cloud Hosting WFC Disaster Recovery 12Mo Startup Fee 0 - 750 EE	Cloud	\$	2,970.00	0%	\$	2,970.00
Cloud Hosting WFC Disaster Recovery 12 Mo Startup Fee 751 - 1500 EE	Cloud	\$	3,240.00	0%	\$	3,240.00
Cloud Hosting WFC Disaster Recovery 12 Mo Startup Fee 1501 - 2500 EE	Cloud	\$	3,240.00	0%	\$	3,240.00
Cloud Hosting WFC Disaster Recovery 12 Mo Startup Fee 2501 - 5000 EE	Cloud	\$	4,320.00	0%	\$	4,320.00
Cloud Hosting WFC Disaster Recovery 12 Mo Startup Fee 5001 - 6250 EE	Cloud	\$	7,020.00	0%	\$	7,020.00
Cloud Hosting WFC Disaster Recovery 12 Mo Startup Fee 6251 - 7500 EE	Cloud	\$	7,020.00	0%	\$	7,020.00
Cloud Hosting WFC Disaster Recovery 12 Mo Startup Fee 7501 - 10,000 EE	Cloud	\$	8,640.00	0%	\$	8,640.00
Cloud Hosting WFC Disaster Recovery 12 Mo Startup Fee 10,001 - 15,000 EE	Cloud	\$	10,800.00	0%	\$	10,800.00
Cloud Hosting WFC Disaster Recovery 12 Mo Startup Fee 15,001 - 20,000 EE	Cloud	\$	12,960.00	0%	\$	12,960.00
Cloud Hosting WFC Disaster Recovery 24 Mo Startup Fee Cloud	Cloud					
Cloud Hosting WFC Disaster Recovery 24 Mo Startup Fee 0 - 750 EE	Cloud	\$	1,980.00	0%	\$	1,980.00
Cloud Hosting WFC Disaster Recovery 24 Mo Startup Fee 751 - 1500 EE	Cloud	\$	2,160.00	0%	\$	2,160.00
Cloud Hosting WFC Disaster Recovery 24 Mo Startup Fee 1501 - 2500 EE	Cloud	\$	2,160.00	0%	\$	2,160.00
Cloud Hosting WFC Disaster Recovery 24 Mo Startup Fee 2501 - 5000 EE	Cloud	\$	2,880.00	0%	\$	2,880.00
Cloud Hosting WFC Disaster Recovery 24 Mo Startup Fee 5001 - 6250 EE	Cloud	\$	4,680.00	0%	\$	4,680.00
Cloud Hosting WFC Disaster Recovery 24 Mo Startup Fee 6251 - 7500 EE	Cloud	\$	4,680.00	0%	\$	4,680.00
Cloud Hosting WFC Disaster Recovery 24 Mo Startup Fee 7501 - 10,000 EE	Cloud	\$	5,760.00	0%	\$	5,760.00
Cloud Hosting WFC Disaster Recovery 24 Mo Startup Fee 10,001 - 15,000 EE	Cloud	\$	7,200.00	0%	\$	7,200.00
Cloud Hosting WFC Disaster Recovery 24 Mo Startup Fee 15,001 - 20,000 EE	Cloud	\$	8,640.00	0%	\$	8,640.00
Cloud Hosting WFC Disaster Recovery 36 Mo Startup Fee Cloud	Cloud					
Cloud Hosting WFC Disaster Recovery 36 Mo Startup Fee 0 - 750 EE	Cloud	\$	990.00	0%	\$	990.00
Cloud Hosting WFC Disaster Recovery 36 Mo Startup Fee 751 - 1500 EE	Cloud	\$	1,080.00	0%	\$	1,080.00
Cloud Hosting WFC Disaster Recovery 36 Mo Startup Fee 1501 - 2500 EE	Cloud	\$	1,080.00	0%	\$	1,080.00
Cloud Hosting WFC Disaster Recovery 36 Mo Startup Fee 2501 - 5000 EE	Cloud	\$	1,440.00	0%	\$	1,440.00
Cloud Hosting WFC Disaster Recovery 36 Mo Startup Fee 5001 - 6250 EE	Cloud	\$	2,340.00	0%	\$	2,340.00
Cloud Hosting WFC Disaster Recovery 36 Mo Startup Fee 6251 - 7500 EE	Cloud	\$	2,340.00	0%	\$	2,340.00
Cloud Hosting WFC Disaster Recovery 36 Mo Startup Fee 7501 - 10,000 EE	Cloud	\$	2,880.00	0%	\$	2,880.00
Cloud Hosting WFC Disaster Recovery 36 Mo Startup Fee 10,001 - 15,000 EE	Cloud	\$	3,600.00	0%	\$	3,600.00
Cloud Hosting WFC Disaster Recovery 36 Mo Startup Fee 15,001 - 20,000 EE	Cloud	\$	4,320.00	0%	\$	4,320.00
Cloud Hosting Workforce Central Base 0						



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Cloud Hosting Workforce Central Base Fee Per Month	Cloud 2	\$ 1,000.00	0%	\$ 1,000.00
Cloud Hosting Workforce Central Per Employee Fee Per Month 1-20,000ee	Cloud 2	\$ 1.00	0%	\$ 1.00
Cloud Hosting Add Analytics				
Cloud Hosting Add Analytics Base Fee Per Month	Cloud 2	\$ 1,000.00	0%	\$ 1,000.00
Cloud Hosting Add Analytics Per Employee Fee Per Month 1-20,000ee	Cloud 2	\$ 0.15	0%	\$ 0.15
Cloud Hosting Add Record Manager				
Cloud Hosting Add Record Manager Fee Per Month 1-20,000ee	Cloud 2	\$ 1,000.00	0%	\$ 1,000.00
Cloud Hosting Add Record Manager Per Employee Fee Per Month 1-20,000ee	Cloud 2	\$ 0.15	0%	\$ 0.15
Cloud Hosting Teletime IP				
Cloud Hosting Teletime IP Base Fee Per Month	Cloud 2	\$ 1,000.00	0%	\$ 1,000.00
Cloud Hosting Teletime IP per 25 Lines Fee Per Month	Cloud 2	\$ 500.00	0%	\$ 500.00
Cloud Hosting WFC Add App Server				
Cloud Hosting WFC Add App Server Monthly Fee 1-20,000ee	Cloud 2	\$ 1,000.00	0%	\$ 1,000.00
Cloud Hosting WFC Add Non Prod				
Cloud Hosting WFC Add Non Prod Monthly Fee 1-20,000ee	Cloud 2	\$ 1,000.00	0%	\$ 1,000.00
Cloud Hosting WFC Disaster Recovery				
Cloud Hosting Disaster Recovery Base Fee Per Month 1-20,000ee	Cloud 2	\$ 1,000.00	0%	\$ 1,000.00
Cloud Hosting Disaster Recovery Per Employee Fee Per Month 1-20,000ee	Cloud 2	\$ 0.25	0%	\$ 0.25
Cloud Hosting Temporary Non-Prod Monthly Fee	Cloud 2	\$ 1,600.00	0%	\$ 1,600.00
Additional Cloud Addon Fees				
Cloud Hosting WFC Add One VPN Monthly Fee	Cloud 2	\$ 75.00	0%	\$ 75.00
Cloud Hosting WFC Add One Citrix License Monthly Fee	Cloud 2	\$ 50.00	0%	\$ 50.00
Cloud Hosting WFC Add One FTP License Monthly Fee	Cloud 2	\$ 25.00	0%	\$ 25.00
Cloud Hosting WFC Add 100GB Storage Monthly Fee	Cloud 2	\$ 43.00	0%	\$ 43.00
Cloud Hosting WFC Add 100GB Backup Monthly Fee	Cloud 2	\$ 18.00	0%	\$ 18.00

Workforce Human Resources	SaaS	5	0.48	2.6	0.52	2.4	0.56	2.2
Workforce Payroll (includes Workforce HR/Payroll Admin v7, Workforce HR/Payroll Employee v7 and Workforce HR/Payroll Manage	SaaS	5	0.48	2.6	0.52	2.4	0.56	2.2
Workforce Telestaff Enterprise	SaaS	5	0.48	2.6	0.52	2.4	0.56	2.2
Workforce Telestaff Contact Manager	SaaS	0.5	0.48	0.26	0.52	0.24	0.56	0.22
Workforce Telestaff Institution Focus	SaaS	0.75	0.48	0.39	0.52	0.36	0.56	0.33
Workforce Telestaff Global Access	SaaS	1	0.48	0.52	0.52	0.48	0.56	0.44
Workforce Telestaff Gateway Manager (Site License Qty 1)	SaaS	150	0.48 N/A	N/A	N/A	N/A	N/A	N/A