

TIMECOM® GENERAL TERMS

THESE TIMECOM GENERAL TERMS, AND THE SALES ORDER THE CLIENT ("CLIENT" OR "YOU" OR "YOUR") EXECUTES (THE "SALES ORDER"), GOVERNS YOUR ACQUISITION AND USE OF ACCU-TIME SYSTEMS, INC.'S ("ATS" OR "OUR") TIMECOM SYSTEM AND SERVICES. THE CLIENT'S NAME AND ADDRESS IS SPECIFICALLY IDENTIFIED IN THE SALES ORDER. BY EXECUTING THE SALES ORDER(S), YOU ARE ACCEPTING THE TERMS OF THE SALES ORDER(S) AND THESE TIMECOM GENERAL TERMS (THE SALES ORDER(S) AND THESE TIMECOM GENERAL TERMS, TOGETHER, THE "AGREEMENT").

BY SIGNING THE SALES ORDER AND ENTERING INTO THE AGREEMENT, YOU REPRESENT THAT YOU HAVE THE AUTHORITY TO BIND THE CLIENT AND ITS AFFILIATES TO THE AGREEMENT. UNLESS OTHERWISE DEFINED HEREIN, CAPITALIZED TERMS SHALL HAVE THE MEANINGS SET FORTH IN EXHIBIT A. THE "EFFECTIVE DATE" OF THIS AGREEMENT IS THE DATE THAT THE SALES ORDER(S) YOU EXECUTE IS ACCEPTED BY ATS. OUR SIGNATURE ON THE SALES ORDER CONSTITUTES ACCEPTANCE.

1. The TimeCom System.

1.1. The TimeCom System and Services. ATS shall (a) make the TimeCom System available to the Client and (b) provide to Client certain implementation, hosting, support and maintenance services (collectively, the "Services") as set forth in the Sales Order, pursuant to the terms of the Agreement during the Term. ATS reserves the right to make updates and modifications to the TimeCom System or particular features or components of the TimeCom System, from time to time, at its sole discretion; provided, that such updates and modifications do not materially diminish the functionality of the TimeCom System or its features and/or components. Client understands that the TimeCom System may be unavailable for a short period of time to implement such updates or modifications; provided, that ATS will exercise reasonable commercial efforts to notify Client of any such material updates and modifications to the TimeCom System.

1.2. The TimeCom System and Services provided to Client hereunder will be based upon information provided to ATS by Client. Upon receipt from ATS, whether electronically or otherwise, Client will promptly review all data and reports prepared by the TimeCom System for validity and accuracy according to Client's records and Client agrees that it will promptly notify ATS of any discrepancies. ATS shall retain Client Data for a period of seventy-five (75) days after such Client Data has been sent to ATS via the TimeCom System and acknowledged by the ERP. Client understands and agrees that ATS has no obligation to maintain any Client Data following such seventy-five (75) day period.

1.3. The Services. During the Term, ATS will provide Client with the level of Services indicated on the Sales Order. ATS reserves the right, from time to time, to make updates and modifications to the Services, provided, that such updates and modifications do not materially diminish the functionality of the Services. Client understands that the Services may be unavailable for a short period of time to implement such updates or modifications; provided, that, ATS will use commercially reasonable efforts to notify Client directly of any material updates and modifications and by posting a notice of the update or modification on the ATS website, if applicable. Additional upgraded services may be purchased by Client via submission of a Sales Order and acceptance of same by ATS. Client understands and agrees that ATS may subcontract and/or assign the provision of its Services to a third party; however, nothing shall relieve ATS from responsibility for performance of its duties under the terms of the Agreement. All Services will be provided using personnel of required skill, experience and qualifications, and in a timely, workmanlike and professional manner in accordance with generally recognized industry standards.

1.4. Equipment. ATS agrees to provide Client with the Equipment described in the Sales Order in accordance with the Equipment Terms and Conditions attached hereto as Exhibit B. If set forth in the Sales Order under Time Clock Installation, Client shall pay (i) an installation and setup fee for each unit of Equipment if such Equipment is installed on Client's premises by ATS or ATS' contractor; and (ii) any applicable one-time Implementation Fees for set up of the TimeCom System. For the avoidance

of doubt, Client shall be deemed the owner of the Equipment effective upon the receipt by ATS of payment in full for such Equipment, in accordance with the applicable Sales Order and Section 3.4 of the Agreement.

1.5. Client Responsibilities. (a) Client shall: (i) be responsible for all Users' compliance with the Agreement, (ii) be solely responsible for the accuracy, integrity, and legality of Client Data and the means by which Client acquires and uses such Client Data, (iii) use the TimeCom System only in accordance with applicable laws, rules, regulations (including, without limitation, export, data protection and privacy laws, rules and regulations and laws, rules and regulations that apply to the use of biometrics) and any Documentation, (iv) use commercially reasonable efforts to prevent unauthorized access to or use of the TimeCom System, (v) ensure that the Equipment and the TimeCom System operate in connection with, and are protected by, any firewall maintained by the Client, and (vi) notify ATS in writing immediately of (A) any unauthorized use of, or access to, the TimeCom System or any User account or password thereof or (B) any notice or charge of noncompliance with any applicable law, rule or regulation asserted or filed against Client in connection with Client Data. For the avoidance of doubt, User accounts and passwords are specific to individual Users, and under no circumstances may User accounts or passwords be shared among or by different Users; provided, however, that the Client administrator(s) may reassign a User account during the Term, if a former User no longer requires a User account. Client is responsible for all Client activities that occur under Client's accounts and passwords. In any event, ATS shall not be liable for any damages incurred by Client arising from Client's failure to comply with this Section.

(b) Client shall not, directly or indirectly: (i) sublicense, resell, rent, lease, distribute, market, commercialize or otherwise transfer rights or usage to the TimeCom System or any modified version or derivative work of the TimeCom System, (ii) provide the TimeCom System, or any modified version or derivative work of the TimeCom System on a timesharing, service bureau or other similar basis, (iii) remove or alter any copyright, trademark or proprietary notice in the TimeCom System, (iv) copy any features, functions or graphics of the TimeCom System for any purpose other than what is expressly authorized in the Agreement, (v) send, store, or authorize a third party to send or store spam, unlawful, infringing, obscene or libelous material, or Malicious Code, (vi) attempt to gain unauthorized access to, or disrupt the integrity or performance of, the TimeCom System, (vii) use any Intellectual Property Rights protected by applicable laws and contained in the TimeCom System for the purpose of building a competitive product or service or copying the TimeCom System's features or user interface, or (viii) use the TimeCom System, or permit it to be used, for purposes of product evaluation, benchmarking or other comparative analysis intended for publication without ATS's prior written consent.

(c) Client shall only use the TimeCom System and Services for Client's internal business purposes and Client agrees to be responsible for ensuring that its Users' access or use of the TimeCom System and Services comply with the Agreement.

1.6. Third Parties. Client agrees not to disclose any Confidential Information of ATS to any contractor or allow any contractor to create Modifications unless and until the contractor has agreed in writing to (a) protect the confidentiality of such Confidential Information in the manner required by Section 5 and then only to the extent necessary for the contractor to perform those services subcontracted to it, and (b) assign all such contractor's rights, title and interests (including all Intellectual Property Rights) in such Modifications to Client to ensure Client can comply with Section 2.1. The Client will be solely responsible for all payments to its contractors and will be responsible for compliance by its contractors with the terms and conditions of the Agreement.

1.7. ConstantCare Support Program and Service Level Agreement. The ATS ConstantCare Support Program and Service Level Agreement attached hereto as Exhibit C provides ongoing technical and functional support to TimeCom Clients. ATS shall maintain the TimeCom System in good working order and in compliance with the ConstantCare program selected by Client, and the Service Level Agreement.

1.8. TimeCom WebClock. ATS's "TimeCom WebClock" refers to the time data collection platform

accessible via web browser. If TimeCom WebClock is identified on the Sales Order(s), then the term "TimeCom System", as used herein, shall be deemed to include TimeCom WebClock. Client further agrees to be bound by the [TimeCom WebClock Terms of Use](https://atstimecom.accu-time.com/webclock-terms-of-use/) located at <https://atstimecom.accu-time.com/webclock-terms-of-use/>, which is hereby incorporated by reference (the "Terms of Use"). The Terms of Use are subject to change from time to time at ATS's sole discretion.

2. Proprietary Rights and Protected Information.

2.1. Ownership of TimeCom System and Modifications. Client acknowledges and agrees that ATS owns all right, title and interest, including all Intellectual Property Rights, in and to the TimeCom System and any Modifications. Client agrees to and does hereby assign to ATS any rights, title and interest worldwide it may acquire in the Intellectual Property Rights embodied in any and all Modifications. Except as expressly stated otherwise in the Agreement, ATS retains all of its right, title and ownership interest in and to the TimeCom System, the Services and Modifications, and no other Intellectual Property Rights or license rights are granted by ATS to Client under the Agreement, either expressly or by implication, estoppel or otherwise.

2.2. Trademarks.

(a) **Use of ATS's Marks.** ATS's name, logo, trade names and trademarks are owned by ATS, and no right is granted to Client to use any of the foregoing except as expressly permitted herein or by written consent of ATS. Unless expressly permitted in writing by ATS, Client shall not modify the appearance or branding of any part of the TimeCom System and Services.

(b) **Use of Client's Authorized Marks.** In the event that ATS makes available to Client branding of any materials, cards and/or websites associated with the TimeCom System and Client requests such branding, Client grants ATS, the card issuers and any third-party service providers designated by ATS the right to display Client's trademarks and services marks (the "Authorized Marks"), subject to Client's right, in its sole discretion, to review and approve the copy prior to the use of such Authorized Marks. This authorization shall continue for the term of the Agreement.

2.3. Freedom to Create Modifications. Nothing in this Section shall inhibit, hamper, encumber or otherwise impede ATS's freedom to create Modifications or improve, extend and/or modify the TimeCom System.

2.4. Suggestions. Client or its Users may, from time to time, provide suggestions, enhancement or feature requests or other feedback to ATS with respect to the TimeCom System, Services or related Documentation (collectively, "Feedback"). Client hereby agrees that all Feedback is hereby assigned by Client to ATS entirely voluntarily. ATS shall be free to use, disclose, reproduce, license or otherwise distribute and exploit the Feedback in its discretion, without restriction or obligation of any kind or nature. Feedback, even if designated as confidential by Client, shall not create any obligation of confidentiality for ATS, unless ATS expressly agrees so in writing.

2.5. Protected Information. (a) Client's use of ATS's TimeCom System and Services under the Agreement may involve access to Client's personally-identifiable information such as employee name, employee number, employee time or job code that may be subject to state or federal laws regarding securing such information and restricting the disclosure of such information ("Protected Information"). ATS shall not disclose Protected Information except as permitted or required by the Agreement or as otherwise authorized in writing by Client, or applicable laws. If required by a court of competent jurisdiction or an administrative body to disclose Protected Information, ATS will notify Client in writing immediately upon receiving notice of such requirement and prior to any such disclosure, to give Client an opportunity to oppose or otherwise respond to such disclosure (unless prohibited by law from doing so).

(b) **Safeguard Standard.** ATS agrees to protect the privacy and security of Protected Information in accordance with the Data Protection and Security Exhibit attached hereto as Exhibit D.

(c) Return Or Destruction Of Protected Information. Within thirty (30) days of the termination, cancellation, expiration or other conclusion of the Agreement, if requested by Client at termination or earlier, ATS shall use commercially reasonable efforts to provide a copy of the Protected Information to Client in a format reasonably acceptable to Client unless Client requests in writing that such data be destroyed. Such destruction shall be accomplished by purging or physical destruction, in accordance with reasonable instructions from Client. Absent this request, such Protected Information shall be destroyed in accordance with ATS's data retention policy.

(d) Breaches Of Protected Information. ATS shall report any confirmed or suspected Breach to Client promptly upon discovery, both orally and in writing, after ATS reasonably believes a Breach has or may have occurred. ATS's report shall identify: (i) the nature of the unauthorized access, use or disclosure, (ii) the Protected Information disclosed, (iii) the person(s) who accessed, used and disclosed and/or received Protected Information (if known), (iv) what ATS has done or will do to mitigate any deleterious effect of the unauthorized disclosure, and (v) what corrective action ATS has taken or will take to prevent future unauthorized disclosure. ATS shall provide such other information, including a written report, as reasonably requested by Client. In the event of a suspected Breach, ATS shall keep the Client informed regularly of the progress of its investigation until the uncertainty is resolved. In the event of a Breach, ATS will make commercially reasonable efforts to remedy the Breach as quickly as circumstances permit including:

- a. Promptly designate a contact person to whom the Client will direct inquiries, and who will communicate ATS responses to Client inquiries;
- b. As rapidly as circumstances permit, apply appropriate resources to remedy the Breach condition, investigate, document, restore Client service(s) as directed by the Client, and undertake appropriate response activities;
- c. Provide status reports to the Client on Breach response activities, either on a daily basis or a frequency approved by the Client;
- d. Make all reasonable efforts to assist and cooperate with the Client in its Breach response efforts; and
- e. Provide knowledgeable ATS staff to participate in Client-initiated meetings and/or conference calls regarding the Breach.

3. Payment.

3.1. Fees and Payment. Client agrees to pay all fees specified in the Sales Order(s). Except as otherwise provided, fees set forth in a Sales Order hereunder will be: (a) quoted and payable in United States dollars, (b) paid by check, ACH, or wire transfer, (c) based on access to the TimeCom System and Services and not actual usage, and (d) non-cancelable and non-refundable. Client shall reimburse ATS for any expenses incurred, including interest and reasonable attorneys' fees, in collecting amounts due ATS hereunder that are not under good faith dispute by Client. Client agrees to provide ATS with complete and accurate billing and contact information and to notify ATS of any changes to such information.

3.2. Overdue Charges and Suspension of Service. Overdue amounts may be subject to interest at a rate of one (1) percent (1.0%) per month, or the maximum rate permitted by law, whichever is lower. If Client's account is more than thirty (30) days past due (except with respect to charges subject to a reasonable and good faith dispute), in addition to any other rights or remedies it may have under the Agreement or by law, ATS reserves the right to suspend access to the TimeCom System and Services upon thirty (30) days written notice, without liability to Client, until such amounts are paid in full.

3.3. Taxes. Except as otherwise stated in the Sales Order(s), ATS's fees do not include any direct or indirect local, state, federal or foreign taxes, levies, duties or similar governmental assessments of any nature, including but not limited to value-added, excise, sales, use or withholding taxes (collectively, "Taxes"). Client is responsible for paying all Taxes associated with the Agreement and its use of the TimeCom System and Services, excluding U.S. federal and state income tax liabilities of ATS. If Client has an obligation to withhold any amounts under any law or tax regime (other than U.S. federal and state income tax law), Client shall gross up the payments so that ATS receives the amount actually quoted and invoiced. If ATS determines that ATS has a legal obligation to collect, report or remit Taxes for which Client is responsible under this section, ATS shall provide Client with documentation evidencing the Taxes and the appropriate amount shall be invoiced to and paid by Client, unless Client provides a valid tax exemption certificate authorized by the appropriate taxing authority.

3.4. Billing Periods. The following schedule sets forth the billing start dates and intervals for the TimeCom System and associated products and services. Client's specific TimeCom configuration may or may not require the products and services described in this schedule.

Item	Billing Start	Billing Interval
Implementation Services	Upon completion of successful End-to-End Testing or Go-Live Date, whichever is first; provided, that if Client terminates the Agreement pursuant to Section 4.2(b) prior to such completion or Go-Live Date, Client shall be liable for Implementation Fees reasonably determined by ATS in its sole discretion	One Time Only
Equipment (Time Clocks)	Upon Equipment shipment to Client	One Time Only
Express Exchange Service	Upon Equipment shipment to Client	Annually
ConstantCare Program	On Go-Live Date	As determined in Sales Order
Hosting	On Go-Live Date	As determined in Sales Order
Equipment Installation	At completion of installation	One Time Only

By written notice to ATS, the Client may elect to postpone the Go-Live Date set forth on the Sales Order for a period not to exceed forty-five (45) days after the Go-Live Date set forth on the Sales Order (such date, the "Permitted Postponed Go-Live Date"). After such forty-five (45) day period, the parties may further postpone the Go-Live Date set forth on the Sales Order past the Permitted Postponed Go-Live Date; provided, that ATS may charge the applicable fees set forth above related to the Implementation Services (if not previously charged to Client), ConstantCare Program and Hosting as of the Permitted Postponed Go-Live Date.

3.5. Fee Changes. ATS may increase fees for the TimeCom System and Services at any time after the Initial Term upon at least thirty (30) days prior written notice to Client; provided that (i) ATS may only increase fees once per Renewal Term and (ii) Client shall have the right within thirty (30) days of receipt of such notice to accept such increase or terminate the Agreement by written notice to ATS.

3.6. Invoices. ATS shall send all invoices to Client's contact designated on the applicable Sales Order under the heading "Billing Contact Name" using the email address provided by Client under the heading "Billing Email Address".

4. Term and Termination.

4.1. Term. The Agreement begins on the Effective Date and continues for the period set forth on the Sales Order (the "Initial Term"). Upon expiration of the Initial Term, the Agreement will automatically renew for additional one (1) year periods (each a "Renewal Term"), unless one party provides the other party with written notice of non-renewal a minimum of sixty (60) days prior to the expiration of the then-current term. The Initial Term, together with all Renewal Terms, is referred to as the "Term" for purposes of the Agreement.

4.2. Termination.

a. Termination for Breach. Either party may terminate the Agreement and any then-current Sales Order(s) prior to the end of a Term if the other party: (i) materially breaches any material warranty, term, condition or covenant hereunder and, where such breach is curable, such breach remains uncured for thirty (30) days following written notice of the breach or (ii) becomes the subject of a petition in bankruptcy or any other proceeding relating to insolvency, receivership, liquidation, or assignment for the benefit of creditors.

b. Termination for Convenience. Any time after twenty-four (24) months following the Effective Date, Client may terminate the Agreement and any then-current Sale Order(s) for any reason or no reason upon at least thirty (30) days' prior written notice to ATS. In the event that the Client terminates the Agreement and any then-current Sales Order(s) pursuant to this Section 4.2(b), Client shall pay to ATS an amount equal to twenty-five percent (25%) of the remaining fees payable for the duration of the then-current Term.

c. Additional Rights of ATS. ATS may suspend performance and/or terminate the Agreement immediately, with prompt notice to Client, in the event Client, its employee(s) or any other third party (i) includes in the TimeCom System and Services any Client Data which is obscene, offensive, inappropriate, threatening, or malicious; (ii) materially violates any applicable law or regulation or any contract, privacy or other third party right; or otherwise exposes ATS to civil or criminal liability; or (iii) wrongfully uses or accesses the TimeCom System and Services or any other systems of ATS used in the performance of ATS's obligations under the Agreement.

4.3. Effect of Termination. No refunds of fees will be made, unless Client terminates the Agreement and any then-current Sales Order(s) pursuant to Section 4.2(a), in which case Client will be entitled to a refund of the pro rata portion of unearned fees paid in advance for which services were terminated by the termination. Client understands and agrees that upon expiration or termination of the Agreement, the rights granted under the Agreement and, in connection with any then-current Sales Order(s), will be immediately revoked and ATS may immediately deactivate Client's account; provided that Client shall be entitled to retain any Equipment that is or has been purchased and paid for in full by Client. In no event shall any expiration or termination of the Agreement relieve Client of the obligation to pay any fees payable to ATS for the period prior to the effective date of expiration or termination, unless otherwise stated in the Agreement.

4.4. Surviving Provisions. Sections 1.5, 1.6, 2.1, 2.2, 2.4, 2.5, 3, 4.3, 4.4, 5, 7, 8, 9, and 11 shall survive termination or expiration of the Agreement.

5. Confidentiality.

5.1. Confidentiality. The parties acknowledge that in the course of performing their obligations under the Agreement, each may receive Confidential Information of the other party. Each party covenants and agrees that neither it nor its agents, employees, officers, directors or representatives will disclose or cause to be disclosed any Confidential Information of the Disclosing Party, except (a) to those employees, representatives, or contractors of the Receiving Party who require access to the Confidential Information of the Disclosing Party to exercise its rights and obligations under the Agreement and who

are bound by written agreement, with terms at least as restrictive as these, not to disclose confidential or proprietary information disclosed to such party, or (b) as such disclosure may be required by law or governmental regulation, subject to the Receiving Party providing to the Disclosing Party written notice to allow the Disclosing Party to seek a protective order or otherwise prevent the disclosure. Nothing in the Agreement will prohibit or limit the Receiving Party's use of information: (i) previously known to it without obligation of confidence, (ii) independently developed by or for it without use of or access to the Disclosing Party's Confidential Information, (iii) acquired by it from a third party that is not under an obligation of confidence with respect to such information, or (iv) that is or becomes publicly available through no breach of the Agreement. The terms of the Agreement, and the structure and organization of the TimeCom System are Confidential Information of ATS.

5.2. Destruction. Within five (5) days after a Disclosing Party's request, the Receiving Party shall return or destroy the Disclosing Party's Confidential Information identified in the request; provided, however, that the Receiving Party shall be entitled to retain archival copies of the Confidential Information of the Disclosing Party solely for legal, regulatory or compliance purposes unless otherwise prohibited by law, subject to an ongoing obligation of confidentiality.

5.3. Equitable Relief. Each party acknowledges that a breach or threatened breach of this Section would cause the other party irreparable harm for which monetary damages would not be an adequate remedy and agrees that the other party may seek equitable relief without any requirement to post bond or other security in order to enforce the terms of this Section 5. Such remedies are not exclusive and are in addition to all other remedies that may be available at law, in equity, or otherwise.

6. Warranties, Exclusive Remedies and Disclaimers.

6.1. ATS Warranties. ATS warrants that (a) it has the legal power to enter into the Agreement, and (b) the TimeCom System shall perform materially in accordance with the Documentation for the applicable TimeCom System. If the TimeCom System does not conform to the warranty specified in Section 6.1(b) above, Client must notify ATS within thirty (30) days, and ATS agrees to use commercially reasonable efforts to cure the non-conforming portions of the TimeCom System before Client may pursue any other remedies. ATS is not responsible for any non-compliance with this warranty resulting from or caused by any (i) Malicious Code present in the Client Data made available to ATS by Client, or (ii) Modifications made by anyone other than ATS. Client's sole and exclusive remedy for a breach of any warranties contained in this Section 6.1 shall be to terminate the Agreement pursuant to Section 4.2 and, notwithstanding anything to the contrary in Section 3.1, have ATS refund to Client the pro rata unused portion of any pre-paid unearned fees.

6.2. Client Warranties. Client warrants that (a) it has the legal power to enter into the Agreement, (b) it has all consents and rights in and to the Client Data necessary to permit ATS to exercise its rights to access and use the Client Data to operate the TimeCom System and provide the Services, (c) it is in full compliance with and will continue to comply with all applicable laws and regulations that apply to Client's use of the TimeCom System, Services and to Client's business, including without limitation all laws concerning protection of Client's employees' personal information and use of biometrics, and (d) the Client Data or the media on which the Client Data resides does not contain any Malicious Code.

7. Disclaimer of Warranties.

EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT, ATS, ITS LICENSORS AND SUPPLIERS EXPRESSLY DISCLAIM ANY WARRANTY, EITHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, NON-INTERRUPTION OF USE WITH RESPECT TO THE TIMECOM SYSTEM, SERVICES AND/OR ANY CUSTOM PROGRAMS CREATED BY ATS OR ANY THIRD-PARTY SOFTWARE DELIVERED BY ATS. ATS, ITS LICENSORS AND SUPPLIERS FURTHER DISCLAIM ANY WARRANTY THAT THE RESULTS OBTAINED THROUGH THE USE OF THE TIMECOM SYSTEM, SUPPORT SERVICES, ANY CUSTOM PROGRAMS CREATED BY ATS OR ANY THIRD-PARTY SOFTWARE

DELIVERED BY ATS WILL MEET CLIENT'S NEEDS.

8. Indemnification.

8.1 ATS Indemnity. Subject to the remainder of this Section, ATS shall, at its expense, (a) defend or settle any third party claims, actions and demands brought against Client and its officers, directors, employees and agents, and (b) pay all damages finally awarded therein against Client's indemnified parties or agreed upon in settlement by ATS (including other reasonable costs incurred by Client, including reasonable attorneys' fees, in connection with enforcing this Section) arising from: (i) claims that ATS failed to comply with applicable laws, rules or regulations in its performance of the Agreement or (ii) claims that the TimeCom System as used in accordance with the Agreement infringes any U.S. patent, copyright, trade secret or other intellectual property right of any third party. The foregoing obligations of ATS do not apply to the extent that the alleged infringing system or portions or components thereof or modifications thereto were not supplied or directed by ATS, or were combined with other products, processes or materials not supplied or directed by ATS (where the alleged infringements relates to such combination). THIS SECTION STATES ATS'S SOLE LIABILITY TO, AND CLIENT'S EXCLUSIVE REMEDY FOR, CLAIMS OF ANY KIND IN CONNECTION WITH THIS AGREEMENT, THE TIMECOM SYSTEM AND SERVICES DELIVERED UNDER OR IN CONNECTION WITH THIS AGREEMENT (INCLUDING, BUT NOT LIMITED TO, INTELLECTUAL PROPERTY INFRINGEMENT CLAIMS).

8.2 Client Indemnity. Client shall, at its expense, (a) defend or settle any third party claims, actions and demands brought against ATS and its officers, directors, employees and agents, and (b) pay all damages finally awarded therein against ATS's indemnified parties or agreed upon in settlement by Client (including other reasonable costs incurred by ATS, including reasonable attorneys' fees, in connection with enforcing this Section) arising from: (i) Client's breach or violation of Client's responsibilities under Sections 1.5 or 1.6, (ii) claims that Client Data or transmission or hosting thereof infringes or violates the rights of a third party, (iii) claims that Client's or its Users' use of the TimeCom System or Services in violation of this Agreement infringes or violates the rights of such third party, or (iv) claims that Client failed to comply with applicable laws, rules or regulations (including, without limitation, export, data protection and privacy laws, rules and regulations and laws, rules and regulations that apply to the use of biometrics) in its performance of the Agreement.

8.3 Indemnification Procedures. The party or other person entitled to seek indemnification pursuant to this Section 8 (the "Indemnified Party") shall: (a) promptly notify the other party obligated to provide such indemnification (the "Indemnifying Party") in writing of any such claim, (b) take commercially reasonable steps to mitigate any potential damages which may result; (c) give sole control of the defense and settlement of any such claim to the Indemnifying Party (provided that Indemnifying Party may not settle any claim in a manner that adversely affects Indemnified Party's rights, imposes any obligation or liability on the Indemnified Party or admits liability or wrongdoing on the part of Indemnified Party, in each case, without Indemnified Party's prior written consent), and (d) provide all information and assistance reasonably requested by the Indemnifying Party, at the Indemnifying Party's expense, in defending or settling such claim. The Indemnified Party may join in defense with counsel of its choice at the Indemnified Party's own expense.

9. Limitation of Liability.

9.1. Limitation of Liability. EXCEPT FOR A BREACH OF SECTION 1.6, SECTION 2.5, SECTION 5.1 AND INDEMNIFICATION OBLIGATIONS PURSUANT TO SECTION 8, IN NO EVENT SHALL EITHER PARTY'S LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT WHETHER IN CONTRACT, TORT OR UNDER ANY OTHER THEORY OF LIABILITY, EXCEED IN THE AGGREGATE, THE TOTAL AMOUNT PAYABLE BY CLIENT TO ATS UNDER THIS AGREEMENT DURING THE TWENTY-FOUR (24) MONTHS IMMEDIATELY PRECEDING THE ACT OR OMISSION GIVING RISE TO THE LIABILITY.

9.2. Disclaimer of Consequential Damages. EXCEPT FOR A BREACH OF SECTION 1.6, SECTION 2.5,

SECTION 5.1 AND INDEMNIFICATION OBLIGATIONS PURSUANT TO SECTION 8, IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY LOST PROFITS OR REVENUE OR FOR ANY INDIRECT, SPECIAL, COVER, PUNITIVE, INCIDENTAL OR CONSEQUENTIAL DAMAGES, ARISING UNDER THIS AGREEMENT AND WHETHER OR NOT THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE FOREGOING DISCLAIMER SHALL NOT APPLY TO THE EXTENT PROHIBITED BY APPLICABLE LAW.

10. Insurance.

During the term of the Agreement, ATS will at all times maintain, at its own cost, insurance coverage as follows: Comprehensive General Liability insurance with minimum limits of \$1,000,000 per occurrence/\$2,000,000 aggregate for bodily injury, personal injury and property damage; Workers' Compensation insurance as required by state law; Employer's Liability insurance with coverage of \$1,000,000 per accident for bodily injury or disease; Automobile Liability insurance with coverage of \$1,000,000 per accident for bodily injury and property damage, and Cyber and Professional Liability insurance with coverage of \$5,000,000 per occurrence/\$5,000,000 aggregate, including privacy liability coverage. All such insurance shall be issued through a carrier with an A.M. Best's rating of no less than A minus. A certificate of insurance evidencing such policy coverage shall be delivered to Client upon written request.

11. General.

11.1. Compliance with Laws. Client will comply with all applicable laws and governmental regulations and will not use or access the TimeCom System or Services in any way that materially violates any applicable international, federal, state or local laws and/or regulations. ATS will comply with all applicable laws and governmental regulations. ATS may require Client to comply with certain regulatory obligations necessary for ATS's compliance with applicable laws and regulations, which obligations shall be set forth in a Regulatory Addendum. Client acknowledges and agrees that the Colorado Privacy Act Addendum attached hereto as Exhibit E and the California Privacy Rights Act Addendum attached hereto as Exhibit F (the "Regulatory Addenda") are hereby incorporated into this Agreement. ATS may update the Regulatory Addenda from time to time to reflect changes in applicable legal or regulatory requirements. ATS will provide Client with advance notice of any such updates, and Client agrees to comply with the updated terms as of the effective date specified in the notice.

11.2. Assignment. Neither party may assign any of its rights or obligations hereunder, whether by operation of law or otherwise, without the prior written consent of the other party (not to be unreasonably withheld). Notwithstanding the foregoing, ATS may assign the Agreement in its entirety, without the consent of the Client, to an Affiliate or in connection with a merger, acquisition, corporate reorganization, or sale of all or substantially all of its assets. Subject to the foregoing, the Agreement shall bind and inure to the benefit of the parties, their respective successors and permitted assigns. Any attempted assignment in breach of this Section shall be void.

11.3. Relationship of the Parties. ATS and Client are independent contractors, and nothing in the Agreement or any attachment hereto will create any partnership, joint venture, agency, franchise, sales representative, or employment relationship between the parties.

11.4. Third-Party Beneficiaries. Nothing in the Agreement creates, or will be deemed to create, third-party beneficiaries of or under the Agreement. ATS has no obligation to any third party (including Client's Users and/or any taxing authority) by virtue of the Agreement.

11.5. Choice of Law and Jurisdiction. This Agreement will be governed by and construed in accordance with the laws of the State of Connecticut and the federal U.S. laws applicable therein, excluding its conflicts of law provisions. ATS and Client agree to submit to the personal and non-exclusive jurisdiction of the courts located in Hartford County, Connecticut. The parties agree that the United Nations Convention on Contracts for the International Sale of Goods will not apply to the Agreement.

11.6. Attorney's Fees. In any action related to the Agreement, if any party is successful in obtaining some or all of the relief it is seeking or in defending against the action, the other party shall pay, on demand, the prevailing party's reasonable attorneys' fees and reasonable costs.

11.7. Manner of Giving Notice. Notices regarding the Agreement shall be in writing and addressed to Client at the address Client provides in the Sales Order(s), or, in the case of ATS, when addressed to ATS at the address listed on the Sales Order(s) and sent to the attention of the Chief Executive Officer.

11.8. Force Majeure. Neither party shall be liable to the other for any delay or failure to perform hereunder (excluding payment obligations) due to circumstances beyond such party's reasonable control, including without limitation acts of God, acts of government, flood, fire, earthquakes, civil unrest, acts of terror, strikes or other labor problems (excluding those involving such party's employees).

11.9. Entire Agreement. This Agreement and the Sales Order(s), and exhibits, addendums or URLs referenced herein represent the entire agreement of the parties and supersede all prior discussions, emails, documents or other agreements between the parties, provided that the Agreement shall govern all disclosures and exchanges of Confidential Information made by the parties previously hereto. ATS reserves the right to modify the TimeCom General Terms and documents referenced in the Agreement from time to time, at its discretion. To the extent there is a conflict between the Agreement and any additional or inconsistent terms, including any pre-printed terms on a Client purchase order or other documents, the terms of the Agreement shall prevail, unless expressly stated otherwise. Notwithstanding any language to the contrary therein, no terms stated in a purchase order or in any other order document (other than a Sales Order) shall be incorporated into the Agreement, and all such terms shall be void. The Agreement and the Sales Order(s) may not be modified or altered except by written instrument, and no amendment or waiver of any provision of the Agreement shall be effective unless in writing and signed (either manually or electronically) by an authorized representative of Client and ATS. All rights not expressly granted to Client are reserved by ATS and its licensors.

11.10. Equitable Relief. Except as otherwise provided, remedies specified herein are in addition to, and not exclusive of, any other remedies of a party at law or in equity.

11.11. Severability. If any of the provisions of the Agreement shall be invalid or unenforceable, such invalidity or unenforceability shall not invalidate or render unenforceable the entire Agreement, but rather the entire Agreement shall be construed as if not containing the particular invalid or unenforceable provision or provisions, and the rights and obligations of Client and ATS shall be construed and enforced accordingly.

11.12. Waiver. The failure of either party at any time to enforce any right or remedy available to it under the Agreement with respect to any breach or failure by the other party shall not be construed to be a waiver of such right or remedy with respect to any other breach or failure by the other party.

11.13. Headings. The headings used in the Agreement are for reference only and do not define, limit, or otherwise affect the meaning of any provisions hereof.

11.14. Use of Agents. ATS may designate an agent or subcontractor to perform such tasks and functions to complete any Services covered under the Agreement; provided that nothing in the preceding sentence shall relieve ATS from responsibility for performance of its duties under the terms of the Agreement.

EXHIBIT A: DEFINITIONS

"Affiliate" means a company that Controls, is controlled by or is under common Control with the Client.

"Breach" means any successful, unauthorized access to Protected Information residing in the TimeCom System which materially compromises the confidentiality, integrity, or availability of Protected Information.

"Client Data" means any data, information or material submitted by Client, or stored by Client in the TimeCom System, including without limitation, Client's employees' name, badge number, ID, schedule information, and other time and attendance information, including transactional information, provided by Client or its employees for the TimeCom System and Services. Client grants to ATS a right to use the Client Data for the sole purpose of providing the TimeCom System and Services to Client as contemplated herein.

"Confidential Information" means information that one party (the "Disclosing Party") provides to the other party ("Receiving Party") during the term of the Agreement that is identified in writing at the time of disclosure as confidential or that reasonably should be understood to be confidential given the nature of the information and the circumstances of disclosure.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a company, whether through ownership of voting securities or by contract or otherwise.

"Documentation" has the meaning set forth in the TimeCom System definition.

"End-to-End Testing" means the process by which a User's punch into the TimeCom System is sent from Equipment and flows through the Software and is received in the Client's Workday instance. End-to-End Testing shall be deemed to be successful upon the Client's acknowledgment that it can see the punch on such User's time card.

"Equipment" has the meaning set forth in the TimeCom System definition.

"Equipment Software" has the meaning set forth in the TimeCom System definition.

"Go-Live Date" means the date in the Sales Order as may be amended pursuant to this Agreement.

"Intellectual Property Rights" means any patents and applications thereto, copyrights, trademarks, service marks, trade names, domain name rights, trade secret rights, and all other intellectual property and proprietary rights.

"Malicious Code" means viruses, worms, time bombs, Trojan horses and other harmful or malicious code, files, scripts, agents, or programs.

"Modifications" means any work based on or incorporating all or any portion of the TimeCom System, including, without limitation, modifications, enhancements and customizations to the TimeCom System.

"Sales Order" means a document for purchase of access and use of the TimeCom System that is entered into between ATS and Client from time to time. Sales Order(s) are deemed incorporated herein by reference.

"Services" has the meaning set forth in Section 1.1.

"Software" has the meaning set forth in the TimeCom System definition.

"Taxes" has the meaning set forth in Section 3.3.

"Term" has the meaning set forth in Section 4.1.

"Third-Party Software" means online, Web-based applications and offline software products that are developed by third parties, and may interoperate with the TimeCom System, the use of which software is governed by the applicable terms and conditions specified by such third party.

"TimeCom System" means the time data collection system known as the TimeCom System identified on the Sales Order(s). The TimeCom System exchanges Client Data with Client's Enterprise Resource Planning ("**ERP**"), workforce management or other time and attendance system. The TimeCom System consists of the ATS data collection equipment hardware (the "**Equipment**") and related Equipment software (the "**Equipment Software**"); and the ATS hosting services and cloud- based integration middleware (the "**Software**"); and related documentation made available to the Client (the "**Documentation**").

"User" means an individual employee, contractor or agent of Client authorized by Client to use the applicable TimeCom System for which access has been purchased and who has been given a user identification and password.

EXHIBIT B: EQUIPMENT

1. Client shall not make any alterations or attach any device not provided by ATS to the Equipment, nor shall Client remove the Equipment from the place of original installation without written notice to ATS (eg. email to Tech Support).
2. At the time of shipment, ATS will invoice Client for the full amount owed for the Equipment.
3. The Equipment is provided to the Client FCA-ATS Facility and risk of loss passes to the Client at shipment.
4. Equipment Warranty: ATS warrants to Client that (a) the Equipment, when and as delivered, will be free from defects in materials and workmanship for a period of twelve (12) months from the date of shipment and (b) the Equipment Software will be fully operable and function in all material respects (collectively, the "Equipment Warranty"). The Equipment Warranty is contingent upon the use of (i) the Equipment in accordance with ATS instructions in the applications for which they were intended and shall not apply to Equipment that is modified, improperly installed or maintained, or subjected to unusual physical or electrical stress, misuse, abuse, unauthorized repair, or combination with components/products not provided by ATS and (ii) Client's use of the Equipment Software in accordance with the terms of the Agreement. Client's sole and exclusive remedies shall be limited to repair or replacement, at ATS's sole option and election. Repairs and replacements required as a result of any of the following shall not be included in the foregoing Equipment Warranty and will be charged at ATS's then current rates: (i) damage, defects, or malfunctions resulting from misuse, accident, neglect, tampering, unusual physical, or electrical stress, or causes other than normal or intended use; (ii) failure of Client to provide and maintain a suitable installation environment; (iii) any alterations made to or any devices not provided by ATS and attached to the Equipment; and (iv) malfunctions resulting from use of badges or supplies not approved by ATS.

Replacement or repair shall not extend the term of this Equipment Warranty. Client may return Equipment only during the term of the Warranty in accordance with the procedures set forth below. Under no circumstances shall ATS have any liability in respect of any Equipment or the Equipment Software, except to the extent set forth in this Exhibit B.

5. Equipment Repairs: Equipment repairs made after the expiration of the Equipment Warranty are warranted for thirty (30) days after the date of shipment. Equipment repairs made during the term of the Equipment Warranty are first covered by the provisions of the Equipment Warranty and then for any days remaining, post-Equipment Warranty expiration, the 30-day period after shipment.
6. During the term of the Equipment Warranty, Client may return Equipment that does not conform with the Equipment Warranty; provided that Client shall first (i) notify ATS of the Equipment non-conformity in a detailed writing; (ii) request and obtain a return material authorization ("RMA") number for the non-conforming Equipment; and (iii) within ten (10) days of receipt of the RMA number, return such Equipment to ATS, freight prepaid, with the RMA number prominently displayed. Client shall bear all shipping costs and risk of loss of Equipment sent to ATS. ATS will bear all shipping costs and risk of loss of Equipment returned to Client. If, upon examination, ATS finds no non-conformity in the returned Equipment, it will return the Product to Client, at Client's expense.

Upon expiration of the Equipment Warranty, any maintenance services provided by ATS at Client's request will be subject to ATS's then current charges for such services. In such event, Client will bear the cost of all shipping costs and the risk of loss for Equipment sent to ATS and for Equipment returned to Client by ATS.

7. Notwithstanding anything to the contrary in the Agreement, ATS's sole commitment to Client for purchased Equipment is the Equipment Warranty as set forth in this Exhibit B. The Equipment Warranty

is exclusive and shall apply in lieu of all other warranties appearing on any Client purchase order or other documentation. Client agrees that ATS's acceptance of Client's order or quotation with respect to Equipment warranty matters is limited to and governed exclusively by the Equipment Warranty. Neither ATS's commencement of performance nor shipment of Equipment shall be deemed to constitute acceptance of any additional or different warranty proposed by Client. ATS's failure to object to provisions contained in any purchase order or other document of Client shall not be construed as a waiver by ATS of the Equipment Warranty or an acceptance of any warranty terms and conditions of Client, which are hereby rejected by ATS.

8. In order to keep the purchased Equipment current, ATS may from time to time perform maintenance fixes and other upgrades to the Equipment Software received by Client at no charge to Client.

EXHIBIT C: CONSTANTCARE SUPPORT PROGRAM AND SERVICE LEVEL AGREEMENT

ConstantCare Support Services

The ATS ConstantCare Support Program provides ongoing technical and functional support to TimeCom Clients through phone, email, and virtual meetings.

ATS shall maintain the TimeCom System in good working order and in compliance with the ConstantCare program selected by Client, and this Service Level Agreement ("**SLA**"). ATS shall correct errors, problems, interruptions, malfunctions, and failures in the TimeCom System (collectively, "**Errors**") in compliance with the Agreement and this SLA.

There are three Tiers of Support provided:

- 1. Tier 1 Support* – First-line support and primary contact point. Creates Client issue Ticket, performs troubleshooting and problem assessment, and offers solutions for basic issues. This process begins depending on Client's selection of Support Plan, as explained below.
- 2. Tier 2 Support* – Technical Client Service staff provide a higher level of support and more extensive problem-solving.
- 3. Tier 3 Support* – Engineering personnel address critical issues and problems requiring longer resolution times. Solution team and project management may be provided.

Accu-Time Systems encourages Clients to designate their own internal support team. Employees of Client should contact their internal support team before contacting ATS Support. ATS further encourages Clients to designate a limited number of appropriate personnel who are authorized to contact ATS Support. In the ConstantCare Comprehensive plan, training of Client's internal staff is included, allowing Client to diagnose and respond to common issues and questions.

ClockWatch is available to ConstantCare Standard and Comprehensive plan participants. ClockWatch provides Client with access to terminal health monitoring, activity, event logging, and other diagnostic features. ClockWatch provides On-demand reporting to. Available reports include:

- ☐ Users Active in TimeCom System
- ☐ Biometrically Enrolled Employees
- ☐ Punch Data by Date Range
- ☐ Active Time Collection Devices
- ☐ Communicating Time Collection Devices
- ☐ Custom reports can be created for a fee

Troubleshooting and diagnostics performed by the ConstantCare staff may require establishing a remote connection to Client's equipment. Client's representative should be prepared, and authorized, to give such access.

Client Issue Tickets will be closed when ATS and Client agree that an issue has been satisfactorily resolved or a suitable workaround or temporary solution has been provided. ATS reserves the right to provide permanent solutions through the use of periodic distributed bug fixes, patches, and software updates.

ConstantCare support personnel have the discretion to determine whether an issue presented by Client is covered by the ConstantCare Support Program. If an issue is not related to, or caused by, the TimeCom System, the Client may engage the services of the ConstantCare staff for a fee.

In the event extraordinary support is required, that is not as a result of a failure, error, malfunction, bug, or other functional flaw inherent to the design of the TimeCom System, a fee will be quoted to Client for the scope of work.

There are three ConstantCare Support plans:

	Basic	Standard	Comprehensive
Support Hours ^{1,2}	8 AM - 5 PM EST/EDT	24 x 7 x 365	24 x 7 x 365
Primary Access	Tier 1 Support	Tier 1 Support	Tier 2 Support Direct Access
Tier 1 Response Time	Immediate	Immediate	Bypassed
Tier 2 Response Time	Within 1 Day ³	Within 4 Hours ³	Within 1 Hour
Tier 3 Response Time	Within 2 Days ³	Within 8 Hours ³	Within 3 Hours
EES ⁴ Initiated By	ConstantCare Staff	ConstantCare Staff	ConstantCare Staff
Email Alerts		●	●
ClockWatch		●	●
On-Demand Reporting		●	●
Dedicated Support Line			●

Notes:

- 1 The ATS ConstantCare Program Tier 2 and 3 Support is unavailable for *Basic* and *Standard* Plan participants on the days the following U.S. Holidays are observed: New Year's Day • Memorial Day • Independence Day • Labor Day • Thanksgiving Day • Day After Thanksgiving Day • Christmas Eve • Christmas Day
- 2 ConstantCare Support may be unavailable due to natural events or unforeseen circumstances. This does not breach the TimeCom Terms and Conditions detailed at <https://atstimecom.accu-time.com/timecom-general-terms/>.
- 3 Response times shown are within a normal business day, Mon – Fri, 8:00 AM – 5:00 PM EST/EDT.
- 4 Express Exchange Service is a separate paid program. Details are at <https://atstimecom.accu-time.com/express-exchange/>

Software Maintenance Services

ATS shall perform scheduled maintenance in accordance with the following principles:

- a. Operating system security patches that ATS deems to be critical shall be applied as soon as possible, in general once every month, but potentially more often. These patches are applied without notification to the Client.
- b. TimeCom System application patches that ATS deems to be critical and which are required for the proper operation of the TimeCom System shall be applied as soon as possible. ATS shall inform Client when such patches are applied.
- c. Other TimeCom System modifications shall be communicated to the Client and the parties shall reasonably determine an appropriate time to deploy such modifications.

If ATS Tier 1, 2 and 3 support of the ATS ConstantCare program are not able to resolve a Client's question or problem, without creating a new software release, then ATS shall assign a Severity Level to Client's issue, and use commercially reasonable efforts to resolve Client's request as follows

Severity Level	Definition
Level 1	High Priority. TimeCom System is (a) not operating at all, (b) having material functions or functionality not operating or operating improperly, or (c) operating in a manner that is corrupting, or is likely to corrupt or expose to unauthorized actors, any of the Client Data, and there is no workaround available.
Level 2	Intermediate Priority. TimeCom System is operating properly only with an undue workaround.
Level 3	Low Priority. TimeCom System has problems with operations that do not reduce functions or performance in a material way.

Continuous Efforts. ATS shall use commercially reasonable efforts, 24x7x365, to resolve all Level 1 Errors as quickly as possible. ATS shall use reasonable efforts, during the normal operating hours (Mon-Fri, 8am-5pm), to resolve all Level 2 Errors as quickly as possible by creating a patch release, and provide

customer with a resolution outlook date. ATS shall prioritize and use reasonable efforts to resolve all Level 3 Errors as part of a feature release and provide customer with a resolution outlook date.

Disaster Recovery. ATS will maintain a disaster recovery plan that meets industry standards as commercially reasonable to prevent the TimeCom System from becoming unavailable and Client Data from being lost or corrupted due to a disaster.

EXHIBIT D: DATA PROTECTION AND SECURITY

1. Definitions. Capitalized terms herein shall have the meanings set forth below.

"Agreement" shall mean the ATS General Terms and Conditions for delivering the TimeCom Solution to Client.

"ATS or Supplier" shall mean Accu-Time Systems providing Client Data processing services to Client.

"Best Practices Guide" shall mean a document ATS provides to Client with best practices for Client to follow, to enable the proper and secure operation of the Service.

"Client Data" shall mean all Subjects' Personal data that is retrieved from Client's ERP/HCM system and stored in the ATS TimeCom Middleware, as well as all data that is captured at ATS terminals and subsequently stored in the ATS TimeCom Middleware.

"Breach and Data Breach" shall mean an event that provided an unauthorized party with to access, or ability to modify Client Data, or disable, or critically impact the delivery of the Service.

"Data Center" shall mean the physical location where the computers used to provide the Service are located.

"Data Retention Policy" shall mean the ATS data retention policy for Client Data.

"Disabling Device" means any programs, mechanisms, programming devices, malware or other computer code (i) designed to disrupt, disable, harm, impair or otherwise impede in any manner the operation of any software program or code, or any computer system or network (e.g. "malware", "spyware", "viruses", "ransomware", "worms", "time bombs") used to deliver the Service (ii) designed to or could reasonably be used to permit an unauthorized party to access any computer system or network (e.g. "trojans", "traps", "access codes"); or (iii) is designed to or could reasonably be used to permit an unauthorized party to track, monitor or otherwise report the operation and use of the Service, for purposes other than providing the Service to Client.

"Personal Data" shall mean data that can be used to identify a specific Subject.

"Middleware" shall mean the ATS hosted cloud software, used to provide the Service.

"The Regions" shall mean the Regions of the world where ATS will store Client Data in its Middleware. For the purpose of this Agreement, The Regions can include the United States of America, and the European Economic Area. Client Data will be stored in either one of those Regions, per Client's direction.

"Service(s)": shall mean the TimeCom service ATS provides to Client.

"Subject(s)": shall mean the Client's employee(s) for which the Service collects Client Data to provide the TimeCom service.

2. Data Protection. ATS will not store, transfer, copy, analyze, monitor or otherwise use Client Data except for the purposes set forth in the Agreement and for the benefit of Client. All Client Data shall be hosted, stored and replicated in The Regions, provided that all ATS terminals are located in The Regions, and provided that ATS carries no responsibility for where other Client systems, not operated by ATS, store data that is transmitted from an ATS system to such other Client system. ATS and Client shall, to the best of their abilities, comply with all applicable laws, regulations, and government orders in The Regions, relating

to data privacy with respect to any such Client Data that ATS receives or has access to under this Agreement or in connection with the performance of the Services for Client. If such compliance would render the ATS Service to Client impossible, then ATS will notify Client and work with Client to resolve the legal conflict, or if the conflict cannot be resolved to orderly terminate the Service. ATS will otherwise protect and will not use, disclose, or transfer Client Data outside of The Regions, except as necessary to perform its obligations under this Agreement or as authorized by Client.

3. **Client Data and Intellectual Property.** All right, title, and interest in Client Data will remain the property of Client. ATS has no intellectual property rights or other claim to Client Data that is hosted, stored, or transferred to and from ATS or any cloud-based platform that may be provided by ATS, or to Client's Confidential Information, except for the license granted to ATS by Client to host, store and transfer the Client Data as contemplated in the Agreement. ATS will cooperate with Client to protect Client's Intellectual Property Rights and Client Data. ATS will promptly notify Client if ATS becomes aware of any potential infringement of those rights in accordance with the provisions of this Agreement.
4. **Data Safeguards.** ATS shall provide the following services and functions as part of the Software: (i) the use of appropriate, industry-standard encryption technology to protect Client Data, while at rest in the Middleware and while in transit, from unauthorized access; and (ii) routinely back-up and securely archive Client Data. ATS will comply with the requirements of this Data Protection and Security Exhibit and implement the Data Safeguards, and ATS will further implement reasonable security standards that it determines are necessary, but in no event less than industry standards: (i) to select a third party Data Center provider that provides the physical security of its Data Center(s) used to maintain Client Data and provide the Service; and (ii) to reasonably protect the TimeCom Middleware network, the operating systems used to deliver the Service, and the TimeCom Middleware software applications, and all data storage systems and media used to provide the Service to Client, from being subject to Disabling Devices. Client commits to following the Best Practices Guide ATS provides to Client. Client's failure to do so may be considered a negligent act, and relieve ATS from the indemnification requirements articulated in paragraph 8 of this Exhibit.
5. **Data Access.** Except for the purpose of providing the Services and meeting its obligations under the Agreement, ATS has represented to Client that ATS will not be permitted to access Client Data, and ATS will have no ability to manipulate, modify or control such Client Data. If any Services provided by ATS may involve ATS or its personnel having or requiring access to Client Data, then ATS shall comply with the provisions of this Data Protection and Security Exhibit. To the extent that ATS requires access to Client Data, or ATS has access to or stores or holds any Client Data, ATS agrees to:
 - (a) access and use the Client Data solely for the purpose of providing the Services in accordance with the terms and conditions of this Agreement;
 - (b) maintain, technical, and administrative safeguards (including but not limited to those set forth in this Exhibit) to protect the Client Data against unauthorized access, use, or disclosure while it is accessible to or held by ATS ("**Data Safeguards**"); and
 - (c) not disclose the Client Data to any third party, except: (1) to its employees, consultants or contractors who need to have access to such information and solely for purposes of providing the Services, provided that such recipients are bound by confidentiality provisions no less restrictive than those set out in this Agreement; and (2) to the extent required by a judicial order or other legal obligation, provided that, to the fullest extent permitted by law, ATS will promptly notify Client of such a required disclosure to allow intervention by Client (and will cooperate with Client) to contest or minimize the scope of such disclosure.
6. **Data Retention and Data Backup.** ATS maintains a Data Retention and data recovery standard operating procedures and policies ("**SOPs**") and can make written copies of all such SOPs available to Client upon request. All SOPs must be reasonably acceptable to Client. ATS shall test all SOPs on a regular basis, perform data backup verifications and shall provide SSAE 18 SOC reports for client to review, upon

Client's request, provided a valid NDA is in place between ATS and Client. Within 7 days after the termination or expiration of this Agreement for any reason, ATS shall transfer all available Client data, such as punch data to Client, using the normal data transfer method from the Service to the Client's ERP, and destroy all Client Data from its system or, in the event that transferring or destroying any Client Data is not feasible, provide notification of the conditions that make such return or destruction not feasible, in which case, ATS must continue to protect all Client Data that it retains and agree to limit further use and disclosures of such Client Data to those purposes that make the return or destruction not feasible as ATS maintains such Client Data.

7. **SOC 2/SSAE 18 Certification and Audits.** ATS will, on at least an annual basis, hire a third-party auditing firm to perform a Statement on Standards for Attestation Engagements No. 18 (SSAE 18) audit, or equivalent audit, on internal and external ATS procedures and systems that access or contain Client Data. ATS shall adhere to SOC 2/SSAE 18 audit compliance criteria and data security procedures (or any successor report of a similar nature that is generally accepted in the industry and utilized by ATS), applicable to ATS. ATS's security procedures will materially conform to the description thereof set forth in this Appendix, and as further described in ATS's most recently completed SOC 2/SSAE 18 audit report (or any successor report of a similar nature that is generally accepted in the industry and utilized by ATS). Upon Client's request, ATS will provide Client with a copy of the audit results set forth in ATS's SOC 2/SSAE 18 audit report. Client may provide input to the controls, which ATS and its auditor will reasonably consider to include in subsequent audits.
8. **Data Breach and Incident response.** ATS further agrees that it will monitor and test its Data Safeguards from time to time, and further agrees to adjust its Data Safeguards from time to time in light of relevant circumstances or the results of any relevant testing or monitoring. ATS will maintain an incident response plan, outlining the following steps: (i) Customer Notifications, (ii) Investigation, (iii) Containment and Remediation, (iv) Incident Record keeping. If ATS suspects or becomes aware of any unauthorized access to any Client Data by any unauthorized person or third party, or becomes aware of any other security breach relating to Client Data (a "**Data Breach**"), ATS shall notify Client in writing within 24 hours of reasonable certainty of such Data Breach, and shall fully cooperate with Client to prevent or stop such Data Breach. In the event of such Data Breach, ATS and Client shall each fully and immediately comply with applicable laws and shall take the appropriate steps to remedy such Data Breach. ATS will defend, indemnify and hold Client, its affiliates, and their respective officers, directors, employees and agents, harmless from and against any and all third-party claims, suits, causes of action, liability, loss, costs and damages, including reasonable attorney fees, arising out of or relating to any third-party claim arising from a Data Breach, except to the extent resulting from the negligent or wilful acts or omissions of Client. Client will defend, indemnify and hold ATS, its affiliates, and their respective officers, directors, employees and agents, harmless from and against any and all third-party claims, suits, causes of action, liability, loss, costs and damages, including reasonable attorney fees, arising out of or relating to any third party, except to the extent resulting from the negligent or wilful acts or omissions of ATS. In any case shall indemnification fee payments from one party to another be limited to three (3) times the annual revenue ATS receives from Client.
9. **General Security Procedures.**
 - (a) ATS will be responsible for establishing and maintaining an information security program that is designed to: (a) ensure the security and confidentiality of Client Data; (b) protect against any anticipated threats or hazards to the security or integrity of the Client Data; (c) protect against unauthorized access to or use of the Client Data; (d) ensure the proper disposal of Client Data; and (e) ensure that all subcontractors of ATS, if any, comply with all of the foregoing. ATS will designate an individual (Data Privacy Officer) to be responsible for the information security program. Such individual will respond to Client inquiries regarding computer security and to be responsible for notifying Client-designated contact(s) if a breach or an incident occurs, as further described herein. The information security program will be audited annually as detailed in ATS's SSAE 18 and/or SOC 2 audit reports, which will be made available to Client upon request.

- (b) ATS must conduct formal security awareness training, with a testing component, for all personnel and contractors that have access to the Client Data as soon as reasonably practicable after the time of hiring or prior to being appointed to work on Client Data and annually recertified thereafter. Documentation of Security Awareness Training must be retained by ATS, confirming that this training and subsequent annual recertification process have been completed, and available, as part of the SSAE 18 report.
 - (c) Client Data hosted, stored, or held by ATS on the TimeCom Middleware, must be encrypted with appropriate, industry-standard encryption technology. ATS will not transmit any unencrypted Client Data over the internet or a wireless network.
10. **Client Data Handling.** ATS does not store Client Data on ATS owned equipment. In the unlikely event that Client Data, stored on a media owned by ATS, that needs to be retired or taken out of service, then, all such electronic storage media containing Client Data must be wiped or degaussed for physical destruction or disposal, in a manner meeting forensic industry standards such as the NIST SP800-88 Guidelines for Media Sanitization. ATS must maintain documented evidence of data erasure and destruction. This evidence must be available for review at the request of Client.
11. **Physical Security.** All backup and archival media containing Client Data must be contained in secure, environmentally-controlled storage areas owned, operated, or contracted for by ATS and all backup and archival media containing Client Data must be encrypted with appropriate, industry-standard encryption technology.
12. **Penetration Testing.** During the term of any agreement between Client and ATS, ATS will, at least one time per year, perform penetration and vulnerability testing ("**Penetration Tests**") with respect to the Middleware used to provide the Service. The objective of such Penetration Tests is to identify design and/or functionality issues in infrastructure of the Middleware that could expose Client Data and its computer and network equipment and systems to risks from malicious activities. Penetration Tests will probe for weaknesses in network perimeters or other infrastructure elements as well as weaknesses in process or technical countermeasures relating to the Middleware that could be exploited by a malicious party. Penetration Tests will identify, at a minimum, the top 10 OWASP vulnerabilities. Within a reasonable period after the annual Penetration Test has been performed, ATS shall promptly and fully remediate any critical and high-level security issues that have been identified during such Penetration Test. To the extent that critical, high level security issues were revealed during a particular Penetration Test, ATS will subsequently perform an additional Penetration Test within a reasonable period thereafter to ensure continued resolution of identified security issues. Results of these tests will be made available to Client upon request.
13. **Data Sub Processor.** Client hereby agrees that ATS can use Amazon Web Services (AWS) as data sub processor. ATS will provide Client with a written notification, at least three (3) months in advance if ATS changes sub processor, upon which Client has the right to object in writing to such change, and should ATS decide to make the change despite such written objections, then Client has to the right to terminate the agreement.
14. **Ongoing Obligation.** At all times while Client Data is in the care, custody or control of ATS or third parties to whom ATS has made available Client Data, ATS agrees to comply with all of the provisions of this Addendum and shall ensure that Client Data is used and disclosed only in furtherance of the purposes of the Agreement.

EXHIBIT E: COLORADO PRIVACY ACT ADDENDUM

**Accu-Time Systems, Inc.
Colorado Privacy Act Addendum**

This **Colorado Privacy Act Addendum** (this “**Addendum**”) is incorporated into and forms a part of the services agreement(s) (individually and collectively the “**Services Agreement**”) entered into by and between the customer identified in the executed Sales Order (“**Customer**”) and Accu-Time Systems, Inc. (“**Processor**”) (hereinafter, Customer and Processor are referred to collectively as the “**Parties**”). This Addendum sets forth the terms required by the **Colorado Privacy Act**, codified at C.R.S. § 6-1-1301 et seq., and implementing regulations, as may be amended from time to time (collectively, the “**CPA**”). In the event of a conflict between this Addendum and the Services Agreement, this Addendum shall control solely to the extent necessary to comply with the CPA. Capitalized terms used, but not defined, in this Addendum shall have the same meaning given in the Services Agreement, unless otherwise indicated. The Parties agree as follows:

1. Purposes of Disclosure of Personal Data. Customer shall disclose Personal Data, defined as information that is linked or easily linked to an identified or identifiable individual residing in Colorado, to Processor solely for the purpose of Processor providing the “Services” as that term is defined in the Services Agreement, including making the TimeCom System (as described in the Services Agreement) available to the Customer and providing the Customer with certain implementation, hosting, support, and maintenance services.
2. Obligations of Processor. Processor shall do all of the following:
 - a. Ensure that each person processing Personal Data on behalf of the Processor is subject to a duty of confidentiality;
 - b. Engage Subcontractors only with prior notice to the Customer and provide the Customer an opportunity to object. Processor shall ensure the Subcontractor implements reasonable and appropriate safeguards to ensure the privacy and security of Customer data;
 - c. Taking into account the nature of the processing and the information available, implement appropriate technical and organizational measures to ensure a level of security appropriate to the risk, and ensure that responsibilities for implementing such measures are clearly allocated between the Parties;
 - d. Upon 30 days from the termination of the Services Agreement, and at the choice of the Customer, Processor shall make all Personal Data available to the Customer, or delete such data unless retention is required by applicable law;
 - e. Make available to the Customer all information necessary to demonstrate compliance with this Addendum and the requirements of Part 13 of the CPA;
 - f. Allow for and cooperate with reasonable audits and inspections for compliance with relevant provisions of the CPA conducted by the Customer or the Customer’s designated auditor, provided that Customer access is limited to paper/policy materials only, does not include access to Processor’s Confidential Information, and neither Customer nor the Customer’s auditor are permitted on the premises of the Processor. Such audits and

inspections are only permitted following reasonable notice and are conducted at the sole expense of the Customer.

3. Obligations of Customer. Customer shall do all of the following:

- a. Ensure that any Personal Data provided to the Processor has been collected and disclosed in compliance with applicable law, including providing any required privacy notices to data subjects; and
- b. Inform the Processor of any consumer request made pursuant to the CPA that the Processor must comply with, and provide to the Processor the information necessary for the Processor to comply with the request.

Processor certifies that it understands its obligations under the CPA and will comply with them. Notwithstanding anything in the Services Agreement or other document, the Parties acknowledge and agree that Customer's provision of access to Personal Data is not part of and is explicitly excluded from the exchange of consideration, or any other thing of value, between the Parties.

EXHIBIT E: CALIFORNIA PRIVACY RIGHTS ACT ADDENDUM

Accu-Time Systems, Inc. California Privacy Rights Act Addendum

This **California Privacy Rights Act Addendum** (this “Addendum”), dated as of the date last signed below, is incorporated into and forms a part of the services agreement(s) (individually and collectively the “Services Agreement”) entered into by and between the entity identified in the signature block below (“Customer”) and **Accu-Time Systems, Inc.** (“Service Provider”) (hereinafter, Customer and Service Provider are, at times, jointly referred to as the “Parties”). This Addendum sets forth terms and conditions relating to the Parties’ compliance with the California Privacy Rights Act, codified at Cal. Civil Code § 1798.100 et seq., and implementing regulations, as may be amended from time to time (collectively, the “CPRA”). In the event of a conflict between this Addendum and the Services Agreement, this Addendum will control as necessary to comply with the CPRA. Capitalized terms used, but not defined, in this Addendum shall have the same meaning given in the CPRA, except as otherwise indicated. The Parties agree as follows:

1. Purposes of Disclosure of Personal Information. Customer shall disclose Personal Information to Service Provider solely for the purpose of Service Provider providing the “Services” as that term is defined in the Services Agreement, including making the TimeCom System available to the Customer and providing the Customer with certain implementation, hosting, support, and maintenance services.
2. Service Provider Prohibitions. For avoidance of doubt, Service Provider is a “service provider” and not a “third party” as described in the CPRA. Service Provider shall not do any of the following:
 - a. sell or share the Personal Information it receives from, or on behalf of, Customer, except as otherwise set forth herein or as permitted by CPRA;
 - b. retain, use, or disclose the Personal Information received from, or on behalf of, Customer for any purpose other than the following: (i) the business purposes specified in the Services Agreement, including in the servicing of a different business, unless expressly permitted by the CPRA; (ii) to retain and employ another Service Provider or Contractor as a subcontractor, where the subcontractor meets the requirements for a Service Provider or Contractor under the CPRA; (iii) for internal use by Service Provider to build or improve the quality of the services it is providing to Customer, even if this Business Purpose is not specified in the Services Agreement, provided that Service Provider does not use the Personal Information to perform services on behalf of another person; (iv) to prevent, detect, or investigate data security incidents and protect against malicious, deceptive, fraudulent, or illegal activity, even if this Business Purpose is not specified in the Services Agreement; and (v) the purposes enumerated in Civil Code section 1798.145, subdivisions (a)(1) through (a)(7).
 - c. retain, use, or disclose the Personal Information for a Commercial Purpose, other than the Business Purpose(s) specified in the Services Agreement, or as otherwise permitted by the CPRA;
 - d. retain, use, or disclose the Personal Information outside of the direct business relationship between Service Provider and Customer, unless expressly permitted by the CPRA; or

- e. combine the Personal Information that Service Provider receives from, or on behalf of, Customer with Personal Information that it receives from, or on behalf of, another person or persons, or collects from its own interaction with the Consumer, provided that Service Provider may combine Personal Information to perform any Business Purpose as defined in the CPRA.
3. Obligations of Service Provider. Service Provider shall do all of the following:
- a. comply with all applicable obligations under the CPRA and provide the same level of privacy protection as is required by businesses subject to the CPRA to the Personal Information it maintains, including cooperating with Customer in responding to and complying with Consumers' requests made pursuant to the CPRA and implementing reasonable security procedures and practices appropriate to the nature of the Personal Information received from, or on behalf of, Customer to protect the Personal Information from unauthorized or illegal access, destruction, use, modification, or disclosure;
 - b. provide assistance to Customer in responding to a verifiable consumer request and fulfill obligations as necessary to effectuate any approved consumer request;
 - c. notify Customer no later than five (5) business days after Service Provider makes a determination that it can no longer meet its obligations under the CPRA; and
 - d. when engaging another Service Provider or Contractor as a subcontractor to assist it in processing Personal Information for a Business Purpose on behalf of Customer, notify Customer of the engagement and enter into an agreement with the subcontractor that requires compliance with the applicable provisions of the CPRA.
4. Obligations of Customer. Customer shall do all of the following:
- a. provide to Consumers all notices and privacy policies required by CPRA and ensure that such notices and privacy policies permit the performance of the Services and Customer's disclosure of Personal Information to Service Provider; and
 - b. inform the Service Provider of any consumer request made pursuant to the CPRA that the Service Provider must comply with, and provide to the Service Provider the information necessary for the Service Provider to comply with the request.
5. Rights of Customer. Customer shall have the right to do the following:
- a. take reasonable and appropriate steps to help ensure that Service Provider uses the Personal Information that it received from, or on behalf of, Customer in a manner consistent with Customer's obligations under the CPRA and this Addendum; and
 - b. take reasonable and appropriate steps, upon notice, to stop and remediate Service Provider's unauthorized use of Personal Information.

Service Provider certifies that it understands its obligations under the CPRA and will comply with them. Notwithstanding anything in the Services Agreement or other document, the Parties acknowledge and agree that Customer's provision of access to Personal Information is not part of and is explicitly excluded from the exchange of consideration, or any other thing of value, between the Parties.