SOFTWARE LICENSE AND SERVICES AGREEMENT

BETWEEN

THE BOARD OF EDUCATION OF

ROCKFORD SCHOOL DISTRICT NO. 205,

WINNEBAGO-BOONE COUNTIES, ILLINOIS

AND

KRONOS INCORPORATED
SOFTWARE LICENSE AND SERVICES AGREEMENT

This Agreement is entered into as of the date set forth below, by and between the Board of Education of Rockford School District No. 205, Winnebago and Boone Counties, Illinois (Board, District or Customer), 501 7th Street, Rockford, Illinois 61104 and KRONOS Incorporated (KRONOS), 297 Billerica Road, Chelmsford, Massachusetts 01824.

WHEREAS, the Board wishes to purchase certain equipment and obtain a license for use of Kronos software and ordered certain services as hereinafter set forth; and,

WHEREAS, KRONOS has offered to sell certain equipment and license the Board for use of certain software and provide certain services as set forth in the Order Form and Services Scope Statements attached hereto; and,

WHEREAS, the parties have reached agreement on the terms and conditions of a contract between them and now desire to reduce their agreement to writing (Agreement).

NOW, THEREFORE, in consideration of the mutual promises, covenants and undertakings hereinafter set forth the parties agree as follows:

1. SCOPE OF AGREEMENT
   1.1 SCOPE of SERVICES.
       a. During the term of this Agreement and to the conclusion of satisfactory provision of goods and services and continuing during the existence of any applicable licensing, maintenance and support agreements, or the date of termination as otherwise set forth herein, KRONOS shall provide to the Board all labor and necessary material, equipment and supplies to install and implement the software, licensing, implementation, training, support and maintenance listed on the Order Form attached as Exhibit A and Services Scope Statements attached as Exhibit B of this Agreement for the price set forth on the Order Form; provided that hardware in the nature of the time clocks shall be installed by the District at its cost and the District comply with the terms of this Agreement. The District may at its discretion order additional products and services as set forth in this Agreement and in accordance with Exhibit C.

       b. The project schedule of the initial installation and implementation of the Software shall be mutually agreed between the parties, and both parties will use best commercial efforts to cooperate to complete the work within the targeted timeline.

       c. KRONOS will license and provide Software and Equipment support services in accordance with the Kronos Sales Software License and Services Agreement attached as Exhibit C to

Page 1 of 19
this Agreement. For the initial order the initial year of Software support shall commence with the Delivery of the Software and continue for a full 12 months, the cost of which is included in the purchase price of the Software. The terms of Section 14 of Exhibit C outline the support services. At the renewal of the support services, the DISTRICT may request that KRONOS adjust and prorate the second and third year and the price of maintenance to coincide with the District's school year, July 1 to June 30. Both parties will work together to make the appropriate adjustments.

d. KRONOS shall further provide, subject to the limitations of Section 4 hereof, such additional services or products as may be authorized by the Board and requested in writing by the Board's designated representative and mutually agreed between the parties.

1.2 FUNCTIONALITIES WARRANTY

Kronos warrants that for the period through September 1, 2015, the Software listed on Exhibit A shall meet the applicable Product Functionality requirements identified in Exhibit G of the Agreement, which is attached hereto and incorporated herein by this reference. Customer's exclusive remedy for breach of the foregoing warranty is for Kronos to repair or replace the Software listed in Exhibit A; provided however, if Kronos cannot repair or replace the software during the warranty period to achieve compliance with the functionality requirements of Exhibit G, the District may, at its sole discretion, return the software for refund.

1.3 AGREEMENT

This Agreement includes and fully incorporates herein all of the following documents for the selected Scopes of Services:

a. The General Terms and Conditions attached hereto as Exhibit 1;
b. the Kronos Order Form* as Exhibit A;
c. the Services Scope Statements* as Exhibit B-Timekeeping System and Exhibit B-HR Module;
d. the Kronos Sales Software License and Services Agreement as Exhibit C;
e. the Equipment Support Terms as exhibit D;
f. the Professional and Educational Services Engagement Policies as exhibit E; and
g. the Support Services Policies as Exhibit F.
h. the Product functionality requirements as Exhibit G

*The Parties acknowledge that if the DISTRICT requires additional services or goods to be delivered under this Agreement, a new Order Form and, if applicable, Services Scope Statement may be required.
1.4 PREVAILING ORDER OF PRECEDENCE. In the event of any inconsistencies between the Agreement and the Exhibits, the following order of precedence in the interpretation hereof or resolution of such conflict hereunder shall prevail:

(a) this Agreement;
(b) the General Terms and Conditions attached hereto as Exhibit 1;
(c) the Product functionality requirements as Exhibit G;
(d) the Kronos Sales Software License and Services Agreement as Exhibit C;
(e) the Equipment Support Terms as exhibit D;
(f) the Kronos Order Form as Exhibit A;
(g) the Services Scope Statements as Exhibit B;
(h) the Professional and Educational Services Engagement Policies as exhibit E; and
(i) the Support Services Policies as Exhibit F.

1.5 KRONOS POLICIES

a. Professional and Educational Policies. The parties agree that the District may attach the then current Professional Services Policies to the applicable SSS/SOW and such policy shall apply to all Professional and/or Educational Services purchased for the duration of the SSS/SOW until completion of the services to be delivered under such SSS/SOW. Any material changes to the Professional and Educational Policies, however, shall not be effective or applied against Customer unless and until Customer enters into a new SSS/SOW for a new project implementation.

b. Support Services Policies. In the event that Kronos makes a material change to the Support Policies that diminishes a support offering as described in the Agreement, Kronos will provide Customer with at least sixty (60) days prior written notice of any such change. Any such changes to the Support Policies, however, shall not be effective or enforced against Customer unless and until Customer elects to renew the support services for the subsequent renewal year.

1.6 TRAINING POINTS.

If and to the extent Training Points, as defined in Exhibit C and listed in the SSS are purchased by the Board, such points shall not expire for a period of 18 months from the date of purchase. Training points may be purchased on a “pay-as-you-go” basis and notwithstanding anything to the contrary set forth in any Services Scope Statement, the Board is not obligated to purchase training points. Purchase of training points in excess of the amount listed in any SSS shall be at the current list price (i.e., $1.00 per point).
2. **AGREEMENT TERM.**

This Agreement shall commence upon execution of this Agreement and continue unabated, unless sooner terminated as provided herein, to the completion of services in accordance with the Agreement to the satisfaction of the Board's designated representative, unless and to the extent extended in writing by any Order Form executed between the parties and which reference this Agreement. The provision of licensing are perpetual and subject to the terms of Exhibit C and the software and Equipment maintenance and support shall continue annually unless and until terminated by the Board or not renewed in accordance with Exhibit C.

3. **TERMINATION/EARLY TERMINATION.**

This Agreement may be terminated without cause prior to the expiration of its term (Early Termination) as follows:

a. For the convenience of the Board upon 30 days prior written notice issued by the Board to KRONOS;

b. By written agreement of the parties.

This Agreement may also be terminated for cause by the Board for breach or failure to correct:

a. if deliveries/performance are not made at the time and in the manner and quantities specified,

b. KRONOS fails to perform any of the provisions of this Agreement or otherwise breaches a term of this Agreement,

c. KRONOS falsified information provided to the District,

d. KRONOS offered substantial gifts or gratuities to a District official, employee, or agent whether or not in their official capacity,

e. KRONOS fails to correct or cure a failure or breach within the time specified by the Board which has been the subject of a Notice to Cure.

In the event of a breach or failure of KRONOS to comply with any of the other terms or conditions herein and above, the Board shall notify KRONOS in writing of the specific nature of the breach and shall request that it be cured. If KRONOS does not cure the breach or correct the failure within thirty (30) days of such notice, the Board, in its sole discretion and election, may immediately terminate this Agreement.

Termination of the Agreement shall not preclude the Board from pursuing any and all remedies available to it at law or at equity to the extent consistent with this Agreement. Failure to elect to terminate and failure to issue a Notice to Cure shall not constitute a waiver of the right to terminate.
In the event of Early Termination, all charges by KRONOS for services rendered and products delivered under this Agreement in whole or in part through the date of Early Termination shall be paid by the Board; charges for services not provided and expenses not incurred shall not be paid. Upon termination of this Agreement, whether by expiration of time or Early Termination, neither party shall have any further rights or obligations under the Agreement except for rights and obligations surviving completion of this Agreement. In the event of termination for cause, the amount of any charges may be subject to set off. The District reserves the right to audit any and all invoices submitted by KRONOS for payment under this Agreement.

4. PAYMENTS/PRICE.

a. All Payments under this Agreement shall be in accordance with the Board’s payment procedure and in compliance with the Local Governmental Prompt Payment Act. The federal employer identification number must appear on each invoice requesting payment. Invoices are to be submitted to the accounts payable department at 501 Seventh Street, Rockford, Illinois 61104. All payments under this Agreement shall be due as specified on the applicable Order Form for the purchase of such products and services as mutually agreed and executed by the Parties. KRONOS shall be paid the amounts set forth in the Order Form and such additional amounts as may be due for additional services and products requested and approved in advance by the Board through additional order or change order signed by both parties. The District will be invoiced monthly by KRONOS for the travel expenses subject to the limits set forth in the Services Scope Statements and payment thereof shall be due as provided on the applicable Order Form.

b. KRONOS shall deliver invoices to the District in accordance with section 4.a. above, Exhibit C and the applicable Order Form.

c. Services not included in this Agreement shall NOT be provided or additional cost or expense incurred by the Board unless in writing and approved or requested in advance by the Board’s designated representative. The maximum to be paid for the initial Order Form, the SSS and two additional annual renewal for the Support Services (for the same products and support service type) as set forth in this Agreement shall not exceed the sum of One Million, Fifteen Thousand Eight Hundred Twenty-Nine and 78/100th Dollars ($1,015,829.78) (the initial Order Form does not include Support Services for the first two maintenance renewals). The price listed for each item on the Order Form is the full purchase price for the products and services ordered under Exhibit A, including delivery to destination, and includes all transportation and handling charges, premiums on bonds, material or service costs, patent royalties and all other overhead charges of every kind and nature.
Travel expenses and taxes, if any, are not included; however such expenses are subject to the limitation provided in the Services Scope Statements.

d. In the event of additional services requested in writing in advance during the initial project, such shall be provided at the hourly rate set forth in the Services Scope Statement.

e. The initial project described in Exhibit A is a fixed fee and fixed scope engagement. The maximum price which the Board is obligated to pay for the initial project is set forth in section 4(c) of this Agreement upon the terms and conditions set forth in this Agreement.

5. PAYMENT PROCEDURE.

a. Board payment shall be in accordance with Section 4(a) above. Kronos shall invoice for equipment upon delivery, for software upon delivery and for Professional and Educational Services on a monthly basis subject to the limitations set forth in the Order Form and Service Scope Statements. Invoices for software support and equipment support shall be issued at the time specified in Exhibits C through F. Notwithstanding the foregoing, equipment delivered in damaged condition may be rejected by the Board within 24 hours of delivery and returned to Kronos at Kronos cost. Kronos will not invoice the Board for damaged equipment until replaced. Kronos will replace damaged equipment purchased under an Order Form with new undamaged equipment (i.e., not refurbished equipment).

b. Recurring yearly maintenance support cost, shall be invoiced by KRONOS at least 30 days before the annual commencement date.

c. The Board shall process invoices in accordance with its payment policy and/or its usual custom and practice. The Board of Education regular meetings generally occur on the second and fourth Tuesdays of each month as specified by Board of Education Resolution adopting a Board Calendar. The Board calendar may be accessed at the Board website www.rps205.com. The Board will comply with the Local Governmental Prompt Payment Act (50 ILCS 505) and the terms of the Agreement.

d. The Board shall not pay interest on any amounts due KRONOS except to the extent and the amount required by the Local Government Prompt Payment Act. The District has presented to Kronos a validly issued tax-exempt certificate, or other sufficient evidence of tax exemption, the District shall not be liable for those taxes for which District is exempt.

6. DESIGNATED REPRESENTATIVE.

The BOARD’S designated representatives are:

Patricia Rhode                                      Linda Lumpkin
The KRONOS designated representative is:

Kronos Incorporated
Attn: Vice President General Counsel
297 Billerica Road
Chelmsford, MA
01824

Either party may change its designated representative upon written notice.

7. INDEPENDENT CONTRACTOR/NO EMPLOYMENT.

KRONOS is and expressly agrees to be an “Independent Contractor” and nothing in this Agreement is intended nor shall be interpreted or construed to create an employer/employee relationship. KRONOS is solely and completely responsible for compliance with all related tax (for greater certainty, the District is responsible for any applicable taxes levied or based on the products, services or other charges hereunder, including state and local sales and excise taxes, and any taxes or amount in lieu thereof paid or payable by KRONOS excluding Illinois Use Tax and further excluding costs, taxes or other charges assessed Kronos due to importation of products or services and further excluding income taxes) and employment costs including, without limitation, withholding obligations, Federal and State Income Tax, Social Security, Unemployment Compensation and Workers Compensation.

KRONOS herewith expressly stipulates and agrees that it will adhere to and abide by all Federal, State and local laws, ordinances, statutes and regulations applicable to its performance under the Agreement.

KRONOS expressly agrees that it shall bear all risk of loss, remain liable for any such taxes, contributions, or deductions to be payable by Kronos

KRONOS shall have no power to bind the Board or District by contract or otherwise except as provided in this Agreement. KRONOS hereby covenants and agrees that KRONOS shall not represent to any third party that KRONOS is an employee of the Board. The Board is not a party to nor is the Agreement subject to any union contract or collective bargaining procedures involving KRONOS employees. The provisions of this Section 7 shall survive termination of this Agreement.

8. INDEMNITY.
The Board shall not be responsible for the acts or omissions of KRONOS and KRONOS employees; KRONOS agrees to hold harmless and indemnify the Board and District, its members, agents, officers, employees, successors and assigns from any and all claims, demands, liabilities, and expenses, including reasonable attorney's fees, for bodily injury or tangible property damages to the extent caused by any negligent or intentional act or omission of KRONOS and/or arising from KRONOS's performance of services under this Agreement.

The Board shall hold harmless and indemnify KRONOS, its members, agents, officers, employees, successors and assigns from any and all claims, demands, liabilities, and expenses, including reasonable attorney's fees, for bodily injury or tangible property damages to the extent caused by any negligence, intentional act or omission of the Board and/or arising from the Board's performance of its obligations under this. Notwithstanding the preceding, the Board does not waive any of its rights or defenses provided by law including, without limitation, those indemnities provided under the Local Governmental and Governmental Employees Tort Immunity Act, and those immunities set forth in Illinois Compiled Statutes, Chapter 745.

The Board and Kronos each agree to provide to the other (i) a prompt written notice of any such claim; (ii) with sole control over the investigation, preparation, defense and settlement of such claim; and further (iii) reasonable cooperation in connection with the foregoing and provides all information in its possession related to such claim and further assistance as reasonably requested.

The provisions of this Section 8 shall survive termination of this Agreement.

9. INSURANCE.

KRONOS shall provide the insurance certificate and the Board shall be an additional named insured. KRONOS shall provide a certificate of insurance prior to commencing services all in accordance with the requirements of Exhibit 1.

10. CERTIFICATIONS.

10.1 Upon or prior to execution of this Agreement, KRONOS shall, to the extent applicable, deliver to the Board the following fully executed Certifications in the form as advertised by the Board or as otherwise required by the District:

1. Certificate regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion;
2. Bid Rigging Certification;
3. Certificate Regarding Lobbying;
4. Certification regarding the Office of Foreign Asset Control; and
5. Vendor Conflict of Interest Disclosure Form.

By execution of this Agreement, KRONOS represents and warrants that the certifications set forth above shall remain true at all times during the existence of this Agreement and shall immediately notify the Board in the event KRONOS becomes subject to debarment, suspension, ineligibility, or voluntarily excludes itself from federal programs; or, becomes barred from participation in public contracts due to a violation of the bid-rigging or bid-rotating statutes of the State of Illinois, or in the event an employee of KRONOS becomes ineligible to be present on Board grounds.

10.2 The projects described in this Agreement are not funded by federal grant funds and the following provisions do not apply to the Projects. The parties agree that in the event additional services or products are ordered by the District under this Agreement and such additional services or products are funded by federal funds, then this section shall apply to such additional orders subject to Kronos prior written acceptance and approval of such order(s). KRONOS further certifies by execution of this Agreement that it shall comply, if the Project is funded in whole or in part with federal grant funds, with the Pilot Program for Enhancement of Employee Whistleblower Protection applicable to KRONOSs under federal grant funded programs as specified in the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2013 (Pub. L. 112-239, enacted January 2, 2013). KRONOS shall comply with the following requirements of such Act if providing services funded by federal grants:

1. Inform its employees working on the Projects they are subject to the whistleblower rights and remedies of the pilot program;
2. Inform its employees in writing of employee whistleblower protections under 41 U.S.C. §4712 in the predominantly native language of the workforce; and
3. Include such requirements in and agreements made with any subcontractor.

Whistleblower rights include that an employee of a KRONOS may not be discharged, demoted, or otherwise discriminated against as a reprisal for “Whistleblowing”; and such rights cannot be waived by agreement, policy, form or condition of employment. Whistleblowing is defined as making a disclosure to an authorized person or entity that the employee reasonably believes is evidence of:

1. Gross mismanagement of a federal contract or grant;
2. A gross waste of federal funds;
3. An abuse of authority relating to a federal contract or grant;
4. A substantial and specific danger to public health or safety; or
5. A violation of law, rule, or regulation related to a federal contract or grant (including competition for, or negotiation of, a contract or grant).
11. **CONFLICT OF INTEREST.**

KRONOS and its officers, employees involved in the project and agents involved in the project shall at all time during the duration of this Agreement and the Agreement refrain from violation of conflict of interest statutes in the state of Illinois.

12. **ILLINOIS USE TAX.**

KRONOS shall require in applicable circumstances that all vendors who supply goods or services to KRONOS in the performance of its obligations under the Agreement and Agreement will comply with the terms of 105 ILCS 5/10-20.21(b) relating to Illinois Use Tax.

13. **ACCESS TO SCHOOL GROUNDS, ACTIVITIES AND CONDUCT.**

All of KRONOS's employees, agents, principals, and consultants shall abide by applicable Federal, State and Local Laws and Board of Education policy while on Board premises (including, without limitation, the applicable Board policies and procedures relating to security and use of computer equipment, hardware and software). The District shall not require any employee or agent of Kronos to sign any additional forms or contract. No employee, agent or principal of KRONOS and its consultants and vendors shall fraternize with any student of the school district. Any employee whose conduct is judged unfit by the Board or its designated representative shall not be permitted to provide services under this Agreement. For all onsite visits, KRONOS agrees to comply with and abide by all applicable rules and regulations and policies of the Board relating to access to and conduct upon Board Premises.

KRONOS employees, agents and principals and its consultants and consultants employees and agents shall not perform work within Board buildings with regular contact with students of the District unless a criminal history records check has been conducted by the Board and the individual(s) is found to have not violated any of the drug or criminal offenses listed in the criminal history records check provisions in the School Code 105 ILCS 5/10-21.9(f) (the Act). Criminal history records check shall be conducted by the Board quarterly for all KRONOS employees at the Board cost at the rate of $38.50 each. KRONOS shall certify the existence of criminal history records check quarterly on the Certified Cleared Employee List. KRONOS employees, agents and principals and its consultants and consultant's employees and agents shall not be permitted to be present on Board grounds unless a Statewide Sex Offender Database check and a Statewide Child Murderer and Violent Offender Against Youth Database check has been conducted by KRONOS regarding all such employees in accordance with and subject to the provisions of the Act. KRONOS employees, agents and principals and its
consultants and consultant’s employees and agents who are found to have had convictions of the enumerated criminal or drug offenses listed in the Act or who appear in the noted databases shall not be permitted at any time to be present on school grounds.

All persons accessing school grounds pursuant to this Agreement are required to have, in their possession, identification issued by the Board. KRONOS and its employees and representatives shall comply at all times with the security procedures.

Not less than (10) days prior to the commencement of work, KRONOS shall submit to the Board, a written certification on a form provided by the Board (Certified Cleared Employee List), signed by KRONOS under oath that the employees listed on the certification have been the subject of a criminal history records check and a Statewide Sex Offender Database check and a Statewide Child Murderer and Violent Offender Against Youth Database check for all employees accessing Board grounds. KRONOS shall update the certification quarterly.

The Board may from time to time and at multiple times, in its discretion and without notice, check the identification of all persons accessing school grounds by or through the KRONOS to assure such persons appear on the certification list and have in their possession a valid Board issued identification. KRONOS agrees that it shall immediately notify the Board if a certified cleared employee is convicted of an enumerated offense or their name appears on any of the noted Databases. A violation of this section is a material breach of contract.

14. CERTIFICATIONS OF HOURS WORKED.

In all circumstances where KRONOS seeks payment based upon a daily, partial day or hourly rate for itself or its consultants, time cards or time records of such person or persons for whom such rate compensation is requested shall be kept and maintained by KRONOS. At any time or times during Kronos regular business hours and no more than once per year, at the election of the Board and with prior notice, the Board may inspect and audit such time records kept by KRONOS. Each submission of requests for payment of hourly rate amounts shall be accompanied by a certification under oath by a corporate officer that the payment requested is for time actually worked which has been verified by KRONOS.

15. DRUGS, ALCOHOL AND SMOKING.

a. The Board maintains a drug and alcohol free workplace. KRONOS shall prohibit the use of drugs and alcohol on Board premises at all times. The Board also maintains all its properties as smoke free, tobacco free environments. Smoking and tobacco use (including chewing tobacco and snuff) is not permitted on any Board property; KRONOS shall require all its employees, agents and representatives and its consultants to refrain from smoking and tobacco use on Board property.
b. No KRONOS employee, agent, representative, consultant and consultant’s employees, agents and representatives may use, possess, distribute, deliver, or be under the influence of a drug, or use or be under the influence of alcohol, while performing work under this Agreement. An employee is considered to be under the influence of alcohol for purposes of this Agreement if the alcohol concentration in his or her blood or breath at the time alleged as shown by analysis of the employee's blood or breath is at or above 0.02.

16. RECORDS MAINTENANCE AND SECURITY.

A. Records.

The KRONOS shall establish and maintain a reasonable accounting system that enables the Board to readily identify KRONOS’s goods and services invoices and the expenses related to the Agreement (Records). Such Records shall include, but not limited to, accounting records, written policies and procedures; all applicable paid vouchers, including those for out-of-pocket expenses, other reimbursement supported by invoices; ledgers; applicable estimates; estimating work sheets; contract amendments and change order files; and supporting documentation; insurance certificates, timesheets; memoranda; training records; and related correspondence.

B. Retention.

The KRONOS shall, at all times during its performance of the Agreement and for a period of seven years after the termination of the Agreement, maintain Records, together with all supporting or underlying documents and materials. The KRONOS shall upon written request by the Board not more than once per year and subject to the terms below, whether during or after termination of the Agreement, produce the Records for inspection, copying and audit (including copies and extracts of records as required) by the Board. The Records shall be made available to the Board, upon thirty-day written notice, during normal business hours at KRONOS's local office in Illinois or at Kronos head office within the United States. The KRONOS shall ensure the Board’s right to access and audit the Records in the possession of, created or maintained by KRONOS and its agents and representatives. Any and all contracts or agreements between KRONOS and any other party specifically related to this Agreement shall expressly include the records retention and audit provisions of this paragraph 16.

C. Audit.

The Board and its authorized representatives shall have the right to audit, to examine, and to make copies of or extracts from all Records (in whatever form they may be kept, whether written, electronic, or other), including those kept by KRONOS, its agents and representatives in accordance with paragraph B above. Cost of any examination or audit of Records conducted by the
Board will be borne by the Board (excluding any cost to produce Records under paragraph 16B), except where the examination or audit identifies overpricing or overcharges (of any nature) by KRONOS to the Board in excess of one-half of one percent (0.5%) of the total contract billings in which event the entire cost of the examination or audit shall be KRONOS's cost and KRONOS shall reimburse the Board for the total cost of the examination or audit to the extent such cost are reasonable in the context of the locality in which the examination or audit is conducted and the expertise of the examiner or auditor. If the examination or audit reveals substantive findings of fraud, misrepresentation, or non-performance by KRONOS, its employees, agents or representatives, the KRONOS shall pay all actual out of pocket expenses incurred by the District for such audit.

D. Records ownership and security.

KRONOS hereby acknowledges and agrees that all records and documents, whether in electronic or written form or otherwise, received by KRONOS from the Board or in connection with its performance under this Agreement (the Board's Records) shall be and remain owned by the District. Nothing in this Agreement shall operate to sell, transfer nor assign to the District ownership of any Kronos owned copyright, patent or other proprietary or intellectual property. KRONOS shall use all reasonable and timely means to protect and preserve all such records and to deliver the same to the Board upon demand. The Board's Records are subject to access and examination by the Board and any federal agency with relevant responsibility for any federal grant funds providing funding for this Agreement. KRONOS shall cooperate and produce The Board’s Records of the Project for inspection and examination by any governmental agency, including District, providing funding for the Program.

The Board’s Records and all documents and information received, accessed or observed by KRONOS in performance of this Agreement shall be and remain confidential. In the performance of its obligations under this Agreement KRONOS may acquire access to certain information, including but not limited to, information concerning students and/or school personnel, and other confidential and/or proprietary information (collectively, "Confidential Information"). KRONOS will not, without the prior written consent of the Board, and regarding student record information, without the express prior written consent of the parent/guardian, disclose, re-disclose or make available to anyone, at any time, either during KRONOS's engagement with the Board or following termination of this Agreement, for any reason whatsoever, any of the Confidential Information. The provisions of this Section 16 shall survive the termination of this Agreement.

17. MISCELLANEOUS.
17.1 Notwithstanding any other provision in any document, the Board shall not, in any manner, be deemed or intended to have waived any claim by making a payment of any amount.

17.2 Under no circumstances shall the Board be deemed to have waived any of the insurance requirements of this Agreement by any action or omission.

17.3 Nothing contained in the insurance requirements of the Agreement is to be construed as limiting the liability of KRONOS. Board does not represent that the coverages or limits of insurance specified is sufficient or adequate to protect the Board or KRONOS's interest or liabilities but are mere minimums. The obligation of Kronos to purchase insurance shall not limit its obligations to the Board in the event the Board should suffer an injury or loss in excess of the amount recoverable through insurance, or any loss or portion of loss which is not covered by insurance.

17.4 KRONOS shall notify District, in writing, of any actual or potential claim for personal injury or property damage relating to KRONOS's performance under this Agreement and of any occurrence which might give rise to such claim, promptly upon receiving first knowledge of same.

17.5 KRONOS agrees to fully comply with the requirements of the Illinois Human Rights Act, 775 ILCS 5/1-101 et. seq. including but not limited to the provisions regarding sexual harassment policies and procedures under Section 2-105 of said Act. KRONOS further agrees to comply with all federal Equal Employment Opportunity laws including, without limitation, the American's with Disabilities Act and the rules and regulations promulgated thereunder. Pursuant to the requirements of the regulations of the Illinois Department of Human Rights (Department), Title 44, Part 750 of the Illinois Administrative Code and to the extent applicable KRONOS will comply with Illinois Human Rights laws. In the event of non-compliance with the provisions of this Equal Employment Opportunity Clause, the Illinois Human Rights Act or the rules and regulations of the Illinois Department of Human Rights, this Agreement may be cancelled or voided in whole or in part, and KRONOS acknowledges that it may be subject to further sanctions or penalties imposed by the Illinois Human Rights Commission, as provided for in the Illinois Human Rights Act, and to such other sanctions or penalties may be imposed or remedies invoked as provided by statute or regulations.

During the performance of this Agreement, KRONOS agrees:

A) That he or she will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, marital status, order of protection status, national origin or ancestry, citizenship status, age, physical or mental disability unrelated to ability, military status or an unfavorable discharge from military service; and, further, that he or she will examine all job classifications to determine if minority persons or women are underutilized and will take appropriate affirmative action to rectify any underutilization.

B) That, if he or she hires additional employees in order to perform this contract or any portion of this contract, he or she will determine the availability (in accordance with this
Part) of minorities and women in the areas from which he or she may reasonably recruit and he or she will hire for each job classification for which employees are hired in a way that minorities and women are not underutilized.

C) That, in all solicitations or advertisements for employees placed by him or her or on his or her behalf, he or she will state that all applicants will be afforded equal opportunity without discrimination because of race, color, religion, sex, sexual orientation, marital status, order of protection status, national origin or ancestry, citizenship status, age, physical or mental disability unrelated to ability, military status or an unfavorable discharge from military service.

D) That he or she will send to each labor organization or representative of workers with which he or she has or is bound by a collective bargaining or other agreement or understanding, a notice advising the labor organization or representative of the contractor's obligations under the Act and this Part. If any labor organization or representative fails or refuses to cooperate with the contractor in his or her efforts to comply with the Act and this Part, the contractor will promptly notify the Department and the contracting agency and will recruit employees from other sources when necessary to fulfill its obligations under the contract.

E) That he or she will submit reports as required by this Part, furnish all relevant information as may from time to time be requested by the Department or such applicable government agency or the contracting agency, and in all respects comply with the Act and this Part or such other applicable statute.

F) That he or she will permit access to all relevant books, records, accounts and work sites by personnel of the Department or such applicable government agency for purposes of investigation to ascertain compliance with the Act and the Department's Rules and Regulations.

G) That he or she will include verbatim or by reference the provisions of this clause in every subcontract awarded under which any specific portion of the contract obligations are undertaken or assumed, so that the provisions will be binding upon the subcontractor. In the same manner as with other provisions of this contract, the contractor will be liable for compliance with applicable provisions of this clause by subcontractors; and further it will promptly notify the contracting agency and the Department in the event any subcontractor fails or refuses to comply with the provisions. In addition, the contractor will not utilize any subcontractor declared by the Illinois Human Rights Commission to be ineligible for contracts or subcontracts with the State of Illinois or any of its political subdivisions or municipal corporations.

17.7 The Board reserves unto itself all powers, duties and authority under the laws and constitution of the State of Illinois. This Agreement shall not be construed or interpreted as a dilution or delegation of such authority, rights and duties. The Board does not by acceptance of services from the KRONOS express an intent to adopt the recommendations, plans or concepts presented by KRONOS.
17.8 KRONOS, by execution of this Agreement and submission of its Proposal warrants that it is in good standing in the State of Illinois and is in full compliance with all laws, regulations and requirements of the State of Illinois and is fully entitled to conduct business in the State of Illinois and shall maintain such status at all times during the existence of this Agreement.

18. FEDERAL FUNDS CONTRACT.
   At Kronos' sole discretion, Kronos may elect to sell or decline to sell any products or services to the District if the District will be using any federal grant funds. Funding for the projects covered by this Agreement are currently not intended in the future to be funded by federal grant funds. Kronos acknowledges that in the event future purchases or renewals of services are funded in whole or in part by federal grant funds that such future purchases the Board may require amendment of the Agreement.

19. NO WAIVER/NO ASSIGNMENT.
   No failure of either party to exercise any powers granted in this Agreement or to insist upon strict compliance by the other party with any obligation hereunder and no custom or practice of the Board or KRONOS at variance with the terms hereof shall constitute a waiver of the right of either party to demand exact compliance with the terms of this Agreement.
   Neither party shall sell, assign nor transfer this Agreement absent the express prior written consent of the other party, such consent shall not be unreasonably withheld.

20. REPRESENTATION OF AUTHORITY.
   KRONOS herewith covenants, represents and warrants that the person executing this Agreement and any and all amendments hereto, as and if such may occur, are fully empowered to execute this Agreement in such fashion as to fully and completely bind KRONOS to this Agreement and these undertakings; the signature on this Agreement further serves to assure the Board that any and all action necessary by law, under the terms of KRONOS's by-laws and policies have been taken prior to execution of this document, and the corporate status of KRONOSs in the state of Illinois remains in good standing. This representation, covenant and warranty are made by KRONOS with the intent that the Board fully rely hereon and as an inducement to the Board to execute this Agreement.

21. LIMITATION OF THE LIABILITY
District does not waive any of its rights, privileges and immunities under the Local Governmental and Governmental Employees Tort Immunity Act (745 ILCS 10/1-101, et. seq., as amended). The District's exclusive remedies and Kronos' sole liability for any Kronos breach of this Agreement are expressly stated herein including the Kronos warranty set forth in Section 1, Scope of Agreement. 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 Kronos' indemnification obligations set forth in this Agreement, in no event shall Kronos' or its parents', subsidiaries', affiliates', or third party licensor's liability to a Customer, howsoever caused, exceed the greater of (a) the total aggregate dollar amount of all items on all order forms on which the claim is based or (b) one million dollars ($1,000,000).

22. ENTIRE AGREEMENT.

The parties agree that this Agreement constitutes the full and complete agreement of the parties and may be modified only in writing by both parties. The terms, conditions, provisions and undertakings of the Agreement shall be binding upon and inure to the benefit of each party hereto and their respective successors. The contract documents include this Agreement and all exhibits attached hereto. In the event of conflict among contract documents the terms of this Agreement shall govern. All notices required hereby shall be addressed to:

To the Board:

School Board Attorney
Rockford School District No. 205
501 Seventh Street
Rockford, Illinois 61104

To KRONOS:

Vice-President General Counsel
Kronos Incorporated
297 Billerica Road
Chelmsford, MA 01824

22.01. This Agreement with its exhibits contains all of the terms agreed upon by the parties with respect to the subject matter of this Agreement, and all promises and representations have been merged herein.

22.02. This Agreement has been executed in Illinois and shall be governed in accordance with the laws of the State of Illinois in every respect; Winnebago County, Illinois, shall be the sole and exclusive venue for any proceeding as between the parties in connection with this Agreement. In the event either party hereto seeks to enforce this Agreement in a court of competent jurisdiction, as agreed herein, the successful party shall be entitled to recover, in addition to any other remedy set forth in this Agreement, its attorney’s fees and costs as awarded by a court of competent jurisdiction.
22.03 The invalidity or unenforceability of any particular provision of this Agreement and its Exhibits shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provision were omitted.

22.04 Neither party has acted under any duress or compulsion, whether legal, economic or otherwise. Accordingly, the parties hereby waive the application of any rule or law that otherwise would be applicable in connection with the construction of this Agreement that ambiguous or conflicting terms or provisions should be construed against the party who (or whose attorney) prepared the executed Agreement or any earlier draft of the same. Unless the context of this Agreement otherwise clearly requires, references to the plural include the singular and the singular, the plural. The words "hereof," "herein," "hereunder" and similar terms in this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement.

22.05 **FORCE MAJEURE.** The obligations of KRONOS to perform under this contract will be excused during each period of delay caused by acts of God or by shortages of power or materials or government orders which are beyond the reasonable control of the KRONOS obligated to perform ("Force Majeure Event"). In the event that KRONOS ceases to perform its obligations under the Agreement due to the occurrence of a Force Majeure Event, Kronos shall: (1) immediately notify the District in writing of such Force Majeure Event and its expected duration; (2) take all reasonable steps to recommence performance of its obligations under this contract as soon as possible. In the event that any Force Majeure Event delays KRONOS performance for more than thirty (30) days following notice pursuant to this contract, the District may terminate this contract immediately upon written notice to the KRONOS.

22.06 **COMPLIANCE WITH FREEDOM OF INFORMATION ACT.** The District is required by law to comply with the provisions of the Freedom of Information Act, 5ILCS 140/1 et seq., as amended from time to time ("Act"). The Act requires the District to provide, if requested to do so by any person, copies of documents that maybe in your possession and related to this Agreement. As a condition of this Agreement, Kronos agrees to and shall provide to the District, copies of any and all such documents when directed to do by the District to the extent required by the Act. All such documents validly requested under the Act shall be delivered to the District’s Legal Department NO LATER THAN five (5) working days after the date of the District’s direction to provide such documents.

IN WITNESS WHEREOF, this Agreement has been executed this ___ day of _______, 2014.
Board of Education of Rockford School District
No. 205, Winnebago and Boone Counties, Illinois

BY:  
ITS PRESIDENT

ATTEST:  
ITS SECRETARY

Kronos Incorporated

BY:  
Title: John O'Brien, Sr. Vice President, Global Sales

ATTEST:  

DEBORAH L. HENDERSON
Notary Public
COMMONWEALTH OF MASSACHUSETTS
My Commission Expires
July 30, 2021

BOARD
APPROVED
DEC 2 2 2014

Rockford Public Schools
GENERAL TERMS AND CONDITIONS

THESE GENERAL TERMS AND CONDITIONS ARE ATTACHED TO AND INCORPORATED INTO THAT CERTAIN CONTRACT BETWEEN THE BOARD OF EDUCATION OF ROCKFORD SCHOOL DISTRICT NO. 205, ROCKFORD, ILLINOIS AND KRONOS INCORPORATED DATED DECEMBER 22, 2014

1. INCURRED COSTS. The District will not be liable for any costs incurred by KRONOS in negotiation and preparation and completion of any Agreement with the District.

2. PRICING. The price quoted for each item is the full purchase price, including cost for the delivery to destination, and includes all transportation and handling charges, premiums on bonds, material or service costs, patent royalties and all other overhead charges of every kind and nature. Unless otherwise specified, prices for the products and services ordered shall remain firm for the Agreement period.

3. TITLE WARRANTY. Kronos warrants and represents either that it is the sole owner of the Software and has the power and authority to grant the license under the Agreement without the consent of any other person, or that it has obtained such consent. Kronos warrants and represents that title to the Software shall at all relevant times remain free of any encumbrance, lien, or security interest. In the event a third party claim for Intellectual Property infringement is made against the District based upon its use of Kronos Software, the provisions of Section 12 of the Sales, Software License and Services Agreement shall apply.

4. COMPLIANCE WITH LAWS AND REGULATIONS. KRONOS represents and warrants that throughout the term of any Agreement, KRONOS shall be and shall remain in compliance with all applicable federal, state, and local laws and regulations.

5. MODIFICATIONS. The Agreement can be modified only by written bi-lateral modification signed by the parties or duly authorized agents.

6. TAX IDENTIFICATION NUMBER. The School District is required to have on file appropriate tax identification information concerning you or your firm. KRONOS must supply its Federal Employer Identification Number, its full, legal name and form of organization. If a domestic or foreign corporation,
KRONOS must be in good standing in the state of Illinois and fully qualified according to the laws of the State of Illinois to conduct business within the state.

7. CLERICAL ERROR. No advantages shall be taken by any party of manifest clerical errors or omissions in the specifications.

8. OWNERSHIP OF MATERIALS AND EQUIPMENT. All Kronos equipment sold by KRONOS to the District shall be the District’s property upon Delivery as specified on the applicable Order Form; provided that district may reject any such equipment which is delivered in a damaged condition. For greater certainty this section does not apply to any documentation or Software made available by Kronos to the District under this Agreement.

9. PROPERTY DAMAGE AND INJURY. While onsite at the District’s location, Kronos shall take all reasonably necessary precautions to prevent damage to the premises and property of others and to avoid bodily injury.

10. INSURANCE REQUIREMENTS. KRONOS shall have a certificate of Insurance and provide policy endorsements evidencing specific coverage of the types of insurance in the minimum amounts specified below and shall deliver to the Purchasing department on or before the effect date of the Agreement such qualifying certificate or certificates of insurance. Coverage shall be placed with a responsible company licensed to do business in the State of Illinois, and with a minimum insurance rating of A-VII as found in the current edition of A M Best’s Key Rating Guide. Kronos shall notify the District, or cause its insurer to notify the District, in writing of any cancellation or reduction of insurance policies within 30 days of the cancellation effective date or reduction effective date. All required insurance shall be maintained by KRONOS in full force and effect during the life of the Agreement, and until such time as all work has been approved and accepted by the District. KRONOS is responsible for all insurance deductibles and Self-Insured Retentions.

At all times during the term of the Agreement, the KRONOS shall maintain, at their sole expense, insurance coverage for KRONOS, its employees, officers and independent KRONOSs, as follows:

<table>
<thead>
<tr>
<th>TYPE</th>
<th>MINIMUM ACCEPTABLE LIMITS OF LIABILITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workers Compensation</td>
<td>Statutory</td>
</tr>
<tr>
<td>Employers Liability</td>
<td></td>
</tr>
<tr>
<td>A. Each Accident</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>B. Each Employee-disease</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>C. Policy Aggregate-disease</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>**Commercial General Liability ****</td>
<td></td>
</tr>
<tr>
<td>-----------------------------------</td>
<td>--</td>
</tr>
<tr>
<td>A. Per Occurrence</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>B. General Aggregate</td>
<td></td>
</tr>
<tr>
<td>1. General Aggregate- Per project</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>2. General Aggregate - Products/ Completed Operations</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Fire Legal Liability (any one fire)</td>
<td>$100,000</td>
</tr>
<tr>
<td><strong>Umbrella Excess Liability</strong></td>
<td>$3,000,000-$5,000,000*</td>
</tr>
<tr>
<td>**Business Auto Liability ****</td>
<td>$1,000,000</td>
</tr>
</tbody>
</table>

* Minimum $3,000,000.00; maximum $5,000,000.00.

** An Additional Insured Endorsement as well as endorsements for Waiver of Subrogation and Insurance is Primary and Non-Contributory to additional insured insurance coverage in addition to a Certificate of Insurance.

If any policy or coverage is written as "claims made" then coverage must be maintained for 4 years after project completion.

The District and its officers and employees shall be named as additionally insured on all certificates of insurance. Insurance certificates shall also reference the Agreement name. Certificates should be faxed (and hard copy mailed) to: Rockford Public Schools, Purchasing Department, 501 Seventh Street, Rockford, Illinois 61104.

11. DELIVERIES AND PURCHASE ORDERS. A separate invoice is required for each purchase order. Purchase orders from Agreements with the District are authorized with the signature of the Executive Director of Budget and Purchasing.

12. LOCATION OF DELIVERY. Delivery is to be made at one (1) location(s) within School District #205. All deliveries must be made between the hours of 8:30 AM and 3:00 PM Monday thru Friday. No deliveries will be accepted on those days observed as a holiday by the Central Administration Offices.

13. DELIVERY SITE. The delivery is to be made to the Rockford Board of Education, Administration Building, 501 7th Street, Rockford, Illinois 61104.

14. SIGNATURES. It is required that the KRONOS’s signature appears on the following forms as provided by the District:
a. Bid-Rigging Certification  
b. Minority and Women Owned Business Form  
c. Certification Regarding Debarment Form  
d. Certificate Regarding Lobbying Form  
e. OFAC Compliance Form  
f. KRONOS Conflict of Interest Disclosure Form

15. PREVAILING RATE OF WAGE. KRONOS shall comply with all applicable statutes, both Federal and State, governing payment of wages to employees. The KRONOS certifies that it will pay the prevailing rate of wage in this area for the particular type of labor, in accordance with State of Illinois Codes and the Illinois Department of Labor. If requested and applicable, KRONOS will submit to the District required information concerning the basic rate of wages per hour that he is either currently or will be paying for the particular type of trade required. Should any KRONOS need information concerning the prevailing rate of wage, said information is available at the Office of the Board of Education, 501 Seventh Street, Rockford, Illinois 61104. Effective January 1, 1990, an amendment to the State of Illinois Prevailing Wage Act requires that if, during the course of work under the Agreement the Department of Labor revises the prevailing rate hourly wages to be paid under this Agreement for any trade or occupation, Owner will notify KRONOS and each Subcontractor (if any) of the change in the prevailing rate of hourly wages. KRONOS shall have the sole responsibility and duty to ensure that the revised prevailing rate of hourly wages is paid by KRONOS and all Subcontractors to each worker to whom a revised rate is applicable. Revisions of the prevailing wage as set forth above shall not result in an increase in the Agreement sum.

16. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE AGREEMENT, THE PARTIES EXPRESSLY AGREE THAT EXCEPT FOR (i) EITHER PARTY'S INDEMNIFICATION OBLIGATIONS SET FORTH IN THE AGREEMENT; (ii) EITHER PARTY'S CLAIMS FOR TANGIBLE PROPERTY DAMAGE OR BODILY INJURY CAUSED SOLELY BY THE NEGLIGENCE OR WILLFUL MISCONDUCT OF THE OTHER PARTY'S EMPLOYEES; OR (iii) THE DISTRICT'S INTENTIONAL MISAPPROPRIATION OF KRONOS' INTELLECTUAL PROPERTY RIGHTS IN THE SOFTWARE AND/OR EQUIPMENT, IN NO EVENT SHALL EITHER PARTY'S, OR THEIR PARENTS', SUBSIDIARIES' AFFILIATES' OR THIRD PARTY LICENSOR'S
LIABILITY TO EACH OTHER, HOWSOEVER CAUSED, EXCEED THE GREATER OF (a) THE TOTAL AGGREGATE DOLLAR AMOUNT OF ALL ITEMS ON ALL ORDER FORMS ON WHICH THE CLAIM IS BASED OR (b) ONE MILLION DOLLARS ($1,000,000). NOTWITHSTANDING ANYTHING TO THE CONTRARY SET FORTH HEREIN OR IN ANY OTHER DOCUMENT FORMING A PART OF THE AGREEMENT, THE DISTRICT HAS NOT AND DOES NOT WAIVE OR LIMIT IN ANY FASHION ITS IMMUNITIES AND DEFENSES AND OTHER RIGHTS SET FORTH IN THE LOCAL GOVERNMENTAL AND GOVERNMENTAL EMPLOYEES TORT IMMUNITY ACT (745 ILCS 10/1-101, et. seq.).

Below line intentionally blank
ORDER FORM

Quote#: 447210 - 1
Expires: 26-DEC-2014
Prepared By: Rinzel, Jodi Jean

Bill To: Attn: PATTY ROHDE
ROCKFORD PUBLIC SCHOOLS DISTRICT 205
501 7TH STREET
ROCKFORD
IL 61104
United States

Ship To: Attn: BILL HULL 5TH FLR TECH SERVICES COORDINATOR
ROCKFORD PUBLIC SCHOOLS DISTRICT 205
501 7TH STREET
ROCKFORD
IL 61104
United States

Solution ID: 6120045

Payment Terms: N45
Currency: USD
Customer PO Number:

Order Notes:
The first year of Gold Support is provided at no charge for the twelve (12) month period following delivery of the Software. The value of the first year annual Gold Support is $77,397.55. Upon expiration of the first 12 months of support, a renewal will be generated per the terms of the agreement.

Kronos agrees to complete the services described within the SSS for a fixed fee as defined in section 2.4 of the accompanying SSS documents.

Notwithstanding anything to the contrary contained herein, the Professional Services listed herein shall be due net 45.

The Professional Services listed herein (excluding Knowledge Pass, Ed Service Subscription and Bill-As-You-Go Instructor Lead Training) shall be invoiced in accordance with the Invoice Schedules set forth in the Service Scope Statements executed concurrently with this order form.

The Customer is tax exempt per the terms and conditions of the Agreement. Customer will not be charged shipping and handling on this purchase.

Your Kronos solution includes:

*SOFTWARE

<table>
<thead>
<tr>
<th>Item</th>
<th>License Qty</th>
<th>Total Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>WORKFORCE TIMEKEEPER V7</td>
<td>5000</td>
<td></td>
</tr>
<tr>
<td>WORKFORCE MANAGER V7</td>
<td>200</td>
<td></td>
</tr>
<tr>
<td>WORKFORCE EMPLOYEE V7</td>
<td>2500</td>
<td></td>
</tr>
<tr>
<td>WORKFORCE INTEGRATION MANAGER V7</td>
<td>5000</td>
<td></td>
</tr>
<tr>
<td>WORKFORCE ATTENDANCE V7</td>
<td>5000</td>
<td></td>
</tr>
<tr>
<td>KSS TOOL, TIMECARD CONFIRMATION TOOL V7</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>KSS TOOL, FT-PT ANALYSIS REPORT V7</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>WORKFORCE ADMINISTRATOR HR/PR V7</td>
<td>10</td>
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</tr>
<tr>
<td>WORKFORCE HR V7</td>
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<td></td>
</tr>
<tr>
<td>WORKFORCE EMPLOYEE HR/PR V7</td>
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<tr>
<td>WORKFORCE MANAGER HR/PR V7</td>
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<tr>
<td>Total Price</td>
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*Includes applicable software media
**EQUIPMENT**

<table>
<thead>
<tr>
<th>Item</th>
<th>Quantity</th>
<th>Total Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>KRONOS INTOUCH 9000 H3, STANDARD, HID PROX</td>
<td>100</td>
<td>$199,500.00</td>
</tr>
<tr>
<td>NORTH AMERICA POWER KIT FOR EXTERNAL OUTLET, INTOUCH STD</td>
<td>100</td>
<td>$0.00</td>
</tr>
<tr>
<td><strong>Total Price</strong></td>
<td></td>
<td><strong>$199,500.00</strong></td>
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**SUPPORT SERVICES**

<table>
<thead>
<tr>
<th>Item</th>
<th>Duration</th>
<th>Total Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>GOLD SUPPORT SERVICE</td>
<td>1 YR</td>
<td>$0.00</td>
</tr>
<tr>
<td>EQUIPMENT SERVICE PACK ONLY</td>
<td>1 YR</td>
<td>$9,900.00</td>
</tr>
<tr>
<td><strong>Total Price</strong></td>
<td></td>
<td><strong>$9,900.00</strong></td>
</tr>
</tbody>
</table>

**Support values listed above are total for all applicable products in each section of this Order Form**

**PROFESSIONAL SERVICES / EDUCATIONAL SERVICES**

<table>
<thead>
<tr>
<th>Item</th>
<th>Quantity</th>
<th>Unit Price</th>
<th>Total Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>KNOWLEDGE PASS</td>
<td>1 Each</td>
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<td>$0.00</td>
</tr>
<tr>
<td>ED SERVICES SUBSCRIPTION</td>
<td>1 Contract</td>
<td>$7,875.00</td>
<td>$7,875.00</td>
</tr>
<tr>
<td>BILL-AS-YOU-GO INSTRUCTOR LEAD TRAINING</td>
<td>29700 Points</td>
<td>$0.90</td>
<td>$26,730.00</td>
</tr>
<tr>
<td></td>
<td>6600 Points</td>
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<td></td>
</tr>
<tr>
<td></td>
<td>1500 Points</td>
<td>$0.90</td>
<td></td>
</tr>
<tr>
<td></td>
<td>21600 Points</td>
<td>$0.90</td>
<td></td>
</tr>
<tr>
<td>MOMENTUM ONLINE REMOTE TEAM</td>
<td>52 Hours</td>
<td>$175.00</td>
<td>$9,100.00</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MOMENTUM ENTERPRISE</td>
<td>533 Hours</td>
<td>$175.00</td>
<td>$91,818.75</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MOMENTUM ENTERPRISE HRMS</td>
<td>737 Hours</td>
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<td>$128,975.00</td>
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<td></td>
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<tr>
<td><strong>Total Price</strong></td>
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<td></td>
<td><strong>$264,498.75</strong></td>
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**QUOTE SUMMARY**

<table>
<thead>
<tr>
<th>Description</th>
<th>Total Price</th>
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</thead>
<tbody>
<tr>
<td>Subtotal</td>
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</tr>
<tr>
<td>Deposit</td>
<td>($0.00)</td>
</tr>
<tr>
<td>Tax</td>
<td>$0.00</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>$825,705.79</strong></td>
</tr>
</tbody>
</table>
ROCKFORD PUBLIC SCHOOLS DISTRICT
205

Signature: [Signature]
Name: Elizabeth Jarrett
Title: Superintendent
Effective Date: 12/22/14

Kronos Incorporated

Signature: [Signature]
Name: John O'Brien
Title: Sr. Vice President, Global Sales
Effective Date: December 16, 2014

Invoice amount will reflect deposit received. All professional services are billed as delivered with a payment term of Net Upon Receipt. Unless otherwise indicated above, this order is subject to the attached terms and conditions which the customer acknowledges have been read. THIS ORDER IS SUBJECT TO APPLICABLE TAXES. THE TAX AMOUNT SHOWN ON THIS ORDER IS ONLY AN ESTIMATE. THE ACTUAL TAX AMOUNT TO BE PAID BY CUSTOMER WILL BE SHOWN ON CUSTOMER'S INVOICE. 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. Shipping and handling charges will be reflected on the final invoice.
Services Scope Statement

Rockford Public Schools
Exhibit B – Timekeeping System

<table>
<thead>
<tr>
<th>Sales Executive</th>
<th>Jodi Rinzel</th>
<th>Presales Consultant</th>
<th>Debra Darby</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expiration Date</td>
<td>12/26/2014</td>
<td>Service Portfolio Consultant</td>
<td>2014-6441</td>
</tr>
<tr>
<td>Customer Name</td>
<td>Rockford Public Schools</td>
<td>File Name Control ID</td>
<td>34</td>
</tr>
<tr>
<td>SSS Create Date</td>
<td>4/25/2014</td>
<td>Revision #</td>
<td>Pending</td>
</tr>
<tr>
<td>Project Type</td>
<td>Net New</td>
<td>Status</td>
<td></td>
</tr>
</tbody>
</table>

(c) 2014, Kronos Incorporated. All rights reserved.
CONFIDENTIAL - Not to be disclosed to third parties without specific written consent from Kronos.
1. PROJECT SCOPE

This Services Scope Statement – Exhibit B – is attached to and subject to the written agreement between the Rockford Public Schools and Kronos dated December 22, 2014 (Agreement).

1.1. PROJECT OVERVIEW

Successfully configure, implement and deliver the following:

- Workforce Central/Timekeeper v7.0
- Workforce Attendance v7.0
- 5,000 employees

1.2. PROJECT ASSUMPTIONS

- Kronos will work with the customer to become self-sufficient in order to have the ability to take ownership of their Kronos solution through knowledge transfer, mentoring, training courses, and KnowledgePass while working in collaboration with the customer. For example, but not necessarily limited to the following:
  - Instruction in configuration of pay rules
  - Instruction in time clock configuration
  - Instruction in adding licenses
  - Overall Kronos system/application knowledge.

- Kronos has reviewed the customer’s seven (7) labor contracts as well as their functional requirements of Exhibit G to the Agreement. After review of these documents, this project scope has been developed based upon Kronos' best practice recommendations while leveraging our experience in implementing workforce solutions within similar organizations.

- Kronos assumes that the customer will work with Kronos to establish one interpretation of the rules contained within the union contract. If the customer has different interpretations of the rules by department, location, manager, etc. that results in increased configuration complexities, the customer will leverage the knowledge transfer provided by Kronos and take ownership of configuring additional rules to address varying interpretations.
1.3. PRODUCT SUMMARY

The following products are considered in scope for the services and fees defined within this document, unless otherwise noted below. Additional products and/or licenses may incur additional fees.

<table>
<thead>
<tr>
<th>Product</th>
<th>Implementation Type</th>
<th>Version</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workforce Timekeeper</td>
<td>New</td>
<td>7.0</td>
</tr>
<tr>
<td>Workforce Employee</td>
<td>New</td>
<td>7.0</td>
</tr>
<tr>
<td>Workforce Manager</td>
<td>New</td>
<td>7.0</td>
</tr>
<tr>
<td>Workforce Integration Manager</td>
<td>New</td>
<td>7.0</td>
</tr>
<tr>
<td>Workforce Attendance</td>
<td>New</td>
<td>7.0</td>
</tr>
<tr>
<td>Data Collection</td>
<td>New</td>
<td>N/A</td>
</tr>
<tr>
<td>KSS Tool Timecard Confirmation</td>
<td>New</td>
<td>7.0</td>
</tr>
</tbody>
</table>

1.4. FULL-TIME/PART-TIME ANALYSIS REPORT (ACA)

- Remote installation of the ACA Report on up to two (2) application servers per environment, as well as installation mentorship.
- Kronos will install and configure FT-PT Analysis Report.
- Kronos will create one (1) combined pay code to facilitate the worked hours calculation.
- The report will be added to one (1) report data access profile.

**Important Note:** The customer needs to determine the pay codes that contribute to worked hours. The Combined Pay Code is going to represent hours worked for the report. If the Combine Pay Code is configured incorrectly, the report will not be accurate. It is critical that the customer understand the connection between the Combined Pay Code and the actual hours worked, and that the customer specifically defines which pay codes to include.

1.5. PROJECT DURATION

Depending upon Rockford Public Schools resource availability and project task capability, the duration of the project may need to be extended. This will increase the number of hours required for tasks that are performed on a weekly basis such as managing project communications, managing/updating project plans, facilitating project meetings and updating project status reports.

As it should be noted, to avoid project delays that could increase project costs as well as extend project timeline for completion, Rockford Public Schools must strive to make every reasonable effort to respond to Kronos’ approval/acceptance of deliverables as well as notification of errors as quickly as possible. For example, if Rockford Public Schools takes the entire ten (10) business days to respond to Kronos’ various project requests and deliverables for each occurrence, as well as ten (10) additional business days to report that the deliverables/errors have been resolved, this amount of turnaround time will affect the overall project deliverables (i.e., project completion timeline, possible increase in project costs, etc.). Reference Section 2.2 Customer Approval of Service Deliverables.

| Estimated Duration of Project | 16 weeks |
2. PROJECT GUIDELINES

2.1. CHANGE CONTROL

If the Scope of Services defined in this document changes at any time during the course of this project, Kronos and Rockford Public Schools will review and adjust the scope and budget of services through standard Kronos change control procedures.

Please review the Kronos Change Control Policy – see Appendix A – 1.1 Engagement Guidelines of this document.

2.2. CUSTOMER APPROVAL OF SERVICE DELIVERABLES

As part of the project, service deliverables may be provided to Rockford Public Schools for approval and/or acceptance. Delays in customer approval/acceptance of deliverables will result in an extension of the project timeline and may result in additional services being required. To avoid project delays and increased costs, Rockford Public Schools should expect to approve/accept deliverables or provide written notification of errors to Kronos within ten (10) business days after receipt of the deliverable. Following the receipt of a revised deliverable, Rockford Public Schools will then have an additional ten (10) business days to report that all errors have been resolved and provide deliverable acceptance.

2.3. ENGAGEMENT REQUIREMENTS

Rockford Public Schools is responsible for developing their workforce management procedures and for documenting and disseminating business procedures and policy changes to support the Kronos system prior to Kronos implementing the procedures. The Rockford Public Schools Project Team will attend appropriate Kronos training prior to and while participating in the implementation. Rockford Public Schools understands that Kronos recommends setup of both a DEVELOPMENT and PRODUCTION environment.

Commitment from Rockford Public Schools upper management is crucial to the success of the project. Kronos assumes Rockford Public Schools will assign a Project Executive Sponsor. The Executive Sponsor is responsible for implementing the necessary change management for Rockford Public Schools to embrace using an automated Workforce Management system and for ensuring the Project Team is appropriately staffed, made available and is executing their tasks according to the Project Plan.
2.4. FIXED FEE GUIDELINES

For the services set forth in this Services Scope Statement (and on the corresponding Order Form for such services), Kronos agrees to complete the services described herein for the fixed fee set forth herein, unless additional hours are required to complete such services due to a material change in the scope of the project or Rockford Public School’s delay in fulfilling its obligations; such additional hours shall be as mutually agreed upon and approved in writing by the customer and Kronos. In addition, in the event additional hours are required to complete such services due to delays solely caused by Kronos, Kronos agrees that any such additional hours shall not be charged to the customer. A few examples of situations that may cause a material change in scope include, but are not limited to:

- Customer loses an employee(s) who is key to the project’s success/timeline (i.e., Project Manager, Key Decision Maker(s), etc.), and that loss impacts the project in such a way that it delays the project or results in the need for Kronos to provide additional services in support of re-educating the Rockford team. Reference Section 2.2 Customer Approval of Service Deliverables.
- Changes in Collective Bargaining Agreements, agreed upon interpretations of those agreements, and/or changes in business practices related to those agreements that would impact the projects scope and/or that would cause delays in the project’s timeline.
- Customer changing of original agreed upon application configurations after acceptance of Solution Design documents; this would be an example of a ‘change in scope.’ Reference Section 4.1 Solution Assessment and Design.
- Lack of timely participation/response by key project team members and/or decision makers. Reference Section 2.3 Engagement Requirements – Paragraph 2.

Any such additional hours shall be agreed upon by the parties pursuant to the Change Order process described in the SSS and the fixed fee amount described herein shall be amended as provided in such Change Order. If Kronos has not invoiced for the entire fixed fee amount as set forth in this SSS (and any Change Orders, if applicable) upon completion of the services, Kronos will invoice Rockford Public Schools for any remaining fees up to the fixed fee amount and Rockford Public Schools shall pay such fees upon the payment terms agreed upon by the parties. See Section 7.6 – Professional Services Milestones and Invoice Schedule of this document.
3. PROJECT MANAGEMENT

3.1. PROJECT PLANNING AND MANAGEMENT
Kronos will deliver a customer implementation guide, a project workbook or checklist and facilitate periodic status meetings.

<table>
<thead>
<tr>
<th>Project Management Description</th>
<th>Average 5 hours per week</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blend of Remote and Onsite Project Management</td>
<td></td>
</tr>
</tbody>
</table>
4. IMPLEMENTATION METHODOLOGY PHASES

Kronos Project Methodology has been created, developed and refined over years of successfully implementing the Kronos Workforce Central Suite of products. Its ability to be scaled and customized to suit any organization and product mix is testimony to its strength and flexibility.

Momentum is a full lifecycle methodology, providing a structured and phased approach, supported by flexible project management and education offerings. Project Managers and Consultants guide the team through an efficient and proven process by providing assistance during the 5 key phases Momentum phases.

The core Momentum Methodology is adaptable and responsive to an individual project's requirements, while still providing relentless repeatability and a consistently high quality customer experience.

4.1. SOLUTION ASSESSMENT AND DESIGN

During this phase of the project, Kronos assists Rockford Public Schools with ensuring all applicable requirements and Solution Design documents for the implementation of the product(s) are understood and completed.

Customer's Obligation

Prior to this phase of the project, Rockford Public Schools shall arrange for acquisition and setup of necessary system hardware and establish Internet connectivity at the server(s). Rockford Public Schools shall also arrange for installation and network testing of the Timekeeper terminals, if purchased. In addition to completing the requisite Kronos training, the Rockford Public Schools Project Manager shall ensure that all internal resources are coordinated and scheduled to participate in each assessment per their domain expertise or role as a decision maker. Also during this phase, the Rockford Public Schools Project Manager shall begin to develop testing and education plans.
4.2. SOLUTION BUILD

During this phase of the project Kronos installs and builds the solution per the Solution Design documents. In addition, Kronos will perform basic unit testing to validate the build against the Solution Design document.

Customer's Obligation

During this phase of the project Rockford Public Schools will provide access and security to the applicable network and servers and dedicate or make available, appropriate resources with the necessary domain experience. This includes IT resources to participate in terminal configuration and testing, and configure system backups. It may be necessary for the Rockford Public Schools Project Manager to provide communication and access to a Third Party Software vendor during the build and testing of integration components or custom attributes.

4.3. SOLUTION TESTING AND DEPLOYMENT

During this phase of the project Kronos supports the Rockford Public Schools project team with testing to the Product Design document, resolving all critical open issues as well as deployment planning and support.

Customer's Obligation

During this phase of the project Rockford Public Schools will finalize the test plan to support unit, integration and operational testing; complete test case scenarios in the Solution Validation Workbook; dedicate or make available on an as-needed basis, appropriate resources to test the product(s), ensuring representatives from all affected user communities participate in the test cycle. Rockford Public Schools will also coordinate testing with other vendors, and if applicable, test and validate the data transfer from Kronos to other vendors. Rockford Public Schools testing team will utilize the Solution Validation Workbook for unit and parallel testing and maintain the workbook as needed until testing is complete. Rockford Public Schools will also write operational procedures and train user as needed for a successful deployment.
# 5. PROJECT SCOPE DETAIL

## 5.1. APPLICATION BUILDING BLOCKS

<table>
<thead>
<tr>
<th>General Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Employees in Project Scope</td>
</tr>
<tr>
<td>Decentralized</td>
</tr>
<tr>
<td>Unions</td>
</tr>
<tr>
<td>Number of Managers that will be supported</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Workforce Central Technology Factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of environments</td>
</tr>
<tr>
<td>The database platform will be</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Workforce Central Technology Services Scope</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Lead Technical Readiness Assessment with Record Retention Configuration (2 environments)</td>
</tr>
<tr>
<td>• Technical Preparation for Deployment and Support</td>
</tr>
<tr>
<td>• 2 Application Install (2 environments on SQL Server)</td>
</tr>
<tr>
<td>• LDAP Configuration</td>
</tr>
<tr>
<td>• 2 Servers Load Balanced</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Workforce Timekeeper</th>
</tr>
</thead>
<tbody>
<tr>
<td>This product will be implemented in phase</td>
</tr>
<tr>
<td>Number of Employees within Scope</td>
</tr>
<tr>
<td>Number of Assessment Groups</td>
</tr>
<tr>
<td>Number of Deployment Groups</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Workforce Timekeeper Professional Services Scope</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Lead Application Configuration Assessment</td>
</tr>
<tr>
<td>• Standard Configuration: 7 labor levels: 1 pay policy groups: 5 schedule groups and shift templates: 10 holidays: 5 comments:</td>
</tr>
<tr>
<td>3 function access profiles</td>
</tr>
<tr>
<td>• 24 Basic Accrual rules</td>
</tr>
<tr>
<td>• 24 Pay rules/work rules</td>
</tr>
<tr>
<td>• 4 Navigator Personas</td>
</tr>
<tr>
<td>• Delegate Authority</td>
</tr>
<tr>
<td>• Time Off Requests</td>
</tr>
<tr>
<td>• Alerts Package</td>
</tr>
<tr>
<td>• Multiple Assignments</td>
</tr>
</tbody>
</table>

---

RFP for Workforce Central v7.0 and Accruals | KRONOS INCORPORATED CONFIDENTIAL
Page 9 of 22
### Workforce Attendance

| This product will be implemented in phase | 1 |
| Number of Employees within Scope | 5000 |
| Number of Assessment Groups | 3 |
| Number of Deployment Groups | 1 |

### Workforce Attendance Professional Services Scope

- Lead Application Configuration Assessment
- Configuration of Attendance Plan for 3 Consecutive Day Absences for Employees Who are FMLA Eligible, to Include Teaching Staff
- Configuration of Single Attendance Plan for Employees Who are FMLA Eligible, to include Teaching Staff
- Standard Testing Guidance
- Deployment Planning and Go-Live Support

### Workforce Integration Manager

| This product will be implemented in phase | 1 |
| Number of Employees within Scope | 5000 |

### Integrations In Scope

- 1 Workforce Timekeeper: Accruals Balance Import
- 1 Workforce Timekeeper: Employee Import
- 1 Workforce Timekeeper: Pay Data Export
- 1 Sub-Finder for Scheduling Import

### Data Collection

| This product will be implemented in phase | 1 |
| Number of Employees within Scope | 5000 |

### Data Collection Professional Services Scope

- 3 In-Touch Terminal Configuration
- Data Collection: Workforce Employee
6. EDUCATIONAL SERVICES

6.1. INTRODUCTION

As part of your overall solution, Kronos Educational Services are included to help secure maximum user adoption. Kronos Educational Services has included an education strategy to train the implementation, functional and technical project team members and end users. The curriculum is structured by employee job role to ensure that each member of your team who interacts with the application has a clear learning path designed to develop knowledge in a logical sequence.

See Section 8 - Educational Courses for specific recommended training courses.

NOTE: Educational courses that are listed as BAYG-ILT will be invoiced separately on an 'as consumed basis' or also known as 'Bill As You Go'.

6.2. EDUCATIONAL SERVICES IN SCOPE

<table>
<thead>
<tr>
<th>Educational Service</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Team Training</td>
<td>Includes product classes designed for key project team member based on individual job roles. All course delivery is purchased via training points to allow you to plan and budget training for your organization, yet give you flexibility to select specific courses to meet your implementation and continuing education needs. Training points can be used toward instructor-led training in the virtual classroom, in the traditional classroom, and for onsite training. Online course descriptions include the training point value. Each course has a point value that equals the price of the class. Pricing for public classes, both virtual and in a Kronos classroom, is based on one student per paid seat. Pricing for each private event is based on a daily rate for the number of planned attendees. If additional students attend training, additional fees may be incurred. The total training points and associated cost will be reflected on your Sales Agreement.</td>
</tr>
<tr>
<td>KnowledgePass™ Subscription</td>
<td>KnowledgePass™ is an online educational portal that provides 24/7 anytime-anywhere access to in-depth training content to help your employees maximize productivity and achieve their goals from implementation to optimization. Gain instant access to helpful tutorials, job aids, in-depth, hands on tools, webinars, and educational documents to help your team succeed.</td>
</tr>
</tbody>
</table>
7. PROJECT COSTS AND RATE SCHEDULES

All amounts are quoted in USD.

7.1. PROFESSIONAL SERVICES – to be Delivered by Kronos

<table>
<thead>
<tr>
<th>Role</th>
<th>Quantity</th>
<th>Unit of Measure</th>
<th>Part Number</th>
<th>Rate</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Manager</td>
<td>2</td>
<td>HR</td>
<td>9990002-ONL</td>
<td>$175.00</td>
<td>$350.00</td>
</tr>
<tr>
<td>Application Consultant (Timecard</td>
<td>10</td>
<td>HR</td>
<td>9990002-ONL</td>
<td>$175.00</td>
<td>$1,750.00</td>
</tr>
<tr>
<td>Confirmation)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Application Consultant (FT-PT Analysis</td>
<td>4</td>
<td>HR</td>
<td>9990002-ONL</td>
<td>$175.00</td>
<td>$700.00</td>
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<tr>
<td>Report – ACA Rpt)</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>16</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>$2,800.00</strong></td>
</tr>
</tbody>
</table>
7. PROJECT COSTS AND RATE SCHEDULES - con't

7.2. PROFESSIONAL SERVICES – to be Delivered by JK Seva (Partner)

<table>
<thead>
<tr>
<th>Role</th>
<th>Quantity</th>
<th>Unit of Measure</th>
<th>Part Number</th>
<th>Rate</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Manager</td>
<td>62</td>
<td>HR</td>
<td>9990002-ENT</td>
<td>$175.00</td>
<td>$10,850.00</td>
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<tr>
<td>Application Consultant (WTK)</td>
<td>233</td>
<td>HR</td>
<td>9990002-ENT</td>
<td>$168.75</td>
<td>$39,318.75</td>
</tr>
<tr>
<td>Technology Consultant (WFC/WTK)</td>
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<td>HR</td>
<td>9990002-ENT</td>
<td>$175.00</td>
<td>$29,400.00</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>463</strong></td>
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<td></td>
<td></td>
<td><strong>$79,568.75</strong></td>
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PROFESSIONAL SERVICES MILESTONES AND INVOICE SCHEDULE

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<th>Deliverable</th>
<th>Payment</th>
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<tbody>
<tr>
<td>Completion of Initial Project Plan</td>
<td>$11,935.31</td>
</tr>
<tr>
<td>Completion of Initial Product Design Document</td>
<td>$27,849.06</td>
</tr>
<tr>
<td>Completion of Configuration for Workforce Central/Timekeeper</td>
<td>$23,870.63</td>
</tr>
<tr>
<td>Completion of Time Card Confirmation &amp; ACA Report Configurations (Kronos)</td>
<td>$2,800.00</td>
</tr>
<tr>
<td>Customer Access to Production Environment</td>
<td>$7,956.88</td>
</tr>
<tr>
<td>Initial Go-Live of Workforce Central/Timekeeper</td>
<td>$7,956.87</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$82,368.75</strong></td>
</tr>
</tbody>
</table>

*Travel Expenses for this project are to not exceed $3,700.00, which includes two (2) trips to customer site of up to five (5) days for each trip. If additional travel is required, prior written approval from the customer must be obtained.*
# 8. EDUCATIONAL COURSES

## 8.1. EDUCATIONAL COURSES

<table>
<thead>
<tr>
<th>Product Name</th>
<th>Part Number</th>
<th>Quantity</th>
<th>Unit of Measure</th>
<th>Rate</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>KnowledgePass™</td>
<td>8602748-001</td>
<td>1</td>
<td>EA</td>
<td>$7,875.00</td>
<td>$7,875.00</td>
</tr>
<tr>
<td>Bill-As-You-Go Instructor Lead Training</td>
<td>BAYG-ILT</td>
<td>6600</td>
<td>PTS</td>
<td>$0.90</td>
<td>$5,940.00</td>
</tr>
<tr>
<td>End User Training and Mentoring (JK Seva to Deliver)</td>
<td>--</td>
<td>1</td>
<td>Included</td>
<td>.00</td>
<td>.00</td>
</tr>
<tr>
<td>WTK 7.0 TTT-Private 5001-10000 (5 Participants)</td>
<td>BAYG-ILT</td>
<td>1500</td>
<td>PTS</td>
<td>$0.90</td>
<td>$1,350.00</td>
</tr>
<tr>
<td></td>
<td>9999716-2</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Educational Services</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>$15,165.00</strong></td>
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</tbody>
</table>

## PROJECT TEAM TRAINING (BAYG-ILT)

<table>
<thead>
<tr>
<th>Course Name</th>
<th># of Seats/Qty</th>
<th>Unit of Measure</th>
<th>Points</th>
<th>Total Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>WFC 7.0 Administering Navigators</td>
<td>2</td>
<td>Seat</td>
<td>600</td>
<td>1200</td>
</tr>
<tr>
<td>WFC 7.0 Administering the Application</td>
<td>2</td>
<td>Seat</td>
<td>1200</td>
<td>2400</td>
</tr>
<tr>
<td>WFC 7.0 Configuring Navigators</td>
<td>1</td>
<td>Unlimited</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>WTK 7.0 Managing Timecards &amp; Preparing for Payroll</td>
<td>3</td>
<td>Seat</td>
<td>1000</td>
<td>3000</td>
</tr>
</tbody>
</table>

## END USER TRAINING

<table>
<thead>
<tr>
<th>Service Name</th>
<th>Quantity</th>
<th>Unit of Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>In-Touch Terminal Entering Time Employee Training Kit</td>
<td>1</td>
<td>Unlimited</td>
</tr>
<tr>
<td>WFC 7.0 Employee User Adoption Kit</td>
<td>1</td>
<td>Unlimited</td>
</tr>
<tr>
<td>WFC 7.0 Timestamp &amp; Timecard Entering Time Employee Training Kit</td>
<td>1</td>
<td>Unlimited</td>
</tr>
<tr>
<td>Team Orientation</td>
<td>1</td>
<td>Unlimited</td>
</tr>
<tr>
<td>Super User Mentoring</td>
<td>1</td>
<td>Unlimited</td>
</tr>
<tr>
<td>Train-the-Trainer Mentorship</td>
<td>1</td>
<td>Unlimited</td>
</tr>
<tr>
<td>WTK 7.0 Train-the-Trainer 1501-2500, 1 participant</td>
<td>1</td>
<td>Program</td>
</tr>
</tbody>
</table>
9. TOTAL PROJECT COSTS

9.1. SOLUTION SUMMARY

<table>
<thead>
<tr>
<th>Service Type</th>
<th>Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional Services</td>
<td>$82,368.75</td>
</tr>
<tr>
<td>Educational Services (BAYG-ILT)</td>
<td>$15,165.00</td>
</tr>
<tr>
<td>Total Investment</td>
<td>$97,533.75</td>
</tr>
</tbody>
</table>

Travel Expenses for this project are to not exceed $3,700.00, which includes two (2) trips to customer site of up to five (5) days for each trip. If additional travel is required, prior written approval from the customer must be obtained.
10. OPTIONAL ADD-ON SERVICES

10.1. OPTIONAL ADD-ONS

It should be noted that the 'Optional Add-On Services' listed below are not included within this project scope, but can be purchased separately as indicated.

<table>
<thead>
<tr>
<th>Optional Educational Add-Ons</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Product Name</strong></td>
</tr>
<tr>
<td>WFC 7.0 Architecture &amp; Technology</td>
</tr>
<tr>
<td>WTK 7.0 Configuring &amp; Managing Pay Rules</td>
</tr>
<tr>
<td>Writing &amp; Integrating WTK 7.0 Operational Reports</td>
</tr>
<tr>
<td>WAM 7.0 Administering the Application: Attendance</td>
</tr>
<tr>
<td>WAM 7.0 Managing Attendance Policies</td>
</tr>
<tr>
<td>WAM 7.0 Project Team Fundamentals: Attendance</td>
</tr>
</tbody>
</table>
11. SIGNATURES AND APPROVALS

SUBMITTED AND APPROVED BY KRONOS REPRESENTATIVE

By: ___________________________ Date: __December 16, 2014________________________

Title: Sr. Vice President, Global Sales

This Services Scope Statement is subject to Rockford Public Schools' agreement with Kronos governing Professional, Education and Cloud Services. By signing below, Rockford Public Schools' authorized representative agrees to purchase the services described herein.

ACCEPTED AND AGREED

Rockford Public Schools

By: ___________________________ Date: __12/22/14________________________

Title: Superintendent

Rockford Public Schools may make necessary copies of this document for the sole purpose of facilitating internal evaluation and/or execution of proposed project. Otherwise, the document or any part thereof may not be reproduced in any form without the written permission of Kronos Incorporated. All rights reserved. Copyright 2014.
APPENDIX A

1.1. ENGAGEMENT GUIDELINES

Please review the Kronos engagement guidelines:

Professional and Educational Services Engagement Policies

The following are intended to provide the policies under which Kronos Professional and Educational Services will operate during the course of a customer engagement:

1. Kronos will provide the Customer with a Services Scope Statement (also known as the “Statement of Work” or SOW) that outlines the project deliverables and provides an estimate for the project scope and cost required to complete the engagement, based upon preliminary information provided by the Customer. If during the Assess Phase, information is discovered that was not provided by the customer, Kronos and the Customer will work together to determine the impact to the project and attempt to identify ways to resolve without modifying the scope or budget.

2. The Services Scope Statement is valid for one year from the date of signature.

3. Any changes to the project scope and/or project duration will be reflected through the generation of a Kronos Change Order, which is initiated by the Kronos Project Manager and approved and signed by the Customer.

   a. These changes could be due to an increase or change in project scope or deliverables, insufficient customer resources or time commitment, changes to customer project schedule, or technical limitations.

4. Unless otherwise addressed within these policies, the hourly rate(s) quoted within a Change Order for work to be performed within normal business hours will be consistent with that contained within the original Services Scope Statement. In instances where specialized resources are requested, but not contained within the original Services Scope Statement, the quoted rate will be established as Kronos’ current rate for such requested services.

5. Kronos personnel working at the Customer site shall have access to necessary infrastructure (servers, network, etc.).

6. In instances where Kronos personnel are working remotely access will be granted through the use of industry standard tools (VPN, DTS, GoToMyPC, PCAnywhere, etc.).
7. Customer agrees to not hire any Kronos employee who has performed services under the Agreement for a period of one-year after the completion of such services.

8. If not hosted by Kronos Cloud Services, all required system administration, maintenance, backups, tuning, etc., is the responsibility of the Customer.

9. Customer Data: To perform the implementation and to provide support after completion, Kronos may need to access and retain information regarding your employees and business organization. Kronos will take all reasonable steps to limit and safeguard the security of this information.

10. Scheduled Work Policies:

   a. Professional Services
      
      i. Professional Services work will be conducted during normal business hours, 8:00AM – 5:00PM, Monday through Friday.
      
      ii. All Professional Services work scheduled to start outside of normal business hours will be billed in full at a premium rate described below. For work to be performed after hours, on holidays, or on weekends, an approved Change Order will be required prior to scheduling (see Change Order Process below). Customers will be charged as follows:

         1. All Professional Services will be scheduled and billed in 4 hour increments with a minimum charge of 4 hours.

             a. After Hours

                i. All scheduled work will be billed at 1.5 times the contract rate by role

                ii. After Hours is considered 5:00PM-8:00AM, Monday through Friday

             b. Weekends

                i. All scheduled work will be billed at 2.0 times the contract rate by role

                ii. Weekends are considered 5:00PM Friday through 8:00AM Monday

             c. Holiday

                i. All scheduled work will be billed at 2.0 times the contract rate by role

                ii. Holidays are any Kronos recognized Holidays, which include: New Year’s Day, President’s Day, Memorial Day, Independence Day, Thanksgiving Day, the day after Thanksgiving, Christmas Day.
b. Education Services

   i. All training course delivery scheduled to start outside of normal business hours will be billed in full at a premium rate described below. Customers will be charged as follows:

   1. After Hours

      a. There will be a 1.5 times premium per student for public courses or per class for private day rates

      b. After Hours is considered 5:00PM-8:00AM, Monday through Friday

   2. Weekends

      a. There will be a 2.0 times premium per student for public courses or per class for private day rates

      b. Weekends are considered 5:00PM Friday through 8:00AM Monday

   3. Holidays

      a. There will be a 2.0 times premium per student for public courses or per class for private day rates

      b. Holidays are any Kronos recognized Holidays, which include: New Year's Day, President's Day, Memorial Day, Independence Day, Thanksgiving Day, the day after Thanksgiving, Christmas Day.

11. Travel Policies

   a. Customer is responsible for airfare, lodging and related travel expenses for onsite consultants.

   b. Customer is responsible for travel costs for employees attending training at a Kronos location.

   c. Customer is responsible for travel and related costs for a Kronos trainer providing instruction at the Customer location.

   d. If a Kronos employee is required on-site per the customer request, a minimum of 8 hours will be billed per day.

12. Cancellation Policies: Kronos requires notification for the cancellation or rescheduling of Kronos personnel as well as the cancellation of Instructor led classes. Customer will be charged for failure to meet the following notification requirements:
a. Professional Services:
   i. 2 business days prior to scheduled work – 50% of planned charges are invoiced for schedule work
   ii. 1 business day prior to scheduled work – 100% of planned charges are invoiced for scheduled work
   iii. Business days are: Monday, Tuesday, Wednesday, Thursday, and Friday, excluding Holidays

b. Education Services:
   i. For any PUBLIC course held in the traditional classroom or in the virtual classroom, attendees must cancel at least five business days before the class start date to avoid cancellation fees (equal to the cost of the course). Student substitutions can be made at any time as long as prerequisites have been met.
   ii. For any PRIVATE course held at a customer site, in the traditional classroom, or in the virtual classroom: attendees must cancel at least ten business days before the class start date to avoid cancellation fees (equal to the cost of the course). Student substitutions can be made at any time as long as prerequisites have been met.

c. Cancellation Policy Example:
   i. Work is schedule for Wednesday, 1p-5p (4 hours)
   ii. If customer cancels on:
      1. Friday – no penalty
      2. Monday – 50% of planned charges are invoiced (2 hours)
      3. Tuesday – 100% of planned charged are invoiced (4 hours)

d. Cancellation Policy Example with a Holiday:
   i. Work is schedule for Wednesday, 1p-5p (4 hours)
   ii. If customer cancels on:
      1. Thursday – no penalty
      2. Friday – 50% of planned charges are invoiced (2 hours)
3. Monday – holiday, doesn’t count as “business day”

4. Tuesday – 100% of planned charged are invoiced (4 hours)

13. Additional Education Services Policies

   a. All Instructor led Educational Services classes will be held at a Kronos facility, or via the Kronos Virtual Classroom (if offered in that modality), unless Customer has purchased onsite location training.

For questions, please contact PMO@kronos.com
Services Scope Statement

Rockford Public Schools

Exhibit B – HR Module

<table>
<thead>
<tr>
<th>Sales Executive</th>
<th>Jodi Rinzel</th>
<th>Presales Consultant</th>
<th>Debra Darby</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expiration Date</td>
<td>12/26/2014</td>
<td>Service Portfolio Consultant</td>
<td>2014-10572</td>
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<td>SSS Create Date</td>
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<td>Status</td>
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</table>

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CONFIDENTIAL - Not to be disclosed to third parties without specific written consent from Kronos.
1. PROJECT SCOPE

This Services Scope Statement – Exhibit B – is attached to and subject to the written agreement between the Rockford Public Schools and Kronos dated December 22, 2014 (Agreement).

1.1. PROJECT OVERVIEW

Successfully deliver, configure and implement the following application:

- Workforce HR v7.0
- 5,000 Employees
- HR Project will be implemented in Two (2) Phases:
  - Phase One – Core HR with Concurrent Timekeeper Project
  - Phase Two – Additional HR Functionality

1.2. PHASE ONE – CORE HR IN CONJUNCTION WITH WORKFORCE CENTRAL/TIMEKEEPER PROJECT

Within Phase One of the project, the HR module will be configured with the organizational structure and position components necessary to manage employee demographics that will allow data flow to the Workforce Timekeeping system.

**Items Included in Phase One**

- Set-up of organizational structure and position components of HR
- Employee demographics set-up
- Transfer of source data in HR
- Export of employee demographics to SunGard Payroll system
- Employee Self-Service for demographics.

**Project Assumptions for Phase One**

- Core HR and Timekeeper Projects will be performed concurrently.
- Kronos Workforce HR will be the system of record for all personal actions (demographics, termination, transfer, etc.).
- Hiring data from Kronos Workforce Talent Acquisition will flow to HR.
- Customer is responsible for providing HR source data in specified format using Kronos mapping files/launch templates.
- Conversion includes current employee data and historical data:
  - Rockford will need to mine their data and input into Launch Template (must have associated date to data).
  - Kronos will then use Launch Template and input into HR application.
- Common structure of employee status’ will be established (A = Active, etc.).
- Once Phase One milestones are completed, customer will Go-Live with Core HR and sign-off on Phase One of the project before Phase Two configuration will begin.
1.3. PHASE TWO – ADDITIONAL HR FUNCTIONALITY

After going live with Phase One – Core HR, Phase Two will include the configuration of additional HR functionalities.

Items Included in Phase Two
- Tracking, Training & Certifications
- Compensation Management including Step in Grade

Project Assumptions for Phase Two
- Event Management includes tracking and reporting of certifications and licensing.

1.4. PRODUCT SUMMARY

The following products are considered in scope for the services and fees defined within this document, unless otherwise noted below. Additional products and/or licenses may incur additional fees.

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<thead>
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<th>Product</th>
<th>Implementation Type</th>
<th>Version</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workforce HR</td>
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<td>7.0</td>
</tr>
<tr>
<td>Workforce Administrator HR/PR</td>
<td>New</td>
<td>7.0</td>
</tr>
<tr>
<td>Workforce Employee HR/PR</td>
<td>New</td>
<td>7.0</td>
</tr>
<tr>
<td>Workforce Manager HR/PR</td>
<td>New</td>
<td>7.0</td>
</tr>
</tbody>
</table>

1.5. PROJECT DURATION

Depending upon Rockford Public Schools resource availability and project task capability, the duration of the project may need to be extended. This will increase the number of hours required for tasks that are performed on a weekly basis such as managing project communications, managing/updating project plans, facilitating project meetings and updating project status reports.

As it should be noted, to avoid project delays that could increase project costs as well as extend project timeline for completion, Rockford Public Schools must strive to make every reasonable effort to respond to Kronos’ approval/acceptance of deliverables as well as notification of errors as quickly as possible. For example, if Rockford Public Schools takes the entire ten (10) business days to respond to Kronos’ various project requests and deliverables for each occurrence, as well as ten (10) additional business days to report that the deliverables/errors have been resolved, this amount of turnaround time will affect the overall project deliverables (i.e., project completion timeline, possible increase in project costs, etc.). Reference Section 2.2 Customer Approval of Service Deliverables.

| Estimated Duration of Project – Phase One   | 12 weeks |
| Estimated Duration of Project – Phase Two   | 8 Weeks  |
2. PROJECT GUIDELINES

2.1. CHANGE CONTROL

If the Scope of Services defined in this document changes at any time during the course of this project, Kronos and Rockford Public Schools will review and adjust the scope and budget of services through standard Kronos change control procedures.

Please review the Kronos Change Control Policy – see Appendix A – 1.1 Engagement Guidelines of this document.

2.2. CUSTOMER APPROVAL OF SERVICE DELIVERABLES

As part of the project, service deliverables may be provided to Rockford Public Schools for approval and/or acceptance. Delays in customer approval/acceptance of deliverables will result in an extension of the project timeline and may result in additional services being required. To avoid project delays and increased costs, Rockford Public Schools should expect to approve/accept deliverables or provide written notification of errors to Kronos within ten (10) business days after receipt of the deliverable. Following the receipt of a revised deliverable, Rockford Public Schools will then have an additional ten (10) business days to report that all errors have been resolved and provide deliverable acceptance.

2.3. ENGAGEMENT REQUIREMENTS

Rockford Public Schools is responsible for developing their workforce management procedures and for documenting and disseminating business procedures and policy changes to support the Kronos system prior to Kronos implementing the procedures. The Rockford Public Schools Project Team will attend appropriate Kronos training prior to and while participating in the implementation. Rockford Public Schools understands that Kronos recommends setup of both a DEVELOPMENT and PRODUCTION environment.

Commitment from Rockford Public Schools upper management is crucial to the success of the project. Kronos assumes Rockford Public Schools will assign a Project Executive Sponsor. The Executive Sponsor is responsible for implementing the necessary change management for Rockford Public Schools to embrace using an automated Workforce Management system and for ensuring the Project Team is appropriately staffed, made available and is executing their tasks according to the Project Plan.
2.4. FIXED FEE GUIDELINES

For the services set forth in this Services Scope Statement (and on the corresponding Order Form for such services), Kronos agrees to complete the services described herein for the fixed fee set forth herein, unless additional hours are required to complete such services due to a material change in the scope of the project or Rockford Public School's delay in fulfilling its obligations; such additional hours shall be as mutually agreed upon and approved in writing by the customer and Kronos. In addition, in the event additional hours are required to complete such services due to delays solely caused by Kronos, Kronos agrees that any such additional hours shall not be charged to the customer. A few examples of situations that may cause a material change in scope include, but are not limited to:

- Customer loses an employee(s) who is key to the project's success/timeline (i.e., Project Manager, Key Decision Maker(s), etc.), and that loss impacts the project in such a way that it delays the project or results in the need for Kronos to provide additional services in support of re-educating the Rockford team. Reference Section 2.2 Customer Approval of Service Deliverables.
- Changes in Collective Bargaining Agreements, agreed upon interpretations of those agreements, and/or changes in business practices related to those agreements that would impact the projects scope and/or that would cause delays in the project's timeline.
- Customer changing of original agreed upon application configurations after acceptance of Solution Design documents; this would be an example of a 'change in scope.' Reference Section 4.1 Solution Assessment and Design.
- Lack of timely participation/response by key project team members and/or decision makers. Reference Section 2.3 Engagement Requirements – Paragraph 2.

Any such additional hours shall be agreed upon by the parties pursuant to the Change Order process described in the SSS and the fixed fee amount described herein shall be amended as provided in such Change Order. If Kronos has not invoiced for the entire fixed fee amount as set forth in this SSS (and any Change Orders, if applicable) upon completion of the services, Kronos will invoice Rockford Public Schools for any remaining fees up to the fixed fee amount and Rockford Public Schools shall pay such fees upon the payment terms agreed upon by the parties. See Section 7 – Project Costs and Rate Schedules of this document.
3. PROJECT MANAGEMENT

3.1. PROJECT PLANNING AND MANAGEMENT

Kronos will deliver a customer implementation guide, a project workbook or checklist and facilitate periodic status meetings.

<table>
<thead>
<tr>
<th>Project Management Description</th>
<th>Average Between 3 - 4 hours per week</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blend of Remote and Onsite Project Management</td>
<td></td>
</tr>
</tbody>
</table>
4. IMPLEMENTATION METHODOLOGY PHASES

Kronos Project Methodology has been created, developed and refined over years of successfully implementing the Kronos Workforce Central Suite of products. Its ability to be scaled and customized to suit any organization and product mix is testimony to its strength and flexibility.

Momentum is a full lifecycle methodology, providing a structured and phased approach, supported by flexible project management and education offerings. Project Managers and Consultants guide the team through an efficient and proven process by providing assistance during the 5 key phases Momentum phases.

The core Momentum Methodology is adaptable and responsive to an individual project's requirements, while still providing relentless repeatability and a consistently high quality customer experience.

4.1. SOLUTION ASSESSMENT AND DESIGN

During this phase of the project, Kronos assists Rockford Public Schools with ensuring all applicable requirements and Solution Design documents for the implementation of the product(s) are understood and completed.

**Customer's Obligation**

Prior to this phase of the project, Rockford Public Schools shall arrange for acquisition and setup of necessary system hardware and establish Internet connectivity at the server(s). Rockford Public Schools shall also arrange for installation and network testing of the Timekeeper terminals, if purchased. In addition to completing the requisite Kronos training, the Rockford Public Schools Project Manager shall ensure that all internal resources are coordinated and scheduled to participate in each assessment per their domain expertise or role as a decision maker. Also during this phase, the Rockford Public Schools Project Manager shall begin to develop testing and education plans.
4.2. SOLUTION BUILD

During this phase of the project Kronos installs and builds the solution per the Solution Design documents. In addition, Kronos will perform basic unit testing to validate the build against the Solution Design document.

Customer's Obligation

During this phase of the project Rockford Public Schools will provide access and security to the applicable network and servers and dedicate or make available, appropriate resources with the necessary domain experience. This includes IT resources to participate in terminal configuration and testing, and configure system backups. It may be necessary for the Rockford Public Schools Project Manager to provide communication and access to a Third Party Software vendor during the build and testing of integration components or custom attributes.

4.2.1. DATA CONVERSION

During the data conversion Kronos provides access to the data conversion tutorial, walks Customer through Data Conversion Templates, provides Customer Data Mapping Guidance, and converts active employees' demographics data in the current calendar year. In addition, Kronos will perform basic unit testing.

Customer's Commitment - Current HR/PR Employee Data

Data conversion is an important customer responsibility involving completion of data conversion templates. Most customers assign teams to convert data for the new system and find that their existing data contains a significant amount of invalid, incomplete, or contradictory data.

In order to have your new system loaded with complete and accurate data, the data reconciliation process is best handled by HR and payroll specialists familiar with the data rather than by IT professionals employing data-conversion routines. Careful planning of your team's effort for this task is crucial to avoid an increase to the project budget should Kronos need to repeat the launch processes due to data errors or more than one attempt for any one template. The Steps:

1. The customer project team extracts and "cleans" current data* from existing legacy databases. *Current data is defined as active employees, retired employees (covered by insurance), and employees who were terminated in the calendar year in which the customer is going live.
2. With Kronos guidance, the customer populates the Kronos-provided launch tool templates with their clean data.

The current data that will be imported to the database as part of this estimate is:

Workforce HR

• Organization information
• Pay grade code information
• Job code information
• Position code information
• Position information
• Employee information
• Employment status information
• Pay status information
• Benefit enrollment*

*Benefit enrollments will be launched if benefit configuration is part of the estimate.

4.3. SOLUTION TESTING AND DEPLOYMENT

During this phase of the project Kronos supports the Rockford Public Schools project team with testing to the Product Design document, resolving all critical open issues as well as deployment planning and support.

Customer's Obligation

During this phase of the project Rockford Public Schools will finalize the test plan to support unit, integration and operational testing; complete test case scenarios in the Solution Validation Workbook; dedicate or make available on an as-needed basis, appropriate resources to test the product(s), ensuring representatives from all affected user communities participate in the test cycle. Rockford Public Schools will also coordinate testing with other vendors, and if applicable, test and validate the data transfer from Kronos to other vendors. Rockford Public Schools testing team will utilize the Solution Validation Workbook for unit and parallel testing and maintain the workbook as needed until testing is complete. Rockford Public Schools will also write operational procedures and train user as needed for a successful deployment.
## 5. PROJECT SCOPE DETAIL

### 5.1. APPLICATION BUILDING BLOCKS

<table>
<thead>
<tr>
<th>General Information</th>
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<tbody>
<tr>
<td>Number of Employees in Project Scope</td>
</tr>
<tr>
<td>Number of Sites (facilities, locations etc.)</td>
</tr>
<tr>
<td>Decentralized</td>
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<tr>
<td>Number of Managers that will be supported</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Workforce Central Technology Factors</th>
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</thead>
<tbody>
<tr>
<td>Total number of environments</td>
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<tr>
<td>The database platform will be</td>
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<table>
<thead>
<tr>
<th>Integrations In Scope</th>
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</thead>
<tbody>
<tr>
<td>• 1 Workforce HR: Employee Demographic Export to Payroll (SunGard)</td>
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<tr>
<td>This product will be implemented in phase</td>
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<td>Number of Assessment Groups</td>
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<tr>
<td>Number of Deployment Groups</td>
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</table>

<table>
<thead>
<tr>
<th>Workforce HR Professional Services Scope</th>
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<tbody>
<tr>
<td>• Application Install - HR</td>
</tr>
<tr>
<td>• Lead Application Configuration Assessment</td>
</tr>
<tr>
<td>• Standard Configuration: 1 Product Design, 1 Consistent Org Structure w/pay grades, positions, reporting &amp; security, Benefits Mgmt, 3 Alerts, 3 Navigators, 1 Test Group, 1 Prod EE Demographic Data Conversion for ee's employed in calendar year HR is live</td>
</tr>
<tr>
<td>• 10 Workforce HR: # of HR Administrators</td>
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<tr>
<td>• 1 EINs: # of EINs</td>
</tr>
<tr>
<td>• Consulting: Skills, Proficiency, License, Certification Tracking and Training Tracking</td>
</tr>
<tr>
<td>• Basic Employee Self-Service</td>
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<tr>
<td>• Basic Manager Self-Service</td>
</tr>
<tr>
<td>• Life Events Bundle - 9 life event library templates</td>
</tr>
<tr>
<td>• Step in Grade</td>
</tr>
<tr>
<td>• Standard Testing Guidance</td>
</tr>
<tr>
<td>• Deployment Planning and Go-Live Support</td>
</tr>
</tbody>
</table>
6. EDUCATIONAL SERVICES

6.1. INTRODUCTION
As part of your overall solution, Kronos Educational Services are included to help secure maximum user adoption. Kronos Educational Services has included an education strategy to train the implementation, functional and technical project team members and end users. The curriculum is structured by employee job role to ensure that each member of your team who interacts with the application has a clear learning path designed to develop knowledge in a logical sequence.

See Section 8 - Educational Courses for specific recommended training courses.

NOTE: Educational courses that are listed as BAYG-ILT will be invoiced separately on an ‘as consumed basis’ or also known as ‘Bill As You Go’.

6.2. EDUCATIONAL SERVICES IN SCOPE

<table>
<thead>
<tr>
<th>Educational Service</th>
<th>Description</th>
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<tbody>
<tr>
<td>Project Team Training</td>
<td>Includes product classes designed for key project team member based on individual job roles. All course delivery is purchased via training points to allow you to plan and budget training for your organization, yet give you flexibility to select specific courses to meet your implementation and continuing education needs. Training points can be used toward instructor-led training in the virtual classroom, in the traditional classroom, and for onsite training. Online course descriptions include the training point value. Each course has a point value that equals the price of the class. Pricing for public classes, both virtual and in a Kronos classroom, is based on one student per paid seat. Pricing for each private event is based on a daily rate for the number of planned attendees. If additional students attend training, additional fees may be incurred. The total training points and associated cost will be reflected on your Sales Agreement.</td>
</tr>
<tr>
<td>KnowledgePass™ Subscription</td>
<td>KnowledgePass™ is an online educational portal that provides 24/7 anytime-anywhere access to in-depth training content to help your employees maximize productivity and achieve their goals from implementation to optimization. Gain instant access to helpful tutorials, job aids, in-depth, hands on tools, webinars, and educational documents to help your team succeed.</td>
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7. PROJECT COSTS AND RATE SCHEDULES

All amounts are quoted in USD.

7.1. PROFESSIONAL SERVICES – On-Going Overall Project Management To Be Delivered by Kronos

<table>
<thead>
<tr>
<th>Role</th>
<th>Quantity</th>
<th>Unit of Measure</th>
<th>Part Number</th>
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<td>HR</td>
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7. PROJECT COSTS AND RATE SCHEDULES - con't

7.2. PROFESSIONAL SERVICES – PHASE 1 – CORE HR – 12 WEEKS - To Be Delivered by JK Seva

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<thead>
<tr>
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PROFESSIONAL SERVICES MILESTONES AND INVOICE SCHEDULE – PHASE 1

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<td>Project Management Delivered by Kronos</td>
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<tr>
<td>Completion of Initial HR Product Design Document</td>
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<td>Completion of Configuration for Core HR</td>
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<td>Customer Access to Production Environment</td>
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<tr>
<td>Initial Go-Live of Core HR</td>
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<tr>
<td>Project Management Delivered by Kronos</td>
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<tr>
<td><strong>Total – Phase One</strong></td>
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7. PROJECT COSTS AND RATE SCHEDULES – cont'

7.3. PROFESSIONAL SERVICES – PHASE 2 – ADDITIONAL HR FUNCTIONALITY – 8 WEEKS
To Be Delivered by JK Seva

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<thead>
<tr>
<th>Role</th>
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<th>Part Number</th>
<th>Rate</th>
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<tbody>
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<td>HR</td>
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PROFESSIONAL SERVICES MILESTONES AND INVOICE SCHEDULE – PHASE 2

<table>
<thead>
<tr>
<th>Deliverable</th>
<th>Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Completion of Configuration of Event Management for Training &amp; Certification</td>
<td>$21,612.50</td>
</tr>
<tr>
<td>Configuration of Compensation Management and Step in Grade</td>
<td>$21,612.50</td>
</tr>
<tr>
<td>Delivery of HR Module Mentoring by JK Seva</td>
<td>$2,800.00</td>
</tr>
<tr>
<td>Project Management Delivered by Kronos</td>
<td>$1,225.00</td>
</tr>
<tr>
<td>Total – Phase 2</td>
<td>$47,250.00</td>
</tr>
</tbody>
</table>
## 8. EDUCATIONAL COURSES

### 8.1. EDUCATIONAL COURSES

<table>
<thead>
<tr>
<th>Product Name</th>
<th>Part Number</th>
<th>Quantity</th>
<th>Unit of Measure</th>
<th>Rate</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bill-As-You-Go Instructor Lead Training</td>
<td>BAYG-ILT</td>
<td>21600</td>
<td>PTS</td>
<td>$0.90</td>
<td>$19,440.00</td>
</tr>
<tr>
<td>WF HR Mentoring &amp; Custom Workshop (JK Sava to Deliver)</td>
<td>--</td>
<td>32</td>
<td>HRS</td>
<td>$175.00</td>
<td>$5,600.00</td>
</tr>
<tr>
<td><strong>Total Estimated Educational Services</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>$25,040.00</strong></td>
</tr>
</tbody>
</table>

### PROJECT TEAM TRAINING (BAYG-ILT)

<table>
<thead>
<tr>
<th>Course Name</th>
<th># of Seats/Qty</th>
<th>Unit of Measure</th>
<th>Points</th>
<th>Total Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>WF HR 7.0 Administering the Application</td>
<td>2</td>
<td>Seat</td>
<td>1200</td>
<td>2400</td>
</tr>
<tr>
<td>WF HR 7.0 Configuring Benefit Plans</td>
<td>2</td>
<td>Seat</td>
<td>1200</td>
<td>2400</td>
</tr>
<tr>
<td>WF HR 7.0 Managing Employee Data</td>
<td>4</td>
<td>Seat</td>
<td>500</td>
<td>2000</td>
</tr>
<tr>
<td>WF HR 7.0 Managing Self Service</td>
<td>1</td>
<td>Unlimited</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>WF HR 7.0 Project Team Fundamentals</td>
<td>4</td>
<td>Seat</td>
<td>500</td>
<td>2000</td>
</tr>
<tr>
<td>WF HR/PR 7.0 Performing Core Tasks</td>
<td>4</td>
<td>Seat</td>
<td>275</td>
<td>1100</td>
</tr>
<tr>
<td>WF HR 7.0 Basic Interface</td>
<td>2</td>
<td>Seat</td>
<td>3250</td>
<td>6500</td>
</tr>
<tr>
<td>WF HR 7.0 Advanced Interface</td>
<td>2</td>
<td>Seat</td>
<td>2600</td>
<td>5200</td>
</tr>
</tbody>
</table>

### END USER TRAINING

<table>
<thead>
<tr>
<th>Service Name</th>
<th>Quantity</th>
<th>Unit of Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>WFC 7.0 Employee User Adoption Kit</td>
<td>1</td>
<td>Unlimited</td>
</tr>
<tr>
<td>WF HR Mentoring and Custom Workshop</td>
<td>1</td>
<td>Program</td>
</tr>
</tbody>
</table>
9. TOTAL PROJECT COSTS

9.1. SOLUTION SUMMARY

<table>
<thead>
<tr>
<th>Service Type</th>
<th>Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional Services – Phase 1</td>
<td>$100,275.00</td>
</tr>
<tr>
<td>Professional Services – Phase 2</td>
<td>$47,250.00</td>
</tr>
<tr>
<td>Educational Services (BAYG-ILT)</td>
<td>$19,440.00</td>
</tr>
<tr>
<td><strong>Total Estimated Investment</strong></td>
<td><strong>$166,965.00</strong></td>
</tr>
</tbody>
</table>

*Travel Expenses for this project are to not exceed $7,500.00, which includes five (5) trips to customer site of up to five (5) days for each trip. If additional travel is required, prior written approval from the customer must be obtained.*
10. OPTIONAL ADD-ON SERVICES

10.1. OPTIONAL ADD-ONS

It should be noted that the 'Optional Add-On Services' listed below are not included within this project scope, but can be purchased separately as indicated.

## Optional Add-Ons

<table>
<thead>
<tr>
<th>Service Type</th>
<th>Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance Management/Review Configuration</td>
<td>$9,814.50</td>
</tr>
<tr>
<td>Import of Performance Management Scores</td>
<td>$7,270.00</td>
</tr>
<tr>
<td>Process Manager Mentoring (24 hrs)</td>
<td>$4,362.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Training Type</th>
<th>Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>WF HR 7.0 Intro to Crystal Report Writing (2 Seats)</td>
<td>$2,392.00</td>
</tr>
<tr>
<td>F HR 7.0 Integrating Advanced Crystal Reports (2 Seats)</td>
<td>$2,392.00</td>
</tr>
</tbody>
</table>
11. SIGNATURES AND APPROVALS

SUBMITTED AND APPROVED BY KRONOS REPRESENTATIVE

By: [Signature]  Date: December 16, 2014

Title: Sr. Vice President, Global Sales

This Services Scope Statement is subject to Rockford Public Schools' agreement with Kronos governing Professional, Education and Cloud Services. By signing below, Rockford Public Schools' authorized representative agrees to purchase the services described herein.

ACCEPTED AND AGREED

Rockford Public Schools

By: [Signature]  Date: 12/22/14

Title: Superintendent

Rockford Public Schools may make necessary copies of this document for the sole purpose of facilitating internal evaluation and/or execution of proposed project. Otherwise, the document or any part thereof may not be reproduced in any form without the written permission of Kronos Incorporated. All rights reserved. Copyright 2014.
APPENDIX A

1.1. ENGAGEMENT GUIDELINES

Please review the Kronos engagement guidelines:

Professional and Educational Services Engagement Policies

The following are intended to provide the policies under which Kronos Professional and Educational Services will operate during the course of a customer engagement:

1. Kronos will provide the Customer with a Services Scope Statement (also known as the “Statement of Work” or SOW) that outlines the project deliverables and provides an estimate for the project scope and cost required to complete the engagement, based upon preliminary information provided by the Customer. If during the Assess Phase, information is discovered that was not provided by the customer, Kronos and the Customer will work together to determine the impact to the project and attempt to identify ways to resolve without modifying the scope or budget.

2. The Services Scope Statement is valid for one year from the date of signature.

3. Any changes to the project scope and/or project duration will be reflected through the generation of a Kronos Change Order, which is initiated by the Kronos Project Manager and approved and signed by the Customer.

   a. These changes could be due to an increase or change in project scope or deliverables, insufficient customer resources or time commitment, changes to customer project schedule, or technical limitations.

4. Unless otherwise addressed within these policies, the hourly rate(s) quoted within a Change Order for work to be performed within normal business hours will be consistent with that contained within the original Services Scope Statement. In instances where specialized resources are requested, but not contained within the original Services Scope Statement, the quoted rate will be established as Kronos’ current rate for such requested services.

5. Kronos personnel working at the Customer site shall have access to necessary infrastructure (servers, network, etc.).

6. In instances where Kronos personnel are working remotely access will be granted through the use of industry standard tools (VPN, DTS, GoToMyPC, PCAnywhere, etc.).
7. Customer agrees to not hire any Kronos employee who has performed services under the Agreement for a period of one-year after the completion of such services.

8. If not hosted by Kronos Cloud Services, all required system administration, maintenance, backups, tuning, etc., is the responsibility of the Customer.

9. Customer Data: To perform the implementation and to provide support after completion, Kronos may need to access and retain information regarding your employees and business organization. Kronos will take all reasonable steps to limit and safeguard the security of this information.

10. Scheduled Work Policies:

   a. Professional Services

      i. Professional Services work will be conducted during normal business hours, 8:00AM – 5:00PM, Monday through Friday.

      ii. All Professional Services work scheduled to start outside of normal business hours will be billed in full at a premium rate described below. For work to be performed after hours, on holidays, or on weekends, an approved Change Order will be required prior to scheduling (see Change Order Process below). Customers will be charged as follows:

         1. All Professional Services will be scheduled and billed in 4 hour increments with a minimum charge of 4 hours.

            a. After Hours

               i. All scheduled work will be billed at 1.5 times the contract rate by role

               ii. After Hours is considered 5:00PM-8:00AM, Monday through Friday

            b. Weekends

               i. All scheduled work will be billed at 2.0 times the contract rate by role

               ii. Weekends are considered 5:00PM Friday through 8:00AM Monday

            c. Holiday

               i. All scheduled work will be billed at 2.0 times the contract rate by role

               ii. Holidays are any Kronos recognized Holidays, which include: New Year’s Day, President’s Day, Memorial Day, Independence Day, Thanksgiving Day, the day after Thanksgiving, Christmas Day.
b. Education Services

   i. All training course delivery scheduled to start outside of normal business hours will be billed in full at a premium rate described below. Customers will be charged as follows:

   1. After Hours

      a. There will be a 1.5 times premium per student for public courses or per class for private day rates

      b. After Hours is considered 5:00PM-8:00AM, Monday through Friday

   2. Weekends

      a. There will be a 2.0 times premium per student for public courses or per class for private day rates

      b. Weekends are considered 5:00PM Friday through 8:00AM Monday

   3. Holidays

      a. There will be a 2.0 times premium per student for public courses or per class for private day rates

      b. Holidays are any Kronos recognized Holidays, which include: New Year’s Day, President’s Day, Memorial Day, Independence Day, Thanksgiving Day, the day after Thanksgiving, Christmas Day.

11. Travel Policies

   a. Customer is responsible for airfare, lodging and related travel expenses for onsite consultants.

   b. Customer is responsible for travel costs for employees attending training at a Kronos location.

   c. Customer is responsible for travel and related costs for a Kronos trainer providing instruction at the Customer location.

   d. If a Kronos employee is required on-site per the customer request, a minimum of 8 hours will be billed per day.

12. Cancellation Policies: Kronos requires notification for the cancellation or rescheduling of Kronos personnel as well as the cancellation of Instructor led classes. Customer will be charged for failure to meet the following notification requirements:
a. Professional Services:
   
   i. 2 business days prior to scheduled work – 50% of planned charges are invoiced for schedule work
   
   ii. 1 business day prior to scheduled work – 100% of planned charges are invoiced for scheduled work
   
   iii. Business days are: Monday, Tuesday, Wednesday, Thursday, and Friday, excluding Holidays
   
   b. Education Services:
      
      i. For any PUBLIC course held in the traditional classroom or in the virtual classroom, attendees must cancel at least five business days before the class start date to avoid cancellation fees (equal to the cost of the course). Student substitutions can be made at any time as long as prerequisites have been met.
      
      ii. For any PRIVATE course held at a customer site, in the traditional classroom, or in the virtual classroom: attendees must cancel at least ten business days before the class start date to avoid cancellation fees (equal to the cost of the course). Student substitutions can be made at any time as long as prerequisites have been met.
   
   c. Cancellation Policy Example:
      
      i. Work is schedule for Wednesday, 1p-5p (4 hours)
      
      ii. If customer cancels on:
          
          1. Friday – no penalty
          
          2. Monday – 50% of planned charges are invoiced (2 hours)
          
          3. Tuesday – 100% of planned charged are invoiced (4 hours)
   
   d. Cancellation Policy Example with a Holiday:
      
      i. Work is schedule for Wednesday, 1p-5p (4 hours)
      
      ii. If customer cancels on:
          
          1. Thursday – no penalty
          
          2. Friday – 50% of planned charges are invoiced (2 hours)
          
          3. Monday – holiday, doesn't count as "business day"
4. Tuesday – 100% of planned charged are invoiced (4 hours)

13. Additional Education Services Policies

   a. All Instructor-led Educational Services classes will be held at a Kronos facility, or via the Kronos Virtual Classroom (if offered in that modality), unless Customer has purchased onsite location training.

For questions, please contact PMO@kronos.com
KRONOS SALES, SOFTWARE LICENSE AND SERVICES TERMS AND CONDITIONS

Rockford Public Schools District 205 (“Customer”) and Kronos Incorporated (“Kronos”) agree that the terms and conditions set forth in this Exhibit shall be incorporated in the Agreement and shall apply to all Kronos Equipment, Software, Professional and Educational Services, Support, and such other Kronos offerings, as specified on an order form (an “Order Form”) signed by the parties which expressly references this Agreement (or is signed contemporaneously hereto). Agreement shall mean Software License and Services Agreement to which this document is attached.

Kronos and Customer hereby agree that the terms and conditions of this Agreement apply to any Order Form executed by Kronos and Customer which expressly references this Agreement (including any Order Form signed contemporaneously with this Agreement regardless of the appearance of any express reference to this Agreement). Either party may discontinue use of this Agreement for future orders upon thirty (30) days prior written notice to the other party, provided however that any Order Form signed by the parties prior to the effective date of such notice shall remain in effect unless otherwise specifically terminated in accordance with the terms of this Agreement. Kronos may require additional terms and conditions for the sale of license of products or services not contemplated by this Agreement (including without limitation those that may be related to international services) provided that no such additional terms and conditions shall be binding upon Customer without Customer’s prior written consent. Notwithstanding, Kronos will not be obligated to accept or approve an order for any products or services for which such additional terms and conditions are required. 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.

1. PAYMENT AND DELIVERY
   Unless otherwise set forth in this Agreement, 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. Customer is a body corporate and politic in the state of Illinois and is exempt from the payment of taxes otherwise applicable to this contract. If Customer does not provide such certificate of exemption, Customer agrees to pay all applicable taxes levied or based on the products, services or other charges hereunder, including 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 net income. If full payment is not made within 90 days of final payment due date, Customer is responsible for all expenses, including legal fees, incurred by Kronos for collection.

2. GENERAL LICENSE TERMS
   Kronos vests in the Customer the right to use 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 secrets and technology. Unauthorized use or 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, non-transferable, 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 these Terms and Conditions 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 these Terms and Conditions.

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 sublicense or assign the Software to, or otherwise permit use of the Software (including time-sharing 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 or any part thereof to source code. Customer may make copies of the Software in order to back up the copy in the Software and for disaster recovery and testing purposes only. 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 of 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.

5. PERMITTED COPIES
   Customer may make copies of 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 of 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. 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 Agreement. Customer must obtain Kronos’ prior written consent before exporting the Software.
8. 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, at Kronos’ sole expense, if Customer has downloaded any firmware to which Customer is not entitled. If Customer has downloaded firmware for the Kronos Equipment to which Customer is not entitled, Customer shall be responsible to pay Kronos for such updated firmware in accordance with Kronos’ then-current support policies.

9. 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](http://customer.Kronos.com) and each session has the Training Points value indicated. Training Points may be redeemed at any time within 12 months of the date of the applicable Order Form, as which time they shall expire. Training Points may not be exchanged for other Kronos products and/or services. Kronos will invoice Customer for the Training Points identified in the Order Form upon execution of such Order Form with payment due upon the payment terms indicated in such Order Form.

10. 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 60 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 60 days to correct the deficiency, and Customer shall have an additional 60 days to evaluate the Equipment and Software. If the Equipment or Software does not meet all the requirements, 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 all monies paid by Customer to Kronos for the returned Equipment and Software provided under the Agreement. Neither party shall then have any further liability to the other for the products that were subject of the Acceptance Test.

11. Limited Warranty
11.1 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 defective Equipment and/or Software media, at Kronos’ option and sole cost, 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 badgers 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.

11.2 For so long as Customer maintains the Software under a support plan with Kronos, Kronos represents and warrants that the Equipment and Software will perform in material conformance with the Specifications. In the event of a breach of this warranty, Customer’s exclusive remedy shall be Kronos’ repair or replacement of the defective Equipment and/or Software, as provided in the applicable support plan at Kronos sole cost. In the event that Kronos’ repair or replacement of the deficient Equipment or Software does not remedy the breach, Customer shall be entitled to seek actual and direct damages consistent with the terms of the Agreement.

12. 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 and cost of defense) 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 be 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 upon the condition that such replacement or modified Software substantially maintain the functionality as provided in the Specifications; or (iii) should such options not be available at reasonable expense, terminate this Agreement with respect to the affected Software upon ninety (90) days prior written notice to Customer. In such event of termination, Customer shall be entitled to a pro-rata refund of all fees and expenses paid to Kronos for the affected Software and associated training and education services, 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.

13. Professional and Educational Services
(a) Travel Expenses
Except to the extent otherwise provided in the Agreement, Customer agrees to reimburse Kronos for all reasonable and necessary travel incurred by Kronos in the performance of any professional and/or educational services and approved in advance by Customer, 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, of the amount of such travel expenses,
incurred by Kronos to deliver purchased professional services and/or educational services in accordance with the Kronos Travel and Expense Policies. Customer will be billed by Kronos for such travel expenses and payment thereof shall be due as provided in the Agreement.

(b) ENGAGEMENTS

Unless otherwise indicated on the Order Form, Professional and Educational Services ("Professional Services") shall be provided on a time and material basis at the rates set forth in the Order Form. 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. The parties acknowledge that the initial project is based on a fixed fee engagement. 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 in advance by the parties.

(c) WARRANTY

Kronos warrants that all professional and educational services performed under this Agreement shall be performed in a professional and competent manner by fully trained Kronos personnel with appropriate knowledge in relation with the Kronos products and services identified in the Order Form. 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.

(d) 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/ProfessionalServicesPolicies.PDF ("Professional Services Policies"). In the event of a conflict between the Professional Services Policies and the Agreement, the terms of the Agreement shall prevail. The parties agree that Customer may attach the then current Professional Services Policy to the applicable SOW and such policy shall govern the professional and educational services provided for the scope of such project. For the initial project, the Professional Services Policies are attached to this Agreement.

14 SOFTWARE SUPPORT SERVICES

(a) 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. Customer may purchase support services on a per occurrence basis in accordance with the terms and conditions of Kronos’ standard Equipment Support Services Agreement a copy of which is attached to the Agreement.

(b) INTENTIONALLY DELETED AS INAPPLICABLE.

(c) TERM OF SOFTWARE SUPPORT

Unless otherwise indicated on the Order Form, support service shall commence on the date of Software Delivery and shall continue for an initial term of one (1) year. Support service shall automatically renew for additional one year terms on the anniversary date of its commencement date, unless either party notifies the other in writing sixty (60) days prior to that anniversary renewal date. 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, provided however, any material changes to the Services Offerings or Service Coverage period shall not be effective and enforced against Customer unless and until Customer executes the Support Services for the subsequent support 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.

(d) 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’ then-current time and materials rate.

(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/Support/services/gold-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.

(e) 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 two 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 Agreement 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. Travel and expenses are not included and shall be paid by Customer.

(i) 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.

(g) ADDITION OF SOFTWARE
Additional Software purchased by Customer during the initial or any renewal term shall be added to this Agreement 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, and any such addition shall be automatically renewed as provided in these terms.

(h) RESPONSIBILITIES OF CUSTOMER
Customer agrees 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 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, 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.

(i) DEFAULT
Subject to the termination provisions of the Agreement, 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 prorata 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.

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

(k) 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/SupportSupportServicesPolicies.htm (“Support Policies”). In the event of a conflict between the Support Policies and this Agreement, the terms of this Agreement shall prevail. The current Support Policies are attached hereto as Exhibit [4] to the Agreement. In the event that Kronos makes a material change to the Support Policies that diminishes a support offering as described in this Agreement, Kronos will provide Customer with at least thirty (30) days prior written notice of any such change. Any such changes to the Support Policies, however, shall not be effective or applied against Customer unless and until Customer elects to renew the support services for the subsequent renewal year and then only elected in the subsequent renewal year.

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:

(a) Scope: The KnowledgePass Education Subscription is available to customers who are licensing Kronos Workforce Central or iSeries Timekeeper Software only, 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 projects 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

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

(c) Payment: Customer shall pay the annual subscription charge, if any, 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.

(d) 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 content of Training Kits solely for Customer’s internal use.

(e) 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. CONFIDENTIAL INFORMATION
“Confidential Information” is defined as information that is (i) disclosed between the parties after the date of the 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 the length or other markings, by the circumstances of disclosure or the nature of the information itself. Additionally, the Software (and Software documentation),
and the Specifications shall be deemed to be Kronos' Confidential Information. 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. The obligation of confidentiality shall survive for three (3) years after the disclosure of such Confidential Information.

These Terms and Conditions impose 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 the 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, or (e) was required to be disclosed by applicable law, including without limitation the public records laws; provided that the receiving party notifies the disclosing party of such requirement prior to disclosure, and provided further that the receiving party makes diligent efforts to limit disclosure. This paragraph is intended to be in pari materia with the Records and confidentiality provisions of the Agreement.

17. LIMITATION OF LIABILITY
Deleted Intentionally, see section 21 of the Agreement.

19. GENERAL
(a) This Agreement shall be governed by Illinois law, 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 Convention 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.

(b) THIS SECTION WAS DELETED INTENTIONALLY.
(c) THIS SECTION WAS DELETED INTENTIONALLY.
(d) Neither party shall be liable for failures or delays in performance due to causes beyond its reasonable control, including war, strikes, lockouts, fire, flood, storm or other acts of God. Both parties agree to use their best efforts to minimize the effects of such failures or delays.

(e) THIS SECTION WAS DELETED INTENTIONALLY.
(f) THIS SECTION WAS DELETED INTENTIONALLY.

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

(i) The Agreement and any information expressly incorporated in these Terms and Conditions (including information contained in any referenced URL), together with the applicable Order Form and all other exhibits and attachments to the Agreement, 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. These Terms and Conditions 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 future product in executing this Agreement. (j) 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 221.227-7013, or subparagraph (c)(1)(ii) 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.
(k) 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. To the extent the Customer, as a state entity, lacks authority under Illinois law to agree to any of the terms or conditions of the JBoss license incorporated by reference, such terms and conditions shall not be included in this Agreement.
Exhibit D
Kronos Equipment Support

This Exhibit is an Addendum to the Sales, Software License and Services Terms and Conditions between Kronos and Customer under the Software License and Services Agreement (the Agreement).

The following terms and conditions shall supplement the terms and conditions of the Terms and Conditions and shall govern the Equipment support services ("Equipment Support Services") provided by Kronos to Customer for Customer's Kronos Equipment specified on a Kronos order form (the "Order Form"). In the event of a conflict or inconsistency between the Terms and Conditions and this Addendum, this Addendum shall govern. Capitalized terms not otherwise defined herein shall have the meanings prescribed to them in the Agreement.

Kronos is providing the Equipment and Equipment Support Services identified in the Order Form. Kronos shall provide the Equipment Support Services specified in the Order Form and in the applicable Kronos Support Policies.

1. TERM

Equipment Support Services have a term of one (1) year commencing upon the expiration of the applicable warranty period ("Equipment Renewal Date"), as specified in the Terms and Conditions. Kronos Equipment Support Services for the second year and third year 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 will send Customer the renewal quote not less than 60 days prior to the expiration of the third year of service of the next Renewal Date. The Equipment Support Services shall not renew automatically after expiration of the third service year but by mutual written agreement of the parties or by Kronos sending to Customer an invoice for the applicable renewal term and the Customer paying such invoice prior to the commencement of such renewal term. Kronos may change the annual support charges effective at the end of the initial one (1) year term or effective on the Renewal Date, by giving Customer at least sixty (60) days prior written notification. For the initial 2 renewal years from the date of the Agreement, the annual support fees for the same Equipment Support option and the same Equipment type and count, will not increase by more than 4% over the prior year's annual support fee.

2. PAYMENT

Customer agrees to pay the Support Charges within 45 days of the receipt of invoice 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 forty-five (45) days of receipt of invoice.

3. EQUIPMENT SUPPORT SERVICE

(a) Depot Exchange and Depot Repair

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.

(b) Device Software Updates Only

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.

4. 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:

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

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

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

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

(e) 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.

5. EXCLUSIONS

Equipment Support Service does not include the replacement of "consumables" (i.e., batteries). In addition, Equipment Support Service does not include the repair of damages, and Customer will not attempt to return damaged Equipment, resulting from:
(a) Any cause external to the Equipment 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’ written installation guidelines) including, but not limited to, adequate electrical power;

(c) Customer’s improper use, relocation, packaging, or refinishing of the Equipment or other failure to use Equipment in accordance with Kronos’ published specifications;

(d) Customer’s use of the Equipment 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 Equipment; or

(f) Customer’s repair, attempted repair or modification of the Equipment.

Professional services provided by Kronos in connection with the installation of any Equipment or to update the service packs or firmware, if requested by Customer, are not covered by Equipment Support Services.

6. 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 shipping addresses for services under this Agreement shall be located within the United States.

7. DEFAULT, SUSPENSION, AND TERMINATION

Under the Depot Exchange Support option, Kronos may suspend Equipment Support Services if Customer does not ship Failed Equipment to Kronos within ten (10) business days of receipt of the Replacement Equipment. Kronos will restore Equipment Support Services upon return of such Failed Equipment or upon payment at the then-prevailing Kronos list price for such unreturned Failed Equipment. The term of the Agreement shall not be extended or affected by any such suspension.

Customer may terminate Equipment Support Services, pursuant to the termination provisions of the Agreement, and if Kronos is in default under the Agreement, and such default is not corrected within thirty (30) days after written notice. Kronos may terminate Equipment Support Services if Customer defaults under the Agreement with Kronos, and such default is not corrected within thirty (30) days after written notice.

8. WARRANTY DISCLAIMER

EXCEPT AS SPECIFICALLY SET FORTH HEREIN, ALL OTHER WARRANTIES FOR THE EQUIPMENT SUPPORT SERVICES PROVIDED HEREUNDER, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF FITNESS FOR ANY PARTICULAR PURPOSE AND MERCHANTABILITY, ARE EXCLUDED BY AGREEMENT OF THE PARTIES.
Exhibit E
Professional and Educational Services Engagement Policies

The following are intended to provide the policies under which Kronos Professional and Educational Services will operate during the course of a customer engagement:

1. Kronos will provide the Customer with a Services Scope Statement (also known as the "Statement of Work" or SOW) that outlines the project deliverables and provides an estimate for the project scope and cost required to complete the engagement, based upon preliminary information provided by the Customer. This Services Scope Statement is an estimate; the Assess Phase of the engagement will be used to determine whether modifications to the project scope or project budget are required.

2. The Services Scope Statement is valid for one year from the date of signature.

3. Any changes to the project scope and/or project duration will be reflected through the generation of a Kronos Change Order, which is initiated by the Kronos Project Manager and approved and signed by the Customer. These changes could be due to an increase or change in project scope or deliverables, insufficient customer resources or time commitment, changes to customer project schedule, or technical limitations.

4. Unless otherwise addressed within these policies, the hourly rate(s) quoted within a Change Order for work to be performed within normal business hours will be consistent with that contained within the original Services Scope Statement. In instances where specialized resources are requested, but not contained within the original Services Scope Statement, the quoted rate will be established as Kronos' current rate for such requested services.

5. Kronos personnel working at the Customer site shall have access to necessary infrastructure (servers, network, etc.).

6. In instances where Kronos personnel are working remotely access will be granted through the use of industry standard tools (VPN, DTS, GoToMyPC, PCAnywhere, etc.).

7. Customer agrees to not hire any Kronos employee who has performed services under the Agreement for a period of one-year after the completion of such services.

8. If not hosted by Kronos Cloud Services, all required system administration, maintenance, backups, tuning, etc., is the responsibility of the Customer.

9. Customer Data: To perform the implementation and to provide support after completion, Kronos may need to access and retain information regarding your employees and business organization. Kronos will take all reasonable steps to limit and safeguard the security of this information.

10. Scheduled Work Policies:
   a. Professional Services
      i. Professional Services work will be conducted during normal business hours, 8:00 AM - 5:00 PM, Monday through Friday.
      ii. All Professional Services work scheduled to start outside of normal business hours will be billed in full at a premium rate described below.
      For work to be performed after hours, on holidays, or on weekends, an approved Change Order will be required prior to scheduling (see Change Order Process below). Customers will be charged as follows:
         i. All Professional Services will be scheduled and billed in 4 hour increments with a minimum charge of 4 hours.
            a. After Hours
               i. All scheduled work will be billed at 1.5 times the contract rate by hour
               ii. After Hours is considered 5:00 PM - 8:00 PM, Monday through Friday.
               b. Weekends
                  i. All scheduled work will be billed at 2.0 times the contract rate by hour
                  ii. Weekends are considered 5:00 PM Friday through 8:00 AM Monday.
               c. Holiday
                  i. All scheduled work will be billed at 2.0 times the contract rate by hour
                  ii. Holidays are any Kronos recognized Holidays, which include New Year’s Day, President’s Day, Memorial Day, Independence Day, Thanksgiving Day, the day after Thanksgiving, Christmas Day.

   b. Education Services
      i. All training course delivery scheduled to start outside of normal business hours will be billed in full at a premium rate described below.
      Customers will be charged as follows:
         1. After Hours
            a. There will be a 1.5 times premium per student for public courses or per class for private day rates
            b. After Hours is considered 5:00PM - 8:00 AM, Monday through Friday.
         2. Weekends
            a. There will be a 2.0 times premium per student for public courses or per class for private day rates
            b. Weekends are considered 5:00PM Friday through 8:00 AM Monday.
         3. Holidays
            a. There will be a 2.0 times premium per student for public courses or per class for private day rates
            b. Holidays are any Kronos recognized Holidays, which include New Year’s Day, President’s Day, Memorial Day, Independence Day, Thanksgiving Day, the day after Thanksgiving, Christmas Day.

11. Travel Policies
   a. Customer is responsible for airfare, lodging and related travel expenses for onsite consultants.
   b. Customer is responsible for travel costs for employees attending training at a Kronos location.
   c. Customer is responsible for travel and related costs for a Kronos trainer providing instruction at the Customer location.
   d. If a Kronos employee is required on-site per the customer request, a minimum of 8 hours will be billed per day.
12. Cancellation Policies: Kronos requires notification for the cancellation or rescheduling of Kronos personnel as well as the cancellation of instructor-led classes. Customer will be charged for failure to meet the following notification requirements:

a. Professional Services:
   i. 2 business days prior to scheduled work – 50% of planned charges are invoiced for schedule work
   ii. 1 business day prior to scheduled work – 100% of planned charges are invoiced for scheduled work
   iii. Business days are: Monday, Tuesday, Wednesday, Thursday, and Friday, excluding Holidays

b. Education Services:
   i. For any PUBLIC course held in the traditional classroom or in the virtual classroom, attendees must cancel at least five business days before the class start date to avoid cancellation fees (equal to the cost of the course). Student substitutions can be made at any time as long as prerequisites have been met.
   ii. For any PRIVATE course held at a customer site, in the traditional classroom, or in the virtual classroom, attendees must cancel at least ten business days before the class start date to avoid cancellation fees (equal to the cost of the course). Student substitutions can be made at any time as long as prerequisites have been met.

c. Cancellation Policy Example:
   i. Work is scheduled for Wednesday, 1p-5p (4 hours)
   ii. If customer cancels on:
      1. Friday – no penalty
      2. Monday – 50% of planned charges are invoiced (2 hours)
      3. Tuesday – 100% of planned charges are invoiced (4 hours)

d. Cancellation Policy Example with a Holiday:
   i. Work is scheduled for Wednesday, 1p-5p (4 hours)
   ii. If customer cancels on:
      1. Thursday – no penalty
      2. Friday – 50% of planned charges are invoiced (2 hours)
      3. Monday – holiday, doesn’t count as “business day”
      4. Tuesday – 100% of planned charges are invoiced (4 hours)

13. Additional Education Services Policies
a. All instructor-led Educational Services classes will be held at a Kronos facility, or via the Kronos Virtual Classroom (if offered in that modality), unless the Customer has purchased onsite location training.

For questions, please contact PMO@Kronos.com
Exhibit F
Support Policies and Services

Product Coverage

For each installation, Customers must purchase the same software support service type for all software and must purchase the same equipment support service type for all equipment of the same type. The latest Supported Product List is available at https://customer.kronos.com/support/status/index.htm.

Workforce Central suite

Kronos only provides service packs for the current release and the two immediately prior releases of the Software. We currently come out with new releases every eighteen months. Resolution of an issue may require that you upgrade to the current release of the Software.

For Workforce Payroll, when service packs are no longer provided Kronos will provide two quarterly legislative updates to provide you with additional time to upgrade Workforce Analytics (WFAN) — supported components include:

- All procedures and Database Objects associated with the Workforce Analytics databases.
- All WFAN for Healthcare Reports accessible through the “WFAN Advanced Reporting” link from the SharePoint Home Page that were delivered through the Core Product.

All Analysis Services Cubes found in the Workforce Analytics databases.

Kronos Secret Central suite

Kronos only provides service packs for the current release and the two immediately prior releases of the Software. Resolution of an issue may require that you upgrade to the current release of the Software.

Timekeeper Central

Kronos only provides “defect repairs” for the current release of the Software.

Kronos defines Version, Release, and Service Pack as follows:

**Version:** A software product upgrade that includes major new features or functionality.

**Release:** A software product upgrade that includes minor new features or functionality.

**Service Pack:** One or more defect repairs bundled into a single update. Service packs are cumulative — Service Pack N will, at minimum, include all of the changes delivered in Service Pack N-1.

The software product hierarchy is Version → Release → Service Pack.

**Updates**

Customers electing to undergo a major platform upgrade migration (i.e., from Timekeeper Central to Workforce Central suite or from OptiLink version 6 to OptiLink Plus version 7) are required to purchase the licenses to the new version at the applicable license fees.

**Support Exclusions**

Support service does not include service to the Software resulting from, or associated with:

1. Any cause external to the Software including, but not limited to, electrical work, fire, flood, water, wind, lightning and transportation, or any act of God; or
2. Customer's failure to continually provide a suitable installation environment as specified in Kronos' specifications; or
3. Customer's improper use, management or supervision of the Software or other failure to use the Software in accordance with Kronos specifications; or
4. Customer's repair, attempted repair or modification of the Software without prior authorization from Kronos; or
5. Customer's use of the Software for purposes other than those for which they are designed or the use of accessories or supplies not approved by Kronos; or
6. Customer's computer or operating system malfunctions; or
7. Services required for application programs and/or conversions from products or software not supplied by Kronos; or
8. Reprogramming, including reconfiguration of the Software or the rebuilding of Customer's database.

In addition to the Support exclusions above the following Services are NOT covered by your Kronos Support Service Agreement and are subject to the applicable Kronos Service rates:

1. Configuration Changes, Reprogramming, New Programming such as, but not limited to, Work Rules, Pay Rules, Accrual Rules, Profiles, Dashboards and Fields
2. Creating New Schedules
3. Terminal Programming and Cold Start
4. Pay Period Changes
5. Programming, modifying, implementing, training or troubleshooting the following:
   a. Data Integration Interfaces (i.e., Connect, Integration Manager, Analytics)
   b. Custom Reports
   c. Custom Application extensions
6. Editing Process Manager templates and creating new templates
7. Installing or reinstalling Applications such as, but not limited to,
   a. Adding a Workstation
   b. Moving the Application
   c. Reinstalling following a Hard Drive Crash
   d. Service packs
8. Database Administration Maintenance or Services such as, but not limited to,
   a. Database maintenance scripts
   b. Writing or customizing database scripts for data reporting and/or retrieval
   c. Performance Tuning
   d. Sizing
   e. Disaster Recovery
   f. Database backup strategy and/or setup
9. Establishing a Non-Production Environment such as, but not limited to,
   a. Test environments, i.e., application servers, database servers
   b. K-Demo
10. Troubleshooting Environmental Issues such as, but not limited to,
    a. Operating System
b. Network Issues

c. Firewalls
d. Servers
e. Workstations
f. Single Sign On

11. Custom Reports or Custom Application Extensions

12. Implementation or configuration services related to upgrading product such as, but not limited to,
   a. Software implementation
   b. Porting custom software (i.e., reports)
   c. Change management
   d. Training
   e. New functionality deployment
   f. Application interfaces

13. Service to Kronos custom software is not provided, unless otherwise specified on the applicable Order Form for such custom software.

14. Importing new data i.e. from acquisitions or purchasing of another company.

15. Load balancing configuration

16. Virtual server configuration

Support Discontinuance - End of Service Life
Kronos may discontinue support for the Software upon 30 days written notice to Customer, or at the anniversary date of the relevant support agreement, whichever is longer. If such support is discontinued during the initial or any renewal term of the relevant support agreement, the remaining value of the Agreement will be left as a credit on the account to be applied against any future invoices.

Restatement of Support Services
In the event that Customer allows Software or Equipment support services to lapse or if Customer did not originally purchase Software or Equipment support services and wishes to reinstate or procure such services, Customer must pay (i) the support services fees at list price for such lapsed or unprocured time period for when the products were not on support, and (ii) the annual support services at the then current list price for the applicable product(s), plus twenty per cent (20%) of the support services fees.

Service Coverage Period
Local* business hours, Monday through Friday, excluding Kronos holidays, with access to Kronos' technical support staff — Gold or Gold Plus Support. *Please check Contact Us on the Customer Portal with your Support Center for the specific business hours of coverage at your location from your Support Services group.

Support Services groups:
Australia 8:30 a.m. - 5:00 p.m. local time
Canada 8:30 a.m. - 5:00 p.m. local time
China 9:00 a.m. - 6:00 p.m. local time
India 9:00 a.m. - 6:00 p.m. local time
Mexico 9:00 a.m. - 6:00 p.m. Mexico Central Standard Time
UK 8:00 a.m. - 5:00 p.m. UK time
US 8:00 a.m. - 8:00 p.m. local time

24 hours a day, seven days a week, 365 days a year, with access to Kronos' technical support staff — Platinum or Platinum Plus Support

Priority Based Support
Kronos provides support on a "priority" basis. As such, customers with the most critical request(s) will be serviced first. Kronos Global Support has set up the following guidelines to assess the priority of each service request:

High Priority: A critical customer issue with no available workaround where the system or a module may be down, experiencing major system degradation, data corruption or other related factors resulting in the customer not being able to process their payroll such as:
- Unable to sign-off Time Cards
- Totals are not accurate
- Unable to collect punches from terminals
- Unable to access a critical application function such as scheduling

No workaround is available.

Medium Priority: A serious customer issue which impacts ability to utilize the product effectively such as:
- Intermittent or inconsistent functionality results or data accuracy - accrual balances not matching pay codes but balances are accurate
- Data display inaccuracies or inconsistencies across multiple tasks
- System performance is inconsistent or fluctuates

A workaround is available.

Low Priority: Non-critical problem generally Use and Usability issues and or "how to" questions such as:
- How do I set up a holiday pay rule?
- How do I run a report?
- How often should database maintenance be executed?

A workaround is available on the customer portal.

Response Time
Response time shall mean from the time the case priority is set by Kronos' Support Center until a Kronos support representative contacts the Customer to begin service. Kronos utilizes a priority based support focus. Customers with the most critical request will be serviced in accordance with the following guidelines:
<table>
<thead>
<tr>
<th>Priority</th>
<th>Gold</th>
<th>Platinum</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>2 hours</td>
<td>1 hour</td>
</tr>
<tr>
<td>Medium</td>
<td>4 hours</td>
<td>4 hours</td>
</tr>
<tr>
<td>Low</td>
<td>8 hours</td>
<td>8 hours</td>
</tr>
</tbody>
</table>

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).

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
Case resolution process is a Team-based approach structured around specific products of the Application suite and staffed by Support Engineers covering the full spectrum of skill sets and technical expertise. The Teams are empowered to dynamically apply the appropriate resources to a case based on severity and complexity to ensure the fastest resolution time possible.
The Teams are integrated with the Development Engineering staff and engage their assistance and technical guidance when necessary and/or directly escalate depending on case severity and time to resolve considerations.

For situations that contain multiple cases, an Account Manager may be assigned to act as a single point of contact and communication regarding case resolution status, action plan development, resource integration and implementation co-ordination. The Account Manager remains engaged until the situation has been successfully remediated.

Management Escalation
Customers may, at any time, ask to speak to a Kronos manager if they experience dissatisfaction with the level of service received with respect to a specific case or service in general. To contact a Kronos Global Support manager, please telephone your Kronos Support Services Center and ask to speak to a manager. Phone numbers are listed on the Customer Portal at https://customer.kronos.com/ContactUs.htm.

Software Support Services and Features
Kronos provides different levels of support offerings through our Platinum Plus, Platinum, Gold Plus, and Gold support services.

Platinum Plus Support Service
Platinum Plus Support customers have access to the same features as the Platinum Support customers and access to the Technical Account Manager (TAM). The TAM is a seasoned service professional that will draw upon a vast knowledge of Kronos products and services to provide you with proactive, consultative expertise. For Platinum Plus customers, a TAM is available 24 hours per day, 7 days per week. Platinum Plus customers can designate 5 named contacts, and also enjoy one on-site visit per year.

Platinum Support Service
Platinum Support customers have access to the same service features as Gold Support customers and the following additional entitlements:
- 24 x 7 x 365 telephone access to Kronos Global Support
- Access to Senior Support Engineers
- Response time of 1 hour or less for High, 4 hours or less for Medium, and 1 business day or less for Low Priority calls.

Platinum Support customers also have the option of upgrading to Platinum Plus.

Gold Plus Support Service
Gold Plus Support customers have access to the same features as the Gold Support customers and access to the Technical Account Manager (TAM). The TAM is a seasoned service professional that will draw upon a vast knowledge of Kronos products and services to provide you with proactive, consultative expertise. For Gold Plus customers, a TAM is available from 8:00 a.m. to 8:00 p.m., local time, Monday-Friday. Gold Plus customers can designate 2 named contacts.

Gold Support Service
Gold Support offers a very well-rounded support program. Included is free access to Kronos Global Support from 8:00 a.m. to 8:00 p.m. local time, as well as the following entitlements noted below. Gold Support customers also have the option of upgrading to Gold Plus.

SuperSearch (Available to all Support Agreement customers)
The Search engine searches the following data sources* and includes Basic and Advanced filters to search by product.
- Knowledge base
- Documentation (Manuals and User Guides)
- Service packs
- Customer forums
- Technical Advisories and Technical Insiders
- Frequently asked questions (FAQs)
*Access to data sources is limited by type of support service.

Technical Advisories (Available to all Support Agreement customers)
Kronos Global Support Center personnel are a valuable source of knowledge and experience. That's why we give you access to the same vast repositories of information that they use. You have access to these technical alerts located on the Kronos customer portal.

Service Case Studies (Available to Gold and Platinum level customers)
When you want an in-depth understanding of technology and how Kronos applications incorporate that technology, you’ll enjoy reading and learning from these case studies.

Learning Quick Tips (Available to Gold and Platinum level customers)

Enjoy the convenience of web-based, self-paced recorded training modules for your Kronos application. These training recordings are short in duration and you can take them anytime and anywhere that you have access to the Web.

Technical Insider (Available to Gold and Platinum level customers)

Learn from the experts here at Kronos and become an expert yourself. The Technical Insider offers best practices, procedures, and tools and is available through our customer portal.

Brown Bag Sessions (Available to Gold and Platinum level customers)

Experience training over the Internet on a variety of topics pertaining to your Kronos system. Kronos Global Support offers these Brown Bag workshops in a structured online format without costly travel or interruption to your busy schedule. These sessions are one hour in length and are FREE for all Kronos customers with Gold or Platinum support agreements.

HR and Payroll Answerforce (Available to Gold and Platinum level customers)

HR and Payroll Answerforce enables you to facilitate communication between employers, managers and HR professionals. It provides managers and employees with current HR information they need to make effective decisions. Experience an award-winning user interface which delivers up-to-date human resources, employee benefits, compensation, employment and regulatory information directly to your desktop.

SHRM e-Learning (Available to Gold and Platinum level customers)

SHRM e-Learning is an online educational environment that delivers just-in-time training to HR professionals through a series of HR-related mini-courses. Browse the courses in the SHRM e-Learning catalog at http://www.shrm.org/elearning/ to create a learning journey that is unique to you. SHRM e-Learning courses are facilitated by leading industry experts and presentations range from sixty to ninety minutes in length.

Interactive Forms (Available to Platinum level customers)

Instant access to a comprehensive and easy-to-use library of HR and Employment & Payroll Tax forms and instructions. You can access, fill out, save, print, and maintain over 730 HR forms and 2500 Payroll forms.

Service Packs (Available to all Support Agreement customers)

Kronos Support Services entitles all customers who purchase a support agreement to the latest available product version upgrades, updates and enhancements, and documentation released during the agreement period, available on CD or downloadable from the Kronos customer portal. Projecting your investment is where our coverage for you begins as you embark on your journey to increased knowledge and improved business performance. This service feature enables you to the latest available product releases, updates/patches and legislative updates for the Workforce Payroll? module. For many products, the latest support releases (service packs) or legislative updates are posted on the customer portal for you to download and install. Please sign up for email alerts to get notified of the release of new service packs on the Kronos customer portal.

Knowledge Base (Available to all Support Agreement customers)

Accessed by our customers thousands of times per month, this online database currently contains thousands of answers to questions about Kronos products. Type in a question and the knowledge base suggests a solution. It is tightly integrated with our Global Support case management system and captures the real-world experience of our support engineers. The knowledge base is constantly updated. When our support engineers encounter and resolve new situations, they can automatically submit new solutions to the knowledge base.

Frequently Asked Questions (Available to all Support Services customers)

Conveniently organized and continuously populated from the knowledge base, FAQs truly represent those issues that customers ask about most. Before querying the knowledge base, try the FAQs to find your answers or get ahead of issues you may not be aware of.

eCase management (Available to all Support Agreement customers)

For your convenience, we give you direct access to our electronic case management system. Make your own notes to help explain what you are encountering. Your case is formally assigned a number and subject to all the normal tracking and reusing mechanisms. Cases are reviewed Monday-Friday, during the business hours of your Kronos support center, excluding Kronos holidays. Should you require assistance outside the described hours, please telephone your Kronos support center.

Documentation (Available to all Support Agreement customers)

Online access to documentation for most of Kronos’ products, for example:

- Installation guides
- Configuration guides
- Database administrators guides
- User guides
- System administrators guides
- Database views reference guides.

Customer Forums (Available to all Support Agreement customers)

Our Customer forums provide a unique opportunity to connect with other Kronos customers and to benefit from their real-world experiences. Organized by product platform and using threaded messaging, the forums allow you to post questions to other forum visitors or provide advice to someone else’s query. A chance to go beyond simple product “how to,” many customers have commented on how the forums have helped them gain a broader understanding of how to leverage their Kronos applications.

Remote Support (Available to all Support Agreement customers)

A web-based screen-sharing application that enables Kronos to support you by empowering our support representatives to remotely view your computer. By connecting through the Internet or via intranets and extranets, support representatives will work in real time with your users and quickly escalate to desktop sharing, which features mutual mouse and keyboard control and whiteboard capability.
Per-event Software Service

Customers seeking support outside their service coverage period or Services that are not covered by your Support service or Customers without a Support Agreement on Active Product will be charged at the current Kronos hourly rate.

<table>
<thead>
<tr>
<th>Day and Time (local time)</th>
<th>Phone Support Minimum hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monday-Friday 8:00 a.m.-5:00 p.m.</td>
<td>2</td>
</tr>
<tr>
<td>Monday-Thursday 5:01 p.m.-7:59 a.m.</td>
<td>4</td>
</tr>
<tr>
<td>Friday-Monday 5:01 p.m.-7:59 a.m.</td>
<td>8</td>
</tr>
</tbody>
</table>

Conditions:
1. Time billed is minimum billable hours and then one hour increments.
2. The 8:00 a.m.-5:00 p.m. minimum billable hours apply to support calls received prior to 5:00 p.m. local time Monday-Friday.
3. The response time for customers without a Support Agreement is within two business days.
4. Customers with a Support Agreement receive a 50 percent reduction from the minimum amount of hours.
5. Per-event rates are not discountable.

Equipment / Hardware Support Services

Depot Exchange Service
The premium hardware service option: Kronos ships a replacement unit on an advance exchange basis by next-business day delivery where available if request is received prior to 2:00 p.m. Kronos recommends that Depot Exchange customers procure the appropriate number of spare units to maintain adequate coverage while a unit is out of service.

How it works:
- You contact Kronos to troubleshoot the problem. If unable to resolve the issue, you are issued a Return Material Authorization (RMA) Case number to return the unit to Kronos for repair.
- You install your spare unit from your inventory.
- Kronos ships a replacement unit on an advance exchange basis by next-business day delivery where available if request is received prior to 2:00 p.m.
- Upon receipt of replacement, you send the terminal needing service back to the Kronos Equipment Services Center.

Availability:
Currently ONLY available in Australia, Canada, China, Mexico, New Zealand, and United States.

Conditions:
- Batching (defined as 2 or more terminals) voids the turn-around time.
- You will be charged Kronos' current time and materials rate for installation (professional services) of any software or firmware upgrades, if available, and if requested.
- Equipment Support Services do NOT include the replacement of "consumables." In addition, Depot Support Services do 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, refurbishing, 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.
- Terminals are warranted for 90 days from date of shipment.

This service includes access to equipment service packs / firmware updates available on the Kronos customer portal. Please sign up for email alerts to get notified of the release of new service packs on the Kronos customer portal.

Depot Repair Service
This service was designed for those who keep their own inventory of spare terminals and options.

How it works:
- You contact Kronos to troubleshoot the problem. If unable to resolve the issue, you are issued a Return Material Authorization (RMA) Case number to return the unit to Kronos for repair.
- You install your spare unit from your inventory.
- You send the terminal needing service back to the Kronos Equipment Services Center.
- Upon receipt of product, Kronos shall repair the product within ten (10) business days and return to you by regular surface transportation.

Availability:
NOT available from the Australia and China Support Services groups.

Conditions:
- Batching (defined as 2 or more terminals) voids the turn-around time.
- You will be charged Kronos' current time and materials rate for the installation (professional services) of any software or firmware upgrades, if available, and if requested.
• Equipment Support Services do NOT include the replacement of "consumables." In addition, Depot Support Services do 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.

• Repairs are warranted for 90 days from date of shipment.

This service includes access to equipment service packs / firmware updates available on the Kronos customer portal. Please sign up for email alerts to get notified of the release of new service packs on the Kronos customer portal.

Device Software Maintenance
Device Software Maintenance is designed for those Kronos customers who choose to manage time clock repair themselves and just want access to device software updates. This service option lets you download equipment service packs from the Customer Portal to ensure that your time clock is always up to date with:
• The latest security enhancements
• Communication protocols
• Fixes and terminal software feature updates
• Compatibility updates with Kronos software or other terminals

Device Software Maintenance is included with Depot Exchange and Depot Repair.

Device Software Maintenance does NOT include any repair or exchange services.

How it works:
Register or log in to the Customer Portal. An email address and Kronos Solution ID are required to register for access to the customer portal.
Go to the Support page to access the equipment service packs.

Availability:
The Device Software Maintenance offering is available worldwide.
NOT available for the 100, 400, 500, Century and Cyber series terminals

This service includes access to equipment service packs / firmware updates available on the Kronos customer portal. Please sign up for email alerts to get notified of the release of new service packs on the Kronos customer portal.

Per-event Repair Service
Per-event rates apply to customers without an equipment support agreement. The Kronos Equipment Services center will attempt to repair any repairable defective item within 15 business days after receipt at the current Per-event pricing. The product will be returned by regular surface transportation.

How it works:
• You contact Kronos to get a Return Material Authorization (RMA) Case number to return the unit to Kronos for repair.
• You install your spare unit from your inventory
• You send the terminal needing service back to the Kronos Equipment Services Center.
• Upon receipt of product, Kronos shall repair the product within fifteen (15) business days and return to the customer by regular surface transportation.

Conditions:
• Batch of (defined as 2 or more terminals) voids the turn-around time.
• You will be charged Kronos' current time and materials for the installation (professional services) of any software or firmware upgrades, if available, and if requested.
• Equipment Support Services do NOT include the replacement of "consumables." In addition, Depot Support Services do 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.

• Repairs are warranted for 90 days from date of shipment.

This service does NOT include access to equipment service packs / firmware updates.
Terminal Consumables

The following table identifies a part's eligibility for coverage under a Kronos Equipment Support Services agreement.

**Eligible / Consumable:** These parts are categorized as Consumables and are NOT eligible for coverage under an Equipment Support Services agreement. In the event of failure, these parts may be repurchased pending availability.

**Ineligible / Consumable:** These parts are eligible for coverage under an Equipment Support Services agreement. Depot Exchange and Depot Repair services when offered are only available for these parts while under an active Equipment Support Services agreement.

### Kronos InTouch Time Clocks

<table>
<thead>
<tr>
<th>Part Description</th>
<th>Part number</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia Power Kit For External AC Outlet - Standard Enclosure</td>
<td>8609002-004</td>
<td>Ineligible / Consumable</td>
</tr>
<tr>
<td>Battery Backup Option</td>
<td>8609013-001</td>
<td>Ineligible / Consumable</td>
</tr>
<tr>
<td>China Power Kit For External AC Outlet - Standard Enclosure</td>
<td>8609002-002</td>
<td>Ineligible / Consumable</td>
</tr>
<tr>
<td>Direct AC Wiring Option Kit - Standard Enclosure</td>
<td>8609014-001</td>
<td>Ineligible / Consumable</td>
</tr>
<tr>
<td>EURO Power Kit For External AC Outlet - Standard Enclosure</td>
<td>8609002-006</td>
<td>Ineligible / Consumable</td>
</tr>
<tr>
<td>International Power Kit For External AC Outlet - Slim Enclosure</td>
<td>8609003-002</td>
<td>Ineligible / Consumable</td>
</tr>
<tr>
<td>North America Power Kit For External AC Outlet - Slim Enclosure</td>
<td>8609003-001</td>
<td>Ineligible / Consumable</td>
</tr>
<tr>
<td>North America Power Kit For External AC Outlet - Standard Enclosure</td>
<td>8609002-001</td>
<td>Ineligible / Consumable</td>
</tr>
<tr>
<td>North America Power Kit For Mounting Over In-Wall AC Outlet - Standard Enclosure</td>
<td>8609001-001</td>
<td>Ineligible / Consumable</td>
</tr>
<tr>
<td>Replacement Australia 6' Power Cord for external AC Outlet - Standard Enclosure</td>
<td>7200211-106</td>
<td>Ineligible / Consumable</td>
</tr>
<tr>
<td>Replacement China &amp; Power Cord for external AC Outlet - Standard Enclosure</td>
<td>7200211-102</td>
<td>Ineligible / Consumable</td>
</tr>
<tr>
<td>Replacement Enclosure Back Cover - Slim</td>
<td>8609013-002</td>
<td>Ineligible / Consumable</td>
</tr>
<tr>
<td>Replacement Enclosure Back Cover - Standard</td>
<td>8609012-001</td>
<td>Ineligible / Consumable</td>
</tr>
<tr>
<td>Replacement EURO 6' Power Cord for external AC Outlet - Standard Enclosure</td>
<td>7200211-108</td>
<td>Ineligible / Consumable</td>
</tr>
<tr>
<td>Replacement Front Cover Filler Plates</td>
<td>8400699-101</td>
<td>Ineligible / Consumable</td>
</tr>
<tr>
<td>Replacement Hardware Accessory Packet for Standard and Slim Enclosures</td>
<td>9600166-101</td>
<td>Ineligible / Consumable</td>
</tr>
<tr>
<td>Replacement Internal Power Transformer for Standard Enclosure</td>
<td>7800128-101</td>
<td>Ineligible / Consumable</td>
</tr>
<tr>
<td>Replacement International Power Kit for external AC Outlet - Slim Enclosure</td>
<td>9601268-101</td>
<td>Ineligible / Consumable</td>
</tr>
<tr>
<td>Replacement Microphone Plates</td>
<td>8603429-001</td>
<td>Ineligible / Consumable</td>
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<tr>
<td>Replacement NA 12&quot; Power Cord for Mount Over AC Outlet - Standard Enclosure</td>
<td>7200210-101</td>
<td>Ineligible / Consumable</td>
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<tr>
<td>Replacement NA 6' Power Cord for external AC Outlet - Standard Enclosure</td>
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<td>Ineligible / Consumable</td>
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<td>Replacement North America Power Kit for external AC Outlet - Slim Enclosure</td>
<td>7800129-101</td>
<td>Ineligible / Consumable</td>
</tr>
<tr>
<td>Replacement Security Screw Removal Tool</td>
<td>8900181-101</td>
<td>Ineligible / Consumable</td>
</tr>
<tr>
<td>Replacement Terminal Block Connector for Transition Board : 6-pin</td>
<td>5200208-106</td>
<td>Ineligible / Consumable</td>
</tr>
<tr>
<td>Replacement Terminal Block Connector for Transition Board : 8-pin</td>
<td>5200208-108</td>
<td>Ineligible / Consumable</td>
</tr>
<tr>
<td>Replacement Transformer/Battery Holder Plate - Standard Enclosure</td>
<td>8400637-101</td>
<td>Ineligible / Consumable</td>
</tr>
<tr>
<td>Replacement UK 6' Power Cord for external AC Outlet - Standard Enclosure</td>
<td>7200211-105</td>
<td>Ineligible / Consumable</td>
</tr>
<tr>
<td>Transition Board Option</td>
<td>8609013-001</td>
<td>Ineligible / Consumable</td>
</tr>
<tr>
<td>United Kingdom Power Kit For External AC Outlet - Standard Enclosure</td>
<td>8609002-003</td>
<td>Ineligible / Consumable</td>
</tr>
<tr>
<td>Universal Relay Option</td>
<td>8602815-001</td>
<td>Ineligible / Consumable</td>
</tr>
<tr>
<td>ID Biometric Verification/Identification Option</td>
<td>8609002-001</td>
<td>Eligible</td>
</tr>
<tr>
<td>Linear Imager Bar Code Scanner Option</td>
<td>8609026-001</td>
<td>Eligible</td>
</tr>
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<td>Remote HID MiniProx Reader Option</td>
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### 4000 Series Time Clocks

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<td><strong>4500 Internal AC Outlet Kit</strong></td>
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<td><strong>Modem Option Kit (for 8602800-xxx terminals)</strong></td>
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<td>HID ProxPro Reader Kit</td>
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Exhibit G

Products Functionality Requirements

Timekeeping

Kronos Workforce Central V7 Software listed on the order form attached as Exhibit A of the Agreement, can meet the following minimum functionality for Timekeeping. The software will be configured as defined in the Services Scope Statement for Rockford Public Schools, New Timekeeping Implementation V7:

1. Workforce Integration Manager V7 will be used to configure an automated interface with Sungard BusinessPLUS Payroll.
2. Workforce Timekeeper V7 is an “off-the-shelf” stand-alone timekeeping package, offering detailed, user-defined report and information filtering.
3. Workforce Timekeeper V7 has the capability to calculate weighted or blended overtime for employees that work multiple job descriptions with varying rates of pay.
4. Workforce Timekeeper V7 has the capability to track annualized employee’s time based on multiple calendars and schedules.
5. Workforce Timekeeper V7 has the capability to track substitutes and track their clocking transactions by campus and teacher, with budget information based on either the teachers or substitute’s funding source.
6. Workforce Timekeeper V7 has the capability for viewing of information by employees, i.e. leave balances, schedules, etc., from a P.C. Employees can also view information at the InTouch Time clock devices included on the order form.
7. The solution will be configured to import Accrual Balances from Sungard BusinessPLUS. The Kronos Accruals Module V7 is not included but can be purchased to accrue and track multiple types of leave including compensatory, vacation, sick, personal, etc.
8. Workforce Timekeeper V7 and the Kronos InTouch 9000 H3 Terminals support time off requests.
9. Workforce Timekeeper V7 allows for multiple approval levels.
10. Workforce Timekeeper V7 can be set up to restrict the employee/user from changing hours and rates of pay.
11. Workforce Timekeeper V7 can be set up to restrict employees from performing clocking functions at specified clocking terminals and PC’s.
12. Workforce Timekeeper V7 has employee scheduling functionality that can restrict employees’ clocking functions by pre-determined schedules.
13. Workforce Timekeeper V7 has the capability to retain data for inactive or terminated employees.
14. Workforce Timekeeper V7 does not limit access to employee time sheet historical data.
15. Backups for Workforce Timekeeper V7 are done at the database level (Microsoft SQL). The district will be responsible for backing up the database. Kronos can provide best practice recommendations.
16. Workforce Timekeeper V7 allows employee punches in real-time.
17. Workforce Timekeeper V7 is compatible with Microsoft IIS.
18. Workforce Timekeeper V7 supports secure digital certificates.
19. Workforce Timekeeper V7 supports multiple organizations or companies.
20. Workforce Integration Manager V7 facilitates imports in standard ASCII, comma separated, or fixed-length file format from 3rd party applications into Workforce Timekeeper V7.
21. Workforce Timekeeper V7 uses a centralized Microsoft SQL database.
22. Workforce Timekeeper V7 supports LDAP authentication.
23. Workforce Timekeeper V7 allows for real-time reporting for employee time and attendance to include multiple jobs, hourly & salaried staff, work orders, etc. using labor levels.
24. The Kronos InTouch 9000 H3 Terminals allow employee badge recognition when utilized with an employee access code.
25. The Kronos InTouch 9000 H3 Terminals InTouch terminals support network connectivity - TCP/IP over Ethernet.
26. The Kronos InTouch 9000 H3 Terminals on the order include HID proximity badge swipe. Other options are available for an added cost.
27. The clocking features of the Workforce Timekeeper V7 and Kronos InTouch 9000 H3 Terminals can be used in conjunction with each other on the same database. Additional data collection devices are available for an added cost.
28. The Kronos InTouch 9000 H3 Terminals can operate in a real-time two way communication with the database, allowing for all punches to be validated on the spot against the database addressing possible conflicting shifts, missed punches, unauthorized punches outside of scheduled time or over allowed hours (overtime).
29. The Kronos InTouch 9000 H3 Terminal has an offline mode - e.g. continue to collect time when not able to communicate in real-time with server database.
30. Workforce Timekeeper V7 and the Kronos InTouch 9000 H3 Terminals can synchronize to the server time and adjust automatically for standard/daylight savings time changes.
31. The Kronos InTouch 9000 H3 Terminals support Power-over-Ethernet (PoE).
32. Workforce Timekeeper V7 and the Kronos InTouch 9000 H3 Terminals allow for the sending messages to individual staff members or staff groups at the chosen clocking terminal or clocking P.C. For example: “Please report to the duty manager”, OR “REMINDER – Shift meeting today at 2:00PM”.
33. Workforce Timekeeper V7 provides the ability to export reports and data to multiple, common formats (pdf, .xls, and .txt).
34. Workforce Timekeeper V7 provides a reporting functionality that will contain a useful number of generic/canned reports and the ability to generate those reports through multiple criteria filters.
35. Workforce Timekeeper V7 is manufactured, developed, and supported by the Kronos.
36. Kronos has working interfaces to SunGard BusinessPLUS
37. Workforce Timekeeper V7 keeps track of absence data and Workforce Attendance V7 will be configured to alert of three consecutive days absent.

Human Resources functionality Requirements:

Kronos Workforce Central V7 Software listed on the order form attached a Exhibit A of the Agreement includes the following minimum Human Resources functionality. The software will be configured as defined in the Services Scope Statement for Rockford Public Schools, New HR Implementation V7:

1. Workforce HR V7 includes core employee information—personal information including basic contact information, demographic data, dependents, military history and emergency contacts.
2. Workforce HR V7 includes job, pay and status information.
3. Workforce HR V7 includes unlimited employee history of jobs or positions, status and location.
4. Workforce HR V7 includes employee skills and competencies.
5. Workforce HR V7 includes salary administration as defined in item 13 below.
6. Workforce HR V7 includes the ability to have unlimited benefit plans, online open enrollment, premium calculations, eligibility rules, benefits statements and cost summaries, certificate of group health plan coverage, COBRA tracking and carrier information.
7. Workforce HR V7 has absence tracking capabilities but Workforce Timekeeper will be used for absence tracking as defined in item 37 under Timekeeping requirements.
8. Workforce HR V7 includes standard reporting.
9. Workforce HR V7 is a position based system allowing you to tie attributes to a position and to manage FTE budgets.
10. Workforce HR V7 will allow you to import salary-survey data.
11. Workforce HR V7 includes an organizational reporting structure.
12. Workforce Employee HR/PR V7 offers HR self-service for employees and Workforce Manager HR/PR V7 offers HR self-service for managers.
13. Workforce HR V7 includes compensation management (base pay, other pay, planning tools and pay grades).
14. Workforce Timekeeper V7 will be used for managing absences and time off requests.
15. Workforce HR V7 includes performance review capabilities. Workforce Integration Manager can be used to import from True North Logic. Configuration of an interface with True North Logic is not included within the HR Scope Statement.
1. Workforce HR V7 includes the ability to track employee qualifications, competencies and certifications.
2. Workforce HR V7 includes the ability to track illness and injury, incidents and lost/restricted time off.
3. Workforce HR V7 has tools to automate the routing, approvals, alerts and notifications of proposed actions.
4. Workforce HR V7 has standard reports, OSHA and EEO compliance reports, and a flexible easy-to-use ad hoc tool for reporting.
5. Workforce Integration Manager V7 is used for Integration. Integration with SunGard BusinessPLUS payroll is included as defined in the accompanying Scope Documents. Integration with other systems like Applitrack and True North Logic can be configured by Kronos for added cost.
6. Workforce HR V7 includes built in auditing capabilities to monitor data changes.
7. Workforce HR V7 has two standard turnover reports.
8. Workforce HR V7 has standard salary analysis reports.