

COBB COUNTY, GA

Contract #18220 and 18221

for

Workforce Management Systems and Related Products,

Services and Solutions

with

Kronos Incorporated and Kronos SaaShr, Inc.

Effective: March 18, 2019

The following documents comprise the executed contract between the Cobb County, GA, Kronos Incorporated and Kronos SaaS, Inc., effective March 18, 2019:

- I. Vendor Master Agreement Reference No. 18220 and 18221 and Signature Form
- II. Kronos Terms and Conditions for Participating Public Agencies
– Exhibit A (022019)
- III. Kronos SaaS, Inc. Terms and Conditions for Participating Public Agencies – Exhibit A (092018)
- IV. Supplier's Response to the RFP and General Attachments, incorporated by reference

Reference No. 18220

Reference Number	
Reference Depart.	Purchasing Department

Master Agreement

Owner: Cobb County Board of Commissioners
100 Cherokee Street
Marietta, GA 30090

Contractor: Kronos Incorporated
900 Chelmsford Street
Lowell, MA 01851

Description: **WORKFORCE MANAGEMENT SYSTEMS AND RELATED PRODUCTS, SERVICES AND SOLUTIONS:** The undersigned parties understand and agree to comply with and be bound by the entire contents of **Sealed Bid #18-6390** ("the RFP") and the Contractor's Proposal submitted September 27, 2018 which is incorporated herein by reference. Contractor understands and agrees that insurance required in the Request for Proposals are to be kept current at all times through the length of each term and for ninety (90) days following the completion of each term. Insurance must be renewed and presented to the Owner at the time of each renewal term if Owner chooses to renew. Insurance shall be written by a firm acceptable to the Owner as specified in the Request for Proposals.

U.S. COMMUNITIES GOVERNMENT PURCHASING ALLIANCE: Contractor agrees to enter into the U.S. Communities Administration Agreement that is included in the RFP and the memorandum of understanding with U.S. Communities ("Administration Agreement"). Any Public Agency, as defined in the Administration Agreement, may purchase Products and Services at the prices indicated in the Contractor's Proposal upon prior registration with U.S. Communities, and in accordance with the terms of the Administration Agreement.

Terms: **March 18, 2019 to March 17, 2022** with full renewal options per the Request for Proposals. Owner shall exercise renewal options by issuance and delivery to Contractor of a written notice to renew this agreement. Orders executed with public entities in the state of Georgia shall be in compliance with multi-year contract provisions of O.C.G.A. Section 36-60-13. The products and services which are subject to this Master Agreement are also covered by the applicable Contractor commercial service or maintenance terms and conditions incorporated as Appendix A. The term of the Commercial service or maintenance terms and conditions shall be governed by that applicable order and may extend beyond the expiration date of this Master Agreement. In the event of conflicting language between the Terms and Conditions of the Master Agreement, including the RFP, and the terms and conditions contained in Appendix A, the Master Agreement shall prevail.

Price: Prices for services and equipment, if applicable, as stated in the Contractor's proposal

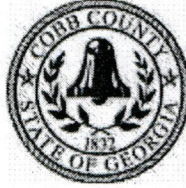
Billing: For purchases made by Cobb County Government, all original invoices shall be submitted directly to the Cobb County Finance Department. Invoices shall bill only for items received during the period covered by the invoice and shall clearly identify such items in accordance with invoicing guidelines in the Sealed Bid Proposal. For purchases made by participating public agencies, the Contractor shall comply with each agency's invoicing and billing requirements outlined on the applicable order.

{SIGNATURES ON NEXT PAGE}

IN WITNESS, WHEREOF, this Agreement has been executed by Owner and accepted by Contractor to be effective as of the date first above written.

APPROVED
PER MINUTES OF
COBB COUNTY
BOARD OF COMMISSIONERS

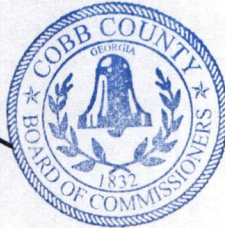
2-12-2019



Cobb County... Expect the Best!

Cobb County Board of Commissioners
100 Cherokee Street
Marietta, GA 30090

Michael H. Boyce, Chairman
Cobb County Board of Commissioners



3-5-2019

Date

Kronos Incorporated
900 Chelmsford Street
Lowell, MA 01851

Authorized Signature

Chief Revenue Officer

Title

2/25/19

Date

FEDERAL TAX ID NUMBER

04-2640942

Approved as to form

County Attorney's Office

3/4/19

Date

Reference Number	
Reference Depart.	Purchasing Department

Reference No. 18221

 Master Agreement

Owner: Cobb County Board of Commissioners
100 Cherokee Street
Marietta, GA 30090

Contractor: Kronos SaaS, Inc.
3040 Route 22 West, Suite 200
Branchburg, NJ 08876

Description: **WORKFORCE MANAGEMENT SYSTEMS AND RELATED PRODUCTS, SERVICES AND SOLUTIONS:** The undersigned parties understand and agree to comply with and be bound by the entire contents of **Sealed Bid #18-6390** ("the RFP") and the Contractor's Proposal submitted September 27, 2018 which is incorporated herein by reference. Contractor understands and agrees that insurance required in the Request for Proposals are to be kept current at all times through the length of each term and for ninety (90) days following the completion of each term. Insurance must be renewed and presented to the Owner at the time of each renewal term if Owner chooses to renew. Insurance shall be written by a firm acceptable to the Owner as specified in the Request for Proposals.

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Terms: **March 18, 2019 to March 17, 2022** with full renewal options per the Request for Proposals. Owner shall exercise renewal options by issuance and delivery to Contractor of a written notice to renew this agreement. Orders executed with public entities in the state of Georgia shall be in compliance with multi-year contract provisions of O.C.G.A. Section 36-60-13. The products and services which are subject to this Master Agreement are also covered by the applicable Contractor commercial service or maintenance terms and conditions incorporated as Appendix A. The term of the Commercial service or maintenance terms and conditions shall be governed by that applicable order and may extend beyond the expiration date of this Master Agreement. In the event of conflicting language between the Terms and Conditions of the Master Agreement, including the RFP, and the terms and conditions contained in Appendix A, the Master Agreement shall prevail.

Price: Prices for services and equipment, if applicable, as stated in the Contractor's proposal

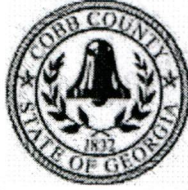
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IN WITNESS, WHEREOF, this Agreement has been executed by Owner and accepted by Contractor to be effective as of the date first above written.

APPROVED
PER MINUTES OF
COBB COUNTY
BOARD OF COMMISSIONERS

2-12-2019



Cobb County... Expect the Best!

Cobb County Board of Commissioners
100 Cherokee Street
Marietta, GA 30060

Michael H. Boyce, Chairman
Cobb County Board of Commissioners

3-5-2019

Date



Kronos SaaShr, Inc.
3040 Route 22 West, Suite 200
Branchburg, NJ 08876

Authorized Signature

President

Title

2/25/19

Date

FEDERAL TAX ID NUMBER

45-0474844

Approved as to form

County Attorney's Office

3/4/19

Date

Exhibit A

KRONOS TERMS AND CONDITIONS FOR PARTICIPATING PUBLIC AGENCIES ADMINISTERED BY US COMMUNITIES
(022019)

KRONOS TERMS

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

- SECTION A: [GENERAL TERMS AND CONDITIONS](#). This Section apply for all transactions.
- SECTION B: **TERMS AND CONDITIONS FOR SOFTWARE LICENSES, SOFTWARE AND EQUIPMENT SUPPORT SERVICES, AND EDUCATIONAL AND PROFESSIONAL SERVICES.** This Section apply for all transactions except Workforce Ready and the Workforce Central SaaS offering (not including the professional and educational services governed by this Section).
- SECTION C: [CLOUD HOSTING SUPPLEMENTAL TERMS AND CONDITIONS](#) . This Section applies only for transactions that involve Kronos hosting for Software licensed under Section B and identified as CLOUD. For renewal of the Cloud Services only.
- SECTION D: [KRONOS WORKFORCE CENTRAL SAAS TERMS AND CONDITIONS](#). This Section applies only for Workforce Central transactions in a SaaS environment (except for the related professional and educational services see Section B)
- SECTION E: [KRONOS ADDENDUM WORKFORCE TELESTAFF IVR SERVICE](#). This Section applies to the Workforce Telestaff IVR service.
- SECTION F: [KRONOS HEALTHCARE EXTENSION WITH THE WORKFORCE CENTRAL SAAS](#). This section applies to the Healthcare Extension ordered with the Workforce Central SaaS.
- SECTION G: [KRONOS HEALTHCARE EXTENTION WITH THE APPLICATION HOSTING](#). This section applies to the Healthcare extension ordered with the Kronos Application Cloud services.
- SECTION H: [BUSINESS ASSOCIATED AGREEMENT](#). This Section applies with the services ordered under Sections G, H and K.
- SECTION I: [CLOUD SERVICES FOR EXTENSION APPLICATION](#). This Section applies with the Sections G and H.
- SECTION J: [CLIENT PARTNERSHIP SERVICES](#). This Section applies to the client Partnership services ordered by Healthcare Customers.
- SECTION K: [KRONOS WORKFORCE DIMENTIONS TERMS AND CONDITIONS](#). This section applies to the Workforce Dimension Services ordered by Customers.

SECTION A: GENERAL TERMS AND CONDITIONS

1. APPLICATION OF THESE TERMS

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

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

- (i) Section B shall apply to the Software licenses and purchased Equipment, support services, and professional and educational services,
- (ii) Section C shall apply to the Hosting Services purchased in connection with certain Software licensed under Section B,
- (iii) Section D shall apply to the Workforce Central Saas Orders;
- (iv) Section E shall apply to Workforce Telestaff IVR ordered to Kronos;
- (v) Section F shall apply to the Kronos Healthcare Extension order;
- (vi) Section G shall apply to the Healthcare Extension ordered with the Kronos Application Cloud services;
- (vii) Section H shall apply with the services ordered under Sections F, G and J.;
- (viii) Section I shall apply with the Sections F and G.
- (ix) Section J shall apply to the client Partnership services ordered by Healthcare Customers.
- (x) Section K shall apply to the Workforce Dimension orders.

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

2. APPLICABLE LAWS

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

3. EXPORT

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

4. CONFIDENTIAL INFORMATION

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

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

5. TAXES

If Customer presents to Kronos a validly issued tax-exempt certificate, or other sufficient evidence of tax exemption, Customer shall not be liable for those taxes for which Customer is exempt. Otherwise, Customer agrees to pay all other applicable duties and customs fees relating to this Agreement, as well as all taxes levied or based on the products, services or other charges hereunder,

including federal, state and local sales and excise taxes, and any taxes or amount in lieu thereof paid or payable by Kronos, exclusive of taxes based on Kronos net income or business privilege.

6. TRAVEL EXPENSES

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

7. GENERAL

(a) The invalidity or illegality of any provision of this Agreement shall not affect the validity of any other provision. The parties intend for the remaining unaffected provisions to remain in full force and effect.

(b) Customer shall not assign this Agreement or the license to the Software without the prior written consent of Kronos and any purported assignment, without such consent, shall be void.

(c) Neither Party shall be responsible for any failure to perform or delay in performing any of its obligations under this Agreement (other than a failure to comply with payment obligations) where and to the extent that such failure or delay results from an unforeseeable event beyond a party's reasonable control, including but not limited to, acts of war; acts of nature; earthquake; flood; embargo; riot; sabotage; labor shortage or dispute; changes in government codes, ordinances, laws, rules, regulations or restrictions; failure of the Internet; terrorist acts; failure of data, products or services controlled by any third party, including the providers of communications or network services; utility power failure; material shortages or unavailability or other delay in delivery not resulting from the responsible party's failure to timely place orders therefor, or lack of or delay in transportation (each a "Force Majeure Event").

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

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

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

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

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

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

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

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

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

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

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

1. PAYMENT AND DELIVERY

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

2. GENERAL LICENSE TERMS

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

3. FEE BASED LIMITATIONS

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

4. OBJECT CODE ONLY

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

5. PERMITTED COPIES

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

6. UPDATES

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

7. ACCEPTANCE

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

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

8. LIMITED WARRANTY

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

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

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

9. PROFESSIONAL AND EDUCATIONAL SERVICES

(a) ENGAGEMENTS

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

(b) WARRANTY

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

(c) KRONOS PROFESSIONAL/EDUCATIONAL SERVICES POLICIES

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

10. SOFTWARE SUPPORT SERVICES

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

10.1 SUPPORT OPTIONS

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

10.2 TERM OF SOFTWARE SUPPORT

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

10.3 GOLD SERVICE OFFERINGS

Customer shall be entitled to receive:

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

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

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

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

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

10.4 PLATINUM AND PLUS SERVICE OFFERINGS:

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

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

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

10.5 PAYMENT

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

10.6 ADDITION OF SOFTWARE

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

10.7 RESPONSIBILITIES OF CUSTOMER

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

10.8 DEFAULT

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

10.9 WARRANTY

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

11. EQUIPMENT SUPPORT SERVICES

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

11.1 TERM

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

11.2 PAYMENT

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

Kronos will invoice Customer for the annual Support Charges each year in advance of the Renewal Date. Customer will pay Kronos within thirty (30) days of receipt of invoice.

11.3 DEPOT SUPPORT SERVICE DESCRIPTION

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

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

(ii) *Depot Repair*: Upon failure of installed Equipment, Customer shall install a Spare Product to replace the failed Equipment. Customer shall then return the failed Equipment, with the required RMA, to the applicable Kronos Depot Repair Center. Customer shall make reasonable efforts to return the failed Equipment using the same or substantially similar packing materials in which the original Equipment was sent. Customer shall also specify the address to which the repaired Equipment should be return shipped. Upon receipt of the failed Equipment, Kronos shall repair the failed Equipment and ship it, within ten (10) business days after receipt, to Customer. Kronos shall ship the repaired Equipment by regular surface transportation to Customer. Kronos warrants that all repairs performed under the Agreement shall be performed in a professional and competent manner. In the event of a breach of this warranty, the exclusive remedy of Customer and sole liability of Kronos shall be replacement of the repaired Equipment.

11.4 EQUIPMENT SERVICE PACK SUPPORT SERVICE DESCRIPTION

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

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

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

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

11.5 RESPONSIBILITIES OF CUSTOMER

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

- (a) Maintain the Products in an environment conforming to Kronos' published specifications for such Products;
- (b) De-install all failed Products and install all replacement Products in accordance with Kronos' published installation guidelines;
- (c) Ensure that the Product(s) are returned to Kronos properly packaged; and

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

11.6 SUPPORT EXCLUSIONS

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

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

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

11.7 WARRANTY

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

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

11.8 LIMITATION OF REMEDIES

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

12. KRONOS SUPPORT SERVICE POLICIES

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

13. FIRMWARE

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

14. TRAINING POINTS

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

15. KNOWLEDGEPASS EDUCATION SUBSCRIPTION:

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

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

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

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

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

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

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

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

16. INDEMNIFICATION

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

17. LIMITATION OF LIABILITY

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

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

18. TERMINATION OF ORDER FORM OR SOW

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

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

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

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

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

1. DEFINITIONS

“**Acceptable Use Policy**” means the Kronos policy describing prohibited uses of the Cloud Services as further described at: <https://www.kronos.com/policies/acceptable-use>

“**Application(s)**” means those Kronos software applications set forth on the applicable Order Form (or a schedule to the Order Form if Customer is only hosting a portion of the Applications for which Customer has a perpetual license) and which are made accessible to Customer for use in the Kronos Private Cloud under the terms of this Section C.

“**Billing Start Date**” means the date on which billing for the Cloud Services will commence, as indicated on the Order Form.

“**Cloud Services**” means access to the password protected customer area of the Kronos Private Cloud and those services related thereto, all as further described at: <http://www.kronos.com/products/workforce-central-cloud/cloud-guidelines.aspx>

“**Customer Content**” means all content Customer, or others acting on behalf of or through Customer, posts or otherwise inputs into the Kronos Private Cloud.

“**Initial Term**” means the initial billing term of the Cloud Services as indicated on the Order Form. The Initial Term commences on the Billing Start Date. Customer may have access to the Cloud Services prior to the commencement of the Initial Term.

“**Monthly Services Fee(s)**” means the monthly fees described in the applicable Order Form.

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

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

“**Production Environment**” means the environment established for Customer's daily use of the Applications in a live environment throughout the Term.

“**Renewal Term**” means the renewal billing term of the Cloud Services as indicated on the Order Form.

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

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

“**Supplier**” means any contractor, subcontractor or licensor of Kronos providing software, equipment and/or services to Kronos which are incorporated into or otherwise related to the Cloud Services. Kronos may at its sole discretion replace a Supplier, provided that a change to Supplier will not have a materially adverse effect on the Cloud Services delivered by Kronos under this Agreement.

“**Temporary Environment**” means a transient, non-production environment created to serve limited purposes for a limited time period, and identified on the applicable Order Form as a Temporary Environment.

“**Term**” means the Initial Term and any Renewal Terms.

2. CLOUD SERVICES AND TERM

2.1 During the Term, Kronos will provide the Cloud Services for the Applications. Unless the Order Form indicates that the Applications are to be implemented in a Temporary Environment, the Applications will be deemed to be implemented in a Production Environment.

2.2 Billing for the Cloud Services commences on the Billing Start Date, and continues for the Initial Term or until terminated in accordance with the provisions hereof. At the expiration of the Initial Term and each Renewal Term as applicable, the Cloud Services shall automatically renew for an additional Renewal Term until either party provides notice of its intent not to renew at least sixty (60) days prior to the expiration of the then-current Term.

2.3 Kronos may suspend or terminate the Cloud Services upon notice in the event of any breach by Customer of this Section C if such breach is not cured within thirty (30) days of the date of Kronos' written notice. No interruption shall be deemed to have occurred during, and no credits shall be owed for, any authorized suspension of the Cloud Services.

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

2.5 Customer may terminate any or all of the Cloud Services for convenience on no less than ninety (90) days prior written notice to Kronos. In the event of termination of any of the Cloud Services by Customer for convenience or by Kronos for cause during the Initial Term, Customer will pay to Kronos any out of pocket expenses incurred by Kronos in terminating the Cloud Services plus an early termination fee based on the following calculation: one (1) month of the then-current Monthly Services Fees for every twelve (12) month period (or portion thereof) remaining in the Initial Term. By way of example only, if Customer terminates the Cloud Services for convenience with fifteen (15) months remaining in the Initial Term, Customer will be responsible to pay Kronos two (2) months of the then-current Monthly Services Fees.

2.6 Customer Content shall be available to Customer to retrieve at any time and at no additional charge throughout the Term and for no more than fifteen (15) days after expiration or termination of the Agreement for any reason. After such time period, Kronos shall have no further obligation to store or make available the Customer Content and will securely delete all Customer Content without liability of any kind.

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

3. CLOUD SERVICES, FEES AND PAYMENT

3.1 In consideration of the delivery of the Cloud Services, Customer shall pay Kronos the Monthly Services Fee for such Cloud Services as defined in the applicable Order Form. The Monthly Services Fee shall commence on the Billing Start Date and will be invoiced on the "Billing Frequency" indicated on the Order Form. When billed annually in advance, Kronos will invoice Customer an amount equal to twelve (12) months of the Monthly Services Fees for the Cloud Services annually in advance for each year during the Term commencing on the Billing Start Date. The Billing Start Date for the Monthly Service Fees for any Cloud Services ordered by Customer after the date of this Agreement which are incremental to Customer's then-existing Cloud Services shall be the date the applicable Order Form is executed by Kronos and Customer.

3.2 All fees payable for the Cloud Services shall be sent to the attention of Kronos as specified on the invoice. Unless otherwise indicated on an Order Form, payment for all items shall be due 30 days following date of invoice. Customer is responsible for all applicable federal, state, country, provincial or local taxes relating to the Cloud Services (including without limitation GST and/or VAT if applicable), excluding taxes based on Kronos' income or business privilege. Customer may be required to purchase additional Cloud Services to address infrastructure requirements as released by Kronos for a new version of a particular Application.

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

3.4 At the commencement of each Renewal Term, Kronos may increase the Monthly Service Fee rates in an amount not to exceed four percent (4%). The increased Monthly Service Fees will be reflected in the invoice following the effective date of such increase without additional notice. Customer may be required to purchase additional Cloud Services to address increased infrastructure requirements for a new version of a particular Application as released by Kronos. Any additional Cloud Services will be set forth on an Order Form to be mutually agreed upon by Customer and Kronos.

4. ACCEPTABLE USE

4.1 Customer shall take all reasonable steps to ensure that no unauthorized persons have access to the Cloud Services, and to ensure that no persons authorized to have such access shall take any action that would be in violation of this Agreement. Customer is responsible for all activities undertaken under the auspices of its passwords and other login credentials to use the Cloud Services.

4.2 Customer represents and warrants to Kronos that Customer has the right to publish and disclose the Customer Content in connection with the Cloud Services. Customer represents and warrants to Kronos that the Customer Content will comply with the Acceptable Use Policy.

4.3 Customer will not (a) use, or allow the use of, the Cloud Services in contravention of the Acceptable Use Policy.

4.4 Kronos may suspend the Cloud Services immediately upon written notice in the event of any security risk, negative impact on infrastructure or Acceptable Use Policy violation.

5. MAINTENANCE

Monthly Service Fees are in addition to the fees Customer pays for annual maintenance and support under the License Agreement. Customer must maintain the Software under an active maintenance plan with Kronos throughout the Term. If Kronos, its Suppliers,

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

6. CUSTOMER CONTENT

Customer shall own all Customer Content. Kronos acknowledges that all of the Customer Content is deemed to be the Confidential Information of Customer. Customer will ensure that all Customer Content conforms with the terms of this Agreement and applicable law. Kronos and its Suppliers may, but shall have no obligation to, access and monitor Customer Content from time to time to provide the Cloud Services and to ensure compliance with this Agreement and applicable law. Customer is solely responsible for any claims related to Customer Content and for properly handling and processing notices that are sent to Customer regarding Customer Content.

7. CONNECTIVITY AND ACCESS

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

8. indemnification

8.1 Customer shall defend Kronos, its Suppliers and their respective directors, officers, employees, agents and independent contractors (collectively, the "**Kronos Indemnified Parties**") harmless, from and against any and all notices, charges, claims, proceedings, actions, causes of action and suits, brought by a third party (each a "**Claim**") alleging that: (a) employment-related claims arising out of Customer's configuration of the Cloud Services; (b) Customer's modification or combination of the Cloud Services with other services, software or equipment not furnished by Kronos, provided that such Customer modification or combination is the cause of such infringement and was not authorized by Kronos; or, (c) a claim that the Customer Content infringes in any manner any intellectual property right of any third party, or any of the Customer Content contains any material or information that is obscene, defamatory, libelous, or slanderous violates any person's right of publicity, privacy or personality, or has otherwise caused or resulted in any tort, injury, damage or harm to any other person. Customer will have sole control of the defense of any such action and all negotiations for its settlement or compromise. Kronos will cooperate fully at Customer's expense with Customer in the defense, settlement or compromise of any such action. Customer will indemnify and hold harmless the Kronos Indemnified Parties against any liabilities, obligations, costs or expenses (including without limitation reasonable attorneys' fees) actually awarded to a third party as a result of such Claims by a court of applicable jurisdiction or as a result of Customer's settlement of such a Claim.

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

9. SERVICE LEVEL AGREEMENT

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

10. LIMITATION OF LIABILITY

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

11. DATA SECURITY

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

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

11.2 As between Customer and Kronos, all Personally Identifiable Data is Customer's Confidential Information and will remain the property of Customer. Customer represents that to the best of Customer's knowledge such Personally Identifiable Data supplied to

Kronos is accurate. Customer hereby consents to the use, processing or disclosure of Personally Identifiable Data by Kronos and Kronos' Suppliers wherever located only for the purposes described herein and only to the extent such use or processing is necessary for Kronos to carry out Kronos' duties and responsibilities under the Agreement or as required by law.

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

EXHIBIT A OF SECTION C

SERVICE LEVEL AGREEMENT (SLA)

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

99.75% Application Availability

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

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

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

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

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

"Maintenance Period" means scheduled maintenance periods established by Kronos to maintain and update the Cloud Services, when downtime may be necessary, as further described below. The Maintenance Period is used for purposes of the Service Credit Calculation; Kronos continuously maintains the production environment on a 24x7 basis to reduce disruptions.

Customer Specific Maintenance Period

1. Customer will choose one of the following time zones for their Maintenance Period:
 - a. United States Eastern Standard Time,
 - b. GMT/UTC,
 - c. Central European Time (CET) or
 - d. Australian Eastern Standard Time (AEST).
2. Customer will choose one of the following days of the week for their Maintenance Period: Saturday, Sunday, Wednesday or Thursday.
3. Kronos will use up to six (6) hours in any two (2) consecutive rolling months (specifically: January and February; March and April; May and June; July and August; September and October; November and December) to perform Customer Specific Maintenance, excluding any customer requested Application updates. Downtime in excess of these six (6) hours will be deemed to be an Outage.
4. Customer Specific Maintenance will occur between 12am-6am during Customer's selected time zone.
5. Excluding any customer requested Application updates, Kronos will provide notice for planned downtime via an email notice to the primary Customer contact at least seven (7) days in advance of any known downtime so planning can be facilitated by Customer.

6. Customer Specific Maintenance Windows also include additional maintenance windows mutually agreed upon by Customer and Kronos.
7. In absence of instruction from Customer, Kronos will by default perform Maintenance in the time zone where the Data Center is located.

Non-Customer Specific Maintenance Period

Kronos anticipates non-Customer Specific Maintenance to be performed with no or little (less than three hours per month) Customer downtime. If for any reason non-Customer Specific Maintenance requires downtime, Kronos will provide as much notice as reasonably possible of the expected window in which this will occur. Downtime in excess of three (3) hours per month for Non-Customer Specific Maintenance will be deemed to be an Outage.

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

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

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

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

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

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

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

1. DEFINITIONS

"Acceptable Use Policy" means the Kronos policy describing prohibited uses of the Services as further described at: <https://www.kronos.com/policies/acceptable-use>

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

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

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

"Cloud Services" means those services related to Customer's cloud environment as further described at: <http://www.kronos.com/products/workforce-central-cloud/cloud-guidelines.aspx>

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

2. TERM

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

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

2.3 Either party may terminate the Services and the Agreement upon a material breach of the Agreement by the other party if such breach is not cured within fifteen (15) days after receipt of written notice.

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

2.5 If the Agreement is terminated for any reason:

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

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

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

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

2.6 Customer Content shall be available to Customer to retrieve at any time and at no additional charge throughout the Term and for no more than fifteen (15) days after expiration or termination of the Agreement for any reason. After such time period, Kronos shall have no further obligation to store or make available the Customer Content and will securely delete all Customer Content without liability of any kind.

3. FEES AND PAYMENT

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

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

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

4. RIGHTS TO USE

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

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

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

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

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

5. ACCEPTABLE USE

5.1 Customer shall take all reasonable steps to ensure that no unauthorized persons have access to the Services, and to ensure that no persons authorized to have such access shall take any action that would be in violation of this Agreement. Customer is responsible for all activities undertaken under the auspices of its passwords and other login credentials to use the Services.

5.2 Customer represents and warrants to Kronos that Customer has the right to publish and disclose the Customer Content in connection with the Services. Customer represents and warrants to Kronos that the Customer Content will comply with the Acceptable Use Policy.

5.3 Customer will not (a) use, or allow the use of, the Services in contravention of the Acceptable Use Policy.

5.4 Kronos may suspend the Services immediately upon written notice in the event of any security risk, negative impact on infrastructure or Acceptable Use Policy violation.

6. CONNECTIVITY AND ACCESS

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

7. IMPLEMENTATION AND SUPPORT

7.1 Implementation Services. Kronos will provide the Implementation Services to Customer. Implementation Services described in a SOW are provided on a time and materials basis, billed monthly as delivered unless otherwise indicated on the Order Form. Implementation Services described in the Services Implementation Guideline are provided on a fixed fee basis. If Customer requests additional Implementation Services beyond those described in the Services Implementation Guideline, Kronos will create a change order for Customer's review and approval and any additional Implementation Services to be provided by Kronos will be billed as delivered at the then-current Kronos professional services rates. Kronos' configuration of the Applications will be based on information and work flows that Kronos obtains from Customer during the discovery portion of the implementation. Customer shall provide Kronos with necessary configuration-related information in a timely manner to ensure that mutually agreed implementation schedules are met. In the event that Kronos is required to travel to Customer's location during the implementation, travel expenses shall be set forth in accordance with Section 6 Exhibit A. Kronos shall invoice Customer for such travel expenses and payment thereof shall be due net thirty (30) days from date of invoice.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

7.7 Training Courses. When Training Points or training sessions are set forth in an SSS, the SSS applies. When Training Points or training sessions are not set forth in an SSS, as part of the Services, for each SaaS application module included in the Services purchased by Customer, Customer's employees shall be entitled to attend, in the quantity indicated, the corresponding training courses set forth at: www.kronos.com/products/workforce-central-saas/training-guidelines.aspx Participation in such training courses is limited to the number of seats indicated for the courses corresponding to the modules forming a part of the Services purchased by Customer.

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

8. Customer content

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

9. EQUIPMENT

Customer shall own all Customer Content. Kronos acknowledges that all of the Customer Content is deemed to be the Confidential Information of Customer. Customer will ensure that all Customer Content conforms with the terms of this Agreement and applicable law. Kronos and its Suppliers may, but shall have no obligation to, access and monitor Customer Content from time to time to provide the Services and to ensure compliance with this Agreement and applicable law. Customer is solely responsible for any claims related to Customer Content and for properly handling and processing notices that are sent to Customer regarding Customer Content.

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

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

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

- a) **Ownership and Warranty Period.** Title to the Equipment shall pass to Customer upon delivery to the carrier. The "Warranty Period" for the Equipment shall be for a period of ninety (90) days from such delivery (unless otherwise required by law).

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

10. SERVICE LEVEL AGREEMENT

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

11. LIMITED WARRANTY; DISCLAIMERS OF WARRANTY

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

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

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

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

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

12.0 DATA SECURITY

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

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

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

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

13. INDEMNIFICATION

13.1 Kronos shall defend Customer and its respective directors, officers, and employees (collectively, the "Customer Indemnified Parties"), from and against any and all notices, charges, claims, proceedings, actions, causes of action and suits, brought by a third

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

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

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

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

14. LIMITATION OF LIABILITY

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

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

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

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

EXHIBIT D-1

SERVICE LEVEL AGREEMENT (SLA)

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

99.75% Application Availability

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

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

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

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

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

"Maintenance Period" means scheduled maintenance periods established by Kronos to maintain and update the Services, when downtime may be necessary, as further described below. The Maintenance Period is used for purposes of the Service Credit Calculation; Kronos continuously maintains the production environment on a 24x7 basis to reduce disruptions.

Customer Specific Maintenance Period

1. Customer will choose one of the following time zones for their Maintenance Period:
 - a. United States Eastern Standard Time,
 - b. GMT/UTC,
 - c. Central European Time (CET) or
 - d. Australian Eastern Standard Time (AEST).
2. Customer will choose one of the following days of the week for their Maintenance Period: Saturday, Sunday, Wednesday or Thursday.
3. Kronos will use up to six (6) hours in any two (2) consecutive rolling months (specifically: January and February; March and April; May and June; July and August; September and October; November and December) to perform Customer Specific Maintenance, excluding any customer requested Application updates. Downtime in excess of these six (6) hours will be deemed to be an Outage.
4. Customer Specific Maintenance will occur between 12am-6am during Customer's selected time zone.
5. Excluding any customer requested Application updates, Kronos will provide notice for planned downtime via an email notice to the primary Customer contact at least seven (7) days in advance of any known downtime so planning can be facilitated by Customer.
6. Customer Specific Maintenance Windows also include additional maintenance windows mutually agreed upon by Customer and Kronos.

7. In absence of instruction from Customer, Kronos will by default perform Maintenance in the time zone where the Data Center is located.

Non-Customer Specific Maintenance Period

Kronos anticipates non-Customer Specific Maintenance to be performed with no or little (less than three hours per month) Customer downtime. If for any reason non-Customer Specific Maintenance requires downtime, Kronos will provide as much notice as reasonably possible of the expected window in which this will occur. Downtime in excess of three (3) hours per month for Non-Customer Specific Maintenance will be deemed to be an Outage.

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

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

Reporting and Claims Process: Service Credits will not be provided if: (a) Customer is in breach or default under the Agreement at the time the Outage occurred; or (b) the Outage results from an Excluded Event.

Kronos will provide Customer with an Application Availability report on a monthly basis for each prior calendar month. Within sixty (60) days of receipt of such report, Customer must request the applicable Service Credit by written notice to Kronos. Customer waives any right to Service Credits not requested within this time period. All performance calculations and applicable Service Credits are based on Kronos records and data unless Customer can provide Kronos with clear and convincing evidence to the contrary.

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

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

SECTION E
KRONOS ADDENDUM
WORKFORCE TELESTAFF IVR SERVICE
(Licensed or User based)

The parties hereby agree that the following terms and conditions are supplemental terms and conditions to the Agreement and are applicable to the Workforce Telestaff IVR service ("Workforce Telestaff IVR"), a service of Aspect Software Inc., which Kronos is authorized to resell. The Workforce Telestaff IVR service can be ordered either on a licensed basis (in which case Workforce Telestaff IVR is only available with a perpetual license to Workforce Telestaff and is not hosted by Kronos) ("Workforce Telestaff IVR License Per Port") or on a per minute basis ("Workforce Telestaff IVR Service"). The applicable designation for Workforce Telestaff IVR will be indicated on the applicable Order Form..

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

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

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

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

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

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

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

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

SECTION F
WFC Extensions for Healthcare Terms and Conditions
to
Section D (Workforce Central Software as a Services Terms and Conditions)

This WFC Extensions for Healthcare addendum of supplemental terms and conditions (the "**Section F**") is entered into by and between Kronos and Customer and shall supplement the Agreement. Capitalized terms not otherwise defined herein shall have the meanings prescribed to them in the Agreement.

WHEREAS, Kronos and Customer entered into an agreement governing the provision of Kronos' Workforce Central Software as a Service in Section D offering (the "**SaaS Agreement**") pursuant to which Customer acquires Cloud Services for certain Applications to be used by Customer in the "**Kronos Private Cloud**" or "**KPC**;

WHEREAS, Customer desires to acquire from Kronos the Extensions for Healthcare Application(s) (i.e., Workload Manager for Healthcare; Target Intelligence for Healthcare; and/or Forecast Manager for Healthcare, as such Applications set may be updated from time to time) (collectively, the "**Extension Applications**") to be used and managed in Kronos Private Cloud and in accordance with this Section F Terms and Conditions and Section D, SaaS Agreement;

WHEREAS, Kronos agrees to host and manage the Extension Applications in the Kronos Private Cloud for the benefit of Customer and in accordance with this Section F and the Agreement.

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

Customer and Kronos agree that the terms and conditions set forth herein shall only apply to the Extension Applications in Kronos' Private Cloud, and the services related thereto. The Extension Applications described on the Order Form shall be delivered by means of Customer's permitted access to the Kronos Private Cloud. Notwithstanding any provision in the Agreement or any prior Statement of Work signed by the parties for the Cloud Services to the contrary, the terms and conditions of this Section F shall apply to the Extension Applications hosted by Kronos in the Kronos Private Cloud. In the event of a conflict or inconsistency between the Agreement and this Section F, and only as it pertains to the Extension Applications, the provisions of this Section F shall prevail.

1. DEFINITIONS

"**Agreement**" means the underlying agreement including the SaaS Terms and Conditions set forth in Section D and to which this Section F shall apply.

"**Business Associate Agreement**" or "**BAA**" means the Business Associate Agreement attached hereto as Section H.

"**Client Partnership Services**" means those services provided pursuant to Section 4, below.

"**Cloud Services**" means those services described in Section I, the "Cloud Services for Extension Applications".

"**Encrypt**" or "**Encryption**" means to cryptographically protect data using methods such as symmetric encryption algorithm, asymmetric encryption algorithm or a one-way hashing algorithm.

"**HIPAA**" means the Health Insurance Portability & Accountability Act of 1996, P.L. 104-191, as amended from time to time, together with its implementing regulations promulgated under HIPAA and under the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), Title XIII of Division A and Title IV of Division B of the American Recovery and Reinvestment Act of 2009 ("ARRA"), by the U.S. Department of Health and Human Services, including, but not limited to, the Privacy Rule, the Security Rule and the Breach Notification Rule, as amended from time to time.

"**PHI**" means Protected Health Information as defined by HIPAA. PHI shall be deemed to be Personally Identifiable Data under the Agreement.

"**Solution**" means the combination and use of the Extension Applications working with the Encryption Gateway Tool.

2. KRONOS CLOUD ENCRYPTION GATEWAY

a. As part of acquiring the Extension Applications pursuant to this Section F, Kronos licenses to Customer the right to use the Kronos Cloud Encryption Gateway tool ("**Encryption Gateway Tool**"). The Encryption Gateway Tool will Encrypt PHI before it is transmitted to the Kronos Private Cloud and it will un-Encrypt the PHI when it is extracted from the Kronos Private Cloud in accordance with the encryption product documentation.

b. Kronos will deliver the Encryption Gateway Tool by giving Customer access to the secure Customer portal and such tool shall be available for download and to be installed by Customer, on Customer's server and behind its firewall at its location. The Encryption Gateway Tool will at all times be under Customer's control and Customer shall install updates to the Encryption Gateway Tool, when such updates are made available by Kronos. The Encryption Gateway Tool is licensed to Customer concurrently with the Extension Application(s) and upon termination or expiration of the Extension Application(s), Customer's right to use the Encryption Gateway Tool shall also terminate. Customer agrees to uninstall the Encryption Gateway Tool upon termination of Customer's right to use of the Extension Applications.

- c. As part of the Services for the Extension Applications, Customer is entitled to receive the Support Services detailed in Section D.
- d. The Application Availability SLA of the Agreement shall not apply to the Encryption Gateway Tool which is installed on Customer's server at Customer's control.

3. CUSTOMER RESPONSIBILITIES

Customer agrees to:

- a. install, maintain and use the Encryption Gateway Tool as part of the cloud hosting services for the Extension Applications in accordance with the product documentation. Customer acknowledges that its failure to immediately apply updates to the Encryption Gateway Tool when such updates become available may: (i) compromise the security of Customer Content, including, Personally Identifiable Data and PHI; and (ii) result in incompatibility between the Healthcare Extensions and the Encryption Gateway Tool, which could cause failures in Encrypting and un-Encrypting data, and affect the scope of the Services provided by Kronos and its ability to adhere with its compliance programs, including those verified by the independent auditor report (i.e., SOC reports). Customer acknowledges Kronos shall not provide any credits for SLA issues under the Agreement that resulted from Customer's failure to update the Encryption Gateway Tool.
- b. install and maintain the encryption gateway private key per the encryption product documentation, and not share the encryption gateway private key with any third party who does not have a need to know, including not sharing the encryption gateway private key with Kronos. Should Customer lose the key, any encrypted data will remain encrypted.
- c. enter and maintain PHI only in the fields defined in the Extension Applications product documentation; and to only send PHI data (e.g., screen shots containing PHI) to Kronos by means of secure support channels for such data.
- d. use unique user ID and passwords for all users of Extension Applications
- e. configure Extension Application user's account to meet Customer's HIPAA policy requirements for complexity, length duration and lockout.
- f. determine user access/authorization to the application level of the Solution and assure that the level of access and the user assigned roles and permission are appropriate, which includes periodic application level logical access review.
- g. review application logs to meet Customer's HIPAA compliance program.
- h. immediately notify Kronos in the event Customer discovers a security issue with the Solution.
- i. provide Kronos resources with application level accounts as reasonably needed to support the Extension Applications, and not unreasonably withhold such access.

4. CLIENT PARTNERSHIP SERVICES

If acquired by Customer on the applicable Order Form, the parties agree that the following terms shall apply to Customer's purchase of Client Partnership Services only:

- a. Scope. Client Partnership Services will provide to Customer additional support services to develop performance improvement for clients utilizing the Extension Applications. This service includes a dedicated Strategic Client Advisor (the "Advisor") that works with the Customer to guide the Customer in optimizing the use of the Extension Applications. The Advisor will also provide consultation services which may include, but is not limited to, developing supporting processes, staff engagement and accountability structures, service plan development in response to Customer's business requirements, as well as serving as a resource link to assist Customers in networking with other Kronos customer's healthcare organizations.
- b. Term. Client Partnership Services shall be for a term of one (1) year and shall renew for additional one (1) year terms provided Customer renews the Client Partnership Services as provided below.
- c. Payment: Customer shall pay the annual Client Partnership Services charges for the initial term in accordance with the payment terms on the Order Form as executed by Customer. Kronos will send Customer a renewal invoice for renewal of the Client Partnership Services at least forty five (45) days prior to expiration of the then current term. Client Partnership Services 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. Change to Offerings; Support Increases: After the one year initial term, the Client Partnership Services offerings provided and the service coverage period are subject to change by Kronos with sixty (60) days advance written notice. For the initial two (2) renewal terms from the date of the Addendum, the annual Client Partnership Services fee, for the same service type, is subject to increase by not more than four percent (4%) over the prior year's annual Client Partnership Services fee.

5. BUSINESS ASSOCIATE AGREEMENT

The parties agree that the provisions of the Business Associate Agreement referenced as **Section H** shall apply.

6. DATA SECURITY

As part of the Services for the Extension Applications, Kronos shall provide those administrative, physical, and technical safeguards for protection of the security, confidentiality and integrity of Customer data as described in **Section I** herein.

SECTION G

WFC Extensions for Healthcare Terms and Conditions to Section C / Section C-1 (Hosting Terms and Conditions)

This WFC Extensions for Healthcare addendum of supplemental terms and conditions ("**Section G**") is entered into by and between Kronos and Customer and shall supplement the Agreement. Capitalized terms not otherwise defined herein shall have the meanings prescribed to them in the Agreement.

WHEREAS, Kronos and Customer entered into an agreement to have Kronos host the Workforce Central Software in its managed cloud environment in Section C/Section C-1 (the "**Kronos Private Cloud**" or "**KPC**") and to allow Customer to use such software in the Kronos Private Cloud;

WHEREAS, Customer desires to acquire from Kronos the Extensions for Healthcare Application(s) (i.e., Workload Manager for Healthcare; Target Intelligence for Healthcare; and/or Forecast Manager for Healthcare, as such Application set may be updated from time to time) (collectively, the "**Extension Applications**") to be used and managed in the Kronos Private Cloud and in accordance with this Section G terms and conditions and Section C / Section C-1;

WHEREAS, Kronos agrees to host and manage the Extension Applications in the Kronos Private Cloud for the benefit of Customer and in accordance with this Section G and the Agreement.

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

Customer and Kronos agree that the terms and conditions set forth herein shall only apply to the Extension Applications in Kronos' Private Cloud, and the services related thereto. The Extension Applications described on the Order Form shall be delivered by means of Customer's permitted access to the Kronos Private Cloud. Notwithstanding any provision in the Agreement or any prior Statement of Work signed by the parties for the Cloud Services to the contrary, the terms and conditions of this Section G shall apply to the Extension Applications hosted by Kronos in the Kronos Private Cloud. In the event of a conflict or inconsistency between the Agreement and this Section G, and only as it pertains to the Extension Applications, the provisions of this Section G shall prevail.

1. DEFINITIONS

"**Agreement**" means the underlying agreement including the Cloud Hosting Terms and Conditions set forth in Section C/Section C-1, as applicable, and to which this Section G shall apply.

"**Business Associate Agreement**" or "**BAA**" means the Business Associate Agreement attached Section H.

"**Client Partnership Services**" means those services provided pursuant to Section 4, below.

"**Cloud Services**" means those services described in Section I, the "Cloud Services for Extension Applications".

"**Encrypt**" or "**Encryption**" means to cryptographically protect data using methods such as symmetric encryption algorithm, asymmetric encryption algorithm or a one-way hashing algorithm.

"**HIPAA**" means the Health Insurance Portability & Accountability Act of 1996, P.L. 104-191, as amended from time to time, together with its implementing regulations promulgated under HIPAA and under the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), Title XIII of Division A and Title IV of Division B of the American Recovery and Reinvestment Act of 2009 ("ARRA"), by the U.S. Department of Health and Human Services, including, but not limited to, the Privacy Rule, the Security Rule and the Breach Notification Rule, as amended from time to time.

"**PHI**" means Protected Health Information as defined by HIPAA. PHI shall be deemed to be Personally Identifiable Data under the Agreement.

"**Solution**" means the combination and use of the Extension Applications working with the Encryption Gateway Tool.

7. KRONOS CLOUD ENCRYPTION GATEWAY

a. As part of acquiring the Extension Applications pursuant to this Section G, Kronos licenses to Customer the right to use the Kronos Cloud Encryption Gateway tool ("**Encryption Gateway Tool**"). The Encryption Gateway Tool will Encrypt PHI before it is transmitted to the Kronos Private Cloud and it will un-Encrypt the PHI when it is extracted from the Kronos Private Cloud in accordance with the encryption product documentation.

b. Kronos will deliver the Encryption Gateway Tool by giving Customer access to the secure Customer portal and such tool shall be available for download and to be installed by Customer, on Customer's server and behind its firewall at its location. The Encryption Gateway Tool will at all times be under Customer's control and Customer shall install updates to the Encryption

Gateway Tool, when such updates are made available by Kronos. The Encryption Gateway Tool is licensed to Customer concurrently with the Extension Application(s) and upon termination or expiration of the license to use the Extension Application(s) or termination or expiration of Software Support maintenance, Customer's right to use the Encryption Gateway Tool shall also terminate.

c. Customer is entitled to receive the Support Services detailed in Section C/Section C-1.

d. The Application Availability SLA of the Agreement shall not apply to the Encryption Gateway Tool which is installed on Customer's server at Customer's control.

8. CUSTOMER RESPONSIBILITIES

Customer agrees to:

a. install, maintain and use the Encryption Gateway Tool as part of the cloud hosting services for the Extension Applications in accordance with the product documentation. Customer acknowledges that its failure to immediately apply updates to the Encryption Gateway Tool when such updates become available may: (i) compromise the security of Customer Content, including, Personally Identifiable Data and PHI; and (ii) result in incompatibility between the Healthcare Extensions and the Encryption Gateway Tool, which could cause failures in Encrypting and un-Encrypting data, and affect the scope of the Hosting Related or Cloud Services provided by Kronos and its ability to adhere with its compliance programs, including those verified by the independent auditor report (i.e., SOC reports). Customer acknowledges Kronos shall not provide any credits for SLA issues under the Agreement that resulted from Customer's failure to update the Encryption Gateway Tool.

b. install and maintain the encryption gateway private key per the encryption product documentation, and not share the encryption gateway private key with any third party who does not have a need to know, including not sharing the encryption gateway private key with Kronos. Should Customer lose the key, any encrypted data will remain encrypted.

c. enter and maintain PHI only in the fields defined in the Extension Applications product documentation; and to only send PHI data (e.g., screen shots containing PHI) to Kronos by means of secure support channels for such data.

d. use unique user ID and passwords for all users of Extension Applications

e. configure Extension Application user's account to meet Customer's HIPAA policy requirements for complexity, length duration and lockout.

f. determine user access/authorization to the application level of the Solution and assure that the level of access and the user assigned roles and permission are appropriate, which includes periodic application level logical access review.

g. review application logs to meet Customer's HIPAA compliance program.

h. immediately notify Kronos in the event Customer discovers a security issue with the Solution.

i. provide Kronos resources with application level accounts as reasonably needed to support the Extension Applications, and not unreasonably withhold such access.

9. CLIENT PARTNERSHIP SERVICES

If acquired by Customer on the applicable Order Form, the parties agree that the following terms shall apply to Customer's purchase of Client Partnership Services only:

a. Scope. Client Partnership Services will provide to Customer additional support services to develop performance improvement for clients utilizing the Extension Applications. This service includes a dedicated Strategic Client Advisor (the "Advisor") that works with the Customer to guide the Customer in optimizing the use of the Extension Applications. The Advisor will also provide consultation services which may include, but is not limited to, developing supporting processes, staff engagement and accountability structures, service plan development in response to Customer's business requirements, as well as serving as a resource link to assist Customers in networking with other Kronos customer's healthcare organizations.

b. Term. Client Partnership Services shall be for a term of one (1) year and shall renew for additional one (1) year terms provided Customer renews the Client Partnership Services as provided below.

c. Payment: Customer shall pay the annual Client Partnership Services charges for the initial term in accordance with the payment terms on the Order Form as executed by Customer. Kronos will send Customer a renewal invoice for renewal of the Client Partnership Services at least forty five (45) days prior to expiration of the then current term. Client Partnership Services 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. Change to Offerings; Support Increases: After the one year initial term, the Client Partnership Services offerings provided and the service coverage period are subject to change by Kronos with sixty (60) days advance written notice. For the initial two (2) renewal terms from the date of the Addendum, the annual Client Partnership Services fee, for the same service type, is subject to increase by not more than four percent (4%) over the prior year's annual Client Partnership Services fee.

10. BUSINESS ASSOCIATE AGREEMENT

The parties agree that the provisions of the Business Associate Agreement attached hereto and incorporated herein by reference as **Section H** shall apply

11. DATA SECURITY

As part of the Services for the Extension Applications, Kronos shall provide those administrative, physical, and technical safeguards for protection of the security, confidentiality and integrity of Customer data as described in **Section I** herein.

SECTION H
BUSINESS ASSOCIATE AGREEMENT

RECITALS

WHEREAS, Customer (hereinafter "Covered Entity") has entered into an agreement with Kronos (hereinafter "Business Associate") governing the provision of Kronos' Workforce Central Software provided by Business Associate to Covered Entity in accordance with the Underlying Agreement;

WHEREAS, Business Associate may perform certain services to support Business Associate's software licenses for or on behalf of Covered Entity, and in performing said services, Business Associate may receive, maintain, or transmit Protected Health Information ("PHI");

WHEREAS, Covered Entity is a "Covered Entity" as that term is defined under the Health Insurance Portability and Accountability Act of 1996 (Public Law 104-91), as amended, ("**HIPAA**"), and the regulations promulgated thereunder by the Secretary of the U.S. Department of Health and Human Services ("**Secretary**"), including, without limitation, the regulations codified at 45 C.F.R. Parts 160 and 164 ("**HIPAA Regulations**");

WHEREAS, the Parties intend to protect the privacy and provide for the security of PHI disclosed by Covered Entity to Business Associate, or received by Business Associate, when providing Services in compliance with HIPAA, the Health Information Technology for Economic and Clinical Health Act (Public Law 111-005) ("the HITECH Act") and its implementing regulations and guidance issued by the Secretary, and other applicable state and federal laws, all as amended from time to time; and

WHEREAS, as a Covered Entity, Covered Entity is required under HIPAA to enter into a Business Associate Agreement ("BAA") with Business Associate that meets certain requirements with respect to the Use and Disclosure of PHI, which are met by this BAA.

AGREEMENT

NOW WHEREFORE, in consideration of the Recitals and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Parties agree as follows:

1. DEFINITIONS

The following terms shall have the meaning set forth below. Capitalized terms used in this BAA and not otherwise defined shall have the meanings ascribed to them in HIPAA, the HIPAA Regulations, or the HITECH Act, as applicable.

- 1.1. "**Breach**" shall have the meaning given under [42 U.S.C. § 17921\(1\)](#) and [45 C.F.R. § 164.402](#).
- 1.2. "**Designated Record Set**" shall have the meaning given such term under [45 C.F.R. § 164.501](#).
- 1.3. "**Disclose**" and "**Disclosure**" mean, with respect to PHI, the release, transfer, provision of access to, or divulging in any other manner of PHI outside of Business Associate or to other than members of its Workforce, as set forth in [45 C.F.R. § 160.103](#).
- 1.4. "**Electronic PHI**" or "**e-PHI**" means PHI that is transmitted or maintained in electronic media, as set forth in [45 C.F.R. § 160.103](#).
- 1.5. "**Protected Health Information**" and "**PHI**" mean any information, whether oral or recorded in any form or medium, that: (a) relates to the past, present or future physical or mental health or condition of an individual; the provision of health care to an individual, or the past, present or future payment for the provision of health care to an individual; (b) identifies the individual (or for which there is a reasonable basis for believing that the information can be used to identify the individual); and (c) shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 C.F.R. § 160.103. Protected Health Information includes e-PHI.
- 1.6. "**Security Incident**" means a confirmed successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system which affects Covered Entity's PHI or e-PHI in possession and/or control of Business Associate. Security Incident shall exclude (i) "pings" on an information system firewall; (ii) port scans; (iii) attempts to log on to an information system or enter a database with an invalid password or user name; (iv) denial-of-service attacks that do not result in a server being taken offline; or (v) "malware" (e.g., a worm or a virus) that does not result in unauthorized access, use, disclosure, modification or destruction of PHI.
- 1.7. "**Services**" shall mean the services provided to Covered Entity by Business Associate pursuant to the Underlying Agreement.
- 1.8. "**Unsecured PHI**" shall have the meaning given to such term under [42 U.S.C. § 17932\(h\)](#), [45 C.F.R. § 164.402](#), and guidance issued pursuant to the HITECH Act including, but not limited to the guidance issued on April 17, 2009 and published in 74 Federal Register 19006 (April 27, 2009) by the Secretary.

1.9. **“Use” or “Uses”** mean, with respect to PHI, the sharing, employment, application, utilization, examination or analysis of such PHI within Business Associate’s internal operations, as set forth in [45 C.F.R. § 160.103](#).

1.10. **“Workforce”** shall have the meaning given to such term under [45 C.F.R. § 160.103](#).

2. OBLIGATIONS OF BUSINESS ASSOCIATE

2.1 **Permitted Uses and Disclosures of Protected Health Information.** Business Associate shall not Use or Disclose PHI other than as permitted or required by any Underlying Agreement, this BAA, or as Required by Law. Business Associate shall not Use or Disclose PHI in any manner that would constitute a violation of Subpart E of 45 C.F.R. Part 164 if so Used or Disclosed by Covered Entity. However, Business Associate may Use or Disclose PHI (i) for the proper management and administration of Business Associate; (ii) to carry out the legal responsibilities of Business Associate, provided that with respect to any such Disclosure either: (a) the Disclosure is Required by Law; or (b) Business Associate obtains a written agreement from the person to whom the PHI is to be Disclosed that such person will hold the PHI in confidence and shall not Use and further Disclose such PHI except as Required by Law and for the purpose(s) for which it was Disclosed by Business Associate to such person, and that such person will notify Business Associate of any instances of which it is aware in which the confidentiality of the PHI has been breached; (iii) for Data Aggregation purposes for the Health Care Operations of Covered Entity. To the extent that Business Associate carries out one or more of Covered Entity’s obligations under Subpart E of 45 C.F.R. Part 164, Business Associate must comply with the requirements of Subpart E that apply to the Covered Entity in the performance of such obligations.

2.2 **Prohibited Marketing and Sale of PHI.** Notwithstanding any other provision in this BAA, Business Associate shall comply with the following requirements: (i) Business Associate shall not Use or Disclose PHI for fundraising or marketing purposes, except to the extent expressly authorized or permitted by any Underlying Agreement and consistent with the requirements of 42 U.S.C. § 17936, 45 C.F.R. §§ 164.514(f), and 164.508(a)(3)(ii), and (ii) Business Associate shall not directly or indirectly receive remuneration in exchange for PHI except with the prior written consent of Covered Entity and as permitted by the HITECH Act, 42 U.S.C. § 17935(d)(2), and 45 C.F.R. § 164.502(a)(5)(ii); however this prohibition shall not affect payment by Covered Entity to Business Associate for the provision of Services pursuant to any Underlying Agreement.

2.3 **Adequate Safeguards of PHI.** Business Associate shall implement and maintain reasonably appropriate safeguards to prevent Use or Disclosure of PHI other than as provided for by this BAA. Business Associate shall reasonably and appropriately protect the confidentiality, integrity, and availability of e-PHI that it receives, maintains or transmits on behalf of Covered Entity in compliance with Subpart C of 45 C.F.R. Part 164 to prevent Use or Disclosure of PHI other than as provided for by this BAA.

2.4 **Mitigation.** Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a Use or Disclosure of PHI by Business Associate in violation of the requirements of this BAA.

2.5 **Reporting Non-Permitted Use or Disclosure.**

2.5.1 **Reporting Security Incidents and Non-Permitted Use or Disclosure.** Business Associate shall report to Covered Entity in writing each confirmed Security Incident or Use or Disclosure that is made by Business Associate, members of its Workforce, or Subcontractors that is not specifically permitted by this BAA no later than ten (10) business days after confirming such Security Incident or non-permitted Use or Disclosure, in accordance with the notice provisions set forth herein. Business Associate shall investigate each Security Incident or non-permitted Use or Disclosure of Covered Entity’s PHI that it discovers to determine whether such Security Incident or non-permitted Use or Disclosure constitutes a reportable Breach of Unsecured PHI. Business Associate shall document and retain records of its investigation of any Breach, including its reports to Covered Entity under this Section 2.5.1. Upon written request by Covered Entity, Business Associate shall furnish to Covered Entity the documentation of its investigation and an assessment of whether such Security Incident or non-permitted Use or Disclosure constitutes a reportable Breach. If such Security Incident or non-permitted Use or Disclosure constitutes a reportable Breach of Unsecured PHI, then Business Associate shall comply with the additional requirements of Section 2.5.2 below.

2.5.2 **Breach of Unsecured PHI.** If Business Associate determines that a reportable Breach of Unsecured PHI has occurred, Business Associate shall provide a written report to Covered Entity without unreasonable delay but no later than thirty (30) calendar days after discovery of the Breach. To the extent that information is available to Business Associate, Business Associate’s written report to Covered Entity shall be in accordance with 45 C.F.R. §164.410(c). Business Associate shall reasonably cooperate with Covered Entity in meeting Covered Entity’s obligations under the HITECH Act with respect to such Breach. Covered Entity shall have sole control over the timing and method of providing notification of such Breach to the affected individual(s), the Secretary and, if applicable, the media, as required by the HITECH Act.

2.6 **Availability of Internal Practices, Books, and Records to Government.** Business Associate agrees to make its internal policies, books and records relating to the Use and Disclosure of PHI received from, or received by the Business Associate on behalf of Covered Entity available to the Secretary for purposes of determining Covered Entity’s compliance with HIPAA, the HIPAA Regulations, and the HITECH Act. Except to the extent prohibited by law, Business Associate shall notify Covered Entity of all requests served upon Business Associate for information or documentation by or on behalf of the Secretary.

2.7 **Access to and Amendment of Protected Health Information.** To the extent that Business Associate maintains a Designated Record Set on behalf of Covered Entity and within fifteen (15) business days of a written request by Covered Entity, Business Associate shall (a) make the PHI it maintains (or which is maintained by its Subcontractors) in Designated Record Sets available to Covered Entity for inspection and copying to fulfill its obligations under 45 C.F.R. § 164.524, or (b) permit Covered Entity

to amend the PHI Business Associate maintains (or which is maintained by Business Associate's Subcontractors) in Designated Record Sets to enable the Covered Entity to fulfill its obligations under 45 C.F.R. § 164.526. In the event that an individual makes a direct request to Business Associate to amend any PHI of such individual maintained in a Designated Record Set on behalf of Covered Entity, Business Associate shall promptly forward such individual's request to Covered Entity for review. Business Associate shall not Disclose PHI to a health plan for payment or Health Care Operations purposes except as otherwise directed by Covered Entity or required by law. If Business Associate maintains PHI in a Designated Record Set electronically, Business Associate shall provide such information in the electronic form and format requested by the Covered Entity if it is readily reproducible in such form and format, and, if not, in such other form and format as commercially reasonable and available to enable Covered Entity to fulfill its obligations under 42 U.S.C. § 17935(e) and 45 C.F.R. § 164.524(c)(2). Business Associate shall notify Covered Entity within fifteen (15) business days of receipt of a request for access to PHI.

2.8 **Accounting.** To the extent that Business Associate maintains a Designated Record Set on behalf of Covered Entity, within thirty (30) days of receipt of a request from Covered Entity or an individual for an accounting of disclosures of PHI, Business Associate and its Subcontractors shall make available to Covered Entity the information required to provide an accounting of disclosures to enable Covered Entity to fulfill its obligations under 45 C.F.R. § 164.528 and its obligations under 42 U.S.C. § 17935(c). Business Associate shall notify Covered Entity within fifteen (15) business days of receipt of a request by an individual or other requesting party for an accounting of disclosures of PHI.

2.9 **Use of Subcontractors.** Business Associate shall require each of its Subcontractors, if any, that maintains, receives, or transmits PHI on behalf of Business Associate, to execute a Business Associate Agreement that imposes on such Subcontractors the same, or substantially similar, restrictions, conditions, and requirements that apply to Business Associate under this BAA with respect to PHI.

2.10 **Minimum Necessary.** Business Associate (and its Subcontractors) shall, to the extent practicable, limits its request, Use, or Disclosure of PHI to the minimum amount of PHI necessary to accomplish the purpose of the request, Use or Disclosure, in accordance with 42 U.S.C. § 17935(b) and 45 C.F.R. § 164.502(b)(1) or any other guidance issued thereunder.

3. COVERED ENTITIES RESPONSIBILITIES

Covered Entity Responsibilities. With respect to the use and disclosure of the PHI by Business Associate, Covered Entity agrees to: (a) inform Business Associate of any change in or revocation of any authorization provided to Covered Entity by Individuals pursuant to applicable law, including, but not limited to, the HIPAA Statute and which is applicable to Business Associate; and (b) to timely notify Business Associate, in writing, of any arrangement permitted or required of Covered Entity under applicable law, including, but not limited to, the HIPAA Statute, that may impact in any manner the use, disclosure, or access to PHI by Business Associate under the Agreement, including, but not limited to, any agreement by Covered Entity to restrict use or disclosure of any PHI as permitted by the HIPAA Statute.

4. TERM AND TERMINATION

4.1 **Term.** Subject to the provisions of Section 4.2 herein, the term of this BAA shall be the term of the Underlying Agreement.

4.2 **Termination for Cause.** In addition to and notwithstanding the termination provisions set forth in any Underlying Agreement, upon Covered Entity's knowledge of a material breach or violation of this BAA by Business Associate, Covered Entity shall either:

a. Notify Business Associate of the breach in writing, and provide an opportunity for Business Associate to cure the breach or end the violation within fifteen (15) business days of such notification; provided that if Business Associate fails to cure the breach or end the violation within such time period, Covered Entity may immediately terminate this BAA and any Underlying Agreement upon written notice to Business Associate; or

b. Upon written notice to Business Associate, immediately terminate this BAA and any Underlying Agreement if Covered Entity determines that such breach cannot be cured

4.3 **Disposition of Protected Health Information Upon Termination or Expiration.**

4.3.1 Upon termination or expiration of this BAA, Business Associate shall either return or destroy all PHI received from, or received by Business Associate on behalf of Covered Entity, that Business Associate still maintains in any form and retain no copies of such PHI. If Covered Entity requests that Business Associate return PHI, PHI shall be returned in a format utilized at the time of termination and timeframe, at no additional charge to Covered Entity.

4.3.2 If return or destruction is not feasible, Business Associate shall (a) retain only that PHI which is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities; (b) return to Covered Entity the remaining PHI that the Business Associate still maintains in any form; (c) continue to extend the protections of this BAA to the PHI for as long as Business Associate retains the PHI; (d) limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction of the PHI not feasible and subject to the same conditions set out in Section 2.1 and 2.2 above, which applied prior to termination; and (e) return to Covered Entity the PHI retained by Business Associate when it is no longer needed by Business Associate for its proper management and administration or to carry out its legal responsibilities.

5. MISCELLANEOUS

5.1 **Amendment to Comply with Law.** The parties agree to enter into an amendment to this BAA to incorporate any mandatory obligations of Covered Entity or Business Associate under the HITECH Act and its implementing HIPAA Regulations, as applicable, and as mutually agreed between the parties. Additionally, the Parties agree to take such action as is reasonably necessary to amend this BAA from time to time for Covered Entity to implement its obligations pursuant to HIPAA, the HIPAA Regulations, or the HITECH Act, and to the extent mutually acceptable to the parties.

5.2 **Relationship to Underlying Agreement Provisions.** Except as otherwise specifically stated in this BAA, in the event that a provision of this BAA is contrary to a provision of an Underlying Agreement, the provision of this BAA shall control. Otherwise, this BAA shall be construed under, and in accordance with, the terms of such Underlying Agreement, and shall be considered an amendment of and supplement to such Underlying Agreement, subject to Section 5.3 below.

5.3 **Entire Agreement.** This BAA supplements and is entered into subject to the Underlying Agreement, and constitutes the entire agreement between the Parties for the services described herein and supersedes all prior or contemporaneous representations, negotiations, or other communications between the Parties relating to the subject matter of this BAA. Any provisions in the Underlying Agreement regarding limitations or exclusion of liability or indemnification will apply to any of the rights and obligations of the parties under this BAA or breach thereof. This BAA supersedes and replaces any existing Business Associate Agreement in effect between Business Associate and Covered Entity. Any PHI received from Covered Entity prior to, on, or after the date of this Agreement is subject to the terms and conditions of this Agreement.

5.4 **Notices.** Any notices required or permitted to be given hereunder by either Party to the other shall be given in writing: (1) by personal delivery; (2) by electronic mail or facsimile with confirmation sent by United States first class registered or certified mail, postage prepaid, return receipt requested; (3) by bonded courier or by a nationally recognized overnight delivery service; or (4) by United States first class registered or certified mail, postage prepaid, return receipt, in each case, addressed to a Party on the signature page(s) to this Agreement, or to such other addresses as the Parties may request in writing by notice given pursuant to this Section 5.4. Notices shall be deemed received on the earliest of personal delivery; upon delivery by electronic facsimile with confirmation from the transmitting machine that the transmission was completed; twenty-four (24) hours following deposit with a bonded courier or overnight delivery service; or seventy-two (72) hours following deposit in the U.S. mail as required herein.

5.5 **Relationship of Parties.** Notwithstanding anything to the contrary in any Underlying Agreement, Business Associate is an independent contractor and not an agent of Covered Entity under this BAA. Business Associate has the sole right and obligation to supervise, manage, contract, direct, procure, perform or cause to be performed all Business Associate obligations under this BAA.

SECTION I

Cloud Services for Extension Applications Applicable to Sections F and G Only

Cloud Offering	
<p>Environments:</p> <p>One standard Production and one Non-Production (Development) environment.</p> <p>Excludes encryption gateway software running at a location in customer's control outside of Kronos Cloud.</p>	<p>Included. More non-production environments are available for additional fees.</p>
<p>Environment restoration:</p> <p>Restore of Production environment to one Non-Production environment once per week.</p> <p>Customer is responsible for requesting data to be moved from the Production environment to the Non-Production environment and for the contents of the data moved from the Production environment to the Non-Production environment.</p> <p>Excludes encryption gateway software running at a location in customer's control outside of Kronos Cloud.</p>	<p>Included. More frequent restores or additional environments will be subject to additional time and material fees.</p>
<p>Connectivity to Service:</p> <p>Customer's users connect to application via secure TLS connection over the internet. Cooperative efforts with customer IT staff may be required to enable access. Kronos will assist with validating site connectivity but assumes no responsibility for customer internet connection or ISP relationships. Kronos related Internet traffic cannot be filtered by proxy or caching devices on the client network. Exclusions must be added for the fully qualified domain names and public IP addresses assigned to the environments in the Kronos Cloud. Applicable ports must be opened from customer network as described in product documentation.</p>	<p>Included</p>
<p>Operating System and Database Software Management: Includes application of critical security patches, service packs and hot-fixes; maintenance of servers.</p> <p>Excludes encryption gateway software running at a location in customer's control outside of Kronos Cloud.</p>	<p>Included</p>
<p>Server Maintenance: Repair and replacement of defective or failed hardware and the installation of hardware upgrades.</p> <p>Excludes encryption gateway software running at a location in customer's control outside of Kronos Cloud.</p>	<p>Included</p>
<p>Application Updates: Services to perform technical tasks required to apply application service packs, legislative updates (if applicable), point releases and version upgrades.</p> <p>Excludes encryption gateway software running at a location in customer's control outside of Kronos Cloud.</p>	<p>Included</p>

Cloud Offering	
<p>Backup:</p> <p>Customer data is backed up daily. Database backups are replicated via encrypted connections to a second Kronos Cloud datacenter. Backups are retained for the prior 28 days on a rotating basis. All historical employee and configuration data is stored in the rotating backups.</p> <p>Excludes encryption gateway software running at a location in customer's control outside of Kronos Cloud.</p>	Included
<p>Security:</p> <p>Kronos maintains a hosting environment that undergoes examinations from an independent auditor in accordance with the American Institute of Certified Public Accounts (AICPA) Trust Services Principles Section 100a, Trust Services for Security, Availability, Processing Integrity, Confidentiality and Privacy (i.e. SOC 2). The Kronos Private Cloud (KPC) is evaluated for the principles of Security, Availability and Confidentiality by the independent auditor. The Kronos Private Cloud is located in data centers that undergo SSAE 16 examinations. Management access to the KPC is limited to authorized Kronos support staff and customer authorized integrations. The security architecture has been designed to control appropriate logical access to the KPC to meet the Trust Services Principles of Security, Availability and Confidentiality. The Applications provide the customer with the ability to configure application security and logical access per the customer's business processes. Additionally the independent auditor will provide an opinion on the design and operating effectiveness of controls to meet the security requirements of the Health Insurance Portability and Accountability Act Security Rule, which will be first issued by end of calendar year 2016.</p> <p>In the event the customer identifies a security issue, the customer will notify Kronos. For security purposes, customers are restricted from accessing the desktop, file systems, databases and operating system of the environments.</p> <p>Customer agrees not to upload payment card information as the service is not certified for PCI DSS.</p> <p>For each of the customer's production and non-production environments in a data center in the United States of America, Customer Content will be Encrypted at rest at the storage level for the Extension Application(s). Encryption at rest is defined as Customer Content is made unreadable on disk via encryption technology when the Kronos Cloud computing environment hardware is powered off. For clarity this storage level of Encryption within the Kronos Private Cloud is independent of the Encryption at the Encryption Gateway Tool located at the customer's location, thus providing a second layer of encryption at rest.</p>	Included
<p>Basic Disaster Recovery Services:</p> <p>Customer environment and all customer data in the Kronos Cloud are replicated to a secondary Kronos Cloud data center. Basic Disaster Recovery Services provides a Recovery Point Objective (RPO) of 24 hours and Kronos strives to restore Application Availability in a commercially reasonable timeframe.</p> <p>The customer will be down until production processing is restored in the primary or secondary data center if needed. No application environment is readily available at the alternate site to process data. Customers are expected to use fully qualified domain names (FQDNs) to access the service given that IP address of the service may change.</p> <p>Any issues arising out of the disaster recovery event due to customer configuration/customization and/or customer third party software outside of the Kronos Cloud is the responsibility of the customer to resolve.</p>	Included

Cloud Offering	
Excludes encryption gateway software running at a location in customer's control outside of Kronos Cloud.	
<p>Enhanced Disaster Recovery Services:</p> <p>Customer environment and all customer data in the Kronos Cloud are replicated to a secondary Kronos Cloud datacenter. Enhanced Disaster Recovery Services provide an RTO (Recovery Time Objective) of 72 hours and a RPO (Recovery Point Objective) of 24 hours.</p> <p>In the unlikely event that Kronos declares a disaster in the primary datacenter, Kronos will notify the customer and activate the Disaster Recovery steps necessary to restore application availability within the RTO defined.</p> <p>As part of the enhanced service, Kronos will conduct an annual Disaster Recovery Process test which has the objectives to 1) test backups 2) train Kronos employees 3) verify and improve internal Kronos procedures. The annual Disaster Recovery Process test may be live or simulated test.</p> <p>Customers are expected to use fully qualified domain names (FQDNs) to access the service given that IP address of the service may change. Any issues arising out of the disaster recovery event due to customer configuration/customization and/or customer third party software outside of the Kronos Cloud is the responsibility of the customer to resolve.</p> <p>Excludes encryption gateway software running at a location in customer's control outside of Kronos Cloud.</p>	If purchased on Order Form

Guidelines and Assumptions:

Category	Assumption
	Estimated availability of production server hardware in Kronos Cloud is approximately 30 days after the Order Form is processed.
	Customer agrees to receive automatic updates to the Applications.
	Applications will support English only.
	Customer agrees not to conduct security testing, which includes but is not limited to penetration testing and vulnerability scanning.
	Customer agrees not conduct any sort of automated or manual performance testing of the Service.

Category	Assumption
	Retention policies must be configured in the Application(s). Setting retention policies will ensure that unnecessary system data (e.g. temp files, deleted records, empty rows, etc.) is routinely purged from the system and will help in managing database growth. Additionally application audit log will retained for 30 days.
	Customer will be required to sign a go live milestone document confirming customer has completed its testing and is ready to go live with the Workforce Central Application EHC module(s).

Workforce Central EHC Upgrade Services

The Service includes services for Kronos to execute tasks to apply point releases and version upgrades to customer's Kronos Applications in the Kronos Cloud. Services are limited to those tasks which apply these updates to the Applications. Services related to upgrade of Encryption Gateway Environment and encryption gateway software running at a location in customer's control outside of Kronos Cloud are not included.

The table below reflects the included upgrade tasks.

Planning Phase	
Customer/ Kronos Introduction Call – up to 30 minutes	Included
Technical readiness & architecture review – Kronos Cloud Environment	Included
Technical readiness & architecture review – Encryption Gateway environment	Not Included
Assessment Phase	
Assessment of Interface Upgrade to WFC	Included
Assessment of new features or changes to configuration	Not included
Assessment of customs, custom interfaces and custom reports and development activities related thereto	Not included
Solution Upgrade / Build Phase	
One (1) restore of Production database to Pre-Production environment for the purpose of upgrade testing. Additional restores, if requested, shall be subject to additional time and material fees.	Included

Upgrade Non-Production and Production environments to new point release or version.	Included
Upgrade of interface integration to Workforce Central per features in product documentation.	Included
Upgrade of integrations beyond integration to Workforce Central per features in product documentation.	Not Included
Upgrade of any customs, custom interfaces and custom reports and development activities related thereto	Not Included
Configuration of new features or functionality or changes to existing configuration	Available for Purchase
Upgrade of Encryption Gateway Environment and encryption gateway software running at a location in customer's control outside of Kronos Cloud.	Not Included
Test & Certify Phase	
User acceptance testing (UAT) of upgraded environments, interfaces, custom reports, new features, etc.	Not Included
Develop customer-specific test cases	Not Included
Sign-off on upgraded Non-Production and Production Environments	Customer
Deploy & Support Phase	
Deployment Readiness Call – up to 30 minutes	Included

Note that new feature configuration, project management services, other Professional, Managed and Educational Services and training are not included as part of Upgrade Services, but may be purchased independently, if desired.

If not specifically noted, the customer should assume responsibility of the task and/or deliverable.

SECTION J

CLIENT PARTNERSHIP SERVICES SUPPLEMENTAL TERMS AND CONDITIONS

(For Healthcare Customers only)

This Client Partnership Services Supplemental Terms and Conditions apply to the Client Partnership Services purchased by Customer set forth in the applicable Order Form.

Customer has purchase software licenses and/or acquire software services, as well as related equipment, professional, educational and training services and support maintenance services (collectively, the "Products") under Section A and B of the Agreement;

WHEREAS, Customer desires to purchase the Client Partnership Services set forth in the applicable Order Form, as executed by Customer;

WHEREAS, Customer acknowledges that the purchase and use of the Client Partnership Services shall be subject to the Agreement, as modified and supplemented by this Section K.

WHEREAS, the Parties agree that the terms and conditions of this Section K shall apply only to the Client Partnership Services as identified on the Order Form executed by the Parties, and this Section K shall not affect the rights or use of such other Kronos software modules or applications (i.e., the Kronos Workforce software suite of products) acquired by Customer under the other section of the Agreement.

NOW, THEREFORE, in consideration of the mutual promises and covenants hereafter set forth herein, the Parties agree as follows:

1. Client Partnership Services for Kronos Software.

If purchased by Customer on the applicable Order Form, the parties agree that the following terms shall apply to Customer's purchase of Client Partnership Services only and shall supplement the Software Support Services offered by Kronos under Section B:

- (a) **Scope.** Kronos Client Partnership Services will provide to Customer's organization an additional set of support services to develop performance improvement for those customers using the Kronos software. This service includes a dedicated Strategic Client Advisor (the "Advisor") who works closely with the Customer to guide the Customer in optimizing the use of the Software. The Advisor will be the Customer's link to Kronos' broad industry practice, support tools and knowledge base. The Advisor will also provide consultation services which include, but are not limited to, developing supporting processes, staff engagement and accountability structures, service plan development in response to Customer's business requirements, as well as serving as a resource link to assist Customers in networking with other Kronos healthcare organizations;
- (b) **Term.** Client Partnership Services shall be for a term of one (1) year and shall renew for additional one (1) year terms provided Customer renews the Client Partnership Services as provided below;
- (c) **Payment:** Customer shall pay the annual Client Partnership Services charges for the initial term in accordance with the payment terms on the Order Form as executed by Customer. Kronos will send Customer a renewal invoice for renewal of the Client Partnership Services at least forty-five (45) days prior to expiration of the then current term. Client Partnership Services 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 and;
- (d) **Change to Offerings; Support Increases:** Client Partnership Services are offered under Kronos Software Support offerings and after the one year initial term of this Addendum, the Client Partnership Service offerings provided and the service coverage period are subject to change by Kronos.

SECTION K WORKFORCE DIMENSIONS™ AGREEMENT

Customer and Kronos agree that the terms and conditions set forth in this Section K apply to Kronos' Workforce Dimensions software as a service and other related offerings specified on a Kronos Order Form.

This Section K includes the following exhibits, which are incorporated by reference, and which form an integral part of this contract:

- Exhibit K-A: Attachment A-1: Equipment Purchase, Rental, and Support
Attachment A-2: Professional and Educational Services Policies
Attachment A-3: Service Level Agreement
- Exhibit K-B: Workforce Dimensions Cloud Guidelines:
www.kronos.com/workforce-dimensions/agreement/exhibitb
- Exhibit K-C: Customer Success
Attachment C-1: Customer Success Plans
Attachment C-2: Support Policies
- Exhibit K-D: Acceptable Use Policy (AUP):
www.kronos.com/workforce-dimensions/agreement/exhibitd
- Exhibit K-E: AtomSphere Service and Boomi Software
Attachment E-1: Boomi Flow Down Provisions

The description of the type, quantity, and cost of the specific offerings being ordered by Customer will be described in an Order Form, that will be mutually agreed upon and signed by the Parties pursuant and subject to this Section K. If Implementation Services are to be delivered by Kronos, the Parties may need to execute a Statement of Work, which will set forth the scope, objectives and other business terms of the Implementation Services ordered with the Order Form.

Definitions

“Acceptable Use Policy” and **“AUP”** are interchangeable terms referring to the Kronos policy describing prohibited uses of the Service as further described in Exhibit D.

“Aggregated Data” is any statistical data that is derived from the operation of the Service, including without limitation, for analysis of the Service, Configurations or Customer Data, and is created by Kronos in response to specified queries for a set point in time; including without limitation aggregation, metrics, trend data, correlations, benchmarking, determining best practices, the number and types of transactions, configurations, records, reports processed in the Service, and the performance results for the Service Agreement.

“Applicable Law(s)” means any applicable provisions of all laws, codes, legislative acts, regulations, ordinances, rules, rules of court, and orders which govern the Party's respective business.

“Authorized User” means any individual or entity that directly (or through another Authorized User) accesses or uses the Service with any login credentials or passwords Customer uses to access the Service.

“Application(s)” means those Kronos Workforce Dimensions software application programs set forth on an Order Form which are made accessible for Customer to use under the terms of this Agreement.

“Boomi AtomSphere Service” means the third-party service for the creation of integrations by Customer as further described in Exhibit E, which the Customer and Customer’s Authorized Users have the right to access through the Service.

“Boomi Software” means the third-party proprietary software associated with the Boomi AtomSphere Service as further described in Exhibit E.

“Claim(s)” means any and all notices, charges, claims, proceedings, actions, causes of action and suits, brought by a third party.

“Configuration(s)” means the Customer specific settings of the parameters within the Applications(s), including pay and work rules, security settings such as log-in credentials, passwords, and private keys used to access the Service.

“Controls” means the administrative, physical, and technical safeguards for the protection of the security, confidentiality and integrity of Customer Data, designed and implemented by Kronos to secure Customer Data against accidental or unlawful loss, access or disclosure consistent with the AICPA Trust Principles Criteria for security, availability, confidentiality and processing integrity (SOC 2).

“Customer Data” means all content Customer, or its Authorized Users, posts or otherwise inputs into the Service, including but not limited to information, data (such as payroll data, vacation time, hours worked or other data elements associated with an Authorized User), text, multimedia images (e.g. graphics, audio and video files), or compilations.

“Customer Success Plan(s)” means the services provided by Kronos to support and maintain the Service as described in Exhibit C, including but not limited to the Support Plans and the Customer Success Programs.

“Customer Indemnified Party(ies)” means Customer and Customer’s respective directors, officers, and employees.

“Data Protection Law(s)” means all international, federal, state, and local laws, rules, regulations, directives and published governmental or regulatory decisions that specify data privacy, data protection or data security obligations, and which, in each case, have the force of law applicable to a Party’s collection, use, processing, storage, or disclosure of Personally Identifiable Information.

“Documentation” means the published specifications for the applicable Applications and Equipment, such as user manuals and administrator guides.

“Equipment” means Kronos equipment such as time clocks, devices, or other equipment set forth on an Order Form.

“Equipment Support Services” means the maintenance and support services related to Kronos’ support of Equipment as further described in Attachment A-1.

“Feedback” means suggestions, ideas, comments, know how, techniques or other information provided to Kronos for enhancements or improvements, new features or functionality or other feedback with respect to the Service.

“Fees” means the charges to be paid by Customer for a particular item.

“Implementation Services” means those professional and educational services provided by Kronos to set up the cloud environment and to setup the Configurations within the Applications, as set forth in an SOW.

“Kronos Indemnified Party(ies)” means Kronos and its third-party Technology suppliers and each of their respective directors, officers, employees, agents and independent contractors.

“Order Form” means an order form mutually agreed upon by Kronos and Customer setting forth, among other things, the items ordered by Customer and to be provided by Kronos and the Fees to be paid by Customer.

“Party(ies)” means Kronos or Customer, or both of them, as the context dictates.

“PEPM” means the per employee per month fee for a Customer’s Authorized Users access to the Service.

“Personally Identifiable Information” means information concerning individually identifiable employees of Customer that is protected against disclosure under Applicable Data Protection Law.

“Professional Services” means the professional, educational, consulting, or training services provided by Kronos pursuant to an Order Form and which are not described in a Statement of Work.

“Seasonal Licenses” are limited use licenses that have the following attributes: (i) valid only for the four (4) consecutive months during the annual period identified on the Order Form; (ii) valid from the first day of the month in which they commence until the end on the last day of the month in which they expire; and (iii) will be effective automatically each year during the Term, subject to termination and non-renewal as provided in the Agreement.

“Service” means the Kronos supply of the commercially available version of the Workforce Dimensions SaaS Applications in Kronos’ hosted environment and the services described in the section related thereto.

“Statement of Work” and **“SOW”** are interchangeable terms referring to a written description of the Implementation Services.

“Technology” means the intellectual property of Kronos within the Service, including but not limited to the Applications.

“Term” means the Initial Term and any Renewal Terms.

1. Order Forms

1.1 The following commercial terms may appear on an Order Form:

- a. The Application(s) included in the Service, and the other offerings being ordered by Customer
- b. Billing Start Date (i.e., the date the billing of the PEPM Fees commences)
- c. Initial Term (i.e., the initial billing term of the Service commencing on the Billing Start Date)
- d. Renewal Term (i.e., the renewal billing term of the Service)
- e. Billing Frequency (i.e., the frequency for the invoicing of the PEPM Fees such as Annual in Advance or Monthly in Arrears)
 - i. "Annual in Advance" means payment is due on an annual basis with the invoice being issued upon execution of the Order Form.
 - ii. "Monthly in Arrears" means payment is due on a monthly basis with the invoice being issued at the end of the month in which the Service was delivered.
- f. Payment Terms (i.e., the amount of days in which Customer must pay a Kronos invoice)
- g. Shipping Terms (i.e., FOB – Shipping Point, Prepay and Add)

1.2 The following Fees may appear on an Order Form:

- a. PEPM Fees for use of the Service, including PEPM Fees for Seasonal Licenses
- b. Customer Success Fees for Premium and Premium Plus Plans
- c. Implementation Services Fees (The Order Form will note if Implementation Services Fees are included in PEPM Fees.)
- d. Equipment Purchase Fees
- e. Equipment Rental Fees

1.3 Kronos may also sell (or rent) Equipment to Customer, and provide related Equipment Support Services, if included on an Order Form. These offerings are subject to this Agreement and the terms and conditions set forth in Attachment A-1.

2. Billing

2.1 Kronos will invoice the Fees on the Billing Frequency indicated on the Order Form. For each Order Form, the billing period of the PEPM Fees will start on the Billing Start Date and will continue for the time period indicated as the Initial Term. Customer will pay the Fees on the Payment Terms and in the currency, indicated on the Order Form. Customer will send payment to the attention of Kronos at the address indicated on the applicable invoice unless the Parties have made an alternative payment arrangement (such as credit card, wire transfer, ACH payment or otherwise). Unless expressly provided in this Section K, Customer payments are non-refundable. Each Party is responsible to pay all costs and fees attributable to such Party pursuant to the Shipping Terms indicated on the Order Form.

2.2 At the expiration of the Initial Term, and at the expiration of each Renewal Term, the Service will automatically renew for a Renewal Term. For each Renewal Term, Kronos may increase the PEPM Fees by no more than four percent (4%) over the previous year's PEPM Fees, for the same Applications and the same licensed quantity. Kronos will reflect these increased PEPM fees in the applicable invoice for each Renewal Term.

3. Implementation Services and Professional Services

3.1 Implementation Services are described in a SOW that the Parties will sign or reference on a signed Order Form. These SOWs are subject to this Section K. Implementation Services are invoiced monthly

as delivered, except if otherwise indicated on an Order Form. Each Party will perform their respective obligations as outlined in a signed SOW.

3.2 While Customer may configure the Applications itself, as part of the Implementation Services as described in an SOW, Kronos may also configure the Applications. Kronos will configure the Applications based on Customer's instructions and direction. Customer is solely responsible for ensuring that the Configurations comply with Applicable Law.

3.3 Kronos may also provide Professional Services to Customer that do not require an SOW but which will be as set forth on an Order Form.

3.4 The Kronos policies set forth in Section B shall apply to all Implementation Services and Professional Services provided by Kronos. In the event of a conflict between the Professional Services Policies and this Section K, the terms of this Section K shall prevail.

4. Service Level Agreement

Kronos offers the Service Level Agreement and associated SLA Credits as described in Attachment A-3. The SLA Credits are Customer's sole and exclusive remedy in the event of any Outage. Kronos remains obligated to provide the Service as otherwise described in this Section K.

5. Data, Confidentiality, Security and Privacy

Section 5.1 Data

5.1.1 Customer owns Customer Data. Customer is solely responsible for Customer Data, including ensuring that Customer Data complies with the Acceptable Use Policy and Applicable Law. Customer is solely responsible for any Claims that may arise out of or relating to Customer Data.

5.1.2 Kronos owns the Aggregated Data. Nothing in this Agreement will prohibit Kronos from utilizing the Aggregated Data for any purposes, provided that Kronos' use of Aggregated Data will anonymize Customer Data, will not reveal any Customer Confidential Information, and will not reveal any Personally Identifiable Information.

Section 5.2 Security and Privacy

5.2.1 Kronos will maintain the Controls throughout the Term.

5.2.2 Each Party will comply with all Applicable Laws, including, without limitation, Data Protection Laws.

5.2.3 Kronos employees will access Customer Data from the locations from which such employees work. Customer consents to Kronos' handling, collection, use, transfer, and processing of Customer Data to provide the Service. As may be required by Applicable Law, Customer will ensure that Customer Data may be provided to Kronos for the purposes of providing the Service. Customer has obtained all necessary consents from individuals to enable Kronos to use the Customer Data to provide the Service. As may be contemplated by the applicable Data Protection Laws, Customer will remain the "controller" of Customer Data and Kronos will be considered a "processor" of Customer Data.

5.2.4 Kronos will notify Customer in accordance with Applicable Law upon becoming aware of an unauthorized access of Customer Data. To the extent reasonably possible, such a notification will include,

at a minimum (i) a description of the breach, (ii) the information that may have been obtained as a result of the breach, and (iii) the corrective action Kronos is taking in response to the breach.

6. Warranty

Kronos warrants that the Service will be provided in a professional and workmanlike manner. TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, KRONOS DISCLAIMS ALL OTHER WARRANTIES RELATED TO THE SERVICE, EITHER EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. If Customer informs Kronos in writing that there is a material deficiency in the Service which is making this warranty untrue, Kronos will use its reasonable commercial efforts to correct the non-conforming Service at no additional charge, and if Kronos is unable to do so within a reasonable period of time, Customer may terminate the then remaining Term, which will be Customer's sole and exclusive remedy. Customer agrees to provide Kronos with reasonable information and assistance to enable Kronos to reproduce or verify the non-conforming aspect of the Service.

7. License

Section 7.1 Technology License

7.1.1 As part of the Service, Kronos will provide Customer access to and use of the Technology, including the Applications. Kronos hereby grants Customer a limited, revocable, non-exclusive, non-transferable, non-assignable right to use the Service, including the Technology, during the Term and for internal business purposes only. Customer acknowledges and agrees that the right to use the Service, including Seasonal Licenses when included on the Order Form, is limited based upon the number of Authorized Users, and Customer's payment of the corresponding PEPM Fees. Customer agrees to use the Applications only for the number of employees stated on the total of all Order Forms for the applicable Applications. Customer agrees not to use any other Application nor increase the number of employees using an Application unless Customer enters into an additional Order Form that will permit the Customer to have additional Authorized Users.

7.1.2 Kronos owns all title or possesses all intellectual property rights in and to the Technology used in delivering the Service. Customer has a right to use this Technology and to receive the Service subject to this Section K. No other use of the Technology is permitted. Customer is specifically prohibited from reverse engineering, disassembling or decompiling the Technology, or otherwise attempting to derive the source code of the Technology. Customer cannot contact third party licensors or suppliers for direct support of the Technology. No license, right, or interest in any Kronos trademark, trade name, or service mark, or those of any third party supplying Technology as part of the Service, is granted hereunder.

8. Scope and Authority

8.1 Authorized Users may access the Service on Customer's behalf, and Customer will be responsible for all actions taken by its Authorized Users. Customer will make sure that Authorized Users comply with Customer's obligations under this Section K. Unless Kronos breaches its obligations under this Section K, Kronos is not responsible for unauthorized access to Customer's account, nor activities undertaken with Customer's login credentials, nor by Customer's Authorized Users. Customer should contact Kronos immediately if Customer believes an unauthorized person is using Customer's account or that Customer's account information has been compromised.

8.4 Use of the Service includes the ability to enter into agreements and/or to make transactions electronically. This feature of the Service is referred to as the “Marketplace”. The use of the Marketplace can be configured, and Customer may disable use of the Marketplace by some or all of its Authorized Users. CUSTOMER ACKNOWLEDGES THAT WHEN AN AUTHORIZED USER INDICATES ACCEPTANCE OF AN AGREEMENT AND/OR TRANSACTION ELECTRONICALLY WITHIN THE MARKETPLACE, THAT ACCEPTANCE WILL CONSTITUTE CUSTOMER’S LEGAL AGREEMENT AND INTENT TO BE BOUND BY AND TO PAY FOR SUCH AGREEMENTS AND TRANSACTIONS. THIS ACKNOWLEDGEMENT THAT CUSTOMER INTENDS TO BE BOUND BY SUCH ELECTRONIC ACCEPTANCE APPLIES TO ALL AGREEMENTS AND TRANSACTIONS CUSTOMER ENTERS INTO THROUGH THE SERVICE, SUCH AS ORDERS, CONTRACTS, STATEMENTS OF WORK, AND NOTICES OF CANCELLATION.

9. Suspension

9.1 Kronos may suspend the Service if any amount that Customer owes Kronos is more than thirty (30) days overdue. Kronos will provide Customer with at least seven (7) days prior written notice that the Customer’s account is overdue before Kronos suspends the Service. Upon payment in full of all overdue amounts, Kronos will immediately restore the Service.

9.2 Customer is responsible for complying with the AUP. Kronos and its third party cloud service provider reserve the right to review Customer’s use of the Service and Customer Data for AUP compliance and enforcement. If Kronos discovers an AUP violation, and Kronos reasonably determines that Kronos must take immediate action to prevent further harm, Kronos may suspend Customer’s use of the Service immediately without notice. Kronos will contact Customer when Kronos suspends the Service to discuss how the violation may be remedied, so that the Service may be restored as soon as possible. If Kronos does not reasonably believe it needs to take immediate action, Kronos will notify Customer of the AUP violation. Even if Kronos doesn’t notify Customer or suspend the Service, Customer remains responsible for any such AUP violation. Kronos will restore the Service once the AUP violation is cured or as both Parties may agree.

10. Termination

Section 10.1. Types of Termination

10.1.1 For Convenience. Customer may terminate the Service and this Section K for convenience upon ninety (90) days prior written notice. Customer may terminate Seasonal Licenses upon at least sixty (60) days prior written notice before the start of a Renewal Term.

10.1.2 Non-renewal. Either Party may terminate the Service upon at least sixty (60) days prior written notice before the start of the Renewal Term.

10.1.3 For Cause. Either Party may terminate the Service and this Section K if the other Party fails to perform any material obligation under this Section K, and such Party is not able to cure the non-performance within thirty (30) days of the date such Party is notified by the other Party of such default.

10.1.4 For Bankruptcy. If either Party: (i) becomes insolvent, (ii) makes a general assignment for the benefit of our creditors, (iii) is adjudicated as bankrupt or insolvent, or (iv) has a proceeding commenced against it under applicable bankruptcy laws, the other Party may ask for a written assurance of future performance of a Party’s obligations under this Agreement. If an assurance that provides reasonable evidence of future performance is not provided within ten (10) business days of a written request, the requesting Party may immediately terminate this Agreement upon written notice.

Section 10.2 Effects of Termination

If the Section K is terminated for any reason:

- a. All Fees will be paid by Customer for amounts owed through the effective date of termination.
- b. Any Fees paid by Customer for the Service not rendered prior to the effective date of termination will be credited against Customer's account, with any remaining amounts refunded to Customer within thirty (30) days of the effective date of termination.
- c. Customer's right to use the Service will end as of the effective date of termination. Notwithstanding such termination, Customer will have thirty (30) days after the effective date of termination to access the Service for purposes of retrieving Customer Data through tools provided by Kronos that will enable Customer to so extract Customer Data. If Customer requires a longer period of access to the Service after termination to retrieve Customer Data, such access will be subject to additional Fees. Extended access and use of the Services will be subject to the terms of this Section K.
- d. Kronos will delete Customer Data after Customer's rights to access the Service and retrieve Customer Data have ended. Kronos will delete Customer Data in a series of steps and in accordance with Kronos' standard business practices for destruction of Customer Data and system backups. Final deletion of Customer Data will be completed when the last backup that contained Customer Data is overwritten.
- e. Kronos and Customer will each return or destroy any Confidential Information of the other Party, with any retained Confidential Information remaining subject to this Section K.
- f. Provisions in this Section K which by their nature are intended to survive in the event of a dispute or because their obligations continue past termination will so survive.

11. Indemnification

11.1 Kronos will defend the Customer Indemnified Parties, from and against any and all Claims alleging that the permitted uses of the Service, Technology or Applications infringe or misappropriate any legitimate copyright or patent. Kronos will indemnify and hold harmless the Customer Indemnified Parties against any liabilities, obligations, costs or expenses (including, without limitation, reasonable attorneys' fees) actually awarded to a third party by a court of applicable jurisdiction as a result of such Claim, or as a result of Kronos' settlement of such a Claim. In the event that a final injunction is obtained against Customer's use of the Service by reason of infringement or misappropriation of any such copyright or patent, or if in Kronos' opinion, the Service is likely to become the subject of a successful claim of infringement or misappropriation, Kronos (at its option and expense) will use commercially reasonable efforts to either (a) procure for Customer the right to continue using the Service as provided in the Section K, or (b) replace or modify the Service so that the Service becomes non-infringing but remains substantively similar to the affected Service. Should neither (a) nor (b) be commercially reasonable, either Party may terminate the Agreement and the rights granted hereunder, at which time Kronos will provide a refund to Customer of the PEPM Fees paid by Customer for the infringing elements of the Service covering the period of their unavailability.

11.2 Kronos will have no liability to indemnify or defend Customer to the extent the alleged infringement or misappropriation is based on: (a) a modification of the Service undertaken by anyone other than Kronos, or not undertaken at Kronos' direction and in accordance with such direction; (b) use of the Service other than as authorized by this Section K; or (c) use of the Service in conjunction with any equipment, service or software not provided by Kronos, where the Service would not otherwise infringe, misappropriate or otherwise become the subject of the Claim.

11.3 Customer shall be responsible and liable for all damages and costs of Kronos arising out of any and all Claims alleging that: (a) the Configurations violate any law applicable to the rights of an Authorized User; (b) Customer's modification or combination of the Service with other services, software or equipment not furnished by Kronos, infringes or misappropriates any copyright or patent, provided that such modification or combination is the cause of such infringement and was not authorized by Kronos in writing; or, (c) a claim that the Customer Data or its collection or use by Customer violates the AUP or Applicable Laws.

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

12. Extent and Limitations of Liability

12.1 EXCEPT FOR KRONOS' INDEMNIFICATION OBLIGATIONS EXPRESSLY SET FORTH IN SECTION 11 ABOVE, THE TOTAL AGGREGATE LIABILITY OF KRONOS TO CUSTOMER OR TO ANY THIRD PARTY IN CONNECTION WITH THIS AGREEMENT WILL BE LIMITED TO ACTUAL AND DIRECT DAMAGES PROVEN BY CUSTOMER, SUCH DAMAGES NOT TO EXCEED AN AMOUNT EQUAL TO THE TOTAL NET PAYMENTS RECEIVED BY KRONOS FOR THE SERVICE IN THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRECEDING THE DATE IN WHICH THE CLAIM ARISES.

12.2 **NEITHER PARTY WILL BE LIABLE FOR ANY INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL, OR PUNITIVE DAMAGES.** NEITHER PARTY WILL BE LIABLE FOR THE COST OF ACQUIRING SUBSTITUTE OR REPLACEMENT SERVICES. NEITHER PARTY WILL BE LIABLE FOR ANY LOST OR IMPUTED PROFITS OR REVENUES OR LOST DATA RESULTING FROM DELAYS, NONDELIVERIES, MISDELIVERIES OR SERVICES INTERRUPTION, HOWEVER CAUSED, ARISING FROM OR RELATED TO THE SERVICE OR THIS AGREEMENT. THESE LIMITATIONS APPLY FOR ANY REASON, REGARDLESS OF ANY LEGAL THEORY AND FOR WHATEVER REASON LIABILITY IS ASSERTED.

13. Changes

The information found in any Exhibit (or at any URL referenced in this Section K) may change over the Term. Any such change will be effective as of the start of the next Renewal Term after such change is announced or published by Kronos.

14. Feedback

From time to time, Customer may provide Feedback. Kronos has sole discretion to determine whether or not to undertake the development of any enhancements, new features or functionality contained in or with Feedback. Customer hereby grants Kronos a royalty-free, fully paid up, worldwide, transferable, sublicensable, irrevocable, perpetual license to use, copy, distribute, transmit, display, perform, create derivative works of and otherwise fully exercise and commercially exploit the Feedback for any purpose

in connection with Kronos' business without any compensation to Customer or any other restriction or obligation, whether based on intellectual property right claim or otherwise. For the avoidance of doubt, no Feedback will be deemed to be Customer Confidential Information, and nothing in this Section K limits Kronos' right to independently use, develop, evaluate, or market products or services, whether incorporating Feedback or otherwise.

Attachment A-1: Equipment Purchase, Rental, and Support:

www.kronos.com/workforce-dimensions/agreement/attachment-a1

Attachment A-2: Professional and Educational Services Policies:

www.kronos.com/workforce-dimensions/agreement/attachment-a2

Attachment A-3: Service Level Agreement:

www.kronos.com/workforce-dimensions/agreement/attachment-a3

Exhibit K-C: Customer Success

Section 1. Success Plans

1.1 Kronos offers the following Success Plans for Workforce Dimensions:

- a. Community Success (included in Customer's PEPM Fee)
- b. Guided Success (available for an additional Fee)
- c. Signature Success (available for an additional Fee with minimum annual spend in PEPM and Equipment Rental Fees)

1.2 As part of the Community Success Plan, Kronos will provide:

- a. Local Time Zone Support: 8am – 8pm Monday to Friday, with two-hour response time to support cases.
- b. 27/7 Mission Critical Support: Immediate and on-going support for a critical issue with no available workaround, where the system or a module may be down, experiencing major system degradation, or other related factors.
- c. Kronos Community Access: Ability to access how-to articles, discussion boards, and open support cases .
- d. Kronos Onboarding Experience: Step-by-step guidance to assist Customer during onboard activities.
- e. KnowledgeMap™: On-line education portal providing access to Kronos e-learning resources.
- e. KnowledgeMap™ Live may be purchased for an additional Fee.
- f. A Technical Account Manager (TAM) may be purchased for an additional Fee: senior Technical Support Engineers or former Kronos Application Consultants with industry-specific Kronos product knowledge.

1.3 As part of the Guided Success Plan, Kronos will provide:

- a. All of the services under Community Success, including the option to purchase KnowledgeMap™ Live or a TAM.
- b. Proactive Support: Monitoring of your environment and usage with proactive notification and resolution of potential issues.
- c. Named Success Manager: Dedicated, industry-specific advisor.
- d. Live Check-In Meetings: Regular meetings with your named success manager.
- e. Personalized Success Path: Tailored guidance based on your business goals.
- f. Success Reporting: Personalized reporting providing insight into your key performance indicators on an annual basis (i.e., user adoption, compliance, productivity, efficiency.)
- g. Executive Business Review: Strategic review of roadmap, realized value, engagement, relationship, and future direction.
- h. Optimization Assessment: Assistance with optimizing the use of Workforce Dimensions based on your current usage patterns.

1.4 As part of the Signature Success Plan, Kronos will provide:

- a. All of the services under Guided Success. Additionally, KnowledgeMap™ Live and a TAM are included as part of the Signature Success Plan for no additional Fee.
- b. 24/7 Local Time Zone Support with one-hour response time to support cases.
- c. Technical Account Manager included at no additional charge.
- d. Integration/API Support: Assistance with enhancing and updating existing APIs and integrations.

- e. KnowledgeMap™ Live included at no additional charge.
- k. Industry Best Practice Audit: Review configuration and use of Workforce Dimensions against industry peers and provide recommendations.

1.5 Each Success Plan provides different services and different service coverage periods, which are described in Attachment C-1.

1.6 The Kronos policies set forth in Attachment C-2 shall apply to all Success Plans.

Attachment C-1: Success Plans:

www.kronos.com/workforce-dimensions/agreement/attachment-c1

Attachment C-2: Support Policies:

www.kronos.com/workforce-dimensions/agreement/attachment-c2

Exhibit K-E: AtomSphere Service and Boomi Software

As part of the Service, Customer has the right to access and use the Boomi AtomSphere Service and a non-exclusive, non-transferable and non sublicenseable license to use the associated Boomi Software as part of the Boomi AtomSphere Service. Customer may use the Boomi AtomSphere Service and the Boomi Software only to create integrations to and from the Service.

There are two (2) cloud environments associated with Customer use of the Boomi AtomSphere Service and the Boomi Software:

- a. Run-Time environment: A run time environment in the Kronos Cloud where the integration created by with the Boomi AtomSphere Service runs. This environment is described in Exhibit B.
- b. Development environment: A development environment in the Boomi Cloud where the design and development tools exist to build the integrations. This environment is referred to as a Hosted Environment in Attachment E-1.

The Boomi AtomSphere Service is subject to the additional terms and conditions set forth below. These additional terms and conditions apply to all integrations to and from the Service using the Boomi AtomSphere Service, whether done by Customer or by Kronos. Except as provided in these additional terms and conditions, all terms and conditions of this Section K related to the Service apply to the Boomi AtomSphere Service. Upon termination, Customer's rights to access the Boomi AtomSphere Service and the Boomi Software also terminates.

Attachment E-1: Boomi Flow Down Provisions:

www.kronos.com/workforce-dimensions/agreement/attachment-e1

Exhibit K F: Workforce Dimensions™ Add-Ins

This Exhibit governs the Add-In(s) to be provided by Kronos to Customer, if specified on an Order Form. Capitalized terms not otherwise defined herein shall have the meanings prescribed to them in the Agreement. In the event of a conflict or inconsistency between the Agreement and this Exhibit, this Exhibit shall control.

Customer agrees that the Add-In(s) may only be used solely in connection with Workforce Dimensions™ for Customer's own internal purposes. The Add-Ins are not installed in the Kronos hosting environment in which Workforce Dimensions resides. The Add-Ins may only be installed and operated in a data center or other cloud environment managed by or on behalf of Customer. Customer is solely responsible to have all applicable rights, licenses and necessary infrastructure and support to use the third-party applications with which the Add-In(s) function, including security of the environment in which the Add-In(s) are installed.

The Service Level Agreement and associated SLAs (Attachment A-3) and the Workforce Dimensions Cloud Guidelines (Exhibit B) in the Agreement do not apply to the Add-In(s) because the Add-In does not reside in Kronos' hosting environment.

Implementation. Configuration and deployment of the Add-In(s) may be performed by Customer in accordance with Kronos written instructions and guidelines. Alternatively, Customer may engage Kronos or a third party to perform implementation or professional services as described in the Agreement.

Warranty Disclaimer. Kronos does not warrant that the Add-In(s) will be free from errors or service interruption. Kronos disclaims errors and liability with respect to the third-party applications or APIs with which the Add-In(s) function. Customer is solely responsible to manage its accounts or systems that may access the Add-In(s).

EXHIBIT A

KRONOS TERMS AND CONDITIONS FOR PARTICIPATING PUBLIC AGENCIES ADMINISTERED BY US COMMUNITIES (092018)

KRONOS TERMS

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

SECTION A: [GENERAL TERMS AND CONDITIONS](#). This Section apply for all transactions.

SECTION B: [KRONOS WORKFORCE READY SAAS TERMS AND CONDITIONS](#). This Section applies only for Workforce Ready transactions.

SECTION C: [PAYROLL PROCESSING SERVICES](#). This Section applies to the Workforce Payroll Services.

SECTION A: GENERAL TERMS AND CONDITIONS

1. APPLICATION OF THESE TERMS

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

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

- (i) Section B shall apply to the Workforce Ready Saas Orders; and
- (ii) Section C shall apply to Workforce Payroll Services.

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

2. APPLICABLE LAWS

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

3. EXPORT

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

4. CONFIDENTIAL INFORMATION

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

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

5. TAXES

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

6. TRAVEL EXPENSES

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

7. GENERAL

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

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

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

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

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

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

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

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

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

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

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

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

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

1. DEFINITIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

2. TERM

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

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

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

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

2.5 If the Agreement is terminated for any reason:

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

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

- (c) No more than fifteen (15) days after termination (or upon Customer's written request at any time during the Term), Kronos will provide to Customer, at no charge to Customer, the Customer Content. After such time period, Kronos shall have no further obligation to store or make available the Customer Content and will securely delete any or all Customer Content without liability;
- (d) Customer agrees to timely return all Kronos-provided materials related to the Services to Kronos at Customer's expense or, alternatively, destroy such materials and provide Kronos with an officer's certification of the destruction thereof; and
- (e) All provisions in the Agreement, which by their nature are intended to survive termination, shall so survive.

3. FEES AND PAYMENT

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

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

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

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

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

4. RIGHTS TO USE

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

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

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

associated intellectual property rights in any of the foregoing. Customer agrees to comply with all copyright and other intellectual property rights notices contained on or in any information obtained or accessed by Customer through the Services.

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

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

5. ACCEPTABLE USE

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

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

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

6. CONNECTIVITY AND ACCESS

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

7. IMPLEMENTATION AND SUPPORT

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

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

7.3 Equipment Support. If Equipment is rented in accordance with Section 9.1 below or if Equipment Support Services are purchased for Equipment purchased in accordance with Section 9.2 below, Kronos will provide the following Depot Exchange Support Services to Customer:

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

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

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

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

8. Customer content

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

9. EQUIPMENT

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

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

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

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

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

10. SERVICE LEVEL AGREEMENT

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

11. LIMITED WARRANTY; DISCLAIMERS OF WARRANTY

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

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

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

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

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

12.0 DATA SECURITY

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

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

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

13. INDEMNIFICATION

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

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

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

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

14. LIMITATION OF LIABILITY

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

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

14.3 Except for Kronos' indemnification obligations set forth in Section 13 above, in no event shall Kronos or Kronos' Suppliers, their respective affiliates, service providers, or agents be liable to Customer or any third party for any incidental, special, punitive, consequential or other indirect damages or for any lost or imputed profits or revenues, lost data or cost of procurement of substitute services resulting from delays, nondeliveries,

misdemeanors or services interruption, however caused, arising from or related to the Services or the Agreement, regardless of the legal theory under which such liability is asserted, whether breach of warranty, indemnification, negligence, strict liability or otherwise, and whether liability is asserted in contract, tort or otherwise, and regardless of whether Kronos or Supplier has been advised of the possibility of any such liability, loss or damage. **14.4 EXCEPT WITH RESPECT TO LIABILITY ARISING FROM KRONOS' GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, KRONOS DISCLAIMS ANY AND ALL LIABILITY, INCLUDING WITHOUT LIMITATION LIABILITY RELATED TO A BREACH OF DATA SECURITY AND CONFIDENTIALITY OBLIGATIONS, RESULTING FROM ANY EXTERNALLY INTRODUCED HARMFUL PROGRAM (INCLUDING WITHOUT LIMITATION VIRUSES, TROJAN HORSES, AND WORMS), CUSTOMER'S CONTENT OR APPLICATIONS, THIRD PARTY UNAUTHORIZED ACCESS OF EQUIPMENT, SAAS APPLICATIONS OR SYSTEMS, OR MACHINE ERROR.**

SECTION C

PAYROLL PROCESSING TERMS AND CONDITIONS

This Payroll Processing terms and condition Section C, and all included exhibits, schedules, attachments or other addenda (the “Section C”) is made part of the Kronos Workforce Ready Software-as-a-Service WFR Terms outlined in Section A and B (the “WFR Terms”) and governs the provision of the Workforce Payroll Services (the “Payroll Services”) Kronos to Customer.

In rendering the Payroll Services, Kronos will use the Workforce Ready software-as-a-service platform (the “WFR Platform”). Attachment 1 sets forth the applicable entities, including Customer itself (collectively the “Covered Entities”), along with each of their EINs and other information, if these Covered Entities are receiving Payroll Services from Kronos. Customer is responsible for ensuring that all Covered Entities are bound by and comply with this Section C. Covered Entities may be added or removed from Attachment 1, by Customer completing and signing the appropriate change form provided by Kronos. Capitalized terms not defined within this Section C are defined in the WFR Terms.

GENERAL TERMS AND CONDITIONS

Article 1. Payroll Services

1.1 Subject to all of the terms and conditions of the WFR Terms and this Section C, Kronos shall provide Customer with the Payroll Services during the Term to the extent set forth on an Order Form. The Payroll Services are provided only in the United States (which includes Puerto Rico, U.S. Virgin Islands, Guam and Marianna) and shall only be provided with respect to Customer’s payroll obligations for United States-based employees of Customer and those Covered Entities included in Attachment 1. The following provisions shall apply to the extent the Payroll Service listed below is selected by Customer as indicated in writing on the Order Form or as part of the Kronos Payroll Services (KPS) Services Election Form to be completed by the parties during implementation:

1.1.1 Payroll, Tax and Treasury Payroll Services.

- a. Customer agrees that the Payroll Services shall be provided in accordance with the pricing set forth on the Order Form and the responsibilities of Customer and Kronos SaaS set forth throughout this Agreement. Kronos SaaS’s standard descriptions for certain miscellaneous services, such as W2/1099 filing fees, fees for tax accounts with an “applied for” status, ACH returns, off-cycle payrolls, split wrap (delivery of checks to multiple locations, and preparing/filing of amended returns, is described in the Payroll Services Additional Items attached as Attachment 2 (“Payroll Services Additional Items”) and the responsibilities of Customer and Kronos set forth throughout this Section C.
- b. Customer will submit the payroll information to Kronos in the format and including the information specified by Kronos from time to time not less than two (2) Business Days prior to Customer’s scheduled check date. “Business Day” means any day of the year other than (a) a Saturday, Sunday or (b) on day on which banking institutions in any jurisdiction of the banking institution of any applicable Client Entity are closed or (c) a statutory or civic holiday in the United States. Without limitation, Kronos is not responsible for Customer errors, wage and hour violations, wage assignment errors, employment discrimination, or other employment policies that may violate any applicable laws, codes, legislative acts, regulations, ordinances, rules, rules of court, orders or similar, as well as any National Automated Clearing House Association (“NACHA”) operating rules (“Applicable Law(s)”. The deadline for Customer’s submission of payroll is determined by the time zone in which the processing occurs, as follows.

On the date Customer's payroll is scheduled to be submitted, if Customer payroll processing emanates from the Eastern or Central Time Zone, then the deadline for submission is 12:00 p.m. Eastern Time; if Client payroll processing emanates from the Mountain or Pacific Time Zone, then the deadline for submission is 1:30 p.m. Eastern Time on the scheduled processing date. If Customer's payroll is submitted timely, Kronos will initiate a Draw Down Wire not later than 2:30 p.m. Eastern Time, to be settled not later than 4:30 p.m. Eastern Time on the date the payroll is finalized. Late submission by Customer may result in delayed processing of banking and other transaction or additional fees may be imposed, including, without limitation, by the applicable financial institutions and/or as set forth in the Payroll Services Pricing Exhibit. Customer shall be responsible and liable for any claims, losses or any other liabilities arising from or relating to Customer's late submission of transactions. If Customer has elected for Kronos to provide direct deposit/ACH Payroll Services (if available), Kronos will provide on behalf of Customer electronic money movement and related banking services via its ACH credit facilities at one or more financial institutions in support of the direct deposit of funds into Customer's employee and third-party vendor accounts. Customer agrees to be bound by the then-current NACHA operating rules. "ACH" means the network used for electronic payments and money transfers, Automated Clearing House.

- c. Customer authorizes Kronos to prepare and file payroll tax returns and cause the issuance of payments on related tax obligations for Covered Entities and tax jurisdictions. Customer authorizes Kronos via draw down wire transfer to: (a) debit Customer's or as applicable a Client Entity's demand deposit account or accounts at an applicable financial institution to be used in connection with the Payroll Services (the "Customer Account") for all payroll tax obligations and credit a like amount to an account designated by Kronos, which may be held in trust by a third party trustee (the "Payroll Services Accounts") not less than two (2) Business Days prior to Customer's scheduled check date of the applicable payroll under this Section C, which funds shall be held in such Payroll Services Accounts until such time as such funds are due to the appropriate taxing authorities; (b) remit such funds by electronic funds transfer ("EFT") or via check to the appropriate taxing authority; and (c) prepare, sign, and file with the appropriate taxing authorities all returns for such taxes on an ongoing basis.
- d. Kronos shall not be responsible for the payment of any Customer taxes or the filing of any Customer tax returns prior to the check date of the payroll under this Section C, nor is Kronos responsible in relation to any taxes which Kronos did not collect from Customer (including without limitation, failure to collect due to non-sufficient funds or other funding issues ("NSF")). Customer should confirm the appropriate federal tax deposits are being paid on behalf of the applicable Client Entity by enrolling in the Electronic Federal Tax Payment System (please visit: <https://www.eftps.gov/eftps>).
- e. Customer shall maintain and provide Kronos accurate tax identification numbers, filing frequencies, filing jurisdictions, tax rates, tax types, and employee tax forms to enable Kronos to properly complete all applicable tax returns and payments. If, as an accommodation to Customer and without implying any obligation, Kronos files a tax return containing "Applied For" status, then Customer agrees and acknowledges that it releases Kronos from any and all liability that may arise in connection with such accommodation (including without limitation, penalties and interest).

1.1.2 Additional Payroll Services.

- a. Check Printing and Fulfillment Services. - means the printing of employee payroll checks, direct deposit advices and third party checks drawn on Customer's bank account, to distribute same

to locations/destinations via FedEx or UPS either Next Day Air or Ground, all as directed by Customer. For delivery purposes, Customer shall obtain and provide either a FedEx or UPS account number for use by Kronos for shipping of documents and/or checks.

- b. ACH Child Support Processing - means the impoundment and remittance of funds for third party payments via ACH for child support payments to the applicable state child support agencies.
- c. W2 Filing - means the electronic filing of employee W2 forms with all applicable Federal and State tax jurisdictions. Specific timelines are established for Customer to promptly complete its year end requirements in order for Kronos to fulfill its obligations in a timely manner. This service includes filing of employee W2 information with the SSA, as well as all 50 State and local tax agencies, excluding Puerto Rico, U.S. Virgin Islands, Guam and Marianna.
- d. 1099 Filing- means the electronic filing of contractor forms with the IRS only. Specific timelines are established for Customer to complete its year end requirements in order for APS to timely fulfill its obligations.

1.1.3 Workforce Ready Platform. Customer acknowledges and agrees that the Payroll Services may only be used in conjunction with the WFR Platform or any other product expressly authorized by Kronos, and hereby authorizes and directs Kronos to interface the WFR Platform with such product for the purpose of providing the Payroll Services. Furthermore, Customer hereby grants Kronos consent to administrative access rights to the WFR Platform for the purpose of fulfilling Kronos' obligations under this Section C.

Article 2. Fees; Billing

Payroll Services shall be considered part of the Services for purposes of Fees and Billing under the WFR Terms. Kronos will invoice the Fees for a particular item or Payroll Service on the Billing Frequency and in accordance with the payment terms and processes indicated on the applicable Order Form and in the WFR Terms and this Section C. Customer agrees payment for the Fees will be made by direct debit facility to be established by Kronos, and that Customer will complete all necessary and reasonable forms and documents to establish such direct debit payments. Should Customer cancel direct debit payments during the Term, Kronos reserves the right to suspend the Payroll Services without notice and to terminate the WFR Terms if not reinstated within ten (10) business days of Kronos' written notice to Customer. The Fees set forth in Attachment 2 are subject to change after the Initial Term (as defined in the WFR Terms) upon thirty (30) days written notice from Kronos to Customer.

Article 3. Customer Content

3.1.1 Kronos will not be responsible for storing copies of Customer Content when Kronos no longer requires such information to provide Payroll Services to Customer, and Customer shall be responsible for retaining its own tax and payroll records according to the schedules established by governmental authorities for Customer. Customer will reimburse Kronos for the costs of producing any information in Kronos' possession or control relating to Customer's business or employees that Kronos produces in response to a Customer request or court order. Unless otherwise required by Applicable Law, upon termination of this Section C, Kronos may dispose of Customer Content in accordance with Kronos' data retention policy in effect from time to time. In the case of termination of one but not all Payroll Services, Kronos may dispose of Customer Content not related to the remaining Payroll Services, unless otherwise required by Applicable Law, in accordance with Kronos' data retention policy in effect from time to time.

3.1.2 Notwithstanding anything to the contrary in this Section C, each party's use and disclosure of tax

return information pursuant to or in connection with this Section C shall be conducted in compliance with and subject to the limitations of Section 7216 of the Internal Revenue Code of 1986, as amended.

Article 4. Customer Covenants

4.1 Customer shall, and shall cause any Covered Entities to, accurately and timely complete all forms and documents requested by Kronos from time to time in order for Kronos to provide the applicable Payroll Services, including, without limitation, all necessary credential and related action required by Kronos to integrate Payroll Services with the WFR Platform as described in Section 1.1.3. Payroll Services will not commence until Customer (or the applicable Client Entity) provides to Kronos all of the forms and documents requested by Kronos, and any agreed timelines shall be automatically adjusted accordingly with no liability to Kronos attributable to any failure or delay by Customer with respect to the foregoing. In addition to forms and documents requested at the commencement of Payroll Services, Customer shall, and shall cause any Client Entity to, timely provide to Kronos other forms and documents requested by Kronos necessary to deliver the Payroll Services during the Term.

4.2 To the extent required in connection with any Payroll Services, Customer hereby appoints Kronos as its attorney-in-fact with authority to receive, sign and file state and local tax returns and to cause the issuance of payments in connection therewith. Kronos shall also be authorized as Customer's designee to receive correspondence and transcripts with respect to federal, state or local tax returns designated by Customer. Customer shall cooperate in executing and filing any and all forms or other documents required by a taxing authority to appoint Kronos as its reporting agent, or otherwise to make effective the appointments and designations described in the preceding two sentences, including but not limited to IRS Form 8655. Such appointment and authorization shall commence as of the Effective Date and remain in effect through subsequent tax periods until the earlier of the termination date of this Section C and the date Kronos is notified by Customer of revocation of the authorization, and Customer shall cooperate in executing and filing any and all forms and documents required by any taxing authority to do so. Customer hereby revokes all earlier powers of attorney and tax authorizations on file with the respective taxing authorities with respect to the same tax matters and tax period covered by this Section C and shall execute and file all documents necessary to effectuate such revocation. Kronos reserves the right to remove itself as attorney-in-fact or reporting agent in its sole discretion, upon at least ten (10) Business Days' written notice to Customer. An authorization does not relieve the Customer of responsibility (or from liability for failing) to ensure that all tax returns are filed timely and that all FTDs and FTPs are made timely.

4.3 Customer shall at all times maintain balances sufficient to fund its payroll and related obligations two (2) Business Days prior to the applicable check date. Customer acknowledges that if Customer fails to properly fund the Customer Account or otherwise prevents the timely receipt of funds, then Customer's payroll and related services will be delayed and/or suspended at Kronos' sole discretion and Kronos may immediately terminate this Section C upon notice to Customer.

4.4 Banking and Funding Covenants

4.4.1 Funding Payroll Obligations via Draw Down Wire Except as noted below, all monies caused to be transferred by Kronos on behalf of Customer will be funded via a draw down wire ("Draw Down Wire") initiated by Kronos to Customer's account in accordance with this Section 4.4.1. Customer agrees to execute with its financial institution any WFR Terms necessary to allow Kronos to cause the initiation of Draw Down Wires to Customer's bank account in accordance with the operating rules governing such transactions. Customer acknowledges that if Customer fails to properly fund its account or otherwise prevents the successful completion of a Draw Down Wire, then Customer's payroll and related services

will be delayed or suspended. Customer shall be solely responsible and liable for properly funding its account and ensuring Kronos can effect a Draw Down Wire. For quarter end and year end reconciliation purposes only, Kronos will utilize standard ACH services to reconcile Customer tax remittances and liability variances. Kronos shall use commercially reasonable efforts to notify Customer not less than five (5) Business Days prior to Kronos causing a debit of the Customer's bank account for the amount required to satisfy such variances.

4.4.2 Funding Payroll Obligations via Direct Wire In the sole discretion and upon the written authorization of Kronos, a direct wire (Customer initiates Customer's own wire transfer to a Payroll Services Account) may be utilized as an exception. Exceptions may arise for various reasons, including (a) due to funds not being available in the Customer Account at the time that Draw Down Wires are initiated, or (b) proper authorization was not granted to Kronos to cause the collection of funds via the Draw Down Wire. Any exception processing, by its very nature, runs the risk of delayed funding to third parties such as employees, tax agencies, and child support or garnishment recipients. Penalties, interest and other charges related to Customer's failure in meeting timelines, sufficient debit limit authorization or funding adequacy will be the liability of the Customer, and except to the extent arising from Kronos' gross negligence or willful misconduct, Customer is responsible for any claim made in relation with exception processing.

4.4.3 Payment Scheduling Collection for payroll direct deposits, vendor or garnishment payments, and payroll tax liabilities will be made as needed, based on the Payroll Services elected, and will depend on the payroll schedules that Customer utilizes to pay its employees and/or contractors. The draft for the collection will be via the Draw Down Wire request mechanism. Payments made to employees on Customer's behalf are dependent on the check date associated with those payments. Payments made to agencies and garnishment recipients are based on payroll check date(s). These payments are disbursed to the receiving parties utilizing the ACH network (where possible) in compliance with the NACHA guidelines and regulations or by check drawn on Customer's account. All payments made on Customer's behalf via ACH money movement will be caused to be released by Kronos only after Kronos receives confirmation of collection of amounts drafted from Customer's account. Therefore, even if amounts are due, Kronos will not cause the release of the ACH payments unless confirmation of receipt of funds has been received by Kronos.

4.4.4 Collection Account Testing. Customer hereby authorized Kronos to perform collection account testing as described in this Section 4.4.4. The Customer's collection account(s) used for funding and the drafting process is required to be thoroughly tested to avoid funding failures. Any such failure may result in agency penalties, delayed employee direct deposit payments, etc. This funding account test will ensure the originating bank identifiers for the applicable Payroll Services Accounts have successfully been added to Customer's debit filters. To test the collection account(s), Kronos will cause the initiation of a test Draw Down Wire transactions in the amount of \$1.00 each. The transactions will be initiated from every unique Payroll Services Account provided to Customer during implementation. Testing of the funding account(s) shall occur two (2) to four (4) weeks prior to the first payroll check date to insure a successful processing of the first payroll. Customer must notify Kronos in writing not less than two (2) weeks prior to the effective date of a change in Customer bank account(s), which shall be tested as described in this Section 4.4.4.

4.4.5 Customer agrees to: (a) complete and execute any necessary forms with Customer's Receiving Depository Financial Institution ("RDFI") providing authorization that will require Customer's RDFI to honor all Draw Down Wire drawdown requests and standard ACH transfers received from Kronos and/or

its agent, (b) promptly notify Kronos of any discrepancies between drawdown amounts and the amounts expected by Customer; and (3) notify Kronos immediately if any circumstances arise that could impact the collection of sufficient funds from Customer's account.

4.5 The ACH Reversal function allows Customer to submit a request to cancel a previously submitted ACH transaction. This function is utilized primarily to reverse direct deposits from employee accounts where the original direct deposits were in error. Kronos' and/or the applicable financial institution's then-standard fees for ACH reversals will apply. Customer may initiate an ACH reversal request by submitting a voiding transaction in the WFR Platform. Once the ACH reversal request is submitted to the financial institution, a credit is generated to the Customer Account and a request to debit the funds is sent to the employee's bank account. If the debit request for the ACH reversal to the employee's account is denied (for example, due to NSF), Kronos will debit the total amount of the NSF and any banking fees/charges associated with the NSF from Customer's authorized funding account. Kronos will not reattempt collection of any NSF's from employee accounts. Customer shall be solely responsible for obtaining reimbursement from its employees for the NSF amounts and any related fees/charges, whether the employees are active or terminated.

4.6 If Customer defaults under this Section C, including, without limitation, by Customer's failure to have in the Customer Account sufficient, readily available funds to cover the payroll, payroll tax, and other disbursements, or if a financial institution rescinds a Customer credit to one or more Payroll Services Accounts, then Kronos may, in its sole discretion: (a) terminate this Section C with written notice, and/or (b) exercise any and all reasonable actions necessary and appropriate to limit the loss to, or liability of, Kronos or its Affiliates. "Affiliate" means any entity that, directly or indirectly, controls, is controlled by or is under common control with such entity (but only for so long as such control exists), where "Control" (in this context) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and operating policies of the entity in respect of which the determination is being made through the ownership of the majority of its voting or equity securities, contract, voting trust or otherwise.

4.7 Customer shall promptly review all reports and documents provided or made accessible by Kronos or through the Payroll Services and shall inform Kronos of any inaccuracies not later than three (3) Business Days after receipt or notification of availability.

4.8 Customer is responsible for ensuring that the use of the Payroll Services to effect payments to or for its authorized users does not contravene any Applicable Law, including, without limitation, the Bank Secrecy Act, as amended by the USA PATRIOT Act, and any and all anti-money laundering laws and regulations now existing or promulgated after the date of this Section C. Any use of the Payroll Services in contravention of the foregoing sentence will be a material breach of this Section C by Customer.

4.9 Credentialing. Customer understands and acknowledges that the implementation and ongoing provision of Payroll Services are conditioned upon Customer and each Client Entity passing (and continuing to pass) a credentialing process that Kronos may deem necessary in connection with the provision of Payroll Services. Kronos shall have the right to (i) refuse to provide the Payroll Services for Customer with respect to any Client Entity that does not pass Kronos' initial credentialing process (ii) terminate the Payroll Services for Customer with respect to any Client Entity that does not continue to pass Kronos' ongoing credentialing process and (iii) terminate this Section C, and the WFR Terms, if Customer does not continue to pass Kronos' ongoing credentialing process. Customer shall be solely responsible for complying with all Applicable Laws, including, without limitation, ensuring the Covered Entities and payees of Customer on whose behalf Kronos

is causing the delivery of payments are not sanctioned parties under the regulations promulgated by the Office of Foreign Assets Control (OFAC). Customer shall also be responsible for (i) performing, and ensuring passage of, know your customer due diligence on all Covered Entities prior to requesting Kronos to provide any Payroll Services to such Covered Entities, and (ii) providing Kronos with the information as may be reasonably requested by Kronos, for each Client Entity prior to Kronos providing Payroll Services to such Client Entity. Customer agrees to provide Kronos with an accurate and complete listing of Covered Entities receiving any Payroll Services and to inform Kronos promptly of any changes in any Client Entity information previously provided to Kronos.

Article 5. Warranty

5.1 Kronos warrants that the Payroll Services will be provided in a professional and workmanlike manner. TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, KRONOS DISCLAIMS ALL OTHER WARRANTIES RELATED TO THE SERVICES, EITHER EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. If Customer informs Kronos in writing that there is a material deficiency in the Payroll Services which is making this warranty untrue, Kronos will use its commercially reasonable efforts to correct the non-conforming Payroll Service at no additional charge, which, subject to Section 5.2 below, will be Customer's sole and exclusive remedy. Customer shall provide Kronos with reasonable information and assistance to enable Kronos to reproduce or verify the non-conforming aspect of the Payroll Services.

5.2 If Kronos makes an error or omission in the preparation or filing of Customer payroll tax returns, or breaches its obligation to cause the issuance of timely payments of payroll tax and/or business tax obligations, which error or failure results in an assessment of penalty or interest by any taxing authority against Customer, then Kronos' sole responsibility, and Customer's only remedy, will be for Kronos to correct the error or omission under this Section C and pay such penalty and interest (notwithstanding the dollar limitation on Kronos liability contained in this Section C). As a condition precedent to Kronos' obligation to pay such penalty and interest, Customer will provide Kronos timely notice of any such assessment, and Kronos shall be responsible for all defense actions for any such tax claim for penalties and interest, provided however, Customer shall be consulted during all stages of any defense. Timely notice to Kronos shall mean within ten (10) Business Days of receipt of the initial notice of assessment by Customer delivered to Kronos in accordance with the notice provisions described in the WFR Terms. Customer's failure to provide timely notice to Kronos shall release Kronos from any and all obligations to indemnify Customer for the payment of penalty and interest hereunder and/or for effecting such payments on Customer's behalf, but only to the extent such delay caused such or additional penalty, interest or other losses. At all times as between Kronos and Customer, Customer shall be exclusively responsible for any tax assessed but without limiting Kronos' remittance obligations included in the Payroll Services.

Article 6. Independent Contractor and Subcontractors

6.1 Kronos is acting as an independent contractor of Customer under this Section C. Without limiting the foregoing, Kronos shall serve as a limited agent for Customer solely for purposes of any required agency for filings and/or payments with the appropriate taxing authorities. Kronos is not otherwise an agent of Customer, nor are the Parties in a partnership, joint venture, or other similar relationship, and this Section C shall not be construed to authorize either Party to act as agent for the other except as expressly provided herein.

6.2 Customer acknowledges that in providing the Payroll Services, Kronos may use any agent, subcontractor or third party and may delegate its duties to such agent or third party to perform such tasks

and functions as Kronos chooses, including without limitation, third party software to perform Payroll Services and to store Customer Data, data security, and other services provided by third parties. Upon written request by the Customer, Kronos will notify Customer, in writing, if applicable with the third party used for specifically for the delivery of services for which Customer is ordering the services.

6.3 Customer acknowledges that Kronos is not rendering legal, tax, or accounting advice in connection with the Payroll Services, including without limitation Customer's obligation to withhold in a particular jurisdiction, nor is Kronos a fiduciary of Customer.

6.4 No third-party beneficiaries exist under this Section C.

Article 7. Effects of Termination

7.1 If this Section C is terminated or expires in accordance with its terms or otherwise terminated pursuant to a termination of the WFR Terms, for any reason, all rights and obligations of the parties hereunder shall terminate upon such expiration or termination, provided that all Customer indemnification obligations in Sections 1.1.1(b), 4.4.1, 4.4.2 and Article 8, as well as Sections 2 (with respect to amounts owed through the effective date of termination), 3, and 5 through and including 9 shall survive any expiration or termination of this WFR Terms.

Article 8. Customer Responsibility

8.1 Customer is solely responsible for: (a) any expense or financial obligation which is the responsibility of Customer hereunder; (b) any allegation that the Customer Content or its collection or use by Customer violates Applicable Laws; (c) the performance by Kronos of any of Customer's payroll tax duties (including, without limitation, acting as Customer's attorney-in-fact or reporting agent), except to the extent attributable to the gross negligence or willful neglect of Kronos; (d) the breach of any WFR Terms, covenant, duty or obligation of Customer arising hereunder, (e) Kronos filing an "APPLIED FOR" return as an accommodation to Customer, or (f) Customer directing Kronos to make a payment to any person or entity where issuance or receipt of such payment violates Applicable Law. This Section 8.1 shall survive the termination of this Section C.

8.2 Kronos and/or the applicable Kronos Indemnified Party will provide written notice to Customer promptly after receiving notice of any third-party Claim for which it seeks indemnification under this Section C. If the defense of such Claim is materially prejudiced by a delay in providing such notice, Customer will be relieved from providing such indemnity to the extent of the delay's impact on the defense. Customer shall immediately take control of the defense and investigation of such Claim and shall employ counsel reasonably acceptable to the applicable Kronos Indemnified Party to handle and defend the same, at the Customer's sole cost and expense. Customer will have sole control of the defense of any indemnified Claim and all negotiations for its settlement or compromise, provided that (i) Customer will not enter into any settlement which imposes any obligations or restrictions on the applicable Kronos Indemnified Parties without the prior written consent of applicable Kronos Indemnified Parties; and (ii) if Customer has refused or failed to assume control of the defense or to diligently pursue the defense thereafter, Kronos and/or applicable Kronos Indemnified Parties may assume sole control of the defense and all negotiation for any settlement or compromise of the applicable Claim in such a manner as Kronos and/or applicable Kronos Indemnified Parties may deem appropriate, at the applicable Kronos Indemnified Party's sole expense, until such time as Customer does assume such control. The applicable Kronos Indemnified Parties will cooperate fully (at Customer's request and expense) with Customer in the defense, settlement or compromise of any such action. The applicable Kronos Indemnified Parties may

retain their own counsel at its own expense, subject to Customer's rights above.

Article 9. Extent and Limitations of Liability

9.1 THE TOTAL AGGREGATE LIABILITY (REGARDLESS OF THE NUMBER OF CLAIMS) OF KRONOS TO CUSTOMER OR TO ANY THIRD PARTY IN CONNECTION WITH THIS SECTION C AND THE PROVISION OF PAYROLL SERVICES WILL BE LIMITED TO ACTUAL AND DIRECT DAMAGES PROVEN BY CUSTOMER, SUCH DAMAGES NOT TO EXCEED AN AMOUNT EQUAL TO THE TOTAL NET PAYMENTS RECEIVED BY KRONOS FOR THE PAYROLL SERVICES IN THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRECEDING THE DATE ON WHICH THE FIRST CLAIM GIVING RISE TO LIABILITY ARISES.

9.2 EXCEPT AS EXPRESSLY STATED IN THIS SECTION C, NEITHER PARTY WILL BE LIABLE FOR ANY INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL, OR PUNITIVE DAMAGES. NEITHER PARTY WILL BE LIABLE FOR THE COST OF ACQUIRING SUBSTITUTE OR REPLACEMENT SERVICES. NEITHER PARTY WILL BE LIABLE FOR ANY LOST OR IMPUTED PROFITS OR REVENUES OR LOST DATA RESULTING FROM DELAYS, NONDELIVERIES, MISDELIVERIES OR SERVICES INTERRUPTION, HOWEVER CAUSED, ARISING FROM OR RELATED TO THE PAYROLL SERVICES OR THIS SECTION C. THESE LIMITATIONS APPLY FOR ANY REASON, REGARDLESS OF ANY LEGAL THEORY AND FOR WHATEVER REASON LIABILITY IS ASSERTED. THIS IS TRUE EVEN IF KRONOS AND CUSTOMER HAVE TOLD EACH OTHER THAT EITHER ONE IS CONCERNED ABOUT A PARTICULAR TYPE OF LIABILITY.

ATTACHMENT 2: PAYROLL SERVICES ADDITIONAL ITEMS

These items are charged in addition to the normal monthly per employee per month fee (PEPM) as they are incurred. For each miscellaneous item listed below, there is a brief description of how/when that charge could be incurred and the pricing detail and information are outline in the pricing information.

1. W-2/1099 Filings Price is per filing
This fee covers the creation and submission of the electronic files for W2s at the federal and state level. There is no additional fee for printing W2 forms. This fee will apply to all records filed with the SSA each calendar year.
2. NSF Fee the Price is on per transaction basis
If client utilizes the ACH Funding Method and fails to have the required funds in their designated account as required by and provided in the Agreement, causing Kronos to be issued a notice of Non-Sufficient Funds, Kronos, in addition to all its rights under the Agreement, will also charge Client an NSF Fee for each applicable transaction.
3. Fed Wire Fee Price is per wire
4. State Wire Fee Price is per wire
If a client submits payroll that requires federal and/or state taxes to be deposited the same or next day, an additional charge of \$82.50 for federal and \$82.50 for state will be incurred. This would typically only occur if the client has submitted or funded their account late and order to avoid tax penalties Kronos must cause the issuances of a wire for the payment to the tax agency.
5. "Applied For" Status of Tax Jurisdictions Price is /month per account
When a company begins to withhold taxes for their employees in a new state/jurisdiction the company has to apply to that jurisdiction for a tax filing ID number. They are allowed to file tax returns under an "applied for" status until they get their official tax id number. In the application on each of the tax codes, there is a box that can be checked called "Applied For Status" and the actual ID number field is left blank. Kronos will file returns under "Applied For" status but they charge a fee of \$38.50/month until a tax ID number is obtained, because a lot of the work is manual and requires additional effort.
6. ACH Returns/ Notice of Change - 1st/EE account
7. ACH Returns/ Notice of Change - 2nd if on same EE account
8. ACH Returns/ Notice of Change – Additional occurrence if on same EE account
This fee is charged when either an employee's direct deposit account number has been rejected by the bank and the funds cannot be applied to the account (ACH Return), or when there has been a change to the employee's direct deposit routing number or account number that was not updated in the system and the bank has to manually change the information to apply the funds (Notice of Change – NOC). In either case, KRONOS will charge a fee of \$11.00 the first time it occurs for each specific employee direct deposit. If the client doesn't fix the account before the next payroll, and an additional notice from the bank is received, KRONOS will charge an additional \$55.00. Thereafter KRONOS will charge an additional \$82.50 for each notice received on the same employee account.
9. Off Cycle Payrolls
Every scheduled payroll is included in the PEPM charge of \$1.55. This would include the regular payrolls (bi-weekly, weekly, monthly, semi-monthly) and could also include a regularly scheduled

bonus payroll (done each quarter, etc.). Off cycle payrolls occur outside this process. These are usually done to fix errors in the current payroll that cannot wait for the next scheduled payroll processing. This fee applies only to those off-cycle or “one off” payroll runs. This fee does not apply to manual checks issued by the client.


- | | |
|--|-------------------|
| 10. Spilt Distributions | Price per split |
| Pay Statements/Direct Deposit Vouchers can be delivered overnight to different locations for each EIN for no additional cost. The Split Distribution fees covers the cost to package pay statements/direct deposit vouchers to ship to multiple locations within the same EIN. Note that this does not include combining checks/vouchers from different payrolls (i.e. weekly and bi weekly) into one package for distribution. That is not a supported delivery process. | |
| 11. Amended Returns amendment | Price per |
| Filing all applicable payroll federal/state/local tax returns as indicated in this WFR Terms is included in the base PEPM fee of \$1.55. When adjustments are made to prior period payroll transactions that require Payroll Services to create a modified or “corrected” tax return to be filed with the taxing authorities, a fee of \$137.50 will be incurred. | |
| 12. Mailing Individual Checks document | Price per |
| The preferred method of delivery is for each client to have their checks/direct deposit vouchers, W2s and 1099s to be delivered using the client’s FedEx account to central location(s). If the client wants to have the employee’s pay checks, direct deposit vouchers, W2s and/or 1099 statements delivered directly to their home address, this fee (\$0.75) will apply to each form mailed through the USPS and is in addition to the applicable posted fees. KRONOS will guarantee that W2s/1099s will be mailed by January 28 th of each year but cannot guarantee that delivery to the employee will occur by January 31 st of each year. | |
| 13. 1095C Printing printed | Price per form |
| Client’s may request that KRONOS print their 1095C forms at the end of the calendar year. This will require an annual election and clients will be charged the fee above. Forms are only printed on pressure seal stock and shipped to the client for distribution to employees. Clients may also print the forms themselves directly from the Kronos system. | |
| 14. Payroll Rollback—after Payroll Submission Date | Price per request |
| Request initiated by client to rollback a payroll <u>after</u> a payroll submission deadline—each request. | |
| 15. Reopen Quarter End or Year End | Price per request |
| Request initiated by client to reopen a QTR End or YR End—each request. | |
| 16. QTR Filing – Inactive EIN’s each quarter. | Price per return |
| If the client closes a business during the year and wants W-2’s and year end processing completed this fee will apply. The \$137.50 fee is for each quarter and each return filed with zero returns. | |
| 17. Quarter Closing Late Fee EIN | Price per day/per |
| The client closes quarter after the contracted deadline. | |

18. Year End Closing Late Fee
EIN
The client closes year end after the contracted deadline. Price per day/per
19. Reprint of W2 or 1099
reprinted
Client requests reprinting of a W2 or 1099. Price per form
20. W-2 Combined Reporting Print Service —
Base Fee + an additional fee per Form
Price is based on
Combined W2 forms as may be required for firms designated as a Common Pay Agent as defined in the IRS Publication 15-A. IF so elected at the end of each calendar year, KRONOS will provide your W2 data to a third-party vendor to create combined forms and to generate printed copies. Combined paper W2 forms will be shipped to the client's address unless regular mail is requested. Copies of the forms will not be available to employees in WFR Employee Self Service but will be provided to client in a separate file.



U.S. Communities - Cobb County

**Workforce Management Systems and Related
Products, Services and Solutions**
18-6390

A large, abstract network diagram occupies the right and bottom portions of the page. It consists of a dense web of thin, light-colored lines connecting various circular nodes. The nodes are colored in shades of blue, green, and white, and are distributed across a background that transitions from a light blue at the bottom to a dark green at the top. A dashed green arrow curves from the bottom left towards the top left, pointing towards the contact information.

Brian Coopman
Director of Contracts and Procurement
brian.coopman@Kronos.com
(978) 955-6262

Kronos Incorporated
www.kronos.com
900 Chelmsford Street
Lowell, Massachusetts 01851

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BID SUBMITTAL FORM



SUBMIT BID/PROPOSAL TO:
Cobb County Purchasing Department
122 Waddell Street NE
Marietta, GA 30060

BID/PROJECT NUMBER: 18-6390
Request for Proposal
Workforce Management Systems and Related Products, Services and Solutions
Cobb County Purchasing Department

DELIVERY DEADLINE: SEPTEMBER 27, 2018 BEFORE 12:00 (NOON) EST
(NO BIDS/PROPOSALS WILL BE ACCEPTED AFTER THIS DEADLINE).

Bid Opening Date: September 27, 2018 @ 2:00 P.M. in the Cobb County Purchasing Department, 122 Waddell Street NE, Marietta, Georgia, 30060.

BUSINESS NAME AND ADDRESS INFORMATION:

Company name: Kronos Incorporated

Contact name: Brian Coopman

Company address: 900 Chelmsford Street, Lowell, MA 01851

E-mail address: info@kronos.com

Phone number: (978) 250-9800 **Fax number:** (978) 367-5900

NAME AND OFFICIAL TITLE OF OFFICER GUARANTEEING THIS QUOTATION:

John O'Brien Chief Revenue Officer
(PLEASE PRINT/TYPE) NAME TITLE

SIGNATURE OF OFFICER ABOVE: 
(SIGNATURE)

TELEPHONE: (978) 250-9800 **FAX:** (978) 367-5900

BIDDER WILL INDICATE TIME PAYMENT DISCOUNT: Kronos does not offer early payment discounts.

BIDDER SHALL INDICATE MAXIMUM DELIVERY DATE (UNLESS OTHERWISE SPECIFIED IN BID SPECIFICATIONS)
The standard maximum delivery date is 7 - 10 days from order acceptance.

Bids received after the date and time indicated will not be considered. Cobb County reserves the right to reject any and all bids, to waive informalities, to reject portions of the bid, to waive technicalities and to award contracts in a manner consistent with the county and the laws governing the state of Georgia.

The enclosed (or attached) bid is in response to Bid Number **18-6390**; is a firm offer, as defined by section O.C.G.A. (s) **11-2-205 of the code of Georgia (Georgia laws 1962 pages 156-178)**, by the undersigned bidder. This offer shall remain open for acceptance for a period of 90 calendar days from the bid opening date, as set forth in this invitation to bid unless otherwise specified in the bid documents.

NOTICE TO BIDDERS - - BID QUOTES MUST INCLUDE INSIDE DELIVERY CHARGES



Kronos Incorporated
900 Chelmsford St.
Lowell, MA 01851

phone +1 978 250 9800
fax +1 978 367 5900
url www.kronos.com

September 27, 2018

U.S. Communities - Cobb County
122 Waddell Street NE
Cobb County Purchasing Department
Marietta, GA 30060

Subject: Workforce Management Systems and Related Products, Services and Solutions – Kronos Proposal

Dear Cobb County and U.S. Communities Selection Committee,

Enclosed with this letter is Kronos Incorporated's response to the U.S. Communities - Cobb County Workforce Management Systems and Related Products, Services and Solutions RFP.

At Kronos Incorporated, our goal for customer engagements is twofold. First is our commitment to establish a long term trusted advisor relationship with our customers. Secondly and equally as important is ensuring your near-term success and the success of any project which falls under Kronos Incorporated's umbrella. We offer a reliable product suite and experienced resources backed by a strong foundation ready to help your organization achieve its goals outlined in the RFP.

KRONOS INCORPORATED HISTORY AND OVERVIEW

Kronos was founded over 40 years ago on October 31, 1977 by MIT alum Mark Ain on the foundation that there had to be an easier way to record employee time. With a team of engineers, Kronos delivered the industry's first patented microprocessor-based time clock in 1979, and has since driven four decades of innovation in the Commonwealth of Massachusetts. In the late 80's, Kronos completed the first of many dealer acquisitions as the company focused on transitioning to a direct sales channel. With strong success in North America, Kronos began to expand internationally. In the late 90's Kronos focused on market leadership and to meet the unique needs of our customers, we verticalized our operations in a major go-to-market strategy shift, developing even deeper industry-specific expertise and product functionality. In 2001, Kronos released the Workforce Central product suite followed in 2002 with the release of the Kronos 4500 time clock. By 2007 Kronos disrupted the workforce management industry, yet again. After many years of being a public company, we went private with a renewed focus on innovation and a heavy investment in mobile, cloud-based solutions. Cloud continued to be the fastest growing part of the business with 90 percent of all new customers choosing cloud solutions.

Today, Kronos is a single-source provider and global leader in workforce management solutions that enable organizations to control labor costs, minimize compliance risk, and improve workforce productivity. Over 35,000 organizations in more than 100 countries — including more than half of the Fortune 1000®, — use Kronos time and attendance, scheduling, absence management, HR and



payroll, hiring, and labor analytics applications. Widely recognized as a market and thought leader in managing the workforce in the cloud, Kronos has unrivaled reach with more than 40 million people using a Kronos solution every day. Due to our continued growth and expansion, we completed our corporate HQ move to Lowell, Massachusetts to a building with state-of-the art technology and amenities aimed to inspire employees. We are proud to employ more than 5,000 "Kronites" in 70 offices and 16 countries around the world. Today, we are recognized by industry analysts as the global leader in workforce management and human capital management.

Kronos is one of the largest employers in Lowell and we intend to bring more than 400 new jobs to Massachusetts over five years as the company continues its aggressive pace of hiring, adding to its workforce of 5,300 Kronites in 70 offices worldwide. In FY2017, Kronos generated \$1.3B in revenue and we are committed to pushing growth and innovation by investing more than 10 percent of total revenue each year into R&D. In fact, R&D investment has topped \$500 million over the last five years alone. On top of innovations that are purpose-built for our customers and the industries they serve, this investment puts a premium on ease-of-use, ease-of-ownership, time to value, pushing intelligent insights to our customers' fingertips, and cloud leadership. Based on our history, how much we invest in innovation, financial stability, and market leadership, Kronos will continue to be successful in a forever changing marketplace.

KRONOS INCORPORATED PROPOSAL

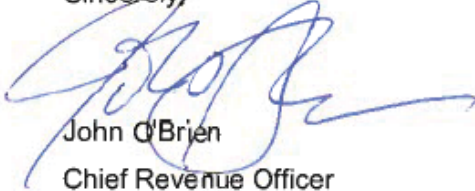
In support of our proposal, Kronos Incorporated has committed a team of industry experts to work with the evaluation team during the procurement process. Please note that this offer to U.S. Communities - Cobb County is valid for 90 days from the date on the cover page of this proposal. In addition, Kronos Incorporated has included one (1) hardcopy of our audited financial statements, separately sealed, and labeled "Confidential" in support of the *Financial Statements* section of this proposal.

Brian Coopman, Director of Contracts and Procurement, is authorized to clarify and/or negotiate on all aspects on the scope of products and services on behalf of Kronos Incorporated. John O'Brien, Chief Revenue Officer, is authorized to bind Kronos Incorporated to a contract.

Thank you for your time and consideration of Kronos Incorporated's Workforce Dimensions, Workforce Central, and Workforce TeleStaff solutions. Again, we would like to reiterate how excited we are by the prospects of working with U.S. Communities, Cobb County, and all participating agencies. We pledge our commitment to rapidly deploying a successful workforce management solution. Brian Coopman will be your point of contact for this proposal. Should you have any questions or need further explanation, please feel free to contact him directly by telephone at (978) 955-6262 or by email at brian.coopman@kronos.com.

We look forward to working with the U.S. Committee's Selection Committee, County Manager and Board of Directors. If you have any questions, please do not hesitate to contact me at (978) 955-6262 or by email at brian.coopman@Kronos.com.

Sincerely,



John O'Brien

Chief Revenue Officer

Kronos Incorporated



SECTION ONE

Executive Summary

Public sector organizations operate under the scrutiny of the public eye, with tight budgets and complex workforce management rules that are designed to ensure quality services are provided at a minimal cost to the taxpayers. Leading these organizations are fiscally responsible individuals who have sworn an oath to uphold the rules that govern and to provide leadership to the public servants who are employed within. As a public sector organization there is no room for error, particularly in the realm of workforce management. Cobb County and U.S. Communities require an experienced and trusted vendor who has proven to provide workforce management solutions and services within the public sector.

THE RIGHT SOLUTION

Kronos is responding to RFP 18-6390 with the understanding that Cobb County and U.S. Communities have a need for a contracting vehicle for workforce management that must fit the needs of a wide variety of public sector/education organizations. In addition to our experience, Kronos has provided details on the proposed solutions, services, and pricing that supports the company's qualifications that Cobb County and U.S. Communities can depend on. We know a thing or two, because we've SEEN a thing or two.

Kronos solutions solve the workforce management requirements presented in the RFP, including the need for time and attendance, scheduling, staffing and reporting. With Kronos you will find:

- A Proven and Trusted Partner: With over 2,000 implementations in the Public Sector, Kronos has an unparalleled track record of success.
- Proven and Versatile Solutions that Minimize Risk for Larger, More Complex Organizations.
- Flexibility and Low Cost for Less Complex Organizations.


Kronos continuously invests in our solutions, so our clients can take advantage of the latest technology platforms, and be assured that their partnership with Kronos will be viable through the technology challenges of the future. Many of our clients have migrated through multiple Kronos platforms over the decades, as well as changes to their supported technologies, upgrades to their other business systems, and emerging standards of security and accessibility.

PUBLIC SECTOR EXPERIENCE

Kronos has been a global leader in workforce management solutions for over 40 years and our public sector customers represent some of our longest-standing customers. To date, Kronos has implemented timekeeping and related solutions in over 2,000 public agencies. Our experience with the public sector spans across Federal, State, Local, and Public Education. These customers vary in size from the small (30 employees) to the large (30,000 employees), proving how scalable and flexible Kronos solutions really are.

Nine years ago Kronos made a significant organizational change in response to our customers' requests to better meet their needs. At that time Kronos reorganized into 5 business units with one of those units comprised of all State, Local, Higher Education, K-12 and Federal organizations. Our customers demanded that we have a company division solely dedicated to the public sector and we





responded. This division now brings unique public sector expertise demonstrated throughout our engagement with customers. This is evident starting with the presales process continuing all the way through to post implementation support.

Kronos offers unique public sector focused solutions in training and change management services designed to recognize the specific challenges that public agencies face in the rollout of software solutions.

FINANCE OPTIONS

Public agencies require flexibility in a product, service, or even payment method. Kronos is committed to these requests. Due to our unique and incredibly solid financial position, Kronos is able to work directly with our clients to provide financial options that are typically unavailable by other vendors. Kronos offers a variety of financial options including back loading finance options, leasing, or evenly distributed payments throughout a defined period of time. Kronos is committed to working with each individual participating agency to find the most cost effective solution that meets your needs.

IN CONCLUSION

Kronos understands the importance of finding the right partner to automate workforce management processes. Don't compromise with a solution that isn't a true fit for the public sector.

RFP ADDENDA

- Kronos acknowledges receipt of Addendum #1, dated September 19, 2018
- Kronos acknowledges receipt of Addendum #2, dated September 24, 2018





**COBB COUNTY
PURCHASING DEPARTMENT**

122 Waddell Street NE
Marietta, GA 30060
770.528.8400 • Fax: 770.528.8428
purchasing@cobbcounty.org

William J. Tommie, Jr., CPMO
Purchasing Director

ADDENDUM No. 1

Sealed Bid # 18-6390

Request for Proposal

**Workforce Management Systems and Related Products, Services and Solutions
Cobb County Purchasing Department**

Date: September 19, 2018

Page 1 of 7

The following addendum hereby amends and/or modifies the Proposal Documents and specifications as originally issued for this project. All proposers are subject to the provisions of this Addendum.

This Addendum consists of:

- Minutes, Questions, Clarifications from Pre-Proposal Meeting held on September 11, 2018
- Questions Submitted in Writing
- Sign-In Sheet from Pre-Proposal Meeting

Receipt of addendum **MUST** be acknowledged in the submitted proposal. It is the Proposer's ultimate responsibility to ensure that they have all applicable addenda prior to bid submittal.

This acknowledgment form must be signed, dated, and included with your submitted proposal

Kronos Incorporated _____

Company Name

September 20, 2018 _____

Date



Signature

John O'Brien _____

Please Print Name

All bids must be received before 12:00 (noon) by the Bid Opening date. Bids shall be delivered to Cobb County Purchasing Department, 122 Waddell Street NE, Marietta, GA 30060.





**COBB COUNTY
PURCHASING DEPARTMENT**

122 Waddell Street NE
Marietta, GA 30060
770.575.8400 • Fax: 770.575.8478
purchasing@cobbcountygov.org

William J. Lomnie, Jr., CPPC
Purchasing Director

ADDENDUM No. 2

**Sealed Bid # 18-6390
Request for Proposal**

**Workforce Management Systems and Related Products, Services and Solutions
Cobb County Purchasing Department**

Date: September 24, 2018

Page 1 of 3

The following addendum hereby amends and/or modifies the Proposal Documents and specifications as originally issued for this project. All proposers are subject to the provisions of this Addendum.

This Addendum consists of:

- **Questions Submitted in Writing**

Receipt of addendum MUST be acknowledged in the submitted proposal. It is the Proposer's ultimate responsibility to ensure that they have all applicable addenda prior to bid submittal.

This acknowledgment form must be signed, dated, and included with your submitted proposal

Kronos Incorporated

Company Name

September 24, 2018

Date

Signature

John O'Brien

Please Print Name

All bids must be received before 12:00 (noon) by the Bid Opening date. Bids shall be delivered to Cobb County Purchasing Department, 122 Waddell Street NE, Marietta, GA 30060.





Company Background / Profile

a. Legal name, address, phone number, and website address.

Kronos Incorporated
900 Chelmsford Street
Lowell, MA 01851 (Corporate Headquarters)
Phone: +1 (978) 250-9800
Fax: +1 (978) 367-5900
website: www.kronos.com

b. Date business was established under current name.

Kronos became a corporation on October 31, 1977 (in the Commonwealth of Massachusetts).

c. Size of company including the total number of employees.

Total Employees: 5,453

d. Type of ownership or legal structure of business

Kronos Incorporated, a privately owned Massachusetts company, provides a suite of solutions that help organizations control labor costs and improve productivity. Kronos Incorporated's solutions, which include time and attendance, scheduling, absence management, human resources, payroll, recruiting, and labor analytics, are designed for a wide range of organizations from single-site to large multi-site enterprises.

Kronos Acquisition Corporation (Kronos Acquisition) (fka Seahawk Acquisition) and Seahawk Merger Sub Corporation (Seahawk Merger Sub), a wholly owned subsidiary of Kronos Acquisition, were formed on March 21, 2007 for purposes of acquiring Kronos Incorporated.

Kronos Parent Corporation (fka Seahawk Acquisition Holdings Corporation) was formed on June 5, 2007 and acquired all of the outstanding stock of Kronos Acquisition.

On June 8, 2007, shareholders of Kronos Incorporated approved and adopted the Agreement and Plan of Merger, dated as of March 22, 2007 (the Merger Agreement), by and among Kronos Acquisition, Seahawk Merger Sub and Kronos Incorporated. The acquisition of Kronos Incorporated (the Merger), which was completed on June 11, 2007, was primarily financed by Hellman & Friedman Capital Partners VI, L.P. (H&F) and JMI Equity Fund V, L.P. (JMI), the Company's private equity sponsors. Under the terms of the Merger Agreement, Seahawk Merger Sub was merged with and into Kronos Incorporated, with Kronos Incorporated continuing as the surviving corporation. Upon completion of the Merger, Kronos Incorporated became a wholly owned subsidiary of Kronos Acquisition. See Note 9 for further discussion of the terms of the Merger.



For purposes of the disclosures below, references to “the Predecessor” relate to the accounts of Kronos Incorporated for the period from October 1, 2006 through June 11, 2007 (the Predecessor Period), while references to “the Company” relate to the accounts of Seahawk Merger Sub for the period from March 21, 2007 (inception) through June 11, 2007, and the accounts of Kronos Incorporated for the period from June 12, 2007 through September 30, 2007, and the years ended September 30, 2008 and 2009 (collectively, the Successor Periods).

e. Has the company ever failed to complete work for which a contract was issued? If yes, explain the circumstances.

We cannot respond to this question since we do not track this information and, to a certain extent, such information would be confidential. Customer cancellation, in any event, is rare because of Kronos' excellent track record of successful implementation.

f. Are there any civil or criminal actions pending against the firm or any key personnel related in any way to contracting? If yes, explain in detail. Are there any current unresolved disputes/allegations?

PROPRIETARY AND CONFIDENTIAL – NOT TO BE DISCLOSED TO THIRD PARTIES



g. Has the firm ever been disqualified from working for any public entity? If yes, explain the circumstances.

PROPRIETARY AND CONFIDENTIAL – NOT TO BE DISCLOSED TO THIRD PARTIES







Experience – Attachment B – References



ATTACHMENT B- REFERENCES

Please list five (5) Workforce Management contracts that are representative of your firm’s work and services. Public agency contract references are preferred. Referenced projects must have been ongoing for at least one (1) year or completed within the last three (3) years. If additional space is required, provide on a separate sheet.

Reference 1

Public Agency Name: Cobb County, GA Phone: 770-528-8712
Contact: Tara Crisp Email: tara.crisp@cobbcounty.org
Title: Technology Services Mgr, Client Services
Address: 100 Cherokee St, Ste 520
Marietta, GA 30090

Description of services provided:

Workforce Central for 5400 employees; Full implementation of a robust suite of HCM software and hardware solutions including 69 time clocks and ongoing professional, educational, and support services.

Total dollar amount: \$874,000 lifetime HCM investment

Reference 2

Public Agency Name: City of Houston Phone: 832-393-0291
Contact: Reenie Askew Email: reenie.askew@houstontx.gov
Title: Deputy CIO
Address: 611 Walker, 9th Floor
Houston, TX 77002

Description of services provided:

Workforce Central for 26,400 employees. Full implementation of a robust suite of HCM software and hardware solutions to include 259 time clocks and ongoing professional and educational services.

Total dollar amount: \$14.6 million lifetime HCM investment

Reference 3

Public Agency Name: DeKalb County Phone: 404-371-3046
Contact: Melissa Liburd Email: mlliburd@dekalbcountyga.gov
Title: Systems Analyst
Address: 120 West Trinity Place, Room L8
Decatur, GA 30030

Description of services provided:

Workforce Central for 8,750 employees. Full implementation of a robust suite of HCM software and hardware solutions to include 124 time clocks and ongoing professional and educational services

Total dollar amount: \$1.7 million lifetime HCM investment



Reference 4

Public Agency Name: Mountain Education Charter High School Phone: 706-219-4664
Contact: Becky Allison Email: becky.allison@mymec.org
Title: Payroll Coordinator
Address: 65 Kenimer St.
Cleveland, GA 30528

Description of services provided:

Workforce Ready including ACA Manager for 15 employees including support services and time clock functionality.

Total dollar amount: \$288,000 lifetime HCM investment

Reference 5

Public Agency Name: Ionia County Intermediate School District Phone: 928-537-6011
Contact: Tonya Steinhoff Email: tonyas@show-low.k12.az.us
Title: Payroll / Benefits
Address: 500 West Old Linden Road
Show Low, AZ 85901

Description of services provided:

Workforce Ready Timekeeping and Workforce Ready accruals for 250 employees; includes 11 time clocks and professional and support services.

Total dollar amount: \$162,000 lifetime HCM investment



Product Information / Service Capability

PLEASE SEE **SECTION THREE - PRODUCTS, SERVICES AND SOLUTIONS** FOR ADDITIONAL DETAILS.

Kronos is a single-source provider of the following product families:

- **Workforce Management** - Creating best-fit schedules, tracking time and attendance, administering absence and leave, and measuring productivity are vital to managing and retaining a high-performing workforce. Kronos® workforce management solutions are purpose-built for your industry to help you drive business outcomes by engaging your employees, controlling labor costs, increasing productivity, and minimizing compliance risk. Kronos solutions are tailor-made to meet your industry's unique needs with flexible scheduling tools, unmatched absence management and timekeeping capabilities. The powerful reporting tools and analytics features give companies the insight to make strategic decisions. With a Kronos workforce solution, you can manage and engage thousands of employees across multiple locations worldwide with true global enterprise visibility and accountability.
- **Human Capital Management** - To attract and retain top-quality talent today, human resource professionals need an integrated set of tools for managing and nurturing their organizations' most valuable strategic advantage from pre-hire to retire. Powered on a unified platform, the Kronos® human capital management (HCM) solution embraces your entire workforce with end-to-end employee lifecycle management. On its common platform, the Kronos HCM solution integrates HR, time and attendance, payroll, scheduling, and more for a streamlined and efficient way to manage and nurture your employees — while giving managers single-source access to real-time employee data for driving productivity, increasing employee engagement, and making more informed business decisions.
- **Kronos for State and Local Government** - Kronos® solutions for state/local government agencies help control labor costs, minimize compliance risk, and maintain accountability and transparency. Designed for your unique needs, our solutions automate and streamline management of attendance and leave policies and provide valuable on-demand visibility, mobile employee self-service, and robust public safety scheduling.
- **Kronos for K12** - Kronos® for K-12 Education solutions help create time and attendance efficiencies so you spend less time on administrative processes and more time on academics and programs. We help you manage your most critical workforce issues with tools that simplify extra-duty time, minimize compliance risk, improve visibility into sub time, and enable data-driven decisions.
- **Kronos for Higher Education** - Kronos® for Higher Education helps you manage professional, union, auxiliary, and student workforces all at the same time. Our automated tools streamline processes and help rein in costs, improve workforce productivity, and maximize budgets — all critical to meeting your missions for student learning, research, and community support.
- **Kronos for Public Safety** - Maintaining adequate staffing levels amid shrinking resources and complex compliance requirements is next to impossible using outdated manual processes.



Kronos® for Fire and EMS and the Kronos Workforce TeleStaff™ automated staffing solution can help your organization schedule more efficiently while controlling labor costs and minimizing compliance risk.

- **Kronos for Non-Profits** - Kronos® for Nonprofits offers easy-to-use, easy-to-own solutions that help not-for-profit organizations control labor costs, minimize compliance risk, and have quality interactions with their clients and communities. We help you manage costs so you can invest more of your limited funding and resources into supporting your critical services, programs, or important cause.



Kronos offers the following services:

- **Implementation services** help you get started on the right foot with full discovery, project planning, assessment, system build, certification and testing, and go-live support.
- **Cloud services** offer you a single point of contact and single bill for software and IT infrastructure. Kronos delivers hosted applications remotely over a Virtual Private Network (VPN) at a fixed price. You can rapidly deploy applications with a reduced upfront cost and without any IT burdens.
- **Consulting services** include productivity services, technology services, product extensibility services, industry consulting, education consulting, and cloud readiness assessment to help organizations get the most out of their systems after implementation.
- **Educational services** keep your staff up to date on product developments and provide them with in-depth technical knowledge.
- **Support services** provide peace of mind throughout your Kronos relationship by keeping your hardware and applications running smoothly.
- **Self-help services** through the Kronos Community. The Kronos Community helps you make the most of your Kronos solution by putting tools and resources at your fingertips in a collaborative, intuitive online space — a space that includes product support and knowledge base. The Kronos Community allows you to share product ideas, chime in on valuable discussions, and collaborate with an engaged network of peers.
- **Customer Success services** is our promise to be your advocate and partner. Once we set off on your Kronos cloud journey, our team works to accelerate value at every point. Autopilot isn't our



style, so simply identifying your business goals isn't how we work. Instead, we provide the training, thought leadership, tools, and data you need to cruise a one-way street toward success. We'll be there to give you clear, timely directions — and bring all the right people and resources together at the right time along your route.

a. Include detailed catalogs, descriptive literature, and/or a website address that lists all services and associated items that can be provided by the Proposer under this contract.

Kronos is pleased to provide you with a detailed listing of all of our catalogs and descriptive literature at the following website <https://www.kronos.com/us-communities>. You can find our services here <https://www.kronos.com/kronos-services>.

b. Provide detailed information on service capabilities of your offering.

Kronos has wide range of services we offer to our customers. These include:

- **Kronos Paragon Implementation Methodology**
- **The Kronos Community**
- **Workforce Dimensions Services**
- **Workforce Ready Services**
- **Workforce Central and Workforce TeleStaff Services**

Kronos Paragon Implementation Methodology

The Kronos Paragon implementation methodology provides a structured approach for project implementation, supported by strong project management and flexible education offerings. It has been created, developed and refined over years of successfully implementing the Kronos Workforce Suite of products. Kronos Paragon is unique because it leverages our experience implementing workforce management. We created proprietary technology that catalogs the knowledge of hundreds of our consultants and proven configurations.

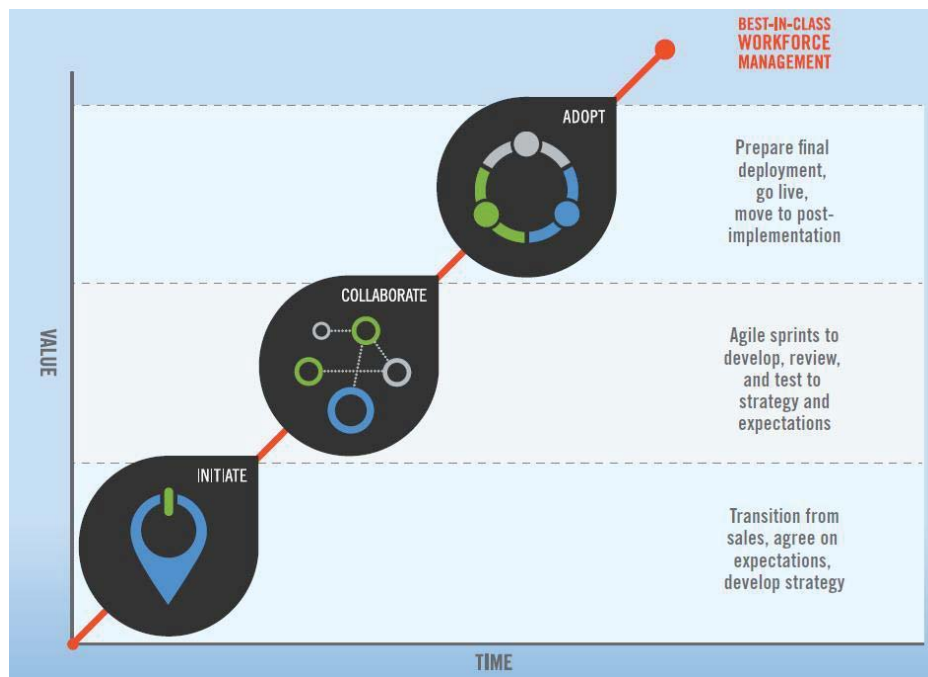
Paragon is unique because of the simple way it accelerates the value you get from your software. We will work online together using a workspace containing all of the project materials and communications needed for the project team. Once your system is setup, Paragon will generate testing scripts which help verify programming quickly. The dynamic documentation tool will develop a complete documentation set any time as needed. When we kickoff the project, we recommend people you'll need for your team, we'll plan your training, we'll write testing scripts and help manage change in your organization. Collaboration happens quickly because you are using the software immediately. Configuration changes are made sooner so you can confirm they are working for your organization. Before you know it, your system will be up and running and you'll be more comfortable using it because you've been learning since the start.

Project Managers and Consultants guide the team through an efficient and proven process by providing assistance during all phases. The core methodology is adaptable and responsive to an individual project's requirements, while still providing relentless repeatability and a consistently high quality Customer experience. The expertise of our people, coupled with their considerable Kronos tenure,



provides you with faster answers and fewer problems, resulting in lower total cost and improved time to value.

Effective education of your workforce is critical to solution acceptance, self-sufficiency, and long-term productivity gains. Our certified Kronos instructors deliver knowledge in many ways so your employees learn how to get the most out of the Kronos solution. Kronos' number one priority is to satisfy the needs of our Customers. That's why throughout the project, we will regularly be assessing your satisfaction level with the implementation process. Are your expectations being met? Are your goals being achieved? Do you feel that all phases of the process are progressing smoothly? We welcome your feedback throughout the engagement. Even if we do not hear from you, we will periodically seek specific feedback on your satisfaction with the implementation's progress. Plus, we will conduct a final implementation survey as part of our efforts to improve our implementation methodology and services.



Initiate Phase

Decades of experience working with similar organizations in your industry and regions help us define an implementation strategy that delivers rapid time to value.

- Engage the project team
- Develop the project plan and deliver the online workspace
- Set goals and success criteria
- Develop strategies for change management, education, and testing
- Confirm customer readiness





Collaborate Phase

Leveraging a proven industry configuration, Kronos Paragon allows for an emphasis on product usage that sets your experience apart.

- Train the project team
- Deliver a recommended industry configuration
- Use agile techniques to refine the configuration to meet your requirements
- Execute accelerated testing to resolve issues
- Generate dynamic documentation

Adopt Phase

When you deploy Workforce Central in the cloud, your organization will realize more effective workforce management and immediate competitive advantage.

- Complete deployment readiness and confirm that all success criteria have been met
- Train end-users
- Finalize production and deployment
- Initiate and support go live
- Transition to post-implementation support
- Complete the Customer Experience survey

Kronos offers the industry's most comprehensive services portfolio. From small and midsize businesses to large global enterprises, Kronos can put together a services plan that makes sense for you. Implementation, business consulting, employee training and user adoption, technology support, and more — Kronos can help you every step of the way.

When you invest in a Kronos solution, you are getting cutting-edge technology complemented by award-winning service and support. We help you get the best return on your investment and provide a lower cost of ownership over the life of your solution. And our experts are always available to help you maximize performance. Below is a description of Kronos' services with links to more information.

Please see the **Kronos Paragon Fact Sheet** in the ***Additional Information – General Kronos Attachments*** section of this proposal for further details.



The Kronos Community

As a Kronos customer, you will have access to the Kronos Community where you can connect with Kronos customers, partners and product experts to get help, training and share ideas. Discover the tools and resources you need to maximize your Kronos solution, and tap into the educational offerings, remote customer support, eCase management, customer forums, documentation, and more that Kronos experts support. Please see the **Kronos Community Fact Sheet** in the **Additional Information – General Kronos Attachments** section of this proposal for further details.

Access to the Kronos Community includes:

- **Cases** - Creating and managing a support case is easy in the Community when using the Cases menu button. Simply provide a case title, description, search your account name or solution ID in the field, and then submit. Once you create a case, you can also add attachments. If you have multiple cases open at once, managing them is simple when you filter by case owner, case status, or date range. And if you're a customer or a partner with multiple solution IDs, simply filter by your solution ID for quick access to the case you want.
- **Get Answers** - Questions? Community is fully searchable. The global search bar will make appropriate suggestions, helping you optimize your search term and access the best possible answer. Results include Knowledgebase articles, Documentation, Technical Advisories, Service Packs, Discussions, Answers, and more. And if you can't find your answer, you can always ask a question for others on the Community to answer.
- **Learn** - Community offers easy access to Kronos training, thought leadership newsletters, and expert insight blogs. Community also offers access to Kronos KnowledgePass™, an educational subscription offering that provides unlimited access to tutorials, how-tos, live webinars, sandbox environments, and more. The Learn page is also your gateway to HR and Payroll Answerforce™, which can help improve compliance with one-stop information on up-to-date law, regulation, and industry trend summaries powered by Wolters Kluwer.
- **Discussions** - Connect with Kronos customers, partners, and product experts in Discussion Groups that are organized by product, industry, or special interest. With thousands of active Community members, there's always a valuable conversation to jump in on. Join product-specific Alert groups to receive emails about high-priority product issues like Service Pack releases, technical advisories, and more. And staying up to date on your industry is easier than ever when you follow industry news as it develops in industry-specific groups.
- **Ideas** - Have ideas for product or Kronos Community improvements? Kronos listens to all of our customers. Simply access the Community to add comments to ideas you want to expand on, or submit an idea of your own. Search existing Idea posts by product platform and application, and vote ideas up or down so the most popular ones rise to the top.



Workforce Dimensions Service Capabilities

WORKFORCE DIMENSIONS IMPLEMENTATION SERVICES

Kronos utilizes the proven Paragon implementation methodology described at the beginning of this section for implementation services. With Paragon, we start off on the right path with a strategic plan and insights on best practices that guide you to success. Our team of expert consultants will help you achieve smart value fast with services that help you get the most from your Kronos solution. Once you're live, we're there to make sure you unlock your solution's full value, positioning you to achieve early success and ROI. Our people, our expertise, and our time-proven processes get you up and running fast with a solution that is easily deployed and managed in the cloud. Please refer to **Kronos Paragon Implementation Methodology** detailed at the beginning of this section for details.

WORKFORCE DIMENSIONS CUSTOMER SUCCESS PLANS

Optimize productivity and performance with cross-functional support, comprehensive education tools, and outcome-driven customer success management. Our three Customer Success Plans offer you the flexibility to choose the success approach that best meets your unique business needs – accelerating value at every point in your customer journey and empowering you with everything you need to succeed. Please see the following datasheets in the **Additional Information – Workforce Dimensions Specific Attachments** section of this proposal:

- **Workforce Dimensions Customer Success Overview**
- **Workforce Dimensions Customer Success Plans Data Sheet**

WORKFORCE DIMENSIONS DEPLOYMENT SERVICES

Get your teams up and running fast with Kronos Paragon — a value-centric deployment approach that leverages iteration and expertise through our skilled consultants and the use of proprietary technologies. Paragon streamlines the deployment of your Kronos solution in the cloud and speeds your time to value, getting a working solution in your hands faster than ever before. And harness the power of data to further accelerate the time to value of your Kronos investment. Our integration services make it easy to share Workforce Dimensions data and streamline successful API integrations across your key business systems.

Please see the following datasheets in the **Additional Information – Workforce Dimensions Specific Attachments** section of this proposal:

- **Workforce Dimensions Data Extraction Tool Datasheet**
- **Workforce Dimensions API Empowerment Services Datasheet**



WORKFORCE DIMENSIONS EDUCATIONAL SERVICES

Kronos Educational Services provides individualized, role-based, just-in-time learning to prepare your core project team and increase user acceptance of your new solution. Receive the right training at the right time and maximize ROI with Kronos KnowledgeMap™ — a progress tracking, online education portal providing anytime, anywhere access to learning and performance support resources — and the opportunity to leverage personalized, instructor-led training. Please see the following datasheet in the ***Additional Information – Workforce Dimensions Specific Attachments*** section of this proposal:

- **Workforce Dimensions Kronos KnowledgeMap**

WORKFORCE DIMENSIONS SUPPORT SERVICES

When you need assistance above and beyond what your Customer Success Plan provides, we've got you covered. Protect your Kronos Timeclocks — and your peace of mind — with Equipment Support Services or partner with a Technical Account Manager for dedicated technical support coupled with a deep understanding of your business needs. Please see the **Products, Services and Solutions** section of this proposal for details on support services. In addition, please read in the following sections:

- ***Additional Information – General Kronos Attachments***
 - **Kronos Technical Account Manager Datasheet**
- ***Additional Information – Workforce Dimensions Specific Attachments***
 - **Kronos Equipment Support Services**

WORKFORCE DIMENSIONS ADVISORY SERVICES

Advisory Services offers success-oriented, best practice direction to guide you through your customer journey and achieve continuous value from your solution. Count on industry experts to help drive standardization and global strategy and map a long-range plan for success. Moving to Workforce Dimensions? We're here to help with a smooth migration. Workforce Dimensions Migration Assessment is carefully designed to prepare you for a seamless transition. Please read in the following sections:

- ***Additional Information – General Kronos Attachments***
 - **A Workforce Management Global Approach Datasheet**
- ***Additional Information – Workforce Dimensions Specific Attachments***
 - **Workforce Dimensions Migration Assessment Datasheet**



Workforce Ready Services

WORKFORCE READY IMPLEMENTATION SERVICES

Organizations preparing to implement Workforce Ready want to maximize their investment by getting up and running as quickly and efficiently as possible, with minimal disruption to their organization. A well-managed implementation — completed on time and within budget — gets you off to a strong start and lays the foundation for early success. But while process and software functionality are important elements of a successful implementation, our implementation goal is more broadly focused on the ability to reach full, effective user adoption.

Our Time to Value (TtV) Deployment is designed to achieve a fast “time to value” by quickly deploying your core module (TK, HR, PR) functionality to establish your system’s foundation and then adding modules and/or functionality over time in short, agile deployments aligned with your priorities, schedule, and resources. Achieving this goal requires close collaboration between Kronos and your organization. It starts with a plan designed to ensure that the Workforce Ready solution we deliver meets all your specified requirements. We’ll work with you to build an implementation plan that:

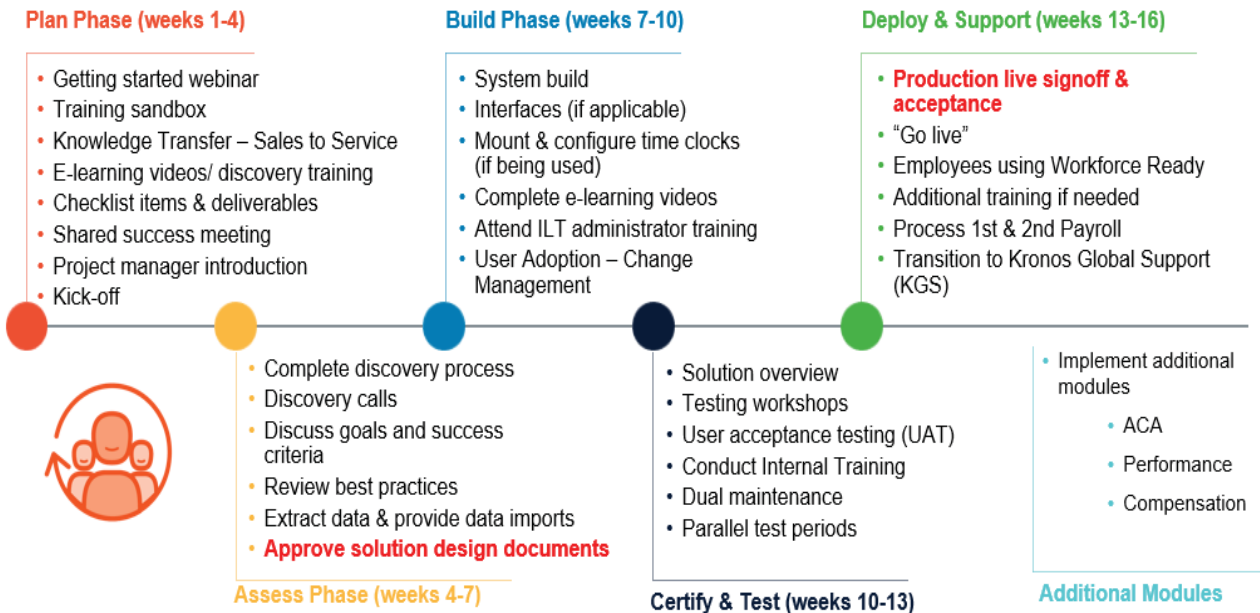
- Takes advantage of our TtV deployment model
- Reflects your organization's size, industry, and specific business needs
- Outlines your contributions to project success, including executive sponsorship, project team responsibilities, and resource commitments
- Allows you to manage resource and timeline expectations within your organization
- Incorporates quality checkpoints to ensure your ongoing satisfaction and minimize the risk of missteps or schedule delays

The project plan for your implementation will include specific goals and milestones. These milestones are defined throughout the project, enabling the project manager to review the scope and quality of the project prior to progressing to the next phase of the project. At each milestone, we’ll formally ask for your feedback to assess progress.

The remote Kronos team is equipped to help keep you on target for meeting project milestones and requirements, and to help you configure and deploy your Kronos Workforce Ready® solution to meet your organization’s specific requirements. Your organization's participation and commitment to the project goals and timeline are critical to help ensure fast TtV.

Please refer to the Workforce Ready sample timeline below:





* Your Workforce Ready Implementation time line may vary from this sample time line depending on the products purchased.

After signing with Kronos you will move from our Sales to our Service Department through a series of internal knowledge transfer calls between our Service and Sales departments. The meetings are geared towards bringing our Service team up to speed on your account and prevent us from having to ask you the same questions in the Service engagement that we did during the Sales engagement. A Kronos Project Manager and Implementation Consultant (may be multiple Consultants depending on the product mix purchased) are assigned to your account and the implementation process begins. Kronos uses a proven five-phase approach to our implementations.

Workforce Ready Implementation Phase 1

The first phase is a Planning phase which consists setting the stage and expectations for the upcoming implementation. It is during this time that the initial project timeline will be established. High-level goals of the Planning phase:

- Introduce the members of both Kronos and Customer Project Teams
- Provide access to your training sandbox
- Review and set the correct expectations of the project
- Complete checklist items for gathering your required documents
- Provide an overview of the implementation process





Workforce Ready Implementation Phase 2

The second phase is the Assessment phase. During this phase you and your Kronos Implementation Consultant will work together to document your pay policies. It is crucial that you attend all meetings complete any documentation required. High-level goals of the Assessment phase are:

- Review and document business policies
- Review and document interface specifications
- Identify and mitigate potential risks
- Establish tentative project plan and Go Live date
- Sign-off on discovery documents

Workforce Ready Implementation Phase 3

The third phase is the Solution Build phase. During this phase your Implementation Consultant will configure your system based on the information provided during the Assessment phase. Your Consultant(s) will conduct most of the configuration during this phase. However, you should be available to answer questions and attend meetings during this phase if your Consultant has any questions. During this time your team will be required to attend Instructor-Led Administrator training on specific functions of the Workforce Ready solution. High-level goals of the Solution Build phase are:

- Configure the Workforce Ready system with the information gathered during the Assessment phrase
- Complete Instructor-Led Administrator training
- Unit testing of the system
- User Adoption and Change Management strategy
- Certify the solution

Workforce Ready Implementation Phase 4

The fourth phase is the Testing and Training phase. Testing is a critical step to achieving a successful implementation. Your Implementation Consultant will unit test your system based on the information gathered during the Assessment phase. However, it is your responsibility to complete additional testing to ensure that the documented policies and automation are working as expected. High level goals of the Testing and Training phase are as follows:

- Conduct training for administrators and managers
- Client testing of the system
- Clock training and biometric enrollment (if applicable)
- System cutover planning





Workforce Ready Implementation Phase 5 (Final Phase)

The final phase is the Go Live phase. During the Go Live phase you will start using Workforce Ready to capture time for your upcoming payroll. The project team will stay engaged for two additional pay periods once you are live on the solution. High-level goals of the Go Live phase are:

- Ensure clocks are online and collecting data
- Ensure employees and managers are using Workforce Ready
- Finalize remaining training for employees and managers
- Process a live payroll

After completing all five phases and a successful payroll run we will conduct a transition call from our Service department to our Support department to help transition your account from Service to Support department.

Please see the following datasheets in the **Additional Information – Workforce Ready Specific Attachments** section of this proposal:

- **Getting Started with Kronos Workforce Ready Implementation Services Fact Sheet**

WORKFORCE READY SUPPORT SERVICES

Hosting support is available 24 hours a day, 7 days a week, 365 days per year. Kronos Global Support (KGS) Workforce Ready technical Support Services provides the answers and assistance you need, complementing your existing resources and continually expanding the value you receive from your Kronos system. Support Services are available to help every area of your organization achieve optimal software and hardware productivity and peak performance for improved bottom-line results. Please see the **Products, Services and Solutions** section of this proposal for details on support services.

WORKFORCE READY EDUCATIONAL SERVICES

Tap into My Learning, an online portal with demonstrations, hands-on practice simulations, and job aids, to ensure you’re making the most of your Workforce Ready investment. Accessed directly through the Workforce Ready interface, My Learning helps employees begin to use Workforce Ready quickly and consistently. Use it to onboard new hires, assist with employee transitions to management roles, stay current on product enhancements, and more. Keep your professional certifications current by attending classes and seminars available through our professional affiliations.



Workforce Central and Workforce TeleStaff Specific Services

WORKFORCE CENTRAL AND WORKFORCE TELESTAFF IMPLEMENTATION SERVICES

Kronos utilizes the proven Paragon implementation methodology described at the beginning of this section for implementation services. One of the most important steps in helping you achieve rapid value from your workforce management solution is starting with a smooth implementation — to get you and your teams up and running fast! From our proprietary Kronos Paragon™ application implementation methodology, and simplified cloud deployment for fast and easy upgrades, to advanced testing options to help ensure immediate success. Our online project work space, dynamically created documentation, and accelerated testing speed your time to value. Please refer to **Kronos Paragon Implementation Methodology** detailed at the beginning of this section for details.

WORKFORCE CENTRAL AND WORKFORCE TELESTAFF SUPPORT SERVICES

Enjoy peace of mind throughout your Kronos relationship thanks to comprehensive, award-winning customer support designed to deliver value to every facet of your organization, not just IT. Kronos Support Services provides software and equipment support online or on the phone when you need it. With a variety of support options available, you get the level of support your team needs to ensure your applications run at optimal performance. Please see the **Products, Services and Solutions** section of this proposal for details on support services. In addition, please refer to the following section:

- ***Workforce Central and Workforce TeleStaff Specific Attachments***
 - **Kronos Support Services at a Glance Technical Datasheet**

WORKFORCE CENTRAL AND WORKFORCE TELESTAFF EDUCATIONAL SERVICES

You've invested in a workforce management solution — and Kronos Educational Services is here to help you make the most of it. As your education partner, we provide individualized, role-based learning that supports user acceptance, delivers employee-specific training, and maximizes solution success and ROI within your organization.

WORKFORCE CENTRAL AND WORKFORCE TELESTAFF ADVISORY SERVICES

With over 40 years of workforce management expertise, we're here with best practices insight to support your workforce management journey. Count on our expertise to lead you down the best path toward efficiency and help build a strategy that will ensure you're getting continuous value from your Kronos system. Please see the following datasheet in the ***Additional Information – General Kronos Attachments*** section of this proposal:

- **A Workforce Management Global Approach Datasheet**



c. Complete the Statement of Work Questionnaire in Attachment A.
Attachment A – Statement of Work Questionnaire

1.0 DATA COLLECTION

	Requirement	Y	N
1	Data collection terminals shall support bar code, magnetic stripe, proximity readers, and biometric capabilities such as finger scan technology.	X	
2	Data collection terminals shall support on-line and offline modes.	X	
3	In online mode, transactions shall be transmitted from the data collection terminal to the database in real time	X	
4	Data shall be stored at the data collection terminal until confirmation of successful transfer is received to prevent data loss. Transactions shall be available for exception reporting, on premise reporting and pay rule calculation in real time.	X	
5	Data at the data collection terminal shall be secure and stored in nonvolatile memory in off-line mode to prevent data loss in case of power failure.	X	
6	The solution shall accommodate recorded entry rounding to the nearest tenth hour, quarter hour, or actual time for start and stop as well as meals and breaks.	X	
7	The solution shall provide for the prevention of overlapping or redundant recorded entry of beginning and end time entries.	X	
8	The solution shall restrict recorded entry (punching) at the data collection terminal or web-based entry screen during unauthorized times, including early, late, early out, late out, and unscheduled days.	X	
9	The solution shall allow for employees to record entries at multiple locations.	X	
10	The solution shall provide for supervisor override of punch restrictions at the data collection terminal and online.	X	
11	System shall support the assignment of employees to particular data collection terminals and restrict their ability to enter transactions at other terminals (e.g. in a building other than their assigned building). This restriction shall be assigned by employee or employee group.	X	
12	Employee transfers to different accounts, departments, jobs, or work rules shall be validated for that employee at the point of entry.	X	
13	Employee self-service transactions, such as approving timecard, time off request, review schedule, review recorded entries, and review accrual balances shall be available online.	X	



14	Employee requests for time off at the data collection terminal shall be validated against their real-time balances at the point of entry.	X	
15	To accommodate heavy use periods, employee self-service transactions can be restricted by terminal, terminal group, or time of day for any terminal.	X	
16	Data collection terminals shall be configurable to provide only services and functions that may be unique to the workforce at the terminal location.	X	
17	Employee self-service capabilities shall be available on a PC, kiosk, cellular device, tablet application or through standard web browsers.	X	
18	The solution shall provide support for a system administrator to control functional access by employees. Employees shall only be presented with those functions to which they have access, according to their role and	X	
19	The solution shall provide the ability to view immediately the outcome of the rules processing on the time entry web based time card.	X	
20	The system shall provide for real time alerts to timekeeping exceptions, such as approaching overtime, minor rules violations.	X	
21	Employee self-service transactions, such as punching in or out, allocating labor to tasks or grants, approving timesheets, self-scheduling, and PTO requests must be available through provided mobile solution.	X	
22	Manager transactions, such as approving employee timesheets, reviewing exceptions, and approving leave time must be available through provided mobile solution.	X	
23	The system must provide for GPS and record the location at which an employee enters a transaction into the mobile solution.	X	
24	The system must provide for the designation of zones for mobile transactions and assign those zones to employees according to their work locations.	X	

SECTION 1.0 NARRATIVE

The InTouch terminals work with the Workforce Dimensions, Workforce Ready, and Workforce Central solutions.

Workforce InTouch

The Kronos InTouch terminal supports bar code, magnetic stripe and proximity cards as well as integrated biometric verification or identification. The InTouch can be operated in online and real-time communication or automatically switch to offline modes. All collected transactions are verified before they are erased from clock memory. Punch transactions (shift, meal, break, etc.) can be rounded to any



even increment of an hour. Schedule restrictions can prevent unauthorized punch attempts by employees whom are too early or late or are not scheduled. Clock assignments will prevent employees from being able to punch at terminals for which they are not assigned. Supervisors can be given access to the InTouch to perform overrides of the default system rules.

The InTouch supports department transfers so that employees can change which department, job or work rule they will be working in for that shift. Employees are also given a complete array of employee self-service activities such as viewing and approving their timecard, reviewing punch entries, schedules and accrual balances. Employees can also perform time off requests through their employee self service options. These requests are validated against the employees work rules at the point of entry.

In addition to the Kronos InTouch, employees can access these same functions via a PC, kiosk, cellular phone, tablet application or through a standard web browser. Access control can be configured so that employees are only given the access to specific modes of access and only certain functions within each of these modes of access.

All data is processed in real-time so punch transactions which may result in overtime are calculated immediately. Alerts to exceptions or to potential overtime are also generated in real-time and sent to managers and/or employees as such.

Please see the following datasheet in the **Additional Information – General Kronos Attachments** section of this proposal:

- **Kronos InTouch**

Kronos InTouch Built for today's modern workforce.



2.0 PAY POLICY ENFORCEMENT AND TIME EVALUATION

	Requirement	Y	N
1	Pay rules shall be completely parameter driven and easy to set-up, change, and track without recourse to special programming or other technical skills.	X	
2	The system shall provide for the configuration of an unlimited number of pay rules.	X	
3	The solution shall provide the ability to update user-defined rules and have the changes reflected immediately for time entry and processing.	X	
4	The solution shall provide the ability to define pay rules at the employee or group level.	X	
5	The solution shall provide the ability to apply rules online at the point of entry, such as activity transfers, job transfers and other changes of status that would result in a different rate or type of pay.	X	
6	The solution must provide the ability to manage multiple FLSA overtime periods for employee groups. For instance, hourly employees have a weekly 40 overtime FLSA period, and public safety employees have a 28- day FLSA period.	X	
7	The solution shall provide the ability to automatically calculate overtime and other premiums based on the employees' scheduled hours and criteria that is established within the system (e.g. rules based).	X	
8	The solution shall provide the ability to automatically calculate overtime and other premiums based on the employees' actual hours and criteria established within the system (e.g. rules based).	X	
9	The solution shall provide the ability to automatically calculate premiums based on a comparison of the employee's scheduled hours vs. the actual hours worked, and criteria established within the system (e.g. rules based)	X	
10	The solution shall provide the ability to calculate Shift Differential automatically based on the time of day an employee works.	X	
11	The solution must calculate Comp in lieu of overtime at employee or manager discretion, and maintain Comp in lieu of overtime balances for use as PTO by the employee.	X	



12	The solution shall support configurable pay periods for weekly, biweekly, semi-monthly and monthly periods. Multiple pay periods for different employee classes shall be seamlessly supported in a single database.	X	
13	The solution shall include configurable periods by shift for meal and breaks in accordance with state and federal law whether paid or non-paid.	X	
14	The solution shall manage holiday pay policies, including holiday pay and apply special rules for hours worked on a holiday. Eligibility rules for holiday pay (work scheduled day before and after, for example) shall be automatically enforced.	X	
15	The solution shall provide the ability to enter both hours, days, and amounts for pay codes.	X	
16	The system shall provide the ability to perform multiple overtime calculations based on rules built into the system. Overtime calculations will take into account start and stop times, scheduled hours, type of duty performed.	X	
17	The system shall provide for retroactive pay period adjustments. Those retroactive adjustments can be paid in current pay period or special check run.	X	
18	The system shall allow manager edits, adds, and deletes of any previous pay period data until a predetermined cut-off time.	X	
19	The system shall support different pay rules for each job or department.	X	
20	The system shall allow for the configuration of an employee's probationary period and different leave availability based on probationary status.	X	


SECTION 2.0 NARRATIVE

The Kronos Workforce Dimensions, Workforce Central, and Workforce Ready solutions can manage the requirements within this section.

Workforce Dimensions

Labor is your organization's most valuable asset and its most controllable expense. Yet many organizations still rely on manual, semi-automated, or disparate systems to track employee time and attendance. A time clock solution that simply tracks employee punches is only the first step, not the final destination, on the way to reducing payroll inflation and manual errors.





Kronos enables you to track, manage, and control employee time and attendance for uncompromised workforce management. Our time-tracking software, working in tandem with our data collection devices, allows you to:

- Control labor costs with a consistent application of work and pay rules
- Minimize compliance risk by enforcing and tracking complex compliance requirements such as FLSA, ACA, and union rules
- Improve workforce productivity by reducing manual and timely administrative tasks, freeing your staff for more value-added activities

Kronos makes easy work of the tedious tasks involved with monitoring employee time and attendance with these simple-to-use features:

- **Configurable Rules Engine:** complete automation and enforcement of complex work and pay rules.
- **Proactive Email and SMS Alerts:** Real-time notification of information requiring immediate action, such as an employee is approaching overtime.
- **Accurate Time Records:** Centralized policy management helps accurately and consistently enforce complex compliance requirements such as FLSA and ACA, with a complete audit trail.
- Transformation of granular time and attendance data into high-quality information allowing managers make fast decisions that could affect payroll, such as adjusting staffing levels as an example.
- A convenient, online application that lets employees submit their own time-off requests and demographic changes.
- Employee management software providing managers easy access to employee information — from profile to performance history.


Workforce Ready

Workforce Ready Time Keeping gives you the information and automation tools you need, when you need them. You can streamline time tracking with automated collection of time and attendance information. Automate the conversion of worked hours to payroll. And enforce your pay and work rules.

- Track and manage your true labor costs with flexible pay rules that you determine
- Maintain compliance and payroll accuracy with timecard management
- Manage exceptions – early/late arrivals, absences, long or missed breaks, overtime, or missed punches

Absence management built in. With Accrual management, information such as eligibility, tenure, hours worked is readily available. Accruals are seamlessly synchronized with Workforce Ready HR and Workforce Ready Payroll. Employees and managers can use self-service to automate time-off requests and communicate openly.





Track rates. Workforce Ready tracks rates across locations, regions, and global. Multipliers for special rate conditions and effective dating help you assess the impact of changes before running payroll.

Reports. Create reports using advanced filtering or custom columns. Check projections by viewing budgeted vs. actual hours worked, while including billable and non-billable rates. Share freely with exports to just about any format you want.

Workforce Central

Specifically, Workforce Central utilizes parameter driven configuration for which to create all of the setup parameters. There is no limit to the number of rules which can be configured within the application. Updating of these parameters will prompt a real-time re-processing of these rules.

- Rules can be configured and assigned to an individual employee or to a group of employees and can be different for each job or department. All transactions performed within the application are done at the point of entry and in real-time fashion.
- Rule parameters for pay policies such as overtime, pay premiums and shift differentials can be calculated in a multitude of means such as hours in a day, hours in a week, hours outside of an employee's schedule, worked performed in a specific department or work performed in a specific job. Pay periods can be of any length and type. There is no limit to the number of pay period types which can be configured in a single database.
- Holiday pay is calculated using days configured in a holiday table which predefines all of the holidays within an organization. If an employee works on a configured holiday, special pay practices will be initiated should eligibility requirements be met. Meals and breaks can be configured in accordance with local, state and federal pay policies.
- Timecard entries for pay code transactions can be performed in both hours and amounts of time (full day, half day, etc). Retroactive pay code adjustments can be made by users with the correct access. The system can be configured to allow manager edits, adds and deletes of any previous pay period data until a predetermined cut-off time. Historical pay adjustments can be enabled to give the ability to adjust or correct time entries paid in previous pay periods. An employee's probationary status can be checked prior to any request for leave.



3.0 FAMILY MEDICAL LEAVE ACT

	Question	Y	N
1	The solution must include baseline configurations of all current FMLA and state leave policies. Such configurations must be easily modified to support our implementations of these policies.	X	
2	The system must be able to determine an employee's FMLA eligibility.	X	
3	The system must track FMLA used and FMLA available.	X	
4	The solution must determine eligibility for all leave policies for which an employee is eligible for a given event, for instance, FMLA and state mandated medical leave. These policies must be applied concurrently.	X	
5	The solution must manage both paid and unpaid time concurrently.	X	
6	Cascading pay code assignments for leave cases must happen automatically and include unpaid leave. For example, Sick must be drawn down to 8 hours, then Vacation drawn down to 40 hours, then unpaid leave applied as needed to fill the leave period.	X	
7	The system shall send notification to the employee about FMLA requirements.	X	
8	The system must support all the definitions of yearly calculations allowed by the Department of Labor.	X	
9	The solution must alert leave administrators when there is a potential FMLA qualifying absence, e.g. when three sick days in a row are taken by an employee.	X	
10	The solution must allow for an easy capture and monitoring of intermittent leave time, for example, for recurring physical therapy, and apply all paid and unpaid leave rules correctly. Intermittent leave time must be deducted from the Employee FMLA eligibility.	X	
11	Approved leave time, including all paid and unpaid codes, must be inserted into employee schedule and time card in real time.	X	

SECTION 3.0 FMLA NARRATIVE

The Kronos Workforce Dimensions, Workforce Central, and Workforce Ready solutions can manage the requirements within this section.





Workforce Dimensions

Workforce Dimensions can automate and streamline the application of your leave policies — no matter how complex — so you can enforce rules consistently and control the costs, risks, and productivity effects associated with employee absenteeism and leave.

Kronos Workforce Dimensions Leave standardizes and streamlines the administration and enforcement of organizational, local, state, and federal leave policies, including the Family and Medical Leave Act (FMLA), for which noncompliance can put your organization at risk for costly fines and lawsuits. The solution allows you to control the abuse of intermittent leave time. This proven and configurable solution eliminates error-prone manual tasks so you can maintain current, accurate, and consistent employee leave records.

Kronos Workforce Dimensions Leave automatically enforces FMLA and other organizational, local, state, and federal leave policies so nothing is left to chance. The solution makes it easy to configure standardized, rule-driven procedures for submitting, approving, and executing employee leave requests to help ensure fair, objective determination of employee eligibility and entitlement. What's more, on-demand access to accurate, up-to-date leave data is complemented by a detailed audit trail that speeds and simplifies compliance reporting.

Eliminate tedious manual tasks and minimize leave impact: Kronos Workforce Dimensions Leave automates the leave of absence process, thereby reducing the risk of errors, boosting productivity, and minimizing compliance risk. The solution can automate processes such as requesting a leave of absence, checking eligibility, generating documentation, sending notification reminders, and following up. Instantly generate leave-related documents such as the Certificate of the Healthcare Provider and the Rights and Responsibilities forms. It automatically tracks, manages, and calculates accruals and submits leave of absence requests — all based on your organizational policies. You can also track both paid and unpaid time concurrently. If an employee is not covered under FMLA, Kronos Workforce Dimensions Leave gives the information needed to have the interactive conversation with the employee on his or her other leave options, such as Americans with Disabilities Act and company leave. Plus, real-time alerts provide managers with the granular information they need to take action on leave of absence requests, including intermittent leave, and plans for necessary coverage to maintain productivity.


Workforce Ready

Workforce Ready Leave is a comprehensive FMLA tool which enables HR and benefits administrators to approve and track all types of leave requests. Eligibility checks are performed based on the employee's FMLA history and work hours. Once FMLA is granted, it is tracked for continuous or intermittent usage as well as availability for future leave options. FMLA events can run concurrent with non-FMLA events to determine paid leave versus unpaid leave availability. DOL documents are automatically generated based on the type of request.

Workforce Central

Kronos Workforce Central Leave is a comprehensive FMLA tool which enables HR and benefits administrators to approve and track all types of leave requests. Eligibility checks are performed based on the employee's FMLA history and work hours. Once FMLA is granted, it is tracked for continuous or intermittent usage as well as availability for future leave options. FMLA events can run concurrent with





non-FMLA events to determine paid leave versus unpaid leave availability. Notifications are sent out at to leave status, FMLA document requirements and due dates as well as impending certification requirements. All types of yearly calculations calendars as allowed by the Department of Labor can be configured.



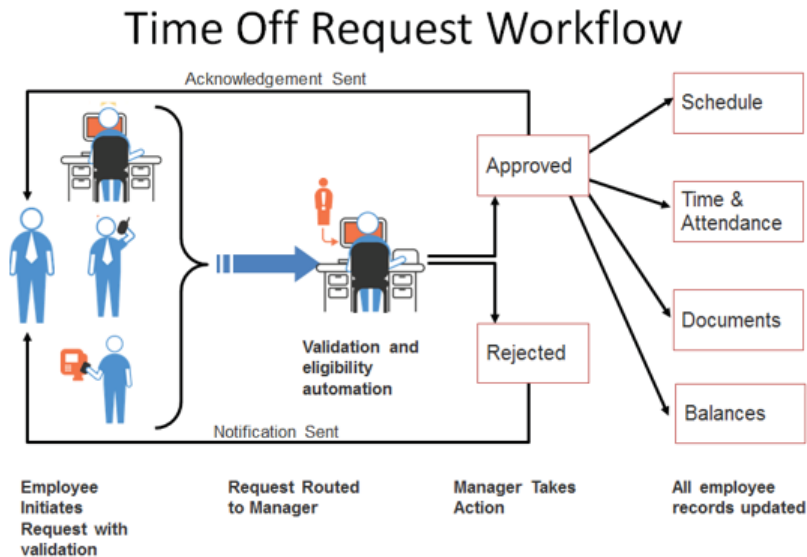
3.0 APPROVALS

	Requirement	Y	N
1	The system shall provide the ability for employees to approve their timesheets. This approval shall be available within employee self service and the data collection terminals	X	
2	System shall allow for user defined text to accompany employee approvals for the purpose of attestation to timecard contents.	X	
3	The system shall provide the ability for Managers/Supervisors to view employee timesheets that require approval (both summary and detailed level).	X	
4	The system shall provide the ability for Managers/Supervisors to approve the employee's leave/attendance time.	X	
5	The system shall provide ability to define a set of comments used to annotate manual changes and other edits of employee records.	X	
6	Comments shall be part of exception reporting capability within the solution.	X	
7	Free form notes can be attached to any comment to provide more detail associated with the manual change.	X	
8	The system shall provide the ability for an employee to acknowledge their time card if a change has been made by their supervisor or payroll (i.e. added, edited, and deleted items).	X	
9	The system shall provide the ability for a Manager to submit modified time cards without the employee's acknowledgement.	X	
10	The system shall provide an electronic signature for employees to approve their timesheets.	X	
11	The system shall provide an electronic signature for managers to approve time cards for payroll processing.	X	
12	The system shall provide for a pay period lock function for use by payroll to prevent further timecard edits by supervisors or employees.	X	
13	The system must include the capability for managers to delegate their authority on a temporary basis, so the designated delegate may approve all employee transactions.	X	
14	A complete audit trail of all manager approvals must be available for review and reporting, including approvals performed by designated delegates.	X	



SECTION 3.0 APPROVALS NARRATIVE

The Kronos Workforce Dimensions, Workforce Central, and Workforce Ready solutions can manage the requirements within this section.



Workforce Dimensions

Within Workforce Dimensions, timesheet approval processes are configurable to meet the unique requirements of each organization. Most commonly, the levels of timecard approvals is as follows:

- **Employee approval** - optional - employees can be given access to approve their own timesheets through any one of a number of methods as defined in **Section 1.0: Data Collection** above. When the employee approves their timecard using a pc, InTouch terminal, or mobile, it becomes locked to them. You can optionally allow the employee to remove the approval for corrections, and then approve again.
- **Manager Approval** - optional but a Best Practice - when the manager approves a timecard it becomes locked to the employee, and depending upon your configuration desired can optionally lock to other managers. Sometimes this is not desired if employees work for multiple managers and each manager is responsible for approving the time worked under them. Manager approvals can be removed if you want to allow that for corrections and then approving again before the Sign Off is done.
- **Sign Off** - typically done by the payroll processor and this locks the timecard to everyone. This like the approvals can be reversed if desired with authorization. Sign Off effectively tells the system it doesn't need to calculate this timecards pay period any long and is a Best Practice for performance reasons since it stops unnecessary recalculations.
- **Payroll Lock** - typically done by payroll processors and this is non reversible. Once payroll lock is done, Historical Corrections can no longer be done to the Payroll Locked time frame.





Workforce Ready

Just like Workforce Central, employees can be given access to approve their own timesheets through any one of a number of methods as defined in **Section 1.0: Data Collection** above.

- Employees can also be prompted with user defined text while attesting to and electronically signing their own timecards.
- Managers can be alerted to and then view employee timesheets which require approval. Managers can then electronically approve an employee's leave and/or attendance time.
- Comments with free form text fields can be chosen from a predefined list to denote manual changes made to exceptions within an employee time record.
- Employees can request changes to their timecard to their managers
- Employees can be automatically alerted to and acknowledge changes to their timecards after their approval. Managers can also submit timecards without an employee's acknowledgement.

System administrators can periodically lock historical pay periods to prevent further timecard edits by managers or employees.

Workforce Central

Employees can be given access to approve their own timesheets through any one of a number of methods as defined in **Section 1.0: Data Collection** above.

- Employees can also be prompted with user defined text while attesting to and electronically signing their own timecards.
- Managers can be alerted to and then view employee timesheets which require approval. Managers can then electronically approve an employee's leave and/or attendance time.
- Comments with free form text fields can be chosen from a predefined list to denote manual changes made to exceptions within an employee time record.
- Employees can be automatically alerted to and acknowledge changes to their timecards after their approval. Managers can also submit timecards without an employee's acknowledgement.
- System administrators can periodically lock historical pay periods to prevent further timecard edits by managers or employees.



5.0 TIME CARD EDITS

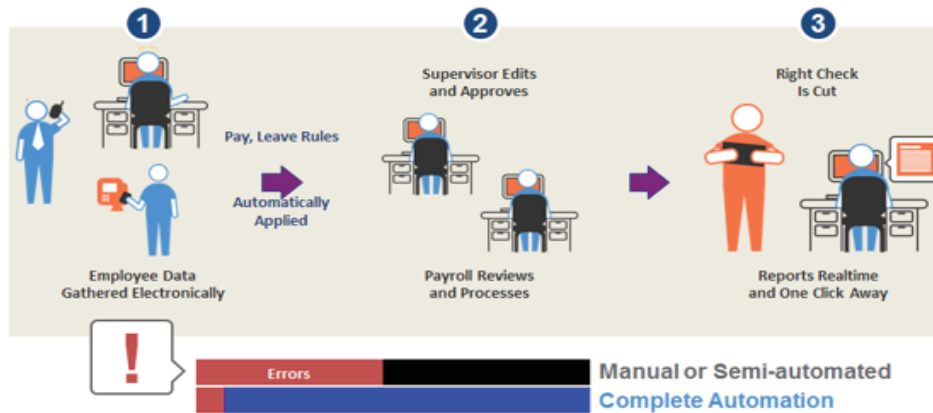
	Requirement	Y	N
1	The system shall provide the ability to adjust or correct time entries captured in the current period, but not yet paid.	X	
2	The system shall provide the ability to easily navigate from the error report to the time card to make edits.	X	
3	The system shall provide the ability to define default time entries for earnings, hours, holiday data, and labor distributions and the ability to override and make changes to this default information.	X	
5	The system shall provide a report that details prior period adjustments and corrections.	X	
6	Allow manager edits for the current pay period but prevent manager edits of the previous pay period after the final previous pay period transmittal has been sent to payroll.	X	
7	Recalculate all totals immediately after a value is changed.	X	
8	All historical employee time and attendance information, including any adjustments, shall be available online for audit or review purposes.	X	
9	Allow historical time/attendance edits by the payroll administrators.	X	
10	Allow manager to make edits that impact a large group of employees.	X	
11	Support pay or leave incentives based on user-defined conditions.	X	
12	Support floating holidays and multiple work calendars.	X	

SECTION 5.0 NARRATIVE

The Kronos Workforce Dimensions, Workforce Central, and Workforce Ready solutions can manage the requirements within this section.



Complete Automation Eliminates Errors – Immediate Savings



Workforce Dimensions

Kronos Workforce Dimensions enables the ability to adjust or correct time entries captured in the current period but not yet paid. It does this by identifying exceptions or deviations to timecard rules and alerting managers through online error reports. Managers can click on the exception and the system will take them to the area of the timecard which requires editing. Default entries can be configured so that earnings, hours, holiday data and labor transfers are pre-populated but can also be easily modified by users with the correct functional access privileges.


The Timecard Audit Trail report will detail all prior period adjustments and corrections. All edits are also available within the timecard audit tab. Manager edits can be prevented after data has been sent to payroll. The Workforce Central rules engine will automatically recalculate totals after any data element is modified. Historical pay period adjustments can be limited to payroll administrators. Group edit functionality can be given to managers or payroll administrators to enable them to enter data for large groups of employees. The system supports the configuration of pay and leave incentives for specific groups of employees as well as the configuration of floating holiday accruals and different work calendars.

Workforce Ready

Workforce Ready enables the ability to adjust or correct time entries captured in the current period but not yet paid. It does this by identifying exceptions or deviations to timecard rules and alerting managers through online error reports. Managers can click on the exception and the system will take them to the area of the timecard which requires editing. Default entries can be configured so that earnings, hours, holiday data and labor transfers are pre-populated but can also be easily modified by users with the correct functional access privileges.

The Timecard Audit Trail report will detail all prior period adjustments and corrections. All edits are also available within the timecard audit tab. Manager edits can be prevented after data has been sent to





payroll. The Workforce Ready rules engine will automatically recalculate totals after any data element is modified.

Workforce Central

Kronos Workforce Central enables the ability to adjust or correct time entries captured in the current period but not yet paid. It does this by identifying exceptions or deviations to timecard rules and alerting managers through online error reports. Managers can click on the exception and the system will take them to the area of the timecard which requires editing. Default entries can be configured so that earnings, hours, holiday data and labor transfers are pre-populated but can also be easily modified by users with the correct functional access privileges.

The Timecard Audit Trail report will detail all prior period adjustments and corrections. All edits are also available within the timecard audit tab. Manager edits can be prevented after data has been sent to payroll. The Workforce Central rules engine will automatically recalculate totals after any data element is modified. Historical pay period adjustments can be limited to payroll administrators. Group edit functionality can be given to managers or payroll administrators to enable them to enter data for large groups of employees. The system supports the configuration of pay and leave incentives for specific groups of employees as well as the configuration of floating holiday accruals and different work calendars.



6.0 INTERACTIVE VIEWS AND NAVIGATION

	Requirement	Y	N
1	The system shall provide interactive exception and summary views for common tasks or processes with the capability to drill down on specific employee's records.	X	
2	The system shall provide the ability to perform actions on employee data within the interactive views, such as edits to timecards and schedules, based on security level of requestor.	X	
3	The system shall provide the ability for the user to configure the interactive views with user-defined columns and selection criteria.	X	
4	The system shall provide flexible sort capability within the interactive views.	X	
5	The system shall provide the ability to multi-select employees within the interactive view and perform group edits.	X	
6	The system shall provide the ability to configure interactive views for manager and assign a default view based on manager role.	X	

SECTION 6.0 NARRATIVE

The Kronos Workforce Dimensions, Workforce Central, and Workforce Ready solutions can all manage the requirements within this section.

Workforce Dimensions

Kronos Workforce Dimensions has a dynamic user interface, providing configurable tiles to the user specifically designed for ease of use and flexibility. The application has a responsive design providing full functionality and an optimized user interface for all devices (browser, smartphone and tablet), allowing all users to work in their preferred way. Each role within the organization has access to the most typical GUI based on actions and information needed (e.g. manager, salaried employee, blue collar employee, admin, planning manager, etc.). Employees can change the look and feel to see the information most relevant to them. Page tiles can be easily moved and anchored.

Workforce Dimensions reports are interactive and include conditional formatting to highlight where issues and opportunities exist. Embedded real-time analytics provides managers with instant access to their data with visualizations to help the understand their department and business. An intuitive reporting engine lets you easily build or modify standard reports. Real-time KPIs provide threshold alerts for such issues as overtime, hours worked, and labor costs.

THE INSIGHT YOU NEED — WHEN YOU NEED IT.

- **Dataviews** – Dataviews in Workforce Dimensions provide managers with real-time access to all operational data. Displayed in a familiar Excel-like format, Dataviews can be sorted, filtered, and grouped at any level of detail. Charts and graphs can be easily created to visualize the data, drilled



down into to further analyze issues, and even exported for inclusion as tiles on your home screen or in reports.

- **Actionable insights** – Workforce Dimensions delivers actionable insights to managers via interactive reports that include conditional formatting to highlight where issues and opportunities exist. Ad-hoc reporting capabilities simplify data access and analysis for business users. And right out of the box, an intuitive reporting engine lets you easily build or modify standard reports.
- **Real-time KPIs** – Real-time KPIs help managers, HR leaders, and business analysts gain insight into their organization’s performance against business goals and objectives. They provide threshold alerts for such issues as overtime, hours worked, and labor costs. KPIs, targets, and thresholds can be easily viewed, filtered, and measured in a Dataview and visualized as an actionable chart from the home screen. And the KPI Builder lets you modify existing KPIs or create new ones.
- **Embedded analytics** – Now embedded analytics are available to all users, not just business analysts. Real-time KPIs and proactive recommendations empower managers and reduce the need for expert analysis. With more than 125 KPIs delivered out of the box, Workforce Dimensions alerts you to existing problems and their drivers. And packaged data-science solutions leverage machine learning to address key workforce challenges such as overtime and turnover.

Workforce Ready

Easy to define dashboards are used in Workforce Ready for employee, managers and administrators. Dashboard can be modified by the user or locked down so standard views would be deployed to the workforce. Using the existing security managers would only have visibility to the employee information within their department.

Dashboards can include exceptions, reports, graphs, external urls, hyperlinks, quicklinks to other parts of the application, on premise views, time off requests, ACA summary and more.

Workforce Central

For navigation, Kronos provides a tool called “The Navigator” that provides a user-friendly interface for users. It enables guided decision making for managers and users of Kronos Workforce Central. It provides interactive exception and summary views for common tasks such as timecard exceptions (missing punches, unexcused absences) and prompts the manager to drill down into these exceptions for immediate correction. Navigator views can be leveraged for timecard and scheduling functions and will follow the security level of the requestor. Users can configure these interactive views with their own specific user-defined columns. Group edit functionality can allow users with the correct functional access to perform multi-select edits on large groups of employees. Users can then sort on these columns.



7.0 SCHEDULING

	Requirement	Y	N
1	The system shall have the ability to schedule employees with variable work schedules down to the quarter hour.	X	
2	The system shall allow employees to see schedules online, through mobile, or at data collection terminals.	X	
3	The system shall allow for the scheduling of employees for specific activities or projects.	X	
4	The system shall send out an automatic email notification if a change has been made that impacts the employee's work schedule within the next 72 hours.	X	
5	The system shall allow managers or administrators the ability to add or change an entire work group's schedule online and make the changes visible in real time.	X	
6	The system shall be able to assign work locations as well as work schedules that may be variable and change frequently.	X	
7	The system shall permit employees to request time off and provide a vehicle to notify employees of time off decisions.	X	
	The following requirements are specific to roster-based scheduling for public safety and other applications.		
8	System shall provide an integrated telephony system that accommodates inbound and outbound communication that includes: user leave requests and overtime signup, messaging, overtime offers, and the ability for supervisors to approve leave requests.	X	
9	The system must allow the agency to create and edit business rules to govern all scheduling and leave issues applicable to full and part-time personnel in multiple collective bargaining contracts.	X	
10	The system must allow user-defined and editable business rules to govern leave policies, set schedules, set staffing levels, fill vacancies, handle off-duty work schedules, call out for specialty units, and other types of circumstances that impact scheduling.	X	
11	The system must provide employees and managers full functionality access to their schedules and the ability to expedite work tasks via the web and mobile devices.	X	
12	The system must allow employees to submit time-off requests via telephone, email, mobile device, tablet, and web.	X	
13	System shall provide each employee a graphical and user-friendly scheduling calendar that reflects: Working schedule Time off Paydays Shift trades Holidays FLSA Overtime opportunities	X	



14	System shall create customizable working assignments and schedules up to at least a year in advance.	X	
15	System must accommodate user-defined simple and complex rotational assignments comprised of differing start times and working days.	X	
16	The system must send an employee or group of employees a voice or electronic message, with receipt confirmation.	X	
17	The system shall enable employees to initiate and complete shift trades, ensuring proper specialty and rank coverage.	X	
18	The system must provide the ability for employees to sign up for additional work, including shift work and special events.	X	
19	System must provide a daily staffing roster that accommodates: Staffing by shift 6 organizational levels Special unit and event deployments	X	
20	The system must provide real-time view of past, present, and future scheduling data and other relevant staffing details.	X	
21	The system must allow detailed constraints for each code such as advance notice or supervisor approval.	X	
22	System roster must enable the emergency deployment and scheduling of units with qualified personnel in accordance to department scheduling rules and procedures.	X	
23	System roster must enable authorized users to fill vacancies in accordance to department policy and procedures.	X	
24	The system must have an alert system that reacts to vacancies caused by work exceptions and identify the appropriate replacement personnel.	X	
25	The system must ensure employees cannot work more hours than allowed by law. For example, an employee who worked over 18 hours in a day (both regular and overtime) can be flagged and denied additional work.	X	



26	The system must administer and track forced overtime in accordance to organization scheduling policies.	X	
27	The system must consider differences in staffing policies based on the type of position to be staffed. For example, the system must qualify, sort, and contact employees in order for a position that requires the employee to hold a training certification.	X	
28	The system must isolate and manage the scheduling of multiple institutions whose staffing and employee management rules and procedures differ.	X	
29	The system must allow both approval and denial of requests or shift trades, including notification of these statuses.	X	
30	The system must provide a full reportable audit of all edits, employee contacts for overtime offers, rules application to fill vacancies, and all other scheduling events.	X	
31	System must call qualified employees for vacant positions, including overtime positions, over the telephone without human intervention. This automatic call out can be interrupted by qualified user.	X	
32	The system provides a flexible and configurable bidding module that can manage multiple bid methods within the same organization.	X	
33	System provides the ability to manage leave bidding using a consistent method based upon union rules/compensation contracts.	X	
34	System provides the ability to manage assignment bidding using a consistent method based upon union rules/compensation contracts.	X	
35	System directly and seamlessly updates the results of the bidding process into the schedules and rosters of the system.	X	
36	When awarding leave and assignments based within a bidding environment, the system can take into consideration variables such as: Seniority rules Employee's specialty and/or rank Maximum allowable number off in each specialty Maximum allowable employees off each shift	X	
37	The system must integrate with third-party CAD and RMS solutions.	X	



38	The system must integrate with the proposed time and labor management solutions.	X	
39	The system must support the export of payroll data, staffing information, assignment information, and user login information.	X	
40	The system must provide standard reporting, and allow custom report development	X	
41	The system must include standard FEMA reporting	X	

SECTION 7.0 NARRATIVE

The Kronos Workforce Dimensions, Workforce Central, and Workforce Ready solutions can all manage requirements 1-3 and 5-7 within this section. Workforce TeleStaff can manage requirements 1-7.

Workforce Dimensions

Workforce Dimensions Scheduling gives managers the tools and information they need to accurately and intelligently plan and manage employee schedules. Employees can view their schedules, and any recent updates to it, from any one of the data collection options described in **Section 1.0: Data Collection** above. Workforce Scheduler’s powerful scheduling engine takes into account anticipated demand based on historical trends and creates schedules that automatically adjust your labor to meet that demand. This proven solution takes the guesswork out of scheduling by appropriately analyzing employee attributes – employee availability, seniority, skills and certifications, labor laws, and organization policies - to ensure schedules are created with the right balance of skill, experience and cost.

Workforce Ready

Workforce Ready gives managers the flexibility to easily schedule their employees with variable work schedules down to the quarter hour. Employees can view their schedules, and any recent updates to it, from any one of the data collection options described in **Section 1.0: Data Collection** above. Schedules can be setup to staff employees into specific activities or projects. Approved time off request will automatically appear in the schedule so no conflict will occur.

Workforce Central

Workforce Central gives managers the flexibility to easily schedule their employees with variable work schedules down to the quarter hour or even down to the minute. Employees can view their schedules,



and any recent updates to it, from any one of the data collection options described in **Section 1.0: Data Collection** above. Schedules can be setup to staff employees into specific activities or projects.

Group schedules can be modified wholesale or in piece by using the schedule editor functions. These changes can be referenced in real-time by employees and managers. Schedules can contain work locations and can be easily modified as these locations change. Workforce Central's notifications engine will enable employees to request time off, validate that request on the point of entry, notify managers of the request and automatically notify employees of the time off decision.

Workforce TeleStaff

Kronos Workforce TeleStaff provides Police, Fire, EMS, and Corrections with a public safety scheduling solution that truly redefines the way public safety operations manage staffing by merging telephony and scheduling capabilities into one system to solve scheduling and communication problems that plague operations.

Designed to eliminate paper-based, manual and error-prone staffing processes inherent to public safety, TeleStaff is able to automate workforce management processes – allowing command staff, employees, first responders and other critical resources to divert their attention to their mission critical work at hand. Using Workforce TeleStaff, any changes to an employee's schedule can be automatically emailed to that employee. These notifications can be configured so that employees are notified if the change occurs within the next 72 hours of the shift which was modified.

Workforce TeleStaff has been a trusted public safety scheduling and notification solution since 1997. As the industry leader, there are nearly 1,000 public safety customers to date across state, local, and federal markets that use Workforce TeleStaff.

Please note for item 12 above, time off requests can be submitted via mobile device, tablet and web in all solutions. Within Workforce Dimensions, paid time off requests can also be initiated through email via the Outlook plug in.

Please see the following datasheets in the **Additional Information – Workforce Central and Workforce TeleStaff Specific Attachments** section of this proposal:

- **Kronos Workforce TeleStaff for Fire-Rescue and EMS**
- **Kronos Workforce TeleStaff for Law Enforcement**



8.0 MISCELLANEOUS AND REPORTING

	Requirement	Y	N
1	The system shall support changes in government regulations which occur over time.	X	
2	The system shall be compatible with Microsoft Outlook and common web browsers.	X	
3	The system shall permit employees to request time off and provide a vehicle to notify employees of time off decisions.	X	
4	The system shall provide email notifications when time cards are due, need review, or are approved. The system shall send reminders if time card tasks are not performed in a timely manner.	X	
5	The system shall track absences, tardies, or leave for review by managers.	X	
6	The system shall provide an on-premise report to show a list of all employees in case of emergency, weather event, etc.	X	
7	The system shall include analytics capabilities to show employee workforce trends (absences, perfect attendance, etc.) metrics.	X	
8	The analytics capabilities must include pre-built metrics for workforce management, including metrics for absenteeism, accruals, actual hours and costs, projected hours and costs, punch transaction compliance, attendance, overtime, scheduled hours and cost, grant appropriation initial allocation and % used, and leave balances. Please supply a list of all standard metrics included.	X	
9	Thresholds must be able to be defined for all metrics, and conditional formatting applied to highlight those performance measures outside of the organizational standard.	X	
10	The analytics solution must include prebuilt dashboards and reports to provide detailed information about workforce performance, including absenteeism, overtime, productivity, and leave liability. Please supply a list of all included analytics reports.	X	
11	Information from other systems must be able to be imported into the analytics solution and reported against labor metrics.	X	
12	Reports can be exported in multiple formats such as Word, Excel, or PDF. The system shall provide a bank of popular or saved searches.	X	
13	The system shall allow managers to assign task codes to employees to ease time entry and ensure time is charged to the correct tasks (i.e. attending a training session).	X	
14	The system shall allow searches on multiple criteria such as type of leave, task code, work group, location, or FMLA.	X	
15	The system shall be able to support employees working in multiple jobs or departments during a pay cycle.	X	



16	The workforce management system must have an integration framework to facilitate integration with HR, Payroll, Financials, Asset Management, and other business solutions.	X	
17	The solution must include documented APIs to facilitate the integration of data and processes through web services and other methods.	X	
18	The solution must include a standard configurable integration tool that provides for the extraction, transformation, and formatting of data required for the workforce management system and other business systems.	X	
19	This integration tool must include pre-built templates for common business systems, with the flexibility to modify those templates easily.	X	
20	The system shall provide a mechanism to automatically update employee's work location, title, assigned job, or rate of pay when changes are made to the HR system.	X	
21	The system shall be able to produce exceptions reports, workers comp reports, FML reports, overtime reports, and unpaid leave reports. Reports can be exported into multiple formats and separated by date range, employee work group, location pay code, or status.	X	
22	The system shall be able to support single sign-on capabilities and interface with the agency's password and username scheme.	X	
23	The system shall allow system administrators the ability to override system policies.	X	

SECTION 8.0 NARRATIVE

The Kronos Workforce Dimensions, Workforce Central, and Workforce Ready solutions can all manage the requirements within this section.

Workforce Dimensions

Turn information into insight in seconds with embedded analytics. Through the Kronos D5 platform, Workforce Dimensions lets you access all your data and offers powerful tools for real-time visualization and reporting. Dataviews in Workforce Dimensions provide managers with real-time access to all operational data. They can be sorted, filtered, and grouped at any level of detail. Charts and graphs can be easily created to visualize the data, drilled down into to further analyze issues, and even exported for inclusion as tiles on your home screen or in reports. Workforce Dimensions reports are interactive and include conditional formatting to highlight where issues and opportunities exist. An intuitive reporting engine lets you easily build or modify standard reports. Real-time KPIs provide threshold alerts for such issues as overtime, hours worked, and labor costs. KPIs, targets, and thresholds can be easily viewed, filtered, and measured in a Dataview and visualized as an actionable chart from the home screen. With more than 125 KPIs delivered out of the box, Workforce Dimensions alerts you to existing problems and their drivers. And packaged data-science solutions leverage machine learning to address key workforce challenges such as overtime and turnover.





EMBEDDED ANALYTICS STREAMLINES DATA INTERACTIONS.

Gaining timely access to workforce information that provides valuable business insights can be difficult when legacy systems restrict access to data and its reporting. Through the Kronos D5™ platform, Workforce Dimensions™ lets you access all your data and offers powerful tools for real-time visualization and reporting.

THE INSIGHT YOU NEED — WHEN YOU NEED IT.

- **Dataviews** – Dataviews in Workforce Dimensions provide managers with real-time access to all operational data. Displayed in a familiar Excel-like format, Dataviews can be sorted, filtered, and grouped at any level of detail. Charts and graphs can be easily created to visualize the data, drilled down into to further analyze issues, and even exported for inclusion as tiles on your home screen or in reports.
- **Actionable insights** – Workforce Dimensions delivers actionable insights to managers via interactive reports that include conditional formatting to highlight where issues and opportunities exist. Ad-hoc reporting capabilities simplify data access and analysis for business users. And right out of the box, an intuitive reporting engine lets you easily build or modify standard reports.
- **Real-time KPIs** – Real-time KPIs help managers, HR leaders, and business analysts gain insight into their organization’s performance against business goals and objectives. They provide threshold alerts for such issues as overtime, hours worked, and labor costs. KPIs, targets, and thresholds can be easily viewed, filtered, and measured in a Dataview and visualized as an actionable chart from the home screen. And the KPI Builder lets you modify existing KPIs or create new ones.
- **Embedded analytics** – Now embedded analytics are available to all users, not just business analysts. Real-time KPIs and proactive recommendations empower managers and reduce the need for expert analysis. With more than 125 KPIs delivered out of the box, Workforce Dimensions alerts you to existing problems and their drivers. And packaged data-science solutions leverage machine learning to address key workforce challenges such as overtime and turnover.

UNPRECEDENTED BUSINESS INSIGHT MADE POSSIBLE BY INDUSTRY-FIRST TECHNOLOGY.

When your existing systems can’t provide the data access and reporting capabilities you need for deeper business insights and better business outcomes, Workforce Dimensions delivers.

- **Control labor costs** – Dataviews provide real-time access to operational data and data-science solutions help address key workforce challenges
- **Minimize compliance risk** – Easily identify the source of problems — and build in business-critical KPIs using the KPI Builder
- **Improve workforce productivity** – Ad-hoc reporting capabilities simplify data access and Dataview drilldowns make analysis easy



At Kronos, we understand that your Workforce Dimensions solution needs to seamlessly integrate with critical business systems and data across the enterprise. To that end, we built our D5 platform to speed and simplify integration using:

- **Best-in-breed integration technology:** Workforce Dimensions leverages Dell Boomi, a modern, scalable iPaaS platform that supports all your application integration processes — between cloud platforms, software-as-a-service applications, and on-premise systems. Dell Boomi supports common transport methods and a wide variety of enterprise integration scenarios while providing universal translation capabilities for non-standard data formats.
- **Flexible integration options:** While traditional SFTP and batch-based integrations are available, the Dell Boomi platform supports API-enabled integration processes to facilitate real-time data access as well as hybrid integration approaches.
- **An integrated experience:** The Dell Boomi platform is fully integrated into the Kronos user experience, enabling authorized users within customer organizations to schedule and execute integration processes within the familiar Workforce Dimensions interface

All types of interfaces and integrations are based on experience as well as customer specific requirements defined in integration workshops that lead to specific integrations design documents worked out by specific integration teams at Kronos.

Please see the following datasheet in the ***Additional Information – Workforce Dimensions Specific Attachments*** section of this proposal:

- **Workforce Dimensions and Analytic.li Datasheet**

Workforce Ready

The Workforce Ready application utilizes an open SQL command based reporting tool to allow for a range of dates reporting, single date reporting and a variety of other date options. There are criteria parameters associated with each of the 50 +Standard Reports. All reports can be easily modified or changed and exported to csv, html, pdf, or xls output formats.

Some of these features are:

- Over 50+ Built-in, Standard reports.
- Create custom/ad hoc reports.
- Export to 5 Formats (CSV, Excel, PDF, HTML, XML).
- Daily Email Summary Report.
- Report Saving & Sharing with Quick Link access.
- In/Out Dot Board(On Premise View).
- Exception reporting.
- Time off calendar.
- Dynamic, Drill-down capabilities.
- Security profile settings for defining access.



- Permanent, detailed audit trail.

Please see the following datasheet in the ***Additional Information – Workforce Ready Specific Attachments*** section of this proposal:

- **Workforce Ready People Analytics Fact Sheet**

Workforce Central

The Kronos Customer Portal can automatically alert to changes in government regulations which may affect work and leave policies. Kronos Workforce Central can be configured to be in compliance with these regulations.

Workforce Central is compatible with any SMTP-compliant mail service which includes Microsoft Exchange/Outlook. Workforce Central also supports a wide variety of web browsers.

Using Workforce Integration Manager (WIM), data can be easily exported or imported using a wide array of disparate means. Employee demographics data (work location, title, assigned job, rate of pay, etc) is automatically transmitted using WIM. Payroll data is also extracted using WIM. WIM can also be leveraged for other systems. One example of this is with substitute tracking applications. Substitute staffing data and teacher sick calls can be imported into the Workforce Central database to ensure a single repository of such information.


Additional features include:

- Email notifications and reporting can be automatically sent out to employees and managers for a variety of reasons such as when time card approvals are due or overdue.
- The system tracks all absences, tardies and leaves for managerial review.
- Workforce Analytics provides the ability to extract, transform and load data related to any number of metrics.
- Analytic dashboards can be designed to show a correlation between increasing student test scores and decreasing teacher absenteeism rates.
- The system ships with 120-160 preconfigured RDLC reports.
- Reports can be exportable in multiple formats such as Microsoft Word, Excel or PDF formats. A favorite report list can also be configured by the individual user so that their most popular reports and saved searches can be accessed easily.

In the same manner as tracking activities and projects, the system can track time spent on certain tasks such as time spent doing training. Employees can work in more than one job or perform more than one task during a particular pay cycle. Hyperfinds are user generated queries which enable users to easily create, save and run searches using Boolean logic. These queries can enable users to run searches and filter employees on specific criteria such as leave status, pay status, task code, work group, etc.

The Kronos Professional Services team will setup a separate environment to test all system functions (work and pay rules, integration points, UI access) prior to going live. This test system can remain in





place after go live to conduct additional testing going forward. Workforce Central supports single sign on via Active Directory or LDAP. While there isn't a spell check function, other basic text editing features are available within Workforce Central. Users can perform cut/copy/paste functions throughout the application and in freeform text fields, word wrap functionality is omnipresent.

Since Workforce Central processes transactions in real-time, on-premise reporting is accurate and up-to-the-minute. If a manager or administrator needs to see a list of who is currently punched into work, the On-Premise report is an interactive screen which will show which employees are here and who has yet to show up. Contact information columns can also be included on the On Premises list so that the manager have all of the necessary information to get in touch with an employee should they need to.

Please see the following datasheet in the ***Additional Information – Workforce Central and Workforce TeleStaff Specific Attachments*** section of this proposal:

- **Workforce Central HRMS Reporting**



9.0 PROFESSIONAL SERVICES

	Requirement	Y	N
1	The selected vendor's implementation methodology shall include a pre-configured model of the Workforce Management solution(s) based on best practice recommendations that will be leveraged at the start of a project when beginning the assessment phase.	X	
2	The selected vendor's pre-configured working model shall have the ability to be modified during the requirements gathering sessions to capture customer requirements "on the fly".	X	
3	The pre-configured working model of the Workforce Management solution(s) shall contain best practices industry specific configurations, including standard pay policies, schedule rules, leave policies, workflows, user profiles and other configurations.	X	
4	The selected vendor's implementation methodology shall include an online tool that the project teams can access throughout the lifecycle of an implementation that provides project updates, communication, online feedback, and serves as a repository for all project documentation.	X	
5	The selected vendor shall provide recommended best practice test cases and scenarios that are specific to identified solutions within the Workforce Management application.	X	
6	The selected vendor shall provide an online test tool that can be leveraged by customer's team members in completing their testing phase of the implementation lifecycle.	X	
7	The selected vendor shall provide the ability to automate standard Workforce Management solution test cases. This automation shall include the ability to populate punches, punch data and provide the expected outcomes automatically, thus reducing manual input.	X	
8	The selected vendor's Workforce Management training is delivered online in a virtual live training class	X	
9	The selected vendor's Workforce Management training is delivered as self-paced thru training content downloadable by the customer	X	
10	The selected vendor, as part of the implementation methodology, shall provide Change Management and User Adoption templates and/or job aids using best practice recommendations.	X	

SECTION 9.0 NARRATIVE

Please see the **PRODUCTS, SERVICES AND SOLUTIONS** section of this proposal for additional details on our services.





THE KRONOS CUSTOMER FIRST CULTURE IS BUILT ON A SET OF PRINCIPLES DESIGNED TO DELIVER THE EXPERIENCE YOU EXPECT.

Because every organization is different, Kronos crafts implementation plans that accommodate your specific infrastructure and resources which accommodates your unique needs, and facilitates the success of your project. We have provided complete details and supporting information on our implementation and support processes within our response.

MEASURING COMPANY SATISFACTION

Kronos uses Satmetrix, an independent third-party company, to conduct web-based satisfaction surveys of customers who have Kronos service contracts or who have purchased Kronos professional services. Kronos also uses Convergys to complete surveys during implementations. Six surveys are conducted on a regular basis:

- Customer Satisfaction Test Milestone / mid implementation
- Customer Satisfaction at the end of Implementation
- Customer Satisfaction with Education Service
- Customer Satisfaction with Software Support
- Customer Satisfaction with Time Clock Support
- Annual Customer Relationship Survey

SUPERIOR CUSTOMER SERVICE


For the 18th consecutive year, Kronos was recognized by Omega Management Group Corp. with its NorthFace ScoreBoard Award. Kronos has been honored with the NorthFace ScoreBoard Award from Omega Management Group Corp. for delivering excellence in customer service supporting human capital management (HCM) and workforce management solutions. This is the 18th consecutive year Kronos has received the NorthFace ScoreBoard Award, making it one of just two organizations to receive the award each year since it was introduced in 2000.

Presented by the Customer Relationship Management Institute LLC1 (CRMI), the award is presented to organizations that far exceed customer expectations in areas such as technical support, customer service, account management, and professional services. Organizations that participate in the NorthFace ScoreBoard Award are rated solely by their own customers for performance during the preceding calendar year. Kronos is one of just two organizations internationally to be recognized for 18 consecutive years.

Kronos customers rated Kronos Global Support 94 percent or higher in multiple categories, including:

- Overall professionalism: 99 percent
- Customer education: 99 percent
- Understanding customer problems: 98 percent
- Equipment support: 98 percent
- Providing effective solutions: 98 percent



- 
- Support responsiveness: 97 percent
 - Post-implementation experience: 94 percent
 - Overall Kronos experience: 94 percent

Kronos uses a differentiated Knowledge-Centered Support (KCS) model, which processes support cases faster and with a higher level of expertise while also allowing support engineers to spend more time with customers. The average tenure of Kronos Global Support representatives more than doubles the industry average for business and technical service support representatives.

To complement exceptional services delivered by the Kronos Global Support team, the Kronos Community also provides a thriving online customer community with tools and resources to maximize their Kronos solution and tap into educational resources, remote customer support, case management, and groups to share best practices and network with peers.





Cost

a. Complete the Discount by Category in Attachment C. Rates provided shall be not-to-exceed rates or shall be tiered by spend.

Please see Attachment C – Cost Proposal below.

b. Complete the Sample Project Pricing in Attachment C. The pricing for the sample project shall reflect the rates provided in the Discount by Category.

Please see Attachment C – Cost Proposal below.

c. Volume Discounts or Rebates – Include any volume discounts or rebates available to Participating Public Agencies (such as prompt pay discounts, etc.).

Please see Attachment C – Cost Proposal below.



ATTACHMENT C – COST PROPOSAL

COST PROPOSAL FORM			
SECTION A			
<i>Discount by Category</i>			
DESCRIPTION OF PRODUCT/SERVICE	Discount %		
	<i>*EE = Employee Count</i>		
	Discounts		
Software			
Discount for Workforce Dimensions	<2,499ee	2,500-4,999ee	>5,000ee
Workforce Dimensions	%	%	%
Discount for Workforce Ready	All EE Counts		
Workforce Ready	%		
Tiered Discounts for Workforce Central/Telestaff (SaaS)	<2,499ee*	2,500-4,999ee	>5,000ee
Workforce Central	%	%	%
Telestaff	%	%	%
Teletime	%	%	%
Tiered Discounts for Workforce Central/Telestaff (Perpetual)	<4,999ee*	5,000-9,999ee	>10,000ee
Workforce Central	%	%	%
Workforce Telestaff	%	%	%
Workforce Timelink	%	%	%
Aspect Voxeo Core (plus 1% discount on Monthly Usage)	%	%	%
Discount for Workforce Teletime (Perpetual)	All EE Counts		
Workforce Teletime	%		
Discount for Hardware (Discounts are based on # of Terminals per transaction)	1-24 Terminals	24-49 Terminals	50 + Terminals
Hardware/Hardware Options (Purchase and Rental)	%	%	%
Professional Services	%		
Premium Success Offering and Client Partnership Services	0%		
Training	0%		
Cloud Hosting Services	0%		
Maintenance	Software	Hardware	
Annual Support/Maintenance Year 1	Gold Support: Included Platinum Support: Included	Depot Exchange \$/Terminal Depot Repair \$/Terminal	
Annual Support/Maintenance Year 2	Gold Support: % of SW selling price Platinum Support:	Year 1 Plus %	





	% of SW selling price	
Annual Support/Maintenance Year 3	Year 2 Plus %	Year 2 Plus %
Annual Support/Maintenance Year 4	Year 3 Plus %	Year 3 Plus %
Annual Support/Maintenance Year 5	Year 4 Plus %	Year 4 Plus %
Discounts for volume (i.e. price breaks for number of employees, etc.)	To be discussed during contract negotiations	
Any additional pricing incentives, discounts or rebates such as for large volume purchases, bundled services, etc.)		

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COST PROPOSAL FORM (CONT'D)	
SECTION B	
Sample Pricing Scenario	
<i>Provide itemized costs for all items necessary to perform work in the Sample Pricing Scenario described below.</i>	
DESCRIPTION OF PRODUCT/SERVICE	COST
<i>(Insert additional lines as appropriate to adequately itemize all costs.)</i>	
Software	
5,000 Workforce Dimensions Hourly Timekeeping (Standard License)	\$300,000 Annually
5,000 Workforce Dimensions Leave (Standard License)	\$60,000 Annually
Hardware	
5 – KRONOS INTOUCH H4 Standard Enclosure, with Bar Code Badge Reader	\$13,121.75
Implementation	\$250,000
Training	\$31,185
Training (daily rate)	
Other Costs:	
Maintenance for Hardware Year 1 (Depot Exchange)	\$1,425
Total	\$655,731.75

1. Travel expenses will be charge separately as per our proposed terms; and
2. Payment methods and terms are set out in the proposed terms and conditions provided in the Technical Proposal.





Sample Pricing Scenario

BACKGROUND DESCRIPTION: A County has 5000 employees with 50 locations/buildings.

IT technicians service five locations each. With no physical base location, they report directly to one of their five service areas, and will typically report to 3-5 of these locations. These employees shall be able to report, or “clock-in” and “clock-out” from multiple work locations within the County. They shall be able to tend to related HR functions, such as request leave and verify pay period attendance from multiple locations.

Purpose: The objective is to determine the feasibility of using a third party system as a Time and Attendance solution that will satisfy the needs of this County. We are seeking a complete solution that will both accommodate and improve upon our business processes.



Financial Statements

a. Financial Statement: Include the most recent, independently certified financial statement. Financial statements must include a balance sheet and income statement.

Kronos is very proud of our long track record of financial performance and are well positioned financially to continue to invest in our products to better service our customers.

Kronos has been in business for over 40 years, focused solely on assisting entities with their workforce management. Through 2007, Kronos was a publicly traded company on the NASDAQ stock exchange and were second only to Microsoft for the longest track record of profitable revenue growth (-20 years) among all publically traded software companies. In 2007, Kronos went private through a leveraged buyout led by the top tier private equity firm of Hellman & Friedman. It is very important to note that since going private we have continued to grow our revenues to over \$ in our most recent fiscal year that ended on September 30, 2017. This is while also increasing our investment in product development each year including over \$ in our most recent fiscal year, FY2017. Kronos invests in R&D across all products and industries. We do not track percentage of R&D by product/industry.

Below is a breakdown of company revenue for the past three years:

- FY 2017: \$ Revenue
- FY 2016: \$ Revenue
- FY 2015: \$ Revenue

In summary, Kronos has grown our revenues, profitability and cash flows while increasing our investments in product development as a private company through a very challenging economic period. This pattern of financial performance demonstrates the depth of our financial position.

In support of this requirement, Kronos has included one (1) hardcopy of our most recent audited financial statements, **sealed in a separate envelope marked as "Confidential."** Please refer to this envelope for details.

b. Name and address of firm preparing the attached financial statement.

Ernst & Young LLP
200 Clarendon Street, Boston, MA 02116

c. State whether the Proposer has ever had a bankruptcy petition filed in its name, voluntarily or involuntarily. If yes, specify all relevant details.

Kronos has not filed for bankruptcy or insolvency.





SECTION TWO

Substitutions

Proposers offering and quoting on substitutions or who are deviating from the attached specifications shall list such deviations on a separate sheet to be submitted with their proposal. The absence of such a substitution list shall indicate that the proposer has taken no exception to the specifications contained therein.

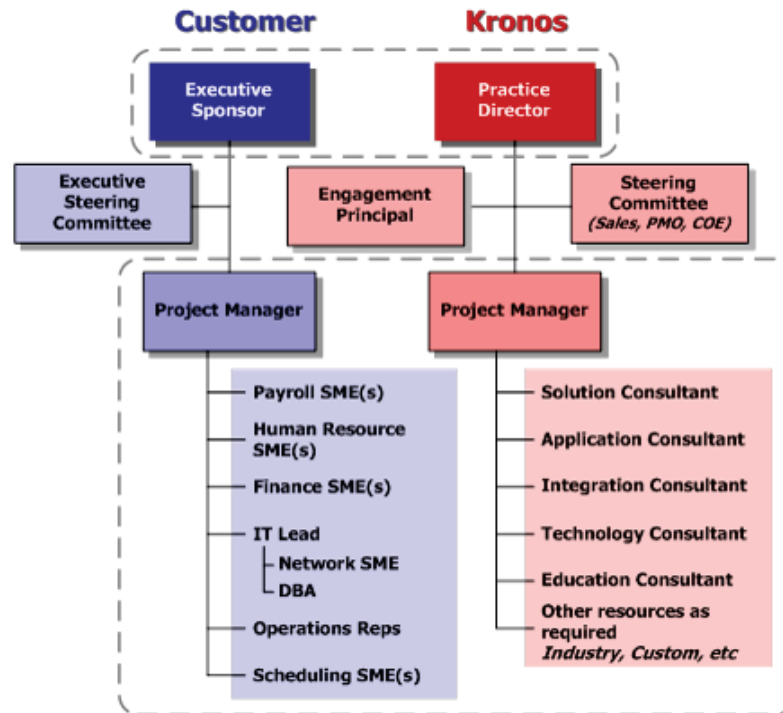
Kronos proposal is made with the intention of negotiating the Master Purchase Agreement which will incorporate Kronos commercial terms and condition applicable to the proposed products. Please find attached Kronos proposed Commercial Terms and Conditions in:

- ***Additional Information – Kronos Terms and Conditions Contract***
- ***Additional Information – Kronos Terms and Conditions Contract Workforce Ready, Payroll***



Project Team

Respondents shall provide an organizational chart for the proposed project team, as well as the relevant background and experience for every proposed team member.



Workforce Dimensions Project Team

Workforce Dimensions onboarding team members have earned a wide range of technical and security certifications, which prove they have amassed the experience and mastered the skills needed to deliver reliable, high-performance cloud hosting services. These Workforce Dimensions onboarding teams are comprised of project managers who guide your project to successful completion, and consultants with extensive knowledge of Kronos® products, technology, and best practices. The expertise of our people, coupled with their considerable Kronos® tenure, provides you with faster answers and fewer problems, resulting in lower total cost. We provide consultants with a diverse set of skills, certifications, and affiliations. Certification is based on many factors, including product knowledge and proficiency, years of experience, diversity of concluded projects, communication skills, and analytical aptitude. The combination of these factors ensures that our teams of Kronos® professionals are always qualified for their respective roles on your project.

- **Project Managers** – These consultants are the foundation of each onboarding engagement. They ensure your project is optimally coordinated and executed by following our proven methodology. Their skill sets are exemplified by the certifications they hold: PMP certification (Project Management Professional), SPHR certification (Senior Professional in Human Resources), and American Payroll Association's FPC (Fundamental Payroll Certified).



- **Kronos Consultants** – Our team of seasoned professionals is integral to analyzing and designing your system, imparting best practices that enable you to recognize the most value from your solution. Certifications include: MCSE (Microsoft Certified Systems Engineer), CCNP (Cisco Certified Network Professional), and American Payroll Association's FPC (Fundamental Payroll Certified), and specializing in web architecture, Java, and XML languages.
- **Industry Consultants** – These vertical industry experts have years of extensive experience in your specific marketplace (healthcare, retail, manufacturing, etc.). They utilize their expertise to analyze and develop comprehensive operational processes, performance metrics, and impact planning for your organization's frontline labor management operation. They draw from their vast tenure in your vertical market to provide best-practice and change-management guidance to translate your strategies into optimized enterprise processes. They have an average of 15-35 years' experience in the vertical market.

Workforce Ready Project Team

Workforce Ready implementation team members are remote and have earned a wide range of technical and security certifications, which prove they have amassed the experience and mastered the skills needed to deliver reliable, high-performance cloud hosting services.

The Workforce Ready implementation teams comprise of project managers who guide your project to successful completion, and implementation consultants with extensive knowledge of Kronos products, technology, and best practices. The expertise of our people, coupled with their considerable Kronos® tenure, provides you with faster answers and fewer problems, resulting in lower total cost. We provide implementation consultants with a diverse set of skills, certifications, and affiliations. Certification is based on many factors, including product knowledge and proficiency, years of experience, diversity of concluded projects, communication skills, and analytical aptitude.

The combination of these factors ensures that our teams of Kronos® professionals are always qualified for their respective roles on your project.

- **Project managers** – These consultants are the foundation of each implementation. They ensure your project is optimally coordinated and executed by following our proven methodology. Their skill sets are exemplified by the certifications they hold: PMP certification (Project Management Professional), SPHR certification (Senior Professional in Human Resources), and American Payroll Association's FPC (Fundamental Payroll Certified).
- **Implementation consultant** – Our team of seasoned professionals is integral to analyzing and configuring your system, imparting best practices that enable you to recognize the most value from your system with automation and process efficiencies. Our team are Subject Matter Experts (SME's) within Human Resources, Payroll and Workforce Management.
- **Integration consultant** – This team specializes in specialize in application interfacing solutions, VB scripts, application programming interfaces (APIs,) and JSON/XML languages and Dell Boomi. They design and development, connectivity with 3rd party applications, and play an important role in establishing a stable environment for your Kronos® solution.



- **Trainers** - This team of tenure instructional designers and trainers design and development all course content within the WFR application in the "My Learning" section, which is e-learning. They also conduct ILT administrative level training remotely and training around user adoption on the WFR platform.

Workforce Central and Workforce TeleStaff Project Teams

Depending on the final scope, the Kronos project team may consist of the following Kronos personnel.

Title	Experience
Practice Manager	Responsible for Customer's overall satisfaction with the Kronos Project Team, ensuring that quality resources as well as quality processes and standards are applied to each task.
Project Manager	<ul style="list-style-type: none"> • Collaborates with the Customer PM to align the desired project outcomes, producing key results related to the customer's critical business needs • Facilitates business process dialogue and ensures the Kronos solution will meet the customer success criteria (along with Solution Consultant) • Monitors the project throughout its life cycle – including scope management, change control, issue management, risk management, quality management, resource management, communication management, financial management and schedule management. • Provides regular project status updates on the items above via the Kronos Project Workbook, which includes the Project Dashboard, Schedule, Timeline, Issues Log, Risk Management Log, Communication Plan and a Change Request Log • Ensures change requests, risks, issues, or concerns are communicated to the Customer Project Manager and escalated as necessary. <p><i>The Kronos Project Manager is the primary contact for the Customer's implementation project team.</i></p>
Kronos Consultant	Utilizes their industry experience and domain knowledge to guide and facilitate discussions resulting in an in-depth analysis of customer requirements
Integration Consultant	Facilitates discussions to collect interface design requirements Configures and tests interfaces
Cloud Build Manager	Builds and manages access to the cloud environments for development and production.
Customer Success Manager	Acts as customer advocate and overall relationship manager for Kronos. Works to ensure customer has a consistent and satisfying experience with Kronos. Provides central point of contact for customer after project is completed.
Technology Consultant	Builds the technical components based on the agreed upon processes and procedures Ensures optimal performance of the Kronos application
Education Consultant / Training Specialist	Kronos certified instructors have the knowledge and certifications to guarantee you the best learning experience. Throughout a training course, the training specialist leads attendees through content presentations, guided exercises and individual practice exercises to increase an attendee's proficiency with the Kronos solution.





EXHIBIT A – Contractor Affidavit



**CONTRACTOR AFFIDAVIT & AGREEMENT
(EXHIBIT A)**

This affidavit must be signed, notarized and submitted with any bid requiring the performance of physical services. If the affidavit is not submitted at the time of the bid, the bid will be determined non-responsive and will be disqualified.

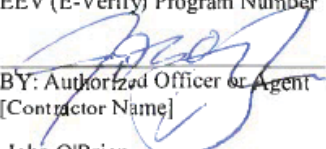
By executing this affidavit, the undersigned contractor verifies compliance with O.C.G.A. §13-10-91, stating affirmatively that the individual, firm or corporation which is contracting with Cobb County, Georgia, has registered with, is authorized to use, and is participating in a federal work authorization program (an electronic verification of work authorization program operated by the U.S. Department of Homeland Security or any equivalent federal work authorization program operated by the U.S. Department of Homeland Security to verify information of newly hired employees, pursuant to the Immigration Reform and Control Act of 1986 (IRCA)). The undersigned contractor further attests that it will continue to use the federal Employment Eligibility Verification (EEV) work authorization program throughout the contract period.

The undersigned further agrees that should it employ or contract with any subcontractor(s) or should its subcontractor(s) employ other subcontractor(s) for the physical performance of services pursuant to the contract with Cobb County, Georgia, the contractor or subcontractor will:

- (1) Notify the County within five business days of entering into a contract or agreement for hire with any subcontractor(s);
- (2) Secure from any subcontractor(s) and/or their subcontractor(s) verification of compliance with O.C.G.A. § 13-10-91 on the attached Subcontractor Affidavit (EXHIBIT A-1) prior to the commencement of any work under the contract/agreement;
- (3) Secure from any subcontractor(s) and/or their subcontractor(s) a completed Immigration Compliance Certification (EXHIBIT A-2) prior to the commencement of any work under the contract/agreement;
- (4) Provide the subcontractor(s) with legal notice that Cobb County, Georgia, reserves the right to dismiss, or require the dismissal of, any contractor or subcontractor for failing to provide the affidavit and/or for failure to comply with the requirements referenced in the affidavit;
- (5) Maintain records of such compliance and provide a copy of each such verification to Cobb County, Georgia, at the time the subcontractor(s) is retained to perform such services or upon any request from Cobb County, Georgia; and
- (6) Maintain such records for a period of five (5) years.

588665
EEV (E-Verify) Program Number

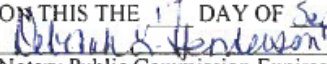
August 6, 2012
EEV Program Date of Authorization


BY: Authorized Officer or Agent
[Contractor Name]

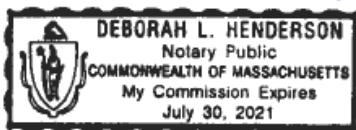
Kronos Incorporated
Contractor Business Name

John O'Brien
Printed Name

September 17, 2018
Date

SWORN AND SUBSCRIBED BEFORE ME
ON THIS THE 17 DAY OF September 2018

Notary Public Commission Expires: 7/30/2021

Effective 09-20-2013



**SUBCONTRACTOR AFFIDAVIT & AGREEMENT
(EXHIBIT A-1)**

By executing this affidavit, the undersigned subcontractor verifies its compliance with O.C.G.A. § 13-10-91, stating affirmatively that the individual, firm or corporation which is engaged in the physical performance of services on behalf of Cobb County, Georgia, has registered with, is authorized to use, and is participating in a federal work authorization program (an electronic verification of work authorization program operated by the U.S. Department of Homeland Security or any equivalent federal work authorization program operated by the U.S. Department of Homeland Security to verify information of newly hired employees, pursuant to the Immigration Reform and Control Act of 1986 (IRCA)). The undersigned contractor further attests that it will continue to use the federal Employment Eligibility Verification (EEV) work authorization program throughout the contract period.

The undersigned further agrees that should it employ or contract with any subcontractor(s) or should its subcontractor(s) employ other subcontractor(s) for the physical performance of services pursuant to the contract with Cobb County, Georgia, the undersigned subcontractor will:

- (1) Notify the County within five business days of entering into a contract or agreement for hire with any subcontractor(s);
- (2) Secure from any subcontractor(s) and/or their subcontractor(s) verification of compliance with O.C.G.A. § 13-10-91 on this Subcontractor Affidavit form (EXHIBIT A-1) prior to the commencement of any work under the contract/agreement;
- (3) Secure from any subcontractor(s) and/or their subcontractor(s) a completed Immigration Compliance Certification (EXHIBIT A-2) prior to the commencement of any work under the contract/agreement;
- (4) Provide the subcontractor(s) with legal notice that Cobb County, Georgia, reserves the right to dismiss, or require the dismissal of, any contractor or subcontractor for failing to provide the affidavit and/or for failure to comply with the requirements referenced in the affidavit;
- (5) Maintain records of such compliance and provide a copy of each such verification to Cobb County, Georgia, at the time the subcontractor(s) is retained to perform such services or upon any request from Cobb County, Georgia; and
- (6) Maintain such records for a period of five (5) years.

EEV (E-Verify) Program Number

EEV Program Date of Authorization

N/A

BY: Authorized Officer or Agent
[Subcontractor Name]

Subcontractor Business Name

Printed Name

Date

SWORN AND SUBSCRIBED BEFORE ME
ON THIS THE ____ DAY OF _____, 201__

Notary Public Commission Expires: _____

Effective 09-20-2013



IMMIGRATION COMPLIANCE CERTIFICATION
(Required to be completed by Contractors and all Subcontractors)
(EXHIBIT A-2)

I certify to the Cobb County Board of Commissioners that the following employees will be assigned to:

Workforce Management Systems and Related Products, Services and Solutions

(Project Name/Description)

<u>Brian Coopman</u>	<u>Pat Bennett</u>	<u>Jennifer Dowd</u>
<u>Linda Misegadis</u>	<u>Kristen James</u>	<u>Laura Morrison</u>

I further certify to Cobb County, Georgia the following:

- The E-Verify program was used to verify the employment eligibility of each of the above-listed employees hired after the effective date of our contract to use the program;
- We have not received a Final Nonconfirmation response from E-Verify for any of the employees listed.
- If we receive a Final Nonconfirmation response from E-Verify for any of the employees listed above, we will immediately terminate that employee's involvement with the project.
- I have confirmed that we have an I-9 on file for every employee listed above and that to the best of my knowledge all the I-9s are accurate.
- To the best of my knowledge and belief, all of the employees on the above list are legally authorized to work in the United States.
- If any other employee is assigned to this Cobb County project, a certification will be provided for said employee prior to the employee commencing work on the project.

To the best of my knowledge and belief, the above certification is true, accurate and complete.

Sworn to by:

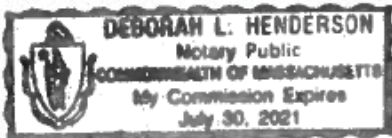

 Signature of Officer

John O'Brien / Chief Revenue Officer
 Printed Name/Title

September 24, 2018
 Date

Deborah L. Henderson
 SWORN AND SUBSCRIBED BEFORE ME
 ON THIS THE 24 DAY OF September, 2018

Notary Public
 Commission Expires: 7/30/21



fective 09-20-2013

Employer Name & Address:

Kronos Incorporated

900 Chelmsford Street

Lowell, MA 01851

E-Verify Number: 588665





EXHIBIT B – Disadvantaged Business Enterprises (DBE) Form



XXXVIII. Disadvantaged Business Enterprises (DBE): The following provisions should be carefully read to determine applicability to your business.

Cobb County Government encourages the participation of all businesses in offering their services and/or products. The Cobb County Government has the goal to fairly and competitively procure the best product at the most reasonable cost.

A Disadvantaged Business Enterprise (DBE) is generally defined as a Female, Black American, Hispanic American and any other minority owned business. The Federal Government has long had program in place to ensure participation of DBE vendors and suppliers. The State of Georgia has established a similar program whereby DBE firms are defined, certified and made known. This effort is managed by the Georgia Department of Transportation (GDOT). More information can be obtained from GDOT web site:

1. <http://www.dot.state.ga.us/eo-div/index.shtml>

The Cobb County Government addresses DBE business participation (frequency and dollar value) in the following ways:

1. Cobb County wishes to identify all DBE participation; both at the contractor and sub-contractor levels in the following ways.
 - a. DBE businesses are requested to identify such status at the time they register as a vendor.
 - b. DBE businesses are requested to identify themselves at the time they propose to do business. Please complete **EXHIBIT B** if applicable and return with bid submittal.
 - c. All businesses will receive with each Purchase Order an instruction sheet for use of the furnished *Cobb County Government DBE Participation Report*, **EXHIBIT C**. Businesses are requested to complete this report and submit it with each invoice for the time period billed.
2. Cobb County has established a Disadvantaged Business Enterprise Plan in accordance with the regulations of the U.S. Department of Transportation (U. S. Department of Transportation (USDOT), 49 CFR Part 26.) The Cobb County Department of Transportation is the lead agency for implementing the USDOT DBE Program for the County.

The Plan applies only to projects which are clearly indicated by the County.



Not Applicable to Kronos Incorporated

EXHIBIT B

DISADVANTAGED BUSINESS ENTERPRISE (DBE) IDENTIFICATION FORM

A Disadvantaged Business Enterprise (DBE) is generally defined as a Female, Black American, Hispanic American and any other minority owned business. If your firm is classified as a Disadvantaged Business Enterprise (DBE), please complete this form and submit with bid response or send to:

Cobb County Purchasing Department
Attn: Purchasing Director
122 Waddell Street
Marietta, GA 30060
Fax: 770-528-1154
Email: purchasing@cobbcounty.org



Name of Business: _____

Address: _____

Telephone: _____

Fax: _____

Email: _____

Certification Number: _____

Name of Organization Certification _____

This information is acquired for informational purposes only and will have no bearing on the award unless otherwise stated.





SECTION THREE

2. U.S. COMMUNITIES ADMINISTRATION AGREEMENT INFORMATION

The Agreement outlines the Supplier's general duties and responsibilities in implementing the U.S. Communities contract. The Supplier is required to execute the U.S. Communities Administration Agreement unaltered (attached below) and submit with the supplier's proposal without exception or alteration. Failure to do so may result in disqualification.

Kronos Incorporated agrees to sign and submit the U.S. Communities Administration Agreement with this proposal and except the attachments will be mutually agreed to based on the proposal and award.

Please see the **Administration Agreement** section of this proposal for the signed agreement.





Supplier Worksheet



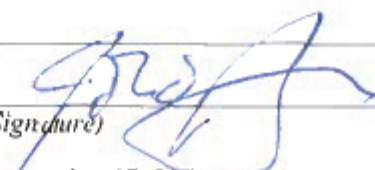
3. SUPPLIER WORKSHEET FOR NATIONAL PROGRAM CONSIDERATION

Suppliers are required to meet specific qualifications for national program consideration. Please respond in the spaces provided after each qualification statement below:

- A. Will pricing for all Products/Services offered be the most competitive pricing offered by your organization to Participating Public Agencies nationally?
YES NO
- B. Does your company have the ability to provide products and services to any Participating Public Agency in all 50 states?
YES *NO
(*If no, identify the states where you do not have the ability to provide products and services to Participating Public Agencies.)
- C. Does your company have a national sales force, dealer network or distributor with the ability to call on Participating Public Agencies in at least 35 U.S. states?
YES *NO
(*If no, identify the states where you have the ability to call on Participating Public Agencies.)
- D. Check which applies for your company sales last year in the United States:
 Sales between \$0 and \$25,000,000
 Sales between \$25,000,001 and \$50,000,000
 Sales between \$50,000,001 and \$100,000,000
 Sales greater than \$100,000,001
- E. Will your company assign a dedicated National Account Manager to support the resulting U.S. Communities contract?
YES NO
- F. Does your company maintain records of your Participating Public Agencies' sales that you can and will share with U.S. Communities to monitor program implementation progress?
YES NO
- G. Will your company commit to the following implementation schedule?
YES NO
- H. Will the U.S. Communities contract be your lead public offering to Participating Public Agencies?
YES NO


Submitted by:
John O'Brien
(Printed Name)

Chief Revenue Officer
(Title)


(Signature)

September 17, 2018
(Date)



 New Supplier Implementation Checklist		Target Completion After Award
1. First Conference Call		One Week
Initial Kick Off Call to discuss expectations		
Set Contract Launch Date & Outline Kick Off Plan		
Establish initial contact people & roles/responsibilities		
Supplier Log-In Credentials established		
Set Agency Webinar Dates		
2. Executed Legal Documents		One Week
U.S. Communities Admin Agreement		
Lead Public Agency agreement signed		
3. Program Contact Requirements		One Week
Supplier contacts communicated to U.S. Communities Staff		
Dedicated email		
Dedicated toll free number		
4. Second Conference Call		Two Weeks
Establish Sales Training Webinar Dates		
Complete Supplier Set Up Form		
Complete User Account and User ID Form		
Identify Dates for Senior Management Meeting		
Review Contract Commitments		
5. Marketing Kick Off Call		Two Weeks
Overview of Marketing Requirements		
Establish Timeline for Marketing Deliverables		
Set Weekly Marketing Call		
Discuss Agency Webinar Slides & Set Timeframe for Deliverables		
6. Initial NAM & Staff Training Meetings		Three Weeks
Discuss expectations, roles & responsibilities		
Introduce and review web-based tools		
Review process & expectations of Lead Referral contact with NAM & identified LRC		
7. Senior Management Meeting		Four Weeks
Implementation Process Progress Report		
U.S. Communities & Vendor Organizational Overview		
Supplier Manager to review & further discuss commitments		
8. Review Top Joint Target Opportunities		Five Weeks
Top 10 Local Contracts		
Review top U.S. Communities PPA's		
9. Web Development		
Initiate E-Commerce Conversation		Two Weeks
Product Upload to U.S. Communities site		Five Weeks
10. Sales Training & Roll Out		
Program Manager briefing - Coordinate with NAM		Five Weeks
Initial remote WebEx training for all sales - Coordinate with NAM		Three Weeks
Initiate contact with Advisory Board (AB) members		Six Weeks
Determine PM & Local Metro teams strategy sessions		Six Weeks
11. Marketing – see marketing deliverables checklist as reviewed with marketing contact		Eight Weeks
12. Agency Webinars		Post Launch



Supplier Information

1. Please provide a written narrative describing your understanding and acceptance of each of the Supplier Commitments (Corporate, Pricing, Economy and Sales) shown in Section 3.

National Commitments - CORPORATE

Kronos Incorporated along with our senior executive management team are pleased to submit this proposal for the re-solicitation of our current Master Agreement with US Communities.

Kronos Incorporated, which includes our senior executive management team, agree that US Communities will serve as our primary contractual offering of Products and Services to Public Agencies. Kronos, Incorporated Public Sector sales force shall always present the Master Agreement when marketing Products or Services to Public Agencies.

Kronos Incorporated will provide a national manager with the authority and responsibility to ensure that the Supplier's Commitments are maintained at all times.

Kronos Incorporated shall primarily offer the Master Agreement to all Public Agencies located within the state, shall advise all Public Agencies that are existing customers of Kronos as to the pricing and other value offered through the Master Agreement and shall upon authorization by a Public Agency transition such Public Agency to the pricing, terms and conditions of the Master agreement.

National Commitments - PRICING

Kronos Incorporated agrees that the pricing offered under the Master Agreement is the lowest overall available pricing (net to purchaser) on Products and Services that it offers to Public Agencies. Kronos Incorporated's pricing shall be evaluated on either an overall project basis or the Public Agency's actual usage for more frequently purchased Products and Services.

If a pre-existing contract and/or a Public Agency's unique buying pattern provide one or more Public Agencies a lower price than that offered under the Master Agreement, Kronos Incorporated shall match that lower pricing under the Master Agreement and inform the eligible Public Agencies that the lower pricing is available under the Master Agreement.

If an eligible Public Agency requests to be transitioned to the Master Agreement, Kronos Incorporated shall do so and report the Public Agency's purchases made under the Master Agreement going forward. The price match only applies to the eligible Public Agencies.

Occasionally U.S. Communities and Kronos Incorporated may interact with a Public Agency that has a buying pattern or terms and conditions that considerably deviate from the normal Public Agency buying pattern and terms and conditions, and causes Kronos Incorporated's pricing under the Master Agreement to be higher than an alternative contract held by Kronos Incorporated. Kronos Incorporated may address the issue by lowering the price under the Master Agreement on the item(s) causing the large deviation for that Public Agency. Kronos Incorporated would not be required to lower the price for other Public Agencies.

Kronos Incorporated agrees that when responding to a Third Party Procurement Solicitation that we will make our commercial best effort to follow the options as recommended by the Master Agreement.



National Commitments - ECONOMY

Kronos Incorporated shall demonstrate the benefits, including the pricing advantage, of the Master Agreement over alternative options. Kronos Incorporated shall proactively offer the terms and pricing under the Master Agreement to Public Agencies as a more effective alternative to the cost and the time associated with alternative bids and solicitations.

National Commitments - SALES

Kronos Incorporated shall market the Master Agreement through Kronos Incorporated's Public Sector sales force. Kronos Incorporated shall ensure that our Public Sector sales force is properly trained, engaged and committed to offering the Master Agreement as Kronos Incorporated's primary offering to Public Agencies.

Kronos Incorporated's sales initiatives shall communicate that (i) the Master Agreement was competitively solicited by the Lead Public Agency, (ii) the Master Agreement provides Kronos Incorporated's best overall pricing and value to eligible agencies, (iii) there is no cost to Participating Public Agencies, and (iv) the Master Agreement is a non-exclusive contract.

Kronos Incorporated shall be responsible for complying with the U.S. Communities branding and logo standards and guidelines. Prior to use by Kronos Incorporated, all U.S. Communities related marketing material must be submitted to U.S. Communities for review and approval.

Kronos takes the education of its sales force very seriously as this is the backbone to successfully promote U.S. Communities in the marketplace. Training regarding U.S. Communities would include but not be limited to:

- One day meeting with U.S. Communities to train public sector and education Sales Executives on the promotion, advantage, and details surrounding a master contract with U.S. Communities.
- A dedicated Kronos representative may be appointed to manage business development including ongoing creation of training materials as needed.
- Reference materials made available through a “playbook” citing vital information about the US Communities contract.
- US Communities training included in all future New Hire training formats.

Kronos Incorporated shall establish the following communication links to facilitate customer access and communication:

- A dedicated U.S. Communities internet web-based homepage that is accessible from Supplier’s homepage or main menu navigation containing:
 - U.S. Communities standard logo
 - Copy of original procurement solicitation
 - Copy of Master Agreement including any amendments
 - Summary of Products and Services pricing
 - Electronic link to U.S. Communities’ online registration page



- Other promotional material as requested by U.S. Communities
- A dedicated toll-free national hotline for inquiries regarding U.S. Communities
- A dedicated email address for general inquiries in the following format: uscommunities@(name of supplier).com

Kronos Incorporated shall be responsible for ensuring that each Public Agency has completed U.S. Communities' online registration process prior to processing the Public Agency's first sales order.

Upon request by U.S. Communities, Kronos Incorporated shall participate in a performance review meeting with U.S. Communities to evaluate Kronos Incorporated's performance of the covenants set forth in this Agreement.

Kronos Incorporated may, from time to time, provide certain graphics, media, and other content to U.S. Communities (collectively "Supplier Content") for use on U.S. Communities websites and for general marketing and publicity purposes. During the term of the Agreement, Kronos Incorporated hereby grants to U.S. Communities and its affiliates a non-exclusive, worldwide, free, transferrable, license to reproduce, modify, distribute, publically perform, publically display, and use Kronos Incorporated Content in connection with U.S. Communities websites and for general marketing and publicity purposes, with the right to sublicense each and every such right.

Kronos Incorporated warrants that:

- Kronos Incorporated is the owner of or otherwise has the unrestricted right to grant the rights in and to Supplier Content as contemplated hereunder
- The use of Kronos Incorporated Content and any other materials or services provided to U.S. Communities as contemplated hereunder will not violate, infringe, or misappropriate the intellectual property rights or other rights of any third party.



Company Overview

1. Provide the total number and location of sales persons employed by your company in the United States.

State	Employee Count
AL	1
AR	1
AZ	4
CA	17
CO	16
CT	2
DE	1
FL	14
GA	9
IA	3
ID	1
IL	12
IN	4
KS	5
LA	2
MA	53
MD	2
ME	2
MI	2
MN	6
MO	4
NC	8
NH	11
NJ	8
NY	5
OH	8
OK	1



OR	1
PA	9
RI	5
SC	4
TN	6
TX	18
VA	5
WA	2
WI	2
WV	1
Grand Total	255

2. Please provide a narrative of how these sales people would be used to market the contract to eligible agencies across the country. Please describe what you have in place today and your future plans, if you were awarded the contract.

Public Sector agencies need to procure the proper goods and services, at the best value, and in the easiest manner while ensuring compliance with procurement laws and policies at all levels to include federal, state, and local. This is no easy task and procurement departments should rely on the expertise of their trusted sales personnel in navigating procurement opportunities that meet their stringent requirements. Kronos sales people recognize US Communities as the “leading national cooperative purchasing program, providing world-class government procurement resources and solutions to local and state government agencies, school districts (K-12), higher education institutions, and nonprofits looking for the best overall supplier government pricing.”

As the current Workforce Management Solutions provider for US Communities, Kronos has excelled at marketing and presenting this procurement opportunity to thousands of public sector organizations in the United States through local, regional, and national tradeshows; printed publications; speaking engagements; and face-to-face interactions with customers at their places of business. For every engagement, Kronos presents to the customer its US Communities Workforce Management Solutions contract. Even in situations where a competitive Request for Proposal process is deemed necessary, Kronos will often include its partnership with US Communities in its proposal, particularly for negotiation and pricing conversations.

Between 2013 and today, hundreds of US Communities customers have taken advantage of the US Communities discounts (up to 50 percent off list price) and realized hundreds of millions of dollars in cost savings. Kronos understands this is only the beginning of the benefit it can provide to its customers via US Communities. A career public sector advocate has been hired as the Director of Contracts and Procurement and will serve as the National Account Manager for US Communities. His primary goal is to deliver specialized cooperative purchasing training to public sector agencies and Kronos sales personnel; develop partnerships and relations with US Communities Program Managers and participating agencies; and develop marketing initiatives to include speaking engagements at procurement, finance, and other trade shows nationwide.



3. Explain how your company will educate its sales force about the Master Agreement.

Kronos Incorporated takes the education of its sales force very seriously as this is the backbone to successfully promote U.S. Communities in the marketplace. Training regarding U.S. Communities would include but not be limited to:

- One day meeting with U.S. Communities to train public sector and education Sales Executives on the promotion, advantage, and details surrounding a master contract with U.S. Communities.
- Sales Executives outside of Public Sector and Education, will be offered 3 - 90 minute Webinar training sessions to become familiar with US Communities and the contract.
- A dedicated Kronos Incorporated representative appointed to manage business development including ongoing creation of training materials as needed.
- Reference materials made available through a “playbook” citing vital information about the US Communities contract.
- US Communities training included in all future New Hire training formats.

Kronos Incorporated has 3 distinct micro verticals;

1) State and Local government, 2) K12 and 3) Higher Education. These micro verticals are managed by Public Sector Directors responsible for their geography. An internal Business Development representative would orchestrate meetings with each of the sales executives in an area with the corresponding U.S. Communities partner. Discussions would include current customer negotiations and active potential customer engagements. In addition, it will be important to discuss leveraging existing US Communities relationships in the geographical area for potential new projects as well as existing clients.

Kronos Incorporated will provide on-going education to the Public Sector sales organization to ensure that our sales reps are kept up to date on any changes or amendments to the Master Contract.

4. Provide the company annual sales for 2015, 2016 and 2017 in the United States; Sales reporting should be segmented into the following categories:

SUPPLIER ANNUAL SALES IN THE UNITED STATE FOR 2015, 2016, AND 2017			
Segment	2015 Sales	2016 Sales	2017 Sales
Cities	\$4.3M	\$7.9M	\$11.2M
Counties	\$16.1M	\$17.3M	\$18.27M
K-12 (Pubic/Private)	\$9.7M	\$11.4M	\$12.8M
Higher Education (Public/Private)	\$6.3M	\$7.M	\$8.7M
States	\$9.8M	\$9.4M	\$23M
Other Public Sector and Nonprofits	\$6M	\$6.8M	\$8M
Federal	\$12.M	\$8.6M	\$7.9M



Private Sector	\$1.077B	\$1.132B	\$1.29B
Total Supplier Sales	\$1.14B	\$1.2B	\$1.38B

5. For the proposed products and services included in the scope of your response, provide annual sales for 2015, 2016 and 2017 in the United States. Sales reporting should be segmented into the following categories:

SUPPLIER ANNUAL SALES IN THE UNITED STATE FOR 2015, 2016, AND 2017			
Segment	2015 Sales	2016 Sales	2017 Sales
Cities	\$4.3M	\$7.9M	\$11.2M
Counties	\$16.1M	\$17.3M	\$18.27M
K-12 (Pubic/Private)	\$9.7M	\$11.4M	\$12.8M
Higher Education (Public/Private)	\$6.3M	\$7.M	\$8.7M
States	\$9.8M	\$9.4M	\$23M
Other Public Sector and Nonprofits	\$6M	\$6.8M	\$8M
Federal	\$12.M	\$8.6M	\$7.9M
Private Sector	\$1.077B	\$1.132B	\$1.29B
Total Supplier Sales	\$1.14B	\$1.2B	\$1.38B

6. Provide a list of your company's ten largest public agency customers, including contact information.

The following organizations represent the largest public agency Kronos customers, all whom have procured Kronos Workforce Management Solutions via US Communities:

Organization	Contact	Phone Number
Prince William County Public Schools	<u>14800 Joplin Rd Manassas VA 20112</u>	703-791-8740
City of Indianapolis/Marion County	<u>200 E Washington St Indianapolis IN 46204</u>	317-327-4453
Contra Costa County	<u>2955 Treat Blvd Concord CA 94518</u>	925-930-2120
Austin Independent School District	<u>1111 W. 6th St. Austin TX 78703</u>	512-414-2411
State of Arkansas - Department of Finance And Administration	PO Box 925 Forrest City AR 72336	870-633-5411
Prince Georges County Government	<u>1400 McCormick Drive Largo MD 20774</u>	301-883-6405



Morristown County	30 Schuler Place 4th Floor Morristown NJ 07960	973-285-2869
BOCC - Hillsborough County	<u>601 E. Kennedy Blvd Tampa FL 33601</u>	813-301-7088
MHMRA of Harris County	<u>7011 Southwest Freeway Houston TX 77074</u>	713-970-7287
Cherokee County Board Of Education	200 Mountain Brook Ct Canton GA 30115	770-479-4268
Quinnipiac University	<u>275 Mt Carmel Ave Hamden CT 06518</u>	203-582-3446
County of Albemarle	<u>401 Mcintire Road Charlottesville VA 22902</u>	434-296-5854
The University of Tennessee	<u>5723 Middlebrook Pike Knoxville TN 37921</u>	865-974-3106
Salt Lake City	<u>451 S State St - Rm 235 Salt Lake City UT 84111</u>	801-535-7943
City of Bloomington	<u>109 E Olive St Bloomington IL 61702</u>	309-434-2333

7. Please list any existing regional and/or national cooperative purchasing programs. Provide the entity's name(s), contract scope, contract term (including contract options) and annual volume by year for each of the last three years.

Kronos does not hold any direct contracts with any other National cooperative purchasing programs.





Order Processing and Distribution

1. Describe your company's normal order processing procedure from point of customer contact through delivery and billing.

Orders are placed by Customers submission of a signed Order Form or Purchase Order. Once the order is accepted and processed through the Kronos order process, the products will be shipped and billed in accordance with the agreement.

2. In what formats do you accept orders (telephone, ecommerce, etc.)?

Signed order form or purchase order.

3. Please state if you use a single system or platform for all phases of ordering, processing, delivery and billing.

Kronos does not use a single system for all phases of ordering, processing, delivery and billing.

4. Please state your normal payment terms and any quick-pay incentives available to Participating Public Agencies.

Typical payment terms are N30. Kronos does not offer quick-pay incentives.

5. State which forms of ordering allow the use of a procurement card and the accepted banking (credit card) affiliation.

Customers can place orders by signing an order form or submitting a PO which makes reference to an order form.

6. Describe how your company proposes to distribute the Workforce Management products and services nationwide.

Kronos offers our solutions as a Software as a Service offering. Kronos maintains the solution in our cloud environment and the application is available through a secure URL. Employees requiring access are granted licenses to log into the system. Applicable rules are applied as needed. Based on our customer's needs Kronos also offers on-premise options for certain Kronos solutions.

7. Identify all other companies that will be involved the Workforce Management Systems provided to the end user.

Kronos understands that delivering value to our clients through alliances depends on an unwavering commitment to mutually successful business relationships. That commitment, combined with our uncompromising dedication to delivery excellence, enables us to provide value to Cobb County and U.S. Communities by utilizing partners who bring unique business value. You can find a list of the various organizations with whom we have developed solid partnerships at the following links:



Workforce Ready Marketplace:

- <https://www.kronos.com/products/workforce-ready-suite/workforce-ready-marketplace>

Workforce Dimensions Marketplace:

- <https://www.kronos.com/about-us/workforce-dimensions-technology-partner-network/workforce-dimensions-marketplace>

Kronos Partners:

- <https://www.kronos.com/about-us/services-partners>

As the needs of Kronos and our customers change we are always looking to expand our partnerships, SIs and complimentary products.

8. Provide the number, size and location of your company's distribution facilities, warehouses, support centers and retail network (if applicable).

Kronos is headquartered in Lowell, Massachusetts. Kronos has 53 offices in North America, serving customers in all 50 states, as well as 19 international offices. Our products are also sold through a network of offices, subsidiaries, and distributors to more than 130 countries to over 30 million users. Kronos has international subsidiaries in Australia, Brazil, Canada, China, France, Germany, India, Latin America, Spain, and the United Kingdom.

Locations of these offices include Massachusetts, Missouri, Texas, Pennsylvania, Minnesota, Colorado, Georgia, Oregon, New Jersey, Maryland, Ohio, Indiana, California, Florida, Kansas, New York, and Illinois. Please visit the [Kronos Locations and Global Reach](#) website for a complete listing.

Below is a sample listing of our North American offices:

- Kronos Incorporated (Headquarters):

900 Chelmsford Street
Lowell, MA 01851

- Kronos Canadian Systems Inc.

200–1060 Manhattan Drive
Kelowna, British Columbia
V1Y 9X9 Canada

- Kronos Canadian Systems Inc.

110 Matheson Blvd West
Suite 320
Mississauga, Ontario





L5R 4G7 Canada

- Kronos Canadian Systems Inc. Systèmes Canadiens Kronos Inc.
3535 Queen Mary Rd
Suite 500
Montreal, Quebec
H3V 1H8 Canada
- Kronos Canadian Systems Inc.
1275 West 6th Avenue
Suite 204
Vancouver, British Columbia
V6H 1A6 Canada

Below is a sample listing of our North America divisions:

- AD OPT Solutions Group
3535 Queen Mary Rd
Suite 500
Montreal, Quebec
H3V 1H8 Canada
- Kronos Workforce Ready Partner Network
3040 Route 22 West
Suite 200
Branchburg, NJ 08876
- EZCall Solutions Group
22 W Washington St
Suite 1500
Chicago, IL 60602
- Kronos iSeries Solutions Group
814 North Nolan River Road
Cleburne, TX 76033



- Indianapolis Technology Center
101 West Washington Street
Suite 900
Indianapolis, IN 46204
- Kronos TeleStaff Solutions Group
240 Commerce
Suite #200
Irvine, CA 92602
- Labor Analytics Solutions Group
5405 Cypress Center Drive
Suite 300
Tampa, FL 33609
- Hiring Solutions Group
11850 SW 67th Avenue
Suite 200
Tigard, OR 97223

Here is a sample listing of our global offices:

- Kronos Brasil
São Paulo World Trade Centre
Av. das Nações Unidas, 12551
17º andar
Brooklin Novo
São Paulo 04578-000
Brasil
- Kronos de México, S.A. de C.V.
Torre Polanco Gral. Mariano Escobedo
476 Piso 16 Col. Anzures
Miguel Hidalgo
11590 México, D.F.



- Monterrey, Nuevo León
Batallón de San Patricio No. 109
Oficina 1702
66260, San Pedro Garza García, Nuevo León
- Kronos Systemes BVBA
Research Park Z.1 70 1731
Asse (Zellik)
- Kronos Deutschland
Leopoldstrasse
244 80807 München

9. Describe your ability to provide customized reports (i.e. commodity histories, purchase histories by department, green spend, etc.) for each Participating Public Agency.

Kronos can provide a detailed purchase history and product usage by department for each Participating Agency.

10. If applicable, describe your company's ability to do business with manufacturer / dealer / distribution organizations that are either small or MWBE businesses as defined by the Small Business Administration.

Kronos Incorporated has a Supplier Diversity Program. Kronos Incorporated is committed to developing a growing portfolio of viable, competitive minority and women-owned business which will enable Kronos to increasingly utilize a supplier base which truly reflects the diversity of our customer base. Our goal is to utilize a proactive business process that seeks to provide suppliers equal access to purchasing opportunities. It promotes supplier participation reflective of Kronos diverse Customer base and diverse business community.

Kronos Incorporated participates in this Supplier Diversity Program to:

- Support our current customer base
- Attracts new customers
- Consistent with our core values
- Gives back to the communities we serve
- Complies with Regulatory requirements
- Minority and Women-owned businesses growth is trending up





The elements to our Supplier Diversity Program are:

- Executive commitment & involvement
- Formal Policy
- Dedicated Staff and Action Plan
- Budget
- Buyer Training and Accountability
- Tracking and Reporting system
- Internal and External Communications

a. If applicable, describe other ways your company can be sensitive to a Participating Public Agency's desire to utilize local and/or MWBE companies, such as number of local employees and offices in a particular geographic area, companies your firm is using that may be local (i.e. local delivery truck company), etc.

Though headquartered in Lowell, Massachusetts, Kronos has 53 offices in North America as well as 19 international offices. Locations of these offices in the US include Massachusetts, Missouri, Texas, Pennsylvania, Minnesota, Colorado, Georgia, Oregon, New Jersey, Maryland, Ohio, Indiana, California, Florida, Kansas, New York, and Illinois. Additionally, our sales and consulting staff is spread across North America with dedicated representatives in the region of the clients they serve.


As a public sector provider of Workforce Management Solutions, we value our commitment to communities and strive to be inclusive of their local and MWBE companies. Specifically, Kronos has implemented a Supplier Diversity Procurement Policy to ensure inclusion of minority, women and veteran owned businesses in the competitive bidding process at Kronos, Incorporated in support of our commitment to provide quality products and services to our customers while delivering outstanding value to our shareholders.

Included in this policy is participation in the Greater New England Minority Supplier Development Council and deployment of the Kronos Supplier Diversity Program.

- Our Mission: To develop a growing portfolio of viable, competitive minority and women-owned business which will enable Kronos to increasingly utilize a supplier base which truly reflects the diversity of our customer base.
- Our Goal: A proactive business process that seeks to provide suppliers equal access to purchasing opportunities. It promotes supplier participation reflective of Kronos diverse Customer base and diverse business community.

Under the US Communities arrangement - wherein our supplier network may not be used due to contractual terms and conditions - Kronos is dedicated to understanding and facilitating however possible, the inclusion of local and MWBE companies that can provide services such as training, implementation, consulting, and other complementary services.





b. If applicable, provide details on any products or services being offered by your company where the manufacturer or service provider is either a small or MWBE business as defined by the Small Business Administration. Provide product/service name, company name and small/MWBE designation.

Kronos is closely aligned with MWBE businesses across all Public Sector subverticals including State/Local Government, Higher Education and K-12. The MWBE business partners serve as both prime and subcontractors depending on best practices and customer preferences. Service offerings provided by the MWBE partner ecosystem include Project Management, Change Management, Software Integration, Hardware Survey/Installation.

Examples of these MWBE Partners include:

- MetaSource IT: Project Management, Change Management, Hardware Survey/Installation
- SDI Presence: Project Management, Software Integration and Implementation Services
- Oakland Consulting: Project Management
- Analytic.li: Analytics Support, Software Integration



Marketing and Sales

1. Provide a detailed outline of your company's sales and marketing plan for marketing your offering to eligible agencies nationwide.

Kronos employs a large marketing division that is dedicated to state government, local government, and education organizations across the country. Kronos' longevity in the public sector space, along with broad marketing experience, has allowed us to create a rich and highly customized marketing plan for the public sector that includes:


- Advertising across major online and radio mediums, including public sector-specific venues.
- Search engine marketing.
- Quarterly campaign programs that reach nearly 100,000 contacts to drive both awareness and leads.
- Press releases for significant news.
- Customer video testimonials.
- Customer case studies.
- Analyst interviews, including joint marketing activity with the analyst community.
- Collateral production.
- Social media (Blogs, Tweets, Facebook and LinkedIn).
- Joint research, with published results, in collaboration with organizations like Governing's Research Institute, eSchool News, and eCampus News.
- Sponsorship and participation in major conferences and trade shows supporting the public sector.
- Participation in leadership committees/councils for IPMA-HR, NASCA, NASPE, and CUPA-HR.
- Webinars.
- User groups meetings.
- Customer Advisory Boards (CABs).

2. Explain how your company will market and transition the Master Agreement into the primary offering to Participating Public Agencies. How will your organization differentiate the new agreement from existing contracts you may have today?

After initial training on the U.S. Communities master agreement is complete, the following will be implemented to further position Kronos/U.S. Communities and will differentiate this agreement from our existing contracts:

- U.S. Communities logo added to all presentations.
- Positioning paragraph at forefront of proposal responses encouraging organizations to utilize the U.S. Communities contract.
- Sales Executives will lead with the U.S. Communities master agreement ahead of other buying vehicles or before entering into terms and conditions negotiations with the client.



- 
- U.S. Communities logo placed on the Public Sector and Education web pages of Kronos.com.
 - Issue press release announcing agreement followed by a second release within a year announcing some new customer engagements utilizing U.S. Communities.

Kronos will continue to look for joint marketing efforts with U.S. Communities through membership organizations such as:

- College and University Professional Association – Human Resources (CUPA-HR)
- National Association of State Personnel Executives (NASPE)
- National Association of State Chief Administrators (NASCA)
- EDUCAUSE
- Government Finance Officer Associations (GFOA)
- Association of School Business Officers (ASBO)
- International Public Management Association – Human Resources (IPMA-HR)...

Additionally, Kronos participates in marketing opportunities with third-party government and education thought-leaders such as:

- Governing Magazine
- Center for State & Local Government Excellence
- Praetorian Group
- eSchool News
- eCampus News

3. Please describe your sales goals if awarded the Master Agreement, including targeted dollar volume by year:

- \$.00 in year one
- \$.00 in year two
- \$.00 in year three





National Staffing Plan

1. Please identify the key personnel who will lead and support the implementation period of the contract outlined in Section 3 (page 41), New Supplier Implementation Checklist, along with the amount of time to be devoted to implementation.



	1. First Conference Call	2. Executed Legal Documents	3. Program Contact Requirements	4. Second Conference Call	5. Marketing Kick Off Call	6. Initial NAM & Staff Training Meetings	7. Senior Management Meeting	8. Review Top Joint Target Opportunities	9. Web Development	10. Sales Training & Roll Out	11. Marketing	12. Agency Webinars
Pat Bennett Vice-President, Public Sector Sales	X			X		X	X	X		X		
Jennifer Dowd Public Sector Marketing Director	X				X	X			X		X	X
Kristen James Field Sales Operations Manager	X	X	X	X		X	X		X		X	
Marie-Helene Rochefort Senior Corporate Counsel	X	X				X						
Cheryl Burley Sales Operations Supervisor	X	X	X	X		X			X			
Virginia Whalen Sales Enablement	X					X			X			
Linda Misegadis Public Sector Business Consultant Director	X		X	X		X	X	X		X		X
Brian Coopman Director of Contracts and Procurement	X	X	X	X	X	X	X	X	X	X	X	X

2. Identify the key personnel who are to be engaged in this contract throughout the term of the contract, including each of the roles described below:

<u>Role</u>	<u>Description of Role</u>	<u>Person Responsible and Title</u>	<u>Time Commitment (%)</u>
Executive Sponsor	Responsible for the corporate commitment. Works with Supplier Manager.	Pat Bennett Vice President Public Sector	5%
National Account Manager	Responsible for sales efforts and training of sales people across the country. Works daily with Program Managers and Supplier Manager.	Brian Coopman Director of Contracts and Procurement	75%
Lead Referral Manager	Responsible for distributing leads generated through the USC website.	Brian Coopman Director of Contracts and Procurement	5%
Marketing Lead	Responsible for all marketing efforts. Works with USC marketing regularly.	Jen Dowd Director of Marketing	5%
IT Lead	Responsible for building USC landing page for supplier.	TBD	5%
Reporting Lead	Responsible for providing monthly reports to USC.	Kristen James Field Sales Operations Manager	5%

3. Provide an organizational chart of your company.

Kronos Executive Management Organization Chart

Our team of executive leaders directs Kronos' collective expertise toward the needs and goals of our worldwide customers and employees. Kronos does not disclose employee names that are not already considered public information. Below are Kronos' organizational officer names and structure:

- , Chief Executive Officer
- , President
- , Chief People Officer
- , Chief Administrative Officer
- , Chief Product Officer and Head of Cloud Operations
- , Chief Financial Officer
- , Vice President, Customer Support



- , Chief Customer and Strategy Officer
- Chief Marketing Officer
- , Vice President, General Counsel
- , Chief Revenue Officer

KRONOS AWARDS AND LEADERSHIP EXPERIENCE

Provided below is a small sample of our executive leadership achievements and company experience in 2018. More supporting information can be provided upon request.

Kronos and our products have been recognized by various influencers, including: Gartner, IDC, IMS Research, Biometritech, MITX, Network World, PC Week, Software Magazine, Workforce Management, Boston Business Journal, Healthcare Informatics and Microsoft Partners. Additionally, Kronos continues to secure placements on prestigious industry listings, including the following categories, to name a few:

- In 2018, Kronos Incorporated announced it was recognized by Great Place to Work® around the world in separate competitions in Asia, Canada, India, the U.K. for its WorkInspired workplace culture. Each year, Great Place to Work surveys more than 10,000 organizations from over 58 countries worldwide. In total, 12 million individual employee voices are represented as part of this process. Kronos has submitted for regional Great Place to Work competitions in nearly every country where it has a significant presence, and in the last two months has racked up accolades in several regions, including:
 - **Asia** - Kronos named the 14th Best Multinational Workplace in all of Asia. Nearly 1.5 million people participated in the survey across nine Asian countries where Great Place to Work is represented. According to the Best Workplaces in Asia research, 90 percent of Kronites care about each other; 94 percent feel a sense of pride in their



accomplishments; and 90 percent feel good about the way the company contributes to the community. This award comes shortly after Kronos was named as a Best Place to Work in Greater China for the first time.


- **Canada** - Kronos was named a Best Workplace in Canada for the fourth consecutive year. Kronos ranked in the top 25 Canadian workplaces recognized for building a high trust organizational culture and advancing best-in-class management practices to fully engage their workforces, delight their customers, and contribute to their communities. This award comes just months after Great Place to Work Canada ranked Kronos a Best Workplace for Women for the fourth consecutive year and a Best Workplace for Inclusion.
 - **India** - Kronos named a Best Workplace in India. This is Kronos' first time making the countrywide list of India's Best Workplaces, which analyzed more than 600 organizations across the nation. In each of the last three years Kronos was named one of India's 50 Best Information Technology Companies.
 - **United Kingdom** - In the first year submitting for the honor, Kronos was recognized as one of the U.K.'s Best Workplaces. Employee benefits and a culture of caring are just two of the many reasons why Kronos employees choose to go to work every day, according to Great Place to Work U.K., which recognized Kronos for the first time alongside 127 other U.K. organizations.
- In 2018, Kronos announced that, for the third consecutive year, Chief Executive Officer (CEO) Aron Ain has won a prestigious Glassdoor Employees' Choice Award honoring Top CEOs in 2018. Ain ranked 27th out of 100 CEOs across all industries in countries throughout North America and parts of Europe – up from 54 in 2017.
 - In 2018, Kronos was named as one of the top three places to work in IT, Internet, Software & Services. Kronos made the annual Forbes America's Best Midsize Employers list for the fourth consecutive year, which honors employers with more than 1,000 employees based on an independent survey conducted by Statista.com. The survey was conducted among more than 30,000 American employees across 25 industry sectors. Willingness to recommend one's own employer was the most important metric of the Forbes assessment, and the mix of respondents (gender, age, region, educational level, and ethnicity) is representative of the overall U.S. workforce. Kronos was the third-ranked employer in the IT, Internet, Software & Services category, and the highest-rated HCM and workforce management solutions provider.
 - In 2018, Kronos won two separate honors for its Indianapolis Tech Center of Excellence, including being named a top 10 place to work in Indiana, where the company has its second-largest office in North America. Kronos was named a top 10 Best Place to Work in Indiana in the 13th annual statewide ranking compiled by the Indiana Chamber of Commerce and Best Companies Group. The rankings identify, recognize, and honor employers in Indiana that benefit the state's economy, workforce, and businesses. Rankings are determined by a two-part survey process: an examination of workplace policies, practices, philosophy, systems, and demographics plus an anonymous survey of workers to measure employee experience. Kronos' Indianapolis Tech Center of Excellence, which is home to about 200 Kronites, was also honored with an Indianapolis TechPoint Mira "Best Tech Event" Award for its innovative and engaging interview process, which is used to hire the best and brightest talent from local Indiana colleges and universities. The



Kronos Indianapolis Tech Center of Excellence Interview Blitz is a full-day event providing the next generation of technology leaders with networking, interviewing, and case study competition activities to evaluate their collaboration, innovation, and communication skills.

- On March 8, 2018, International Women’s Day, Kronos Incorporated announced it has been named to the list of 2018 Best Workplaces™ for Women for a fourth consecutive year by Great Place to Work®. Additionally, at an awards gala to kick off the 15th annual Great Place to Work For All Summit™, Susan Rossnick, vice president of engineering at Kronos, was honored as a women leader as part of the inaugural Great Place to Work For All Leadership Awards. On the eve of the 107th International Women’s Day, Kronos’ Susan Rossnick was one of the women leaders honored from companies on Fortune magazine’s 100 Best Companies to Work For list – which Kronos made for the first time this year – and Best Workplaces for Women list. Rossnick was chosen for her critical role and outstanding leadership throughout the development and launch of Workforce Dimensions, a revolutionary new solution from Kronos that has redefined the future of workforce management and pushed the limits of innovation. Rossnick is also a shining example of Kronos’ ground-breaking Manager Effectiveness Index (MEI) initiative – which will be the topic of a feature case study session today at the Great Place to Work For All Summit – as she improved her personal MEI scores to 100 percent as rated by her team amidst the lead up to the most anticipated product launch in the company’s 40-year history.
- In 2018, Kronos secured the number one ranking in the time and attendance segment in the “2018 Best in KLAS: Software & Services” report published by KLAS, a research and insights firm on a global mission to improve healthcare delivery. The report was published in January 2018. KLAS collects thousands of healthcare providers’ feedback needed to compile the annual Best in KLAS report and in every instance, the KLAS methodology includes screening for bias to ensure as clean and random a sample as possible. Kronos serves 3,500+ acute hospitals and more than 10,000 post-acute care organizations and has a presence in the healthcare sector across Africa, Asia, Australia, Europe, and North America.
- In 2018, Kronos was named one of the FORTUNE 100 Best Companies to Work For according to global research and consulting firm Great Place to Work and Fortune magazine. The 2018 FORTUNE 100 Best Companies to Work For list is based on a combination of survey responses from more than 315,000 employees rating their workplace culture, as well as an extremely detailed culture audit of employee policies, benefits, values, professional development opportunities, recognition programs, communication processes, community involvement, and more. The 50-plus elements of the Great Place to Work Trust Index® survey covers a wide range of topics, including employees’ feelings about trust in managers, compensation, fairness, camaraderie, and workplace traits linked to innovation. According to the Great Place to Work research of Kronos employees, 94 percent of Kronites are proud to work at Kronos; 96 percent laud the company for great communication; and 95 percent of Kronites agree they have a great boss. The 100 Best Companies list is the preeminent ranking in a series of annual rankings by Great Place to Work and Fortune from the pool of Great Place to Work-Certified™ organizations.
- In 2018, Kronos announced that Great Place to Work® named Kronos a Best Workplace for Inclusion. Kronos was named one of the 25 Best Workplaces for Inclusion in Canada, which is based on direct and anonymous employee feedback from the Great Place to Work Trust Index®. For eligibility, companies must first be Certified as a Great Place to Work and then at least 90





percent of employees must agree they are treated fairly regardless of role at the company as well as personal characteristics, including gender, ethnicity, age, and sexual orientation. Great Place to Work selected the 25 Best Workplaces for Inclusion based on employee responses to inclusion-related Trust Index statements as well as an organization's workplace programs and practices that support inclusion.

- In 2018, Kronos was named one of Montréal's Top Employers as part of Canada's Top 100 Employers competition. The annual Canada's Top 100 Employers competition analyzes organizations on their HR practices; health, financial, and family benefits; performance management practices; employee communication; training and development opportunities; vacation and time off policies; physical workspaces and work atmosphere; and community involvement. Employers were compared to other organizations in their industry to determine which offer the most progressive and forward-thinking programs. Kronos was lauded specifically for its fully paid parental leave policies for new moms and dads, including financial subsidies for adoption; its GiveInspired corporate giving and philanthropic initiatives; its open paid time off policy, myTime, that covers vacation, sick time, volunteering, and general life maintenance; and numerous opportunities for employees to be recognized for exceptional performance and achievements, including the Kronos Courage to Lead awards program that honors great people managers worldwide.
- In 2018, Kronos announced that it had been honored by Fortune and Great Place to Work as one of the 20 Best Large Workplaces in Technology. The Best Workplaces in Technology list compiled by Fortune magazine considered 79,000 employee surveys from top software and technology companies across the U.S. Research and consulting firm Great Place to Work evaluated more than 50 elements of the Kronos employee – or Kronite – experience related to innovation, including communication, professional development, and recognition. The ranking also accounted for the share of women, people of color, Baby Boomers, and LGBT individuals experiencing innovation in the workplace. According to the Great Place to Work research of Kronos employees, 94 percent of Kronites are proud to work at Kronos; 96 percent laud the company for great communication; and 95 percent of Kronites agree they have a great boss.
- In 2018, Kronos was recognized by the Great Place to Work® Institute in Greater China for the first time as one of the region's Best Companies to Work For®. The sixth-annual Best Places to Work in Greater China ranking was determined by Great Place to Work Greater China based on employee responses to the Trust Index© survey combined with insight from an extensive Culture Audit© review and detailed evaluation of Kronos' internal processes, procedures, and culture. Together, the employee feedback and workplace culture assessments conducted by Great Place to Work Greater China aim to map organizations to five trust-building dimensions of what makes a great place to work: credibility, respect, fairness, pride, and camaraderie. Kronos was one of only 33 companies in Mainland China, Hong Kong, and Taiwan to make the list.



4. Submit a bio for each of the below personnel:

a. The person your company proposes to serve as the National Account Manager;

Brian Coopman

Brian Coopman is the Director of Contracts and Procurement for Kronos, Incorporated and Kronos SaaS, Inc. Mr. Coopman oversees all purchasing vehicles, reseller agreements, state contracts; and provides training and consulting to sales staff on best practices in all matters of public administration and public policy.

Mr. Coopman has over 15 years experience in the public sector. In 2004 he joined the City of Davenport, IA and was instrumental in several technological and organizational improvements. In 2013 he joined Cartegraph Systems and was responsible for public sector software implementation, consultation, and sales. Mr. Coopman joined Kronos in 2018 with the primary purpose of becoming the US Communities National Account Manager.

Mr. Coopman holds a Masters degree in Public Administration from Drake University and a Bachelors degree in Business Administration from Saint Ambrose University.

b. Each person that will have primary responsibility for U.S. Communities account management; and

Jennifer (Jen) Dowd


Jennifer (Jen) Dowd is the Sr. Manager, Public Sector Marketing at Kronos contributing to the strategy and continued growth of the Public Sector vertical. With close to 20 years of working with both the Government and Education markets, Jen has seen first-hand the struggles and triumphs these industries have faced over the past couple of decades in relation to their workforce.

Jen has a passion for the role the Government and Education workforce plays in our everyday lives. She can be credited with engaging leading government and education groups, publishers, and thought-leaders to put more focus on labor efficiency. The direct impact all levels of the workforce have on citizen and student outcomes is often overlooked. With the help of various media outlets, she has worked with customers to share stories, best practices, and thoughts on topics of interest to both Government and Education leaders.

Linda Misegadis

Linda is a passionate, extensively experienced and goal-oriented public sector subject matter expert and former Payroll Director with over twenty years' experience in both the private and public sector. Linda is a Certified Payroll Professional, Certified Public Manager and Certified Change Manager. She leads a team of subject matter expert in state and local government, K-12 and Higher Education. Linda is also responsible for the management of contracts and procurement, as well as, managing the lobbyists relationships.





Linda has proven expertise in driving efficiency and productivity through the evaluation of Payroll, Human Resources and Workforce Management solutions. She is an effective change agent with a proven track record of facilitating change management initiatives both small and large scale.

Linda comes to Kronos after previously working at the City and County of Denver where she served as the Director of Citywide Payroll Operations and Administration. She successfully transitioned the City and County of Denver from a completely manual, paper based time management system to a state-of-art Kronos solution for all 13,000 city employees.

Linda is a member of the American Payroll Association. Linda also serves on the volunteer board for the Association of Change Management Professionals, is a member of the Diversity Council and serves as a volunteer for several other organizations.

Kristen James

Kristen James is the Field Operations Manager for Public Sector at Kronos and is responsible for managing the quote to order process and reporting.

c. Key executive personnel that will be supporting the program.

Patrick Bennett

Patrick Bennett is the VP of Public Sector Sales with Kronos Incorporated. He has a Bachelor of Science degree in Marketing from Lipscomb University in Nashville, TN. He began his career with Kronos in 1993 and has held various sales, management, and leadership roles and responsibilities in Louisville, KY, Indianapolis, IN, Dallas, TX, and Nashville, TN where he now resides. He has successfully built, rebuilt, and led sales teams to over achievement and success throughout his career while working with Fortune 500 companies, large Healthcare organizations, Public Sector agencies, and Higher Ed institutions across the country.

He has been married to Cynthia Duke Bennett for 25 years, and they have two boys, Brooks who is twenty-one and Nathan who is eighteen.

Patrick has served on the board of Youthreach International (Atlanta, GA) and Encouragement Ministries (Nashville, TN) and currently serves on the board of The Well Coffeehouse in Nashville, TN. He enjoys most sports but is particularly fond of Indiana Hoosier basketball, Indianapolis Colts football, and Nashville Predator hockey. He also enjoys running, reading, and spending time with his family. Patrick and his family are active in their church and have taken four different mission trips to Russia and Belarus.



Products, Services and Solutions

1. Provide a description of the products, services and systems to be provided by major product category set forth in Section One of the RFP. The primary objective is for each Supplier to provide its complete offering so that Participating Public Agencies may purchase a range of products and services as appropriate for their needs.

Offeror shall provide a complete workforce management system (WMS) that will support a Participating Public Agency's goal of improving productivity, controlling labor costs, and more efficiently managing employee workforce. We are seeking a workforce management system that includes the functionality of time and attendance and clocking systems, scheduling and staffing, and a real-time labor management tool.

Kronos Products, Services and Solutions Overview

KRONOS WORKFORCE MANAGEMENT SOLUTIONS ARE CONFIGURED NOT CUSTOMIZED

Customers recognize this approach as one of the primary benefits in partnering with Kronos. The technology built into Kronos solutions offers configuration options designed to accommodate the most challenging workforce management scenarios. This provides each of our customers with security, stability, and the power to rely on a workforce management solution that is dependable, easily to upgrade, and cost effective.

Among the primary reasons Kronos does not customize its products is the increased risk that accompanies customization. In addition, the cost and complexity of upgrading increases exponentially in a customized environment. Finally, customization undermines the best practices built into the software. Reliance on customization is often a symptom of bigger problems, including a solution's mismatch with a company's requirements or a lack of project controls during implementation.

With Kronos, customers rely on a proven solution that is 100% configurable. The advantages of a configurable solution lie in the ability for customers to have the power and control over their workforce management solution. Having this security is a contributing factor on why organizations look to Kronos for a workforce management partner.

Kronos Incorporated is proposing the following product suites and solutions:

- **Workforce Dimensions Product Suite**
- **Workforce Ready Product Suite**
- **Payroll Services**
- **Workforce Central Product Suite**
- **Workforce TeleStaff**
- **Kronos InTouch**



Workforce Dimensions

WORKFORCE DIMENSIONS REPRESENTS THE NEXT GENERATION OF WORKFORCE TECHNOLOGY

The automation of critical workforce processes such as timekeeping, scheduling, and leave management is still at the core of the most effective workforce management solutions. But to be future-ready, a new solution needs to leverage the latest smart technologies. Based on our long history of delivering workforce innovation, Workforce Dimensions™ represents the next generation of workforce technology. Every dimension — the underlying architecture, user experience, functionality, integration, data access, delivery, and support — is designed to help you optimize your most valuable resource: your people. Please see the following datasheet in the **Additional Information – Workforce Dimensions Specific Attachments** section of this proposal:

- **Workforce Dimensions Solution Guide** *“Built from the ground up to manage the workforce of the future today”*

WORKFORCE DIMENSIONS SOLUTION OVERVIEW

Supported by our decades of domain knowledge and powered by our industry-first Kronos D5™ platform, Workforce Dimensions provides a breakthrough employee experience and an unprecedented level of operational insight into your workforce management practices, allowing you to:

- **Work your way to empower and engage your workforce** — from any place on any device: Introducing the industry’s first fully responsive UI.
 - The first workforce management solution to incorporate a fully responsive UI, Workforce Dimensions provides the same engaging user experience across phones, tablets, and desktops – allowing employees and managers unprecedented control over how they want to consume information.
 - Users can create their own personalized experience with the information that is most critical to their roles.
 - One-click actions make common workflows simple, including submitting and approving time-off requests, timecard approvals, shift-swaps, and the handling of exceptions.
 - Collaborative Self-scheduling empowers employees to express where, when, and how much they want to work and the redesigned schedule optimization engines will generate an ideal schedule taking schedule fairness, work-life balance, and employee engagement to a whole new level.
- **Work smarter by streamlining workforce management practices and providing insights for delivering better business outcomes:** Transforming the role of the frontline managers through AI and advanced machine learning.
 - Another industry first, a personal digital consultant, Workforce Advisor, uses AI and advanced machine learning to automate daily, time-consuming decisions, dramatically increasing the time managers spend on more strategic initiatives.



- Proactive Compliance continually projects up-to-the-minute timekeeping data into the future, identifying and alerting managers to potential compliance risks hours and even days before an issue surfaces. As a predictive solution, it gives managers – for the very first time – the opportunity to prevent issues from happening, saving time, cost, and mitigating risk.
 - Advanced forecasting powered with AI and machine learning improves volume forecast accuracy by as much as 25 percent, resulting in higher quality schedules. Not only does this dramatically reduce operating costs from less over- and under-scheduling, but more accurate schedules drive revenue through improved productivity and customer service.
 - Real-time, embedded analytics – including over 150 pre-configured key performance indicators – for the first time give frontline managers the analytical tools they need to optimize workforce operations and deliver strategic labor insights to their organizations.
- **Work in a modern cloud that leverages new technologies and works seamlessly with your existing systems:** Delivering the industry’s first workforce management cloud platform designed specifically to meet the challenges of today’s global enterprises
 - Workforce Dimensions will integrate with Microsoft Outlook and Microsoft Teams to simplify daily tasks. Outlook integration makes it quick and easy for managers to respond to employee requests directly via actionable email messages and the Teams chat bot integration will support voice requests, allowing users to access work information, such as their schedule, simply by speaking.
 - Google Calendar integration allows users to download and share work schedules, while integration with Google Sheets makes it simple to export and share reports with colleagues.
 - Workforce Dimensions is built on the Kronos D5 platform, an innovative cloud architecture designed from the ground up to handle the massive real-time computational challenges of processing global enterprise workforce management data in real-time.
 - The Kronos D5 platform features an open API platform for easy integrations and extensions; a foundational artificial intelligence engine which enables predictive and intelligent solutions; lightning fast in-memory computing with the ability to process large volumes of data in seconds; a domain model with flexible and adaptable rules that manage suite interactions; and a unified information architecture that eliminates the need for data warehousing and simplifies access to analytics for all users.
 - Kronos has leveraged partnerships with leading technology providers such as Google and Microsoft to use the Kronos D5 platform to develop product extensions to Workforce Dimensions:
 - Kronos is also working collaboratively with leading global human capital management providers Oracle, SAP, and others on pre-built connectors to their applications. These connectors will give organizations access to existing integrations to shorten implementation cycles and move data seamlessly between the applications.



- The Kronos D5 platform powers Workforce Dimensions using Google Cloud Platform, leveraging Google Cloud’s substantial investments in global infrastructure, security, and ongoing innovation.

Combining more than 40 years of global domain expertise with the latest in cloud computing technology and refined by thousands of ongoing CAB strategy discussions, prototype development, and onsite customer testing, Kronos redefined the future of workforce management with Workforce Dimensions. Every facet of the platform, from a breakthrough user interface (UI) to its embedded artificial intelligence (AI) and machine learning algorithms, has been re-imagined to help organizations drive better business outcomes.

EVERY DIMENSION IS DESIGNED TO HELP YOU OPTIMIZE YOUR MOST VALUABLE RESOURCE

Kronos has a long history of delivering workforce innovations that help organizations manage technological change and shape their future of work, making us uniquely qualified to envision next-generation solutions that leverage new dimensions in work. And it is this vision on which Workforce Dimensions is built. Whether your goals are to increase productivity, improve compliance, control labor costs, or achieve better business outcomes through engaged employees, you can rely on Kronos more than any other vendor to help manage your workforce. And with Workforce Dimensions, you now have the technology tools you need — built on the vast power of evolving technologies — to manage your workforce of the future today.

Workforce Dimensions products are built to optimize your most valuable resource. Workforce Dimensions is a complete workforce technology suite for hourly and salaried employees. Based on our long history of delivering workforce innovation, Workforce Dimensions™ represents the next generation of workforce management. Every dimension — the underlying architecture, user experience, functionality, integration, data access, delivery, and support — is designed to help you optimize your most valuable resource: your people. With Workforce Dimensions, you now have the technology tools you need — built on the vast power of evolving technologies — to manage your workforce of the future today.

Provided below is a complete listing of Workforce Dimensions offerings:

WORKFORCE DIMENSIONS TIMEKEEPING

Workforce Dimensions Timekeeping easily tracks and manages employee time and attendance data. Using manual or disparate systems to manage employee time and attendance can make it difficult to manage labor expenses or gain visibility into costly trends and activities. By reducing or eliminating time-consuming manual administrative processes, Workforce Dimensions Timekeeping reduces costly payroll errors and overtime, improves workforce productivity, and frees your payroll staff to focus on higher-level activities.

- **Easy to use:** Offer employees intuitive features and a consumer-grade user experience
- **Automatic recommendations:** Help managers determine which time-off requests to approve
- **Proactive compliance:** Avoid costly overtime, missed punches, and more with real-time alerts that let you act before problems occur



- **Audit-ready:** Track time and manage policies from a single automated platform to stay prepared for audits
- **Deliver the right productivity tools to the right people.** Separate hourly and salaried timecards, personalized time-entry records for recording time against projects, full mobile timecard functionality, and 508-compliant functions are just some of the ways Workforce Dimensions™ Timekeeping lets users work their way — whether they're hourly, salaried, mobile, or working from a desktop. And with Microsoft Outlook integration, users can inform both the system and their team when they're absent.
- **Improve decision making with real-time data visibility via Dataviews and reports.** Workforce Dimensions Timekeeping gives managers a way to work smarter than ever. It stores time and attendance data in a single centralized platform that drives automated workforce processes and provides quick, easy access to meaningful labor data. Through Dataviews and reports, Workforce Dimensions Timekeeping simplifies access to the information needed to solve business issues by allowing all time and attendance data to be visualized, sorted, filtered, and exported according to user preference.

Leading workforce management capabilities delivered in a modern cloud platform. Workforce Dimensions Timekeeping is built on an advanced cloud architecture specifically designed for speed and efficiency of scale. It works seamlessly across all digital touchpoints — all while reducing the burden on internal IT resources. Automatic software updates provide continuous access to the latest product features and innovation.

Please see the following datasheets in the ***Additional Information – Workforce Dimensions Specific Attachments*** section of this proposal:

- **[Workforce Dimensions Hourly Timekeeping Datasheet](#)**
- **[Workforce Dimensions Salaried Timekeeping Datasheet](#)**

WORKFORCE DIMENSIONS SCHEDULING

Workforce Dimensions Scheduler enforces scheduling rules and policies — automatically and consistently — to help you avoid employee grievances, litigation, and fines. Workforce Dimensions makes it easy to build accurate schedules that align staff coverage to anticipated demand. That way, you can minimize the wasteful over-staffing, reliance on contract workers, and overtime pay that can send labor costs soaring. Automated alerts notify you when schedules exceed budget limits so you can make appropriate adjustments to keep labor costs in check.

Please see the following datasheet in the ***Additional Information – Workforce Dimensions Specific Attachments*** section of this proposal:

- **[Workforce Dimensions Scheduling Datasheet](#)**



WORKFORCE DIMENSIONS ABSENCE MANAGEMENT

Workforce Dimensions™ Absence Management helps you easily manage sick time, vacation time, leave, and more with complete reporting capabilities. Employees and managers alike can begin leave cases with just a few clicks. It also provides employees with efficient ways to view and manage their absences and accruals. Absence Management provide proactive compliance through automated tracking and alerts. Workforce Dimensions Absence Management integrates tightly with timekeeping and scheduling functions to give managers such features as setting time-off thresholds to prevent too many employees from taking the same day off. This type of automation and integration helps managers enforce rules more consistently and control the cost, risk, and productivity issues associated with absenteeism. The cost and productivity losses associated with employee absenteeism can seriously affect your bottom line and put your organization at risk for noncompliance. Workforce Dimensions™ Absence Management helps you easily manage sick time, vacation time, leave, and more with full visibility, all in one convenient automated platform.

- Easy data access for better absence management.
 - **Unprecedented flexibility to work your way** – Streamlined processes such as employee self-service help users be more engaged and productive. Employees and managers alike can begin leave cases, automatically inform their teams about upcoming absences, and even submit time-off requests in one click. Workforce Dimensions Absence Management provides employees with easy ways to view and manage their absences and accruals without having to spend precious time in the system.
 - **Deep visibility into attendance and leave data for stronger compliance** – Workforce Dimensions lets you work smarter by helping you identify absence trends to prevent problems before they occur. Workforce Dimensions Absence Management integrates more tightly with timekeeping and scheduling functions to give managers such features as setting time-off thresholds to prevent too many employees from taking the same day off. This type of automation and integration helps managers enforce rules more consistently and control the cost, risk, and productivity issues associated with absenteeism.
 - **Automated absence management on any device helps maintain productivity** – Working in the modern cloud helps managers better understand the effects of absenteeism in real time. They can do more than ever on a mobile device such as attaching documents and editing leave cases — and always on the platform’s latest release. Managers can freely monitor and enforce absenteeism policies, while employees are given the freedom and context they need to plan ahead.
- **Automation makes better employee absence management a reality.** Employee absence is often unpredictable but Workforce Dimensions Absence Management can give you the insight you need to lower costs, maintain productivity, and avoid the risk of noncompliance with labor laws and regulations.
 - **Generate documents automatically** – Customizable disciplinary action letter and FMLA-related medical certification form templates
 - **Get alerts** – Action items such as time-off requests, policy violations, and potential FMLA cases can be flagged
 - **Determine eligibility** – Automatically determine eligibility for sick time, vacation, and FMLA cases



- **Manage proactively** – Identify workers with attendance issues to improve productivity and prevent burnout of those filling in.

Please see the following datasheet in the ***Additional Information – Workforce Dimensions Specific Attachments*** section of this proposal:

- **Workforce Dimensions Absence Management Datasheet**

WORKFORCE DIMENSIONS ANALYTICS

Turn information into insight in seconds with embedded analytics. Through the Kronos D5™ platform, Workforce Dimensions™ lets you access all your data and offers powerful tools for real-time visualization and reporting. Dataviews in Workforce Dimensions provide managers with real-time access to all operational data. They can be sorted, filtered, and grouped at any level of detail. Charts and graphs can be easily created to visualize the data, drilled down into to further analyze issues, and even exported for inclusion as tiles on your home screen or in reports. Workforce Dimensions reports are interactive and include conditional formatting to highlight where issues and opportunities exist. An intuitive reporting engine lets you easily build or modify standard reports. Real-time KPIs provide threshold alerts for such issues as overtime, hours worked, and labor costs. KPIs, targets, and thresholds can be easily viewed, filtered, and measured in a Dataview and visualized as an actionable chart from the home screen. With more than 125 KPIs delivered out of the box, Workforce Dimensions alerts you to existing problems and their drivers. And packaged data-science solutions leverage machine learning to address key workforce challenges such as overtime and turnover.

- **Embedded analytics streamlines data interactions.** Gaining timely access to workforce information that provides valuable business insights can be difficult when legacy systems restrict access to data and its reporting. Through the Kronos D5™ platform, Workforce Dimensions™ lets you access all your data and offers powerful tools for real-time visualization and reporting.
- The insight you need — when you need it.
 - **Dataviews** – Dataviews in Workforce Dimensions provide managers with real-time access to all operational data. Displayed in a familiar Excel-like format, Dataviews can be sorted, filtered, and grouped at any level of detail. Charts and graphs can be easily created to visualize the data, drilled down into to further analyze issues, and even exported for inclusion as tiles on your home screen or in reports.
 - **Actionable insights** – Workforce Dimensions delivers actionable insights to managers via interactive reports that include conditional formatting to highlight where issues and opportunities exist. Ad-hoc reporting capabilities simplify data access and analysis for business users. And right out of the box, an intuitive reporting engine lets you easily build or modify standard reports.
 - **Real-time KPIs** – Real-time KPIs help managers, HR leaders, and business analysts gain insight into their organization’s performance against business goals and objectives. They provide threshold alerts for such issues as overtime, hours worked, and labor costs. KPIs, targets, and thresholds can be easily viewed, filtered, and measured in a Dataview and visualized as an actionable chart from the home screen. And the KPI Builder lets you modify existing KPIs or create new ones.



- **Embedded analytics** – Now embedded analytics are available to all users, not just business analysts. Real-time KPIs and proactive recommendations empower managers and reduce the need for expert analysis. With more than 125 KPIs delivered out of the box, Workforce Dimensions alerts you to existing problems and their drivers. And packaged data-science solutions leverage machine learning to address key workforce challenges such as overtime and turnover.
- **Unprecedented business insight made possible by industry-first technology.** When your existing systems can't provide the data access and reporting capabilities you need for deeper business insights and better business outcomes, Workforce Dimensions delivers.
 - **Control labor costs** – Dataviews provide real-time access to operational data and data-science solutions help address key workforce challenges
 - **Minimize compliance risk** – Easily identify the source of problems — and build in business-critical KPIs using the KPI Builder
 - **Improve workforce productivity** – Ad-hoc reporting capabilities simplify data access and Dataview drilldowns make analysis easy

Please see the following datasheets in the ***Additional Information – Workforce Dimensions Specific Attachments*** section of this proposal:

- **[Workforce Dimensions and Analytic.li Datasheet](#)**

WORKFORCE DIMENSIONS HR

Kronos Workforce Dimensions HR, a module in the integrated, cloud-based Kronos Workforce Dimensions suite, provides a single system for all employee records and HR functions — from recruiting, onboarding, and training to benefits, performance, and compensation. This easy-to-own solution provides the complete automation and high-quality information you need to help control labor costs, minimize compliance risk, and improve workforce productivity.

A single, end-to-end HR solution, Workforce Dimensions HR eliminates error-prone duplicate data entry and consistency issues that can occur across multiple systems. It provides standard and custom fields to cover the full range of HR requirements — from pre-hire to separation — so you can store and track all employee data in one location. Role-based web and mobile self-service enables employees and managers to view and update information at their convenience. Automation of hiring, onboarding, benefits, performance, compensation, and training processes — using configurable workflows — eases HR's administrative burden, supports compliance, and drives results. And real-time access to HR data improves decision making for more effective workforce management.

Please see the following datasheets in the ***Additional Information – Workforce Dimensions Specific Attachments*** section of this proposal:

- **[Workforce Dimensions HR Datasheet](#)**



WORKFORCE DIMENSIONS PAYROLL

Using the automated Workforce Dimensions Payroll solution, you can streamline payroll processing to increase productivity, improve payroll accuracy, and gain greater control of your payroll process—in house and on your schedule. When you move payroll processing to Workforce Dimensions Payroll, you will see numerous benefits:

- Access up-to-the-minute payroll information and real-time reporting to analyze payroll activity and see trends
- Easily determine pay for regular and overtime hours to better manage labor costs
- Deliver accurate paychecks to employees every pay period
- Empower employees with online self-service tools and mobile access to their payroll information
- Manage complex payroll requirements with ease and ensure accuracy of employee withholdings

Please see the following datasheets in the ***Additional Information – Workforce Dimensions Specific Attachments*** section of this proposal:

- **Workforce Dimensions Payroll Datasheet**

WORKFORCE DIMENSIONS PAYROLL SERVICES

Workforce Dimensions™ Payroll Services provides the answer with all the right tools to help you achieve accurate and timely income tax filing — and make your compliance worries a thing of the past. Seamless integration with Workforce Dimensions provides complete solutions for all your tax filing challenges.

- **Simplify payroll tax filing to achieve peace of mind.** Workforce Dimensions Payroll Services seamlessly integrates with Workforce Dimensions Payroll to provide your team with quarterly updates from thousands of local, state, and federal codes — to help you better manage compliance across your entire organization, and across multiple tax types and jurisdictions. Avoid computation and filing errors with tools that help you factor in requirements for multi-state withholdings, taxing and reciprocity, and taxation wage accumulation.
- **Simplify and streamline garnishment processes.** Save time and money while complying with all of the different garnishment rules and processes by streamlining the processing of third-party payments — such as child support, creditor garnishments, and tax levies. Workforce Dimensions uses the data in Workforce Dimensions Payroll to automatically make accurate payments based on calculated withholding amounts, so each payment is accurate and reaches its destination on time.
- **Reduce printing and distribution costs while also saving time.** The payroll distribution stage can be costly and is an often-overlooked process. With Workforce Dimensions Payroll and Workforce Dimensions Payroll Services seamlessly working together, you can reduce the labor-intensive work of printing and distributing checks, vouchers for direct deposits, and year-end tax forms such as 1099s and W-2s. You can even opt into using paycards to offload this task while also increasing payment security.
- **Gain greater control of your taxes.** Prefer controlling the filing of your own payroll taxes? No problem. The reputable Business Software, Inc. (BSI) partners with Kronos to deliver its cloud-



based payroll tax management solution ComplianceFactory™ SaaS — an on-demand payroll tax filing, deposit, and W-2 solution. We also partner with MasterTax™ to help customers schedule, pay, balance, and file payroll taxes.

- **Proven solutions and tested tools, all supported by professionals with extensive experience.** Kronos provides Workforce Dimensions users with reliable and proven solutions to perform tax filing, processing of garnishments, and distribution of payroll checks and related documentation.
 - **Gain more control over costs.** Impact your bottom line by reducing the high costs associated with payroll staffing
 - **Minimize compliance risk.** Reduce payroll tax compliance risk and potential penalties with automated and accurate processing
 - **Increase productivity and efficiencies.** Relieve the burden on your accounting and IT resources to increase productivity across your organization

Please see the following datasheets in the ***Additional Information – Workforce Dimensions Specific Attachments*** section of this proposal:

- **Workforce Dimensions Payroll Services Datasheet**

WORKFORCE DIMENSIONS TALENT ACQUISITION

With Workforce Dimensions Talent Acquisition, you can source, track and evaluate quality talent. With this comprehensive solution, applicants can be filtered by location, job skill or other criteria, while your current workforce turnover can be evaluated, too, to help build a high-performing workforce efficiently and cost effectively. Talent Acquisition provides a positive applicant experience by making it easy to search jobs and apply online. Key benefits for recruiters include:

- **Streamlined processes.** Automate recruiting processes to eliminate paper and drive efficiency
- **Premium job board integration.** Post job listings to your career website and 8,000+ free job boards
- **Better hiring decisions.** Focus on best-fit candidates by asking pre-screening questions

Please see the following datasheets in the ***Additional Information – Workforce Dimensions Specific Attachments*** section of this proposal:


- **Workforce Dimensions Talent Acquisition Datasheet**

WORKFORCE DIMENSIONS COMPENSATION MANAGEMENT

Standard base compensation tracking and job history tools are available with Workforce Dimensions. This standard tool offers effective dating for rate changes and labor distribution based on job allocations.

In addition to the standard tool, Kronos also offers a Workforce Dimensions Compensation Management tool, an add-on module to Workforce Dimensions HR that automates and streamlines the





entire compensation management process — from defining programs and guidelines through budgeting and modeling to routing proposals for approval. Seamless integration with Workforce Dimensions HR significantly reduces error-prone data entry, provides ready access to employee profiles and performance history, and helps improve data consistency. With Workforce Dimensions Compensation Management, you have robust decision-making tools at your fingertips and better visibility into all phases of the compensation planning process. The results? Reduced administrative burdens. Improved corporate governance. More equitable distribution of rewards. And greater control over your compensation spend.

You have the ability to set up compensation cycles with remarkable speed and ease. Simply define the program type, enter the start and end dates, assign a cycle manager, and specify the employee type to be included, such as hourly, salaried, seasonal, or executive. The application supports annual, non annual, cycle-based, and off-cycle merit- and promotion-based salary increases. For optimal flexibility, you can even define program eligibility and manage plans that cross multiple business units.

Looking to factor employee performance into the compensation planning process? The built-in Merit Matrix tool makes it simple to award pay increases based on the correlation between an employee's performance rating and pay grade. So, you can effectively tie compensation back to achievement of individual contributions and accomplishments to support pay-for-performance. Individual employee information, including status, pay grade, location, and shift, is visible throughout the process, so you know you're working with current, accurate data.

Please see the following datasheets in the ***Additional Information – Workforce Dimensions Specific Attachments*** section of this proposal:


- **Workforce Dimensions Compensation Management Datasheet**

WORKFORCE DIMENSIONS ACA MANAGER

With the Employer Shared Responsibility provisions of the Affordable Care Act (ACA) now in effect, your organization faces new and formidable challenges. But when it comes to effective ACA administration, spreadsheets, home-grown reports, and manual calculations will do little to simplify a highly complex process with potentially significant financial consequences. That's why you need integrated workforce management tools that help automate your compliance efforts, while providing the on-demand status visibility required to help minimize ACA compliance risk.

Kronos Dimensions® ACA Manager enables you to proactively manage your ACA compliance strategy — no matter how complex — across the entire workforce. Fully integrated with the cloud-based Workforce Dimensions suite, this add-on module helps you automate ACA strategy enforcement, provides real-time visibility into regular and variable-hour employee status, and enables closed loop process administration across time and labor management, payroll, and human resources (HR). Plus, Workforce Dimensions ACA Manager includes powerful reporting capabilities to help you meet Internal Revenue Service (IRS) compliance requirements. Workforce Dimensions ACA Manager automates ACA strategy enforcement to help minimize your compliance risk. A configurable rules engine triggers alerts based on established ACA requirements and organization-specific strategies and policies. Receive compliance alerts when an employee's status changes to full-time or part-time, when an employee is approaching benefits eligibility, and when an employee has scheduled hours that would





put him or her over the eligibility threshold. Additional rules can help you enforce schedules and maintain your preferred full-time/part-time employee mix.

- Built-in and customizable reports help you monitor employees' ACA status to support effective ACA strategy execution and ongoing compliance. Workforce Dimensions tracks all the monthly data you need — across timekeeping, payroll, and HR/benefits administration — to meet annual reporting obligations under Internal Revenue Code section 6056. Workforce Dimensions ACA Manager includes IRS Forms 1094-C and 1095-C and automatically fills in the required information, making preparation and filing fast and easy.

Please see the following datasheets in the ***Additional Information – Workforce Dimensions Specific Attachments*** section of this proposal:

- **Workforce Dimensions ACA Manager Datasheet**



Workforce Ready

Workforce Ready is an alternative SaaS approach to workforce management that is designed for smaller organizations with less complex needs.

Kronos Workforce Ready is a full-suite human capital management (HCM) cloud solution delivering end-to-end employee lifecycle management for the entire workforce. Its comprehensive tool set integrates HR, time and attendance, payroll, scheduling, and more for managing and nurturing an organization's most valuable asset, from pre-hire to retire — giving managers single-source access to real-time employee data for driving productivity, increasing employee engagement, and making more informed business decisions. Advantages include:

- **One integrated solution — a single source of truth:** Integrate HR, time and attendance, payroll, and more to create a single employee record that's updated in real time — allowing your people to make more informed business decisions in the moment.
- **A superior user experience:** Fast-track new user adoption with a universal interface across all modules, and mobile capabilities that allow anytime, anywhere access to help minimize training and boost efficiency and satisfaction.
- **Easy, affordable cloud-based delivery:** With cloud delivery you avoid installation and maintenance headaches and enjoy frequent software upgrades sooner, all while allowing your IT staff to focus on core business initiatives.

Our Workforce Ready products help you manage your entire workforce — from pre-hire to retire. Workforce Ready offers:

WORKFORCE READY TIME KEEPING

Workforce Ready Time Keeping addresses all your time and attendance requirements — from timecard management and labor cost tracking to employee scheduling and absence management. The solution simplifies routine tasks such as approving timesheets, correcting exceptions, responding to time off requests, and managing schedules, using configurable built-in workflows. Real-time visibility makes it easy to manage exceptions, enforce work and pay rules, and update schedules for ongoing compliance and cost control. And robust reporting provides real-time insight to drive more informed decision making and help you optimize your labor spend.

Please see the following datasheets in the ***Additional Information – Workforce Ready Specific Attachments*** section of this proposal:

- **Workforce Ready Solution Guide** *“A complete solution for creating and engaging a diverse workforce”*

WORKFORCE READY ACCRUALS

The Workforce Ready Accruals module allows you to track and manage the benefit time your employees have accrued and used. Workforce Ready can handle multiple types of time-off accounts (e.g., vacation, sick, and personal days) and Benefit Accrual profiles, when applied to a user account, determine the rate at which the user will accrue benefit time. This profile allows accrual of time-off hours based on an employee's tenure or hours worked and additional associated settings, waiting



period, carryover settings, tenure changes, rounding, maximum running balance, and entitled time and accrual schedules.

Please see the following datasheets in the **Additional Information – Workforce Ready Specific Attachments** section of this proposal:

- **Workforce Ready Solution Guide** “A complete solution for creating and engaging a diverse workforce”

WORKFORCE READY SCHEDULER

Kronos Workforce Ready Scheduler automatically generates best-fit schedules based on organization-specific requirements to help control labor costs, minimize compliance risk, improve productivity, and drive employee engagement. With easy-to-use tools, automated workflows, a powerful constraints engine, and real-time visibility into the workforce, this solution enables managers and supervisors to spend less time building and managing schedules and more time focusing on strategic priorities.

Please see the following datasheets in the **Additional Information – Workforce Ready Specific Attachments** section of this proposal:

- **Workforce Ready Solution Guide** “A complete solution for creating and engaging a diverse workforce”

WORKFORCE READY LEAVE MANAGER

Unplanned absences, such as those caused by sickness or weather, can have an impact on daily operations. However, managing employee leave of absence requirements and intermittent leave can ultimately require more administration and have a more significant cost impact on your bottom line. Automated leave management increases visibility and productivity while minimizing compliance risk.

Please see the following datasheets in the **Additional Information – Workforce Ready Specific Attachments** section of this proposal:

- **Workforce Ready Solution Guide** “A complete solution for creating and engaging a diverse workforce”

WORKFORCE READY HR

Kronos Workforce Ready HR provides a single system for all employee records and HR functions — from recruiting, onboarding, and training to benefits, performance, and compensation. A single, end-to-end solution, Kronos Workforce Ready HR eliminates duplicate data entry and inconsistency that can occur across multiple systems. Self-service enables users to view and update data easily. Automated, configurable workflows ease HR’s administrative burden. And real-time access to data improves decision making for compliance and more effective workforce management.

Please see the following datasheets in the **Additional Information – Workforce Ready Specific Attachments** section of this proposal:



- **Workforce Ready Solution Guide** *“A complete solution for creating and engaging a diverse workforce”*

WORKFORCE READY TALENT ACQUISITION

Kronos Workforce Ready Talent Acquisition helps your organization source, track, and evaluate quality talent so you can build an engaged, high-performing workforce more efficiently and cost effectively. This powerful solution automates and streamlines recruiting and hiring processes to support a paperless human capital management (HCM) environment. It provides a positive candidate experience that makes it easy for candidates to provide information, search for jobs, and apply online. And because the solution is part of the single, unified Workforce Ready HCM platform, applicant information flows seamlessly into the employee record upon hire for reduced administrative effort and a single source of truth.

Please see the following datasheets in the ***Additional Information – Workforce Ready Specific Attachments*** section of this proposal:

- **Workforce Ready Solution Guide** *“A complete solution for creating and engaging a diverse workforce”*

WORKFORCE READY PERFORMANCE MANAGEMENT

Performance Management provides the features needed to develop, retain, and reward top talent. Organizations have the ability to configure unlimited performance reviews that can contain review profiles, competencies, core values, goals, and ratings. Define organization, department, or job-specific performance review forms; automate the performance review cycle to reflect your established processes; set up automatic alerts and reminders to keep form completion, feedback, and approvals on track; and track skills and certifications with customizable reports to show who needs training and when they need it. The system supports the organization's specific cycles – organizations are not limited to annual reviews, but can have more frequent check-ins, like mid-year reviews, if needed.

Please see the following datasheets in the ***Additional Information – Workforce Ready Specific Attachments*** section of this proposal:

- **Workforce Ready Solution Guide** *“A complete solution for creating and engaging a diverse workforce”*

WORKFORCE READY COMPENSATION MANAGEMENT

Compensation Management automates and streamlines the entire compensation management process — from defining programs and guidelines through budgeting and modeling to routing proposals for approval. Seamless integration with Workforce Ready HR significantly reduces error-prone data entry, provides ready access to employee profiles and performance history, and helps improve data consistency. With Workforce Ready Compensation Management, you have robust decision-making tools at your fingertips and better visibility into all phases of the compensation planning process. The results? Reduced administrative burdens. Improved corporate governance. More equitable distribution of rewards. And greater control over your compensation spend.



Please see the following datasheets in the **Additional Information – Workforce Ready Specific Attachments** section of this proposal:

- **Workforce Ready Solution Guide** *“A complete solution for creating and engaging a diverse workforce”*

WORKFORCE READY PAYROLL

Kronos Workforce Ready Payroll makes it simple to determine pay for regular or overtime hours. It supports any number of scenarios — shift differentials, order of importance, location, and more. Greater control helps you run an accurate payroll — the first time. Complete all payroll processes in-house or outsource tax filing, check printing, and garnishment processing.

Please see the following datasheets in the **Additional Information – Workforce Ready Specific Attachments** section of this proposal:

- **Workforce Ready Solution Guide** *“A complete solution for creating and engaging a diverse workforce”*

WORKFORCE READY ACA MANAGER

With Kronos Workforce Ready ACA Manager, you can proactively manage ACA compliance across your entire workforce. Get complete automation and high-quality information for driving cost-effective labor decisions and minimizing ACA compliance risk.

WORKFORCE READY ATTESTATION

Kronos Workforce Ready Attestation makes it easy for employees to review and attest to time worked and certify that they have taken mandated meal and rest breaks. The solution integrates seamlessly with Workforce Ready Time Keeping to deliver customizable prompts at the data collection source and capture employee attestation responses in real time. It also allows managers to monitor employees’ attestation status, run reports to identify trends, and better manage ongoing compliance.

Please see the following datasheets in the **Additional Information – Workforce Ready Specific Attachments** section of this proposal:

- **Workforce Ready Solution Guide** *“A complete solution for creating and engaging a diverse workforce”*

WORKFORCE READY MOBILE

Kronos Workforce Ready for Mobile solution is for small and midsize businesses with remote employees and mobile managers who want immediate, instant avenues to their workforce management solution.





MARKETPLACE

The Kronos Workforce Ready Marketplace is a portal that allows you to leverage pre-integrated solutions available from Kronos and third-party vendors — right from the Workforce Ready user interface. Similar to a mobile app store, the Marketplace is your one-stop shop for applications and services, including compensation reports, background checks, employment eligibility verification, and more, that extend the power and functionality of Workforce Ready to help you achieve even more effective workforce management.

Please see the following datasheets in the ***Additional Information – Workforce Ready Specific Attachments*** section of this proposal:

- **Workforce Ready Marketplace**



Payroll Services

Kronos Payroll Services complement the Workforce Dimensions and Workforce Ready Payroll solutions with services such as tax filing, garnishment processing, and distribution of checks — while providing the ease and convenience of working with a single vendor. These proven services* draw on experienced professionals, tested software tools, and information from the Workforce Dimensions or Workforce Ready Payroll applications to deliver simplicity, security, and seamless integration. As a result, your organization is able to increase payroll efficiencies, reduce operating expenses, minimize tax reporting administration, and free staff resources to focus on strategic priorities.* Kronos Payroll Services complement the Workforce Dimensions and Workforce Ready Payroll modules for an end-to-end payroll solution. Post-processing payroll services, such as payroll fulfillment, initiation of wire transfer, money movement, remittance of tax funds, W-2 printing, and garnishment disbursement, are delivered by Kronos Payroll Services as part of the Workforce Dimensions and Workforce Ready Payroll solutions. Kronos Workforce Ready and Kronos Payroll Services are provided by and contracted with Kronos SaaS, Inc., a wholly owned subsidiary of Kronos Incorporated.

OUTSOURCE YOUR TEDIOUS AND COMPLEX POST-PAYROLL PROCESSING TASKS TO KRONOS

You've decided to process payroll in house for greater flexibility and control. It makes good sense given that internal HR and payroll staff do most of the work — from preparing, validating, and maintaining data to fixing errors to meeting compliance requirements — even when payroll processing is outsourced. Plus, an in-house solution gives you easy access to payroll data for inquiries and reporting, which saves valuable time and effort.

But even if you process payroll in house, you may still benefit from outsourcing some of the more tedious and complex payroll-related tasks, such as tax filing, garnishment processing, and check printing, especially if your organization has locations in multiple states. In fact, more and more organizations are choosing this option. A recent American Payroll Association (APA) survey showed that 92 percent of respondents outsource tax filing and 71 percent outsource check printing.*

Kronos Payroll Services complement the Kronos Payroll solution with services such as tax filing, garnishment processing, and distribution of checks — while providing the ease and convenience of working with a single vendor. These proven services draw on experienced professionals, tested software tools, and information from the Kronos Payroll application to deliver simplicity, security, and seamless integration. As a result, your organization is able to increase payroll efficiencies, reduce operating expenses, minimize tax reporting administration, and free staff resources to focus on strategic priorities.

TAX FILING WITHOUT ALL THE HEADACHES AND RISK

Tax compliance is the single most difficult and expensive task associated with payroll, especially for organizations operating in multiple states and localities. In addition to preparing and filing taxes, you need to keep up with constantly changing tax laws and regulations. After all, failure to do all this — and do it right — puts your organization at risk for potential penalties.

Kronos Payroll Services provide peace of mind that your payroll taxes will be filed and paid on time — every time — to minimize compliance risk. Leveraging professional expertise and proven technology, our solution provides a seamless extension of the Kronos Payroll module. Once you've processed payroll in house, you can take advantage of our services* to:



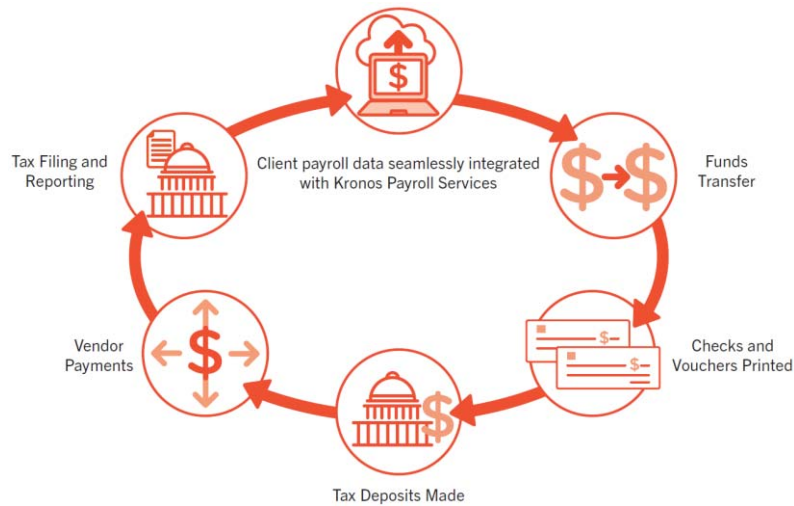
- Make deposits against all tax liabilities
- File all monthly, quarterly, and annual tax returns via e-file or paper
- Balance quarter-to-date and year-to-date deposits against liabilities to help ensure payment accuracy
- Deliver reconciliation summaries and copies of all filed returns
- Generate and file all amended returns

TIMELY, ACCURATE WAGE GARNISHMENT PAYMENTS

Processing employee garnishments, such as child support, tax levies, and creditor garnishments, can be a time-consuming administrative drain on your already overworked payroll staff. Kronos Payroll Services can streamline the process to save time and reduce administrative efforts. The garnishment processing service uses the information entered by the client and calculated in the Kronos Payroll application and automatically makes payments based on the amounts being withheld, so each payment reaches its destination on time.

HASSLE-FREE EMPLOYEE DIRECT DEPOSITS AND CHECK PRINTING


No matter how your employees prefer to be paid — by direct deposit or physical check — Kronos Payroll Services have you covered. Thanks to seamless integration with the Kronos Payroll application, our services automatically transfer payments into employee bank accounts. Plus, the solution can handle the labor-intensive work of printing and distributing checks, direct deposit vouchers, and year-end tax forms such as W-2s and 1099s — saving your organization time and money.



KEY BENEFITS:

- ENJOY the ease and convenience of a single solution for payroll software and services
- MINIMIZE payroll tax reporting administration
- INCREASE productivity by freeing staff resources to focus on other projects
- GAIN the advantages of simplicity, security, and seamless data integration



- 
- CHOOSE only the outsourced postpayroll processing services you need:
 - Check printing
 - Employee direct deposit
 - Tax filing/deposits
 - Garnishment disbursement
 - Vendor payments

**American Payroll Association, APA Payroll Trendline Survey (commissioned by Kronos), 2014, at 7.*



Workforce Central

The Workforce Central suite provides you with unmatched functionality, streamlined workflow technology, and an easy-to-use, intuitive interface that can be tailored to the needs of each user. But the real power of the Workforce Central suite lies in its closely integrated system of human resources, payroll, scheduling, and time and labor applications. The Workforce Central suite's ability to share employee-centric information - profile information, labor data, accrual balances, pay codes, and more - across all its applications saves time, eliminates many hassles, and provides superior consistency and accuracy of information for better decision making.

For example, human resources and payroll staff need only enter information once to feed every application in the system, saving time and reducing costly errors. Employees and managers can move quickly and easily between the applications, which are equipped to facilitate cross-functional processes from beginning to end and IT departments benefit from having one vendor to manage implementation and support. Simply put, the integrated Workforce Central suite delivers everything an enterprise needs to boost employee performance and become more competitive.

Kronos Workforce Central is a complete workforce management product suite offering multiple payment and deployment options. Customers can choose to purchase perpetual licenses with the application installed on-premise or hosted in the Kronos Private Cloud, or they can choose a SaaS option hosted in the Kronos Private Cloud. Kronos supports Workforce Central installation on physical or virtual servers. If you select a Kronos-hosted option, Kronos Cloud Services will provide all necessary servers required to operate Workforce Central.

Please see the following datasheets in the ***Additional Information – Workforce Central Specific Attachments*** section of this proposal:

- **Workforce Central 8 Datasheet**

WORKFORCE CENTRAL HR

Workforce Central HR is a powerful approach to efficiently and strategically managing issues of human resources, benefits, performance and compensation. It strategically aligns the workforce to the work, engages employees and frontline managers, and ultimately optimizes your workforce. Workforce HR achieves all of this by helping your organization manage the hiring process, streamline benefits administration, alleviate regulatory compliance, conduct reviews and approval cycles, control payroll processes, and more. Key capabilities include:

- **Compensation planning:** Measure and analyze an employee's total compensation — direct and indirect. Import industry compensation data and maintain pay equity by calculating and applying geographic pay differentials and merit-based pay guidelines.
- **Performance management:** Assign and track individual goals that contribute to achieving aligned organizational objectives and then configure an automated yet flexible and confidential process for each performance review and approval cycle.
- **Automated notifications:** Send instant notifications to managers and key departments to facilitate a new hire's network access, office space, training, payroll information and more.



- **Complete benefits administration:** Determine employee program eligibility, analyze associated costs through rapid calculations, and streamline open enrollment via self-service.
- **Compliance with government regulations:** Monitor your organization's compliance over time with a wide variety of regulations efficiently.
- **Accurate payroll processing:** Ensure the consistent application of your organization's pay rules, streamline time consuming manual processes, eliminate data discrepancies, and costly payroll inflation.
- **Powerful point-in-time reporting:** Run more than 150 reports, from EEO analysis to benefits coverage, or create custom reports.
- **Employee training:** Track employees' skills, manage their participation in training programs, and help them develop professionally.
- **Essential applicant management:** Create job requisitions and capture candidate information easily, including resumes, skills, and more. Search for qualified candidates easily with automated screening capabilities, then easily transition applicants into new hires with no duplicate data entry.
- **Greater control over staffing budgets:** Manage costs while monitoring headcount by defining full-time equivalent (FTE) budgets.
- **Group edit:** Complete information edits and updates for large employee groups.
- **Employee survey tool:** Poll employees easily on workplace issues.
- **Employee and manager self-service:** Engage employees by letting them manage their own information, and supply managers with real-time information for quicker and better decision making. Integrated platform: Eliminate duplicate data entry and disparate system maintenance by running your HR and payroll systems on a single web-based platform, for lower TCO. Workforce HR and Payroll save time, eliminate costs, and increase your organization's ability to align employees' and managers' performance with your strategic objectives.

Please see the following datasheets in the ***Additional Information – Workforce Central Specific Attachments*** section of this proposal:

- **Workforce Central HR and Payroll Datasheet**

WORKFORCE CENTRAL PAYROLL

Workforce Payroll specifically guides you through setting up earnings and deductions, so you can quickly and easily streamline your payroll. In addition, it enables you to override deductions, earnings, and withholdings during the payroll process and it simplifies quarter and year-end processing and reporting for maximum efficiency and insight. You have complete control over the entire payroll process, from source to gross. Also, you'll enjoy powerful payroll functionality without the steep learning curves and costs that usually accompany implementing a new in-house payroll system. Workforce Payroll offers the following leading features;

- Payroll calendar
- On-demand checks with and without gross-up
- Customized check formatting



- More than 50 standard reports and custom reporting capabilities
- Federal, state, and local tax support
- Auto timesheet function
- Payroll analytical tool
- Standard interface with general ledger accounting system

Please see the following datasheets in the ***Additional Information – Workforce Central Specific Attachments*** section of this proposal:

- **Workforce Central HR and Payroll Datasheet**

WORKFORCE CENTRAL SCHEDULER

Workforce Scheduler provides the tools you need to plan staff coverage - by shift, by employee, or by job description - and react with speed and effectiveness when unforeseen circumstances put productivity at risk. Workforce Scheduler allows you to configure scheduling rules that enforce critical staffing policies and monitor compliance with federal regulations and union rules. With it, you spend less time on administrative tasks and more time improving employee performance and customer satisfaction.

Please see the following datasheets in the ***Additional Information – Workforce Central Specific Attachments*** section of this proposal:

- **Workforce Central Scheduler Datasheet**

WORKFORCE CENTRAL TIMEKEEPER

Workforce Timekeeper streamlines the management, collection, and distribution of employee hours, making manual timesheets a thing of the past. Workforce Timekeeper has a robust pay rules engine that applies complex work and pay rules accurately and consistently throughout your organization. By eliminating the need to calculate this information manually, Workforce Timekeeper saves your payroll staff considerable time, and reduces the risk of costly payroll inflation errors. It also reduces unauthorized absences, and enables your managers to reduce costly overtime by effectively managing labor resources in real time.

Please see the following datasheets in the ***Additional Information – Workforce Central Specific Attachments*** section of this proposal:

- **Workforce Central Timekeeper Datasheet**

WORKFORCE CENTRAL ACTIVITIES

Workforce Activities enables real-time tracking of activity data for individual employees and teams. Workforce Activities reconciles direct and indirect labor to time paid, and enables you to compare productivity against standards. Workforce Activities also eliminates the process of manually entering job-costing data into ERP systems. Going beyond weekly or daily reporting, Workforce Activities provides up-to-the-minute information so that your managers can adjust to the shifting demands of a production environment.



Please see the following datasheets in the ***Additional Information – Workforce Central Specific Attachments*** section of this proposal:

- **Workforce Central Activities Datasheet**

WORKFORCE CENTRAL ACCRUALS

Workforce Accruals provides a tightly integrated module for controlling leave liability and complying with corporate policies or contracts. It achieves accuracy across your organization with minimal management, enabling employees and supervisors to manage leave time easily and efficiently. It has the flexibility to administer your organization's most complex leave and benefit policies and transform them into enduring practices.

Please see the following datasheets in the ***Additional Information – Workforce Central Specific Attachments*** section of this proposal:

- **Workforce Central Absence Manager Datasheet**

WORKFORCE CENTRAL LEAVE

Workforce Leave manages FMLA or standard leave policies based on your criteria. The solution provides configurable cascading leave rules that identify the order in which leave types must be used if your organization requires vacation, sick, or disability leave to be used first and/or concurrently with the federal and/or state mandated leave. These leave codes are then automatically committed to the employee's timecard and then transmitted directly to payroll, ensuring accurate pay for the employee while on leave. In addition, Workforce Leave provides automatic notifications when mandated forms are due, such as medical certification forms, return to work forms, or other types of documents and help ensure compliance with FMLA regulations.

Please see the following datasheets in the ***Additional Information – Workforce Central Specific Attachments*** section of this proposal:

- **Workforce Central Leave Datasheet**

WORKFORCE CENTRAL ANALYTICS

Workforce Analytics enables users to perform analytic queries on data derived from the Workforce Central timekeeping database. Includes dashboards, metrics and key performance indicators, visualizations, custom reports and plug-in applications to uncover and provide new insights into your workforce data.

Please see the following datasheets in the ***Additional Information – Workforce Central Specific Attachments*** section of this proposal:

- **Workforce Central HRMS Reporting**



WORKFORCE CENTRAL ATTENDANCE

Workforce Attendance improves your control over employee absenteeism and achieve better results. This powerful application automates and streamlines the administration and enforcement of your attendance policies. Workforce Attendance offers several powerful features to help you configure and manage your organization's attendance policies.

Please see the following datasheets in the ***Additional Information – Workforce Central Specific Attachments*** section of this proposal:

- **Workforce Central Attendance Datasheet**

WORKFORCE CENTRAL RECORD MANAGER

Workforce Record Manager is a comprehensive, powerful archiving application that helps you move data effortlessly from one Workforce Central database to another. It also provides the robust functionality you need to create optimum archiving processes. As a result, overall data management can be improved, which helps reduce risk and save time and money while empowering your IS department to focus on key strategic initiatives.

WORKFORCE CENTRAL INTEGRATION MANAGER

Workforce Integration Manager is a data configuration and conversion tool that allows you to quickly and reliably convert workforce management data into the appropriate format for a target application. Workforce Central adds value to analytical and decision-support applications by expanding access to labor and other key business data. WIM offers extensive data manipulation and conversion capabilities for the most complex interface requirements. You can transfer data fields, such as employee ID and total worked hours, directly from your Kronos system to a destination system. Source data, like employee names or numbers, can be concatenated or parsed to meet import requirements. If your payroll or ERP system needs data that is stored in more than one system, the WIM interface can run SQL queries to extract information from a number of individual sources.

WORKFORCE CENTRAL TALENT ACQUISITION

Workforce Talent Acquisition offers a single unified platform with powerful solutions for both high-volume hiring and salaried recruiting; combining industry-leading automation and employee selection tools with smart, friendly technology that creates an easy-to-understand user experience. You can source, screen, and select all of your best-fit candidates with speed and efficiency all from a single solution. The way hiring is meant to be. Workforce Talent Acquisition is a hosted, web-based, integrated solution for sourcing, tracking, selecting, hiring, and onboarding employees. The comprehensive Hiring Management Console (HMC) provides hiring managers and recruiters with optimized interfaces for managing both position-based and requisition-based hiring as part of one, unified hiring solution. Workforce Talent Acquisition enables hiring managers and recruiters to:

- **Manage the Candidate Experience.** Kronos sets up Candidate Experience sites to meet the needs of each application site by configuring job application workflows, branding, standard e-mail messages, and display text. Job application workflows can be configured to ensure adherence with



local recruiting and hiring laws. Hiring managers and recruiters therefore receive applications that are specific to the positions and requisitions they need to fill.

- **View all application information using a single portal.** The HMC is intuitive and requires minimal training for hiring managers and recruiters. It minimizes the number of screens that managers look at, without compromising the need for a complete, real-time picture of the hiring workflow and application status. It helps hiring managers and recruiters track applications from the time they are received through hiring, onboarding, and eventually to employee separation.
- **Make fast, consistent hiring decisions based on hiring selection tools.** Kronos has integrated with third party assessment vendors who offer applied hiring selection science for many years. The applied hiring selection science enables clients to select employees who are more likely to stay longer and perform better, resulting in measurable gains in overall workforce productivity.
- **Use configurable hiring processes for each position and requisition.** Hiring processes can be configured to reflect the unique hiring requirements for each job and application type within a geography, brand, division, or company. Numerous multi-step workflows can be built that precisely define the steps that job seekers must take. Application information and decision criteria are captured consistently and accurately, while expediting the job seeker's movement through the hiring process. Workflow branching enables complex workflows to be built and run based on decision points throughout the hiring process.
- **Use background and drug checks from third-party vendors.** Background and drug checks from industry-leading screening vendors can be fully integrated with Workforce Talent Acquisition. The checks are run as part of the hiring process and the results are provided to hiring managers in the HMC.
- **Onboard employees.** Onboarding modules collect information from employees after they have been hired using an automated process, electronic forms, and electronic signatures. This electronic process eliminates paper forms and ensures that employees sign all required forms before they start work. Onboarding modules provide a positive hiring experience for candidates, and can save clients both time and money at this final step of the hiring process.
- **Exchange data seamlessly with other enterprise software systems.** Data from workforce management and human resource applications can be imported into Workforce Talent Acquisition to automatically update employee, job, and location information. Information from Workforce Talent Acquisition can be exported to notify workforce management and human resource systems about new employees.
- **Optimize sourcing efficiency.** Workforce Talent Acquisition provides a set of sourcing management tools (for example, position and requisition configuration tools) and portals, which help clients to:
 - Create a positive, predictable experience for job seekers
 - Increase access to open positions and requisitions, and thereby widen the talent pool.
 - Maintain a healthy flow of qualified job applications
 - Optimize recruiting spend and strategy
 - Candidate Experience - The Candidate Experience supports multiple, easy-to-use application channels. Job seekers can apply to multiple jobs, in multiple locations, in a



single application session. Job seekers can easily post resumes, view realistic job preview videos, and use social networking to share job information with friends or to learn more about the organization that they are applying to. The Candidate Experience builds allegiance to the client's organization from the start.

- Reporting Capabilities - Hiring managers have access to many reports that can help them understand the effectiveness of the hiring processes and where the most qualified job seekers have been coming from. Report access is controlled by roles and permissions assigned to each HMC user. Corporate Web Reports are run from an analytics server and Requisition Reports are run from the Kronos Reporting Center.

WORKFORCE CENTRAL TALENT ACQUISITION EXPRESS

Workforce Talent Acquisition Express offers the performance and reliability of our world-class enterprise solution, with a much lower ownership cost and faster implementation. That's because Express is right-sized and comes preconfigured specifically for the needs of your business. You have the luxury of being able to start hiring quickly — and then add optional features at your own pace, with your unique budgetary parameters in mind.

- Workforce Talent Acquisition Express delivers an industry-leading solution for hourly hiring that includes a friendly user interface, role-based dashboards, reporting for every level, and much more.
- Express helps foster a positive candidate experience by creating easy-to-use career sites that convey your organization's brand. Customizable emails, templates, and messages allow you tailor communications to your unique needs and the needs of your candidates.
- Best-practice tools allow you to screen applicants with standard, minimum-qualification criteria, such as work eligibility or willingness to submit to a drug test.
- Express offers a user-friendly experience with its Hiring Management Console, including
- Role-based dashboards configured for field and corporate managers
- Candidate grids with detailed application information
- A searchable database of applicants that can be shared across multiple locations in your organization
- Employee onboarding can be done quickly and efficiently, because Express allows you to
- Generate pre-populated new-hire paperwork and store forms electronically for easy retrieval
- Improve efficiency by providing electronic signature capability
- Hiring reporting and analytics give you visibility across many dimensions, and help you report at every level — local, regional, and corporate — so you can
- Improve hiring effectiveness
- Make smarter hiring decisions at every site
- Gain insights into sourcing, compliance, and turnover





Please see the following datasheets in the ***Additional Information – Workforce Central Specific Attachments*** section of this proposal:

- **Workforce Central – Talent Acquisition Express Datasheet**





Workforce Central Data Collection and Self Service

WORKFORCE CENTRAL EMPLOYEE

Workforce Employee is the intuitive, browser-based interface your employees use when entering time and labor data and accessing human resources and payroll information and processes. It allows them to view hours worked, approve timecards, or enter shift preferences and availability. Employees also use Workforce Employee to view work schedules and current and projected leave balances. Beyond time and labor, employees use Workforce Employee to view payroll information, such as earnings history and tax withholding, and make changes to payroll preferences like direct deposit. Workforce Employee provides convenient Web access to a breadth of human resources information as well, including available training, job openings, and benefits enrollment. Employees can use Workforce Employee to make changes to personal information, enroll in benefits or training programs, or simply to answer questions. It empowers employees with information and tools to do their jobs more efficiently and more effectively. And it enables them to manage their own human resources and payroll information, which lessens the administrative burden on human resources and payroll staff as well as managers.

WORKFORCE CENTRAL MANAGER

Workforce Manager adds key capabilities designed to empower your managers. Workforce Manager streamlines routine time and labor tasks, such as approving timecards or leave requests, and enabling managers to create, maintain, and edit schedules in real time. It also facilitates common human resources functions, including hiring and performance reviews. Workforce Manager enables management by exception, a significant time saver in that it alerts managers to the issues that require immediate attention, such as an employee approaching the overtime threshold. Workforce Manager provides managers with rich visibility into their staff, including skills, experience, and completed training, all of which is essential to helping them optimize the workforce: placing the right employees with the right skills in the right place at the right time, every time.

WORKFORCE CENTRAL TELETIME

Workforce TeleTime leverages the convenience and accessibility of the telephone to collect time and labor information from employees on the move. Workforce TeleTime provides a solution for these employees and managers, whether they telecommute, work in multiple facilities, travel frequently, or just don't have access to a data collection terminal or the Web. These employees can use this interactive touchtone application for a range of time and labor transactions.





WORKFORCE CENTRAL MOBILE

The Kronos Workforce Mobile solution gives you a mobile connection to your Workforce Central system. This means your workforce can complete common administrative tasks right on their mobile devices. This on-the-go access means your workforce is able to instantly engage, make effective decisions, take action, and move on. It's mobile workforce management. And it will fundamentally change the way your workforce interacts and connects with your organization.

Please see the following datasheets in the ***Additional Information – Workforce Central Specific Attachments*** section of this proposal:

- **Workforce Central Mobile Datasheet**

WORKFORCE CENTRAL MOBILE MANAGER

All Workforce Mobile Manager functionality allows managers to quickly and easily sort large lists of employees using hyperfinds and period definitions. With Workforce Mobile Manager, managers can:

- Set alerts for instant engagement for issues that require the manager's attention including: Timecard exceptions/approvals and time-off requests.
- Define workflows for Common workforce management tasks optimized for mobile devices including: managing basic timecard exceptions, manage time card approvals, and manage time-off requests.

WORKFORCE CENTRAL MOBILE EMPLOYEE

Engaging mobile employees when they are in the field, as well as an alternative self-service method for on-site employees. With Workforce Mobile Employee, employees can:

- Punch from phone w/GPS
- Approve my timecard
- Request time off
- View my timecard
- View my schedule
- View accruals
- Labor level transfer
- Job transfer
- Define work rule
- MobileViews



Workforce TeleStaff

The Kronos Workforce TeleStaff scheduling solution will provide you with the tools to completely address your public safety scheduling and communication needs. The technology and innovation behind Workforce TeleStaff will allow your organization to eliminate time trying to schedule and communicate to staff as well as manage routine workforce tasks, while increasing capacity for strategic and tactical management of mission critical operations. Since 1997, Workforce TeleStaff has been synonymous with automated employee scheduling and communications for the Public Sector. It was a first-to-market solution truly redefining the way public safety operations manage staffing by merging telephony and scheduling capabilities into one system to solve scheduling and communication problems plaguing operations. Designed to eliminate paper-based, manual and error-prone staffing processes inherent to public safety, Workforce TeleStaff is able to automate workforce management processes – allowing command staff, officers, first responders, and other critical resources to divert their attention to their mission critical work at hand as opposed to time-consuming and routine scheduling-related tasks.

- Workforce TeleStaff is a 100% web application. It can be viewed on any HTML5 browser, and because of responsive design, it will conform to the device being used – smartphone, tablet, computer.
- Workforce TeleStaff is a Kronos product. It has bi-directional communication Kronos Workforce Timekeeper and Workforce Ready.

For additional information, please see the following datasheets in the **Additional Information – Workforce Central and Workforce TeleStaff Specific Attachments** section of this proposal:


- **Workforce TeleStaff Fire-Rescue and EMS Solution Guide**
- **Workforce TeleStaff Law Enforcement Solution Guide**

WORKFORCE AUTOMATION

With Workforce TeleStaff, telephony technology is designed into the system and is tightly integrated to seamlessly communicate scheduling information employees. Workforce TeleStaff's telephony governs inbound and outbound communications by touch tone phone, Smartphone, text, e-mail, pager or fax. Additionally, the designed-in telephony works in tandem with the rules-processing scheduling engine developed using US-patented technology created by the Workforce TeleStaff Solutions Group (TSG). This technology combination is a distinct capability that sets Workforce TeleStaff apart from other vendor offerings. The rules-processing engine is able to reduce hundreds of potential candidates to an accurate list of qualified staff members ordered correctly for each position under consideration. Workforce TeleStaff not only automatically generates the list of potential candidates (while providing documentation for those that it disqualified), but it then uses additional rules to fairly order the list, using common and more complex sorting criterion. While many products offer basic seniority or last worked options, Workforce TeleStaff provides four tie-breaking sorting levels with hundreds of options at each level.

The solution's ability to intelligently order lists down to the singular correct staff member from a potential staff member pool of hundreds is a special capability and only unique to the Workforce TeleStaff solution.





Once a list is ordered, the telephony functionality can then execute automatically – without human intervention. As soon as the outbound has been initiated, WFTS runs the rules and procedures, builds a list of qualified employees, and begins sending out, in order, working opportunities to the employees. Every time an employee logs in to WFTS over the Internet, workstation, or telephone, or when they answer a WFTS call, they are prompted to identify themselves through a secure password so that they can accept or deny the work offer. The employee can accept, reject or skip the opportunity. If the employee rejects, WFTS records the date and time the assignment was rejected and moves on to the next employee to contact. The scheduler can monitor and audit this process from the Roster while moving on to other tasks. When an employee accepts the opportunity, WFTS automatically places their name into the vacancy on the roster.

In order to be truly automated, the telephony must call the proper person which means the solution must be able to process complex rules and make an intelligent staffing decision correctly – for every vacancy. Workforce TeleStaff is able to accomplish this because from the onset of the product design, telephony and the rules-engine has been a core design consideration and has evolved over 20 years of product enhancements and adaptability. Product offerings that are unable to automate complex rules and decision making do not offer a benefit with a telephony feature. If a product cannot reduce a list of candidates down to one person then it cannot possibly make unattended phone calls to fill positions.


COMPLIANCE

Collective Bargaining Agreements are common throughout the Public Health and Safety industry. Workforce TeleStaff is designed to recognize unique collective bargaining rules by back filling positions based upon mandated requirements and restrictions. Whether utilizing sorting criteria of hours worked, seniority, or number of opportunities for overtime, Workforce TeleStaff will automatically filter through an abundant amount of sorting criteria to find the most fair and qualified personnel to comply with these rules and regulations. After Workforce TeleStaff determines the most appropriate listing of candidates, contact is then automatically made over the Internet, telephone or intranet, notifying staff members and then updating all aspects of the system, including employee personal scheduling calendars and rosters.

WORKFORCE TELESTAFF: THE MOST RELIABLE SCHEDULING SOLUTION FOR PUBLIC SAFETY.

- **Fairer and more accurate personnel scheduling.** With the automated tools of Kronos Workforce TeleStaff, you can prebuild schedules and rosters. Track employee certifications and qualifications. Automatically relay scheduling communications. You can even support different business and union rules for various departments — and know that staffing decisions are always validated against rules.
- **Automatic, rules-based assignment of overtime.** Overtime positions are automatically assigned based on rules you configure. Employees are notified in entitlement order, and all employee overtime activity is tracked for auditing purposes.
- **Integrated communication.** Scheduling and communication functionality is integrated in Workforce TeleStaff, which eliminates manual phone calls and expedites scheduling. The right employees are contacted in the right order, and all communications are automatically documented.
- **Better emergency response.** Workforce TeleStaff finds and contacts employees by phone, text, email, and inter/intranet for quick scheduling and deployment. Vacant positions are automatically





backfilled. And command post scheduling can be done via the web. Workforce TeleStaff also tracks hours related to emergency response and prepopulates its built-in FEMA reporting module.

- **Optimize scheduling, communications, and deployment of your public safety personnel.** Workforce TeleStaff is the time-tested, proven automated scheduling solution that public safety organizations around the country rely on. Part of the Kronos Workforce Central® suite, our comprehensive workforce management platform, Workforce TeleStaff optimizes the scheduling, communications, and deployment of public safety personnel and other critical resources.
- **Control labor costs.** Allocate overtime fairly, create schedules based on demand and employee preferences, and reduce overstaffing
- **Minimize compliance risk.** Uses your unique scheduling rules and adheres to labor laws and union rules
- **Improve productivity.** Automated position, shift, and vacation bidding frees supervisors' time and improves employee satisfaction
- **Open lines of communication.** Lets you locate, notify, and deploy the right employees for each situation



Kronos InTouch

The Kronos InTouch provides an unrivaled user experience that reshapes the way employees interact with your workforce management system; all through a simple touchscreen time clock.

- **Designed for an intuitive user experience.** Simple and intuitive, the Kronos InTouch® is durable, reliable, and easily customizable. And with its straightforward user interface, it provides a fast self-service view into any employee's work-related information. And with a large 7" touchscreen with wVGA and full color LCD, it delivers a superior user experience and fast user adoption. Plus, full video streaming capabilities give employees the important information they need as soon as they walk through the door.
- **Unprecedented time-tracking accuracy.** Prevent buddy punching and verify employee identity with biometric identification functionality that provides unparalleled accuracy. Or, if biometric identification isn't right for your organization, the InTouch supports all major badge formats, including a new smart card reader.
- **Cloud-based technology lets you remotely monitor employee information.** Cloud-based applications demand secure devices that can be accessed at any time, from anywhere. The Kronos InTouch can meet those demands. And one of the most powerful and unique capabilities of InTouch is its ability to be monitored and controlled from a remote location. Combined with VoIP phone support, it delivers an unprecedented level of help to frontline managers and employees alike.
- **Designed with you – and your bottom line – in mind.** Complete automation and full visibility – innovative InTouch functionality translates to faster employee deployment, less wasted time, and increased productivity.
 - **Automation.** Eliminate the tedious work of manual time and attendance tracking and reduce errors.
 - **Compliance.** Minimize compliance risk by preventing employees from working outside their scheduled hours.
 - **Productivity.** Employee self-service access to scheduled hours and time-off balances frees managers for higher-level activities.
 - **Security.** Access important employee information anytime, anywhere, thanks to secure cloud-based technology.
 - **Intuitive.** Easy-to-use 7" screen, plus color-coded light indicators, provide users with a simple, streamlined experience.

For additional information, please see the following datasheets in the **Additional Information – General Kronos Attachments** section of this proposal:

- **Kronos InTouch**



2. Provide a description of any related products, services or systems offered by your company. Include any associated costs in the Cost Proposal.

Please see the **Product Information / Service Capability** and **Products, Services and Solutions** sections of this proposal for a complete review of our proposed Workforce Dimensions, Workforce Ready, Workforce Central, Workforce TeleStaff, Kronos InTouch, and Payroll Services solutions and services.

Additional **Workforce TeleStaff** Service capabilities:

- Kronos offers the industry's most comprehensive services portfolio. From small and midsize businesses to large global enterprises, Kronos can put together a services plan that makes sense for you. Implementation, business consulting, employee training and user adoption, technology support, and more — Kronos can help you every step of the way.
- When you invest in a Kronos solution, you are getting cutting-edge technology complemented by award-winning service and support. We help you get the best return on your investment and provide a lower cost of ownership over the life of your solution. And our experts are always available to help you maximize performance. Below is a description of Kronos' services with links to more information.

3. Please describe any training and educational programs you offer. This may include the ability to provide on-site or online training and educational seminars or technical knowledge.

Ongoing Training

As a Kronos customer, you will have access to the Kronos Community where you can connect with Kronos customers, partners and product experts to get help, training and share ideas. Discover the tools and resources you need to maximize your Kronos solution, and tap into the educational offerings, remote customer support, eCase management, customer forums, documentation, and more that Kronos experts support. Access to the Kronos Community includes:

- **Cases** - Creating a support case is easy in the Community when using the Cases menu button. Simply provide a case title, description, search your account name or solution ID in the field, and then submit. Once you create a case, you can also add attachments. If you have multiple cases open at once, managing them is simple when you filter by case owner, case status, or date range. And if you're a customer or a partner with multiple solution IDs, simply filter by your solution ID for quick access to the case you want.
- **Get Answers** - Questions? Community is fully searchable. The global search bar will make appropriate suggestions, helping you optimize your search term and access the best possible answer. Results include Knowledgebase articles, Documentation, Technical Advisories, Service Packs, Discussions, Answers, and more.
- **Learn** - Community offers easy access for Kronos training, thought leadership newsletters, and expert insight blogs. Community also offers access to Kronos KnowledgePass™, an educational subscription offering that provides unlimited access to tutorials, how-tos, live webinars, sandbox environments, and more. The Learn page is also your gateway to HR and Payroll Answerforce™, which provides timely, high-quality information through Wolters Kluwer.



- *Discussions* - Connect with Kronos customers, partners, and product experts in Discussion Groups that are organized by product, industry, or special interest. With hundreds of active Community members, there's always a valuable conversation to jump in on. Join product-specific Alert groups to receive emails about high-priority product issues like Service Pack releases, technical advisories, and more. And staying up to date on your industry is easier than ever when you follow industry news as it develops in industry-specific groups.
- *Ideas* - Have ideas for product or Kronos Community improvements? Kronos listens to all of our customers. Simply access the Community to add comments to ideas you want to expand on, or submit an idea of your own. Search existing Idea posts by product platform and application, and vote ideas up or down so the most popular ones rise to the top.

Workforce Dimensions, Workforce Central and Workforce TeleStaff

TRAINING

Kronos curriculum is structured by employee job role to ensure that every member of your team who interacts with the Kronos application has a clear learning path designed to develop their technical and/or non-technical knowledge in a logical progression. Our typical training package includes:

- **Instructor Led Training** - Instructor led training is delivered in a public virtual classroom or in a private onsite or virtual classroom. A learning path is developed for each user role.
 - Core Team training will help your key functional and technical users to make informed solution design, configuration decisions and provide core product knowledge
 - Application Administrator training will prepare you to perform daily and periodic system administration tasks. This training may require pre-requisite knowledge of the core solution functionality.
 - Configuration Specialist training will prepare you to support and maintain application configurations and complete configuration tasks. This training may require pre-requisite knowledge of the core solution functionality.
 - IT Specialist training will prepare you to support and maintain the database, interfaces, or other technical tasks. This training may require pre-requisite knowledge of the core solution functionality.
 - Train-the-Trainer Programs prepare your internal training team to deliver user training to Manager and Employee license users. Included in the program is an editable user guide that your internal team can tailor to your implementation. End User Training includes options such as the Train-the-Trainer Programs, Kronos Instructor-Led Training, and editable KnowledgeMap employee training kits.
- **KnowledgeMap** - KnowledgeMap is an online educational portal. It provides access to training kits, tutorials, task simulations, job aids, webinars, and additional educational documents to help your team succeed. Kronos Educational Services can be engaged to customize training curriculum to your implementation, or deliver the end user training for your organization.



Workforce Ready and Payroll Services

TRAINING

Your investment in Workforce Ready represents a major step toward more cost-effective workforce management. It can deliver measurable value only if you and your employees use it consistently and effectively, and take full advantage of all of its capabilities. With learning and performance support resources at your fingertips, you can be more productive on the job.

Workforce Ready provides users with access to My Learning (powered by Kronos KnowledgePass) with online, role-based training content and support tools that provide step-by-step training on a variety of common tasks.

- Three-minute how-to simulations: Quick and easy demonstrations of common tasks that provide effective training on skills reinforcement.
- Job aids: Handy, printable reference sheets with step-by-step instructions for performing common tasks and that supplement and support employee training to help ensure optimized system adoption.
- Sandboxes with Exercises: Available for Administrators, these tools let users practice performing tasks in a training database. Users can follow steps in the exercises document and perform specific tasks in a training database to which they have temporary access.

Accessed directly from the Workforce Ready interface, My Learning is an ideal resource for:

- On-boarding new hires without pulling other staff from their tasks
- Assisting employees who transition to management roles
- Delivering a skills refresher on a particular application or feature set
- Staying up-to-date on product enhancements
- Reducing support calls

Workforce Ready also delivers learning and performance support resources at your fingertips, so managers, employees, and administrators can be more productive on the job. Workforce Ready provides users with access to My Learning, in-product role-based training content and support tools that provide step-by-step training on a variety of common tasks. A role-based library of learning and support resources provides users with step-by-step instructions on common human capital management tasks. Users see only the resources relevant to their role or security level, such as project team, employee, department manager, and HR/payroll administrator. Tools within this library include:

- **Three-minute “how to” video simulations** that provide quick and easy demonstrations of common tasks for effective training or skills reinforcement
- **Job aids:** Handy, printable reference sheets with step-by-step instructions for performing common tasks that supplement and support employee training to help ensure optimized system adoption.



- **Instructor-Led Training:** Designed for the system administrators, delivered remotely, and focusing on various components of the WFR application, these sessions contain many scenarios (labs) for the student to take ownership of the application.

In addition to My Learning tools, scheduled and on-demand training webinars as well as online instructor-led courses ensure that employees can more easily stay up to date on product enhancements, which can not only support user adoption rates can also reduce support calls.

We also have training partners that will develop customized user training for managers and employees to meet the company's needs.

4. Please provide any consulting services included in your offering. Examples include inventory solutions, emergency preparedness programs and design services.

Kronos Community

As a Kronos customer, you will have access to the Kronos Community where you can connect with Kronos customers, partners and product experts to get help, training and share ideas. Discover the tools and resources you need to maximize your Kronos solution, and tap into the educational offerings, remote customer support, eCase management, customer forums, documentation, and more that Kronos experts support. Access to the Kronos Community includes:

- **Cases** - Creating a support case is easy in the Community when using the Cases menu button. Simply provide a case title, description, search your account name or solution ID in the field, and then submit. Once you create a case, you can also add attachments. If you have multiple cases open at once, managing them is simple when you filter by case owner, case status, or date range. And if you're a customer or a partner with multiple solution IDs, simply filter by your solution ID for quick access to the case you want.
- **Get Answers** - Questions? Community is fully searchable. The global search bar will make appropriate suggestions, helping you optimize your search term and access the best possible answer. Results include Knowledgebase articles, Documentation, Technical Advisories, Service Packs, Discussions, Answers, and more.
- **Learn** - Community offers easy access for Kronos training, thought leadership newsletters, and expert insight blogs. Community also offers access to Kronos KnowledgePass™, an educational subscription offering that provides unlimited access to tutorials, how-tos, live webinars, sandbox environments, and more. The Learn page is also your gateway to HR and Payroll Answerforce™, which provides timely, high-quality information through Wolters Kluwer.
- **Discussions** - Connect with Kronos customers, partners, and product experts in Discussion Groups that are organized by product, industry, or special interest. With hundreds of active Community members, there's always a valuable conversation to jump in on. Join product-specific Alert groups to receive emails about high-priority product issues like Service Pack releases, technical advisories, and more. And staying up to date on your industry is easier than ever when you follow industry news as it develops in industry-specific groups.



Ideas - Have ideas for product or Kronos Community improvements? Kronos listens to all of our customers. Simply access the Community to add comments to ideas you want to expand on, or submit an idea of your own. Search existing Idea posts by product platform and application, and vote ideas up or down so the most popular ones rise to the top.

Workforce Dimensions

- **Workforce Dimensions Service Capabilities.** Start off on the right path with a strategic plan and insights on best practices that guide you to success. Our team of expert consultants will help you achieve smart value fast with services that help you get the most from your Kronos® solution. Once you're live, we're there to make sure you unlock your solution's full value, positioning you to achieve early success and ROI. Our people, our expertise, and our time-proven processes get you up and running fast with a solution that is easily deployed and managed in the cloud
- **Workforce Dimensions Customer Success Plans.** Optimize productivity and performance with cross-functional support, comprehensive education tools, and outcome-driven customer success management. Our three Customer Success Plans offer you the flexibility to choose the success approach that best meets your unique business needs – accelerating value at every point in your customer journey and empowering you with everything you need to succeed.'
- **Workforce Dimensions Deployment Services.** Get your teams up and running fast with Kronos Paragon™ — a value-centric deployment approach that leverages iteration and expertise through our skilled consultants and the use of proprietary technologies. Paragon streamlines the deployment of your Kronos solution in the cloud and speeds your time to value, getting a working solution in your hands faster than ever before. And harness the power of data to further accelerate the time to value of your Kronos investment. Our integration services make it easy to share Workforce Dimensions data and streamline successful API integrations across your key business systems.
- **Workforce Dimensions Educational Services.** Kronos Educational Services provides individualized, role-based, just-in-time learning to prepare your core project team and increase user acceptance of your new solution. Receive the right training at the right time and maximize ROI with Kronos KnowledgeMap™ — a progress tracking, online education portal providing anytime, anywhere access to learning and performance support resources — and the opportunity to leverage personalized, instructor-led training.
- **Workforce Dimensions Support Services.** When you need assistance above and beyond what your Customer Success Plan provides, we've got you covered. Protect your Kronos Timeclocks — and your peace of mind — with Equipment Support Services or partner with a Technical Account Manager for dedicated technical support coupled with a deep understanding of your business needs.
- **Workforce Dimensions Advisory Services.** Advisory Services offers success-oriented, best practice direction to guide you through your customer journey and achieve continuous value from your solution. Count on industry experts to help drive standardization and global strategy and map a long-range plan for success. Moving to Workforce Dimensions? We're here to help with a smooth migration. Workforce Dimensions Migration Assessment is carefully designed to prepare you for a seamless transition.



Workforce Central and Workforce TeleStaff

Kronos offers the industry's most comprehensive services portfolio. From small and midsize businesses to large global enterprises, Kronos can put together a services plan that makes sense for you. Implementation, business consulting, employee training and user adoption, technology support, and more — Kronos can help you every step of the way.

When you invest in a Kronos solution, you are getting cutting-edge technology complemented by award-winning service and support. We help you get the best return on your investment and provide a lower cost of ownership over the life of your solution. And our experts are always available to help you maximize performance. Below is a description of Kronos' services with links to more information.

- **Workforce Central and Workforce TeleStaff Implementation Services:** One of the most important steps in helping you achieve rapid value from your workforce management solution is starting with a smooth implementation — to get you and your teams up and running fast! From our proprietary Kronos Paragon™ application implementation methodology, and simplified cloud deployment for fast and easy upgrades, to advanced testing options to help ensure immediate success. Our online project work space, dynamically created documentation, and accelerated testing speed your time to value. kronos.com/kronos-services/workforce-central-implementation-services
- **Workforce Central and Workforce TeleStaff Educational Services:** You've invested in a workforce management solution — and Kronos Educational Services is here to help you make the most of it. As your education partner, we provide individualized, role-based learning that supports user acceptance, delivers employee-specific training, and maximizes solution success and ROI within your organization. kronos.com/kronos-services/workforce-central-educational-services
- **Workforce Central and Workforce TeleStaff Advisory Services:** With over 40 years of workforce management expertise, we're here with best practices insight to support your workforce management journey. Count on our expertise to lead you down the best path toward efficiency and help build a strategy that will ensure you're getting continuous value from your Kronos system. kronos.com/kronos-services/workforce-central-advisory-services
- **Workforce Central and Workforce TeleStaff Support Services:** Enjoy peace of mind throughout your Kronos relationship thanks to comprehensive, award-winning customer support designed to deliver value to every facet of your organization, not just IT. Kronos Support Services provides software and equipment support online or on the phone when you need it. With a variety of support options available, you get the level of support your team needs to ensure your applications run at optimal performance. kronos.com/kronos-services/workforce-central-support-services



Workforce Ready and Payroll Services

Through the Workforce Ready Marketplace, Kronos provides access to Wolters Kluwer's HR and Payroll Answerforce. This comprehensive resource center delivers up-to-date human resources, employee benefits and compensation, employment, and regulatory information from Wolters Kluwer. It's a gold mine for HR and payroll professionals who want to work smarter and stay informed about what's happening in their field. With over 15,000 documents in the database and 8-20 new articles per day, HR and Payroll Answerforce is a power tool that delivers. The state law summaries are very detailed and comprehensive which is hard for others to mimic or equal. Also, boasting over 900 "tool" documents that include sample policies, forms, agreements, training checklists, and federal and state posters as PDF attachments, it all adds up to one amazing set of content.

For additional information, please see the following datasheet in the **Additional Information – Workforce Ready Specific Attachments** section of this proposal:

- **Workforce Ready Marketplace**

5. Are your products able to integrate with other services, such as job board integration, Work Opportunity Tax Credit services, HR and Payroll Knowledge Base, benefits carrier integration, and telephony data collection systems? If so, please provide details on the services and integration capabilities.

The Kronos Workforce Dimensions, Workforce Central, and Workforce Ready product suites can all manage this requirement.


Workforce Dimensions

The proposed solution includes a tool called Workforce Integration Hub. Workforce Integration Hub delivers fast, efficient integration services between the Kronos solution and any combination of cloud, SaaS, or on-premise third-party applications. Key benefits of Workforce Integration Hub include:

- Sharing employee data with other applications in target formats
- Keeping your HR information synchronized with your systems of record
- Achieving seamless integration across all applications
- Accelerating time to value with easy to build and deploy integrations
- Improving data integrity and consistency by quickly integrating disconnected information silos across your business
- Auto-scheduling interface processes for timely, effortless data exchange

The Workforce Integration HUB is an integrated component of the unified Workforce Dimensions HCM platform. Unlike standard APIs that simply push and pull data to and from Workforce Dimensions, the innovative toolset supports more sophisticated interfaces that extract, transform, and load data across multiple third-party systems including job boards, benefit carriers, finance programs, or ERP systems. It can be used for integrations, historical data loads, and custom connections to keep HCM and other critical business processes running smoothly and efficiently.





Any list view screen or report can be exports to several formats including Excel, CSV, PDF, XML and more.

All types of interfaces and integrations are based on experience as well as customer specific requirements defined in integration workshops that lead to specific integrations design documents worked out by specific integration teams at Kronos.

Workforce Central

The Workforce Central Suite includes Workforce Integration Manager (WIM). Workforce Integration Manager is a data configuration and conversion tool that allows you to quickly and reliably convert workforce management data into the appropriate format for a target application. Workforce Central adds value to analytical and decision-support applications by expanding access to labor and other key business data. WIM offers extensive data manipulation and conversion capabilities for the most complex interface requirements. You can transfer data fields, such as employee ID and total worked hours, directly from your Kronos system to a destination system. Source data, like employee names or numbers, can be concatenated or parsed to meet import requirements. If your payroll or ERP system needs data that is stored in more than one system, the WIM interface can run SQL queries to extract information from a number of individual sources.


Kronos Workforce Integration Manager is easy to use, easy to own, easy to manage, easy to monitor — and it fits with what you've got.

Workforce Interface Designer, included with Workforce Integration Manager, is the configuration tool used to create and modify interfaces in business language, saving time and reducing the learning curve. Users can also modify interface configurations using simple drop-down menus, without reprogramming code. WIM allows users to run interfaces and make minor modifications without entering configuration screens. Password-protected Administration mode ensures that only authorized technical users can access interface configurations.

Workforce Integration Manager brings adaptability, functionality, and power to the challenge of meeting diverse customer needs, from a single interface with payroll to integration of labor data with complex ERP systems. WIM offers native intelligence about the content and format of data in the Workforce Central system, making interface configuration and maintenance faster, easier, and more efficient. And, by eliminating the need to work with a separate interface vendor, Kronos minimizes modification costs and delays. Kronos offers turnkey services to install, configure, and maintain your interfaces for optimal performance, or you can create your own interfaces. WIM is site-configurable, enabling your staff members to access interface setup and editing functions. No longer will you have to wait for a vendor to modify interface configurations for you. Need help? We provide comprehensive services to assist you with configuration and maintenance.

Workforce Integration Manager consolidates all interfaces, eliminating the need to re-engineer programming code or manage a number of separate interfaces. You can save time by running multiple interfaces with different sources and destinations from a single WIM installation. WIM can easily convert data files into the desired format. And WIM can perform multiple conversion processes within one interface, such as calculations, parsing, concatenation, SQL queries, and translation of data elements.





Workforce Integration Manager reports help you monitor the operation of your interfaces. The Last Run summary provides information about the last interface run (for example, the number of employees processed and records created). The Last Output file lets you quickly view the last output file created from your interface. The Link Configuration report is useful for troubleshooting and offers details on interface configuration such as the name of each record in the output, its source, and the description of any relevant conversion processes.

For our proposals, Kronos understands the importance of integration. We have specified within our pricing documents WIM integrations included as part of our proposal assumptions. Real-time integrations may also be available using Workforce Central API's for an added cost upon further discovery.

Workforce Ready

The Workforce Ready Integration HUB is an integrated component of the unified Workforce Ready HCM platform. Unlike standard APIs that simply push and pull data to and from Workforce Ready, the innovative toolset supports more sophisticated interfaces that extract, transform, and load data across multiple third-party systems including other HR applications, finance programs, or ERP systems. It can be used for integrations, historical data loads, and custom connections to keep HCM and other critical business processes running smoothly and efficiently.

6. Describe your company's customer support capabilities. Include information on whether any functions of customer support are in-house or outsourced.

Customer Support Capabilities

Kronos does not use outsourced support service-contracted organizations for products designed and manufactured by Kronos. The Global Support staff consists of approximately 300 experienced service professionals that resolve 10,000 customer issues per month. The group is organized according to area of expertise and many of these support specialists are certified database and network experts. The Kronos Global Support organization is comprised of Support Engineers, Senior Support Specialists, Network Specialists, and DBAs who team to provide the highest level of support that the industry has to offer. Kronos continues to cross-train staff as needed to insure proper depth of knowledge in all product areas. In addition to our Help Desk support, Kronos employs hundreds of service consultants at the local level to support both software and data collection deployments. Kronos Global Support is a world class support organization dedicated to resolving issues quickly and reliably.

We have provided details for our support services for each product suite. In addition, Kronos offers equipment support services. For additional information, please see the following datasheet in the **Additional Information – General Kronos Attachments** section of this proposal:

- **Equipment Support Services**



Kronos Workforce Dimensions Support

Leading you along the best path to your workforce management and human capital management success is our No. 1 priority. You can count on us to go the extra mile to deliver a proactive, personal, and proven experience by providing you with the training, thought leadership, tools, and data you need to succeed.

Our three Workforce Dimensions Customer Success Plans offer you the flexibility to choose the one that best meets your unique organizational needs, and all our plans are designed to help you maximize the full value of your Kronos solution.

COMMUNITY SUCCESS PLAN

ENHANCE VALUE through a digital, self-service, community-based approach

- Support Services
 - Local Time Zone Support – 8am-8pm, M-F Support plus 2-hour response time to cases
 - 24x7 Mission Critical Support
 - Technical Account Manager (fees apply)
- Success Services
 - Kronos Community
 - Kronos Onboarding Experience
 - KnowledgeMap
 - KnowledgeMap Live (fees apply)

GUIDED SUCCESS PLAN

DRIVE SUCCESS with personalized guidance designed for your solution

- Support Services
 - Local Time Zone Support – 8am-8pm, M-F Support plus 2-hour response time to cases
 - 24x7 Mission Critical Support
- Proactive Support
 - Technical Account Manager (fees apply)
- Success Services
 - Kronos Community
 - Kronos Onboarding Experience
 - KnowledgeMap
 - KnowledgeMap Live (fees apply)
 - Named Success Manager
 - Live Check-In Meetings (quarterly)



- Personalized Success Paths
- Success Reporting (semi-annually)
 - Executive Business Reviews (annually)
 - New Feature Review and Activation*
 - Optimization Assessment (semi-annually)

SIGNATURE SUCCESS PLAN

AMPLIFY BUSINESS outcomes with access to one-on-one success planning and technical support

- Support Services
 - 24x7 Support with 1-hour response time to cases
 - 24x7 Mission Critical Support
- Proactive Support
 - Technical Account Manager
 - Integration/API Support
- Success Services
 - Kronos Community
 - Kronos Onboarding Experience
 - KnowledgeMap
 - KnowledgeMap Live
 - Named Success Manager
 - Live Check-In Meetings (monthly)
 - Personalized Success Paths
- Success Reporting (quarterly)
 - Executive Business Reviews (quarterly)
 - New Feature Review and Activation*
 - Optimization Assessment (quarterly)
 - Industry Best Practice Audit (quarterly)

*Assistance integrating new licensed and nonlicensed features under 10 hours is supported.

Kronos provides support services for all customer environments (Production and User Acceptance Testing (UAT)) running the Workforce Dimensions Applications. Upgrades to these environments are included in all Success plans. Configuration of new features may be subject to additional cost depending on complexity.

SUPPORT EXCLUSIONS

Support services do not include service to the Applications resulting from, or associated with:

1. Failure to use the Applications in accordance with Kronos' published specifications; or



2. Customer's end user computer or operating system malfunctions, including browser and internet connection; or
3. Services required for application programs or conversions from products or software not supplied by Kronos.

SERVICE COVERAGE PERIOD

Kronos provides Mission Critical support for the Workforce Dimensions Infrastructure 24 hours a day, seven days a week, 365 days a year.

Support coverage hours for the Application for use, usability and "how to" questions depend on the Success Plan purchased with the Service.

- **Community Success Plan**
 - Local Time Zone Support
 - Electronic submission w/callback Support
 - 8:00 AM – 8:00 PM Monday to Friday*

- **Guided Success Plan**
 - Local Time Zone Support
 - Phone/Electronic Support
 - 8:00 AM – 8:00 PM Monday to Friday*

- **Signature Success Plan**
 - Local Time Zone Support
 - 24 Hour Live Phone/Electronic Support 7 days per week

* Excluding Kronos holidays

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 Applications cannot be accessed, or where the Applications are experiencing major system degradation, and any other related factors resulting in the customer not being able to process their payroll, such as:
 - Cloud outage
 - Unable to sign-off Time Cards



- Totals are not accurate
- Unable to collect punches from terminals
- Unable to access a critical function within the Applications such as scheduling

- **Medium Priority**

- A serious customer issue which impacts ability to utilize the application 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
 - Application performance is inconsistent or fluctuates

- **Low Priority**

- Non-critical problem generally entailing use and usability issues or "how to" questions such as:
 - How do I set up a holiday pay rule?
 - How do I run a report?

RESPONSE TIME

Kronos' Global Support organization responds to customer support calls in an average of 90 seconds or less. The Kronos Global Support customer service center is engineered to make your service call a successful one in the fastest time possible. Callers that register with their Solution ID are automatically routed to the support group queue specific to their product. Kronos utilizes a Priority based support focus. Customers with the most critical request will be serviced in accordance with the following guidelines:

- **Community Success Plan**

- *Priority High:* A critical Customer problem such as the Software is "down" and Customer cannot utilize the Software, will have a response time of two business hours or less.
- *Priority Medium:* A serious Customer problem which impacts Customer's ability to utilize the Software effectively will have a response time of four business hours or less.
- *Priority Low:* A non-critical problem with an acceptable workaround will have a response time of eight hours or less.

- **Guided Success Plan**

- *Priority High:* A critical Customer problem such as the Software is "down" and Customer cannot utilize the Software, will have a response time of two business hours or less.



- *Priority Medium:* A serious Customer problem which impacts Customer’s ability to utilize the Software effectively will have a response time of four business hours or less.
- *Priority Low:* A non-critical problem with an acceptable workaround will have a response time of eight hours or less.

- **Signature Success Plan**

- *Priority High:* A critical Customer problem such as the Software is “down” and Customer cannot utilize the Software, will have a response time of one business hour or less.
- *Priority Medium:* A serious Customer problem which impacts Customer’s ability to utilize the Software effectively will have a response time of four business hours or less.
- *Priority Low:* A non-critical problem with an acceptable workaround will have a response time of eight hours or less.

ADDITIONAL WORKFORCE DIMENSIONS SUPPORT FEATURES

- **Critical Outages.** Kronos 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 business hours, the case may be passed to the after-hours team. On-going continuous effort may also be dependent on the customer's ability to provide a resource to work with Kronos during this period.
- **Technical Escalation.** Kronos’ case resolution process is a team based approach structured around specific features within the Application suite and staffed by Kronos 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 also integrated with the Development Engineering and Cloud Operations 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 Kronos Community at <https://community.kronos.com/s/article/ka361000000ACDuAAO/KB13193> .
- **Remote Support.** 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.



Workforce Ready Support

CUSTOMER SUPPORT CAPABILITIES

Kronos does not use outsourced support service-contracted organizations for products designed and manufactured by Kronos. The Global Support staff consists of approximately 300 experienced service professionals that resolve 10,000 customer issues per month. The group is organized according to area of expertise and many of these support specialists are certified database and network experts. The Kronos Global Support organization is comprised of Support Engineers, Senior Support Specialists, Network Specialists, and DBAs who team to provide the highest level of support that the industry has to offer. Kronos continues to cross-train staff as needed to insure proper depth of knowledge in all product areas. In addition to our Help Desk support, Kronos employs hundreds of service consultants at the local level to support both software and data collection deployments. Kronos Global Support is a world class support organization dedicated to resolving issues quickly and reliably.

Hosting support is available 24 hours a day, 7 days a week, 365 days per year.

Kronos Global Support (KGS) Workforce Ready technical Support Services provides the answers and assistance you need, complementing your existing resources and continually expanding the value you receive from your Kronos system. Support Services are available to help every area of your organization achieve optimal software and hardware productivity and peak performance for improved bottom-line results.

WORKFORCE READY STANDARD SUPPORT PLAN

The Kronos Workforce Ready Standard Support Plan offers:

- Technical support services Monday through Friday: 8:00 a.m. – 5:00 p.m. local time, excluding Kronos holidays, with access to Kronos technical support staff. There is an hourly fee for support outside of the contract times
- Web-based expertise that includes access to HR and Payroll Answerforce within Workforce Ready.
- Software Assurance that includes service releases and updates, remote support, and legislative updates.
- Access to the Kronos Community that includes KnowledgeBase, eCase Management, documentation, and customer groups.

WORKFORCE READY PLUS SUPPORT PLAN

The Kronos Workforce Ready Plus Support Plan offers:

- 24x7 technical support services
- Web-based expertise that includes access to HR and Payroll Answerforce within Workforce Ready.
- Software Assurance that includes service releases and updates, remote support, and legislative updates.



- Access to the Kronos Community that includes KnowledgeBase, eCase Management, documentation, and customer groups.
- Technical Account Manager (TAM) services*
- Proactive preventive support
- Complete issue tracking and management.

*The Workforce Ready Technical Account Manager (TAM) is a senior-level technical resource assigned directly to your account, providing technical support expertise gained through years of experience supporting Kronos products and working in the software industry. Among the services a TAM provides:

- Facilitates rapid case resolution to maximize system availability and efficient business operations
- Offers insight into support issues experienced by other Kronos customers, helping you avoid the same situation
- Your TAM gets to know you and your business so they are one step ahead of the problem-resolution process
- Serves as your Kronos advocate
- Ensures your interests and unique needs are met
- TAMs are dedicated resources for the customer, but not exclusive.


PRIORITY BASED SUPPORT

The Kronos Customer Community offers online access to web-based case logging and tracking; a comprehensive, searchable knowledge base of product information; and customer forums for customers to connect with each other, partners, and Kronos employees to collaborate and talk about using our solutions, system documentation, and technical tips. Support calls are routed through a Kronos Global Support call coordinator. The call coordinator triages the call and determines the priority based on the issue and the customer's need. Callers who register with their site ID are automatically routed to the support group queue specific to their product. Response times are determined by priority level as indicated below. The call coordinator prioritizes calls based on the following service level agreement:

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 Kronos Community



Workforce Central and Workforce TeleStaff Support

For over 40 years, the Kronos Global Support team offers a wealth of experience supporting our products, from the most fundamental to the most challenging. This experience is the basis for a model that enables us to offer a variety of support services options enabling Kronos lets you decide which features matter most to your organization and select the plan that best meets your requirements. That way, you get just the right level of support to keep your Kronos applications performing at their peak for faster return on your investment in workforce management technology.

Choose from Gold, Gold Plus, Platinum, and Platinum Plus Plans. Our four tailored service plans help protect your Kronos investment and provide peace of mind through award-winning support. Our dedicated teams help you keep your Kronos applications running smoothly and continually returning value. And information tools on our Customer Community supplement the telephone and remote support offered under each plan.

GOLD SUPPORT PLAN

Our Gold Support Plan is designed to help you stay current with product news, industry trends, and software and legislative updates. In addition, it provides access to the tools and comprehensive information you need to diagnose and resolve issues — quickly and efficiently — so you can optimize productivity and realize greater value from your Kronos investment.

With the Gold Support Plan, your organization receives:

- Software Assurance – patches, service packs, upgrades, legislative updates
- Coverage during standard business hours: 8:00a.m. - 800 p.m. local time Monday through Friday
- Unlimited case (incident) generation and management
- Case escalation, resolution, and confirmation
- Proactive emails and news messaging
- Online access via the customer portal to:
 - eCase: web-based case logging and tracking
 - Comprehensive, searchable knowledge base
 - Customer forums
 - System documentation
 - Technical tips and FAQs

PLATINUM SUPPORT PLAN

This plan provides all the services included with Gold Support, along with:

- 24/7/365 access to our most senior support engineers
- Faster response times for high-priority cases



PLUS SUPPORT PLAN

Plus Support, which can be purchased with the Gold or Platinum Support plans, delivers the added benefit of a dedicated, senior-level technical account manager (TAM) assigned to your account. Providing expertise gained through years of software industry experience, multiple technical certifications, and extensive training on Kronos products, your TAM will:

- Pretest software patches and upgrades (including legislative and compliance updates) prior to implementation
- Serve as your single point of contact for in-depth technical know-how and business domain knowledge
- Facilitate rapid case resolution to maximize system availability and boost end-user productivity
- Offer insight into support issues experienced by other Kronos customers, helping you avoid the same problems
- Advocate for your organization's interests by sharing your feedback and requests with Kronos product development
- Participate in your organization's regularly scheduled support meetings, providing feedback and sharing best practices with support staff
- Help you prepare for HR/payroll events such as open enrollment and year-end (W-2) processing

For additional information, please see the following datasheet in the **Additional Information – Workforce Central and Workforce TeleStaff Specific Attachments** section of this proposal:

- **Kronos Support Services at a Glance Technical Datasheet**

7. Describe your company's ability to assist with recommendations on the development of a disaster recovery plan for Participating Public Agencies. Include any previous experience, contingency plans, alternatives and issues related to continuing system operations in the event of an extended total system outage.

In support of Kronos' mission to be the global leader in workforce management solutions in the cloud, Kronos has implemented a disaster recovery program. Kronos' Cloud Disaster Recovery Program is designed to provide a framework for both crisis management and disaster recovery as well as enable continued exceptional service to our customers in the event of a major disruption. The Kronos Cloud Disaster Recovery Program has been developed and is maintained to ensure continued alignment with Kronos' Business Continuity Management Program that defines requirements for Kronos disaster recovery plans and crisis management strategies.

For Agency specific Disaster Recovery and Business Continuity plan development Kronos recommends engaging with 3rd party entities who specialize in broad organizational DR/BC planning. This ensures all agency functions and scenarios are considered in the development of the plan.





SIGNED ADMINISTRATION AGREEMENT



5. ADMINISTRATION AGREEMENT

This ADMINISTRATION AGREEMENT (“Agreement”) is made as of _____, by and between U.S. COMMUNITIES GOVERNMENT PURCHASING ALLIANCE (“U.S. Communities”) and _____ (“Supplier”).

RECITALS

WHEREAS, _____ (“Lead Public Agency”) has entered into a certain Master Agreement dated as of even date herewith, referenced as Agreement No. _____, by and between Lead Public Agency and Supplier (as amended from time to time in accordance with the terms thereof, the “Master Agreement”) for the purchase of _____ (the “Products and Services”);

WHEREAS, the Master Agreement provides that any state, county, city, special district, local government, school district, private K-12 school, technical or vocational school, higher education institution (including community colleges, colleges and universities, both public and private), other government agency or nonprofit organization (each a “Public Agency” and collectively, “Public Agencies”) may purchase Products and Services at the prices indicated in the Master Agreement upon prior registration with U.S. Communities, in which case the Public Agency becomes a “Participating Public Agency”;

WHEREAS, U.S. Communities has the administrative and legal capacity to administer purchases under the Master Agreement to Participating Public Agencies;

WHEREAS, U.S. Communities serves in an administrative capacity for Lead Public Agency and other lead public agencies in connection with other master agreements offered by U.S. Communities;

WHEREAS, Lead Public Agency desires U.S. Communities to proceed with administration of the Master Agreement on the same basis as other master agreements;

WHEREAS, “U.S. Communities Government Purchasing Alliance” is a trade name licensed by U.S. Communities Purchasing & Finance Agency; and

WHEREAS, U.S. Communities and Supplier desire to enter into this Agreement to make available the Master Agreement to Participating Public Agencies.

NOW, THEREFORE, in consideration of the mutual covenants contained in this Agreement, U.S. Communities and Supplier hereby agree as follows:

ARTICLE I

GENERAL TERMS AND CONDITIONS

1.1 The Master Agreement, attached hereto as Exhibit A and incorporated herein by reference as though fully set forth herein, and the terms and conditions contained therein shall apply to this Agreement except as expressly changed or modified by this Agreement.

1.2 U.S. Communities shall be afforded all of the rights, privileges and indemnifications afforded to Lead Public Agency under the Master Agreement, and such rights, privileges and indemnifications shall accrue and apply with equal effect to U.S. Communities under this Agreement

including, without limitation, Supplier's obligation to provide insurance and indemnifications to Lead Public Agency.

1.3 Supplier shall perform all duties, responsibilities and obligations required under the Master Agreement.

1.4 U.S. Communities shall perform all of its duties, responsibilities and obligations as administrator of purchases under the Master Agreement as set forth herein, and Supplier acknowledges that U.S. Communities shall act in the capacity of administrator of purchases under the Master Agreement.

1.5 With respect to any purchases made by Lead Public Agency or any Participating Public Agency pursuant to the Master Agreement, U.S. Communities (a) shall not be construed as a dealer, re-marketer, representative, partner, or agent of any type of Supplier, Lead Public Agency or such Participating Public Agency, (b) shall not be obligated, liable or responsible (i) for any orders made by Lead Public Agency, any Participating Public Agency or any employee of Lead Public Agency or a Participating Public Agency under the Master Agreement, or (ii) for any payments required to be made with respect to such order, and (c) shall not be obligated, liable or responsible for any failure by a Participating Public Agency to (i) comply with procedures or requirements of applicable law or ordinance, or (ii) obtain the due authorization and approval necessary to purchase under the Master Agreement. U.S. Communities makes no representations or guaranties with respect to any minimum purchases required to be made by Lead Public Agency, any Participating Public Agency, or any employee of Lead Public Agency or a Participating Public Agency under the Master Agreement.

ARTICLE II

TERM OF AGREEMENT

2.1 This Agreement is effective as of _____ and shall terminate upon termination of the Master Agreement or any earlier termination in accordance with the terms of this Agreement, provided, however, that the obligation to pay all amounts owed by Supplier to U.S. Communities through the termination of this Agreement and all indemnifications afforded by Supplier to U.S. Communities shall survive the term of this Agreement.

ARTICLE III

REPRESENTATIONS AND COVENANTS

3.1 U.S. Communities views the relationship with Supplier as an opportunity to provide benefits to the Lead Public Agency, Public Agencies and Supplier. The successful foundation of the relationship requires certain representations and covenants from both U.S. Communities and Supplier.

3.2 U.S. Communities' Representations and Covenants.

(a) **Marketing.** U.S. Communities shall proactively market the Master Agreement to Public Agencies using resources such as a network of major sponsors including individual regional and state-level sponsors. In addition, the U.S. Communities staff shall make best efforts to enhance Supplier's marketing efforts through meetings with Public Agencies, participation in key events and tradeshows and other marketing activity such as advertising, articles and promotional campaigns.

(b) **Training and Knowledge Management Support.** U.S. Communities shall provide support for the education, training and engagement of Supplier's sales force as provided herein. Through its staff (each, a "**Program Manager**" and collectively, the "**Program Managers**"), U.S. Communities shall, with scheduling assistance from Supplier, conduct training sessions and conduct calls jointly with Supplier to Public Agencies. U.S. Communities shall also provide Supplier with access to U.S. Communities' private intranet website which provides presentations, documents and information to assist Supplier's sales force in effectively promoting the Master Agreement.

3.3 **Supplier's Representations and Covenants.** Supplier hereby represents and covenants as follows in order to ensure that Supplier is providing the highest level of public benefit to Participating Public Agencies (such representations and covenants are sometimes referred to as "**Supplier's Commitments**") and are comprised of the Corporate Commitment, Pricing Commitment, Economy Commitment and Sales Commitment):

(a) **Corporate Commitment.**

(i) The pricing, terms and conditions of the Master Agreement shall, at all times, be Supplier's primary contractual offering of Products and Services to Public Agencies. All of Supplier's direct and indirect marketing and sales efforts to Public Agencies shall demonstrate that the Master Agreement is Supplier's primary offering and not just one of Supplier's contract options.

(ii) Supplier's sales force (including inside, direct and/or authorized dealers, distributors and representatives) shall always present the Master Agreement when marketing Products or Services to Public Agencies.

(iii) Supplier shall advise all Public Agencies that are existing customers of Supplier as to the pricing and other value offered through the Master Agreement.

(iv) Upon authorization by a Public Agency, Supplier shall transition such Public Agency to the pricing, terms and conditions of the Master Agreement.

(v) Supplier shall ensure that the U.S. Communities program and the Master Agreement are actively supported by Supplier's senior executive management.

(vi) Supplier shall provide a national/senior management level representative with the authority and responsibility to ensure that the Supplier's Commitments are maintained at all times. Supplier shall also designate a lead referral contact person who shall be responsible for receiving communications from U.S. Communities concerning new Participating Public Agency registrations and for ensuring timely follow-up by Supplier's staff to requests for contact from Participating Public Agencies. Supplier shall also provide the personnel necessary to implement and support a supplier-based internet web page dedicated to Supplier's U.S. Communities program and linked to U.S. Communities' website and shall implement and support such web page.

(vii) Supplier shall demonstrate in its procurement solicitation response and throughout the term of the Master Agreement that national/senior management fully supports the U.S. Communities program and its commitments and requirements. National/Senior management is defined as the executive(s) with companywide authority.

(viii) Where Supplier has an existing contract for Products and Services with a state, Supplier shall notify the state of the Master Agreement and transition the state to the pricing, terms and conditions of the Master Agreement upon the state's request. Regardless of whether the state decides

to transition to the Master Agreement, Supplier shall primarily offer the Master Agreement to all Public Agencies located within the state.

(b) **Pricing Commitment.**

(i) Supplier represents to U.S. Communities that the pricing offered under the Master Agreement is the lowest overall available pricing (net to purchaser) on Products and Services that it offers to Public Agencies. Supplier's pricing shall be evaluated on either an overall project basis or the Public Agency's actual usage for more frequently purchased Products and Services.

(ii) **Contracts Offering Lower Prices.** If a pre-existing contract and/or a Public Agency's unique buying pattern provide one or more Public Agencies a lower price than that offered under the Master Agreement, Supplier shall match that lower pricing under the Master Agreement and inform the eligible Public Agencies that the lower pricing is available under the Master Agreement. If an eligible Public Agency requests to be transitioned to the Master Agreement, Supplier shall do so and report the Public Agency's purchases made under the Master Agreement going forward. The price match only applies to the eligible Public Agencies. Below are three examples of Supplier's obligation to match the pricing under Supplier's contracts offering lower prices.

(A) Supplier holds a state contract with lower pricing that is available to all Public Agencies within the state. Supplier would be required to match the lower state pricing under the Master Agreement and make it available to all Public Agencies within the state.

(B) Supplier holds a regional cooperative contract with lower pricing that is available only to the ten cooperative members. Supplier would be required to match the lower cooperative pricing under the Master Agreement and make it available to the ten cooperative members.

(C) Supplier holds a contract with an individual Public Agency. The Public Agency contract does not contain any cooperative language and therefore other Public Agencies are not eligible to utilize the contract. Supplier would be required to match the lower pricing under the Master Agreement and make it available only to the individual Public Agency.

(iii) **Deviating Buying Patterns.** Occasionally U.S. Communities and Supplier may interact with a Public Agency that has a buying pattern or terms and conditions that considerably deviate from the normal Public Agency buying pattern and terms and conditions, and causes Supplier's pricing under the Master Agreement to be higher than an alternative contract held by Supplier. This could be created by a unique end-user preference or requirements. In the event that this situation occurs, Supplier may address the issue by lowering the price under the Master Agreement on the item(s) causing the large deviation for that Public Agency. Supplier would not be required to lower the price for other Public Agencies.

(iv) **Supplier's Options in Responding to a Third Party Procurement Solicitation.** While it is the objective of U.S. Communities to encourage Public Agencies to piggyback on to the Master Agreement rather than issue their own procurement solicitations, U.S. Communities recognizes that for various reasons some Public Agencies will issue their own solicitations. The following options are available to Supplier when responding to a Public Agency solicitation:

(A) Supplier may opt not to respond to the procurement solicitation. Supplier may make the Master Agreement available to the Public Agency as a comparison to its solicitation responses.

(B) Supplier may respond with the pricing, terms and conditions of the Master Agreement. If Supplier is awarded the contract, the sales would be reported as sales under the Master Agreement.

(C) If competitive conditions require pricing lower than the standard Master Agreement pricing, Supplier may submit lower pricing through the Master Agreement. If Supplier is awarded the contract, the sales would be reported as sales under the Master Agreement. Supplier would not be required to extend the lower price to other Public Agencies.

(D) Supplier may respond to the procurement solicitation with pricing that is higher (net to buyer) than the pricing offered under the Master Agreement. If awarded a contract, Supplier shall still be bound by all obligations set forth in this Section 3.3, including, without limitation, the requirement to continue to advise the awarding Public Agency of the pricing, terms and conditions of the Master Agreement.

(E) Supplier may respond to the procurement solicitation with pricing that is higher (net to buyer) than the pricing offered under the Master Agreement and if an alternative response is permitted, Supplier may offer the pricing under the Master Agreement as an alternative for consideration.

(c) **Economy Commitment.** Supplier shall demonstrate the benefits, including the pricing advantage, of the Master Agreement over alternative options, including competitive solicitation pricing and shall proactively offer the terms and pricing under the Master Agreement to Public Agencies as a more effective alternative to the cost and time associated with such alternate bids and solicitations.

(d) **Sales Commitment.** Supplier shall market the Master Agreement through Supplier's sales force or dealer network that is properly trained, engaged and committed to offering the Master Agreement as Supplier's primary offering to Public Agencies. Supplier's sales force compensation and incentives shall be greater than or equal to the compensation and incentives earned under other contracts to Public Agencies.

(i) **Supplier Sales.** Supplier shall be responsible for proactive sales of Supplier's Products and Services to Public Agencies and the timely follow-up to sales leads identified by U.S. Communities. Use of product catalogs, targeted advertising, direct mail, online marketing and other sales initiatives are encouraged. All of Supplier's sales materials targeted towards Public Agencies shall include the U.S. Communities logo. U.S. Communities hereby grants to Supplier, during the term of this Agreement, a non-exclusive, revocable, non-transferable, license to use the U.S. Communities name, trademark, and logo solely to perform its obligations under this Agreement, and for no other purpose. Any goodwill, rights, or benefits derived from Supplier's use of the U.S. Communities name, trademark, or logo shall inure to the benefit of U.S. Communities. U.S. Communities shall provide Supplier with its logo and the standards to be employed in the use of the logo. During the term of the Agreement, the Supplier shall provide U.S. Communities with its logo and the standards to be employed in the use of the logo for purposes of reproducing and using Supplier's name and logo in connection with the advertising, marketing and promotion of the Master Agreement to Public Agencies. Supplier shall assist U.S. Communities by providing camera-ready logos and by participating in related trade shows and conferences. At a minimum, Supplier's sales initiatives shall communicate that (i) the Master Agreement was competitively solicited by the Lead Public Agency, (ii) the Master Agreement provides the Supplier's

best overall pricing and value to eligible agencies, (iii) there is no cost to Participating Public Agencies, and (iv) the Master Agreement is a non-exclusive contract.

(ii) Branding and Logo Compliance. Supplier shall be responsible for complying with the U.S. Communities branding and logo standards and guidelines. Prior to use by Supplier, all U.S. Communities related marketing material must be submitted to U.S. Communities for review and approval.

(iii) Sales Force Training. Supplier shall train its national sales force on the Master Agreement and U.S. Communities program. U.S. Communities shall be available to train on a national, regional or local level and generally assist with the education of sales personnel.

(iv) Participating Public Agency Access. Supplier shall establish the following communication links to facilitate customer access and communication:

(A) A dedicated U.S. Communities internet web-based homepage that is accessible from Supplier's homepage or main menu navigation containing:

- (1) U.S. Communities standard logo;
- (2) Copy of original procurement solicitation;
- (3) Copy of Master Agreement including any amendments;
- (4) Summary of Products and Services pricing;
- (5) Electronic link to U.S. Communities' online registration page; and
- (6) Other promotional material as requested by U.S. Communities.

(B) A dedicated toll-free national hotline for inquiries regarding U.S. Communities.

(C) A dedicated email address for general inquiries in the following format: uscommunities@(name of supplier).com.

(v) Electronic Registration. Supplier shall be responsible for ensuring that each Public Agency has completed U.S. Communities' online registration process prior to processing the Public Agency's first sales order.

(vi) Supplier's Performance Review. Upon request by U.S. Communities, Supplier shall participate in a performance review meeting with U.S. Communities to evaluate Supplier's performance of the covenants set forth in this Agreement.

(vii) Supplier Content. Supplier may, from time to time, provide certain graphics, media, and other content to U.S. Communities (collectively "Supplier Content") for use on U.S. Communities websites and for general marketing and publicity purposes. During the term of the Agreement, Supplier hereby grants to U.S. Communities and its affiliates a non-exclusive, worldwide, free, transferrable, license to reproduce, modify, distribute, publically perform, publically display, and use Supplier Content in connection with U.S. Communities websites and for general marketing and publicity purposes, with the right to sublicense each and every such right. Supplier warrants that: (a) Supplier is the owner of or otherwise has the unrestricted right to grant the rights in and to Supplier Content as contemplated hereunder; and (b) the use of Supplier Content and any other materials or services provided

to U.S. Communities as contemplated hereunder will not violate, infringe, or misappropriate the intellectual property rights or other rights of any third party

3.4 Breach of Supplier's Representations and Covenants. The representations and covenants set forth in this Agreement are the foundation of the relationship between U.S. Communities and Supplier. If Supplier is found to be in violation of, or non-compliance with, one or more of the representations and covenants set forth in this Agreement, Supplier shall have ninety (90) days from the notice of default to cure such violation or non-compliance and, if Supplier fails to cure such violation or non-compliance within such notice period, it shall be deemed a cause for immediate termination of the Master Agreement at Lead Public Agency's sole discretion or this Agreement at U.S. Communities' sole discretion.

3.5 Indemnity. Supplier hereby agrees to indemnify and defend U.S. Communities, and its parent companies, subsidiaries, affiliates, shareholders, member, manager, officers, directors, employees, agents, and representatives from and against any and all claims, costs, proceedings, demands, losses, damages, and expenses (including, without limitation, reasonable attorney's fees and legal costs) of any kind or nature, arising from or relating to, any actual or alleged breach of any of Supplier's representations, warranties, or covenants in this Agreement.

ARTICLE IV

PRICING AUDITS

4.1 Supplier shall, at Supplier's sole expense, maintain an accounting of all purchases made by Lead Public Agency and Participating Public Agencies under the Master Agreement. U.S. Communities and Lead Public Agency each reserve the right to audit the accounting for a period of three (3) years from the time such purchases are made. This audit right shall survive termination of this Agreement for a period of one (1) year from the effective date of termination. U.S. Communities shall have the authority to conduct random audits of Supplier's pricing that is offered to Participating Public Agencies at U.S. Communities' sole cost and expense. Notwithstanding the foregoing, in the event that U.S. Communities is made aware of any pricing being offered to three (3) or more Participating Public Agencies that is materially inconsistent with the pricing under the Master Agreement, U.S. Communities shall have the ability to conduct a reasonable audit of Supplier's pricing at Supplier's sole cost and expense during regular business hours upon reasonable notice. U.S. Communities may conduct the audit internally or may engage a third-party auditing firm on a non-contingent basis. Supplier shall solely be responsible for the cost of the audit. In the event of an audit, the requested materials shall be provided in the format and at the location where kept in the ordinary course of business by Supplier.

ARTICLE V

FEES & REPORTING

5.1 Administrative Fees. Supplier shall pay to U.S. Communities a monthly administrative fee based upon the total sales price of all purchases shipped and billed pursuant to the Master Agreement, excluding taxes, in the amount of two percent (2%) of aggregate purchases made during each calendar month (individually and collectively, "Administrative Fees"). Supplier's annual sales shall be measured on a calendar year basis. All Administrative Fees shall be payable in U.S. Dollars and shall be made by wire to U.S. Communities, or its designee or trustee as may be directed in writing by U.S. Communities. Administrative Fees shall be due and payable within thirty (30) days of the end of each calendar month

for purchases shipped and billed during such calendar month. U.S. Communities agrees to pay to Lead Public Agency five percent (5%) of all Administrative Fees received from Supplier to help offset Lead Public Agency's costs incurred in connection with managing the Master Agreement nationally.

5.2 Sales Reports. Within thirty (30) days of the end of each calendar month, Supplier shall deliver to U.S. Communities an electronic accounting report, in the format prescribed by Exhibit B, attached hereto, summarizing all purchases made under the Master Agreement during such calendar month ("Sales Report"). All purchases indicated in the Sales Report shall be denominated in U.S. Dollars. All purchases shipped and billed pursuant to the Master Agreement for the applicable calendar month shall be included in the Sales Report. Submitted reports shall be verified by U.S. Communities against its registration database. Any data that is inconsistent with the registration database shall be changed prior to processing. U.S. Communities reserves the right upon reasonable advance notice to Supplier to change the prescribed report format to accommodate the distribution of the Administrative Fees to its program sponsors and state associations.

5.3 Exception Reporting/Sales Reports Audits. U.S. Communities or its designee may, at its sole discretion, compare Supplier's Sales Reports with Participating Public Agency records or other sales analysis performed by Participating Public Agencies, sponsors, or U.S. Communities staff. If there is a material discrepancy between the Sales Report and such records or sales analysis as determined by U.S. Communities, U.S. Communities shall notify Supplier in writing and Supplier shall have thirty (30) days from the date of such notice to resolve the discrepancy to U.S. Communities' reasonable satisfaction. Upon resolution of the discrepancy, Supplier shall remit payment to U.S. Communities' trustee within fifteen (15) calendar days. Any questions regarding an exception report should be directed to U.S. Communities in writing to reporting@uscommunities.org. If Supplier does not resolve the discrepancy to U.S. Communities' reasonable satisfaction within thirty (30) days, U.S. Communities shall have the right to engage outside services to conduct an independent audit of Supplier's reports. Supplier shall solely be responsible for the cost of the audit.

5.4 Online Reporting. Within forty-five (45) days of the end of each calendar month, U.S. Communities shall provide online reporting to Supplier containing Supplier's sales reporting for such calendar month. Supplier shall have access to various reports through the U.S. Communities intranet website. Such reports are useful in resolving reporting issues and enabling Supplier to better manage its Master Agreement.

5.5 Usage Reporting. Within thirty (30) days of the end of each contract year, Supplier shall deliver to U.S. Communities an electronic usage report of all sales under the Master Agreement, including:

- (i) Supplier's Product Number
- (ii) Product Description
- (iii) Manufacturer Name
- (iv) Manufacturer Number
- (v) Unit of Measure
- (vi) U.S. Communities Price
- (vii) Number of times ordered
- (viii) Units sold
- (ix) Sales by Manufacturer

5.6 Supplier's Failure to Provide Reports or Pay Administrative Fees. Failure to provide a Sales Report or pay Administrative Fees within the time and in the manner specified herein shall be

regarded as a material breach under this Agreement and if not cured within thirty (30) days of written notice to Supplier, shall be deemed a cause for termination of the Master Agreement at Lead Public Agency's sole discretion or this Agreement at U.S. Communities' sole discretion. All Administrative Fees not paid within thirty (30) days of the end of the previous calendar month shall bear interest at the rate of one and one-half percent (1.5%) per month until paid in full.

ARTICLE VI

MISCELLANEOUS

6.1 Entire Agreement. This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the subject matter hereof, and no other agreement, statement, or promise relating to the subject matter of this Agreement which is not contained herein shall be valid or binding.

6.2 Assignment.

(a) Supplier. Neither this Agreement nor any rights or obligations hereunder shall be assignable by Supplier without prior written consent of U.S. Communities, and any assignment without such consent shall be void.

(b) U.S. Communities. This Agreement and any rights or obligations hereunder may be assigned by U.S. Communities in U.S. Communities' sole discretion, to an existing or newly established legal entity that has the authority and capacity to perform U.S. Communities' obligations hereunder.

6.3 Notices. All reports, notices or other communications given hereunder shall be delivered by first-class mail, postage prepaid, or overnight delivery requiring signature on receipt to the addresses as set forth below. U.S. Communities may, by written notice delivered to Supplier, designate any different address to which subsequent reports, notices or other communications shall be sent.

U.S. Communities:	U.S. Communities 9711 Washingtonian Blvd. Suite 100 Gaithersburg, MD 20878-7381 Attn: Program Manager Administration
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Supplier:	_____ _____ _____ _____ Attn: U.S. Communities Program Manager
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6.4 Severability. If any provision of this Agreement shall be deemed to be, or shall in fact be, illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

6.5 Waiver. Any failure of a party to enforce, for any period of time, any of the provisions under this Agreement shall not be construed as a waiver of such provisions or of the right of said party thereafter to enforce each and every provision under this Agreement.

6.6 Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

6.7 Modifications. This Agreement may not be effectively amended, changed, modified, altered or terminated without the prior written consent of the parties hereto.

6.8 Governing Law; Arbitration. This Agreement will be governed by and interpreted in accordance with the laws of the State of California without regard to any conflict of laws principles. Any dispute, claim, or controversy arising out of or relating to this Agreement or the breach, termination, enforcement, interpretation or validity thereof, including the determination of the scope or applicability of this dispute resolution clause, shall be determined by arbitration in Walnut Creek, California, before one (1) arbitrator. The arbitration shall be administered by JAMS pursuant to its Comprehensive Arbitration Rules and Procedures. Judgment on the award may be entered in any court having jurisdiction. This clause shall not preclude parties from seeking provisional remedies in aid of arbitration from a court of appropriate jurisdiction. The prevailing party will be entitled to recover its reasonable attorneys' fees and arbitration costs from the other party. The arbitration award shall be final and binding. Each party commits that prior to commencement of arbitration proceedings, the parties shall submit the dispute to JAMS for mediation. The parties will cooperate with JAMS and with one another in selecting a mediator from JAMS panel of neutrals, and in promptly scheduling the mediation proceedings. The parties covenant that they will participate in the mediation in good faith, and that they will share equally in its costs. The mediation will be conducted by each party designating a duly authorized officer or other representative to represent the party with the authority to bind the party, and that the parties agree to exchange informally such information as is reasonably necessary and relevant to the issues being mediated. All offers, promises, conduct, and statements, whether oral or written, made in the course of the mediation by any of the parties, their agents, employees, experts, and attorneys, and by the mediator or any JAMS employees, are confidential, privileged, and inadmissible for any purpose, including impeachment, in any arbitration or other proceeding involving the parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the mediation. If the dispute is not resolved within thirty (30) days from the date of the submission of the dispute to mediation (or such later date as the parties may mutually agree in writing), the administration of the arbitration shall proceed. The mediation may continue, if the parties so agree, after the appointment of the arbitrator. Unless otherwise agreed by the parties, the mediator shall be disqualified from serving as arbitrator in the case. The pendency of a mediation shall not preclude a party from seeking provisional remedies in aid of the arbitration from a court of appropriate jurisdiction, and the parties agree not to defend against any application for provisional relief on the ground that a mediation is pending.

6.9 Successors and Assigns. This Agreement shall inure to the benefit of and shall be binding upon U.S. Communities, Supplier and any successor and assign thereto; subject, however, to the limitations contained herein.

[Remainder of Page Intentionally Left Blank – Signatures Follow]

IN WITNESS WHEREOF, U.S. Communities has caused this Agreement to be executed in its name and Supplier has caused this Agreement to be executed in its name, all as of the date first written above.

U.S. Communities:

U.S. COMMUNITIES GOVERNMENT PURCHASING ALLIANCE

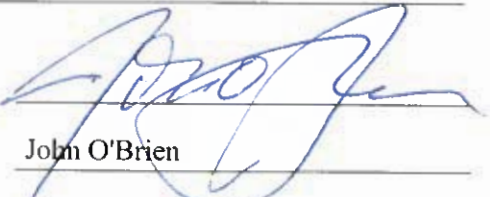
By _____

Name: Kevin Juhring

Title: President

Supplier:

Kronos Incorporated

By  _____

Name: John O'Brien

Title: Chief Revenue Officer
