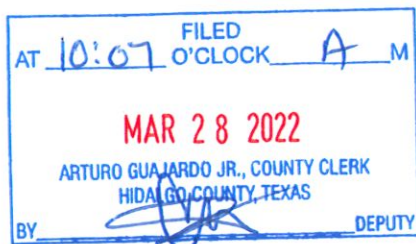


C-21-0700-03-08

**ORDER FORM**

Order Type: Quote

Date: 16 Mar, 2022

Quote#: Q-58198
 Expires: 15 Apr, 2022
 Sales Executive: Jason Coppi

Bill To Contact:

Bill To: COUNTY OF HIDALGO
 100 E CANO ST
 EDINBURG, TX 78539 USA

Ship To Contact: Daniel Salinas

Ship To: COUNTY OF HIDALGO
 100 E CANO ST
 EDINBURG, TX 78539 USA

Ship to Phone: 956.292.7010

Ship to Mobile:

Contact: Daniel Salinas

Email: daniel.salinas@co.hidalgo.tx.us

Currency: USD

Customer PO Number:

Solution ID: 6175375

Initial Term: 60 months

Billing Start Date: Upon Signature of Order Form

Shipping Terms: Destination

Ship Method: FedEx Ground

Freight Term: Prepay & Add

Renewal Term: 12 months

Payment Terms: Net 30 Days

Order Notes:

The Professional Services Engagement Overview is attached to this Order Form as a summary for the implementation services to be provided by Kronos for the Workforce Ready Setup Fees set forth on this Order Form.

The amount specified on this Order Form to be paid by Customer for its annual advance payment reflects Customer's minimum annual fees to be paid to Kronos. Additional fees may be invoiced and owed on a monthly basis if Customer's actual usage of the Applications exceeds the minimum number of employees for which Customer is making its annual advance payment.

This order entered into between the Customer and Kronos SaaS, Inc. is subject to the terms and conditions of the Master Agreement Reference #18221 dated March 18th, 2019 between the Lead Agency (acting as "Owner") and Kronos SaaS, Inc. (as the "Contractor"), as amended (collectively referred to as the "US Communities Agreement #18221").

The Attachment 1 is included with this Order Form.

Customer agrees that additional fees may be invoiced and owed if Customer incurs fees as outlined in <https://www.kronos.com/kronos-payroll-services-miscellaneous-pricing-schedule-August2019> ("Attachment 2").

The parties agree that upon release of the UKG Ready COBRA module, Customer will receive such application at no additional monthly charge. Customer will need to execute an order form subject to applicable terms for the application in order for the application to be added to customer's environment.



SaaS Services

Billing Frequency: Annual in Advance

Product Name	Quantity	Omnia Contract PEPM	PEPM	Monthly Price
UKG READY TIME	3,600	USD 6.00	USD 2.10	USD 7,560.00
UKG READY ACCRUALS MANAGER	3,600	USD 1.00	USD 0.40	USD 1,440.00
UKG READY LEAVE	3,600	USD 1.50	USD 0.60	USD 2,160.00
UKG READY ACA MANAGER	4,000	USD .50	USD 0.18	USD 720.00
UKG READY INTEGRATION HUB	1	USD 0.00	USD 0.00	USD 0.00
UKG READY SCHEDULER	1,000	USD 2.50	USD 1.00	USD 1,000.00
UKG READY HR	4,000	USD 6.00	USD 3.00	USD 12,000.00
UKG READY PAYROLL	3,600	USD 6.00	USD 3.00	USD 10,800.00
UKG READY PAYROLL SERVICES	3,600	USD 1.75	USD 1.75	USD 6,300.00
UKG READY BENEFITS	4,000	USD 3.00	USD 1.80	USD 7,200.00
Total Price				USD 49,180.00

Equipment Purchase

Billing Frequency: Invoiced Upon signature of the Order form

Item	Quantity	Omnia Contract Price	Total Price	Total Price
KRONOS INTOUCH DX,HID PROX	155	USD 4,395.00	USD 2,372.50	USD 367,737.50
TOUCH ID PLUS OPTION FOR INTOUCH DX	155	USD 1,200.00	USD 600.00	USD 93,000.00

Hardware Support

Billing Frequency: Invoiced Upon signature of the Order form

Item	Duration(Months)	Total Price
Depot Exchange Support Service	12	USD 65,100.00
Total Price		USD 65,100.00

Accessories

Billing Frequency: Invoiced Upon the Signature of the order form

Item	Quantity	Unit Price	Total Price
NORTH AMERICA POWER ADAPTER FOR EXTERNAL OUTLET, INTOUCH DX	155	USD 0.00	USD 0.00
Total Price			USD 0.00

One Time Setup Fee

Billing Frequency: Billed 100% upon signature of the order form

Item	Total Price
One Time Setup Fees	USD 275,000.00

Quote Summary

Item	Total Price
Minimum Monthly SaaS Service & Equipment Rental Fee	USD 49,180.00

Item	Total Price
Minimum Annual SaaS Service & Equipment Rental Fee	USD 590,160.00

Item	Total Price
Total Equipment Purchase and Accessories Fee	USD 460,737.50

Item	Total Price
Total Support Fee	USD 65,100.00

Item	Total Price
Total One Time Fees	USD 275,000.00



EXECUTED as of the day and year first written above.

APPROVED BY COMMISSIONERS' COURT ON March 08, 2022.

Agenda Item No. 84836

Executive Office: MS
ms

VENDOR:

Kronos SAASHR, Inc

COUNTY:

COUNTY OF HIDALGO

DocuSigned by:
Peter Cummings
792D7658015246E...

Richard F Cortez
Hon. Richard F. Cortez, County Judge

Peter Cummings

Order Processing Manager

3/25/2022

APPROVED AS TO FORM

Office of the Criminal District Attorney,
Ricardo Rodriguez, Jr.

ATTEST:

Robert Viña, III
Robert Viña, III (Mar 28, 2022 09:16 CDT)
Robert Viña III, Assistant District Attorney

Arturo Guajardo, Jr.
Arturo Guajardo, Jr., County Clerk


ATTACHMENTS:

(If Applicable)

SUPPLEMENTAL SIGNATURES:

(If Applicable)

COUNTY OF HIDALGO

Kronos SaaShr, Inc.

Signature: Richard F. Cortez

Signature: DocuSigned by:
Peter Cummings
702D7668046246E...

Name: Richard F. Cortez

Name: Peter Cummings

Title: Hidalgo County Judge

Title: Order Processing Manager

Effective Date: Mar 28, 2022

Effective Date: 3/24/2022

Invoice amount will reflect deposit received. All professional services are billed as delivered with payment due, in accordance with the Payment Term set out in this Order Form. Unless otherwise indicated above, this order is subject to the relevant Kronos Terms and Conditions executed between the parties. THIS ORDER IS SUBJECT TO APPLICABLE TAXES. THE ACTUAL TAX AMOUNT TO BE PAID BY CUSTOMER WILL BE SHOWN ON CUSTOMER'S INVOICE. Shipping and handling charges will be reflected on the final invoice. The Monthly Price on this Order Form has been rounded to two decimal places for display purposes. As many as eight decimal places may be present in the actual price. Due to the rounding calculations, the actual price may not display as expected when displayed on your Order Form. Nonetheless, the actual price on your invoice is the true and binding total for this order for purposes of amounts owed for the term. If you are tax exempt; please provide a copy of your "Tax Exempt Certificate" with your signed quote.



March 16, 2022



Professional Services Engagement Overview

Purpose and Overview of Engagement

This Professional Services Engagement Overview outlines the scope of services to be provided by Kronos for the Setup Fees indicated on the applicable Order for, to COUNTY OF HIDALGO ("Customer") related to the Core Modules, Value-add Modules, and/or Optional Services contained in the document. Our Professional Services engagements are designed to help our Customers successfully implement your Core Modules, as well as enable you to easily layer Value-add Modules and functionality over time based on your priorities, schedule, and resources.

The Ready® Professional Services engagement described herein is fixed price based and is subject to the terms and conditions governing your Ready – Software as a Service (the "Agreement"). Unless otherwise defined herein, words and expressions defined in the Agreement shall have the same meaning in this Professional Services Engagement Overview.

Your Ready SaaS Solution

COUNTY OF HIDALGO and Kronos are deploying the following Ready modules with 1 location(s), EINS and 1 collective bargaining agreement(s).

Core Modules	Employees	Deployments	Estimated Duration
UKG READY TIME	3600	1	
UKG READY ACCRUALS MANAGER	3600	1	
UKG READY SCHEDULER	1000	1	
UKG READY HR	4000	1	
UKG READY PAYROLL	3600	1	
UKG READY PAYROLL SERVICES	3600	1	
Value Add Modules	Employees	Deployments	Estimated Duration
UKG Ready ACA Manager	4000	1	15 Days
UKG Ready Leave	3600	1	30 Days

COUNTY OF HIDALGO and Kronos Collaboration

A successful Professional Services Engagement will require close collaboration between COUNTY OF HIDALGO and Kronos. The Kronos Professional Services team is equipped to help keep you on target for meeting project milestones and requirements, as well as to assist you in configuring and deploying the Ready solution that meets your organization's specific requirements. Your organization's participation and commitment to the project goals and timeline are critical to help ensure success.

The Estimated Duration stated above is an estimate based upon our experience with our customers and products. Depending upon the preparation and engagement of your organization, there may be opportunity to accelerate the completion of this engagement. However, the Estimated Duration may be exceeded based on the level of preparedness, bandwidth, and skill level of your available resources. Other examples that may extend the Estimated Duration include: separate deployments of the solution, having a unionized workforce, and policies that vary across employee groups.



Core Functionality Deliverables

Working in close collaboration, COUNTY OF HIDALGO and Kronos will deploy the following core modules and functionality in 190 estimated days from project kick-off. Any quantified deliverables listed herein are based on services deliverables and are not to be considered system constraints.

Ready Core	Kronos Delivered Value
<p>UKG Ready Time</p>	<p>UKG Ready Time deployment gets you started with the ability to accept punches and pay employees accurately through these core components:</p> <ul style="list-style-type: none"> • Total Cost Centers • Profiles <ul style="list-style-type: none"> • Timesheet • Time Off Request • Pay Calculations • Pay Prep • Security • Points • Tables <ul style="list-style-type: none"> • Rate • Holiday • Manager Levels • Employee Perspective Scorecards • Workflows <ul style="list-style-type: none"> • Time Off Requests • Timesheet Change Requests • Schedules <ul style="list-style-type: none"> • Daily Rules • Work Schedule Profiles • Pay Periods • Counters • Time Off Categories • Reports <ul style="list-style-type: none"> • 61 commonly used pre-configured reports are included in the implementation • Kronos will configure up to 5 additional custom reports using the standard functionality in the software • Timekeeping Admin Training
<p>UKG Ready Accruals Manager</p>	<p>UKG Ready Accruals Manager adds comprehensive accrual administration to UKG Ready Time by automatically enforcing your time off policies through:</p> <ul style="list-style-type: none"> • Consistent enforcement of policy • Configurable calculation methods & grants • Time-Off routing & approval workflow (requires UKG Ready Time) • Time-Off requests at data collection devices • Automatic updates to schedule & timecard (requires UKG Ready Time) • Visibility to projected balances • Automatic balance reduction (requires UKG Ready Time or UKG Ready Payroll) • View time-off calendars for groups

	<ul style="list-style-type: none"> • Mobile access • One-Time data load using customer-supplied data for current year in a standard Kronos-supplied format • Configure accruals profiles and assign to employees <p>Please note that UKG Ready Accruals Manager requires UKG Ready Time.</p>
UKG Ready HR	<p>UKG Ready HR <i>core functionality</i> deployment gets you started by establishing HR as the system of record for employees, one of the most important foundational components, through:</p> <ul style="list-style-type: none"> • Core employee demographics • Onboarding • Checklists <ul style="list-style-type: none"> • Up to 10 will be configured by the Kronos project team, however the Customer can configure as many as needed • Personnel management • Benefits administration • Open enrollment / life event • Work Flows <ul style="list-style-type: none"> • Up to 10 will be configured by the Kronos project team, however the Customer can configure as many as needed • HR documents & forms <ul style="list-style-type: none"> • Up to 10 custom forms will be configured by the Kronos project team, however the Customer can configure as many as needed • Incident tracking • Certification / Credential • Asset management • Compliance reporting • Standard reporting • One-Time data load using customer-supplied data for current year in a standard Kronos-supplied format • Interface bundle using customer supplied data in standard file formats • HR Admin Training
UKG Ready Payroll	<p>UKG Ready Payroll deployment gets you started with the end-to-end payroll process with the ability to calculate gross-to-net, pay employees, make adjustments and export data needed for tax filing (if using a provider other than UKG Ready Payroll Services) through:</p> <ul style="list-style-type: none"> • Pay Period Profiles • Up to two Parallel Payroll Tests • Company Tax Setup (Jurisdictions) • Custom Exports/Reports • Company Deduction Types • Company Earning Types • Configure Default Banks • Workers Comp Types • Payroll History up to 4 Quarter of Current Year • All Payroll Configurations Include: <ul style="list-style-type: none"> • Standard Dashboard Widgets

	<ul style="list-style-type: none"> • Global Payroll Settings • Standard Notifications • GL Set Up • In-house manual check printing • Employee Imports • Vendor Payments (ACH/Check) • Payroll Administrative Training <p>Please note: If UKG Ready Payroll Services module has been purchased, see UKG Ready Payroll Services deliverables in this document. If UKG Ready Payroll Services module has not been purchased, Kronos will configure tax filing options for one of the following vendors – BSI, ADP, Ceridian.</p>
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UKG Ready Payroll Services	<p>UKG Ready Payroll Services deployment prepares you to manage post payroll calculation functions utilizing the services as indicated in the Payroll Processing Addendum through:</p> <ul style="list-style-type: none"> • Election of services • Confirmation of Funding method • Testing of Funding bank account • Tax Account ID, Frequency & Rate* • Balancing Current Year Payroll Tax Payments • Collection of Power of Attorney forms for all jurisdictions • Delivery policy configuration • Shipping account authorization and configuration • Confirmation Multi-state new hire registration (if applicable) • Master Vendor maintenance • Payroll Processing Notifications • Tax Code configuration verification reporting • UKG Ready Payroll Services New administrator training <p><i>*Services can only be provided for tax accounts with valid Tax ID provided</i></p> <p>Please note: It is the responsibility of the customer to provide all requested information including year-to-date payroll and tax payment information, valid tax account ID's for all active tax jurisdictions and requested Power-of-attorney forms.</p>
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UKG Ready Scheduler	<p>UKG Ready Scheduler provides the automated tools and high-quality information to create accurate schedules aligning staffing requirements with budget and business demand through:</p> <ul style="list-style-type: none"> • Schedule build based on budget & demand • Fill w/best-fit employee preferences & skills • Drag-n-Drop scheduling tools • Configurable color-coded scheduling views • Budgeting constraint visibility • Configurable routing & approval workflow • Tools for determining schedule effectiveness • True rate cost of schedule*
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	*Scheduler function requires UKG Ready Time
UKG Ready Benefits	<p>UKG Ready Benefits deployment gets you started with the end-to-end benefit administration process with the ability to automate carrier connectivity through:</p> <ul style="list-style-type: none"> • Employee Self-Service capabilities including open enrollment/life events • Dependent and beneficiary record keeping • Drag-n-Drop scheduling tools • One time data load of benefit enrollments, including dependents and beneficiaries • Benefit maintenance training • 10 carrier feeds including benefit providers, COBRA connectivity to a TPA, and Financial Connectivity (Each file needed, even to the same vendor, will count as one feed) • Smart Forms • Standard Reporting <p>Please note: UKG Ready Benefits requires UKG Ready HR for benefit plan feeds and UKG Ready Payroll for retirement/401(k) feeds</p>

Value-Add Functionality Deliverables

Once your core functionality is deployed, Kronos will work in close collaboration with COUNTY OF HIDALGO to deploy the following Value-Add modules and/or functionality over time in short, agile deployments aligned with your priorities, schedule, and resources:

Value-Add	Kronos Delivered Value
UKG Ready Leave	<p>UKG Ready Leave adds comprehensive leave administration through:</p> <ul style="list-style-type: none"> • Federal & state leave policy enforcement • Employer-specific leave policy enforcement • Qualifying questionnaire • Leave eligibility, type & duration determination • Leave case routing workflow • Leave case life cycle monitoring • Leave hour interface with timesheets • Employee self-service leave request & history • Standard reporting & email notification alerts • One-Time data load using customer-supplied data – current leave cases, leave case entries & entitlement balances in a standard Kronos-supplied format <p>Please note: This module provides maximum value when used with UKG Ready Time, UKG Ready Accruals & UKG Ready HR.</p>
UKG Ready ACA Manager	<p>UKG Ready ACA Manager provides proactive administration of your ACA compliance strategy across the Ready solution through:</p> <ul style="list-style-type: none"> • Configurable time periods & rules

	<ul style="list-style-type: none"> • Set measurement periods & hours threshold • Calculation of employee ACA full-time (FT) status • Identify employees ACA standing by month • Flag part-time (PT) employees approaching ACA FT status • Flag ACA FT employees no longer qualifying • Calculation of plan's affordability* • Settings for minimum value plan** • Year-End government compliant forms • Standard ACA compliance reporting • One-Time Data load using customer-supplied data – EE hours for look back in a standard Kronos-supplied format <p>*ACA Function requires UKG Ready Payroll **ACA Function requires UKG Ready HR</p> <p>Please note: This module provides maximum value when used with UKG Ready Time, UKG Ready HR & UKG Ready Payroll.</p>
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<p>UKG Ready Integration Hub</p>	<p>UKG Ready Integration Hub enables data to flow between Ready and 3rd party applications and/or vendors. If the 3rd party application and/or vendor does not accept the standard Ready formatting and/or methods for automated delivery, a formatted file will be delivered instead. The customer is responsible for providing import files to Kronos in the standard Ready format and utilizing the standard Ready delivery method. Kronos will deliver a standard bundle of up to 5 interfaces as part of this project. Each direction (to/from) any 3rd party system and Kronos is considered a separate interface. Interfaces will be accomplished via standard file Exchange. Customer will work with Kronos and 3rd party vendors to facilitate design and testing. The Method of the file exchange will be determined by UKG Ready Professional Services Delivery Team. Kronos will provide standard Import/Export files using UKG Ready Integration Hub. Customer will work with the 3rd parties and Kronos to provide the data in the Kronos format for imports. Kronos will create a report from standard Ready fields in the 3rd party format to send to the 3rd party system. The types of interfaces/integrations that can be supplied under this project include:</p> <ul style="list-style-type: none"> • UKG Ready Time Interface bundle using customer-supplied data in standard file formats <ul style="list-style-type: none"> • UKG Ready Accruals Interface bundle using customer-supplied • UKG Ready Scheduler Interface bundle using customer-supplied data in standard file formats <ul style="list-style-type: none"> • Employee Availability Import from 3rd party system • Schedule detail export • UKG Ready HR Interface bundle using customer-supplied data in standard file formats <ul style="list-style-type: none"> • Benefit enrollment exports • Employee deduction election imports • Employee demographic exports • UKG Ready Payroll Interface bundle using customer-supplied data in standard file formats <ul style="list-style-type: none"> • ACH payroll employee direct deposit file exports
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	<ul style="list-style-type: none"> • ACH payroll payment for vendors (e.g. 401k, HSA, garnishments, etc.) • Payroll employee withholding amount exports • Pension enrollment export (e.g. 401k) • Pension census export (e.g. 401k) • New hire reporting export • Positive pay export • Payroll journal export to G/L, 1 acct structure • Tax payment & filing Interface <p>Kronos will use commercially reasonable effort to ensure all integrations/interfaces provide for the vendors below are designed in a manner which they can successfully pass data contained in standard Ready data fields to said 3rd party vendor and/or can accept data from said 3rd party vendor into Ready standard data fields. Below are some examples of interfaces which are typically part of the Integration Hub. Vendors and integration types may vary by customer.</p> <ul style="list-style-type: none"> • John Hancock Retirement Planning Service • Blue Cross Blue Shield of Texas • HSA Bank • Discovery Benefits • Bankers Fidelity • The Standard <p>Please note: Non-standard, multi-directional, or API based integrations/interfaces are not included in the scope of this project. Custom Reports that cannot be delivered through the standard software functionality are also not included. If such integrations or reports are required, a separate quote will be provided after all requirements and specifications have been received.</p>
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Administrator and Super User Training

Included in each Customer’s software subscription, Kronos will provide the following training:

Ready Core Training	Kronos Delivered Value
<p>Administrator and Super User Training</p>	<p>Each Customer will have access to:</p> <ul style="list-style-type: none"> • Learning Center, Ready’s learning management system and training delivery platform, for each user. Learning experiences found within include, but not limited to: <ul style="list-style-type: none"> • Interactive self-paced, on-demand modules • “How to” videos and snippets • Printable job aids • Recommended learning plan(s) aligned to each user’s roles within Ready • Online, public instructor-led class(es) • “Train the Trainer” enablement and materials <ul style="list-style-type: none"> • Editable templates and tools to be leveraged by the administrators to deliver manager and employee training

	<ul style="list-style-type: none"> • Manager and employee-focused job aids for common tasks within Ready
Change Management and User Adoption Training	<p>Each Customer will have access to:</p> <ul style="list-style-type: none"> • Change management training for the project team on building a change management plan for Customer's organization • Change management toolkit that includes pre-populated templates and supporting resources to be leveraged to deliver Customer's change management plan

Assumptions & Notes

Kronos has used the following assumptions and dependencies in preparing this Professional Services Engagement Overview:

- All services will be delivered remotely, unless otherwise stated in the Order Form or this Professional Services Engagement Overview.
 - Please note that In the event that Customer requests Kronos to travel to Customer's location during the implementation, Customer agrees to pay any travel expenses, such as airfare, lodging, meals and local transportation, incurred by Kronos.
 - Such expenses shall be subject to the then-current standard Kronos travel and expense policies, which Kronos will provide to Customer upon request.
 - Kronos shall bill Customer for such travel expenses and payment thereof shall be due net thirty (30) days from date of invoice.
- The project kick-off date will be determined based on complexity of the implementation and resource availability, and may occur up to 30 days after a Ready Order Form is executed by the Customer.
- The customer agrees to accept specific responsibilities as part of this project including:
 - Completing all required, Kronos supplied templates used to complete the Discovery process
 - Physical installation and/or mounting of all time clocks associated with this project.
 - Kronos will complete the configuration of up to 5 clocks and will provide training to the Customer's staff to replicate additional configurations
 - The Customer will configure any additional clocks unless otherwise agreed upon by both parties
 - Configuring the Customer's network to allow inbound/outbound communications to and from the clocks, based on specifications provided by Kronos
 - Providing all required tax and wage history information (when applicable) for the configuration of Tax Filing services
 - Providing all required data imports in the approved Kronos format
 - Providing all required specifications for any exports from Kronos to a 3rd party system
- Prior to the start of the configuration build, the Customer will confirm (in writing) the business and technical requirements of the project as part of the Ready Professional Services Discovery process.
- Kronos will communicate with Customer's Project Manager, the appointed Point of Contact for Customer on this project. He/she will be responsible for all communications and project management among all Customer parties (staff, vendors, consultants) and for the escalation and resolution of any issues for Customer.
- Customer is responsible for all hardware, software, and services provided by other consultants or third party vendors that may also be involved with the project.
- Kronos will not be responsible for troubleshooting the Customer's environment such as their operating system, hardware resources, database schema, or any applications and/or hardware not provided by

Kronos.

- Change Orders are subject to scope review and may impact the project timeline or cost. If additional work beyond the initial scope of this Professional Services Engagement Overview is required as a result of a Change Order, the Customer may be charged.
- During the testing phase, the customer will be responsible for leading testing and providing documentation of testing results back to the Kronos implementation team.

Project Delays

Should the need arise to place a project on hold due to issues not controlled by Kronos, Kronos will collaborate with a client to ensure appropriate project hold/delay procedures are executed. Secondly, Kronos reserves the right to execute project hold/delay procedures as a result of, but not limited to (1) a client not attending or cancelling more than three scheduled meetings or (2) if the client has been unable to contribute required deliverables to milestones to close the project or (3) has become non-responsive after 10 business days. Please note that any project hold and/or delays, whether approved or otherwise, will not impact the Fees and Payment Terms of the Agreement unless otherwise agreed to by both parties.

When resuming the project Kronos will follow normal assignment and staffing procedures. This may result in a new or modified project team based on resource availability at the time of re-engagement.

Change Orders

Requests for change to this Professional Services Engagement Overview or the project it covers must be submitted to your Kronos Sales Executive and UKG Ready Consultant in writing.

Any of the following items will be considered Out of Scope and require a Change Order:

- Material changes in the Scope or effort (i.e. # of deployments or EIN's, request of onsite assistance, etc.)
- Material changes in the number or type of Deliverables to meet the defined scope of effort (i.e. additional integrations, profiles, etc.)
- Changes to the project resource requirements
- Changes to scheduled dates after acceptance of the Project Plan

Kronos will estimate the time and fixed cost needed to implement the change and the impact it may have on the delivery of project covered under this Professional Services Engagement Overview. Kronos will perform the requested work once the Change Order has been completed and signed by the Customer.

Completion Criteria

The project covered under this Professional Services Engagement Overview will be considered complete when any one of the following completion criteria is met. Once one of these is met, no further work will be completed. If additional work is required, a Change Order or new Professional Services Engagement Overview must be generated.

Completion Criteria:

- The Customer has approved in writing
- The system has been used to generate, retain, or export data that is used to produce a live pay statement for an active employee
- More than twelve (12) months has passed since the date of signature of the Ready Order Form



The Customer may provide approval in writing via email or an alternative agreed upon method.



UKG Ready Payroll Services Addendum

This Payroll Services Addendum, and all included exhibits, schedules, attachments or other addenda (the “**Addendum**”) is made part of the Kronos Workforce Ready Software-as-a-Service Agreement or the UKG Ready Software-as-a-Service Agreement (the “**Agreement**”) and governs the provision of the UKG Ready Payroll Services (the “**Payroll Services**”) by Kronos SaaS, Inc., a UKG Company (“**UKG**”) to the Customer defined below and, if applicable, any of Customer’s Covered Entities (“**Customer**”).

In rendering the Payroll Services, UKG will use the UKG Ready software-as-a-service platform (the “**UKG Ready 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 UKG. Customer is responsible for ensuring that all Covered Entities are bound by and comply with this Addendum. Covered Entities may be added or removed from Attachment 1, by Customer completing and signing the appropriate change form provided by UKG. Capitalized terms not defined within this Addendum are defined in the Agreement.

General Terms and Conditions

Article 1. Payroll Services

1.1 Subject to all of the terms and conditions of the Agreement and this Addendum, UKG 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 UKG Payroll Services (KPS) Services Election Form to be completed by the parties during implementation:

1.1.1 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 UKG set forth throughout this Agreement. UKG’s standard fees for certain miscellaneous services, such as W2/1099 printing, fees for tax accounts with an “applied for” status, ACH returns, off-cycle payrolls, split wrap (delivery of checks to multiple locations, stop payment fees (for Customers purchasing UKG SmartCheck) and preparing/filing of amended returns, can be found in the Payroll Services Pricing Exhibit located at <https://www.UKG.com/UKG-payroll-services-miscellaneous-pricing-schedule-August2019> (“**Payroll Services Pricing Exhibit**”). Customer will submit payroll and tax monies via one of two funding methods (“**Funding Method**”): (i) Automated Clearing House (ACH) funding, or (ii) draw down wire (“**Draw Down Wire**”) funding. Customer is only eligible for ACH funding if approved by UKG. Customer will be required to utilize the Draw Down Wire Funding Method if Customer is not approved for ACH funding.
- b. Customer will submit the payroll information to UKG in the format and including the information specified by UKG from time to time. Submission is expected to occur 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. The deadline for Customer's submission of payroll is determined by the applicable Funding Method. On the date Customer's payroll is submitted, if the Funding Method is ACH, then the deadline for submission is 3:00 p.m. Eastern Time; if the Funding Method is Draw Down Wire, then the deadline for submission is 1:30 p.m. Eastern Time on the scheduled processing date, and, provided Customer's payroll is submitted timely, UKG 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. If payroll is submitted after the applicable submission deadline, payroll will be finalized the following day. Submission by Customer of payroll less than two (2) Business Days prior to Customer's scheduled check data may result in the requirement to utilize an alternative Funding Method, 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 indemnify, defend and hold UKG harmless from and against claims, losses or any other liabilities arising from or relating to Customer's late submission of transactions. If Customer has elected for UKG to provide direct deposit services, UKG 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. If payroll is submitted less than two (2) Business Days prior to Customer's scheduled check date (by the deadline times set forth above), funds may not be available in employee accounts at the opening of the banking day.

- c. Customer will notify UKG if Customer is providing instructions to UKG to process payroll on behalf of a third party. Without limitation, UKG 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)**"). 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. UKG reserves the right to audit Customer's compliance with the NACHA operating rules and the terms of this Agreement.
- d. Customer authorizes UKG 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 UKG via the applicable Funding Method and in accordance with the terms of this Agreement 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 UKG, which may be held in trust by a third party trustee (the "**Payroll Services Accounts**"), 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.
- e. UKG 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 Addendum, nor is UKG

responsible in relation to any taxes which UKG 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>).

- f. Customer shall maintain and provide UKG accurate tax identification numbers, filing frequencies, filing jurisdictions, tax rates, tax types, and employee tax forms to enable UKG to properly complete all applicable tax returns and payments. If, as an accommodation to Customer and without implying any obligation, UKG files a tax return containing “Applied For” status, then Customer agrees and acknowledges that it releases UKG 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. **UKG SmartCheck** – means the Payroll Services with the issuing of employee payroll checks from UKG Payroll Services Accounts. This service is only available if UKG Payroll Services with UKG SmartCheck appears on Customer’s Order Form. If Customer uses UKG Payroll Services Accounts for distribution of funds via check, any stale dated checks will be voided and the funds returned to the Customer. The Customer is responsible for complying with all applicable unclaimed property reporting requirements. Customers electing this service must ensure that checks are not distributed to employees for payment prior to the Check Date. All checks issued on a Payroll Services Account must be printed by UKG for distribution.
- b. **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 UKG for shipping of documents and/or checks. Unless Customer has purchased UKG SmartCheck, employee payroll checks will be drawn on the Customer’s bank account.
- c. **ACH Child Support & Third Party Vendor Processing** - means the impoundment and remittance of funds for third party payments, such as child support, via ACH to the applicable state child support agencies or other applicable payees.
- d. **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 UKG 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.
- e. **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 UKG to timely fulfill its obligations.
- f. **New Hire Reporting** – means the electronic filing of new hire reports based on applicable state reporting requirements. Customer will be required to register for Multiple State reporting if required to file in more than one State and to maintain the registration as may be required. UKG will only report new hires to States that will accept electronic filing.

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

Article 2. Fees; Billing

Payroll Services shall be considered part of the Services for purposes of Fees and Billing under the Agreement. The Fees set forth in the Payroll Services Pricing Exhibit are subject to change after the Initial Term (as defined in the Agreement) upon thirty (30) days written notice from UKG to Customer.

Article 3. Customer Content

3.1.1 UKG will not be responsible for storing copies of Customer Content when UKG 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 UKG for the costs of producing any information in UKG' possession or control relating to Customer's business or employees that UKG produces in response to a Customer request or court order. Unless otherwise required by Applicable Law, upon termination of this Addendum, UKG may dispose of Customer Content in accordance with UKG' data retention policy in effect from time to time. In the case of termination of one but not all Payroll Services, UKG may dispose of Customer Content not related to the remaining Payroll Services, unless otherwise required by Applicable Law, in accordance with UKG' data retention policy in effect from time to time.

3.1.2 Notwithstanding anything to the contrary in this Addendum, each party's use and disclosure of tax return information pursuant to or in connection with this Addendum 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 UKG from time to time in order for UKG to provide the applicable Payroll Services, including, without limitation, all necessary credential and related action required by UKG to integrate Payroll Services with the UKG Ready Platform as described in Section 1.1.3. Payroll Services will not commence until Customer (or the applicable Client Entity) provides to UKG all of the forms and documents requested by UKG, and any agreed timelines shall be automatically adjusted accordingly with no liability to UKG 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 UKG other forms and documents requested by UKG necessary to deliver the Payroll Services during the Term.

4.2 To the extent required in connection with any Payroll Services, Customer hereby appoints UKG 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. UKG 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 UKG 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 Addendum and the date UKG 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 Addendum and shall execute and file all documents necessary to effectuate such revocation. UKG 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. 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 UKG' sole discretion and UKG may immediately terminate this Addendum upon notice to Customer.

4.4 Banking and Funding Covenants

4.4.1 Funding Payroll Obligations All monies caused to be transferred by UKG on behalf of Customer will be funded via the applicable Funding Method initiated by UKG to Customer's account in accordance with this Section 4.4.1. Customer agrees to execute with its financial institution any agreements necessary to allow UKG to cause the initiation of the Funding Method to and from 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 the Funding Method, then Customer's payroll and related services will be delayed or suspended. Customer shall indemnify, defend and hold UKG harmless from and against claims, losses or any other liabilities arising from or relating to Customer's failure to properly fund its account or its other prevention of UKG from effecting the Funding Method. For quarter end and year end reconciliation purposes, UKG will utilize standard ACH services to reconcile Customer tax remittances and liability variances. UKG shall use commercially reasonable efforts to notify Customer not less than five (5) Business Days prior to UKG 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 UKG, a direct wire (Customer initiates Customer's own wire transfer to a Payroll Services Account) may be utilized as a Funding Method on an exception-only basis. Exceptions may arise for various reasons, including (a) due to funds not being available in the Customer Account at the time that other Funding Method(s) are initiated, or (b) proper authorization was not granted to UKG to cause the collection of funds via the other Funding Method(s), or (c) Customer is approved for ACH Funding but fails to submit payroll timely or submits a payroll that exceeds the approved ACH limit. 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 Customer shall indemnify, defend and hold UKG harmless from and against claims, losses or any other liabilities arising from or relating to exception processing, except to the extent arising from UKG' gross negligence or willful misconduct.

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 Funding Method 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. For customers funding via Draw Down Request or by Direct Wire on an exception basis as noted above, all payments made on Customer's behalf via ACH money movement will be caused to be released by UKG only after UKG receives confirmation of collection of amounts drafted from Customer's account. Therefore, even if amounts are due, UKG will not cause the release of the ACH payments unless confirmation of receipt of funds has been received by UKG.

4.4.4 Collection Account Testing. Customer hereby authorizes UKG 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), UKG will cause the initiation of test 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 UKG in writing not less than two (2) weeks prior to the effective date of a change in Customer bank account(s).

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 drawdown requests and standard ACH transfers received from UKG and/or its agent, (b) promptly notify UKG of any discrepancies between transaction amounts and the amounts expected by Customer; and (3) notify UKG 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. UKG' 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 UKG Ready 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), UKG will debit the total amount of the NSF and any banking fees/charges associated with the NSF from Customer's authorized funding account. UKG 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 Addendum, 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 UKG may, in its sole discretion: (a) terminate this Addendum with written notice, and/or (b) exercise any and all reasonable actions necessary and appropriate to limit the loss to, or liability of, UKG 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 UKG or through the Payroll Services and shall inform UKG of any inaccuracies not later than five (5) 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 Addendum. Any use of the Payroll Services in contravention of the foregoing sentence will be a material breach of this Addendum 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 UKG may deem necessary in connection with the provision of Payroll Services. UKG shall have the right to (i) refuse to provide the Payroll Services for Customer with respect to any Client Entity that does not pass UKG' initial credentialing process (ii) terminate the Payroll Services for Customer with respect to any Client Entity that does not continue to pass UKG' ongoing credentialing process and (iii) terminate this Addendum, and the Agreement, if Customer does not continue to pass UKG' 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 UKG 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 UKG to provide any Payroll Services to such Covered Entities, and (ii) providing UKG with the information as may be reasonably requested by UKG, for each Client Entity prior to UKG providing Payroll Services to such Client Entity. Customer agrees to provide UKG with an accurate and complete listing of Covered Entities receiving any Payroll Services and to inform UKG promptly of any changes in any Client Entity information previously provided to UKG.

Article 5. Warranty

5.1 UKG warrants that the Payroll Services will be provided in a professional and workmanlike manner. TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, UKG 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 UKG in writing that there is a material deficiency in the Payroll Services which is making this warranty untrue, UKG 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 UKG with reasonable information and assistance to enable UKG to reproduce or verify the non-conforming aspect of the Payroll Services.

5.2 If UKG 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 UKG's sole responsibility, and Customer's only remedy, will be for UKG to correct the error or omission under this Addendum and pay such penalty and interest (notwithstanding the dollar limitation on UKG liability contained in this Addendum). As a condition precedent to UKG's obligation to pay such penalty and interest, Customer will provide UKG timely notice of any such assessment, and UKG 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 UKG shall mean within ten (10) Business Days of receipt of the initial notice of assessment by Customer delivered to UKG in accordance with the notice provisions described in the Agreement. Customer's failure to provide timely notice to UKG shall release UKG 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 UKG and Customer, Customer shall be exclusively responsible for any tax assessed but without limiting UKG's remittance obligations included in the Payroll Services.

Article 6. Independent Contractor and Subcontractors

6.1 UKG is acting as an independent contractor of Customer under this Addendum. Without limiting the foregoing, UKG 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. UKG is not otherwise an agent of Customer, nor are the Parties in a partnership, joint venture, or other similar relationship, and this Addendum 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, UKG 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 UKG 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.

6.3 Customer acknowledges that UKG 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 UKG a fiduciary of Customer.

6.4 No third-party beneficiaries exist under this Addendum.

Article 7. Effects of Termination

7.1 If this Addendum is terminated or expires in accordance with its terms or otherwise terminated pursuant to a termination of the Agreement, 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 Agreement.

Article 8. Indemnification

8.1 Customer will, at its own expense, indemnify, defend and hold UKG and its third-party technology suppliers and each of their respective directors, officers, employees, agents and independent contractors (the "**UKG Indemnified Parties**") harmless from and against any and all notices, charges, claims, proceedings, actions, causes of action and suits, brought by a third party ("**Claims**") arising from or related to: (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 UKG 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 UKG; (d) the breach of any agreement, covenant, duty or obligation of Customer arising hereunder, (e) UKG filing an "APPLIED FOR" return as an accommodation to Customer, or (f) Customer directing UKG to make a payment to any person or entity where issuance or receipt of such payment violates Applicable Law. UKG will cooperate fully (at Customer's expense) in the defense, settlement or compromise of any such action. Customer will indemnify and hold harmless the UKG Indemnified Parties against any liabilities, obligations, costs or expenses (including, without limitation, reasonable attorneys' fees) incurred in connection with any such Claims, including, without limitation, any such amounts 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. Customer's indemnity under this Section 8.1 shall survive the termination of this Addendum.

8.2 UKG and/or the applicable UKG Indemnified Party will provide written notice to Customer promptly after receiving notice of any third-party Claim for which it seeks indemnification under this Addendum. 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 UKG 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 UKG Indemnified Parties without the prior written consent of applicable UKG Indemnified Parties; and (ii) if Customer has refused or failed to assume control of the defense or to diligently pursue the defense thereafter, UKG and/or applicable UKG 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 UKG and/or applicable UKG Indemnified Parties may deem appropriate, at the applicable UKG Indemnified Party's sole expense, until such time as Customer does assume such control. The applicable UKG 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 UKG Indemnified Parties may retain their own counsel at its own expense, subject to Customer's rights above.

Article 9. Extent and Limitations of Liability, to the Extent allowed by Law:

9.1 THE TOTAL AGGREGATE LIABILITY (REGARDLESS OF THE NUMBER OF CLAIMS) OF UKG TO CUSTOMER OR TO ANY THIRD PARTY IN CONNECTION WITH THIS ADDENDUM 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 UKG 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 ADDENDUM, 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 ADDENDUM. THESE LIMITATIONS APPLY FOR ANY REASON, REGARDLESS OF ANY LEGAL THEORY AND FOR WHATEVER REASON LIABILITY IS ASSERTED. THIS IS TRUE EVEN IF UKG AND CUSTOMER HAVE TOLD EACH OTHER THAT EITHER ONE IS CONCERNED ABOUT A PARTICULAR TYPE OF LIABILITY.

Mar 28, 2022

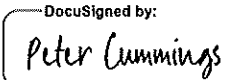
Effective Date:

Customer:

By: Richard F. Cortez

Name: Richard F. Cortez

Title: Hidalgo County Judge

UKG: 
By: 792D7658015248E...

Name: Peter Cummings

Title: Order Processing Manager

3/24/2022

