

Master Terms and Conditions – US Public Sector

These Public Sector Master Terms and Conditions (this “**Agreement**”) apply to UKG Software as a Services offerings, Equipment and other related Services that are ordered under this Agreement with the Customer. If Customer is not the United States Federal Government (“Federal”) or a Federal Agency, as well as state, local, or public education entities created by the Applicable Laws (including constitution or statute) of the applicable state (“SLED”), the UKG Master Services Agreement, which is generally available at <https://www.ukg.com/msa> (or other such titled written or electronic agreement addressing the same subject matter) shall apply. The Agreement posted on the date Customer signs the applicable Order or Statement of Work will apply for the duration of the Order or Statement of Work; however, UKG reserves the right to change the Master Services Agreement posted on this URL from time to time, but such change will not affect then existing Orders or Statements of Work. Archived Master Services Agreements can available upon request.

1. Services

- 1.1 Subscription Services.** The Subscription Services will be identified in the Order. During the Initial Term and all applicable Renewal Terms defined in the Order, UKG will provide the Subscription Services to Customer and Customer may use such Subscription Services solely for its internal business purposes to manage the type and number of its employees subject to and conditioned on payment by Contractor of all fees and Customer's compliance with this Agreement, the Services Description, the Documentation, and the Order. Customer agrees that its purchases are not contingent on the delivery of any future functionality or features, or dependent on any oral or written public comments made by UKG regarding future functionality or features.
- 1.2 Support Services.** UKG shall maintain a trained and knowledgeable staff capable of providing support for the Subscription Services. UKG will use commercially reasonable diligence to correct reproducible errors when reported to UKG and provide phone, email, or online support 24 hours a day / 7 days a week as set forth in the UKG Support Policy located in the applicable Services Description and also available at <https://www.ukg.com/saas-support-policies-and-services>. UKG will also provide scheduled and periodic enhancements and modifications to the Subscription Services, including bug fixes, to correct reproducible errors reported to UKG.
- 1.3 Professional Services.** UKG will provide the Professional Services listed in the Order, in accordance with the applicable Statement of Work. If Customer requests additional Services that were not previously identified on an Order or Statement of Work, then the Parties may need to execute additional Orders or Statements of Work.
- 1.4 Training Services.** In connection with a Subscription Service, UKG will provide (a) live virtual training facilitated by a knowledgeable instructor and delivered remotely via a published schedule intended for (i) the core team to help key functional and technical users make informed solution design and configuration decisions and to provide fundamental product knowledge, and (ii) an application and system administrator to prepare functional and technical super users to perform their most common tasks in the solution; and (b) self-paced product training. Training Services outside the scope of this section shall be provided by UKG as described in the Order and Statement of Work.

2. Acknowledgements

- 2.1 Reservation of Rights.** The Subscription Services are provided with a limited right to use and are not sold, and UKG reserves and retains all rights not expressly granted in this Agreement. UKG has and shall maintain sole and exclusive ownership of all rights, title, and interests in the Services and Documentation, and all modifications and enhancements thereof (including ownership of all trade secrets, copyrights, trademarks, brands, and other intellectual property rights pertaining thereto). There will be no “work for hire” created as part of the Services or any deliverables owned by Customer, and all works, customizations, models, and developments created by UKG shall be considered a part of the Services.
- 2.2 Use Restrictions.** Except as expressly provided in this Agreement, no other use of the Subscription Services is permitted. Customer may not, and may not cause or permit others to: (a) reverse engineer, disassemble, adapt, translate, or decompile the Subscription Services, including, without limitation, any third party components, or otherwise attempt to derive source code, trade secrets, or knowhow from the Subscription Services; (b) license, sell, transfer, assign, distribute, or outsource use of the Subscription Services or Documentation, or provide service bureau, data processing, or time sharing access to the Subscription Services, or otherwise use the Subscription Services to provide payroll or human resource record keeping for third parties; (c) create Internet “links” to the Subscription Services or “frame” or “mirror” the Subscription Services on any other server, or wireless or Internet-based device; (d) access or use the Subscription Services or Documentation to build or support, directly or indirectly, products or services competitive to UKG; (e) interfere with or disrupt the integrity or performance of any Subscription Services or any data contained therein; (f) attempt to gain unauthorized access to any Subscription Services or its related data, systems, or networks; or (g) remove or alter any proprietary notices or marks on the Subscription Services or Documentation.

- 2.3 Customer Feedback.** Customer has no obligation to provide UKG with any suggestion, enhancement request, recommendation, evaluation, correction, or other feedback about the Services ("**Feedback**"), but if it does, Customer grants to UKG and its affiliates a worldwide, perpetual, irrevocable, royalty-free license to use, copy, modify, distribute, disclose, create derivative works, and make and incorporate such Feedback into its Services for any purpose. UKG has no obligation to incorporate or apply any Feedback to the Services.
- 2.4 Consent to Subcontract.** Customer hereby consents to UKG subcontracting Services to persons or companies qualified by UKG to provide Services on UKG's behalf. UKG may also fulfill its obligations related to certain Services through its affiliates. UKG shall be responsible for the actions of its subcontractors and Affiliates.
- 2.5 Compliance with Laws.** UKG shall comply with Applicable Laws in performing its obligations hereunder. Customer shall comply with Applicable Laws when using the Services and remains solely responsible for its compliance with Applicable Laws, including, but not limited to, with respect to the configuration and use of the Services and regardless of whether UKG provides assistance with Customer compliance matters. Customer acknowledges that the specific record retention requirements established under Applicable Laws relating to Customer are the responsibility of Customer and not UKG.
- 2.6 Upgrades and Modifications.**
- 2.6.1 Upgrades.** The Subscription Services may be upgraded or changed at any time as required by normal business conditions, provided that such changes will not materially diminish the functionality of the Subscription Services. Any changes to the Subscription Services will be applicable to all UKG customers of the Subscription Services and material changes will be deployed with reasonable advance notice.
- 2.6.2 Modifications.** UKG may unilaterally revise its Master Services Agreement ("MSA") terms if they are not material. For revisions that will materially change the terms of the Agreement, the revised MSA terms must be incorporated into the Agreement which will be published. Any MSA terms or conditions unilaterally revised that are inconsistent with any material term or provision of this Agreement shall not be enforceable against the Customer, and the Customer shall not be deemed to have consented to them.
- 2.7 Acceptable Use.** Customer will use the Subscription Services in full compliance with the Acceptable Use Policy attached as Exhibit 1 and which could be found in <http://www.ukg.com/acceptable-use-policy> ("**Acceptable Use Policy**"), which requires Customer not to (a) use, or encourage, promote, facilitate or instruct others to use, the Services for any illegal, harmful or offensive use, or to transmit, store, display, distribute or otherwise make available content that is illegal, harmful, or offensive, (b) use the Services to violate the security or integrity of any network, computer or communications system, software application, or network or computing device, (c) interfere with or fail to cooperate with any UKG investigation of a security incident involving any UKG system, infrastructure or customer data, (d) make network connections to any users, hosts, or networks unless Customer has permission to communicate with them, and (e) use the Service to distribute, publish, send, or facilitate the sending of unsolicited mass e-mails or other messages.
- 2.8 Access Credentials.** Except as otherwise provided herein, Customer will not provide any third party with access credentials to the Subscription Services and will safeguard and compel all users to safeguard the access credentials. Customer will be responsible for all acts and omissions of its users. Customer will notify UKG promptly if it learns of any unauthorized use of any access credentials or any other known or suspected breach of security. If Customer allows use of the Subscription Services by any of its departments or public agencies which Customer controls without requiring such department or public agency to execute a separate Order with UKG to establish its own tenant environment, then Customer will be fully responsible and liable for all use and misuse of the Subscription Services by such Affiliate, and will fully cooperate with UKG in enforcing all of its rights to, interests in, and protection of the Services, including in seeking equitable remedies against any Affiliate that breaches this Agreement. Customer may also allow use of the Subscription Services by its legally bound contractors, provided such use is solely on Customer's behalf, is strictly in compliance with the terms and conditions of this Agreement, Customer at all times remains in control of and retains management over the Subscription Services, and Customer is liable for all breaches of this Agreement by such contractor. Customer authorizes UKG to provide such Customer contractors access to the Subscription Services.
- 2.9 Connectivity.** Customer is responsible for securing, paying for, and maintaining connectivity to the Subscription Services from Customer's location(s) via the internet, including any and all related hardware, software, third party services, and related equipment and components for such connectivity. Customer agrees that UKG will have no liability for such connectivity and Customer will not be excused from any of its obligations under the Agreement due to the quality, speed, or interruption of the communication lines from the Customer's location(s) to the internet.

3. Fees and Taxes

UKG understands that Customer may be subject to Applicable Laws governing payment, including availability of funds, timing of payments, late payment interest penalties, and taxes.

- 3.1 Fees.** Customer will pay the fees on the payment terms and in the currency indicated in the Order. For each Order, the

billing period of the fees will start on the Billing Start Date as set forth in the Order and will continue for the time period indicated as the Initial Term and all Renewal Terms, each as defined on the Order. Customer is responsible to pay for the Services for the entire Initial Term and each Renewal Term. UKG may increase the fees as set forth in the Order. The increased fees will be set forth in the applicable invoice. Except as otherwise specified in the Order and this Agreement (a) subscription fees are based on Subscription Services purchased and not time of actual usage; (b) minimum quantities purchased cannot be decreased during the relevant the then current Initial Term or Renewal Term; (c) additional quantities may be purchased; and (d) payment obligations are non-cancelable and fees paid are non-refundable.

3.2 Taxes. *This section applies only if Customer has not provided with a valid tax exemption certificate authorized and honored by applicable taxing authorities that covers all Taxes.* The fees exclude, and Customer will be responsible for, all applicable sales, use, excise, withholding, VAT, and any other similar taxes, duties and charges of any kind imposed by any governmental entity in connection with the Services (excluding taxes based solely on UKG's income)("Taxes").

3.3 Late Payment. Any invoices not reasonably disputed in writing within thirty (30) days from the date of receipt will be deemed undisputed and due. All undisputed invoices not paid within thirty (30) days after the date such amounts are due and payable may accrue interest at a rate up to the maximum allowable by applicable law. Customer will reimburse UKG for any additional reasonable cost incurred by UKG in connection with collecting any amounts payable under this Agreement. If Customer is more than thirty (30) days overdue in its payment of an undisputed amount due, then UKG reserves the right to suspend the Services provided under the applicable Order, but only until such payment is made to UKG and provided that UKG gives Customer at least ten (10) business days prior written notice of the overdue amount before UKG suspends the Services. Upon payment in full of all overdue amounts, UKG will restore the Services.

4. Data, Security and Privacy

4.1 Ownership of Customer Data. Customer shall retain ownership of all rights, title, and interests in and to Customer Data. No ownership rights in Customer Data will transfer to UKG. UKG will maintain backup copies of Customer Data as required to maintain and provide the Services, but Customer is responsible for maintaining backup copies of all data and information that Customer inputs into the Services or otherwise provides to UKG.

4.2 Use of Customer Data. Consistent with common Software as a Service (SaaS) industry practices and in accordance with Applicable Laws, UKG collects Customer Data to keep Services regularly up to date with appropriate market standards and security. All Customer Data collected is used solely for the purpose of providing and improving the Services and enhancing the customer experience with new functionalities.

4.3 Collection of Personal Information. Services may employ applications and tools that collect and process Personal Information that may be required by UKG to provide the requested Services or functionality included in or related to those Services. If Customer wishes to stop the collection and processing of Personal Information, Customer may need to uninstall or discontinue using certain Services.

4.4 Data Privacy and Security. Each Party agree to comply with Applicable Laws in its processing of Personal Information. UKG and its subprocessors will process Personal Information in accordance with UKG's DPA . All Customer Data will be secured and protected as set forth in the Technical and Organizational Measures of UKG's DPA.

5. Confidentiality

5.1 Definition. "Confidential Information" is any non-public information relating to a Party that is disclosed pursuant to any Order or this Agreement, and which reasonably should be understood by the recipient of such information to be confidential because of (a) legends or other markings; (b) the circumstances of the disclosure; or (c) the nature of the information itself.

5.2 Exceptions. Information will not be considered Confidential Information if the information was (a) in the public domain without any breach of this Agreement; (b) disclosed to the receiving Party on a non-confidential basis from a source lawfully in possession of such Confidential Information and, to the knowledge of the receiving Party, is not prohibited from disclosing such Confidential Information to receiving Party; (c) released in writing from confidential treatment by disclosing Party; or (d) is independently developed by the receiving Party without use of or reference to the Confidential Information.

5.3 Nondisclosure. Except as expressly permitted in this section, neither Party will disclose the other Party's Confidential Information to any third party.

5.4 Protection. Each Party will secure and protect the Confidential Information of the other Party with a reasonable standard of care commensurate with the sensitivity of such Confidential Information and using precautions that are at least as

stringent as it takes to protect its own Confidential Information of like nature, but no less than reasonable precautions.

- 5.5 Use.** Each Party will only use the Confidential Information of the other Party as expressly permitted by or as required to exercise their rights, duties, and obligations under this Agreement.
- 5.6 Disclosure Exceptions.** Confidential Information may be shared with and disclosed to (a) any Affiliate, subcontractor, or other third party who has a need to know to enable the receiving Party to exercise its rights or perform its obligations in connection with this Agreement and have non-disclosure obligations at least as stringent as the confidentiality provisions of this Agreement that apply to the Confidential Information; or (b) any court or governmental agency of competent jurisdiction, pursuant to a subpoena, order, civil investigative demand or similar process with which the receiving Party is legally obligated to comply, and of which the receiving Party notifies disclosing Party as required by a legal process, including in connection with any proceeding to establish a Party's rights or obligations under this Agreement (provided however that, when permitted by Applicable Law, a Party will give the other reasonable prior written notice so that the disclosing Party has an opportunity to contest any disclosure required by a legal process).
- 5.7 FOIA/Public Disclosure Laws.** Notwithstanding any confidentiality obligations in the Agreement, UKG acknowledges that Customer may be compelled to disclose Confidential Information pursuant to the Federal Freedom of Information Act and any state equivalents or other open-records or public disclosure Applicable Laws. Customer may disclose such information to third parties upon written request to the extent compelled by such Applicable Laws; provided that, prior to any such disclosure, Customer provides prior written notice of such compelled disclosure (to the extent legally permitted) and reasonable assistance, at UKG's cost, if UKG wishes to limit or contest the scope of the disclosure in whole or in part.

6. Warranty

- 6.1 Mutual Warranties.** Each Party hereby warrants that (a) it has the full right and authority to enter into this Agreement; and (b) the performance of its obligations and duties under this Agreement does not conflict with or result in a breach of any other agreement of such Party or any judgment, order, or decree by which such Party is bound.
- 6.2 Subscription Services Warranty.** UKG warrants that the Subscription Services will substantially conform with the Documentation and that the functionality of the Subscription Services will not be materially diminished or adversely modified. In the event of a breach of the warranty described in this Section, as Customer's exclusive remedy and UKG's sole obligation, at UKG's cost, UKG will make commercially reasonable efforts to remedy such breach, provided that if UKG cannot substantially remedy such breach, then Customer may terminate the affected Subscription Services in accordance with Section 7.2.2. Customer agrees to report any non-conformance of the Subscription Services within thirty (30) days of its discovery and provide UKG with reasonable information and assistance to enable UKG to reproduce or verify the non-conforming aspect of the Subscription Services.
- 6.3 Professional, Support, and Training Services Warranty.** UKG warrants that the Professional Services, Support Services, and Training Services will be performed by qualified personnel in a good and professional manner. In the event UKG breaches the warranty described in this Section, as Customer's exclusive remedy and UKG's sole obligation, UKG will reperform the deficient Professional, Support, or Training Service, at UKG's cost, provided that if UKG cannot substantially remedy such breach, then UKG will refund any fees prepaid by Customer for the affected Services. Customer must report any deficiencies in such Services, including Professional Services, within thirty (30) days of the completion of the Services.
- 6.4 Disclaimer.** TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, UKG DISCLAIMS ALL OTHER WARRANTIES NOT SET FORTH IN THIS AGREEMENT, EITHER EXPRESS OR IMPLIED, INCLUDING ALL WARRANTIES OF MERCHANTABILITY, QUALITY, PERFORMANCE, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, TITLE, AND ANY WARRANTIES ARISING FROM COURSE OF DEALING, USAGE, OR TRADE PRACTICE, IN CONNECTION WITH THIS AGREEMENT, THE SERVICES, AND ANY PRODUCTS PROVIDED BY UKG. UKG DOES NOT REPRESENT, WARRANT, OR COVENANT THAT THE SERVICES OR ANY OTHER PRODUCT OR SERVICE PROVIDED HEREUNDER WILL BE UNINTERRUPTED, ERROR-FREE, VIRUS-FREE, OR SECURE. THIS DISCLAIMER OF WARRANTY MAY NOT BE VALID IN SOME JURISDICTIONS AND CUSTOMER MAY HAVE WARRANTY RIGHTS UNDER LAW WHICH MAY NOT BE WAIVED OR DISCLAIMED; HOWEVER, ANY SUCH WARRANTY RIGHTS EXTEND ONLY FOR THIRTY (30) DAYS FROM THE EFFECTIVE DATE OF THIS AGREEMENT (UNLESS AND ONLY TO THE EXTENT SUCH LAW PROVIDES OTHERWISE).
- 6.5 Customer Warranty.** Customer warrants that it has all rights and required consents to provide Customer Data to UKG.

7. Term and Termination

- 7.1 Term of the Agreement.** The term of this Agreement commences on the Effective Date and continues until the stated

term in each applicable Order or as otherwise terminated as permitted in this Agreement. At the expiration of the Initial Term, and at the expiration of each Renewal Term, each as indicated on the Order, the Services will automatically renew for the duration indicated on the Order as the Renewal Term.

7.2 Types of Termination

7.2.1 Non-renewal. Either Party may terminate any Service identified in an Order upon at least sixty (60) days prior written notice to be effective at the expiration of the then current Initial Term or a Renewal Term.

7.2.2 For Cause. Either Party may terminate this Agreement, or any Service identified in an Order, if the other Party fails to perform any material obligation under this Agreement, and such Party is not able to cure the non-performance within thirty (30) days of written notice of such default with reasonably sufficient detail regarding the alleged breach, provided that UKG may immediately terminate or suspend Customer's access to the Services without notice if Customer is in breach of the "Use Restrictions" or "Confidentiality" sections of this Agreement, or the Acceptable Use Policy to prevent further harm. Either Party may immediately terminate this Agreement and all Orders if the other Party has a receiver or similar party appointed for its property, becomes insolvent, acknowledges its insolvency in any manner, ceases to do business, makes an assignment for the benefit of its creditors, or files a petition in bankruptcy. Other than as expressly permitted in this Agreement, or an Order, SOW, or Services Description, neither Party may terminate this Agreement and each Party remains fully obligated to the terms and conditions herein.

7.2.3 For Non-Appropriation of Funds. If Customer is a US Federal, State, or Local governmental entity that relies on funding which is allocated at the federal, state and/or local level to fund the Service in the Agreement, then, to the extent required by law, the following will apply: Customer may terminate the Service in the event of a reduction in appropriations to any fund(s) from which UKG is to be paid for Services ordered under this Agreement but not yet delivered. Customer will provide a ninety (90) day prior written notice in the event of such termination to UKG and Customer agrees to pay for the products delivered and the services performed by UKG prior to the effective date of such notice. In the event of such termination, Customer shall not be entitled to a refund of pre-paid Services, such as the support fees. Customer acknowledges that by executing an Order Form for the Services, Customer has received fiscal appropriations for the amounts due during the Initial or Renewal Term (as applicable) as indicated on such Order.

7.3 Effects of Termination. The following terms apply if an Order is terminated for any reason:

7.3.1 Fees. All fees will be paid by Customer for amounts owed through the effective date of termination, and, if the Order is terminated for UKG's breach of the Agreement, any fees prepaid 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.

7.3.2 Cessation of Services. UKG will cease to provide the Services to Customer and Customer's right to use and access the Subscription Services will end as of the effective date of termination. If Customer requires access to the Subscription Services after the effective date of termination or transition assistance, such access and assistance will be subject to mutual agreement and additional fees, under a separate Order or SOW, and will be subject to the terms and conditions of this Agreement.

7.3.3 Deletion of Customer Data. UKG will delete Customer Data after Customer's rights to access the Subscription Services and retrieve Customer Data have ended, unless otherwise provided under this Agreement, a Services Description, Order, SOW, or another document. UKG will delete Customer Data in a series of steps and in accordance with UKG's standard business practices for destruction of Customer Data and system backups. UKG has no obligation to retain Customer Data and Customer Data may be permanently deleted as part of UKG's data management program(s) or practice(s), and in accordance with Applicable Laws.

7.3.4 Confidential Information. UKG and Customer will each return or destroy any Confidential Information of the other Party, with any retained Confidential Information remaining subject to this Agreement.

8. Indemnification

8.1 Claims Against Customer. UKG will defend Customer and Customer's respective directors, officers, and employees, who are acting on behalf of Customer ("**Customer Indemnified Parties**"), from and against any and all third party Claims to the extent the Services or Documentation infringe or misappropriate any registered copyright or patent. UKG will indemnify and hold harmless the Customer Indemnified Parties against any liabilities, damages, costs, or expenses (including, without limitation, reasonable attorneys' fees) actually awarded by a court of applicable jurisdiction to the extent resulting from such third party Claim, or as a result of UKG's settlement of such third party Claim.

- 8.2 Mitigation.** In the event that a final injunction is obtained against Customer's use of the Subscription Services by reason of infringement or misappropriation, or if in UKG's opinion, the use of the Subscription Services is likely to become the subject of a successful Claim of infringement or misappropriation, UKG (at its option and expense) will use commercially reasonable efforts to either (a) procure for Customer the right to continue using the Subscription Services as provided in the Agreement; or (b) replace or modify the Subscription Services so that they become non-infringing but remain substantively similar to the affected Subscription Services. Should neither (a) nor (b) be commercially reasonable, either Party may terminate the applicable Subscription Services and the rights granted hereunder upon written notice, at which time UKG will provide a refund to Customer of any fees paid by Customer for the infringing elements covering the period of their unavailability.
- 8.3 Exceptions.** UKG will have no liability to indemnify or defend Customer to the extent the alleged infringement or misappropriation of the Subscription Services is based on (a) use other than as expressly permitted by this Agreement or by UKG in writing; or (b) use in conjunction with any equipment, service, or software not provided by UKG, where the Subscription Services would not otherwise infringe, misappropriate, or become the subject of the third party Claim.
- 8.4 Qualifications.** Customer will provide written notice to UKG promptly after receiving notice of a third party Claim. If defense of such third party Claim is materially prejudiced by a delay in providing notice, UKG will be relieved from providing such indemnity to the extent of the delay's impact on the defense. UKG will have sole control of the defense of any indemnified third party Claim and all negotiations for its settlement or compromise, provided that UKG will not enter into any settlement which imposes any obligations on Customer without the prior written consent of Customer. Customer will cooperate fully (at UKG's request and expense) with UKG in the defense, settlement, and compromise of any such action. Customer may retain its own counsel at its own expense, subject to UKG's rights above.
- 8.5 Government Control of Defense.** If Customer is a US Federal, State, or Local governmental entity, then, to the extent required by law, the following will apply: Any provision of the Agreement requiring UKG to defend or indemnify Customer is hereby amended, solely to the extent required by Applicable Laws, to provide that the U.S. Department of Justice (for a Federal Customer) or applicable State Attorney General's Office (for a SLED Customer) has the right to represent the respective Federal or SLED entity in litigation and other formal proceedings at its own cost. Subject to approval of the U.S. Department of Justice (for a Federal Customer) or applicable State Attorney General's Office (for a SLED Customer), if applicable, Customer shall tender defense of action to UKG upon request by UKG.
- 8.6** This "Indemnification" section states UKG's sole liability and Customer's exclusive remedy for all third party Claims and damages.

9. Limitations of Liability

- 9.1 Monetary Cap.** DURING ANY TWELVE (12) MONTH CONTRACT TERM (BEGINNING ON THE EFFECTIVE DATE OF THE APPLICABLE ORDER), UKG'S TOTAL AGGREGATE LIABILITY FOR ANY AND ALL CLAIMS IN CONNECTION WITH ANY SERVICE PROVIDED TO CUSTOMER SHALL IN NO EVENT EXCEED THE AMOUNT PAID OR PAYABLE TO UKG DURING SUCH TWELVE (12) MONTH CONTRACT TERM FOR THE SERVICE GIVING RISE TO SUCH CLAIM(S).
- 9.2 Exclusion of Damages.** UKG WILL NOT BE LIABLE FOR ANY INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL, OR PUNITIVE DAMAGES; FOR THE COST OF ACQUIRING SUBSTITUTE OR REPLACEMENT SERVICES; OR FOR ANY LOST OR IMPUTED PROFITS OR REVENUES, BUSINESS INTERRUPTION, LOST GOODWILL, OR LOST DATA RESULTING FROM OR RELATED TO THE SERVICES OR THIS AGREEMENT, HOWEVER CAUSED; OR ANY DAMAGES TO THE EXTENT CAUSED BY CUSTOMER'S DATA OR APPLICATIONS, CUSTOMER'S ALLOWANCE OF UNAUTHORIZED THIRD PARTY ACCESS, OR CUSTOMER'S INTRODUCTION OF MALICIOUS CODE.
- 9.3 Applicability of Limitations.** THESE LIMITATIONS APPLY FOR ANY REASON, REGARDLESS OF LEGAL THEORY AND THE REASON LIABILITY IS ASSERTED, EVEN IF UKG HAS KNOWLEDGE OF THE POSSIBILITY OF SUCH DAMAGES AND WHETHER OR NOT SUCH DAMAGES ARE FORESEEABLE. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, NOTHING IN THIS SECTION OR ELSEWHERE IN THIS AGREEMENT SHALL OPERATE TO EXCLUDE OR LIMIT THE LIABILITY OF ANY PARTY TO THE EXTENT SUCH LIABILITY CANNOT LAWFULLY BE SO LIMITED OR EXCLUDED UNDER APPLICABLE LAW. INsofar AS APPLICABLE LAW PROHIBITS ANY LIMITATION ON LIABILITY HEREIN, THE PARTIES AGREE THAT SUCH LIMITATION WILL BE AUTOMATICALLY MODIFIED, BUT ONLY TO THE EXTENT SO AS TO MAKE THE LIMITATION COMPLIANT WITH APPLICABLE LAW. THE PARTIES AGREE THAT THE LIMITATIONS ON LIABILITIES SET FORTH HEREIN ARE AGREED ALLOCATIONS OF RISK AND SUCH LIMITATIONS WILL APPLY NOTWITHSTANDING THE FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY.

10. General

- 10.1 Jurisdiction & Dispute Resolution.** This Agreement is governed by and is to be interpreted solely in accordance with the laws of the Commonwealth of Massachusetts, without regard to any conflict of law provision that would result in the application of a different body of law, and each Party agrees to submit to exclusive venue in the courts in Boston, Massachusetts in any dispute arising out of or relating to this Agreement. The United Nations Commission on International Trade Law, the United Nations Convention on Contracts for the International Sale of Goods, and the Uniform Computer Information Transactions Act (UCITA) will not apply to this Agreement.
- 10.2 Federal Government Use Provision.** If the ultimate end user is a U.S. federal government entity, then it acknowledges that the Subscription Services, Equipment and Documentation consist of "commercial services" and "commercial products," as defined in FAR 2.101, consisting of "commercial computer software," "commercial computer software documentation" and "technical data" as these terms are used in FAR 12.211-12.212 and in DFARS 227.7202, as applicable. All such government end users will comply with this Agreement while using Subscription Services, Equipment and Documentation. the rights of the U.S. Government to use, modify, reproduce, release, perform, display, or disclose commercial computer software, commercial computer software documentation, and technical data furnished in connection with the Subscription Services, Equipment and Documentation shall be as provided in this Agreement, except that, for U.S. Department of Defense end users, technical data customarily provided to the public is furnished in accordance with DFARS 252.227-7015. If such Customer needs any additional rights, it must negotiate a mutually agreed addendum to these Agreement specifically granting those rights.
- 10.3 Export.** Each Party shall comply with the export laws and regulations of the United States and other applicable jurisdictions in providing and using the Services. Without limiting the generality of the foregoing, Customer represents that it is not on any U.S. government denied-party list and it shall not make the Services available to any person or entity that (a) is located in a country that is subject to a U.S. government embargo; (b) is listed on any U.S. government list of prohibited or restricted parties; or (c) is engaged in activities directly or indirectly related to proliferation of weapons of mass destruction.
- 10.4 UKG's Employer Obligations.** UKG is responsible for compliance with all requirements and obligations relating to its employees under all Applicable Laws including, but not limited to, employer's obligations under laws relating to: payroll, income tax withholding and reporting; civil rights; equal employment opportunity; discrimination on the basis of age, sex, race, color, religion, disability, national origin, or veteran status; overtime; minimum wage; social security contribution and withholding; unemployment insurance; employer's liability insurance; worker's compensation; veteran's rights; and all other employment, labor, or benefits related laws.
- 10.5 Human Trafficking and Modern Slavery.** UKG shall comply with all Applicable Laws regarding slavery and human trafficking of the state, province, and country/countries in which they are performing the Services and doing business, including, but not limited to, the California Transparency in Supply Chains Act and the United Kingdom Modern Slavery Act.
- 10.6 E-Verify.** To the extent required by Applicable Laws, UKG agrees to utilize the U.S. Department of Homeland Security's E-Verify system, to verify the employment eligibility of all persons assigned by UKG to perform work in the United States pursuant to this Agreement.
- 10.7 Severability and Waiver.** The invalidity or illegality of any provision in this Agreement will not affect the validity of any other provision. All unaffected provisions remain in full force and effect. The waiver of any breach of this Agreement will not constitute a waiver of any subsequent breach or default and will not negate the rights of the waiving Party.
- 10.8 Surviving Provisions.** Provisions in this Agreement which by their nature are intended to survive in the event of a dispute or because their obligations continue past termination of the Agreement, including provisions relating to acknowledgements, reservation of rights, use restrictions, fees, confidentiality, limits of liability, indemnification, and termination, will so survive.
- 10.9 Assignment.** This Agreement cannot be assigned by a Party, whether by operation of law or otherwise, without the prior written consent of the other Party; provided, however, that either Party may assign this Agreement in its entirety (including all Orders and Statements of Work) as part of a merger, acquisition, transfer, or sale of all or substantially all of its assets, stock or business, including to an Affiliate, so long as the assignee agrees to be bound by all of the terms and conditions of this Agreement, the Orders, and Statements of Work. In the event of such an assignment, the non-assigning party shall be entitled to request from the assignee reasonable information to demonstrate that the assignee has the necessary resources and expertise to provide the Service. In no event shall Customer have the right to assign the Agreement to a direct competitor of UKG. This Agreement shall be binding on and inure to the benefit of all permitted predecessors, successors, and assigns of each Party.

- 10.10 Force Majeure.** If an unforeseeable event reasonably beyond the control of either of the Parties arises to prevent a Party from performing its obligations under this Agreement, including, but not limited to, acts of war, terrorism, uprising, acts of nature like earthquakes or floods, measures of any governmental authority in response to pandemics, epidemics or other viral or bacterial outbreaks, civil unrest, embargoes, riots, sabotage, labor shortages, changes in laws or regulations, the failure of the internet or communications via common networks, failure of payment transfer mechanisms (but not lack of funds to make payments), power or system failure, or a delay in transportation (collectively "**Force Majeure**"), each Party will be excused from performance of its obligations under this Agreement, for the duration of the Force Majeure affecting such Party, provided that the affected Party will use reasonable efforts to mitigate the impact of the Force Majeure. Notwithstanding the foregoing, UKG remains obligated to provide disaster recovery portions of the Services to the extent not also prevented by the Force Majeure.
- 10.11 Publicity.** UKG will not publicize matters relating to Customer's use of the Services without Customer's prior consent. Despite the foregoing, UKG may identify the Customer as a UKG customer and use Customer's name, trademark, and logo, in any and all media, including without limitation, UKG's advertising literature, marketing materials, websites, and lists of UKG's customers; however, such usage shall not be classified as an advertisement but only identification as an entity who receives the Service from UKG. For the avoidance of doubt, this section does not prohibit UKG from referencing Customer's name in a verbal format.
- 10.12 Notice.** When either Party needs to provide notification or consent under this Agreement, those notices and consents must be in writing and considered delivered upon actual receipt. All notices to UKG must be sent to the following: UKGLegal@ukg.com with a copy to EVP Chief Legal Officer, UKG Inc., 900 Chelmsford Street, Lowell, MA 01851. All notices to Customer will be sent to the contact listed on the applicable Order. Notices sent elsewhere will not be considered effective under this Agreement. Any cure period required under this Agreement will begin on the date the notice is received.
- 10.13 eSignature.** Each Party agrees that an eSignature (or a facsimile signature by the authorized representative) is evidence of acceptance of a valid and enforceable agreement.
- 10.14 No Third Party Beneficiaries.** The provisions of this Agreement are for the sole benefit of the Parties and they will not be construed as conferring any rights on any third party nor are there any third party beneficiaries to this Agreement.
- 10.15 Titles and Headings.** Titles and headings of sections of this Agreement are for convenience only and shall not affect the construction of any provision of this Agreement.
- 10.16 Relationship of the Parties.** The Parties are independent contractors. Nothing in this Agreement shall be deemed to constitute a partnership or joint venture between the Parties or constitute any Party to be the agent of the other Party for any purpose.
- 10.17 Entire Agreement.** This Agreement (and any information in referenced herein, including in an exhibit, schedule, attachment, annex, or at any URL) along with any corresponding Order, SOW, and Services Description constitute the entire agreement between the Parties pertaining to each Order. This Agreement supersedes all prior and contemporaneous representations, negotiations, and communications between the Parties relating to the Services and its subject matter. Customer acknowledges that it has not relied upon any such representations, negotiations, and communications, and waives any rights or claims arising from such representations, negotiations, and communications, including any claims for fraud or misrepresentation. This Agreement may only be amended in writing signed by each of the Parties. If Customer uses its own purchase order or similar document, any terms or conditions in such purchase order are null and void. In the event of a conflict between the provisions contained in this Agreement and those contained in an Order, SOW, or Services Description, the following order of precedence shall apply: (1) the Order, (2) this Agreement, (3) Services Description, and (4) the SOW.

11. Definitions

- 11.1 "Affiliates"** means, as to UKG, those entities that are directly or indirectly controlled by UKG Inc.; and as to Customer, those Customer entities that directly or indirectly control, are controlled by, or are under common control with Customer. "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, or otherwise.
- 11.2 "Applicable Law(s)"** means all laws, codes, legislative acts, regulations, ordinances, administrative rules, rules of court, and court orders applicable to a Party's respective business.
- 11.3 "Claim(s)"** means any and all notices, charges, claims, proceedings, actions, causes of action and suits.

- 11.4 “Customer Data”** means all content, information, and data Customer inputs into the Subscription Services, including but not limited to Personal Information.
- 11.5 “Documentation”** means the written specifications for the Subscription Services or other published online by UKG on its community pages accessible at <https://www.ukg.com/support> and <https://library.ukg.com/>, such as user manuals and administrator guides, as well as the Services Descriptions.
- 11.6 “DPA”** means UKG’s U.S. Data Processing Agreement located at <https://www.ukg.com/us-dpa> .
- 11.6 “Order”** means an order form, agreed by both Parties, which is subject to this Agreement or otherwise references this Agreement, setting out, among other things, the type and quantity of employees that may be managed in the Subscription Services, the term of the Order, price and payment terms of the Services to be provided by UKG, and the fees to be paid by Customer.
- 11.7 “Party” or “Parties”** means UKG or Customer, or both, as the context dictates.
- 11.8 “Personal Information”** means Customer Data related to a Data Subject as defined under U.S Privacy Laws, including “personal information” as defined under the California Consumer Privacy Act (“CCPA”) and any similar terms, such as “personally identifiable information”
- 11.9 “Professional Services”** means the deployment, launch, configuration, implementation, integration, delivery, consulting, managed, and other similar services provided hereunder.
- 11.10 “Services”** means the (a) Subscription Services; (b) Support Services; (c) Professional Services; (d) Training Services; and (e) other services or offerings as set forth in an Order.
- 11.11 “Services Description”** means the supplemental terms applicable to a Subscription Service or other offerings located at <http://www.ukg.com/services-descriptions>.
- 11.12 “Statement of Work” or “SOW”** means a document executed by both Parties, which is subject to this Agreement and the applicable Order or otherwise references this Agreement, detailing the scope of Professional Services or Training Services, the associated fees, and other applicable terms.
- 11.13 “Subscription Services”** means those UKG software-as-a-service (“SaaS”) applications set forth on the Order, including the UKG data accessible therein, and made available to Customer via a hosted multi-tenant environment to use on a subscription basis.
- 11.15 “Support Services”** means support and maintenance services provided by UKG for the Subscription Services, as described in this Agreement.
- 11.16 “Training Services”** means in person and virtual instructor-led training and courses, including online, on-demand, in-product, and on-site courses provided by UKG.
- 11.17 “UKG”** means UKG Kronos Systems, LLC., a Massachusetts limited liability company with its principal place of business at 900 Chelmsford Street, Lowell, MA 01851.

Exhibit 1

Acceptable Use Policy

This Acceptable Use Policy (this “Policy”) describes prohibited uses of the Services. In accordance with the Agreement, Customer agrees to use the Services in accordance with the latest version of this Policy.

1. Prohibited Use.

Customer agrees that it shall not use the Services, nor authorize, encourage, promote, facilitate or instruct others including its authorized users or Affiliates to use the Services as set forth below:

PROHIBITED USE	DESCRIPTIONS AND EXAMPLES
(a) No Illegal, Harmful, or Offensive Use or Content	<p>Customer may not use, or encourage, promote, facilitate or instruct others to use, the Services for any illegal, harmful or offensive use, or to transmit, store, display, distribute or otherwise make available content that is illegal, harmful, or offensive. Prohibited activities or content include, but are not limited to:</p> <p>Illegal Activities. Any illegal activities, including advertising, transmitting, or otherwise making available gambling sites or services or disseminating, promoting or facilitating child pornography.</p> <p>Harmful or Fraudulent Activities. Activities that may be harmful to others, UKG's operations or reputation, including offering or disseminating fraudulent goods, services, schemes, or promotions (e.g., make-money-fast schemes, ponzi and pyramid schemes, phishing, or pharming), or engaging in other deceptive practices.</p> <p>Infringing Content. Content that infringes or misappropriates the intellectual property or proprietary rights of others.</p> <p>Offensive Content. Content that is defamatory, obscene, abusive, invasive of privacy, or otherwise objectionable, including content that constitutes child pornography, relates to bestiality, or depicts non-consensual sex acts.</p> <p>Harmful Content. Content or other computer technology that may damage, interfere with, surreptitiously intercept, or expropriate any system, program, or data, including viruses, Trojan horses, worms, time bombs, or cancelbots.</p>
(b) No Security Violations	<p>Customer may not use the Services to violate the security or integrity of any network, computer or communications system, software application, or network or computing device (each, a “System”). Prohibited activities include, but are not limited to:</p> <p>Unauthorized Access. Accessing or using any System without permission, including attempting to probe, scan, or test the vulnerability of a System or to breach any security or authentication measures used by a System. Customer will not perform any security integrity review, penetration test, load test, denial of service simulation or vulnerability scan on any System.</p> <p>Interception. Monitoring of data or traffic on a System without permission.</p> <p>Falsification of Origin. Forging TCP-IP packet headers, e-mail headers, or any part of a message describing its origin or route. This prohibition does not include the use of aliases or anonymous remailers.</p> <p>No Use of Robots. Customer will not use any tool designed to automatically emulate the actions of a human user (e.g., robots)</p>
(c) No Network Abuse	<p>Customer may not make network connections to any users, hosts, or networks unless Customer has permission to communicate with them. Prohibited activities include, but are not limited to:</p> <p>Monitoring or Crawling. Monitoring or crawling of a System that impairs or disrupts the System being monitored or crawled.</p> <p>Denial of Service (DoS). Inundating a target with communications requests so the target either cannot respond to legitimate traffic or responds so slowly that it becomes ineffective.</p> <p>Intentional Interference. Interfering with the proper functioning of any System, including any deliberate attempt to overload a system by mail bombing, news bombing, broadcast attacks, or flooding techniques.</p>

PROHIBITED USE	DESCRIPTIONS AND EXAMPLES
	<p>Operation of Certain Network Services. Operating network services like open proxies, open mail relays, or open recursive domain name servers.</p> <p>Avoiding System Restrictions. Using manual or electronic means to avoid any use limitations placed on a System, such as access and storage restrictions.</p>
(d) No E-Mail or Other Message Abuse	Customer will not use the Service to distribute, publish, send, or facilitate the sending of unsolicited mass e-mail or other messages, promotions, advertising, or solicitations (like "spam"), including commercial advertising and informational announcements. Customer will not alter or obscure mail headers or assume a sender's identity without the sender's explicit permission. Customer will not collect replies to messages sent from another internet service provider if those messages violate this Policy or the acceptable use policy of that provider.

2. Monitoring and Enforcement

UKG reserves the right, but does not assume the obligation, to investigate any violation of this Policy or misuse of the Services. UKG may:

- investigate violations of this Policy or misuse of the Services; or
- remove, disable access to, or modify any content or resource that violates this Policy.

If Customer violates the Policy or authorizes or helps others to do so, UKG may suspend use of the Services until the violation is corrected or terminate the Agreement for cause in accordance with the terms of the Agreement. UKG may modify this Policy at any time upon written notice to Customer of a revised version.

UKG may report any activity that it suspects violates any law or regulation to appropriate law enforcement officials, regulators, or other appropriate third parties. UKG's reporting may include disclosing appropriate customer information. UKG also may cooperate with appropriate law enforcement agencies, regulators, or other appropriate third parties to help with the investigation and prosecution of illegal conduct by providing network and systems information related to alleged violations of this Policy.

3. Reporting of Violations of this Policy by Customer

If Customer becomes aware of any violation of this Policy, Customer will immediately notify UKG and provide UKG with assistance, as requested, to stop or remedy the violation.

Exhibit 2

EQUIPMENT ADDENDUM

This Equipment Addendum (“Addendum”) supplements the Agreement (as defined in the Order that incorporates this Addendum) by setting forth certain additional terms and conditions that apply to the purchase and/or rental of Equipment and Equipment Support Services (as applicable).

In the event of conflict or inconsistency between any provision contained in the Agreement and any provision contained in this Addendum, with respect to the purchase and/or rental of Equipment and Equipment Support Services, the provisions contained in this Addendum shall prevail.

1. Definitions.

In this Addendum, capitalized terms shall have the meanings set out below. Capitalized terms not otherwise defined below have the meaning given to them in the Agreement.

“**Depot Exchange Service**” means the Equipment Support Services option where UKG ships a replacement unit on an advance exchange basis in accordance with the Section 6 below.

“**Depot Repair Service**” means the Equipment Support Services option where Customer has its own inventory of spare terminals and UKG repairs the terminal in accordance with Section 6 below.

“**Equipment**” mean UKG equipment such as time clocks, that are included on the Order.

“**Equipment Description**” means the supplemental terms attached hereto as Exhibits for purchased Equipment or Rental Equipment, as applicable.

“**Equipment Documentation**” means Equipment specifications, such as user manuals and administrator guides, published by UKG via the UKG community portal, accessible at <https://www.ukg.com/support>.

“**Equipment Support Services**” means Equipment maintenance and support services option stated on the Order.

2. Purchase or Rental Equipment. Customer may purchase or rent Equipment from UKG and receive related Equipment Support Services if included on the Order. If Customer purchases Equipment, Exhibit A applies, and if Customer rents Equipment, Exhibit B applies.

3. Payment and Invoicing. The price payable by Customer for the purchase or rental of Equipment, and Equipment Support Services as applicable, is set out on the Order. Each Party shall pay shipping costs and fees pursuant to the shipping terms stated on the Order.

4. Shipping and Title.

4.1 Shipping. UKG shall ship Equipment to Customer in accordance with the following shipping terms, unless otherwise stated on the Order.

4.2 Shipments to United States Destinations. All shipments to or from Customer to destinations within the United States are FOB (Free On Board) Shipping Point, and the shipping party is responsible for all costs and risks of loss, except that for shipments from UKG to Customer utilizing UKG’s preferred carrier, UKG is responsible for the risk of loss during shipment until delivery to the identified destination. For UKG’s initial shipment of purchased Equipment to Customer destinations within the United States, title of the Equipment passes to Customer upon shipment to the identified destination.

4.3 Shipments to Destinations Outside of the United States. Shipments to Customer destinations located in countries where UKG or one of its affiliates has an office are DDP (Delivered Duty Paid), and UKG is responsible for all duties and Value Added Taxes (VAT). Shipments to Customer destinations located in countries where UKG or one of its affiliates does not have an office are DAP (Delivered At Place), and Customer is responsible for import clearance, all duties and VAT. Shipments to UKG from a Customer location outside of the United States are DDP, and Customer is responsible for all duties and VAT. For the initial shipment of purchased Equipment to Customer outside of the United States, title of the Equipment passes to Customer upon delivery to the identified destination.

4.4 Title. Title to rented Equipment shall always remain with UKG. Except as expressly provided in this Addendum, UKG has and shall maintain sole and exclusive ownership of all rights, title, and interest in the intellectual property of the Equipment and its firmware.

5. Customer Responsibilities.

5.1 Use of Equipment. Customer shall (i) use the Equipment in accordance with the Equipment Documentation, (ii) use UKG's carrier of choice when shipping any Equipment, and ensure that Equipment returned to UKG is reasonably packaged to prevent damage in transit, and (iii) remove Customer Data from Equipment before sending Equipment to UKG. UKG reserves the right to delete Customer Data from Equipment that it receives from Customer. Customer is solely responsible for the backup of Customer Data. Customer acknowledges and agrees that UKG shall have no liability for Customer's failure to backup Customer Data.

5.2 Returning Equipment. When returning Equipment as permitted by the Addendum, Customer shall (i) request a Return Material Authorization Number ("RMA") from UKG and place the RMA conspicuously on the outside of the return shipping package; and (ii) promptly return any failed Equipment. Customer acknowledges that any batch shipping of Equipment will result in a longer turnaround time and a surcharge to Customer.

5.3 Restrictions. In addition to the Use Restrictions set out in Section 2.2 of the Agreement, Customer will not, and will not cause or permit others to: (a) reverse engineer, disassemble, adapt, translate, or decompile the Equipment or any firmware component included with the Equipment, including, without limitation, any third party components, or otherwise attempt to derive source code, trade secrets, or knowhow from the Equipment, (b) probe, scan or test the vulnerability, or attempt to gain unauthorized access to the Equipment or its firmware, or (c) remove or alter any proprietary notices or marks on the Equipment or Documentation.

6. Support Services.

6.1 Description. UKG shall provide Equipment Support Services as set forth in the applicable Equipment Description for rented or purchased equipment attached hereto.

6.2. Support Process.

(a) Troubleshooting and return. In the event of an Equipment issue covered by the Depot Exchange Service or the Depot Repair Service, Customer shall notify UKG of such issue in writing and UKG will attempt to resolve the issue via remote support. However, if UKG deems an issue to require Equipment repair or replacement, UKG shall provide Customer with a RMA for such Equipment, and Customer will ship the applicable Equipment to UKG at a location specified by UKG.

(b) Additional terms for Depot Exchange Service. UKG will replace Equipment subject to Section 6.2(a). UKG will ship such replacement Equipment to the address provided by Customer. Upon receipt of such replacement Equipment, Customer shall package the defective Equipment using the materials provided by UKG for that purpose, display the RMA on the packaging in accordance with Section 5.2 above, and promptly return the Equipment to UKG. UKG may suspend the Depot Exchange Service if Customer does not return replaced Equipment to UKG within ten (10) business days of receiving the applicable replacement. In such event, UKG shall restore the service when Customer either (i) ships the replaced Equipment to UKG, or (ii) pays UKG the then-current UKG list price of the replaced Equipment. For the avoidance of doubt, the Depot Exchange Service will not be extended or otherwise affected by such suspension.

(c) Additional terms for Depot Repair Service. Subject to Section 6.2(a), Customer shall ship applicable Equipment to UKG. UKG will use reasonable efforts to repair the Equipment and ship it to Customer within ten (10) business days of receipt.

(d) Device Software Maintenance. If Customer has active Device Software Maintenance, UKG will provide Customer with service packs for the applicable Equipment (which contain system updates) available for download at UKG's community portal ("Equipment Service Packs"). Customer is responsible for installing Equipment Service Packs. UKG may verify if Customer has downloaded any Equipment Service Packs to which Customer is not entitled. Device Software Maintenance is included with Depot Exchange and Depot Repair, however, if Device Software Maintenance is purchased alone it does not include any repair or exchange services.

(e) Per-event Repair Service. Per-event rates apply to customers without an equipment support agreement. The Equipment will be returned by regular surface transportation. This service does not include Device Maintenance Software or Equipment Service Packs. Subject to Section 6.2(a), upon failure of installed Equipment, Customer shall ship such Equipment to UKG. UKG will attempt to repair any repairable defective item within fifteen (15) business days after receipt at the current per-event pricing.

6.3 Spare Equipment. For business continuity purposes, UKG recommends that Customer retains a sufficient number of spare Equipment, and it is Customer's sole responsibility to retain such Equipment.

6.4 Exclusions. UKG is not liable for, and the Equipment Support Services do not include, the repair of damages, and Customer will not attempt to return damaged Equipment, resulting from:

(a) Any cause external to the Equipment including, but not limited to Force Majeure causes;

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

- (c) Customer's improper use, location, packaging, refinishing, management, maintenance or supervision of the Equipment or other failure to use Product in accordance with the Equipment Documentation;
- (d) Customer's use of the Equipment for purposes other than those for which they are designed or the use of accessories or supplies not approved by UKG;
- (e) Government imposed sanctions, rules, regulations or laws preventing the shipment of the Equipment; or
- (f) Customer's repair, attempted repair or modification of the Equipment.

7. Export. Section 10.3 of the Agreement shall apply to the provision and use of Equipment under this Addendum.

8. Warranties.

8.1 Equipment Support Services. UKG warrants that all Equipment Support Services performed under this Addendum will be performed in a good and professional manner.

8.2 Equipment Service Packs. UKG warrants that all Equipment Service Packs provided under this Addendum shall materially perform in accordance with the applicable Equipment Documentation for ninety (90) days after download by Customer, provided that Customer's use, installation and maintenance thereof conforms to the Equipment Documentation.

8.3 Remedies. To the extent permitted by Applicable Law, Customer's exclusive remedies for any breach of UKG's warranties outlined in this Addendum shall be, at UKG's option, the repair or replacement of the applicable Equipment Service Pack(s) or firmware update(s).

8.4 Disclaimer. Section 6.4 of the Agreement shall apply to the provision of Equipment under this Addendum. References to Services in such Section 6.4 shall be taken to mean Equipment for the purposes of this Addendum.

8.5 Customer Warranty. Customer warrants that it has obtained all the information it requires to fully evaluate the Equipment and determine that the Equipment is suited to its organization, needs and objectives. All Equipment will be supplied based upon the information provided by Customer or on behalf of Customer to UKG. Customer is responsible to provide all such information in a timely, complete and accurate manner. Customer will be responsible for any adverse effect that any Customer delay or instruction may have on the supply and operation of the Equipment.

9. Limitation of Liability.

9.1 Monetary Cap. THE TOTAL AGGREGATE LIABILITY OF UKG IN CONNECTION WITH THIS ADDENDUM WILL BE LIMITED TO ACTUAL AND DIRECT DAMAGES PROVEN BY CUSTOMER. FOR RENTAL EQUIPMENT, UKG'S TOTAL AGGREGATE LIABILITY FOR ANY AND ALL CLAIMS IN CONNECTION WITH ANY SUCH EQUIPMENT WILL NOT EXCEED THE AMOUNT OF TOTAL NET PAYMENTS RECEIVED BY UKG FOR THE APPLICABLE EQUIPMENT IN THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRECEDING THE DATE IN WHICH THE DAMAGES ARISE. FOR PURCHASED EQUIPMENT, UKG'S TOTAL AGGREGATE LIABILITY FOR ANY AND ALL CLAIMS IN CONNECTION WITH ANY SUCH EQUIPMENT WILL NOT EXCEED THE AMOUNT OF TOTAL NET PAYMENTS RECEIVED BY UKG FOR THE APPLICABLE EQUIPMENT FROM WHICH THE DAMAGES ARISE. UKG'S TOTAL AGGREGATE LIABILITY FOR EQUIPMENT SUPPORT SERVICES AND EQUIPMENT SERVICE PACKS IS SUBJECT TO SECTION 9 OF THE AGREEMENT.

9.2 Exclusion of Damages. UKG WILL NOT BE LIABLE FOR ANY INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL, OR PUNITIVE DAMAGES; FOR THE COST OF ACQUIRING SUBSTITUTE OR REPLACEMENT OF EQUIPMENT OR SERVICES; OR FOR ANY LOST OR IMPUTED PROFITS OR REVENUES, BUSINESS INTERRUPTION, LOST GOODWILL, OR LOST DATA RESULTING FROM OR RELATED TO THIS ADDENDUM, HOWEVER CAUSED.

9.3 Applicability of Limitations. THESE LIMITATIONS APPLY FOR ANY REASON, REGARDLESS OF ANY LEGAL THEORY AND FOR WHATEVER REASON LIABILITY IS ASSERTED, EVEN IF UKG HAS KNOWLEDGE OF THE POSSIBILITY OF SUCH DAMAGES AND WHETHER OR NOT SUCH DAMAGES ARE FORESEEABLE. INsofar AS APPLICABLE LAW PROHIBITS ANY LIMITATION ON LIABILITY HEREIN, THE PARTIES AGREE THAT SUCH LIMITATION WILL BE AUTOMATICALLY MODIFIED, BUT ONLY TO THE EXTENT SO AS TO MAKE THE LIMITATION COMPLIANT WITH APPLICABLE LAW. THE PARTIES AGREE THAT THE LIMITATIONS ON LIABILITIES SET FORTH HEREIN ARE AGREED ALLOCATIONS OF RISK AND SUCH LIMITATIONS WILL APPLY NOTWITHSTANDING THE FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY.

10 Finger Scan (FS) and Facial Recognition (FR) Equipment.

10.1 FS/FR Warranty. For Customer's use of Equipment containing finger scan sensor and/or facial recognition technology ("FS/FR Equipment"), Customer has the option to configure the FS/FR Equipment settings to capture or not, and to provide the option to its employees. Customer warrants that it will assess and will maintain its compliance with all applicable biometric privacy laws with respect to its use of FS/FR Equipment (including but not limited to undertaking a legitimate interest assessment, where required). If required by law,

Customer further warrants that prior to using finger scan sensor and/or facial recognition technology in FS/FR Equipment it shall, where applicable : (i) obtain signed releases from employees consenting to the use of the applicable FS/FR Equipment for employee timekeeping purposes (where appropriate); (ii) issue policies to their employees and the public regarding its retention and destruction of the finger scan or facial recognition data, and (iii) shall expressly apply any releases, consents, or policies required by applicable law to UKG, its affiliates and its authorized subcontractors.

10.2 FS/FR Responsibility. CUSTOMER AGREES TO BE RESPONSIBLE FROM ANY AND ALL DAMAGES, LOSSES, LIABILITIES, COSTS, PENALTIES, AND FINES ACTUALLY AWARDED TO A THIRD PARTY AS A RESULT OF SUCH A FS/FR EQUIPMENT CLAIM. UPON RECEIPT OF NOTICE OF SUCH AN EQUIPMENT CLAIM, UKG SHALL BE ENTITLED TO PARTICIPATE IN THE DEFENSE OF SUCH CLAIM AND TO EMPLOY COUNSEL AT ITS OWN EXPENSE TO ASSIST IN THE HANDLING OF SUCH CLAIM, ON A MONITORING AND A NON-CONTROLLING BASIS; (II) CUSTOMER SHALL NOT SETTLE ANY EQUIPMENT CLAIM ON ANY TERMS OR IN ANY MANNER THAT ADVERSELY AFFECTS THE RIGHTS OF UKG WITHOUT ITS PRIOR WRITTEN CONSENT; AND (III) UKG SHALL PROVIDE REASONABLE COOPERATION AND ASSISTANCE AT CUSTOMER'S SOLE COST AND EXPENSE.

Exhibit A

Purchased Equipment Description

This Purchase Equipment Description is supplemental to the Equipment Addendum and contains additional or different terms with respect to the purchase of Equipment and related Support Services by Customer.

1. Definitions.

In this Exhibit A, capitalized terms shall have the meanings set out below:

“Initial Term” – means the initial billing term of the Equipment Support Service as set forth in Section 4.2 below.

“Renewal Term” – means the renewal billing term of the Equipment Support Service as set forth in Section 4.2 below.

“Term” – means the Initial Term and any Renewal Terms, together.

2. Invoicing of Purchased Equipment and Support Services.

UKG shall invoice Customer for purchased Equipment and Equipment Support Services upon shipment of such purchased Equipment.

3. Renewal and Termination.

3.1 Upon expiry of the Initial Term, the term of the Equipment Support Services will renew for successive Renewal Terms unless either Party notifies the other in writing of its intent not to renew at least thirty (30) days prior to expiry of the then-current Initial Term or a Renewal Term.

3.2 The fees for Equipment Support Services may change on the commencement of each applicable Renewal Term, provided that UKG gives Customer at least thirty (30) days' prior written notice of such change through the renewal quote or invoice, and the fees for the same quantity of such Equipment and the same Equipment Support Service may increase as set forth in the Order over the previous year. The increased fees will be set forth in the applicable invoice.

4. Support Services.

4.1 Option. Customer may purchase the following Equipment Support Services packages:

- (a) Depot Exchange Service;
- (b) Depot Repair Service; or
- (c) Device Software Maintenance.

Each package includes access to UKG online and phone support services. All Equipment of the same type, including spare Equipment (described in Section 6.3 of the Addendum), must be covered by the same Equipment Support Services package. If Customer requests Equipment support from UKG for Equipment not covered by Equipment Support Services, UKG's per-event rates will apply.

4.2 Term. Unless expressly agreed by the Parties in writing, the Initial Term and each Renewal Term of Equipment Support Services for purchased Equipment is one (1) year, with the Initial Term commencing upon the expiration of the warranty period described in Section 5 below and the Renewal Term commencing on the expiry of the Initial Term or the previous Renewal Term.

5. Warranty.

Unless otherwise expressly agreed in writing, UKG warrants that purchased Equipment, under normal usage and with regular recommended Equipment Support Service, shall be free from defects in materials and workmanship, as set forth in the Equipment Documentation, for a period of ninety (90) days from the date of delivery of the purchased Equipment. This warranty is provided to Customer only, and does not apply to any Equipment: (a) damage or malfunction resulting from misuse, neglect, tampering, modification or replacement of any UKG components on any boards supplied with the Equipment, unusual physical or electrical stress, or any other cause besides normal and intended use; (b) use, installation or maintenance by Customer that does not conform to the applicable Equipment Documentation; or (c) malfunctions resulting from the use of a badge not approved by UKG. UKG's entire liability for a breach of this warranty shall be for UKG, at its option and cost, to repair or replace the affected Equipment, and, if UKG is unable to repair or replace within a reasonable time, then upon return of such Equipment to UKG, UKG will refund the amount Customer paid for the affected Equipment as depreciated on a straight-line basis over a five (5) year period.

Exhibit B

Equipment Rental Description

This Equipment Rental Description is supplemental to the Equipment Addendum and contains additional or different terms with respect to Equipment rented by Customer.

1. Definitions.

In this Exhibit B, capitalized terms shall have the meanings set out below:

“Billing Start Date” – means the date Equipment Rental Fees begin to accrue, as set forth on the Order.

“Billing Frequency” – means the invoice frequency of Equipment Rental Fees, as set forth on the Order.

“Equipment Rental Fees” – means the fees payable to UKG for rented Equipment, as applicable that are set forth on the Order.

“Initial Term” – means the initial billing term of the rented Equipment as set forth on the Order which commences on the Billing Start Date.

“Renewal Term” – means the renewal billing term of the rented Equipment as set forth on the Order.

“Term” – means the Initial Term and any Renewal Terms, together.

2. Payment and Invoicing.

UKG shall invoice Customer on the Billing Frequency indicated on the Order. The billing period of the Equipment Rental Fees will start on the Billing Start Date and will continue for the Initial Term. The Equipment Rental Fees include the cost of the Depot Exchange Service (as described below) for such Equipment.

3. Renewal and Return

3.1 On expiry of the Initial Term and expiry of each Renewal Term, each as indicated on the Order, the Term of the rented Equipment will automatically renew for the duration indicated on the Order as the Renewal Term unless either Party notifies the other in writing of its intent not to renew at least thirty (30) days prior to expiry of the then-current Initial Term or a Renewal Term.

3.2 The fees for rented Equipment may increase on the commencement of each applicable Renewal Term, provided that UKG gives Customer at least thirty (30) days' prior written notice of such change through the renewal quote or invoice. The fees for the same quantity of such Equipment may increase over the previous year as set forth in the Order. The increased fees will be set forth in the applicable invoice.

3.3 Within thirty (30) days of the date of termination or expiration of the Term, Customer shall, at Customer's expense, return all rented Equipment to UKG in the same condition as it was in when originally received by Customer, reasonable wear and tear excepted. Customer shall pay UKG the then-current list price of any rented Equipment that Customer fails to return as required under this Addendum.

4. Ownership. Rented Equipment is and shall remain the sole and exclusive personal property of UKG and will not become a fixture if attached to other equipment or real property. Customer shall not do or allow to occur anything which might adversely affect UKG's right, title or interest in the Equipment. Customer shall not sell or otherwise encumber rented Equipment and shall not make any alterations or remove rented Equipment from the place where such Equipment is originally installed without UKG's prior written consent.

5. Support Services. The Depot Exchange Service applies to all rented Equipment at no additional cost.

6. Warranty. Unless otherwise expressly agreed in writing, rented Equipment is provided “AS IS” with all faults. UKG's sole obligation for defective equipment shall be for UKG, at its option and cost, to repair or replace the affected Equipment, and, if UKG is unable to repair or replace within a reasonable time, then upon return of such Equipment to UKG, UKG will refund prepaid rental fees made by the Customer for use of affected Equipment after such return date.