



# City of Jonesboro

300 S. Church Street  
Jonesboro, AR 72401

## Signature Copy

Ordinance: O-EN-040-2021

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**File Number: ORD-21:044**

**Enactment Number: O-EN-040-2021**

### AN ORDINANCE TO CONTRACT FOR PAYROLL AND HR SOFTWARE, WAIVE COMPETITIVE BIDDING AND APPROPRIATE FUNDS

WHEREAS, it has been determined that the City of Jonesboro's existing payroll and human resources (HR) software programs do not provide for efficiency of self-service use by employees, lack planning/forecasting ability for Managers, lack the ability of interface between programs and replacement software is desired; and

WHEREAS, Seven vendors were compared for adequacy of services necessary to best meet the needs for payroll and HR services of the City; and

WHEREAS, provisions of A.C.A. 14-58-303 allow for the waiver of competitive bidding by the City's governing body in exceptional situations where bidding is deemed not feasible nor practical; and

WHEREAS, SyncHR by PrimePay software has been identified as the software which best meets the City's Payroll and HR software goals and requirements of use; and

WHEREAS, the contract for services provides a Human Capital Management (HCM) Suite of services including Payroll Processing, HR Management, Time & Attendance, Advanced Scheduling, Learning Management System, SyncHR-Performance, FMLA Tracker and recruiting tool ATS Recruit;

WHEREAS, the annual subscription fee is based on a per unit price of \$16.90 per employee per month for a total estimated subscription cost of \$121,680, annually for the three year initial contract period; and

WHEREAS, the 2021 adopted City budget will need to be amended \$15,000 for implementation services and \$20,280 in service fees for the remainder of 2021;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Jonesboro, Arkansas that:

SECTION 1: The City of Jonesboro shall enter into a contract for and implementation of SyncHR by PrimePay software for a three-year contract period.

SECTION 2: The sum of \$35,280 is appropriated from the General Fund unappropriated fund balance for the contract with SyncHR by PrimePay software.

SECTION 3: Replacement software is deemed necessary for effective management of the City; therefore, competitive bidding is waived in accordance with provisions of A.C.A. 14-58-303.

PASSED AND APPROVED THIS 19TH DAY OF OCTOBER 2021.



## Master Subscription Agreement

THIS MASTER SUBSCRIPTION AGREEMENT ("this Agreement") is entered into as of September \_\_\_\_\_, 2021 by and between **PrimePay, LLC** ("We," "Us" or "Our"), a Delaware limited liability company and \_\_\_\_\_, a \_\_\_\_\_ corporation ("You" or "Your").

### 1. DEFINITIONS

"**Affiliate**" means any entity which directly or indirectly controls, is controlled by, or is under common control with the subject entity. "Control," for purposes of this definition, means direct or indirect ownership or control of more than 50% of the voting interests of the subject entity.

"**Employee**" means each full or part time employee or contingent worker of Yours for which the Purchased Services is used to process or report information relative to such employee.

"**Equipment**" means the computer system, including equipment and software, utilized by You to Use the Services.

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

"**Non-SyncHR Applications**" means online applications and offline software products that are provided by entities or individuals other than Us and are clearly identified as such, and that interoperate with the Services, including but not limited to those listed on the Partners page at [www.syncHR.com](http://www.syncHR.com), as updated from time to time.

"**Order Form**" means the documents for placing orders hereunder, including addenda thereto, that are entered into between You and Us or any of Our Affiliates from time to time, including addenda and supplements thereto. By entering into an Order Form hereunder, an Affiliate agrees to be bound by the terms of this Agreement as if it were an original party hereto. Order Forms shall be deemed incorporated herein by reference.

"**Purchased Services**" means Services that You or Your Affiliates purchase under an Order Form.

"**Services**" means the products and services that are ordered by You under an Order Form and made available by Us online via the customer login link at <http://www.syncHR.com> and/or other web pages designated by Us. "Services" exclude Non-SyncHR Applications.

"**User Guide**" means the online user guide for the Services, accessible via login at <http://www.syncHR.com>, as updated from time to time.

"**Use**" means access by You via the Internet to obtain the Services, and the processing of data and information by You on the Equipment via such access.

"**Users**" means individuals who are authorized by You to use the Services, for whom subscriptions to a Service have been ordered, and who have been supplied user identifications and passwords by You (or by Us at Your request). Users may include but are not limited to Your employees, consultants, contractors and agents.

"**Your Data**" means all electronic data or information submitted by You to the Purchased Services.

### 2. PURCHASED SERVICES



**2.1. Provision of Purchased Services.** We shall make the Purchased Services available to You pursuant to this Agreement and the relevant Order Forms during a subscription term. You agree that Your purchases hereunder are neither contingent on the delivery of any future functionality or features nor dependent on any oral or written public comments made by Us regarding future functionality or features.

**2.2. Subscriptions to the Services.** Unless otherwise specified in the applicable Order Form, Services are purchased monthly beginning on the start date as set forth in the applicable Order Form and are based on the total number of Employees You have on the first of each month. You shall assign each User a user name and password. You shall terminate any User upon any termination of his or her employment or service relationship with You.

**2.3. Grant of License to the Services.** Subject to the terms and conditions of Agreement, We hereby grant to You a nonexclusive and non-transferable license to: (a) Use the Services, and (b) Use the User Guide in connection with the Use of the Services. This license transfers to You neither title nor any proprietary or intellectual property rights with respect to the Services, User Guide, or any copyrights, patents, trade secrets or trademarks, embodied or used in connection therewith, except for the rights expressly granted herein. You will be responsible for all Equipment, telecommunications and Internet access required to Use the Software and User Guide.

### **3. USE OF THE SERVICES**

**3.1. Our Responsibilities.** We shall provide the level of support as set forth on Schedule A hereto for the Purchased Services at no additional charge (the “**Service Level Agreement**”).

**3.2. Our Protection of Your Data.** (a) We shall maintain administrative, physical, and technical safeguards for protection of the security, confidentiality and integrity of Your Data as set forth in our Data Protection Policy/Procedures attached hereto as Schedule B. (b) At any time upon Your request, We will securely destroy all copies of Your Data in Our possession and certify such secure destruction in writing to You. (c) Upon becoming aware of (i) any unlawful access to Your Data stored on Our equipment or in Our facilities, or (ii) unauthorized access to such facilities or equipment resulting in loss, disclosure or alteration of any of Your Data, or (iii) any actual loss of or suspected threats to the security of Your Data (collectively “**Security Incident**”), We will: (x) promptly notify You of the Security Incident (and in all circumstances at least as soon as We report to similarly situated customers of Ours); (y) investigate or perform required assistance in the investigation of the Security Incident and provide You with detailed information about the Security Incident; and (z) take all commercially reasonable steps to mitigate the effects of the Security Incident, or assist You in doing so. We will comply with this section at Our cost unless the Security Incident arose from Your negligent or willful acts or Our compliance with Your express written instructions. (d) We shall not (i) modify Your Data, (ii) disclose Your Data except as compelled by law in accordance with Section 7.3 (Compelled Disclosure) or as expressly permitted in writing by You, or (iii) access Your Data except to provide the Services and prevent or address service or technical problems, or at Your request in connection with customer support matters.

**3.3. Your Responsibilities.** You shall (i) be responsible for Users’ compliance with this Agreement, (ii) be responsible for the accuracy, quality and legality of Your Data and of the means by which You acquired Your Data, (iii) use commercially reasonable efforts to prevent unauthorized access to or use of the Services, and notify Us promptly of any such unauthorized access or use, and (iv) use the Services only in accordance with the User Guide and applicable laws and government regulations. You shall not (a) make the Services available to anyone other than Users, (b) sell, resell, rent or lease the Services, (c) use the Services to store or transmit infringing, libelous, or otherwise unlawful or tortious material, or to store or transmit material in violation of third-party privacy rights, (d) use the Services to store or transmit Malicious Code, (e) interfere with or disrupt the integrity or performance of the Services or third-party data contained therein, or (f) attempt to gain unauthorized access to the Services or their related systems or networks.



## 4. NON-SYNCHR APPLICATIONS

**4.1. Acquisition of Non-SynchHR Products and Services.** We or third parties may from time to time make available to You (e.g., through Non-SynchHR Applications) third-party products or services, including but not limited to Non-SynchHR Applications and implementation, customization and other consulting services. Any acquisition by You of such non-SynchHR applications or services, and any exchange of data between You and any non-SynchHR application, is solely between You and the applicable non-SynchHR application. We do not warrant or support non-SynchHR products or services, whether or not they are designated by Us as "certified" or otherwise, except for those specified as included services on a Synchr Order Form. Subject to Section 4.2 (Integration with Non-SynchHR Applications), no purchase of non-SynchHR applications or services is required to use the Services except a supported computing device, operating system, web browser and Internet connection.

**4.2. Non-SynchHR Applications and Your Data.** If You install or enable Non-SynchHR Applications for use with Services, You acknowledge that We may allow providers of those Non-SynchHR Applications to access Your Data as required for the interoperation of such Non-SynchHR Applications with the Services. We shall not be responsible for any disclosure, modification or deletion of Your Data resulting from any such access by Non-SynchHR Application providers, unless such disclosure, modification or deletion of Your Data is caused (partially or wholly) by Our negligence. The Services shall allow You to restrict such access by restricting Users from installing or enabling such Non-SynchHR Applications for use with the Services.

## 5. FEES AND PAYMENT FOR PURCHASED SERVICES

**5.1. Fees.** You shall pay all fees specified in all Order Forms hereunder. Except as otherwise specified herein or in an Order Form, (i) fees are based on services purchased and subject to the Service Level Agreement set forth in Section 3.1 and (ii) payment obligations are non-cancelable and fees paid are non-refundable. To the extent there is any travel in connection with providing the services for You, We will bill you at actual cost for Our reasonable travel expenses, including airfare, hotel, car rental, meals and administrative expenses. Such expenses will be itemized on Our invoices to You.

**5.2. Invoicing and Payment.** Unless otherwise specified in an Order Form, Implementation Fees and the first year's Subscription Fees are due and payable upon execution of the Order Form. Synchr will provide an invoice and will directly debit fees via ACH. You are responsible for providing complete and accurate billing and contact information to Us and notifying Us of any changes to such information.

Annual Subscription Fees will be invoiced each year on the Service Anniversary Date. We will invoice you annually in advance in accordance with the relevant Order Form. We will present a billing invoice via e-mail within 15 days prior to the Service Anniversary Date, and will directly debit all undisputed fees via ACH no sooner than five (5) business days following presentation of the invoice. Annual Subscription Fees will be invoiced each year based upon the greater of (a) the estimated average number of employees during the upcoming annual service period or (b) the trailing 12-month average.

Following the first business day of the last month of the annual service period, Synchr will determine the average employee count for the preceding 12-month period. To the extent PEPM subscription fees using the 12-month average employee counts exceed the Annual Subscription Fees invoiced at the beginning of the annual service period, Synchr will invoice You for such excess. To the extent the Annual Subscription Fees invoiced at the beginning of the annual service period exceed PEPM subscription fees using the 12-month average employee counts, Synchr will issue a credit memo to You, which may be applied to any current or future fees. Note the maximum license fee credit for the preceding 12-month period shall be no greater than 20% of the Annual Subscription Fee invoiced at the beginning of such period. Furthermore, the Annual Subscription Fee for any year is subject to minimum license fees in the applicable Order Form, and in any case is subject to a maximum reduction of 25% of the Annual Subscription Fee for the prior year.



SyncHR reserves the right to review actual employee counts during the annual service period. To the extent that actual employee counts exceed the employee counts used to determine Annual Subscription Fees invoiced at the beginning of the annual service period, SyncHR may invoice a mid-period true-up to account for any such increases.

Fees for other services will be billed according to our current Fee Schedule, or stipulated separately in an Order Form. Unless otherwise stipulated in the Order Form, such fees will be invoiced and directly debited by SyncHR via ACH.

**5.3. Overdue Charges.** If any charges are not received from You by the due date and you have not paid such charges after receiving at least 10 days' notice from Us, then at Our discretion, (a) such charges shall accrue late interest at the rate of 1.5% of the outstanding balance per month, or the maximum rate permitted by law, whichever is lower, from the date such payment was due until the date paid, and/or (b) We may condition future subscription renewals and Order Forms on payment terms shorter than those specified in Section 5.2 (Invoicing and Payment).

**5.4. Suspension of Service and Acceleration.** If any amount owing by You under this or any other agreement for Our services is 30 or more days overdue, We may, without limiting Our other rights and remedies, suspend Our services to You until such amounts are paid in full. We will give You at least 25 days' prior notice that Your account is overdue, in accordance with Section 11.2 (Manner of Giving Notice), before suspending services to You (unless You pay such amounts in full prior to the end of such notice period).

**5.5. Payment Disputes.** We may not exercise Our rights under Section 5.3 (Overdue Charges) or 5.4 (Suspension of Service and Acceleration) if You are disputing the applicable charges reasonably and in good faith and are cooperating diligently to resolve the dispute. The exercising or forbearance of exercising Our rights is up to Our sole discretion and there is no affirmative obligation for Us to exercise said rights.

**5.6. Taxes.** Unless otherwise stated, Our fees do not include any taxes, levies, duties or similar governmental assessments of any nature, including but not limited to value-added, sales, use or withholding taxes, assessable by any local, state, provincial, federal or foreign jurisdiction (collectively, "Taxes"). You are responsible for paying all Taxes associated with Your purchases hereunder. If We have the legal obligation to pay or collect Taxes for which You are responsible under this paragraph, the appropriate amount shall be invoiced to and paid by You, unless You provide Us with a valid tax exemption certificate authorized by the appropriate taxing authority. For clarity, We are solely responsible for taxes assessable against Us based on Our income, property and employees.

**5.7 Reduction of Fees.** If the System Availability agreed to as part of the Service Level Agreement is not met to the extent of the percentages set forth below, the fees owed by You for the prior calendar month shall be reduced as follows:

<u>System Availability</u>	<u>Decrease in Monthly Fee:</u>
98% - 99.50%	15%
95% - 97.99%	25%
90% - 94.99%	50%
0% - 89.99%	100%

## 6. PROPRIETARY RIGHTS

**6.1. Reservation of Rights in Services.** Subject to the limited rights expressly granted hereunder, and expressly excluding Your Data, We reserve all rights, title and interest in and to the Services, including all related intellectual property rights. No rights are granted to You hereunder other than as



expressly set forth herein.

**6.2 Restrictions.** You will not Yourself, or through any parent, subsidiary, affiliate, agent or other third party: (i) decompile, disassemble, reverse engineer or attempt to reconstruct, identify or discover any source code, data design, underlying ideas, underlying user interface techniques or algorithms of the Services by any means whatsoever save as may be expressly permitted by applicable law notwithstanding a contract prohibition to the contrary, disclose any of the foregoing, in whole or in part; (ii) permit any third party to access the Services except as permitted herein or in an Order Form; (iii) modify, incorporate into or with other software, modify, decompile, disassemble, or reverse engineer the Services, in whole or in part; (iv) write or develop any software based upon the Services or any Confidential Information; (v) provide, disclose, divulge or make available to, or permit use of the Services by any third party other than the Users; (vi) create derivative works based on the Services except as authorized herein, (vii) copy, frame or mirror any part or content of the Services, other than copying or framing on Your own intranets or otherwise for Your own internal business purposes, or (viii) access the Services in order to (a) build a competitive product or service, or (b) copy any features, functions or graphics of the Services.

**6.3. Your Applications and Code.** If You, a third party acting on Your behalf, or a User creates applications or program code using the Services, You authorize Us to host, copy, transmit, display and adapt such applications and program code, solely as necessary for Us to provide the Services in accordance with this Agreement. Subject to the above, We acquire no right, title or interest from You or Your licensors under this Agreement in or to such applications or program code, including any intellectual property rights therein.

**6.4. Your Data.** Subject to the limited rights granted by You hereunder, We acquire no right, title or interest from You or Your licensors under this Agreement in or to Your Data, including any intellectual property rights therein.

**6.5. Suggestions.** We shall have a royalty-free, worldwide, irrevocable, perpetual license to use and incorporate into the Services any suggestions, enhancement requests, recommendations or other feedback provided by You, including Users, relating to the operation of the Services.

**6.6. Federal Government End Use Provisions.** We provide the Services, including related software and technology, for ultimate federal government end use solely in accordance with the following: Government technical data and software rights related to the Services include only those rights customarily provided to the public as defined in this Agreement. This customary commercial license is provided in accordance with FAR 12.211 (Technical Data) and FAR 12.212 (Software) and, for Department of Defense transactions, DFAR 252.227-7015 (Technical Data – Commercial Items) and DFAR 227.7202-3 (Rights in Commercial Computer Software or Computer Software Documentation). If a government agency has a need for rights not conveyed under these terms, it must negotiate with Us to determine if there are acceptable terms for transferring such rights, and a mutually acceptable written addendum specifically conveying such rights must be included in any applicable contract or agreement.

## 7. CONFIDENTIALITY

**7.1. Definition of Confidential Information.** As used herein, "**Confidential Information**" means all confidential information disclosed by a party ("**Disclosing Party**") to the other party ("**Receiving Party**"), whether orally or in writing, that is designated as confidential or that reasonably should be understood to be confidential given the nature of the information and the circumstances of disclosure. Your Confidential Information shall include Your Data; Our Confidential Information shall include the Services; and Confidential Information of each party shall include the terms and conditions of this Agreement and all Order Forms, as well as business and marketing plans, technology and technical information, product plans and designs, and business processes disclosed by such party. However, Confidential Information (other than Your Data) shall not include any information that (i) is or becomes



generally known to the public without breach of any obligation owed to the Disclosing Party, (ii) was known to the Receiving Party prior to its disclosure by the Disclosing Party without breach of any obligation owed to the Disclosing Party, (iii) is received from a third party without breach of any obligation owed to the Disclosing Party, or (iv) was independently developed by the Receiving Party.

**7.2. Protection of Confidential Information.** The Receiving Party shall use the same degree of care that it uses to protect the confidentiality of its own confidential information of like kind (but in no event less than reasonable care) (i) not to use any Confidential Information of the Disclosing Party for any purpose outside the scope of this Agreement, and (ii) except as otherwise authorized by the Disclosing Party in writing, to limit access to Confidential Information of the Disclosing Party to those of its and its Affiliates' employees, contractors and agents who need such access for purposes consistent with this Agreement and who have signed confidentiality agreements with the Receiving Party containing protections no less stringent than those herein. Neither party shall disclose the terms of this Agreement or any Order Form to any third party other than its Affiliates and their legal counsel and accountants without the other party's prior written consent.

**7.3. Compelled Disclosure.** The Receiving Party may disclose Confidential Information of the Disclosing Party if it is compelled by law to do so, provided the Receiving Party gives the Disclosing Party prior notice of such compelled disclosure (to the extent legally permitted) and reasonable assistance, at the Disclosing Party's cost, if the Disclosing Party wishes to contest the disclosure. If the Receiving Party is compelled by law to disclose the Disclosing Party's Confidential Information as part of a civil proceeding to which the Disclosing Party is a party, and the Disclosing Party is not contesting the disclosure, the Disclosing Party will reimburse the Receiving Party for its reasonable cost of compiling and providing secure access to such Confidential Information.

## **8. WARRANTIES AND DISCLAIMERS**

**8.1. Our Warranties.** We warrant that (i) We have validly entered into this Agreement and have the legal power to do so, (ii) the Services shall perform materially in accordance with the User Guide, (iii) the functionality of the Services will not be materially decreased during a subscription term, and (iv) We will not transmit Malicious Code to You, provided it is not a breach of this subpart (iv) if You or a User uploads a file containing Malicious Code into the Services and later downloads that file containing Malicious Code. For any breach of a warranty above, Your exclusive remedy shall be as provided in Section 11.3 (Termination for Cause) and Section 11.4 (Refund or Payment upon Termination) below.

**8.2. Your Warranties.** You warrant that You have validly entered into this Agreement and have the legal power to do so.

**8.3. Disclaimer.** EXCEPT AS EXPRESSLY PROVIDED HEREIN, NEITHER PARTY MAKES ANY WARRANTIES OF ANY KIND, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, AND EACH PARTY SPECIFICALLY DISCLAIMS ALL IMPLIED WARRANTIES, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW.

**8.4. Non-GA Services.** From time to time We may invite You to try, at no charge, Our products or services that are not generally available to Our customers ("**Non-GA Services**"). You may accept or decline any such trial in Your sole discretion. Any Non-GA Services will be clearly designated as beta, pilot, limited release, developer preview, non- production or by a description of similar import. Non-GA Services are provided for evaluation purposes and not for production use, are not supported, may contain bugs or errors, and may be subject to additional terms. NON-GA SERVICES ARE NOT CONSIDERED "SERVICES" HEREUNDER AND ARE PROVIDED "AS IS" WITH NO EXPRESS OR IMPLIED WARRANTY. We may discontinue Non-GA Services at any time in Our sole discretion and may never make them generally available.



## 9. MUTUAL INDEMNIFICATION

**9.1. Indemnification by Us.** We shall defend You against any claim, demand, suit, or proceeding made or brought against You by a third party alleging that the use of the Services as permitted hereunder infringes or misappropriates the intellectual property rights of a third party (a "**Claim Against You**"), and shall indemnify You for any damages, attorney fees and costs finally awarded against You as a result of, and for amounts paid by You under a court-approved settlement of, a Claim Against You; provided that You (a) promptly give Us written notice of the Claim Against You; (b) give Us sole control of the defense and settlement of the Claim Against You (provided that We may not settle any Claim Against You unless the settlement unconditionally releases You of all liability); and (c) provide to Us all reasonable assistance, at Our expense. In the event of a Claim Against You, or if We reasonably believe the Services may infringe or misappropriate, We may in Our discretion and at no cost to You (i) modify the Services so that they no longer infringe or misappropriate, without breaching Our warranties under "Our Warranties" above, (ii) obtain a license for Your continued use of the Services in accordance with this Agreement, or (iii) terminate Your subscriptions for such Services upon 30 days' written notice and refund to You any prepaid fees covering the remainder of the term of such subscriptions after the effective date of termination.

**9.2. Indemnification by You.** To the extent permitted by the applicable law to preserve Your special immunity, You shall defend Us against any claim, demand, suit or proceeding made or brought against Us by a third party alleging that Your Data, or Your use of the Services in breach of this Agreement, infringes or misappropriates the intellectual property rights of a third party or violates applicable law (a "**Claim Against Us**"), and to the extent permitted by the applicable law to preserve Your special immunity, You shall indemnify Us for any damages, attorney fees and costs finally awarded against Us as a result of, or for any amounts paid by Us under a court-approved settlement of, a Claim Against Us; provided that We (a) promptly give You written notice of the Claim Against Us; (b) give You sole control of the defense and settlement of the Claim Against Us (provided that You may not settle any Claim Against Us unless the settlement unconditionally releases Us of all liability); and (c) provide to You all reasonable assistance, at Your expense.

**9.3. Exclusive Remedy.** This Section 9 (Mutual Indemnification) states the indemnifying party's sole liability to, and the indemnified party's exclusive remedy against, the other party for any type of claim described in this Section.

## 10. LIMITATION OF LIABILITY

**10.1. Limitation of Liability.** NEITHER PARTY'S LIABILITY WITH RESPECT TO ANY SINGLE INCIDENT ARISING OUT OF OR RELATED TO THIS AGREEMENT (WHETHER IN CONTRACT OR TORT OR UNDER ANY OTHER THEORY OF LIABILITY) SHALL EXCEED THE LESSER OF \$500,000 OR THE AMOUNT PAID BY YOU HEREUNDER IN THE 12 MONTHS PRECEDING THE INCIDENT, PROVIDED THAT IN NO EVENT SHALL EITHER PARTY'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT (WHETHER IN CONTRACT OR TORT OR UNDER ANY OTHER THEORY OF LIABILITY) EXCEED THE TOTAL AMOUNT PAID BY YOU HEREUNDER. THE FOREGOING SHALL NOT LIMIT YOUR PAYMENT OBLIGATIONS UNDER SECTION 5 (FEES AND PAYMENT FOR PURCHASED SERVICES).

**10.2. Exclusion of Consequential and Related Damages.** IN NO EVENT SHALL EITHER PARTY HAVE ANY LIABILITY TO THE OTHER PARTY FOR ANY LOST PROFITS OR REVENUES OR FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, COVER OR PUNITIVE DAMAGES HOWEVER CAUSED, WHETHER IN CONTRACT, TORT OR UNDER ANY OTHER THEORY OF LIABILITY, AND WHETHER OR NOT THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE FOREGOING DISCLAIMER SHALL NOT APPLY TO THE EXTENT PROHIBITED BY APPLICABLE LAW.

## 11. TERM AND TERMINATION



**11.1. Term of Agreement.** This Agreement commences on the date You accept it and continues until all subscriptions granted in accordance with this Agreement have expired or been terminated.

**11.2. Term of Purchased Subscriptions.** Subscriptions purchased by You commence on the start date specified in the applicable Order Form and continue for the subscription term specified therein. Except as otherwise specified in the applicable Order Form, all subscriptions shall automatically renew for one year, unless You give Us notice of non-renewal at least 30 days before the end of the relevant subscription term. The per-unit pricing during any such renewal term shall be the same as that during the prior term unless We have given You written notice of a pricing increase at least 60 days before the end of such prior term, in which case the pricing increase shall be effective upon renewal and thereafter.

**11.3. Termination for Cause.** A party may terminate this Agreement for cause: (i) upon 30 days written notice to the other party of a material breach if such breach remains uncured at the expiration of such period, or (ii) if the other party becomes the subject of a petition in bankruptcy or any other proceeding relating to insolvency, receivership, liquidation or assignment for the benefit of creditors.

**11.4. Refund or Payment upon Termination.** Upon any termination for cause by You, We shall refund You any prepaid fees covering the remainder of the term of all subscriptions after the effective date of termination. Upon any termination for cause by Us, You shall pay any unpaid fees covering the remainder of the term of all Order Forms after the effective date of termination. In no event shall any termination relieve You of the obligation to pay any fees payable to Us for the period prior to the effective date of termination.

**11.5. Termination without Cause.** Should You terminate this Agreement or any services covered by an Order Form prior to the end of the current subscription term, the respective Subscription Fees for the balance of the term (Termination Fees) shall be immediately due and payable. Such Termination Fees will be determined based upon the higher of (a) the current employee/unit count or (b) the highest 3-consecutive-month average in the preceding 12-month period.

**11.6. Return of Your Data.** Upon request by You made within 30 days after the effective date of termination of a Purchased Services subscription, We will make available to You for download a file of Your Data in comma separated value (.csv) format (or other format reasonably mutually agreed to) along with attachments in their native format. After such 30-day period, We shall have no obligation to maintain or provide any of Your Data and shall thereafter, unless legally prohibited, delete all of Your Data in Our systems or otherwise in Our possession or under Our control.

**11.7. Surviving Provisions.** Section 5 (Fees and Payment for Purchased Services), 6 (Proprietary Rights), 7 (Confidentiality), 8.3 (Disclaimer), 9 (Mutual Indemnification), 10 (Limitation of Liability), 11.4 (Refund or Payment upon Termination), 11.5 (Return of Your Data), 12 (Who You Are Contracting With, Notices, Governing Law and Jurisdiction) and 13 (General Provisions) shall survive any termination or expiration of this Agreement.

## 12. NOTICES

### 12.1. General. Addresses for Notices

Notices to Us should be addressed to:

PrimePay, LLC.  
1601 Wewatta Street, Suite 750  
Denver, CO 80202

Notices to You should be addressed to:

[Customer]  
[Address]  
[City, State Zip]



**12.2. Manner of Giving Notice.** Except as otherwise specified in this Agreement, all notices, permissions and approvals hereunder shall be in writing and shall be deemed to have been given upon: (i) personal delivery, (ii) the second business day after mailing, (iii) the second business day after sending by confirmed facsimile, or (iv) the first business day after sending by email (provided email shall not be sufficient for notices of termination or an indemnifiable claim). Billing-related notices to You shall be addressed to the relevant billing contact designated by You. All other notices to You shall be addressed to the relevant Services system administrator designated by You.

**12.3. Waiver of Jury Trial.** Each party hereby waives any right to jury trial in connection with any action or litigation in any way arising out of or related to this Agreement.

### **13. GENERAL PROVISIONS**

**13.1. Export Compliance.** The Services, other technology We make available, and derivatives thereof may be subject to export laws and regulations of the United States and other jurisdictions. Each party represents that it is not named on any U.S. government denied-party list. You shall not permit Users to access or use Services in a U.S.- embargoed country (currently Burma (Myanmar), Cuba, Iran, North Korea, Sudan or Syria) or in violation of any U.S. export law or regulation.

**13.2. Anti-Corruption.** You have not received or been offered any illegal or improper bribe, kickback, payment, gift, or thing of value from any of Our employees or agents in connection with this Agreement. Reasonable gifts and entertainment provided in the ordinary course of business do not violate the above restriction. If You learn of any violation of the above restriction, You will use reasonable efforts to promptly notify Our Legal Department ([legal@syncHR.com](mailto:legal@syncHR.com)).

**13.3. Relationship of the Parties.** The parties are independent contractors. This Agreement does not create a partnership, franchise, joint venture, agency, fiduciary or employment relationship between the parties.

**13.4. No Third-Party Beneficiaries.** There are no third-party beneficiaries to this Agreement.

**13.5. Waiver.** No failure or delay by either party in exercising any right under this Agreement shall constitute a waiver of that right.

**13.6. Severability.** If any provision of this Agreement is held by a court of competent jurisdiction to be contrary to law, the provision shall be modified by the court and interpreted so as best to accomplish the objectives of the original provision to the fullest extent permitted by law, and the remaining provisions of this Agreement shall remain in effect.

**13.7. Attorney Fees.** You shall pay on demand all of Our reasonable attorney fees and other costs incurred by Us to collect any fees or charges due Us under this Agreement following Your breach of Section 5.2 (Invoicing and Payment).

**13.8. Assignment.** Neither party may assign any of its rights or obligations hereunder, whether by operation of law or otherwise, without the prior written consent of the other party (not to be unreasonably withheld). Notwithstanding the foregoing, either party may assign this Agreement in its entirety (including all Order Forms), without consent of the other party, to its Affiliate or in connection with a merger, acquisition, corporate reorganization, or sale of all or substantially all of its assets not involving a direct competitor of the other party. A party's sole remedy for any purported assignment by the other party in breach of this paragraph shall be, at the non-assigning party's election, termination of this Agreement upon written notice to the assigning party. In the event of such a termination, We shall refund to You any prepaid fees covering the remainder of the term of all subscriptions after the effective date of termination. Subject to the foregoing, this Agreement shall bind and inure to the benefit of the



parties, their respective successors and permitted assigns.

**13.9. Venue.** This Agreement, and all the rights and duties of the parties arising from or relating in any way to the subject matter of this Agreement or the Services shall be governed by, construed and enforced in accordance with the laws of the State of Arkansas (excluding any conflict of laws provisions of the State of Arkansas which would refer to and apply the substantive laws of another jurisdiction). Any suit or proceeding relating to this Agreement shall be brought in state or federal court located in Jonesboro, Arkansas, and each party hereby consents, and waives any objection, to the exclusive jurisdiction thereof.

**13.10 Entire Agreement.** This Agreement, including all exhibits and addenda hereto and all Order Forms, constitutes the entire agreement between the parties and supersedes all prior and contemporaneous agreements, proposals or representations, written or oral, concerning its subject matter. No modification, amendment, or waiver of any provision of this Agreement shall be effective unless in writing and either signed or accepted electronically by the party against whom the modification, amendment or waiver is to be asserted. However, to the extent of any conflict or inconsistency between the provisions in the body of this Agreement and any exhibit or addendum hereto or any Order Form, the terms of such exhibit, this Agreement shall control unless the parties explicitly state in any Order form or addendum or exhibit that any such document overrides this Agreement. Notwithstanding any language to the contrary therein, no terms or conditions stated in Your purchase order or other order documentation (excluding Order Forms) shall be incorporated into or form any part of this Agreement, and all such terms or conditions shall be null and void.

**13.11 Force Majeure.** Neither Party shall be in default or otherwise liable for any delay in, or failure of, its performance under this Agreement, or any Order Form, where such delay or failure arises, directly or indirectly, by reason of any act of God, or any government or any governmental body, war, insurrection, the elements, fire, flood, national strikes or official labor disputes, or other similar or dissimilar cause beyond the control and without the negligence of such Party (a "Force Majeure Event"), provided that such Force Majeure Event could not have been prevented by reasonable precautions and could not reasonably be circumvented and provided further that the Party so affected shall immediately notify the other Party in writing upon the onset of any Force Majeure Event, shall use commercially reasonable best efforts to mitigate the effect of any Force Majeure Event and resume full compliance with its obligations hereunder including through the use of alternate sources, workaround plans and other means, and notify the other Party in writing promptly upon the termination of any Force Majeure Event.

**13.12 Non-Disparagement.** Subject to applicable law, each of the Parties covenants and agrees that, both during and after the Term of this Agreement, or until such time as the other Party or any of its agents, subsidiaries, affiliates, successors, assigns, officers, key employees or directors shall have breached this Section, neither it nor any of its respective agents, subsidiaries, affiliates, successors, assigns, officers, key employees or directors, shall in any way criticize, attempt to discredit, make derogatory statements with respect to, call into disrepute, defame, make or cause to be made any statement or announcement that relates to and constitutes an ad hominem attack on, or relates to and otherwise disparages (or causes to be disparaged) the other Parties or such other Parties' subsidiaries, affiliates, successors, assigns, officers (including any current, future or former officer of a Party or a Parties' subsidiaries), directors (including any current, future or former director of a Party or a Parties' subsidiaries), employees, shareholders, agents, attorneys or representatives, or any of their practices, procedures, businesses, business operations, products or services, in any manner.

**13.13 Non-Circumvention.** At any time prior to the expiration of three years from the date of this Agreement, it is expressly agreed that the identities of any individual or entity and any Non-SyncHR Applications discussed and made available by Us under an Order Form, or Non-GA Services shall constitute Confidential Information and You or any associated entity or individual shall not without Our prior written consent directly or indirectly initiate, solicit, negotiate, contract or enter into any business transactions, agreements or undertakings with any such third party identified or introduced by Us.



*[remainder of page intentionally left blank]*

**In Witness Whereof**, the parties have caused this Master Subscription Agreement to be executed as of the Effective Date.

**PrimePay, LLC**

By:

Name:

Title:



## Schedule A

### Service Level Agreement

#### System Availability and Performance

The SyncHR software system (the "System") used to provide the Services to You is operated twenty-four (24) hours per day, seven (7) days per week, every day of the year. The Service requires general maintenance, system upgrades and service updates (collectively, "Planned Maintenance"). Our data center partners have Planned Maintenance windows twice a week beginning on:

- Monday evening at 10:00 PM Pacific Time and ending Tuesday morning at 12:00AM Pacific Time and
- Thursday evening at 10:00 PM Pacific Time and ending Friday morning at 12:00 AM Pacific Time

Definition	Criteria	Service Level
<p>(i) "<b>System Availability</b>" means: Ability to log-in and access the System and use its functionality and the Services as intended.</p> <p>Planned Maintenance periods are not included in the calculation of System Availability.</p> <p>Any lack of System Availability due to any failure of Your Internet Service Provider, Your communication systems or other systems outside of the control of Us are exempt from any calculation of System Availability.</p> <p>(ii) "<b>System Performance</b>" means:</p> <p>the System's page load times for all customary inputs and updates.</p>	<p>You can access the System and, when performing all routine functions, will have responsive System Performance as set forth in the Service Level.</p>	<p><b>Ninety-nine and five-tenths percent (99.5%) System Availability</b> per calendar month.</p> <p><b>Average System Performance under seven seconds</b> per calendar month.</p>

#### Access to the Services and Issue Response

Issues reported by You (each, an "Issue") are assigned one of four Issue categories by Us based on the process described below:

- You notify Us and provide an Issue Description as defined in this Agreement.
- We open a case (a "Case"), categorize the Issue and begin tracking the time until the Case is closed.
- We acknowledge the Issue by email.
- We commence work to resolve the Issue.
- We provide status updates to You via email when a Case status changes until We close the Case.
- We provide continuous Issue isolation, determination and support.
- We implement a Solution to resolve the Issue as soon as available.

All Service Levels listed below are measured on a calendar month basis.

Issue Category Definition	Service Level
<p>(i) "<b>Category One– Service Unavailable</b>" shall mean the Service is unavailable to You.</p>	<p>All Category One Issues will be worked on continuously until a solution is implemented.</p> <p>All Category One Issues will be acknowledged by Us within thirty (30) minutes of You providing Us with an Issue description.</p> <p>All Category One Issues will be updated by Us via email when the corresponding Case status changes or once every four (4) hours until We close the Case.</p>

Issue Category Definition	Service Level
<p>(ii) "<b>Category Two– Critical Issue</b>" shall mean the Service is materially impaired and no acceptable workaround is available.</p> <p>Examples include:</p> <ul style="list-style-type: none"> <li>• Payroll processing system error (i.e., pay process does not calculate)</li> <li>• Time interface import is not functioning</li> </ul> <p><b>Payroll Processing Days</b>" shall mean a</p> <p>timeframe bound by check date minus three days up until check date.</p>	<p>All Category Two Issues will be worked on continuously during business hours until a Solution is implemented, except during Payroll Processing Days. Category Two Issues related to payroll processing that are encountered on Payroll Processing Days will be worked on continuously until a solution is implemented.</p> <p>All Category Two Issues will be acknowledged by Us within one (1) hour of You providing Us with an Issue description.</p> <p>All Category Two Issues will be updated by Us via email when the corresponding Case status changes or once every two (2) hours until We close the Case.</p>

Issue Category Definition	Service Level
<p>(iii) "<b>Category Three– Major Issue</b>" shall mean the Service is materially impaired and an acceptable workaround is available.</p>	<p>All Category Three Issues will be acknowledged by Us within twenty-four (24) hours of You providing Us with an Issue Description.</p> <p>All Category Three Issues will have a Solution communicated to You within fifteen (15) Business Days.</p> <p>All Category Three Issues that are resolved will be communicated to You via release notes or intermediate patch notes when a solution has been implemented.</p>



Issue Category Definition	Service Level
<p>(iv) <b>“Category Four– Minor Issue”</b> shall mean the Service is not functioning as expected but with no significant impairment and an acceptable workaround is available.</p> <p>Category Four Minor Issues also include: questions on functionality, use or set-up of the System, data questions, etc.</p>	<p>All Category Four Issues will be acknowledged by Us within twenty-four (24) hours of You providing Us with an Issue Description.</p> <p>All Category Four Issues that are resolved will be communicated to You via release notes or intermediate patch notes when a solution has been implemented.</p>

## Schedule B

### Data Protection Policy/Procedures

Our data center is SOC 1 and SOC 2 audited. A copy of the latest SOC reports can be provided upon request.

- Network and Data Security
  - Network border DDOS detection and filtration across all network links
  - Carrier-class threat management allowing immediate threat identification and remediation without interrupting legitimate traffic
  - Best of breed firewall/VPN/IDS technology
  - 24x7 firewall/VPN/IDS support and maintenance
- Application Security
  - Our application prevents and is tested for safety from the following vulnerabilities:
    - SQL Injection
    - Cross site scripting
    - Request tampering
- Data Encryption and Backup
  - Backups are encrypted before transmission to remote data centers using PGP
  - All web traffic is served using SSL (HTTPS)
  - Passwords are encrypted with one-way encryption. Unencrypted passwords are never sent via email
  - Disaster recover/backup is based upon the use of disk to disk backups with offsite vaulting service for daily server backups. The offsite vaulting service compresses and encrypts the data prior to the data leaving the server, then transfers it though an IP connection to a secure remote storage facility. Backups run nightly between 7:00pm ET and 7:00am ET (a 12 hour window).
- Environment
  - Redundant UPS and Generator backups for all systems
  - HVAC (Heating Ventilation Air Conditioning)
  - HVAC systems are arranged in a N+1 redundancy configuration
  - Controls and provides appropriate levels of airflow, temperature, and humidity
- Fire Detection and Suppression
  - Multi-zoned, dry pipe, water based fire suppression systems
  - Monitors to sample air and provide alarms prior to pressurization
  - Dual alarm activation necessary for water pressurization
  - Water discharge specific to alarm location
- Flood Control and Earthquake
  - All facilities built above sea level with no basement areas
  - Moisture barriers on exterior walls
  - Dedicated pump rooms for drainage/evacuations systems
  - Moisture detection systems
  - Location specific seismic compliance



- All facilities meet or exceed requirements for local seismic building codes

**Schedule C**  
**SyncHR Fee Schedule**  
**Effective 1/1/2018**

I.	Professional Services – investigation, training, special projects	
1.	Implementation & Professional Services	\$175 per hour
2.	Banking & Tax	\$125 per hour
II.	Banking Services	
1.	Late payroll processing	\$100.00
2.	File cancellation / payment reversal fee	\$50.00
3.	Non-sufficient funds – individual	\$50.00
4.	Non-sufficient funds – company	\$250.00
III.	Tax Services	
1.	Non-sufficient funds	
a.	1 <sup>st</sup> Occurrence	\$100.00
b.	2 <sup>nd</sup> Occurrence	\$200.00
c.	3 <sup>rd</sup> Occurrence	\$300.00
2.	Late Receipt of Data – per occurrence	\$100.00



**ADDENDUM A**

**AUTHORIZATION FOR ELECTRONIC TRANSFER OF FEES**

I, the undersigned, authorize SyncHR to initiate ACH transactions to debit the bank account listed below for payment of monthly fees.

I authorize the release of funds from the following account:

Bank Name:

Account Type:

Name on Account:

ABA/Routing Number:

Account Number:

Company Name:

Signer Contact Phone Number:

Authorized Signature (must be a signer on the bank account)

Date

Authorized Signer (please print name)

## Addendum B

### I-9 / E-Verify Services

In addition to the other services provided by **SyncHR** under the Agreement, **SyncHR** will provide the following Form I-9 and E-Verify® services (the "I-9 Services" as further defined below) under the Agreement as of the Effective Date and such Form I-9 and E-Verify services shall be deemed "Services" under the Agreement. In the event of any conflict between this Addendum and the Agreement, this Addendum shall control, but only with respect to the I-9 Services.

#### Definitions

"Content" means all information presented through the Website, including by way of example and not limitation, text, graphics, logos, icons, images, software, illustrations, auditory and visual elements, and the arrangement and compilation of the foregoing, and any other materials pertaining to the I-9 Services which are furnished or accessed through the Website.

"E-Verify" means the internet based application operated by the Department of Homeland Security ("DHS") in partnership with the Social Security Administration ("SSA"), which allows electronic employment eligibility verification of newly hired employees.

"Form I-9" or "I-9 Forms or I-9 Form" means the U.S. Citizenship and Immigration Services ("USCIS") Employment Eligibility Verification Form.

"I-9 Service" means the web-hosted computer program(s) generally known as Form I-9 or other designation that **SyncHR** may use, which is proprietary internet-based employment eligibility verification processing and recordation storage tool, together with all features and functionality offered by **SyncHR** from time to time.

"M-274" means United States Citizenship and Immigration Services Handbook for Employers that provides for guidance and instructions for completing the Form I-9.

"MOU" means the Memorandum of Understanding (MOU) that sets forth the points of the agreement between the Department of Homeland Security (DHS) and Customer regarding the employer's participation in the Employment Eligibility Verification Program (E-Verify®).

"Website" means the **SyncHR** website from which the Service is accessed, and any web pages included therein.

#### A. The E-Verify® Services provided by SyncHR to Customer will include the following:

1. Once Customer successfully completes the Form I-9 through **SyncHR** I-9 process, **SyncHR** electronically transmits the applicable data to E-Verify/DHS if requested by Customer.
2. **SyncHR** will deliver to Customer the initial response from the DHS, subject to the availability of the DHS system. Responses include the following:
  - i. Authorization: If the response from E-Verify is "Employment Authorized," **SyncHR** will provide that information to Customer, and the case verification number and date will be recorded and stored electronically with the employee's Form I-9.
  - ii. Tentative Non-Confirmation – If the response from E-Verify is "SSA Tentative Non-Confirmation," **SyncHR** will provide Customer with an electronic version of the Notice to Employee of Tentative Non-Confirmation. Customer will then determine if the employee wishes to contest and proceed accordingly. The case verification number and date will be







leave their employment or terminate their relationship with **SyncHR** and/or its licensors, as applicable. **SyncHR** and/or its licensors retain all title and interest in and to the I-9 Service and its underlying technology and all Content, and all copies or modifications thereof, including all intellectual property rights therein. This license does not transfer any right, title, or interest in the I-9 Service or Content except for the license to use the I-9 Service on the terms contained herein. Customer is on notice that the I-9 Service and Content are protected by copyright and other laws.

Customer acknowledges that in order for **SyncHR** to provide the Service, Customer must necessarily agree to the MOU prescribed by E-Verify. Such MOU sets forth the terms by which the SSA and US Citizenship and Immigration Services ("USCIS"), with **SyncHR** as Customer's E-Verify Employer Agent (EEA), will confirm the employment eligibility of newly hired employees following completion and submission of the Form I-9 through the I-9 Service. Customer further agrees that **SyncHR** may operate as EEA of Customer for purposes of providing the Service contemplated herein.

Customer acknowledges **SyncHR** bears no responsibility or liability for Customer's failure to comply with the federal Form I-9 completion, retention, correction and storage rules. In order for Customer to ensure its compliance with the Form I-9 and E-Verify, Customer should and **SyncHR** strongly recommends that Customer consult with its own legal counsel familiar with Customer's unique requirements and legal/regulatory obligations related to the use of **SyncHR** Form I-9, E-Verify and other, additional or third party services obtained pursuant to this Agreement. In regards to retention rules, Customer should periodically download and save the electronic Form I-9 records created through the use of the I-9 Service or input accurate termination dates into the I-9 Service to assist with the proper management and purging requirements for the Form I-9. Information, including Form I-9 records, downloaded and saved or otherwise retained on Customer's computers or servers are owned by, and remain the responsibility of Customer. Notwithstanding the foregoing, Customer is solely responsible for complying with all other laws, rules and regulations promulgated by DHS, Office of Special Counsel or USCIS or other government agencies regarding the proper completion, use, handling, remediation and correction of I-9 Forms, including by way of example and not limitation, timely completion of I-9 Forms, posting notices of its participation in E-Verify® and antidiscrimination provisions. Customer may print or download completed I-9 Forms processed through the I-9 Service and documents related thereto, such as employment eligibility verification case details, tentative non-confirmation notices and referral letters, and re-verifications.

Support for the operation of the I-9 Service shall be provided by **SyncHR**. Customer may contact **SyncHR** for support services by phone or email.

Access to, or use of, the I-9 Service may be subject to limitations, delays, and other problems inherent in the use of the internet and electronic communications, as well as delays or unavailability of DHS facilities from time to time. **SyncHR** is not responsible for any delays, delivery failures, or other damage resulting from such problems. **SyncHR** will schedule routine maintenance at times when it is least likely to disrupt use of the Service.

**Remediation.** (if applicable and requested as a paid for service by Customer) In connection with document imaging and data collection activities, **SyncHR** will use commercially reasonable efforts to correctly identify and categorize Form I-9 (including historical Form I-9) supporting documentation, but **SyncHR** shall not be responsible for and not limited to correction, categorization errors due to omission, or poorly formed, illegible, or ambiguous words or characters. In instances where there are omissions, significant ambiguities or other areas where the operator is unable to correctly categorize supporting documentation, **SyncHR** will endeavor to flag the data record in question for Customer follow-up. Customer also acknowledges that while **SyncHR** will use commercially reasonable efforts to check for obvious errors, such activities will not constitute an audit of the Form I-9 and **SyncHR** shall not be responsible whatsoever for and not limited to correction, audits, results of audits or



approvals of Form I-9s.

**Governmental Audits.** In the event that the Form I-9 or E-verify activities or any other activities of Customer based on or using **SyncHR** Products are subject to an audit, investigation or fine by one or more governmental agencies, including the DHS, ICE (U.S. Immigration and Customs Enforcement), USCIS, SSA, Department of Justice, Office of Special Counsel or other state or federal agencies, Customer shall provide reasonable notice to **SyncHR** (and In any case no less than 24 hours after receiving notice of such audit, investigation or fine). **SyncHR** and/or its licensor(s) shall be entitled to participate in such process and respond to all questions directed at the I-9 software, I-9 related services, and its automation or operational processes and to conduct all demonstrations. Failure to comply with this section is a material breach of this Agreement by Customer and Customer acknowledges that it may be liable for damages to **SyncHR** business and reputation resulting from such failure.

**Legal Support Services.** If **SyncHR** (including any of its licensors, affiliates and subsidiaries) assist Customer or is otherwise required to participate for, defense of, or responding to any legal or regulatory proceedings involving or related to Customer, including, without limitation, subpoenas, depositions, hearings and trials (collectively "Legal Support Services"), Customer shall reimburse **SyncHR** for all costs and expenses that **SyncHR** reasonably Incurs therewith, including, without limitation, reasonable attorney's fees and disbursements. Except to the extent required by law, **SyncHR**, its licensors, affiliates and subsidiaries are under no obligation to provide Legal Support Services to Customer and will evaluate such matters on a case by case basis.

**Compliance; No Legal Advice.** Customer acknowledges that **SyncHR** will not render any opinions regarding Form I-9 compliance, E-Verify® or Form I-9 content or submitted images or documents, and Customer shall base its processes, guidelines and decisions on its own policies and procedures. Any consultation, training, information, support and forms provided by **SyncHR** are provided for informational purposes only, and not for the purpose of providing legal advice.

**SYNCHR STRONGLY RECOMMENDS THAT CUSTOMER CONSULT WITH ITS OWN LEGAL COUNSEL FAMILIAR WITH CUSTOMERS UNIQUE REQUIREMENTS AND LEGAL/REGULATORY OBLIGATIONS RELATED TO THE COMPLIANT PROCUREMENT AND USE OF THE FORM I-9 AND OTHER SERVICES OBTAINED PURSUANT TO THIS AGREEMENT.**

**Warranty, Disclaimer and Limitation of Liability.**

EXCEPT AS OTHERWISE EXPRESSLY STATED HEREIN, THE SERVICE AND THE CONTENT ARE PROVIDED "AS IS" AND THERE ARE NO WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NONINFRINGEMENT.

ANY ADVICE, TRAINING OR INFORMATION GIVEN BY **SYNCHR** IN THE COURSE OF OFFERING THE I-9 SERVICE OR E-VERIFY® IS FOR INFORMATIONAL PURPOSES, IS NOT INTENDED AS LEGAL ADVICE FOR ANY PURPOSE, AND SHOULD NOT BE CONSIDERED AS LEGAL ADVICE OR A LEGAL OPINION. USE OF THE SERVICE DOES NOT CREATE, AND IS NOT INTENDED TO CREATE, ANY ATTORNEY CUSTOMER RELATIONSHIP.

EMPLOYMENT ELIGIBILITY INFORMATION COMMUNICATED THROUGH THE SERVICE IS RECEIVED THROUGH THE DHS E-VERIFY PROGRAM. **SYNCHR** MAKES NO REPRESENTATIONS OR WARRANTIES REGARDING THE ACCURACY OF INFORMATION RECEIVED FROM THE E VERIFY PROGRAM AND DISCLAIMS ALL LIABILITY RELATED THERETO, INCLUDING FOR DAMAGES RESULTING FROM CUSTOMER'S RELIANCE THEREON.



TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT WILL **SYNCHR** (OR ITS LICENSOR) BE LIABLE FOR CUSTOMER'S USE OF THE SERVICE, RESULTS OF DECISIONS MADE OR ACTIONS TAKEN BASED UPON USE OF THE SERVICE, OR ANY FAILURE TO TAKE ACTION, OR ANY THIRD PARTY CLAIM MADE AS A RESULT OF USE OF THE SERVICE FOR INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES, FINES, LOSS OF ANTICIPATED PROFITS OR BUSINESS, OR INTERRUPTIONS IN BUSINESS, ARISING OUT OF THE USE OR INABILITY TO USE THE SERVICES OR THE PERFORMANCE OF THIS ADDENDUM OR AGREEMENT, WHETHER BASED ON ACTIONS IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR OTHERWISE, EVEN IF **SYNCHR** OR CUSTOMER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT WILL **SYNCHR'S** CUMULATIVE LIABILITY UNDER THIS AGREEMENT EXCEED THE AGGREGATE AMOUNT OF FEES PAID BY CUSTOMER TO **SYNCHR** DURING THE TWELVE (12) MONTH PERIOD PRECEDING THE DATE OF THE CLAIM. CUSTOMER ACKNOWLEDGES THAT THE ABOVE LIMITATIONS OF LIABILITY IS A MATERIAL FACTOR IN **SYNCHR'S** DETERMINATION OF FEES AND COSTS OF THE I-9 SERVICES AND THAT THEY FORM AN ESSENTIAL BASIS OF THE BARGAIN BETWEEN THE PARTIES.

Notwithstanding anything to the contrary in the Agreement, **SyncHR** and its licensor(s) shall have no liability whatsoever for any damages or financial penalty resulting from: (i) acts or omissions of Customer or their personnel, including but not limited to user error, omissions of required documentation, fraudulent documentation, user process or data input error or omission in use of the I-9 Services, correction (i.e. remediation) of historical or current I-9 Forms, upload or input of historical Form I-9 data or I-9 Forms; (ii) failure to abide by timing requirements and discrimination or other unlawful hiring practices by Customer; (iii) any claim where **SyncHR** or its licensor reasonably relies on M-274; (iv) any claim where guidance under M-274 is subject to interpretation and **SyncHR** or its licensor reasonably relies on advice of legal counsel or enforcement agency personnel in determining employer requirements under M-274; (v) any claim due to or resulting from an integration that pre-populates employee data into the **SyncHR** products, software, services or databases created through the I-9 Services; (vi) any claim due to or resulting from retroactive application of Form I-9 requirements by any enforcement agency not know to **SyncHR** or its licensor at the time of providing the I-9 Services; (vii) any violation of Customer's compliance obligations under an MOU, M-274 or E-Verify®; (viii) any acts or omissions of third parties providing optional Form I-9 related services, including, but not limited to and specifically third party notaries. It is Customer's sole responsibility and at Customer's sole discretion to elect to use or not use any third party or additional services offered or not offered by **SyncHR**; (ix) any claim where a process used by Customer in connection with the I-9 Services is disclosed to Customer and undertaken with the knowledge and consent of Customer; and (x) an action, claim or legal proceeding, regardless of form, arising in connection with this Agreement more than one (1) year after the date such cause of action shall have arisen.

**7. Pricing for the following I-9 Services is set forth on the SyncHR Sales Order form:**

- (a) Form I-9/E-Verify®: Form I-9s with automated driven data collection and real-time data validation. Automatically secure, store, and submit to E-Verify. Provide retrieval and printing of Form I-9s and audit trails. Receive email notifications on expired work authorizations, and Tentative Non-confirmation (TNC) notices. Expired Form I-9s will be purged in accordance with federal regulations if accurate termination dates are inputted by Customer.

**Optional Add-on services - Additional fees apply for each item below and must be listed as a separate line item on the SyncHR Sales Order Form. Contact your sales consultant for pricing**

- (b) Remote Hire Form I-9/E-Verify®: Remote new hires receive an email and/or a text



message to securely complete Section 1 and instructions how to complete Section 2 [in the presence of employer representative]. The automated and cloud based remote hiring system utilizes technology assisted by mobile and dynamic routing technology with mouse to sign (electronic signature) to complete remote Form I-9s

- (c) Data Migration (Please reference detailed Statement of Work) : Import archived Form I-9 data into system and access existing paper Form I-9s for retrieval.
- (d) Notary Network (Remote Hire Third Party Service Add-On): The remote hire notary service is an add-on that is to be used in conjunction with the Remote Hire Software Module (I-9 Remote). Customer has access to a nationwide network of notaries (authorized agents), who are trained on the completion of the Form I-9. A Separate Statement of Work must be signed.
- (e) Remediation (Please reference detailed Statement of Work): Scan, electronically convert and possibly correct archived paper Form I-9s to achieve compliance.

## Addendum C

### Payroll Processing Services

1. The initiation of direct deposit services by Us is subject to the acceptance of Your credit and the approval of the Originating Depository Financial Institution (ODFI) and/or its agent that will be originating instructions on Our behalf. If accepted and should you agree to the terms of this Addendum C and the terms and conditions of the ODFI and/or its agent, services will begin on the implementation date and will continue until terminated upon 90 days prior written notice by either party or as otherwise provided for hereby.
2. **DIRECT DEPOSIT SERVICES AND AUTHORIZATIONS.** We will process Your payroll direct deposit and check amounts by wire transfer instructions in accordance with this Addendum C. YOU WILL BE RESPONSIBLE FOR PAYMENT OF WIRE TRANSFER CHARGES WHICH WILL BE ASSESSED BY YOUR BANK. We will, and You hereby authorize Us to, initiate debits or reverse wire transfers, as the case may be, to Your bank account ("Your Account") prior to each payday for Your payroll ("Paydate") and credit the bank accounts of Your employees and others to be paid by You by direct deposit payment on Paydate (a "Payee"), all in compliance with the operating rules of the National Automated Clearing House Association and the terms and conditions hereof. You will notify Us immediately of any change in the information in the authorization at least 14 days before the effective date of any such change. You will also obtain a written authorization from any Payee prior to the initiation of the first credit to the account of such Payee and shall provide upon demand a copy of such written authorization to Us. To the extent permitted by the applicable law to preserve Your special immunity, You will indemnify and hold Us harmless from any and all claims or loss (including, but not limited to liabilities, legal costs, expenses, incidental, consequential, or punitive damages).
3. **YOUR RESPONSIBILITIES.** You will: (a) complete and execute all required documentation so that We may withdraw funds from Your Account to process direct deposit payrolls; (b) input or report all relevant payroll data to Us no later than 2:00 p.m. Pacific Standard Time (PST) two banking days prior to each Paydate; (c) have available in Your Account good, collected funds in an amount sufficient for Us to cover the debits initiated by Us hereunder no later than the opening of business (i) two banking days prior to each Paydate for debits by electronic entry, and (ii) two banking days prior to each Paydate for funding by wire transfer; and (d) compare all reports on credits or debits initiated by Us to Your records and promptly notify Us of any discrepancies. You and We may agree to vary certain of these responsibilities depending on Client needs and circumstances.
4. **DEFAULT; TERMINATION.** We shall have the right, at our option, to terminate direct deposit services immediately without prior notice to You if (a) Your Account is not funded as required by this Addendum and as a result any debit to Your Account is returned to Us or ODFI and/or its agent; (b) You fail to pay any sum due to Us due hereunder or perform any obligation required to be performed hereunder; (c) You file or have filed a petition for bankruptcy or You become insolvent or have a substantial portion of Your property become subject to levy, execution or assignment; (d) ODFI and/or its agent notifies Us that it is no longer willing to originate debits and credits for You for any reason; or (e) Our agreement with ODFI and/or its agent is terminated. If We terminate this Addendum C, Our obligation under this Addendum shall cease and Our sole responsibility to You shall be to return to Client any payroll funds then held by Us after the deduction of all fees and expenses due Us, ODFI and/or its agent.
5. **LIMITATION OF LIABILITY.** Our sole liability to You or any third party hereunder shall be for claims arising out of errors or omissions in the Services caused solely by Us, and the sole remedy shall be to furnish a correct advice of deposit, and/or corrected or reversal debit or credit entry, as the case



may be; provided that, in each case You advise Us no later than one business day after the occurrence of such errors or omissions. WE MAKE NO WARRANTY, REPRESENTATION OR PROMISE TO YOU IN CONNECTION WITH THIS ADDENDUM, AND DISCLAIMS ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING ANY IMPLIED WARRANTIES WITH RESPECT TO THE SERVICES. IN NO EVENT SHALL WE OR OUR AGENTS BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES, INCLUDING LOSS OF ANTICIPATED PROFITS OR OTHER ECONOMIC LOSS, TO YOU OR THIRD PERSONS, WHETHER SUCH DAMAGES RESULT FROM OUR BREACH OF THIS ADDENDUM, BREACH OF WARRANTY, ITS NEGLIGENCE OR THAT OF ITS AGENTS.

6. INDEMNIFICATION; REIMBURSEMENT. You acknowledge that We are acting solely in the capacity of data processing agent and is not a source of funds for You. You shall be liable for each debit initiated by Us, whether by electronic entry or wire transfer. You promise to pay Us on demand the amount of any unfunded direct deposit file, with interest, and all Our or third-party fees or charges including, without limitation, any debit returned to Us due to insufficient or uncollected funds or for any other reason. Such deficits are subject to interest and service charges. To the extent permitted by the applicable law to preserve Your special immunity, You shall indemnify and hold harmless Us from and against any loss, liabilities, claims or damages, including attorneys' fees, arising from any breach by You of the terms and conditions of this Addendum C or any fraudulent or dishonest acts or omissions of You or Your Payees, employees or agents involving Your use of payroll processing services.
7. PAYMENT; FEES. Standard payroll processing services are part of your HCM license fees. However, You shall pay Us for exception or additional fees charged by ODFI, including but not limited to cancelled or returned payments, insufficient funds, and late payroll submission. These prices are subject to change from time to time. Payments by You shall be made on the terms set forth in the Master Services Agreement. You agree to reimburse Us for any and all expenses we may incur, including interest and reasonable attorneys' fees, in taking action to collect any amounts due Us hereunder. Any credit earnings or interest earned on funds deposited by You with Us hereunder pending payment to Payee on respective Paydates will be for the benefit of Us.
8. REFUND/ADJUSTMENTS. Any refunds/adjustments will not be processed by Us until verification is available that good, collected and the final funds from You are in Our or ODFI's account.



1601 Wewatta Street, Suite 750  
Denver, CO 80202

QUOTE #00002338

**SyncHR Contact:** Lars Knudsen  
**Order Date:** 07/22/2021  
**Expiration Date:** 08/21/2021

<b>Customer</b>	<b>Contact</b>
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Jonesboro Arkansas  
300 S Church St  
Jonesboro AR, 72401

**Human Capital Management (HCM) Suite Services Purchased**

Service Anniversary Date: August 1st    Subscription Term Date: 07/31/2024			
Recurring Annual Subscription Fees	Number of Employees	Per Unit Price (Per Employee Per Month)	Total Annual Fees
SyncHR Core HCM Suite Includes: <ul style="list-style-type: none"> <li>• Time &amp; Attendance</li> <li>• Advanced Scheduling</li> <li>• Learning Management System (LMS)</li> <li>• SyncHR-Performance</li> <li>• FMLA Tracker</li> <li>• ATS Recruit</li> </ul>	600	\$16.90	\$ 121,680.00
ANNUAL FEES SUB-TOTAL			\$ 121,680.00
<b>Professional Services</b>			<b>Total Non-Recurring Fees</b>
Implementation Fees			\$ 15,000.00
NON-RECURRING SUB-TOTAL			\$ 15,000.00
<b>TOTAL</b>			<b>\$ 136,680.00</b>

\* A minimum of \$50,000 annual subscription fee is required regardless of Customer company size.

Periodic Fees	Units	Per Unit Price	
<b>Electronic I-9</b>	Per new hire - standard	\$ 2.75	
<b>W-2's</b>	Per Printed Form	\$ 6.00	



**Standard Terms and Conditions**

1. By signing this Order Form, Customer is offering to purchase the products and services listed above. Customer's offer to purchase becomes a binding commitment upon acceptance by SyncHR, and is not subject to the issuance of any further purchase orders, confirmations or other events.
2. The Master Subscription Agreement and this Order Form represent the entire agreement between SyncHR and Customer and cannot be overridden by terms contained in any later received document, unless the additional terms are accepted in writing by SyncHR.
3. This Order will be processed upon receipt acceptance by SyncHR. The products will then be made available for Customer's immediate use.
4. SyncHR reserves the right to terminate Customer's right to use the Software pursuant to the terms contained in the Master Subscription Agreement between SyncHR and Customer.
5. Prices shown above do not include any taxes that may apply. Any such taxes are the responsibility of the Customer. This is not an invoice.
6. All Implementation Fees and the First-Year Subscription Fees are payable upon execution of this Order Form.
7. A minimum of \$50,000 annual subscription fee is required regardless of number of employees. Subscription fees will be re-calculated and adjusted based on actual employee counts no less frequently than once per year, subject to limits in the Master Subscription Agreement.
8. Pricing for Core HCM Fees includes:
  - HR Management
  - Benefit Administration
  - Payroll & Tax Filing
  - ACH/Direct Deposit
  - Org Charts - Domestic & International
  - Time & Attendance
  - ATS Recruiting - Unlimited Concurrent Jobs, 1 Career Portal
  - Online Document Storage
  - Paperless Employee Onboarding
  - Employee & Manager Self Service
  - PTO Request/Approvals & PTO Calendar
  - Standard Alerts & Notifications
  - Standard Reports & Ad-Hoc Report Writer
9. Pricing for Core HCM Implementation Fees includes:
  - Benefit Carrier Feeds - up to 0 Carrier Feeds as part of the initial Implementation (timing of Go Live of Benefit Carrier Feeds is dependent on SLA of Carriers and may not be available as of the go live date).
  - Change management strategy, including standard tools, templates and training materials available to be leveraged in the communications and training of end users.
10. A scope of work will be required and additional charges may apply if any additional services are required, including but not limited to:
  - Custom integrations
  - Custom Reports
  - Additional Benefit Carrier Feeds
11. Electronic I-9 includes eVerify, whether required by statute or opted in by customer.

**Additional Terms and Conditions**

Benefit Administration is NOT included in the HCM Core

*Payment Terms for Subscriptions and Services:*

The payment terms for this Order Form are contained in the Master Subscription Agreement between Customer and SyncHR.

*Miscellaneous:*

The Customer understands that service may be terminated upon payment default pursuant to the terms set forth in the Master Subscription Agreement between Customer and SyncHR. This Agreement is not valid until signed by an authorized representative of SyncHR and Customer. By signing below, you represent that you are authorized to sign this Agreement on behalf of Customer. Changes or modifications to this Order Form must be made in writing and such writing must be signed by both parties.

Jonesboro Arkansas

SyncHR Inc.

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

DRAFT



**From:** Frank V. McNamara <FMcNamara@primepay.com>  
**Sent:** Wednesday, September 22, 2021 3:22 PM  
**To:** Joseph DeJohn <jdejohn@synchr.com>; Lars Knudsen <lknudsen@synchr.com>  
**Cc:** Jonathan Flakoll <jflakoll@synchr.com>  
**Subject:** RE: Amended Service Agreement [PrimePay/SynCHR]

All

With respect to the confidentiality waiver, you can provide the following to them:

PrimePay, LLC hereby acknowledges and consents to Jonesboro's disclosure of certain Confidential Information (as defined in the Master Subscription Agreement dated September \_\_\_, 2021 between us (the "MSA")) consisting of up to three readings of portions of the MSA at the Jonesboro City Council and placing the MSA (and any applicable attachments) in Legistar where they will be viewable by the general public. In connection with this acknowledgment and consent, PrimePay hereby waives any of its rights and remedies under the MSA related to the above permitted disclosure of Confidential Information by Jonesboro.

Frank

**Frank V. McNamara** | *EVP, Chief Legal Officer*

1487 Dunwoody Dr., West Chester, PA 19380

Call: 610.296.4500 | DID: 484.320.3931 | Fax: 484.325.2431

[FACEBOOK](#) | [INSTAGRAM](#) | [LINKEDIN](#) | [TWITTER](#)

 **PRIMEPAY.**